

LATE
ATTACHMENTS

PLANNING
COMMISSION

MEETING OF

~3/12/14~

Planning Intern

From: Don McPherson <dmcphersonla@gmail.com>
Sent: Thursday, March 06, 2014 2:46 PM
To: Christopher Conaway; Kathleen Paralusz; Martha Andreani; Paul Gross; Steve Ortmann
Cc: Richard Thompson; Laurie B. Jester; John Jalili; David Biggs; Nate Hubbard; Wayne Partridge
Subject: History of Shade Hotel Entertainment Permits
Attachments: 140304-EntertainmentPermit-History-v2.pdf; 140305-EntPermits-Exhibits.pdf

Planning Commission
City of Manhattan Beach
Via Email

Subject: History of Entertainment Permits for Shade Hotel

At the February 12 public hearing for Shade Hotel, the Planning Commission directed staff to prepare a history of entertainment permits for the premises.

Off and on, I have worked on such a history during the past four years, trying to understand the eight annual entertainment permits issued to the Shade Hotel, since it commenced operation in November 2005. The attached history and its three exhibits constitute the results.

For a brief summary:

- The entertainment permit may not grant privileges to Shade Hotel in excess of those stated in the 2005 CUP;
- The first entertainment permit, approved 11 July 2006, increased the hours of food and alcohol service on the terrace to 11 PM, from 10 AM weekdays and 11 AM weekends, for breakfast service only, as specified in the 2005 CUP at Finding L;
- In 2008, the annual entertainment permit and its revision increased occupancy to 493 patrons, from the 334 occupancy stated in the building plans approved in November 2004 and in the project description submitted by Mr. Zislis to the planning commission, for the May 2005 public hearing on the 2005 CUP; and,
- The City has never exercised its authority to use the entertainment permit for controlling noise from Shade Hotel.

The attachments substantiate these conclusions, with facts from documents in the administrative record.

During the Shade agenda item at the March 12 meeting, I will testify how this entertainment-permit history relates to your forthcoming consideration of the draft resolution, for modification of the use permit.

Thanks,

Don McPherson
1014 1st St, Manhattan Beach CA 90266
Cell: 310 487 0383
dmcphersonla@gmail.com

SHADE HOTEL ENTERTAINMENT PERMIT CHANGE HISTORY

12 March 2014

SUMMARY.

At the February 12 hearing on Shade Hotel, Ms. Jester described how the City uses the entertainment permit. Commissioner Gross inquired whether the permit may grant privileges that exceed limitations in the use permit. Ms. Jester replied, "It cannot be less restrictive."

Chairman Conaway asked how the permit has evolved over the years. Ms. Jester replied, "It has evolved slightly over the years."

Mr. Conaway wondered why the entertainment permit had not controlled the noise from Shade and requested staff to prepare a history of the changes, for presentation at the March 12 hearing.

We summarize the known three changes in the Shade Hotel entertainment permits, from 2005 to present, as follows:

- The first entertainment permit, dated 11 July 2006, increased the hours of food and alcohol service on the terrace to 11 PM, from 10 AM weekdays and 11 AM weekends, as stated in the 2005 CUP, at Finding L. At the 2005-CUP hearing in May 2005, Mr. Zislis testified to the planning commission that the terrace would close at the aforementioned morning hours. [Video reference cited on next page];
- In the December 2008 revision of the 2007-2008 entertainment permit, staff deleted a previous provision that required alcohol service to stop at 10:00 PM on the terrace and at 10:30 PM in the Zinc nightclub; and,
- The entertainment permit for 2007-2008 specified an occupancy of 369 patrons. In December 2008, staff revised the permit to increase occupancy by 124, a **34% increase**.

Commissioners can review the discussion on entertainment permits at the Shade February 12 hearing, by viewing the five-minute video of relevant clips, at:

YouTube: <http://youtu.be/R5Braeeuu4Us>

DropBox: [EntertainmentPermit-Discussion-PC-12Feb2014](http://www.dropbox.com/s/EntertainmentPermit-Discussion-PC-12Feb2014)

If the links do not work, copy either one into the address bar of your browser. You can download the video from DropBox, at upper right in the window. Please ignore the "Double click to edit" in the opening title page, a video production error.

CHRONOLOGY OF SHADE ENTERTAINMENT-PERMIT USE CHANGES.

Construction on Shade Hotel began immediately after the City approved the building permit in November 2004. The plans specified a **total occupancy of 334**, having remained unchanged ever since. [Page 5 of plans on file at the city]

In May 2005, at the 2005-CUP hearing before the planning commission, construction had progressed sufficiently to complete one guest room, fully furnished. Shade commenced operations in November 2005.

Staff approved the first entertainment permit on 11 July 2006. The annual permit for 2013-2014 constituted the eighth. It recently lapsed on 1 March 2014.

As summarized above, staff has used the entertainment permits to intensify use, by extending service hours on the terrace from morning close to 11 PM and increasing occupancy from 334 in the building permit to the currently allowed 493 patrons. [Exhibit EP-1, Page EP-38]

SHADE HOTEL ENTERTAINMENT PERMIT CHANGE HISTORY

12 March 2014

Increase in Terrace Service Hours.

Use Increase No. 1 The 2005 CUP, at Finding L, restricts food and alcohol service on the terrace for only breakfast. The first entertainment permit, issued in July 2006, increased food and alcohol service on the terrace to 11 PM, from 10 AM weekdays and 11 AM weekends. [Exhibit EP-1, Page EP-7: *Use Permit Description and Conditions*, Item 5]

At the May 2005 hearing on the 2005 CUP, Mr. Zislis testified to the planning commission that the terrace would close for food and alcohol service at the aforementioned morning hours.

Commissioners can review the 55-second video clip of Mr. Zislis's 2005 testimony at:

YouTube: <http://youtu.be/gCv4XJVYyks>

DropBox: [TerraceHours-ZislisTestimony-2005CUP-Hearing](#)

Use Increase No. 2. The three entertainment permits, from 2006 to 2008, required alcohol service to stop at 10:30 PM in the Zinc nightclub and at 10:00 PM on the terrace. [Exhibit EP-1, Pages EP-7, EP-18, & EP-29: *Use Permit Description and Conditions*, Item 5]

The December 2008 revision to the entertainment removed the abovementioned provision for ending alcohol service before closing time. [Exhibit EP-1, Page EP-40: *Use Permit Description and Conditions*, Item 5]

Increase in Occupancy.

Use Increase No. 3. The 2005 CUP does not specify occupancy numbers, nor does the Metlox Master Use Permit. Both the approved building plans on file with the city and the Shade application for the 2005 CUP do state, however, an occupancy of 334, *including guests in rooms*. [Exhibit EP-2, Page 7]

Condition 1 in the 2005 CUP states,

*"The proposed project shall be in substantial conformance with the **plans** submitted and the **project description**, as approved by the Planning Commission on May 25, 2005, subject to any special conditions set forth below.*

The building plans on file with the city and the *Written Description* in the 2005 Shade application constitute the documents cited in the 2005 CUP, that establish the permitted occupancy for the record, specifically 334. When the Planning Commission approved the 2005 CUP, they had before them one number for maximum permitted occupancy, namely 334, *including guests in rooms*.

The Shade entertainment permit cannot grant less restrictive conditions, than those stated in the 2005 CUP, according to Ms. Jester's aforementioned testimony and to the entertainment permit ordinance. [Exhibit EP-3, Page 4]

In contrast, since December 2008, the Shade entertainment permit has allowed 493 patrons in the entertainment areas, a **48 % increase**, compared to the 334 permitted by the plans and project description, as incorporated into the 2005 CUP, by reference in Condition 1.

The most egregious occupancy increase by the entertainment permit occurred in 2008, by raising the Skydeck number from 45 to 92, **over a 100 % boost**. [Exhibit EP-2, Page 38] Skydeck noise constitutes the most difficult to mitigate, for Shade Hotel.

SHADE HOTEL ENTERTAINMENT PERMIT CHANGE HISTORY

12 March 2014

The table below summarizes the occupancy increase chronology for Shade Hotel.

Document in Shade Admin Record	Building Permit	2005 CUP, Application	Entertainment Permit No. 3	Entertainment Permit No. 4
Date	Nov 2004	May 2005	Jul 2008	Dec 2008
Occupancy	334	334	369	493
Cumulative Increase	-	-	11%	48%
References	Page 5, Plans on file with city	Exhibit EP-2, Page 7	Exhibit EP-1, Page EP-27	Exhibit EP-1, Page EP-38

Notes:

- The 2005 CUP occupancy of 334 *includes guests in rooms*
- Entertainment-permit occupancies **do not** include guests in rooms
- The first two entertainment permits did not state an occupancy number
- Occupancy increases to 493, from the 2005 CUP number of 334, both occurred in 2008
- Since 2008, the entertainment permit has allowed an occupancy of 493.

CONCLUSION.

The entertainment permit may not grant privileges to Shade Hotel that exceed those in the 2005 use permit.

The entertainment permits for Shade Hotel have increased hours of food and alcohol service on the terrace to 11 PM, compared to 10 AM weekdays and 11 AM weekends specified in the 2005 CUP.

The permits also increased occupancy to 493, in public areas having entertainment, whereas by reference, the 2005 CUP limits occupancy to 334, which also includes guests in rooms.

Since Shade Hotel commenced operation in November 2005, the City has never exercised its authority to control noise disturbances, by means of the entertainment permit.

The City approves entertainment permits ministerially, so the above increases do not constitute entitlements. Therefore, in the forthcoming use permit amendment, the Planning Commission may reduce occupancy to 334, including guests in rooms, and may restrict food and alcohol service on the terrace to 10 AM weekdays and 11 AM weekends.

EXHIBIT EP-1

SHADE HOTEL ENTERTAINMENT PERMITS, 2006-2014

12 March 2014



Address: 1221 N. Valley



CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

CITY USE ONLY
Date Received 5/4/06
Received by _____
Fee \$329.00
Receipt No. _____
Trans. Code # 4110

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name MICHAEL A. ZISUS ON BEHALF OF SHADE HOTEL

Applicant Address 1221 NORTH VALLEY DRIVE

Phone # 310-546-4995 Driver Lic.# U1146027 Birthdate 10/13/1965

Applicant(s) Employed By SHADE HOTEL

Business Address 1221 NORTH VALLEY DRIVE Phone 310-546-4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity AMPLIFIED MUSIC FOR PRIVATE EVENTS, USING

UP TO FOUR MUSILIANS

Date(s) of Activity ANNUAL - UP TO FOUR TIMES PER MONTH Time & Duration NOT BEFORE 10 AM OR AFTER TEN PM.

Describe Type of Music & Amplification WILL VARY DEPENDING ON EVENT.

Expected Maximum Attendance 200 Alcohol Served? Yes No

Will Persons Under 21 Years of Age be Present? Yes No

Alcohol Sold? Yes No If Yes, ABC License # _____

Activity Supervisor(s) JEN PETERSON, EVENTS Address SHADE HOTEL Phone # 310-698-5555

* LIKELY AT WEDDINGS, LESS LIKELY AT OTHER EVENTS

LOCATION OF ACTIVITY

Address of Activity: 1721 NORTH VALLEY DRIVE

Type of Business: HOTEL

Occupant Capacity of Building: Dancing 75 Dining 200

Gross Floor Area 1800 SQ FT. Floor Area For Dancing 800 SQ FT Dining 1500 SQ FT

Parking: Number of On-Site Parking Spaces 50 VALET SPOTS

Nearby Parking Facility METLOX Number of Spaces 460

Other ADDITIONAL PUBLIC PARKING IN LOTS 8, 7, AND 3.

Description of Neighborhood: Commercial Residential
 Mixed Commercial & Residential Uses Nearby
 Other

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes No

Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes No If yes, was the issued Permit ever denied or revoked? Yes No

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE [Signature] DATE 5/11/06

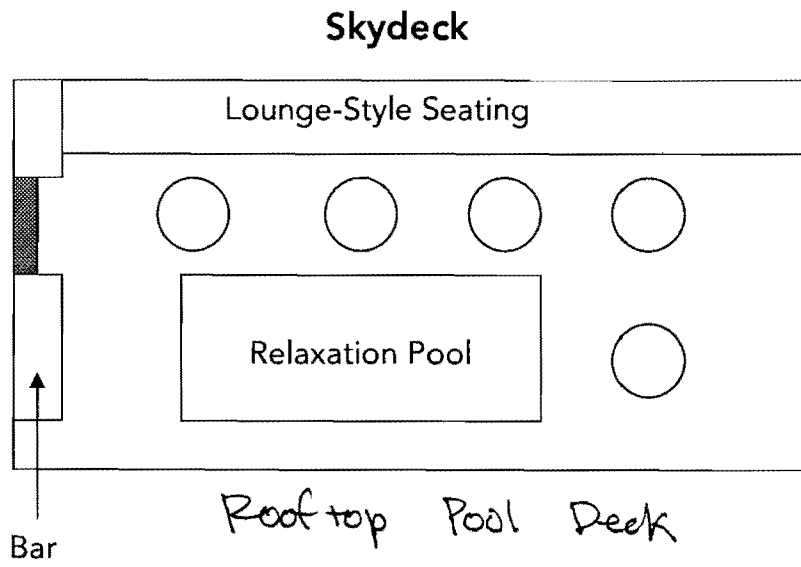
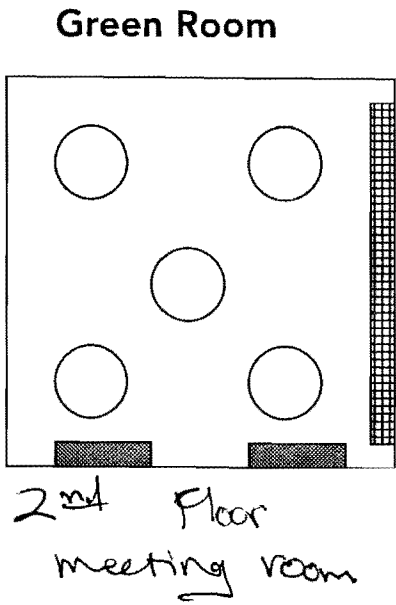
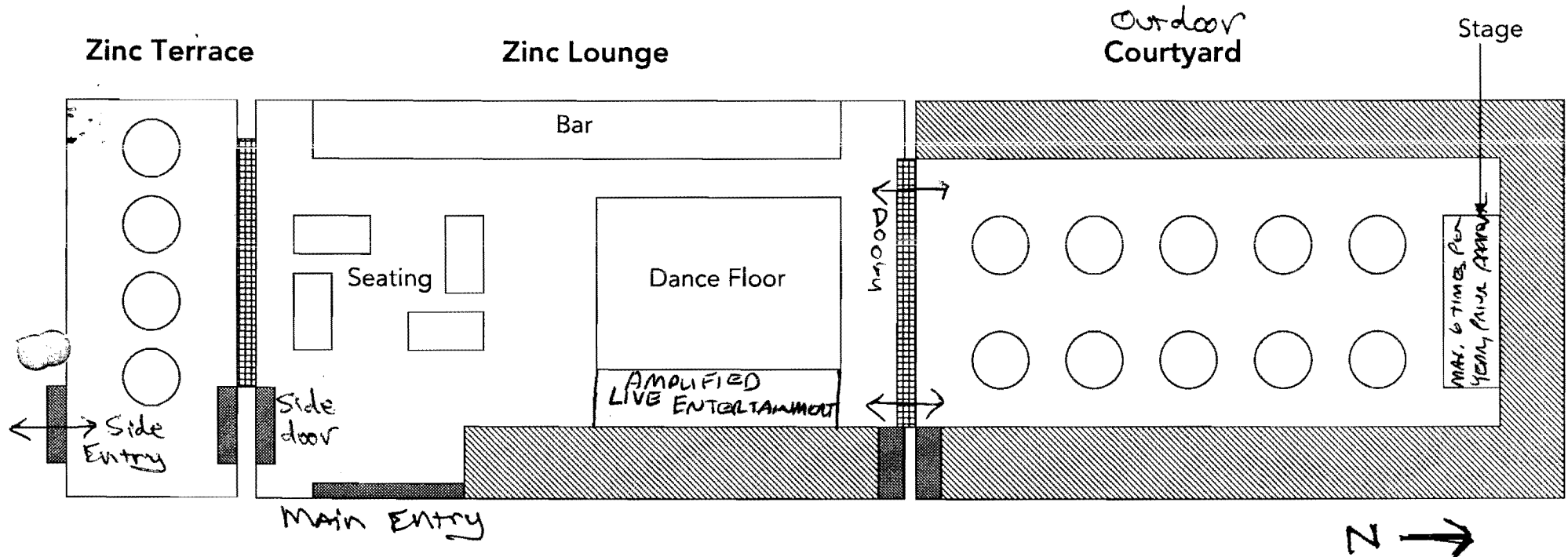
APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement: [Signature] Date: 7-11-06
Planning Division: [Signature] Date: 7/10/06
Director of Community Development: [Signature] Date: 7-11-06

g:\planning\forms\... 3/7/01

See attached conditions AND Chapter 5.48 - Noise Regulations

Event Space Layout



LEGEND

- = 12 foot rounds
- = Doorways
- = Walkways
- = Sliding Glass Doors

This is not to scale.

RECEIVED
MAY 30 2000
By _____

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2007.
Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 802-5156.
2. The applicant shall comply with all of the requirements of Chapter 5.48 Noise Regulations, of the City of Manhattan Beach Municipal Code. (See Sections 5.48.140 and 5.48.160 for specific noise standard regulations)

Fire Department:

1. Required occupancy loads shall not be exceeded and exits shall remain unobstructed.

Community Development Department:

1. Hours for special events with entertainment or amplified sound shall be limited to 10 AM to 10:00 PM daily.
2. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area. Entertainment or amplified sound is prohibited on the Zinc Terrace. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City. A maximum of 6 events per year may take place in this outdoor courtyard and the Skydeck.
3. A maximum of 4 performers shall be permitted at any time. Entertainment that would result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. Amplified sound shall be allowed a maximum of 4 times per month. Entertainment at other times shall be limited to acoustic performances only and limited to a maximum of 2 performers.
4. All doors leading to the outside shall remain closed at all times.

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2007.
Location: 1221 N Valley- Shade Hotel- Metlox

5. The volume of the music, entertainment, or amplification may not be audible outside of the hotel facilities to the extent that it disturbs the neighbors and surrounding tenants. After 10:00 PM only "background" type of music is allowed.
6. The hotel shall ensure that their employees, contract employees, contractors servicing events, and all others providing services to the Hotel shall not park on the public streets, in the residential areas or in Parking Lot 8 (the lot in the median of Valley and Ardmore). All parking shall be on the Metlox site or in other public parking structures such as Lot 3.
7. The drop off driving lane, in front of the hotel off Valley, including the area at Valley and "12th Walk" by the bollards shall remain open, unobstructed and free of vehicles at all times.
8. Any large transportation such as buses, shuttles, or recreational vehicles shall not use the hotel drop off area, but shall load and unload off of Morningside Drive or 13th Street. The vehicles shall observe and comply with all parking regulations in these areas.
9. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, the pick up for cars that are parked in the valet area shall be inside of the Metlox parking structure on the P-1, first level, near the escalators to minimize noise and disturbance to the neighbors. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. Valet pickup shall not be permitted at the hotel entrance off Valley Drive at these times. The valet shall keep all driving lanes, parking back up areas, and all vehicular and pedestrian accessways free and accessible to the general public, subject to approval of the Director of Community Development. No permanent signage or structures shall be allowed. Any temporary signage or structures shall only be placed from 9:00 PM to midnight.
10. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, guests and patrons at the hotel facilities shall use the side door (south) located off the Zinc Terrace to exit the hotel, and not the front entry door that exits onto Valley Drive. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. The employees shall close and monitor the front entry door as required to ensure patrons exit out the side door while maintaining required emergency access. Employees shall also remind the patrons as they depart to be respectful of the neighbors

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2007.
Location: 1221 N Valley- Shade Hotel- Metlox

and to minimize noise and disturbance.

11. The applicant shall work cooperatively with the Management Co, landlord, any security personnel and the City to ensure that hotel facility patrons are not gathering in the Town Square and public areas outside of the hotel and disturbing the neighbors after the hotel public areas close. The doorman or other employee shall ensure that patrons do not leave the premises with alcoholic beverages. (See Use Permit conditions below for hours)
12. If the Director of Community Development deems it necessary for noise attenuation, glass panels shall be installed on the north side of the Zinc Terrace to fill in the void between the hotel and the existing glass panels on the east side of the Zinc Terrace.
13. A renewal application shall be submitted prior to March 1, 2007.

Use Permit Description and Conditions:

1. Hotel operations and accessory services to the hotel shall be in conformance with City Council Resolution No. 5770, and PC Resolution No. 05-08, as outlined in the conditions below. Note that condition 34 of PC Resolution No 05-08 allows review annually to determine if it is appropriate to renew the Entertainment Permit, deny the permit, or modify the conditions of approval.
2. All events are limited to a maximum of 99 people unless prior written approval through a Temporary Use Permit is provided by the Director of Community Development. Event size may not exceed the maximum occupancy as allowed by the Building or Fire Code limits.
3. Events may not use the Town Square or other Public Open Areas unless prior approval is granted by the City.
4. Noise mitigation strategies shall be implemented including; door, wall and ceiling treatments, as required within the Zinc Lounge and Zinc Terrace area in order to mitigate noise. The Zinc Lounge shall demonstrate that the insulation achieves an STC (Sound Transmission Code) rating of 50 to mute the noise.
5. Hours of operation for the hotel public areas shall be as follows:
Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily (Alcohol service to stop at 10:30 pm inside the Zinc bar and 10:00 PM outside on the Zinc Terrace)
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday -Thursday, 12:00

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2007.
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midnight Friday and Saturday (Alcohol service to stop at 10:30 pm Sunday -Thursday, 11:30 pm

Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)

6. The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering first-class accommodations to visitors. All services of the hotel will be focused directly on its guests and event clients.
7. The availability of the Inn for special events shall not be marketed as the primary use.
8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
9. All hotel marketing, advertising, and promotions shall be limited to attracting potential hotel guests and event planners. The Zinc Lobby Bar and Skydeck will not be marketed to the general public as separate hospitality attractions.
10. The Wine Bar (Zinc lounge) shall limit its food menu to appetizers or "small plates" (or "tapas"), to qualify as a "bonafide eating place" as required by the ABC Type 47 license. The Wine Bar shall provide food service but shall not operate as a full scale "restaurant". Breakfast may be served daily in the Living Room (Zinc lounge), Porch (Zinc Terrace), and/or Courtyard.
11. Shade Hotel shall not post any drink or food menus, or any drink or food signage outside of the hotel.
12. The Skydeck shall stop regular alcohol service no later than 9:00 p.m. daily.

Public Works Department:

1. The Entertainment event and hotel operators shall ensure attendees do not litter adjacent public property, including

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2007.
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but not limited to the sidewalk, street, Metlox Town Square and all other public areas at Metlox. The hotel operators shall police and promptly clean up all areas with any litter and spills after all events. Public Works shall bill applicant for any event related clean-up costs.

Risk Manager:

1. The applicant shall comply with all required Insurance and Indemnity requirements of the City of Manhattan Beach as detailed below.

INSURANCE AND INDEMNITY

1.1 Commencement of Work

SHADE HOTEL shall not commence work under this Agreement until it has obtained Owner approved insurance. Before beginning work hereunder, during the entire period of this Agreement, or any extensions hereto, and for periods after the end of this Agreement as indicated below, SHADE HOTEL must have and maintain in place, all of the insurance coverages required in this Article 1. SHADE HOTELS insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Article 1 and SHADE HOTEL shall be responsible to obtain evidence of insurance from each subcontractor and provide it to the Owner before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A:-VII unless otherwise approved by CITY.

1.2 Coverages, Limits and Policy Requirements

SHADE HOTEL shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, or the equivalent thereof with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. Owner, its employees,

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officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93 or the equivalent thereof including Symbol 1 (any auto) with no special limitations affecting the Owner. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. The minimum coverage limits for said insurance shall be no less than one million dollars (\$1,000,000) per claim.

(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance

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company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to the Owner.

1.3 Additional Requirements

The procuring of such required policies of insurance shall not be construed to limit SHADE HOTEL's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against the Owner for payment of premiums or other amounts with respect thereto.

The Owner shall notify SHADE HOTEL in writing of changes in the insurance requirements. If SHADE HOTEL does not deposit copies of acceptable insurance policies with the Owner incorporating such changes within sixty (60) days of receipt of such notice, SHADE HOTEL shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by the Owner. Any deductible exceeding \$100,000 shall be subject to the following changes:

(1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to the Owner and its officials, employees and agents (with additional premium, if any, to be paid by SHADE HOTEL) ; or

(2) SHADE HOTEL shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

1.4 Verification of Compliance

SHADE HOTEL shall furnish the Owner with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2007.
Location: 1221 N Valley- Shade Hotel- Metlox

commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, SHADE HOTEL shall deliver to the Owner a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

1.5 Indemnification

- 1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.
- 1.5.2 The Owner shall cause the Contractor to indemnify and hold harmless SHADE HOTEL from and against any and all claims, demands, suits, damages, including consequential damages and damages resulting from personal injury or property damage, costs, expenses and fees that are asserted against the SHADE HOTEL and that arise out of or result from wrongful acts or omissions by the Contractor in performing the Work.



Address: 1221 Valley

CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

CITY USE ONLY
Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name Michael A. Ellis on behalf of Shade Hotel
Applicant Address 1221 N. Valley Drive Manhattan Bch, CA 90266
Phone # (310) 546 4995 Driver Lic.# U1146027 Birthdate 10/13/65
Applicant(s) Employed By Shade Hotel
Business Address 1221 N. Valley Dr. Manhattan Beach CA, 90266 Phone (310) 546 4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity Amplified music for private events, using up to four musicians
Annual
Date(s) of Activity up to four times per month Time & Duration not before 10Am or after 10pm
Describe Type of Music & Amplification will vary depending on event
Expected Maximum Attendance 200 Alcohol Served? Yes No
Will Persons Under 21 Years of Age be Present? Yes No
Alcohol Sold? Yes No If Yes, ABC License # 47418408
Activity Supervisor(s) Den Peterson Manager Address 1221 N. Valley Dr (Shade Hotel) Phone # (310) 698-5555

* likely at weddings, less likely at other events

LOCATION OF ACTIVITY

Address of Activity: 1221 N. Valley Dr.

Type of Business: Hotel

Occupant Capacity of Building: Dancing 75 Dining 200

Gross Floor Area 1800^{sq ft} Floor Area For Dancing 800^{sq ft} Dining 1500^{sq ft}

Parking: Number of On-Site Parking Spaces 50 Valet spots

Nearby Parking Facility metlox Number of Spaces 460

Other additional public parking in lots 2, 7, and 3

Description of Neighborhood: Commercial Residential
 Mixed Commercial & Residential Uses Nearby
Other _____

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes ___ No

Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes ___ No If yes, was the issued Permit ever denied or revoked? Yes ___ No ___

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE * [Signature] DATE 4/9/07

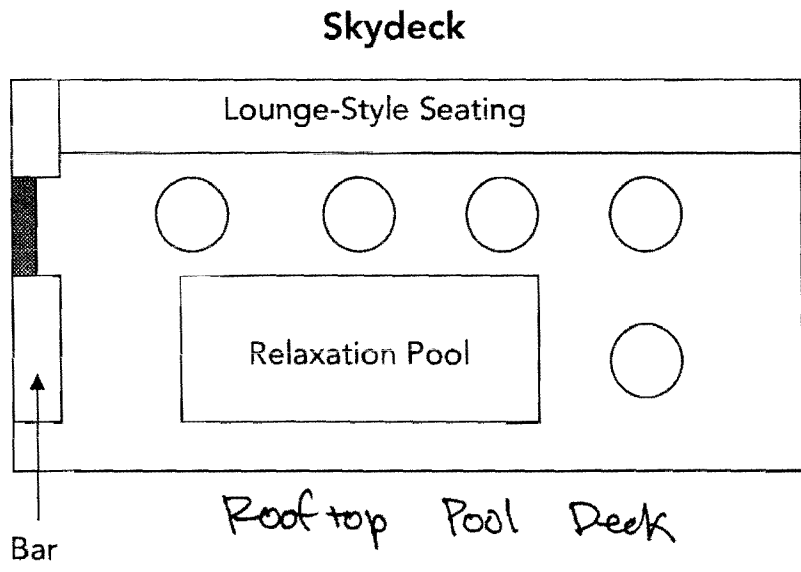
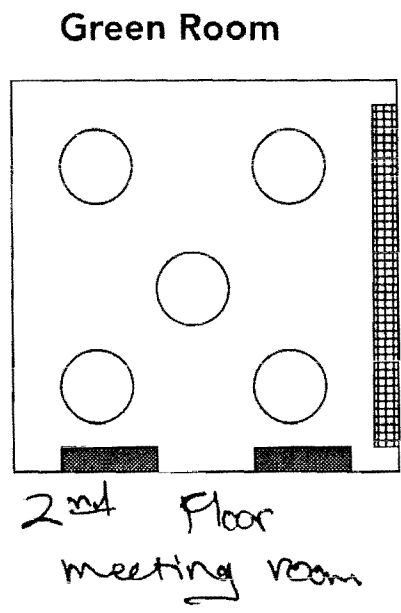
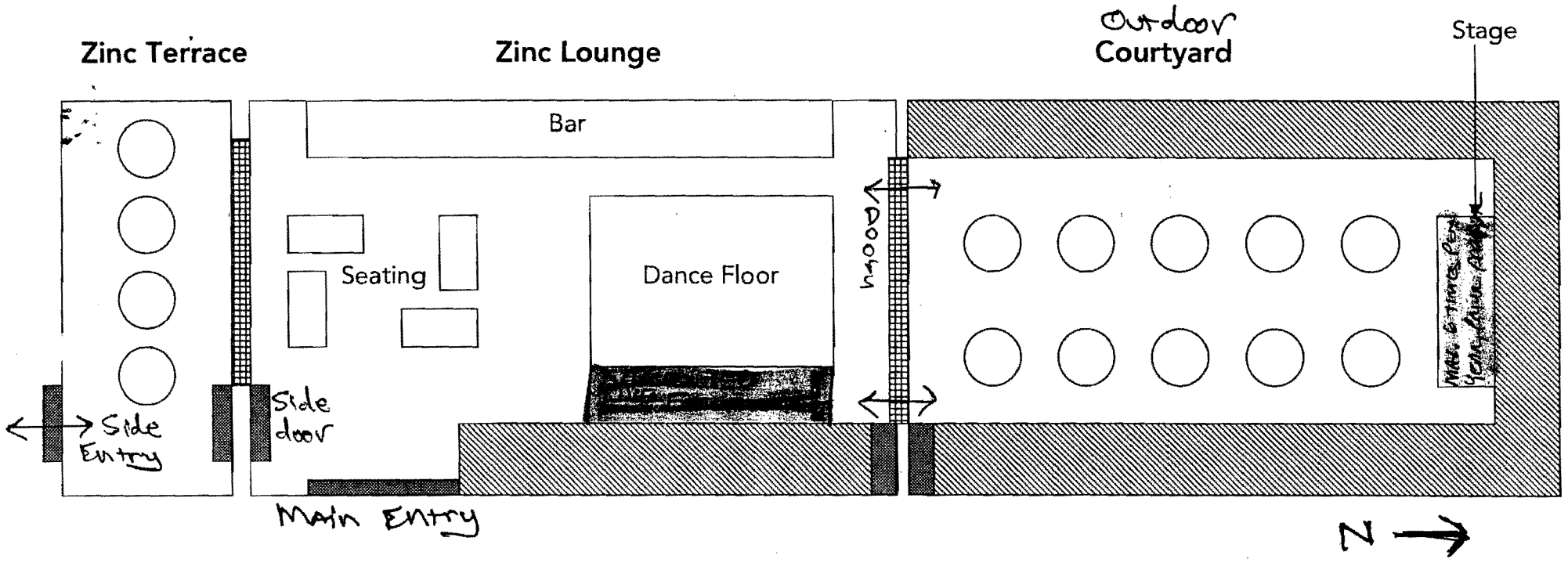
APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement: [Signature] Date: 8-1-97
Planning Division: [Signature] Date: 7/30/07
Director of Community Development: [Signature] Date: 8-2-07

g:\planning\forms\... 3/7/01

* we do have copy of previous conditions and chapter 5.48 noise regulations on file

Event Space Layout



LEGEND

- = 12 foot rounds
- = Doorways
- = Walkways
- = Sliding Glass Doors

This is not to scale.

RECEIVED
MAY 09 2006
By _____

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.
Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 802-5156.
2. The applicant shall comply with all of the requirements of Chapter 5.48 Noise Regulations, of the City of Manhattan Beach Municipal Code. (See Sections 5.48.140 and 5.48.160 for specific noise standard regulations)

Fire Department:

1. Required occupancy loads shall not be exceeded and exits shall remain unobstructed.

Community Development Department:

1. Hours for special events with entertainment or amplified sound shall be limited to 10 AM to 10:00 PM daily.
2. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area. Entertainment or amplified sound is prohibited on the Zinc Terrace. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City. A maximum of 6 events per year may take place in this outdoor courtyard and the Skydeck.
3. A maximum of 4 performers shall be permitted at any time. Entertainment that would result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. Amplified sound shall be allowed a maximum of 4 times per month. Entertainment at other times shall be limited to acoustic performances only and limited to a maximum of 2 performers.
4. All doors leading to the outside shall remain closed at all times.
5. The volume of the music, entertainment, or amplification may not be audible outside of the hotel facilities to the extent

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.
Location: 1221 N Valley- Shade Hotel- Metlox

- that it disturbs the neighbors and surrounding tenants. After 10:00 PM only "background" type of music is allowed.
6. The hotel shall ensure that their employees, contract employees, contractors servicing events, and all others providing services to the Hotel shall not park on the public streets, in the residential areas or in Parking Lot 8 (the lot in the median of Valley and Ardmere). All parking shall be on the Metlox site or in other public parking structures such as Lot 3.
 7. The drop off driving lane, in front of the hotel off Valley, including the area at Valley and "12th Walk" by the bollards shall remain open, unobstructed and free of vehicles at all times.
 8. Any large transportation such as buses, shuttles, or recreational vehicles shall not use the hotel drop off area, but shall load and unload off of Morningside Drive or 13th Street. The vehicles shall observe and comply with all parking regulations in these areas.
 9. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, the pick up for cars that are parked in the valet area shall be inside of the Metlox parking structure on the P-1, first level, near the escalators to minimize noise and disturbance to the neighbors. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. Valet pickup shall not be permitted at the hotel entrance off Valley Drive at these times. The valet shall keep all driving lanes, parking back up areas, and all vehicular and pedestrian accessways free and accessible to the general public, subject to approval of the Director of Community Development. No permanent signage or structures shall be allowed. Any temporary signage or structures shall only be placed from 9:00 PM to midnight.
 10. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, guests and patrons at the hotel facilities shall use the side door (south) located off the Zinc Terrace to exit the hotel, and not the front entry door that exits onto Valley Drive. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. The employees shall close and monitor the front entry door as required to ensure patrons exit out the side door while maintaining required emergency access. Employees shall also remind the patrons as they depart to be respectful of the neighbors and to minimize noise and disturbance.
 11. The applicant shall work cooperatively with the Management Co, landlord, any security personnel and the City to ensure that hotel facility patrons are not

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.
Location: 1221 N Valley- Shade Hotel- Metlox

gathering in the Town Square and public areas outside of the hotel and disturbing the neighbors after the hotel public areas close. The doorman or other employee shall ensure that patrons do not leave the premises with alcoholic beverages. (See Use Permit conditions below for hours)

12. If the Director of Community Development deems it necessary for noise attenuation, glass panels shall be installed on the north side of the Zinc Terrace to fill in the void between the hotel and the existing glass panels on the east side of the Zinc Terrace.
13. A renewal application shall be submitted prior to March 1st.

Use Permit Description and Conditions:

1. Hotel operations and accessory services to the hotel shall be in conformance with City Council Resolution No. 5770, and PC Resolution No. 05-08, as outlined in the conditions below. Note that condition 34 of PC Resolution No 05-08 allows review annually to determine if it is appropriate to renew the Entertainment Permit, deny the permit, or modify the conditions of approval.
2. All events are limited to a maximum of 99 people unless prior written approval through a Temporary Use Permit is provided by the Director of Community Development. Event size may not exceed the maximum occupancy as allowed by the Building or Fire Code limits.
3. Events may not use the Town Square or other Public Open Areas unless prior approval is granted by the City.
4. Noise mitigation strategies shall be implemented including; door, wall and ceiling treatments, as required within the Zinc Lounge and Zinc Terrace area in order to mitigate noise. The Zinc Lounge shall demonstrate that the insulation achieves an STC (Sound Transmission Code) rating of 50 to mute the noise.
5. Hours of operation for the hotel public areas shall be as follows:
Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily (Alcohol service to stop at 10:30 pm inside the Zinc bar and 10:00 PM outside on the Zinc Terrace)
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday -Thursday, 12:00 midnight Friday and Saturday (Alcohol service to stop at 10:30 pm Sunday -Thursday, 11:30 pm
Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)
6. The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.

Location: 1221 N Valley- Shade Hotel- Metlox

first-class accommodations to visitors. All services of the hotel will be focused directly on its guests and event clients.

7. The availability of the Inn for special events shall not be marketed as the primary use.
8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
9. All hotel marketing, advertising, and promotions shall be limited to attracting potential hotel guests and event planners. The Zinc Lobby Bar and Skydeck will not be marketed to the general public as separate hospitality attractions.
10. The Wine Bar (Zinc lounge) shall limit its food menu to appetizers or "small plates" (or "tapas"), to qualify as a "bonafide eating place" as required by the ABC Type 47 license. The Wine Bar shall provide food service but shall not operate as a full scale "restaurant". Breakfast may be served daily in the Living Room (Zinc lounge), Porch (Zinc Terrace), and/or Courtyard.
11. Shade Hotel shall not post any drink or food menus, or any drink or food signage outside of the hotel.
12. The Skydeck shall stop regular alcohol service no later than 9:00 p.m. daily.

Public Works Department:

1. The Entertainment event and hotel operators shall ensure attendees do not litter adjacent public property, including but not limited to the sidewalk, street, Metlox Town Square and all other public areas at Metlox. The hotel operators shall police and promptly clean up all areas with any litter and spills after all events. Public Works shall bill applicant for any event related clean-up costs.

Risk Manager:

1. The applicant shall comply with all required Insurance and

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.
Location: 1221 N Valley- Shade Hotel- Metlox

Indemnity requirements of the City of Manhattan Beach as detailed below.

INSURANCE AND INDEMNITY

1.1 Commencement of Work

SHADE HOTEL shall not commence work under this Agreement until it has obtained Owner approved insurance. Before beginning work hereunder, during the entire period of this Agreement, or any extensions hereto, and for periods after the end of this Agreement as indicated below, SHADE HOTEL must have and maintain in place, all of the insurance coverages required in this Article 1. SHADE HOTELS insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Article 1 and SHADE HOTEL shall be responsible to obtain evidence of insurance from each subcontractor and provide it to the Owner before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-:VII unless otherwise approved by CITY.

1.2 Coverages, Limits and Policy Requirements

SHADE HOTEL shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, or the equivalent thereof with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by Owner. In the event the policy contains such an "other insurance" clause, the policy

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.
Location: 1221 N Valley- Shade Hotel- Metlox

shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93 or the equivalent thereof including Symbol 1 (any auto) with no special limitations affecting the Owner. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. The minimum coverage limits for said insurance shall be no less than one million dollars (\$1,000,000) per claim.

(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to the Owner.

1.3 Additional Requirements

The procuring of such required policies of insurance shall not be construed to limit SHADE HOTEL's liability hereunder, nor to fulfill the indemnification provisions and requirements of

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.
Location: 1221 N Valley- Shade Hotel- Metlox

this Agreement. There shall be no recourse against the Owner for payment of premiums or other amounts with respect thereto.

The Owner shall notify SHADE HOTEL in writing of changes in the insurance requirements. If SHADE HOTEL does not deposit copies of acceptable insurance policies with the Owner incorporating such changes within sixty (60) days of receipt of such notice, SHADE HOTEL shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by the Owner. Any deductible exceeding \$100,000 shall be subject to the following changes:

(1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to the Owner and its officials, employees and agents (with additional premium, if any, to be paid by SHADE HOTEL) ; or

(2) SHADE HOTEL shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

1.4 Verification of Compliance

SHADE HOTEL shall furnish the Owner with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, SHADE HOTEL shall deliver to the Owner a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2008.
Location: 1221 N Valley- Shade Hotel- Metlox

1.5 Indemnification

1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.

1.5.2 The Owner shall cause the Contractor to indemnify and hold harmless SHADE HOTEL from and against any and all claims, demands, suits, damages, including consequential damages and damages resulting from personal injury or property damage, costs, expenses and fees that are asserted against the SHADE HOTEL and that arise out of or result from wrongful acts or omissions by the Contractor in performing the Work.



CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

Address: 1221 N. Valley Drive
M.B. CA 90266
CITY USE ONLY

Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name Milo Basic on behalf of Shade Hotel
Applicant Address 1221 N. Valley Dr M.B. CA 90266
Phone # 310 546 4995 Driver Lic.# E0195813 Birthdate 1/26/52
Applicant(s) Employed By Shade Hotel
Business Address 1221 N. Valley Dr. M.B. CA 90266 Phone 310 546 4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity amplified music for private events, using
up to four musicians
Date(s) of Activity Annual up to 4 times per month Time & Duration not before 10AM or after 10pm
Describe Type of Music & Amplification will vary depending on event
Expected Maximum Attendance 200 Alcohol Served? Yes No
Will Persons Under 21 Years of Age be Present? Yes No
Alcohol Sold? Yes No If Yes, ABC License #, 47418408

Activity Supervisor(s) Blise Vought ^{events} _{manager} Address 1221 N. Valley Dr. M.B. CA Phone # 310 698 5557

* lively at weddings, less likely at other events 90266

LOCATION OF ACTIVITY

Address of Activity: 1221 N. Valley Dr

Type of Business: Hotel

Occupant Capacity of Building: Dancing 75 Dining 200

Gross Floor Area 1800 ^{sq} ~~feet~~ Floor Area For Dancing 800 ^{sq} ~~ft~~ Dining 1,500 ^{sq} ~~ft~~

Parking: Number of On-Site Parking Spaces 50 valet spots

Nearby Parking Facility Metlox Number of Spaces 460

Other additional public parking in lots 8, 7, and 3

Description of Neighborhood: Commercial Residential
 Mixed Commercial & Residential Uses Nearby
 Other _____

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes ___ No

Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes ___ No If yes, was the issued Permit ever denied or revoked? Yes ___ No ___

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE [Signature] DATE 7/14/08

APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

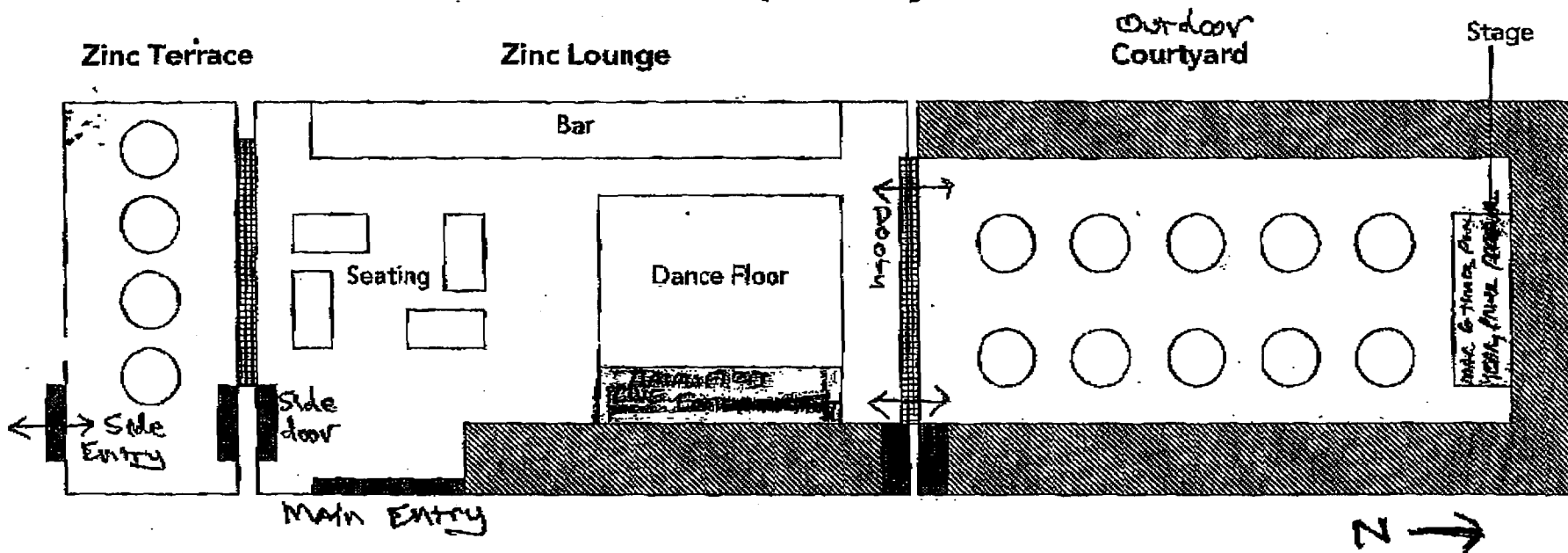
Code Enforcement: [Signature] Date: 9-3-08
Planning Division: [Signature] Date: 9/2/08
Director of Community Development: _____ Date: _____

g:\planning\forms\... 3/7/01

* we do have copy of previous conditions and chapter 5.48 noise regulations on file.

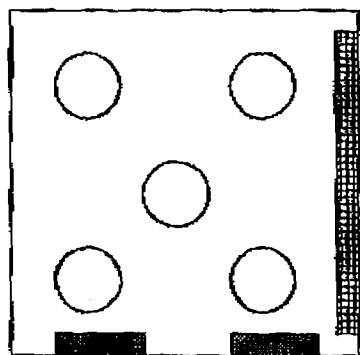
PAGE 01/01

Event Space Layout



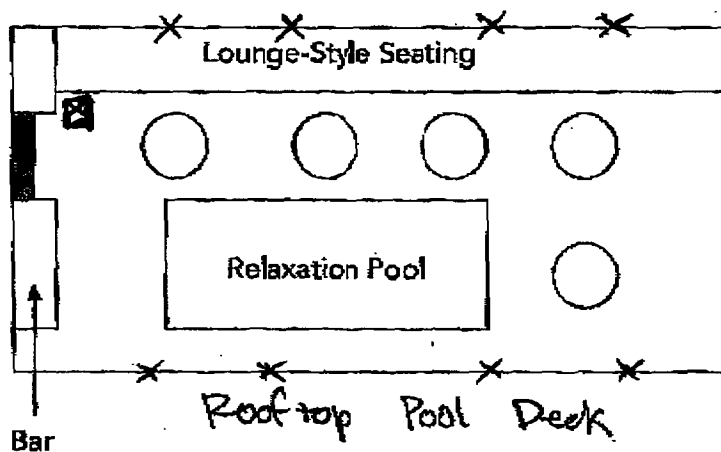
MANHATTAN BEACH

Green Room



2nd Floor meeting room

Skydeck



x = SMALL SPEAKERS (LIGHT DAYTIME MUSIC)
 x = ENTERTAINMENT SPEAKER (DOWN GROUND FACING WEST)

LEGEND

- = 12 foot rounds
- = Doorways
- ▨ = Walkways
- ▩ = Sliding Glass Doors

This is not to scale.

RECEIVED
 MAY 09 2006
 By _____

09/04/2008 10:10 310-802-5501

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.
Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 310-802-5156.
2. The applicant shall comply with all of the requirements of Chapter 5.48 Noise Regulations, of the City of Manhattan Beach Municipal Code. (See Sections 5.48.140 and 5.48.160 for specific noise standard regulations)

045 Fire Department:

077 Required occupancy loads shall not be exceeded and exits shall
047 remain unobstructed. The exact numbers are required to be posted
200 on the site:

- Roof Deck - 45
- Lobby Bar (Zinc Lounge)- 77
- Patio to south of Zinc Lounge- 47
- Courtyard Area - 200

369 Total

Community Development Department:

1. Hours for special events with entertainment or amplified sound shall be limited to 10 AM to 10:00 PM daily.
2. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area. Entertainment or amplified sound is prohibited on the Zinc Terrace. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City. A maximum of 6 events per year may take place in this outdoor courtyard and the Skydeck.
3. A maximum of 4 performers shall be permitted at any time. Entertainment that would result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. Amplified sound shall be allowed a maximum of 4 times per month. Entertainment at other times shall be limited to acoustic performances only and limited to a maximum of 2

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.
Location: 1221 N Valley- Shade Hotel- Metlox

- performers.
4. All doors leading to the outside shall remain closed at all times.
 5. The volume of the music, entertainment, or amplification may not be audible outside of the hotel facilities to the extent that it disturbs the neighbors and surrounding tenants. After 10:00 PM only "background" type of music is allowed.
 6. The hotel shall ensure that their employees, contract employees, contractors servicing events, and all others providing services to the Hotel shall not park on the public streets, in the residential areas or in Parking Lot 8 (the lot in the median of Valley and Ardmore). All parking shall be on the Metlox site or in other public parking structures such as Lot 3.
 7. The drop off driving lane, in front of the hotel off Valley, including the area at Valley and "12th Walk" by the bollards shall remain open, unobstructed and free of vehicles at all times.
 8. Any large transportation such as buses, shuttles, or recreational vehicles shall not use the hotel drop off area, but shall load and unload off of Morningside Drive or 13th Street. The vehicles shall observe and comply with all parking regulations in these areas.
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GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.
Location: 1221 N Valley- Shade Hotel- Metlox

patrons as they depart to be respectful of the neighbors and to minimize noise and disturbance.

11. The applicant shall work cooperatively with the Management Co, landlord, any security personnel and the City to ensure that hotel facility patrons are not gathering in the Town Square and public areas outside of the hotel and disturbing the neighbors after the hotel public areas close. The doorman or other employee shall ensure that patrons do not leave the premises with alcoholic beverages. (See Use Permit conditions below for hours)
12. If the Director of Community Development deems it necessary for noise attenuation, glass panels shall be installed east side of the Skydeck to fill in the void between the stairwell and the end of the patio.
13. A renewal application shall be submitted prior to March 1st.

Use Permit Description and Conditions:

1. Hotel operations and accessory services to the hotel shall be in conformance with City Council Resolution No. 5770, and PC Resolution No. 05-08, as outlined in the conditions below. Note that condition 34 of PC Resolution No 05-08 allows review annually to determine if it is appropriate to renew the Entertainment Permit, deny the permit, or modify the conditions of approval.
2. All events are limited to a maximum of 99 people unless prior written approval through a Temporary Use Permit is provided by the Director of Community Development. Event size may not exceed the maximum occupancy as allowed by the Building or Fire Code limits.
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Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily (Alcohol service to stop at 10:30 pm inside the Zinc bar and 10:00 PM outside on the Zinc Terrace)
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday -Thursday, 12:00 midnight Friday and Saturday (Alcohol service to stop at 10:30 pm Sunday -Thursday, 11:30 pm

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.
Location: 1221 N Valley- Shade Hotel- Metlox

Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)

6. The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering first-class accommodations to visitors. All services of the hotel will be focused directly on its guests and event clients.
7. The availability of the Inn for special events shall not be marketed as the primary use.
8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
9. All hotel marketing, advertising, and promotions shall be limited to attracting potential hotel guests and event planners. The Zinc Lobby Bar and Skydeck will not be marketed to the general public as separate hospitality attractions.
10. The Wine Bar (Zinc lounge) shall limit its food menu to appetizers or "small plates" (or "tapas"), to qualify as a "bonafide eating place" as required by the ABC Type 47 license. The Wine Bar shall provide food service but shall not operate as a full scale "restaurant". Breakfast may be served daily in the Living Room (Zinc lounge), Porch (Zinc Terrace), and/or Courtyard.
11. Shade Hotel shall not post any drink or food menus, or any drink or food signage outside of the hotel.
12. The Skydeck shall stop regular alcohol service no later than 9:00 p.m. daily.

Public Works Department:

1. The Entertainment event and hotel operators shall ensure attendees do not litter adjacent public property, including but not limited to the sidewalk, street, Metlox Town Square and all other public areas at Metlox. The hotel operators shall police and promptly clean up all areas with any litter and spills after all events. Public Works shall bill

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.
Location: 1221 N Valley- Shade Hotel- Metlox

applicant for any event related clean-up costs.

Risk Manager:

1. The applicant shall comply with all required Insurance and Indemnity requirements of the City of Manhattan Beach as detailed below.

INSURANCE AND INDEMNITY

1.1 Commencement of Work

SHADE HOTEL shall not commence work under this Agreement until it has obtained Owner approved insurance. Before beginning work hereunder, during the entire period of this Agreement, or any extensions hereto, and for periods after the end of this Agreement as indicated below, SHADE HOTEL must have and maintain in place, all of the insurance coverages required in this Article 1. SHADE HOTELS insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Article 1 and SHADE HOTEL shall be responsible to obtain evidence of insurance from each subcontractor and provide it to the Owner before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-:VII unless otherwise approved by CITY.

1.2 Coverages, Limits and Policy Requirements

SHADE HOTEL shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, or the equivalent thereof with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy

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excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93 or the equivalent thereof including Symbol 1 (any auto) with no special limitations affecting the Owner. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

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(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to the Owner.

1.3 Additional Requirements

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.
Location: 1221 N Valley- Shade Hotel- Metlox

The procuring of such required policies of insurance shall not be construed to limit SHADE HOTEL's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against the Owner for payment of premiums or other amounts with respect thereto.

The Owner shall notify SHADE HOTEL in writing of changes in the insurance requirements. If SHADE HOTEL does not deposit copies of acceptable insurance policies with the Owner incorporating such changes within sixty (60) days of receipt of such notice, SHADE HOTEL shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by the Owner. Any deductible exceeding \$100,000 shall be subject to the following changes:

(1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to the Owner and its officials, employees and agents (with additional premium, if any, to be paid by SHADE HOTEL) ; or

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SHADE HOTEL shall furnish the Owner with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, SHADE HOTEL shall deliver to the Owner a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.
Location: 1221 N Valley- Shade Hotel- Metlox

1.5 Indemnification

1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.

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Address: 1221 Valley

CITY USE ONLY

Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

**CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500**

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name Michael ZISLIS of Behalf of Shade Hotel
Applicant Address 1221 North Valley Drive, M.B. CA 90266
Phone # (310) 546-4995 Driver Lic.# 01146027 Birthdate 10/13/65
Applicant(s) Employed By Shade Hotel
Business Address 1221 North Valley Drive Phone 310-546-4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity Events ie: wedding, conferences, birthday holiday parties etc
No Live bands over 6 pieces except Mariachi's.
Date(s) of Activity throughout the year Time & Duration Per use permit + attached conditions

Describe Type of Music & Amplification

Expected Maximum Attendance X Alcohol Served? Yes No

Will Persons Under 21 Years of Age be Present? Yes No

Alcohol Sold? Yes No If Yes, ABC License # 47418408

Activity Supervisor(s) Jolyce Bought Address 1221 N. Valley Ave Phone # 310 698-5557

11-25-2007
A/001-01232976

Based on occupancy

LOCATION OF ACTIVITY

Address of Activity: 1221 N. Valley

Type of Business: Hotel

Occupant Capacity of Building: Dancing 75 Dining 300

Gross Floor Area _____ Floor Area For Dancing _____ Dining see chart

Parking: Number of On-Site Parking Spaces 50 valet

Nearby Parking Facility 460 Metrox Number of Spaces

Other

Description of Neighborhood: _____ Commercial _____ Residential
 Mixed Commercial & Residential Uses Nearby
_____ Other

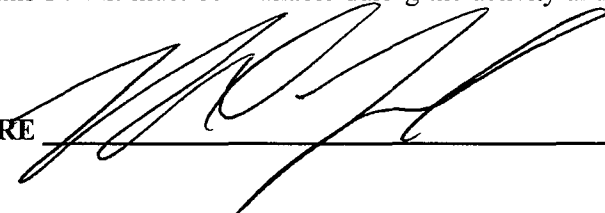
APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes _____ No

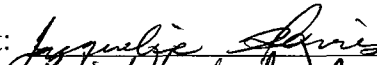
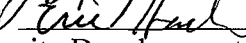
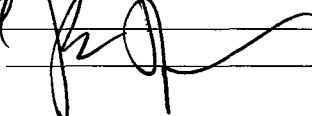
Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes No If yes, was the issued Permit ever denied or revoked? Yes _____ No

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE  DATE Nov 27, 2008

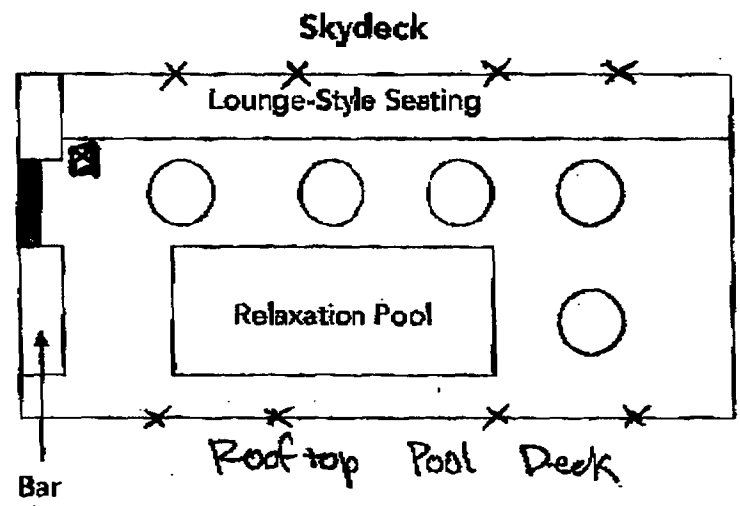
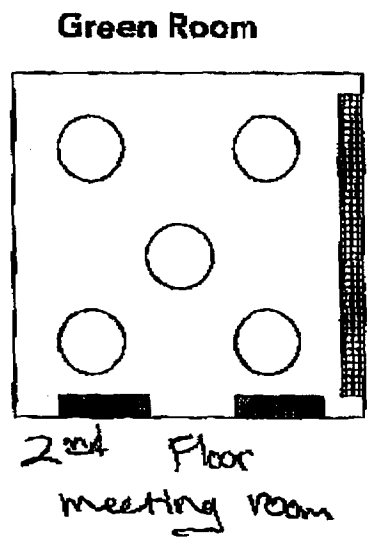
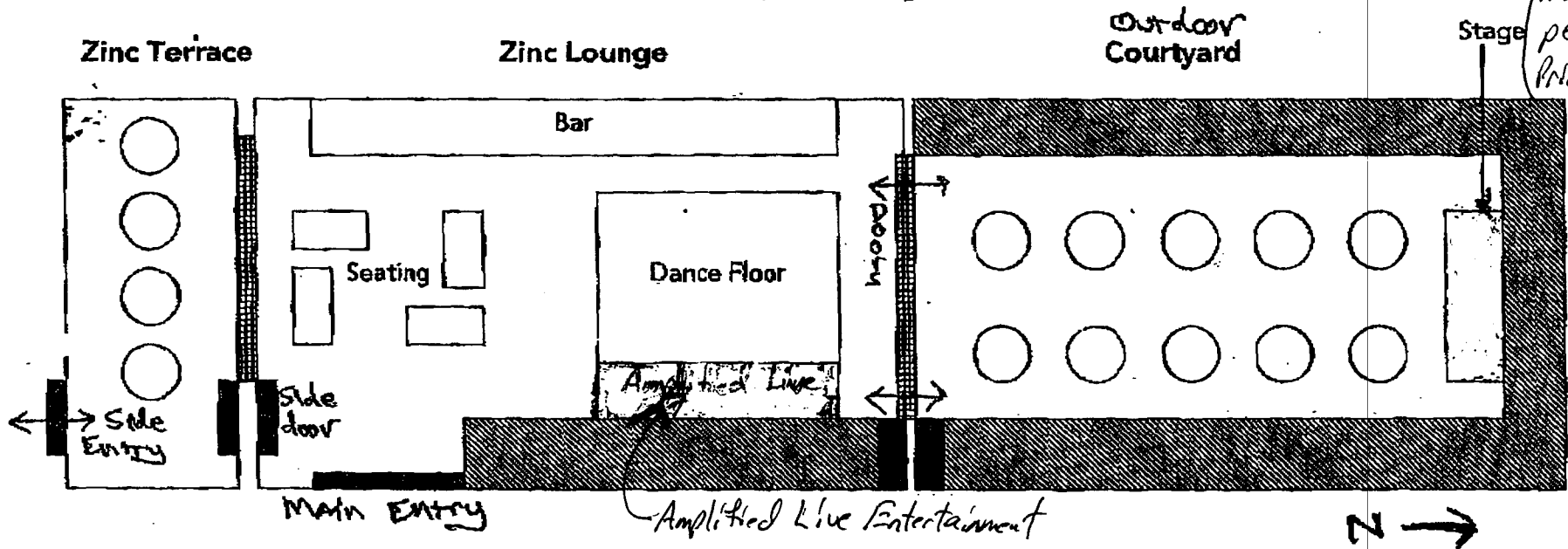
APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement:  Date: 12-19-08
Planning Division:  Date: 12/19/08
Director of Community Development:  Date: 12-19-08

3/7/01

Event Space Layout

(Max. 6 times per year, Prior approval)



LEGEND

- = 12 foot rounds
- = Doorways
- ▨ = Walkways
- ▩ = Sliding Glass Doors

This is not to scale

x = SMALL SPEAKERS (LIGHT DAYTIME MUSIC)
 x = ENTERTAINMENT SPEAKER (ON GROUND FACING WEST)

RECEIVED
 MAY 09 2006
 By _____

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.

Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 310-802-5156.
2. The applicant shall comply with all of the requirements of Chapter 5.48 Noise Regulations, of the City of Manhattan Beach Municipal Code. (See Sections 5.48.140 and 5.48.160 for specific noise standard regulations)

Fire Department:

Required occupancy loads shall not be exceeded and exits shall remain unobstructed. The exact numbers are required to be posted on the site:

<p>092 159 047 151 044 . 493 Total</p>	<p>Roof Deck - 92 Lobby Bar (Zinc Lounge) - 159 Patio to south of Zinc Lounge- 47 Courtyard Area - 151 Conference Room - 44</p>	<p><>Roof deck increase, from 45 to 92 <>Zinc bar & lobby increase, from 77 to 159 <>Courtyard decrease, from 200 to 151 <>Added entertainment use to conference room, 44 more patrons</p>
--	---	--

Community Development Department:

1. Hours for special events with entertainment or amplified sound shall be limited to Sunday-Thursday: 10 AM to 11:00 PM, and Friday-Saturday: 10 AM to Midnight.
2. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area. Entertainment or amplified sound is prohibited on the Zinc Terrace. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City.
3. A maximum of 6 performers shall be permitted at any time that amplified sound is incorporated. Entertainment that would result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. All doors leading to the outside shall remain closed at all times.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.

Location: 1221 N Valley- Shade Hotel- Metlox

5. The volume of the music, entertainment, or amplification may not be audible outside of the hotel facilities to the extent that it disturbs the neighbors and surrounding tenants. After 10:00 PM only "background" type of music is allowed.
6. The hotel shall ensure that their employees, contract employees, contractors servicing events, and all others providing services to the Hotel shall not park on the public streets, in the residential areas or in Parking Lot 8 (the lot in the median of Valley and Ardmore). All parking shall be on the Metlox site or in other public parking structures such as Lot 3.
7. The drop off driving lane, in front of the hotel off Valley, including the area at Valley and "12th Walk" by the bollards shall remain open, unobstructed and free of vehicles at all times.
8. Any large transportation such as buses, shuttles, or recreational vehicles shall not use the hotel drop off area, but shall load and unload off of Morningside Drive or 13th Street. The vehicles shall observe and comply with all parking regulations in these areas.
9. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, the pick up for cars that are parked in the valet area shall be inside of the Metlox parking structure on the P-1, first level, near the escalators to minimize noise and disturbance to the neighbors. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. Valet pickup shall not be permitted at the hotel entrance off Valley Drive at these times. The valet shall keep all driving lanes, parking back up areas, and all vehicular and pedestrian accessways free and accessible to the general public, subject to approval of the Director of Community Development. No permanent signage or structures shall be allowed. Any temporary signage or structures shall only be placed from 9:00 PM to midnight.
10. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, guests and patrons at the hotel facilities shall use the side door (south) located off the Zinc Terrace to exit the hotel, and not the front entry door that exits onto Valley Drive. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. The employees shall close and monitor the front entry door as required to ensure patrons exit out the side door while maintaining required emergency access. Employees shall also remind the patrons as they depart to be respectful of the neighbors and to minimize noise and disturbance.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.

Location: 1221 N Valley- Shade Hotel- Metlox

11. The applicant shall work cooperatively with the Management Co, landlord, any security personnel and the City to ensure that hotel facility patrons are not gathering in the Town Square and public areas outside of the hotel and disturbing the neighbors after the hotel public areas close. The doorman or other employee shall ensure that patrons do not leave the premises with alcoholic beverages. (See Use Permit conditions below for hours)
12. If the Director of Community Development deems it necessary for noise attenuation, glass panels shall be installed east side of the Skydeck to fill in the void between the stairwell and the end of the patio.
13. A renewal application shall be submitted prior to March 1st.

Use Permit Description and Conditions:

1. Hotel operations and accessory services to the hotel shall be in conformance with City Council Resolution No. 5770, and PC Resolution No. 05-08, as outlined in the conditions below. Note that condition 34 of PC Resolution No 05-08 allows review annually to determine if it is appropriate to renew the Entertainment Permit, deny the permit, or modify the conditions of approval.
2. All events are limited to a maximum of 99 people unless prior written approval through a Temporary Use Permit is provided by the Director of Community Development. Event size may not exceed the maximum occupancy as allowed by the Building or Fire Code limits.
3. Events may not use the Town Square or other Public Open Areas unless prior approval is granted by the City.
4. Noise mitigation strategies shall be implemented including; door, wall and ceiling treatments, as required within the Zinc Lounge and Zinc Terrace area in order to mitigate noise. The Zinc Lounge shall demonstrate that the insulation achieves an STC (Sound Transmission Code) rating of 50 to mute the noise.
5. Hours of operation for the hotel public areas shall be as follows:
Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday -Thursday, 12:00 midnight Friday and Saturday
Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)
6. The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering

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AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2009.

Location: 1221 N Valley- Shade Hotel- Metlox

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Location: 1221 N Valley- Shade Hotel- Metlox

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Address: 1221 Valley

CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

CITY USE ONLY
Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name Michael Zislin on behalf of Shade Hotel

Applicant Address 1221 N Valley Dr.

Phone # 310-546-4995 Driver Lic.# _____ Birthdate _____

Applicant(s) Employed By Shade Hotel

Business Address 1221 N Valley Drive Phone 310 546 4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity Births, weddings, conferences, birthday holiday parties, etc

Date(s) of Activity throughout the year Time & Duration per the permit conditions attached

Describe Type of Music & Amplification _____

Expected Maximum Attendance X Alcohol Served? Yes No

Will Persons Under 21 Years of Age be Present? Yes No

Alcohol Sold? Yes No _____ If Yes, ABC License # 47418100

Activity Supervisor(s) Jolise Vought Address 1221 N Valley Dr Phone # _____

* Based on occupancy

LOCATION OF ACTIVITY

Address of Activity: 1221 N. Valley

Type of Business: Hotel

Occupant Capacity of Building: Dancing 75 Dining 300 (See attached for maximum)

Gross Floor Area _____ Floor Area For Dancing _____ Dining see chart UB of 1/31/10
LAWRENCE JESTER

Parking: Number of On-Site Parking Spaces 50 valet

Nearby Parking Facility 460 MetroX Number of Spaces

Other

Description of Neighborhood: _____ Commercial _____ Residential
 Mixed Commercial & Residential Uses Nearby
_____ Other

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes _____ No (X)

Have you ever obtained or sought to obtain an Entertainment Permit in the past? (X) Yes _____ No _____ If yes, was the issued Permit ever denied or revoked? Yes _____ No (X)

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE [Signature] DATE 10/19/09

APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement: [Signature] Date: 1-26-10
Planning Division: [Signature] Date: 1/26/10
Director of Community Development: [Signature] Date: 1/31/10

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2010.

Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 310-802-5156.
2. The applicant shall comply with all of the requirements of Chapter 5.48 Noise Regulations, of the City of Manhattan Beach Municipal Code. (See Sections 5.48.140 and 5.48.160 for specific noise standard regulations)

Fire Department:

Required occupancy loads shall not be exceeded and exits shall remain unobstructed. The exact numbers are required to be posted on the site:

- Roof Deck - 92
- Lobby Bar (Zinc Lounge) - 159
- Patio to south of Zinc Lounge- 47
- Courtyard Area - 151
- Conference Room - 44

Community Development Department:

1. Hours for special events with entertainment or amplified sound shall be limited to Sunday-Thursday: 10 AM to 11:00 PM, and Friday-Saturday: 10 AM to Midnight.
2. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area. Entertainment or amplified sound is prohibited on the Zinc Terrace. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City.
3. A maximum of 6 performers shall be permitted at any time that amplified sound is incorporated. Entertainment that would result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. All doors leading to the outside shall remain closed at all times.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2010.

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5. The volume of the music, entertainment, or amplification may not be audible outside of the hotel facilities to the extent that it disturbs the neighbors and surrounding tenants. After 10:00 PM only "background" type of music is allowed.
6. The hotel shall ensure that their employees, contract employees, contractors servicing events, and all others providing services to the Hotel shall not park on the public streets, in the residential areas or in Parking Lot 8 (the lot in the median of Valley and Ardmore). All parking shall be on the Metlox site or in other public parking structures such as Lot 3.
7. The drop off driving lane, in front of the hotel off Valley, including the area at Valley and "12th Walk" by the bollards shall remain open, unobstructed and free of vehicles at all times.
8. Any large transportation such as buses, shuttles, or recreational vehicles shall not use the hotel drop off area, but shall load and unload off of Morningside Drive or 13th Street. The vehicles shall observe and comply with all parking regulations in these areas.
9. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, the pick up for cars that are parked in the valet area shall be inside of the Metlox parking structure on the P-1, first level, near the escalators to minimize noise and disturbance to the neighbors. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. Valet pickup shall not be permitted at the hotel entrance off Valley Drive at these times. The valet shall keep all driving lanes, parking back up areas, and all vehicular and pedestrian accessways free and accessible to the general public, subject to approval of the Director of Community Development. No permanent signage or structures shall be allowed. Any temporary signage or structures shall only be placed from 9:00 PM to midnight.
10. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, guests and patrons at the hotel facilities shall use the side door (south) located off the Zinc Terrace to exit the hotel, and not the front entry door that exits onto Valley Drive. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. The employees shall close and monitor the front entry door as required to ensure patrons exit out the side door while maintaining required emergency access. Employees shall also remind the patrons as they depart to be respectful of the neighbors and to minimize noise and disturbance.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2010.

Location: 1221 N Valley- Shade Hotel- Metlox

11. The applicant shall work cooperatively with the Management Co, landlord, any security personnel and the City to ensure that hotel facility patrons are not gathering in the Town Square and public areas outside of the hotel and disturbing the neighbors after the hotel public areas close. The doorman or other employee shall ensure that patrons do not leave the premises with alcoholic beverages. (See Use Permit conditions below for hours)
12. A renewal application shall be submitted prior to March 1st.

Use Permit Description and Conditions:

1. Hotel operations and accessory services to the hotel shall be in conformance with City Council Resolution No. 5770, and PC Resolution No. 05-08, as outlined in the conditions below. Note that condition 34 of PC Resolution No 05-08 allows review annually to determine if it is appropriate to renew the Entertainment Permit, deny the permit, or modify the conditions of approval.
2. All events are limited to a maximum of 99 people unless prior written approval through a Temporary Use Permit is provided by the Director of Community Development. Event size may not exceed the maximum occupancy as allowed by the Building or Fire Code limits.
3. Events may not use the Town Square or other Public Open Areas unless prior approval is granted by the City.
4. Noise mitigation strategies shall be implemented including; door, wall and ceiling treatments, as required within the Zinc Lounge and Zinc Terrace area in order to mitigate noise. The Zinc Lounge shall demonstrate that the insulation achieves an STC (Sound Transmission Code) rating of 50 to mute the noise.
5. Hours of operation for the hotel public areas shall be as follows:
Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday -Thursday, 12:00 midnight Friday and Saturday
Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)
6. The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering first-class accommodations to visitors. All services of the hotel will be focused directly on its guests and event clients.
7. The availability of the Inn for special events shall not be

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Location: 1221 N Valley- Shade Hotel- Metlox

marketed as the primary use.

8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
9. All hotel marketing, advertising, and promotions shall be limited to attracting potential hotel guests and event planners. The Zinc Lobby Bar and Skydeck will not be marketed to the general public as separate hospitality attractions.
10. The Wine Bar (Zinc lounge) shall limit its food menu to appetizers or "small plates" (or "tapas"), to qualify as a "bonafide eating place" as required by the ABC Type 47 license. The Wine Bar shall provide food service but shall not operate as a full scale "restaurant". Breakfast may be served daily in the Living Room (Zinc lounge), Porch (Zinc Terrace), and/or Courtyard.
11. Shade Hotel shall not post any drink or food menus, or any drink or food signage outside of the hotel.
12. The Skydeck shall stop regular alcohol service no later than 9:00 p.m. daily.

Public Works Department:

1. The Entertainment event and hotel operators shall ensure attendees do not litter adjacent public property, including but not limited to the sidewalk, street, Metlox Town Square and all other public areas at Metlox. The hotel operators shall police and promptly clean up all areas with any litter and spills after all events. Public Works shall bill applicant for any event related clean-up costs.

Risk Manager:

1. The applicant shall comply with all required Insurance and Indemnity requirements of the City of Manhattan Beach as detailed below.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2010.

Location: 1221 N Valley- Shade Hotel- Metlox

INSURANCE AND INDEMNITY

1.1 Commencement of Work

SHADE HOTEL shall not commence work under this Agreement until it has obtained Owner approved insurance. Before beginning work hereunder, during the entire period of this Agreement, or any extensions hereto, and for periods after the end of this Agreement as indicated below, SHADE HOTEL must have and maintain in place, all of the insurance coverages required in this Article 1. SHADE HOTELS insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Article 1 and SHADE HOTEL shall be responsible to obtain evidence of insurance from each subcontractor and provide it to the Owner before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-:VII unless otherwise approved by CITY.

1.2 Coverages, Limits and Policy Requirements

SHADE HOTEL shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, or the equivalent thereof with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2010.

Location: 1221 N Valley- Shade Hotel- Metlox

Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93 or the equivalent thereof including Symbol 1 (any auto) with no special limitations affecting the Owner. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. The minimum coverage limits for said insurance shall be no less than one million dollars (\$1,000,000) per claim.

(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to the Owner.

1.3 Additional Requirements

The procuring of such required policies of insurance shall not be construed to limit SHADE HOTEL's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against the Owner for payment of premiums or other amounts with respect thereto.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2010.

Location: 1221 N Valley- Shade Hotel- Metlox

The Owner shall notify SHADE HOTEL in writing of changes in the insurance requirements. If SHADE HOTEL does not deposit copies of acceptable insurance policies with the Owner incorporating such changes within sixty (60) days of receipt of such notice, SHADE HOTEL shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by the Owner. Any deductible exceeding \$100,000 shall be subject to the following changes:

(1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to the Owner and its officials, employees and agents (with additional premium, if any, to be paid by SHADE HOTEL) ; or

(2) SHADE HOTEL shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

1.4 Verification of Compliance

SHADE HOTEL shall furnish the Owner with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, SHADE HOTEL shall deliver to the Owner a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

1.5 Indemnification

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2010.

Location: 1221 N Valley- Shade Hotel- Metlox

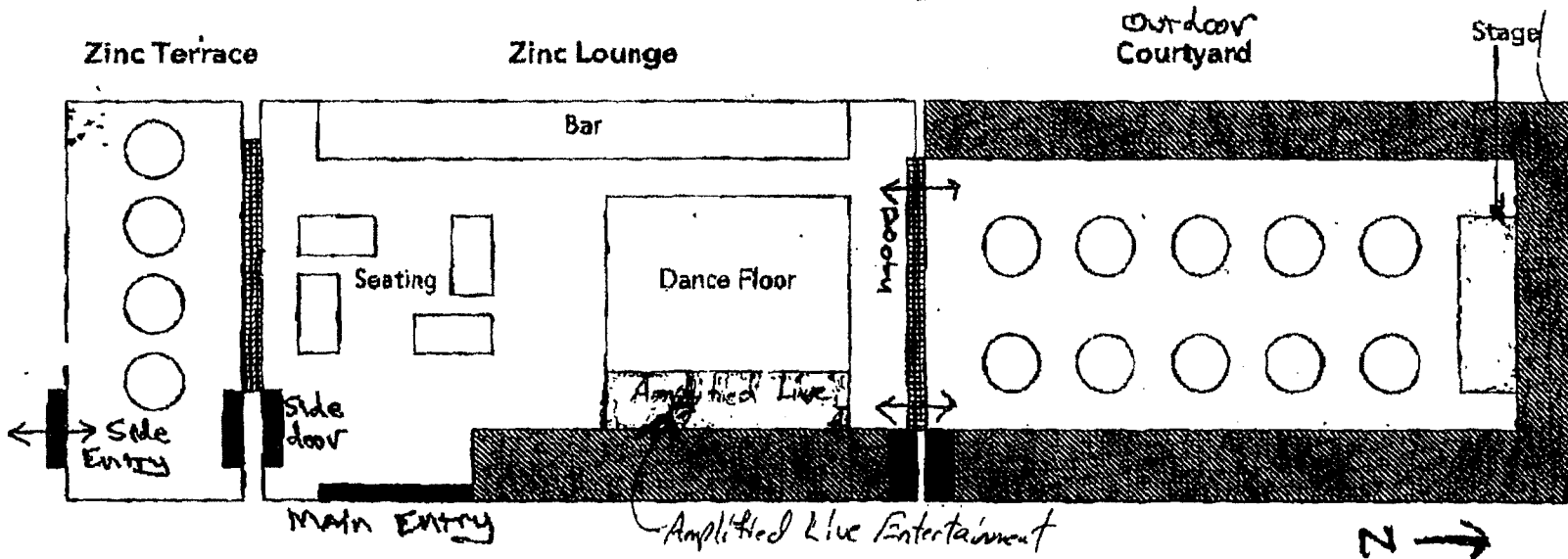
1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.

1.5.2 The Owner shall cause the Contractor to indemnify and hold harmless SHADE HOTEL from and against any and all claims, demands, suits, damages, including consequential damages and damages resulting from personal injury or property damage, costs, expenses and fees that are asserted against the SHADE HOTEL and that arise out of or result from wrongful acts or omissions by the Contractor in performing the Work.

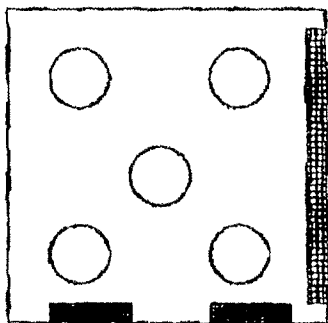
Event Space Layout

MANHATTAN BEACH

MANHATTAN BEACH

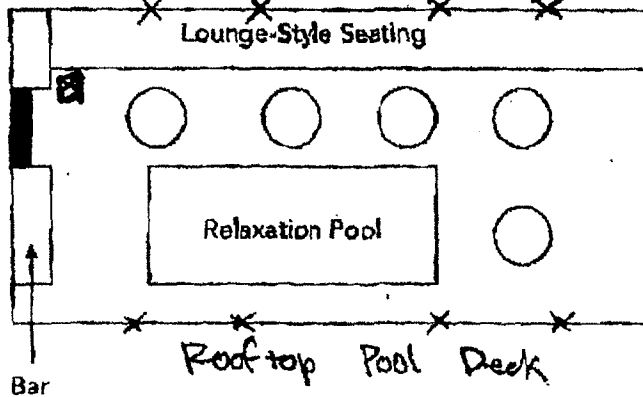


Green Room



2nd Floor meeting room

Skydeck



Roof top Pool Deck

LEGEND

- = 12 foot rounds
- = Doorways
- ▨ = Walkways
- ▩ = Sliding Glass Doors

This is not to scale

RECEIVED
MAY 09 2006
By _____

X = SMALL SPEAKERS (LIGHT DAYTIME MUSIC)
 X (with square) = ENTERTAINMENT SPEAKER (ON GROUND FACING WEST)

09/04/2008 10:10 310-862-5501

Address: 1221 Valley Drive 01-12-2010



CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

CITY USE ONLY

Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

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APPLICANT INFORMATION

Applicant(s) Name Michael Ziskin on behalf of Shade Hotel
Applicant Address 1221 N. Valley
Phone # 310.546.4995 Driver Lic.# _____ Birthdate _____
Applicant(s) Employed By Shade Hotel
Business Address 1221 N Valley Drive Phone 310 546 4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity Events: i.e weddings, conferences, birthday & holiday parties, etc.

Date(s) of Activity throughout the year Time & Duration per use permit & attached conditions

Describe Type of Music & Amplification _____
Expected Maximum Attendance Alcohol Served? Yes No _____
Will Persons Under 21 Years of Age be Present? Yes No _____
Alcohol Sold? Yes No _____ If Yes, ABC License # 47418408

Activity Supervisor(s) Jolise Vought Address 1221 N Valley Dr Phone # _____

* Based on occupancy

LOCATION OF ACTIVITY

Address of Activity: 1221 N. Valley

Type of Business: Hotel

Occupant Capacity of Building: Dancing 75 Dining 300

Gross Floor Area _____ Floor Area For Dancing _____ Dining _____ see chart

Parking: Number of On-Site Parking Spaces 50 Valet

Nearby Parking Facility Metlox Number of Spaces 400

Other _____

Description of Neighborhood: Commercial Residential
 Mixed Commercial & Residential Uses Nearby
 Other _____

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes ___ No X

Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes X No ___ If yes, was the issued Permit ever denied or revoked? Yes ___ No X

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

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APPLICANT'S SIGNATURE [Signature] DATE 4/12/10

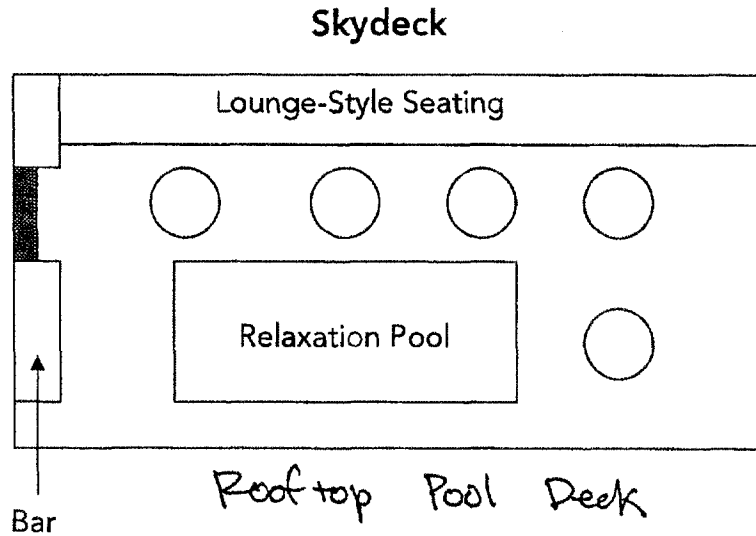
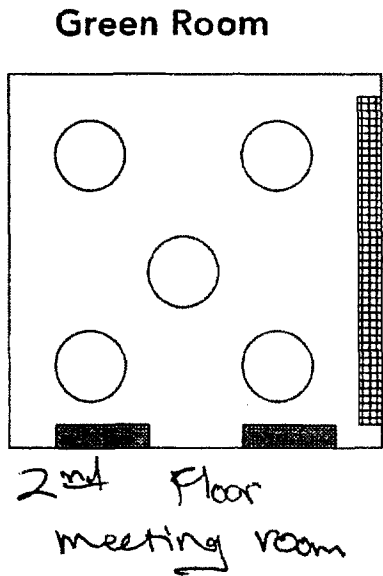
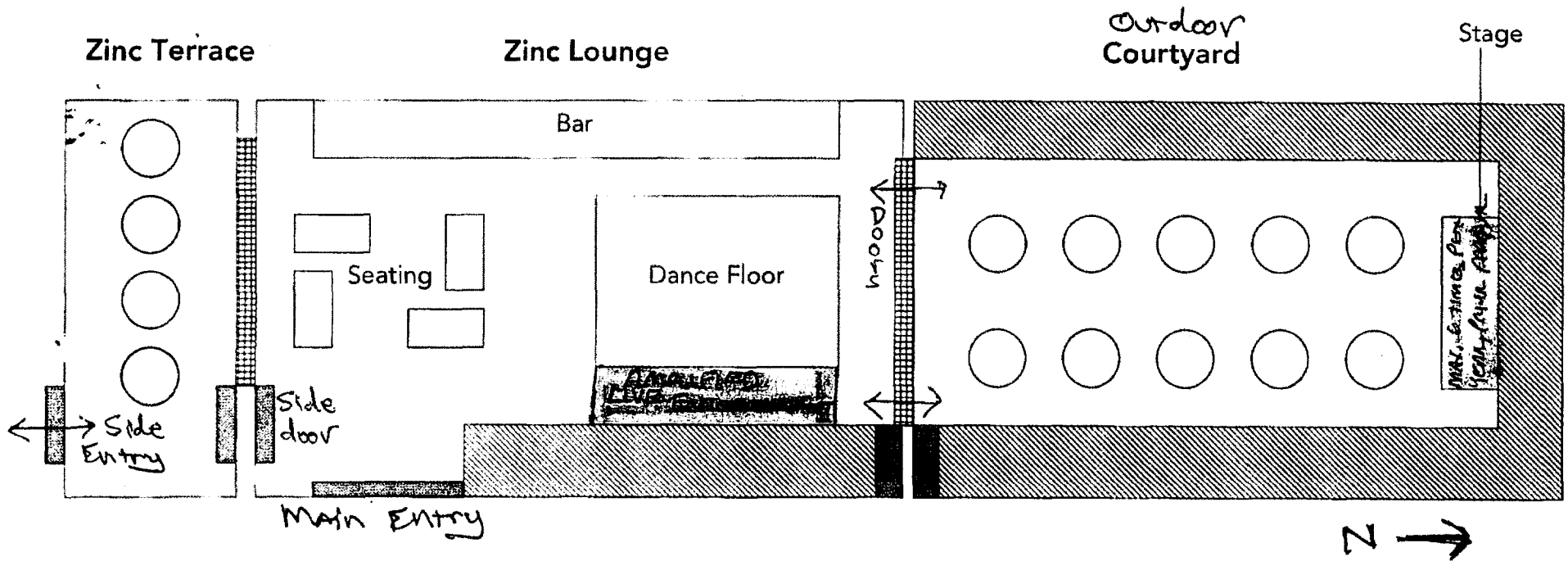
APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement: [Signature] Date: 1/12/11
Planning Division: [Signature] Date: 1/12/11
Director of Community Development: [Signature] Date: 1-12-11

g:\planning\forms\... 3/7/01

Must comply with old conditions until all conditions have been met for new use permit approved in 2010, then a new entertainment permit must be submitted for review.

Event Space Layout



LEGEND

- = 12 foot rounds
- = Doorways
- ▨ = Walkways
- ▩ = Sliding Glass Doors

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RECEIVED
MAY 09 2006
By _____

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CONDITIONS OF APPROVAL

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Location: 1221 N Valley- Shade Hotel- Metlox

- marketed as the primary use.
8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
 9. All hotel marketing, advertising, and promotions shall be limited to attracting potential hotel guests and event planners. The Zinc Lobby Bar and Skydeck will not be marketed to the general public as separate hospitality attractions.
 10. The Wine Bar (Zinc lounge) shall limit its food menu to appetizers or "small plates" (or "tapas"), to qualify as a "bonafide eating place" as required by the ABC Type 47 license. The Wine Bar shall provide food service but shall not operate as a full scale "restaurant". Breakfast may be served daily in the Living Room (Zinc lounge), Porch (Zinc Terrace), and/or Courtyard.
 11. Shade Hotel shall not post any drink or food menus, or any drink or food signage outside of the hotel.
 12. The Skydeck shall stop regular alcohol service no later than 9:00 p.m. daily.

Public Works Department:

1. The Entertainment event and hotel operators shall ensure attendees do not litter adjacent public property, including but not limited to the sidewalk, street, Metlox Town Square and all other public areas at Metlox. The hotel operators shall police and promptly clean up all areas with any litter and spills after all events. Public Works shall bill applicant for any event related clean-up costs.

Risk Manager:

1. The applicant shall comply with all required Insurance and Indemnity requirements of the City of Manhattan Beach as detailed below.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2011.

Location: 1221 N Valley- Shade Hotel- Metlox

INSURANCE AND INDEMNITY

1.1 Commencement of Work

SHADE HOTEL shall not commence work under this Agreement until it has obtained Owner approved insurance. Before beginning work hereunder, during the entire period of this Agreement, or any extensions hereto, and for periods after the end of this Agreement as indicated below, SHADE HOTEL must have and maintain in place, all of the insurance coverages required in this Article 1. SHADE HOTELS insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Article 1 and SHADE HOTEL shall be responsible to obtain evidence of insurance from each subcontractor and provide it to the Owner before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-:VII unless otherwise approved by CITY.

1.2 Coverages, Limits and Policy Requirements

SHADE HOTEL shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, or the equivalent thereof with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2011.

Location: 1221 N Valley- Shade Hotel- Metlox

Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93 or the equivalent thereof including Symbol 1 (any auto) with no special limitations affecting the Owner. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. The minimum coverage limits for said insurance shall be no less than one million dollars (\$1,000,000) per claim.

(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to the Owner.

1.3 Additional Requirements

The procuring of such required policies of insurance shall not be construed to limit SHADE HOTEL's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against the Owner for payment of premiums or other amounts with respect thereto.

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2011.

Location: 1221 N Valley- Shade Hotel- Metlox

The Owner shall notify SHADE HOTEL in writing of changes in the insurance requirements. If SHADE HOTEL does not deposit copies of acceptable insurance policies with the Owner incorporating such changes within sixty (60) days of receipt of such notice, SHADE HOTEL shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by the Owner. Any deductible exceeding \$100,000 shall be subject to the following changes:

(1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to the Owner and its officials, employees and agents (with additional premium, if any, to be paid by SHADE HOTEL) ; or

(2) SHADE HOTEL shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

1.4 Verification of Compliance

SHADE HOTEL shall furnish the Owner with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, SHADE HOTEL shall deliver to the Owner a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

1.5 Indemnification

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2011.

Location: 1221 N Valley- Shade Hotel- Metlox

1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.

1.5.2 The Owner shall cause the Contractor to indemnify and hold harmless SHADE HOTEL from and against any and all claims, demands, suits, damages, including consequential damages and damages resulting from personal injury or property damage, costs, expenses and fees that are asserted against the SHADE HOTEL and that arise out of or result from wrongful acts or omissions by the Contractor in performing the Work.



Address: 1221 N. Valley Dr

CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

CITY USE ONLY
Date Received 1A.K.
Received by
A 345- - Fee
Receipt No.
Trans. Code # 4110
2/25/11

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name Shade Hotel

Applicant Address 1221 N. Valley Dr.

Phone # 310 802 5500 Driver Lic.# _____ Birthdate _____

Applicant(s) Employed By Shade Hotel

Business Address 1221 N. Valley Dr. Phone 310 802 5500

ACTIVITY INFORMATION

Complete Description of Proposed Activity Events - 100 people, no alcohol served

Date(s) of Activity through 4/15/11 Time & Duration 4:00 PM - 10:00 PM

Describe Type of Music & Amplification
Expected Maximum Attendance 100 Alcohol Served? Yes No
Will Persons Under 21 Years of Age be Present? Yes No
Alcohol Sold? Yes No If Yes, ABC License # 721310

Activity Supervisor(s) Jane Vague Address 1221 N. Valley Dr. Phone # _____

**Based on occupancy*

LOCATION OF ACTIVITY

Address of Activity: 1221 N Valley Dr

Type of Business: Hotel

Occupant Capacity of Building: Dancing _____ Dining _____

Gross Floor Area _____ Floor Area For Dancing _____ Dining 500 sq

Parking: Number of On-Site Parking Spaces 50 valet

Nearby Parking Facility Metro Number of Spaces 400

Other _____

Description of Neighborhood: Commercial Residential
 Mixed Commercial & Residential Uses Nearby
 Other

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes No

Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes No If yes, was the issued Permit ever denied or revoked? Yes No

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

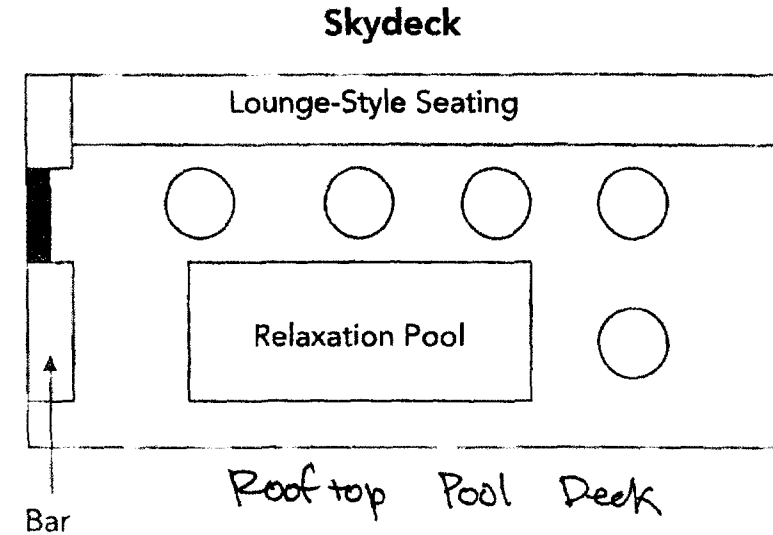
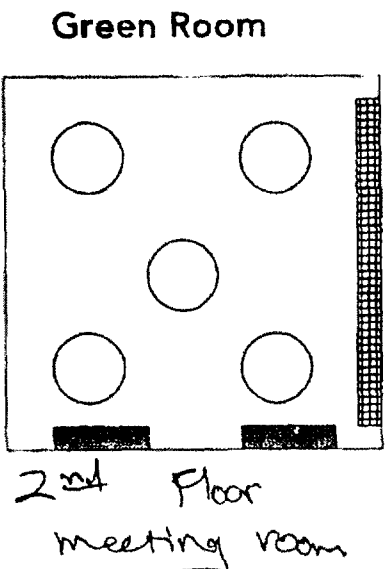
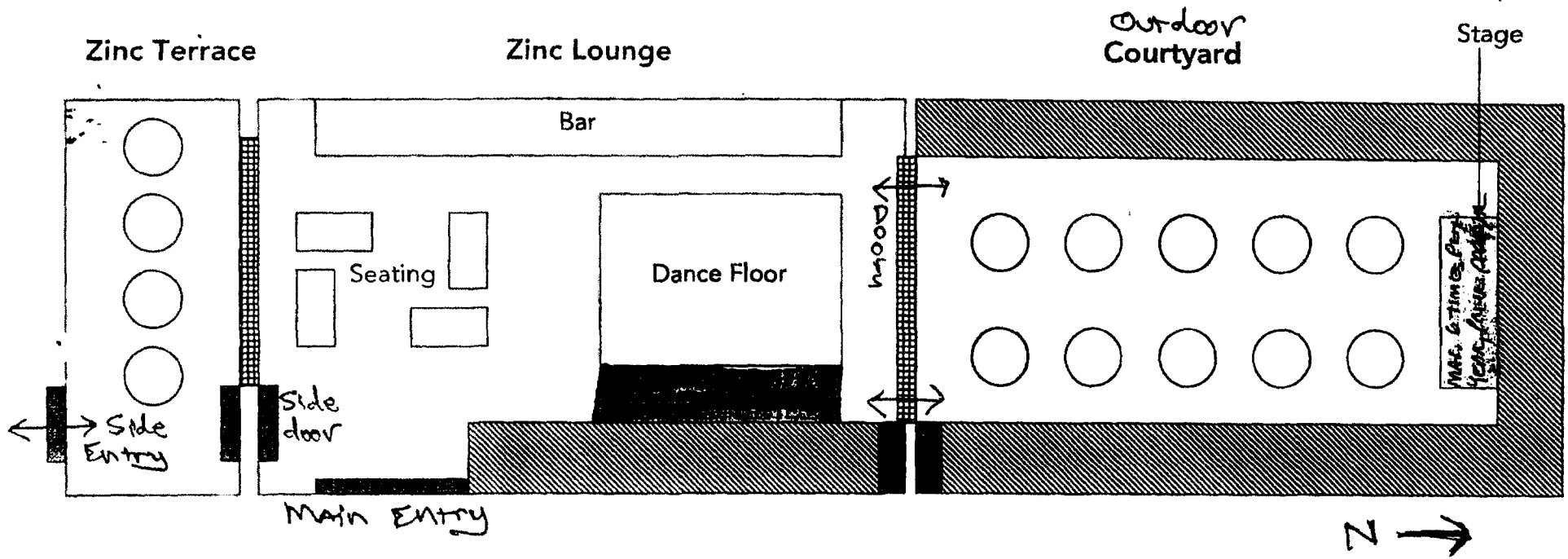
I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE [Signature] DATE 2/25/11

APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement: [Signature] Date: 11-14-11
Planning Division: [Signature] Date: 11/15/11
Director of Community Development: [Signature] Date: 11-16-11

Event Space Layout



LEGEND

- = 12 foot rounds
- = Doorways
- ▨ = Walkways
- ▩ = Sliding Glass Doors

This is not to scale.

RECEIVED

MAY 09 2006

By _____

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 310-802-5156.
2. The applicant shall comply with all of the requirements of Chapter 5.48 Noise Regulations, of the City of Manhattan Beach Municipal Code. (See Sections 5.48.140 and 5.48.160 for specific noise standard regulations)

Fire Department:

Required occupancy loads shall not be exceeded and exits shall remain unobstructed. The exact numbers are required to be posted on the site:

- Roof Deck - 92
- Lobby Bar (Zinc Lounge) - 159
- Patio to south of Zinc Lounge- 47
- Courtyard Area - 151
- Conference Room - 44

Community Development Department:

1. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area.
2. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City.
3. Hours for special events with entertainment or amplified sound shall be limited to Sunday-Thursday: 10 AM to 11:00 PM, and Friday-Saturday: 10 AM to Midnight.
4. Entertainment or amplified sound is prohibited on the Zinc Terrace.
5. A maximum of 6 performers shall be permitted at any time that

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

- amplified sound is incorporated. Entertainment that would result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. All doors leading to the outside shall remain closed at all times.
6. The volume of the music, entertainment, or amplification may not be audible outside of the hotel facilities to the extent that it disturbs the neighbors and surrounding tenants. After 10:00 PM only "background" type of music is allowed.
 7. The hotel shall ensure that their employees, contract employees, contractors servicing events, and all others providing services to the Hotel shall not park on the public streets, in the residential areas or in Parking Lot 8 (the lot in the median of Valley and Ardmore). All parking shall be on the Metlox site or in other public parking structures such as Lot 3.
 8. The drop off driving lane, in front of the hotel off Valley, including the area at Valley and "12th Walk" by the bollards shall remain open, unobstructed and free of vehicles at all times.
 9. Any large transportation such as buses, shuttles, or recreational vehicles shall not use the hotel drop off area, but shall load and unload off of Morningside Drive or 13th Street. The vehicles shall observe and comply with all parking regulations in these areas.
 10. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, the pick up for cars that are parked in the valet area shall be inside of the Metlox parking structure on the P-1, first level, near the escalators to minimize noise and disturbance to the neighbors. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. Valet pickup shall not be permitted at the hotel entrance off Valley Drive at these times. The valet shall keep all driving lanes, parking back up areas, and all vehicular and pedestrian accessways free and accessible to the general public, subject to approval of the Director of Community Development. No permanent signage or structures shall be allowed. Any temporary signage or structures shall only be placed from 9:00 PM to midnight.
 11. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, guests and patrons at the hotel facilities shall use the side door (south) located off the Zinc Terrace to exit the hotel, and not the front entry door that exits onto Valley Drive. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. The employees shall close and monitor

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

the front entry door as required to ensure patrons exit out the side door while maintaining required emergency access. Employees shall also remind the patrons as they depart to be respectful of the neighbors and to minimize noise and disturbance.

12. The applicant shall work cooperatively with the Management Co, landlord, any security personnel and the City to ensure that hotel facility patrons are not gathering in the Town Square and public areas outside of the hotel and disturbing the neighbors after the hotel public areas close. The doorman or other employee shall ensure that patrons do not leave the premises with alcoholic beverages. (See Use Permit conditions below for hours)
13. A renewal application shall be submitted prior to March 1st.
14. A sign stating "Hotel Guests only after 11:00 pm shall be placed outside the main entry to the hotel off of Valley Drive.

Use Permit Description and Conditions:

1. Hotel operations and accessory services to the hotel shall be in conformance with City Council Resolution No. 5770, and PC Resolution No. 05-08, as outlined in the conditions below. Note that condition 34 of PC Resolution No 05-08 allows review annually to determine if it is appropriate to renew the Entertainment Permit, deny the permit, or modify the conditions of approval.
2. All events are limited to a maximum of 99 people unless prior written approval through a Temporary Use Permit is provided by the Director of Community Development. Event size may not exceed the maximum occupancy as allowed by the Building or Fire Code limits.
3. Events may not use the Town Square or other Public Open Areas unless prior approval is granted by the City.
4. Noise mitigation strategies shall be implemented including; door, wall and ceiling treatments, as required within the Zinc Lounge and Zinc Terrace area in order to mitigate noise. The Zinc Lounge shall demonstrate that the insulation achieves an STC (Sound Transmission Code) rating of 50 to mute the noise.
5. Hours of operation for the hotel public areas shall be as follows:
Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday-Thursday, 12:00 midnight Friday and Saturday (alcohol service to stop half-hour prior).

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)

6. The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering first-class accommodations to visitors. All services of the hotel will be focused directly on its guests and event clients.
7. The availability of the Inn for special events shall not be marketed as the primary use.
8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
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AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

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AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

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AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

is mailed to the Owner.

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AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2012.

Location: 1221 N Valley- Shade Hotel- Metlox

certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

1.5 Indemnification

- 1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.
- 1.5.2 The Owner shall cause the Contractor to indemnify and hold harmless SHADE HOTEL from and against any and all claims, demands, suits, damages, including consequential damages and damages resulting from personal injury or property damage, costs, expenses and fees that are asserted against the SHADE HOTEL and that arise out of or result from wrongful acts or omissions by the Contractor in performing the Work.

City Copy



Address: 1221 VALLEY DRIVE

CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

CITY USE ONLY
Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name NICHOL ZISLIS ON BEHALF OF SHADE HOTEL
Applicant Address 1221 N VALLEY DRIVE
Phone # 310 546 4995 Driver Lic.# _____ Birthdate _____
Applicant(s) Employed By SHADE HOTEL
Business Address 1221 N VALLEY DRIVE Phone 310 546 4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity EVENTS: IE. WEDDINGS, CONFERENCES, BIRTHDAY + HOLIDAY PARTIES, ETC
Date(s) of Activity THROUGHOUT THE YEAR Time & Duration PER USE PERMIT + ATTACHED CONDITIONS
Describe Type of Music & Amplification _____
Expected Maximum Attendance * Alcohol Served? Yes X No _____
Will Persons Under 21 Years of Age be Present? Yes X No _____
Alcohol Sold? Yes X No _____ If Yes, ABC License # 47418408
Activity Supervisor(s) JOUSE VOUGHT Address 1221 N VALLEY DR Phone # _____

BASED ON OCCUPANCY

LOCATION OF ACTIVITY

Address of Activity: 1221 N VALLEY DRIVE

Type of Business: HOTEL

Occupant Capacity of Building: Dancing _____ Dining _____

Gross Floor Area _____ Floor Area For Dancing _____ Dining SE: CHART

Parking: Number of On-Site Parking Spaces 50 VALET

Nearby Parking Facility METRO Number of Spaces 450

Other _____

Description of Neighborhood: _____ Commercial _____ Residential
 Mixed Commercial & Residential Uses Nearby
_____ Other _____

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes _____ No

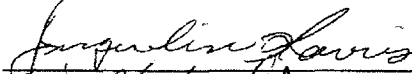


Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes No _____ If yes, was the issued Permit ever denied or revoked? Yes _____ No

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

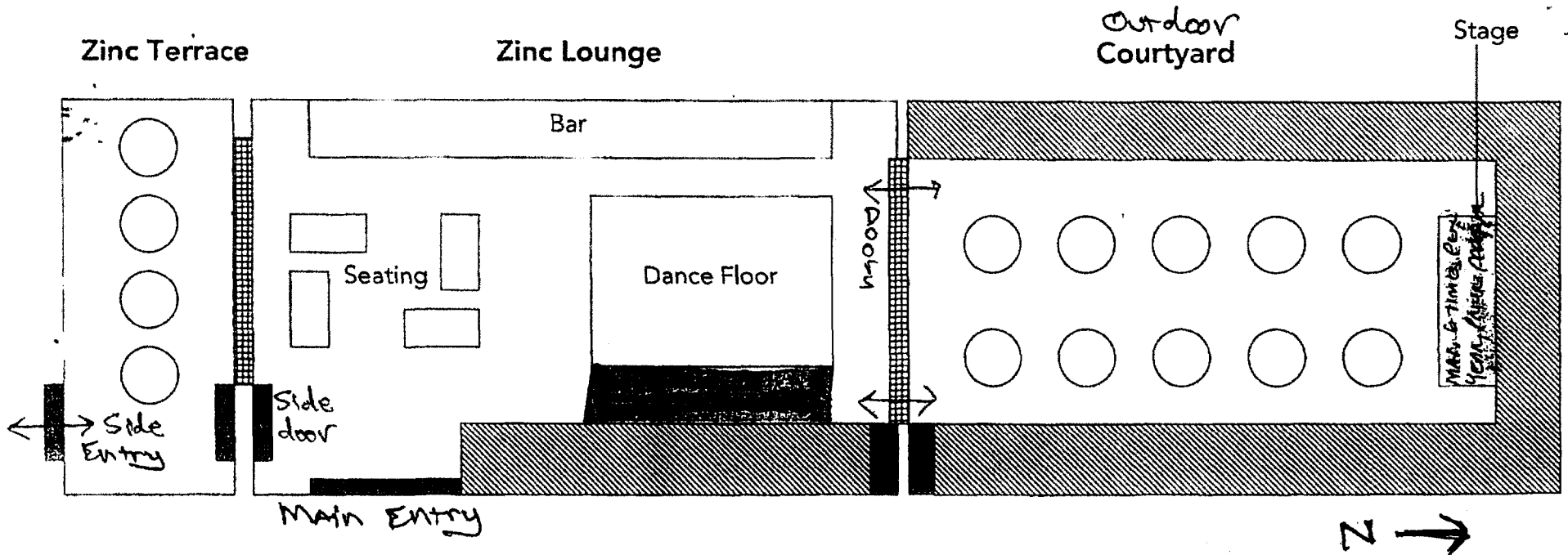
I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE  DATE 3/23/12

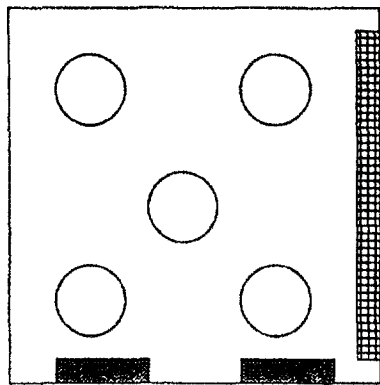
APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement:  Date: 10-8-12
Planning Division:  Date: 10/1/12
Director of Community Development:  Date: 12-12-12

Event Space Layout

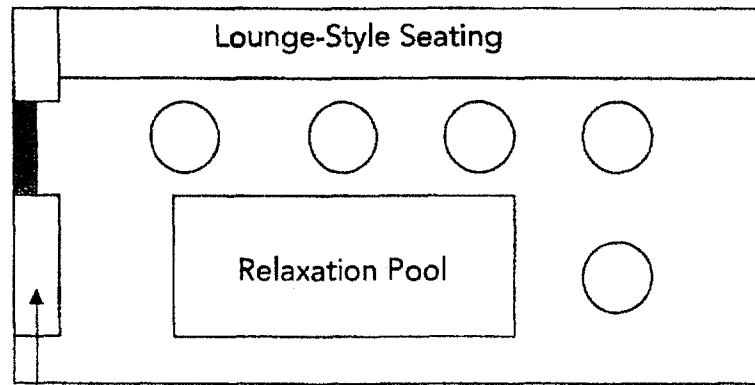


Green Room



2nd Floor meeting room

Skydeck



Roof top Pool Deck

LEGEND

- = 12 foot rounds
- = Doorways
- = Walkways
- = Sliding Glass Doors

This is not to scale.

RECEIVED
MAY 09 2006
By _____

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 310-802-5156.
2. The applicant shall comply with all of the requirements of Chapter 5.48 Noise Regulations, of the City of Manhattan Beach Municipal Code. (See Sections 5.48.140 and 5.48.160 for specific noise standard regulations)

Fire Department:

Required occupancy loads shall not be exceeded and exits shall remain unobstructed. The exact numbers are required to be posted on the site:

- Roof Deck - 92
- Lobby Bar (Zinc Lounge) - 159
- Patio to south of Zinc Lounge- 47
- Courtyard Area - 151
- Conference Room - 44

Community Development Department:

1. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area.
2. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City.
3. Hours for special events with entertainment or amplified sound shall be limited to Sunday-Thursday: 10 AM to 11:00 PM, and Friday-Saturday: 10 AM to Midnight.
4. Entertainment or amplified sound is prohibited on the Zinc Terrace.
5. A maximum of 6 performers shall be permitted at any time that

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

amplified sound is incorporated. Entertainment that would result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. All doors leading to the outside shall remain closed at all times.

6. The volume of the music, entertainment, or amplification may not be audible outside of the hotel facilities to the extent that it disturbs the neighbors and surrounding tenants. After 10:00 PM only "background" type of music is allowed.
7. The hotel shall ensure that their employees, contract employees, contractors servicing events, and all others providing services to the Hotel shall not park on the public streets, in the residential areas or in Parking Lot 8 (the lot in the median of Valley and Ardmore). All parking shall be on the Metlox site or in other public parking structures such as Lot 3.
8. The drop off driving lane, in front of the hotel off Valley, including the area at Valley and "12th Walk" by the bollards shall remain open, unobstructed and free of vehicles at all times.
9. Any large transportation such as buses, shuttles, or recreational vehicles shall not use the hotel drop off area, but shall load and unload off of Morningside Drive or 13th Street. The vehicles shall observe and comply with all parking regulations in these areas.
10. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, the pick up for cars that are parked in the valet area shall be inside of the Metlox parking structure on the P-1, first level, near the escalators to minimize noise and disturbance to the neighbors. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. Valet pickup shall not be permitted at the hotel entrance off Valley Drive at these times. The valet shall keep all driving lanes, parking back up areas, and all vehicular and pedestrian accessways free and accessible to the general public, subject to approval of the Director of Community Development. No permanent signage or structures shall be allowed. Any temporary signage or structures shall only be placed from 9:00 PM to midnight.
11. After 10:00 PM on Friday and Saturday and after all special events at the hotel during any day of the week, guests and patrons at the hotel facilities shall use the side door (south) located off the Zinc Terrace to exit the hotel, and not the front entry door that exits onto Valley Drive. The hours and days may be modified to be more, but not less, restrictive as determined to be necessary by the Director of Community Development. The employees shall close and monitor

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

the front entry door as required to ensure patrons exit out the side door while maintaining required emergency access. Employees shall also remind the patrons as they depart to be respectful of the neighbors and to minimize noise and disturbance.

12. The applicant shall work cooperatively with the Management Co, landlord, any security personnel and the City to ensure that hotel facility patrons are not gathering in the Town Square and public areas outside of the hotel and disturbing the neighbors after the hotel public areas close. The doorman or other employee shall ensure that patrons do not leave the premises with alcoholic beverages. (See Use Permit conditions below for hours)
13. A renewal application shall be submitted prior to March 1st.
14. A sign stating "Hotel Guests only after 11:00 pm shall be placed outside the main entry to the hotel off of Valley Drive.

Use Permit Description and Conditions:

1. Hotel operations and accessory services to the hotel shall be in conformance with City Council Resolution No. 5770, and PC Resolution No. 05-08, as outlined in the conditions below. Note that condition 34 of PC Resolution No 05-08 allows review annually to determine if it is appropriate to renew the Entertainment Permit, deny the permit, or modify the conditions of approval.
2. All events are limited to a maximum of 99 people unless prior written approval through a Temporary Use Permit is provided by the Director of Community Development. Event size may not exceed the maximum occupancy as allowed by the Building or Fire Code limits.
3. Events may not use the Town Square or other Public Open Areas unless prior approval is granted by the City.
4. Noise mitigation strategies shall be implemented including; door, wall and ceiling treatments, as required within the Zinc Lounge and Zinc Terrace area in order to mitigate noise. The Zinc Lounge shall demonstrate that the insulation achieves an STC (Sound Transmission Code) rating of 50 to mute the noise.
5. Hours of operation for the hotel public areas shall be as follows:
Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday-Thursday, 12:00 midnight Friday and Saturday (alcohol service to stop half-hour prior).

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)

6. The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering first-class accommodations to visitors. All services of the hotel will be focused directly on its guests and event clients.
7. The availability of the Inn for special events shall not be marketed as the primary use.
8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
9. All hotel marketing, advertising, and promotions shall be limited to attracting potential hotel guests and event planners. The Zinc Lobby Bar and Skydeck will not be marketed to the general public as separate hospitality attractions.
10. The Wine Bar (Zinc lounge) shall limit its food menu to appetizers or "small plates" (or "tapas"), to qualify as a "bonafide eating place" as required by the ABC Type 47 license. The Wine Bar shall provide food service but shall not operate as a full scale "restaurant". Breakfast may be served daily in the Living Room (Zinc lounge), Porch (Zinc Terrace), and/or Courtyard.
11. Shade Hotel shall not post any drink or food menus, or any drink or food signage outside of the hotel.
12. The Skydeck shall stop regular alcohol service no later than 9:00 p.m. daily.

Public Works Department:

1. The Entertainment event and hotel operators shall ensure attendees do not litter adjacent public property, including but not limited to the sidewalk, street, Metlox Town Square and all other public areas at Metlox. The hotel operators shall police and promptly clean up all areas with any litter

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

and spills after all events. Public Works shall bill applicant for any event related clean-up costs.

Risk Manager:

1. The applicant shall comply with all required Insurance and Indemnity requirements of the City of Manhattan Beach as detailed below.

INSURANCE AND INDEMNITY

1.1 Commencement of Work

SHADE HOTEL shall not commence work under this Agreement until it has obtained Owner approved insurance. Before beginning work hereunder, during the entire period of this Agreement, or any extensions hereto, and for periods after the end of this Agreement as indicated below, SHADE HOTEL must have and maintain in place, all of the insurance coverages required in this Article 1. SHADE HOTELS insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Article 1 and SHADE HOTEL shall be responsible to obtain evidence of insurance from each subcontractor and provide it to the Owner before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-:VII unless otherwise approved by CITY.

1.2 Coverages, Limits and Policy Requirements

SHADE HOTEL shall maintain the types of coverages and limits indicated below:

- (1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, or the equivalent thereof with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93 or the equivalent thereof including Symbol 1 (any auto) with no special limitations affecting the Owner. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. The minimum coverage limits for said insurance shall be no less than one million dollars (\$1,000,000) per claim.

(4) PROFESSIONAL ERRORS & OMISSIONS - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

is mailed to the Owner.

1.3 Additional Requirements

The procuring of such required policies of insurance shall not be construed to limit SHADE HOTEL's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against the Owner for payment of premiums or other amounts with respect thereto.

The Owner shall notify SHADE HOTEL in writing of changes in the insurance requirements. If SHADE HOTEL does not deposit copies of acceptable insurance policies with the Owner incorporating such changes within sixty (60) days of receipt of such notice, SHADE HOTEL shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by the Owner. Any deductible exceeding \$100,000 shall be subject to the following changes:

(1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to the Owner and its officials, employees and agents (with additional premium, if any, to be paid by SHADE HOTEL) ; or

(2) SHADE HOTEL shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

1.4 Verification of Compliance

SHADE HOTEL shall furnish the Owner with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, SHADE HOTEL shall deliver to the Owner a binder or

AMENDED GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2013.

Location: 1221 N Valley- Shade Hotel- Metlox

certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

1.5 Indemnification

- 1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.
- 1.5.2 The Owner shall cause the Contractor to indemnify and hold harmless SHADE HOTEL from and against any and all claims, demands, suits, damages, including consequential damages and damages resulting from personal injury or property damage, costs, expenses and fees that are asserted against the SHADE HOTEL and that arise out of or result from wrongful acts or omissions by the Contractor in performing the Work.



CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500

Address: 1221 Valley

CITY USE ONLY
Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name Michael Ziskis on Behalf of Shade Hotel
Applicant Address 1221 N. Valley Drive
Phone # 310-546-4995 Driver Lic.# _____ Birthdate _____
Applicant(s) Employed By Shade
Business Address 1221 N Valley Drive Phone (310) 546-4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity Events: ie. weddings, conferences
Birthdays + Holiday Parties
Date(s) of Activity throughout the year Time & Duration Per USE PERMITS & Attached Conditions
Describe Type of Music & Amplification _____
Expected Maximum Attendance X Alcohol Served? Yes X No _____
Will Persons Under 21 Years of Age be Present? Yes X No _____
Alcohol Sold? Yes X No _____ If Yes, ABC License # 47478409
Activity Supervisor(s) Elise Vazant Address 1221 N. Valley Dr Phone # _____

* Based on occupancy

LOCATION OF ACTIVITY

Address of Activity: 1221 N. Volley Drive

Type of Business: Hotel

Occupant Capacity of Building: Dancing _____ Dining _____

Gross Floor Area _____ Floor Area For Dancing _____ Dining _____ see chart

Parking: Number of On-Site Parking Spaces 50 valet

Nearby Parking Facility Metlox Number of Spaces 460

Other _____

Description of Neighborhood: Commercial Residential
 Mixed Commercial & Residential Uses Nearby
 Other _____

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes ___ No

Have you ever obtained or sought to obtain an Entertainment Permit in the past? Yes No ___ If yes, was the issued Permit ever denied or revoked? Yes ___ No

I, the applicant(s) for this Permit shall be responsible for the monitoring of this activity and agree to conduct the activity subject to the conditions listed below and, further, understand that violation of any condition, State Laws or City Ordinances will result in immediate termination of this Permit, upon due process.

I understand that a copy of this Permit must be available during the activity and subject to inspection upon request of any City official.

APPLICANT'S SIGNATURE [Signature] DATE 5/9/13

APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement: _____ Date: _____
Planning Division: _____ Date: _____
Director of Community Development: _____ Date: _____

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PAID
E/001-01323547
05-09-2013



Address: 1221 Valley

CITY USE ONLY

Date Received _____
Received by _____
Fee _____
Receipt No. _____
Trans. Code # 4110

**CITY OF MANHATTAN BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
1400 HIGHLAND AVENUE 310/802-5500**

GROUP ENTERTAINMENT PERMIT APPLICATION (ORDINANCE 1775)

APPLICATION MUST BE SUBMITTED AT LEAST 21 DAYS PRIOR TO COMMENCEMENT

Class I Permit: Group entertainment, either incidental with the business being conducted there, or to conduct group entertainment for which admission is charged. Limited to legally operated businesses which are open continuously such as restaurants, hotels, cafeterias, bars, and fast food establishments. Permits shall be valid for a period of one year, or until March 1, and renewable annually on March 1.

The function of this permit is to regulate gatherings of persons in order to preserve and protect the public's peace, health, safety, morals and welfare.

APPLICANT INFORMATION

Applicant(s) Name Michael Ziskin on Behalf of Shade Hotel
Applicant Address 1221 N. Valley Drive
Phone # 30-546-4995 Driver Lic.# 01146027 Birthdate 10/13/65
Applicant(s) Employed By Shade
Business Address 1221 N. Valley Drive Phone (310) 546-4995

ACTIVITY INFORMATION

Complete Description of Proposed Activity Events: ie. weddings, conferences
Birthdays + Holiday Parties
Date(s) of Activity throughout the year Time & Duration see permits & attached conditions
Describe Type of Music & Amplification _____
Expected Maximum Attendance X Alcohol Served? Yes X No _____
Will Persons Under 21 Years of Age be Present? Yes X No _____
Alcohol Sold? Yes X No _____ If Yes, ABC License # 47418408
Activity Supervisor(s) Trish Vazirani Address 1221 N. Valley Dr. Phone # 310 698-

* Based on occupancy

**ATTACHMENT K
PC MTG 2-12-14**

LOCATION OF ACTIVITY

Address of Activity: 1221 N. Valley Drive

Type of Business: Hotel

Occupant Capacity of Building: Dancing _____ Dining _____

Gross Floor Area _____ Floor Area For Dancing _____ Dining _____ See chart

Parking: Number of On-Site Parking Spaces 0 valet

Nearby Parking Facility Metlox Number of Spaces 460

Other _____

Description of Neighborhood: _____ Commercial _____ Residential
 Mixed Commercial & Residential Uses Nearby
_____ Other _____

APPLICANT STATEMENT

Have you or anyone else listed on this application ever been convicted of committing a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty dollars (\$150)? Yes _____ No

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APPLICANT'S SIGNATURE [Signature] DATE 5/9/13

APPROVED BY AUTHORIZED SIGNATURES BELOW, SUBJECT TO THE CONDITIONS BELOW:

Code Enforcement: [Signature] Date: 11-18-13
Planning Division: [Signature] Date: 11/15/13
Director of Community Development: [Signature] Date: 11-15-13

g:\planning\forms\... 3/7/01

GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2014.
Location: 1221 N Valley- Shade Hotel- Metlox

CONDITIONS OF APPROVAL

Police Department:

1. The Police Department shall be notified of entertainment scheduling in writing at least 7 days prior to any event. Notification shall include operating details pertaining to type of entertainment, including size and location of performance or dance area, size of band and number of performers, hours, type of instruments, type of music, type and location of amplification, speakers and other equipment, volume of amplification, type of event, number of guests, location of event, food service, supervision, hours of event including setup and breakdown, and type of transportation for guests. Contact Traffic Sgt. Office at 310-802-5156.
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Required occupancy loads shall not be exceeded and exits shall remain unobstructed. The exact numbers are required to be posted on the site:

- 092 Roof Deck - 92
- 159 Lobby Bar (Zinc Lounge) - 159
- 047 Patio to south of Zinc Lounge- 47
- 151 Courtyard Area - 151
- 044 Conference Room - 44
- 493 Total

Community Development Department:

1. Entertainment or amplified sound shall be in conformance with the attached approved floor plan including: the designated amplified live entertainment/performer location adjacent to the east wall of the Zinc Lounge, and a dance floor area approximately 15' by 20' adjacent to the performer area.
2. The outdoor courtyard to the north of the Zinc Lounge and the Skydeck may only be used for live entertainment, amplified sound or events with a 14 day prior notice and approval of the City.
3. Hours for special events with entertainment or amplified sound shall be limited to Sunday-Thursday: 10 AM to 11:00 PM, and Friday-Saturday: 10 AM to Midnight.
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GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2014.
Location: 1221 N Valley- Shade Hotel- Metlox

- result in dancing which exceeds the capacity of the 15' by 20' dance floor shall be prohibited. Entertainment and dancing shall conform to the attached floor plan. All doors leading to the outside shall remain closed at all times.
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GROUP ENTERTAINMENT PERMIT: Class I. Effective to March 1, 2014.
Location: 1221 N Valley- Shade Hotel- Metlox

Employees shall also remind the patrons as they depart to be respectful of the neighbors and to minimize noise and disturbance.

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5. Hours of operation for the hotel public areas shall be as follows:
Lobby Zinc Bar (including outdoor Zinc Terrace to south of Lounge)- 11:00 PM daily
Interior Outdoor Courtyard (to north of Zinc lounge) and Green Room (2nd floor meeting room) when used for special events and functions- 11:00 pm Sunday-Thursday, 12:00 midnight Friday and Saturday (alcohol service to stop half-hour prior).
Skydeck (Rooftop Deck)- 10:00 pm daily (Alcohol service to stop at 9:00 P.M.)
6. The primary use and purpose of Shade Hotel is and will

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- continue to be to serve the community as a hotel offering first-class accommodations to visitors. All services of the hotel will be focused directly on its guests and event clients.
7. The availability of the Inn for special events shall not be marketed as the primary use.
 8. The Hotel may provide full liquor service throughout the Hotel, including self-service in room "mini-bars", and a portable bar for special events. The service of alcohol at the Hotel shall be in conjunction with food. The hours of food service, and the associated alcohol service, shall be consistent with the project description, which is generally breakfast, evening appetizers and for special events. The Sale of alcoholic beverages for consumption off-premise is not approved with this Master Use Permit. This approval shall operate within all applicable State, County and City regulations governing the sale of alcohol prior to the start of business operations. Any violation of the regulations of the Department of Alcohol and Beverage Control as they pertain to the subject location, or of the City of Manhattan Beach, as they relate to the sale of alcohol, may result in the revocation and/or modification of the subject Master Use Permit.
 9. All hotel marketing, advertising, and promotions shall be limited to attracting potential hotel guests and event planners. The Zinc Lobby Bar and Skydeck will not be marketed to the general public as separate hospitality attractions.
 10. The Wine Bar (Zinc lounge) shall limit its food menu to appetizers or "small plates" (or "tapas"), to qualify as a "bonafide eating place" as required by the ABC Type 47 license. The Wine Bar shall provide food service but shall not operate as a full scale "restaurant". Breakfast may be served daily in the Living Room (Zinc lounge), Porch (Zinc Terrace), and/or Courtyard.
 11. Shade Hotel shall not post any drink or food menus, or any drink or food signage outside of the hotel.
 12. The Skydeck shall stop regular alcohol service no later than 9:00 p.m. daily.

Public Works Department:

1. The Entertainment event and hotel operators shall ensure attendees do not litter adjacent public property, including but not limited to the sidewalk, street, Metlox Town Square and all other public areas at Metlox. The hotel operators shall police and promptly clean up all areas with any litter and spills after all events. Public Works shall bill applicant for any event related clean-up costs.

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Risk Manager:

1. The applicant shall comply with all required Insurance and Indemnity requirements of the City of Manhattan Beach as detailed below.

INSURANCE AND INDEMNITY

1.1 Commencement of Work

SHADE HOTEL shall not commence work under this Agreement until it has obtained Owner approved insurance. Before beginning work hereunder, during the entire period of this Agreement, or any extensions hereto, and for periods after the end of this Agreement as indicated below, SHADE HOTEL must have and maintain in place, all of the insurance coverages required in this Article 1. SHADE HOTELS insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Article 1 and SHADE HOTEL shall be responsible to obtain evidence of insurance from each subcontractor and provide it to the Owner before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-:VII unless otherwise approved by CITY.

1.2 Coverages, Limits and Policy Requirements

SHADE HOTEL shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, or the equivalent thereof with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than one million dollars (\$1,000,000.00) per occurrence. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by Owner. In the event the

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policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) **COMMERCIAL AUTO LIABILITY INSURANCE** - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93 or the equivalent thereof including Symbol 1 (any auto) with no special limitations affecting the Owner. The limit for bodily injury and property damage liability shall be no less than one million dollars (\$1,000,000) per accident. Owner, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by the Owner. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) **WORKERS' COMPENSATION INSURANCE** - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. The minimum coverage limits for said insurance shall be no less than one million dollars (\$1,000,000) per claim.

(4) **PROFESSIONAL ERRORS & OMISSIONS** - a policy with minimum limits of one million dollars (\$1,000,000) per claim and aggregate. This policy shall be issued by an insurance company which is qualified to do business in the State of California and contain a clause that the policy may not be canceled until thirty (30) days written notice of cancellation is mailed to the Owner.

1.3 Additional Requirements

The procuring of such required policies of insurance shall not be construed to limit SHADE HOTEL's liability hereunder, nor

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to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against the Owner for payment of premiums or other amounts with respect thereto.

The Owner shall notify SHADE HOTEL in writing of changes in the insurance requirements. If SHADE HOTEL does not deposit copies of acceptable insurance policies with the Owner incorporating such changes within sixty (60) days of receipt of such notice, SHADE HOTEL shall be deemed in default hereunder.

Any deductibles or self-insured retentions must be declared to and approved by the Owner. Any deductible exceeding \$100,000 shall be subject to the following changes:

(1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to the Owner and its officials, employees and agents (with additional premium, if any, to be paid by SHADE HOTEL) ; or

(2) SHADE HOTEL shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

1.4 Verification of Compliance

SHADE HOTEL shall furnish the Owner with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by the Owner before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, SHADE HOTEL shall deliver to the Owner a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefore, or accompanied by other proof of payment satisfactory to the Owner.

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1.5 Indemnification

- 1.5.1 SHADE HOTEL agrees to indemnify, defend, and hold harmless the Owner and its elective or appointive boards, officers, attorneys and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees arising out of, or in any way connected with performance of, the Agreement by SHADE HOTEL, SHADE HOTEL's agents, officers, employees, subcontractors, or independent contractor(s) hired by SHADE HOTEL. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SHADE HOTEL.
- 1.5.2 The Owner shall cause the Contractor to indemnify and hold harmless SHADE HOTEL from and against any and all claims, demands, suits, damages, including consequential damages and damages resulting from personal injury or property damage, costs, expenses and fees that are asserted against the SHADE HOTEL and that arise out of or result from wrongful acts or omissions by the Contractor in performing the Work.

EXHIBIT EP-2

SHADE HOTEL APPLICATION FOR THE 2005 CUP

12 March 2014

SHADE HOTEL

Application for Amendment to Use Permit

Shade Hotel seeks to amend the 'use permit' approved by the city for the new Metlox commercial development as it pertains to the hotel property. Shade Hotel requests that three changes be made to the existing 'use permit':

1. That full liquor service be permitted at all public service areas of the hotel as required by the Type 47 license. The service areas include the in-room 'mini-bars', the Courtyard, the Wine Bar (called "Zinc"), the Living Room (defined as the Wine Bar and a certain area of the Lobby that can be partitioned and closed to the public -- see enclosed cut sheet), the Meeting Rooms, and the Sun Deck located on the roof.
2. That the hotel be permitted to sell alcoholic beverages to the general public as opposed to only hotel guests as stated in the 'use permit', in order to comply with the Alcohol Beverage Control regulations.
3. That the size of events be increased from a maximum of sixty to ninety-nine people. The approved occupancies of the event spaces can comfortably accommodate the change. The occupancy of the first level, as per the approved plans, is 204 people.

The reason for seeking these changes is to comply with the requirements of the Department of Alcohol Beverage Control, as already explained in this application, and to improve the services offered at the hotel. **The primary use and purpose of Shade Hotel is and will continue to be to serve the community as a hotel offering first-class accommodations to visitors.** The requested changes to the 'use permit' will not affect the primary use and purpose of the hotel and will have no impact on the community (not on residents, adjacent businesses, city services, or parking). The changes will make the hotel a better, more attractive facility for Manhattan Beach and a more sustainable business for its owners and investors and the city. All services of the hotel will be focused directly on its guests and event clients. In booking functions, Shade Hotel's first concern will always be given to the hotel's guests, so the hours and size of events will be restricted by how they impact the entire hotel operation. Although the general public cannot be denied access to alcohol service in the public areas, as regulated by the A.B.C., Shade Hotel makes the commitment to the city that all its advertising, marketing and promotions will be focused on potential hotel guests and not the general public.

Alcohol Service

Permitting full liquor at all the alcohol service areas of the hotel should not present a great concern to the city or community. First, because the hotel will be a four-star facility, it will attract a mature, up-scale, affluent clientele. Second, as the city has learned over the years, it is not alcohol, per se, that potentially may cause issues for a community, but rather it is the type of establishment offering the alcohol that may lead to problems. Night clubs and bars tend to draw the wrong crowd and it is these younger, rowdier patrons who may have the propensity to engage in undesirable behavior. Many bonafide restaurants in the downtown area serve liquor – Fonz’s, Café Pierre, Manhattan Beach Brewing Co., Avenue – and generate no problems for the community. Shade Hotel is situated away from the other nightlife in Manhattan Beach, and the business concept of operating as a hotel does not attract trendy “party-goers”.

Shade Hotel has been conferring and meeting regularly with the Alcohol Beverage Control and the Manhattan Beach Community Development Department for the past several months to address and minimize any potential issues and concerns. After the hotel acquired the Type 47 license at the end of 2004, it submitted the alcohol application to the A.B.C. in January, 2005. As part of the A.B.C. alcohol license application an applicant must: (1) mail public notices to the neighbors located within a 500 yard radius of property, (2) post the application sign on the exterior of the property for thirty days, and (3) advertise the application publicly in the newspaper three times. Shade Hotel completed this procedure in February. The result achieved was that **not one neighbor or citizen protested the application.** According to Margo Hoffman, the A.B.C. investigator assigned to this case, it is uncommon when an application does not elicit some minimal protest. This is a strong indication that the community supports the concept of a small, first-rate hotel located in the downtown area offering a variety of services and uses. Four-star hotels and wedding venues typically hold Type 47 licenses – including Belamar Hotel, the Marriott, and Veranda (wedding venue) in Manhattan Beach – and the community appears to accept this industry standard.

If the city approves the requested amendments to the ‘use permit’, then the A.B.C. is in the position to immediately issue the Type 47 license.

One concern expressed by the Community Development Department is the issue of noise generated by events, entertainment, and alcohol consumed in a festive atmosphere. Again, Shade Hotel’s first priority will be the guests staying at the hotel. All events will be planned around the convenience and comfort of the guests. The hotel will construct, as part of its design, a retractable partition in the Living Room capable of separating the Wine Bar/Living Room facility from the reception area. The walls and partition of the Living Room will insulate the sound produced by events ... the room will have a STC (Sound Transmission Code) rating of 50, which will more than sufficiently mute the noise. The hotel designers specifically planned the Sun Deck to minimize noise and maximize privacy. The Sun Deck will be enclosed by decorative walls on all four sides: the walls stand eight feet to the east (Ardmore Blvd.) and six feet in all others directions (facing commercial uses). The size of the Sun Deck is 430 square feet with an occupancy

of 45 people. The intended use of this facility is for hotel guests and their visitors, and for small events or private uses.

To further allay any potential concerns the city or citizens may have by amending the ‘use permit’, Shade Hotel proposes that certain mitigating conditions can be imposed upon the hotel operation:

1. All hotel marketing, advertising, and promotions must be limited to attracting potential hotel guests and event planners. The Wine Bar (now called “Zinc”) and Sun Deck will not be marketed to the general public as separate hospitality attractions. (The brochure included in this application demonstrates the intent of Shade Hotel.)
2. The Wine Bar will limit its food menu to appetizers or “small plates” (or “tapas”), to qualify as a “bonafide eating place” as required by the Type 47. The Wine Bar will not operate as a restaurant. (Breakfast will be served daily in the Living Room or Courtyard depending upon weather conditions.)
3. Shade Hotel will not post any drink or food menus, or any drink or food signage outside of the hotel.
4. The Sun Deck will stop regular alcohol service prior 9:00 p.m. daily.
5. Alcohol service at events and functions will stop thirty minutes prior to the hotel closing hours: 10:30 p.m., Sunday – Thursday; 11:30 p.m., Friday and Saturday.

These self-imposed conditions will go a long way to eliminate any potential issues that may arise. The city, of course, possesses the powerful **annual prerogative to approve or restrict the hotel’s entertainment permit** made available in the existing ‘use permit’. With this overwhelming leverage, the city can influence the conduct of any affected business operator to ensure he or she conforms to the needs and values of the community. Responsible, prudent alcohol service will simply not be an issue at the hotel. The operators of Shade Hotel have a long history in Manhattan Beach as hands-on owners and managers of two reputable restaurants located downtown. Both restaurants – Manhattan Beach Brewing Company (15 years) and Rock’N Fish (4 ½ years) – offer liquor beverages to its customers, and both espouse a “good citizen” philosophy emphasizing conservative alcohol service and professional operational practices consistent with the community’s standards.

Event Size

The need to increase the size of events from sixty to ninety-nine people has been communicated by several groups of function planners interested in contracting the services of the hotel. They find the limit of sixty people impractical and restrictive for many types of events. The combined facilities of the Courtyard and the Living Room will more than adequately accommodate parties of ninety-nine or greater (the occupancy of the first level is 204). Some groups intend to book all the hotel guest rooms for their events; with the possibility of two guests staying in each of the sixteen "Spa Suites", three in the sixteen "Deluxe Spa Suites", and four occupying the five "Penthouses", this would create parties with the potential attendance approaching the requested capacity. The sixty person restriction was conservatively established prior to the final design of the hotel and the occupancy calculation. In practical terms, the increase from sixty to ninety-nine persons will have a minimal impact on the resources and operations of the hotel, and should have no effect on the city or neighboring businesses.

The city approved the hotel to serve as a facility for "weddings, parties and other special event services as a secondary use". Shade Hotel needs a less restrictive limit on its event capacity to be a serious contender as a wedding and banquet venue and to compete more fairly with the Belamar Hotel, the Marriott, and Veranda.

Conclusion

Shade Hotel needs the help and support of the city to be successful in the community. In order to survive and succeed as a small, boutique hotel enterprise, Shade Hotel must attempt to maximize all potential sources of revenue – which is true for all operators throughout this segment of the industry. The original hotel operator withdrew from the deal for economic reasons related to the small size of the hotel. The developer of the Metlox project had a difficult time finding another operator to take over the hotel because of the risks, undetermined costs, and many unknown factors associated with building a hotel on the city's underground parking structure.

The Metlox developer approached the operators of the Manhattan Inn Operating Company, LLC (Shade Hotel), which agreed to assume the ground lease for the project. The operators of Shade Hotel concluded they had to step up the project to a four-star hotel in order to create a viable business operation and to justify the enormous capital investment (the original simple two-star inn could not merit charging high enough room rates to earn a satisfactory profit and return). They believed that a four-star establishment could better meet the needs of the community since no comparable facility existed in the downtown area and Manhattan Beach is an affluent community made up of residents and visitors possessing discriminating tastes and needs.

Coping with the many unforeseen challenges caused by the parking garage and constructing a much improved four-star hotel has pushed the budget to exceed the original costs estimated by the Metlox developer by thirty-three percent. This fact has substantially increased the risks of taking on the project.

Amending the 'use permit' as requested in this application will make Shade Hotel a better all-around hospitality facility with improved services for guests and event planners, and will improve the economic sustainability of the business for its owners. The operators of Shade Hotel understand and agree with the intent of the existing 'use permit' and commit to continue honoring that intent with the amended uses.

As opening day is quickly approaching, time is of the essence. Shade Hotel needs the requested changes in order to open on time and to be given the opportunity to succeed. Thank you for your time and consideration.

WRITTEN DESCRIPTION

Purpose of Application

Shade Hotel (owned and operated by Manhattan Inn Operating Company, LLC) is located at 1221 North Valley Drive, Manhattan Beach and is part of the new Metlox development. The approved 'use permit' for the commercial development states, "The Inn may provide beer and wine service for its guests only, and may also provide full liquor self-service in room 'mini-bars'." An issue has arisen because the Department of Alcohol Beverage Control does not offer an alcohol license or set of licenses to permit the combination of alcohol service circumscribed by the 'use permit' approved by the city. The licenses required by the A.B.C. to permit these combined services are a Type 66 Controlled Access Cabinet Permit (which permits in-room 'mini-bars') and a Type 47 On-Sale General for Bonafide Eating Place (which permits the sale of liquor).

Shade Hotel purchased a Type 47 license in 2004 and submitted the licensing application to the A.B.C. During the approval process the A.B.C. determined that a Type 47 cannot be limited in the manner specified by the city: "beer and wine service for its guests only". For a business establishment to possess a Type 47, it must: (1) be a bonafide eating place, (2) permit the general public access to the public service areas (the very definition of a general on-sale license), and (3) serve liquor at the licensed service areas. The Type 66 is not a stand alone license and must be issued in conjunction with another on-sale general license such as the Type 47.

Therefore, in order to comply with A.B.C. regulations, it is necessary for Shade Hotel to seek an amendment to the 'use permit' for the Metlox site to permit full liquor in all service areas of the hotel including the room 'mini-bars'. The other service areas include the Courtyard, the Living Room (comprised of part of the Lobby and the Wine Bar), the Meeting Rooms, and the Sun Deck. The 'use permit' must also be amended to allow the general public access to the alcohol services areas at the hotel.

Secondly, the city approved the hotel to serve as a facility for "weddings, parties and other special events as a secondary use". The initial interest from the community has been encouraging, however many party planners have expressed that the limit of sixty people is impractical and restrictive for many types of events. Shade Hotel proposes to increase the size of events from sixty to ninety-nine people to better accommodate the demands of function planners.

Legal Description

Lot 2, Block 97, Manhattan Beach Division #2.

General Plan Designation

Downtown Commercial

L.C.P., L.U.P. Designation

Downtown Commercial

Zoning

CD, Downtown Commercial

Neighboring Land Uses

North	CD, Police/ Fire Stations
South	CD, Restaurant/ Commercial
East	CD, Valley/ Ardmere Blvds.
West	CD, Commercial, Public Areas

Alcohol License

Current: Type 47 – On-Sale General for Bonafide Eating Place
Type 66 – Controlled Access Cabinet Permit
Type 68 – Portable Bar

(The current ‘use permit’ places restrictions on the alcohol licenses: Beer and wine service for its guests only.)

Proposed: Type 47 – On-Sale General for Bonafide Eating Place
Type 66 – Controlled Access Cabinet Permit
Type 68 – Portable Bar

(Full alcohol service available to the general public in all service areas as required by the Department of Alcohol Beverage Control.)

Occupancy

Total hotel occupancy:	Approximately 334 persons.
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Parking

Public parking provided at the Metlox site. Changes to the existing “use permit” will have no impact on the available parking.

Hours of Operation

Sunday – Thursday	6:00 a.m. – 11:00 p.m.
Friday and Saturday	6:00 a.m. – 12:00 a.m. (midnight)

(These are the original hours approved by the current ‘use permit’.)

Breakfast Service

Monday – Friday	6:00 a.m. – 10:00 a.m.
Saturday – Sunday	6:00 a.m. – 11:00 a.m.

Environmental Impact

None.

DESCRIPTION OF HOW FINDINGS WILL BE MET

1. The proposed amendments to the 'use permit' of Shade Hotel, located at 1221 North Valley Drive, Manhattan Beach, is consistent with the Commercial Downtown designation. This area is specifically designated for commercial activity and services for residents and out-of-town visitors. Several other business operations in the area already engage in similar uses.
2. The proposed amended 'use permit' of this business property is consistent with the General Plan for the Commercial Downtown designation, because it is merely the granting of additional privileges to an already approved use that will result in no fundamental change of that use. Amending the 'use permit' to comply with A.B.C. regulations and the approval of larger special events will have no environmental impact whatsoever and will not be detrimental to the public health, safety, or welfare of persons residing or working in or adjacent to the location of the boutique hotel. There will be no negative impact on properties or improvements in the vicinity, or on the general welfare of the city.
3. The proposed amended 'use permit' for the boutique hotel is consistent with the already approved primary and secondary uses of the facility. The new uses will comply with the provisions and conditions of this title.
4. Because the proposed amended 'use permit' will not alter the fundamental use, purpose or character of the boutique hotel, and because there will not be any change in occupancy or intensification of the property, the proposed amended use will not create adverse impacts on traffic or create demands exceeding the capacity of public services and facilities.

EXHIBIT EP-3

MUNICIPAL CODE ORDINANCE FOR ENTERTAINMENT PERMITS

12 March 2014

Manhattan Beach, California, Code of Ordinances >> Title 4 - PUBLIC WELFARE, MORALS AND CONDUCT >> Chapter 4.20 - AMUSEMENTS—DANCES AND CAFE ENTERTAINMENT >>

Chapter 4.20 - AMUSEMENTS—DANCES AND CAFE ENTERTAINMENT

Sections:

- [4.20.010 - Legislative findings.](#)
- [4.20.020 - Definitions.](#)
- [4.20.030 - Permit required.](#)
- [4.20.040 - Permit fees.](#)
- [4.20.050 - Types of permits.](#)
- [4.20.060 - Permit application.](#)
- [4.20.070 - Permit application: Investigation.](#)
- [4.20.080 - Granting or refusal of permit.](#)
- [4.20.090 - Hours of operation.](#)
- [4.20.100 - Duration and renewal of permit.](#)
- [4.20.110 - Revocation.](#)
- [4.20.120 - Suspension.](#)
- [4.20.130 - Appeal.](#)
- [4.20.140 - Enforcement.](#)
- [4.20.150 - Recreation and school dances or cafe entertainment excepted.](#)
- [4.20.160 - Temporary street closing for special events.](#)

4.20.010 - Legislative findings.

The City Council does find that there exists and has existed an increasing trend toward large group activities within the City of Manhattan Beach. Such group activities often result in parking and traffic hazards, excessive noise, accumulation of trash and debris, public intoxication, urination and excretion, vandalism, trespass, narcotic violations, and other conditions or behavior detrimental to the peace, health, safety, morals or welfare of the City or its inhabitants. The City Council further finds that it is in the best interest of the City and its inhabitants to regulate such gatherings or assemblages at places other than private residences in order to preserve and protect the public peace, health, safety, morals and welfare.

(§ 1, Ord. 1775, eff. March 4, 1988; § 1, Ord. 1786, eff. January 5, 1989)

4.20.020 - Definitions.

For the purposes of this chapter, certain words and phrases used herein are defined as follows:

- A. "Group entertainment" shall mean activity or activities at any place (excluding private residences) wherein one hundred (100) or more people are present at the same time and where either: (1) entertainment is provided or in any manner furnished, allowed or permitted to be carried on; or (2) food is prepared on the premises and consumed on the premises by customers who pay for the food; or (3) alcoholic beverages are sold, offered for sale or given away. "Entertainment" shall mean any activity having the

primary purpose and effect of providing amusement or diversion in any manner, including but not limited to live bands, one or more performers of musicals or other acts, or amplified radio or pre-recorded music. The term "entertainment" shall not include radio or pre-recorded music when the same is not audible to the unaided human ear at any point on the property line of the lot and structure where such music is presented.

"Group entertainment" shall not include any activity whose purpose and effect is primarily religious, political, or educational. Educational activities are those activities sponsored by a school district or an individual accredited school, college or university.

(§ 1, Ord. 1775, eff. March 4, 1988; § 2, Ord. 1786, eff. January 5, 1989)

4.20.030 - Permit required.

No person shall conduct or operate any place having group entertainment upon the premises unless such person in charge of operations or having control of such place where group entertainment is permitted or allowed has received a permit from the City Manager or his delegate authorizing such group entertainment. Such permit must be available on the premises at the time of the event and presented to the Chief of Police or his representative upon demand. Any such permit shall be endorsed by the Chief of Police or his representative. Such permit shall not be required of any person showing motion pictures in a legally licensed theater.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.040 - Permit fees.

Fees, if any, for issuing permits under this chapter shall be established by Council under separate resolution.

(§ 1, Ord. 1775, eff. March 4, 1988; § 3, Ord. 1786, eff. January 5, 1989)

4.20.050 - Types of permits.

Permits issued under this chapter are nontransferable and are valid only at the location or address specified in the permit. Permits for the operation of group entertainment are classified as follows:

- A. **Class I Permit.** Such permit entitles the holder to conduct group entertainment either incidental with the business being conducted there or to conduct group entertainment for which admission is charged.
- B. **Class II Permit.** The holder of this permit shall be entitled to conduct group entertainment on one occasion only and an admission charge may be charged for such an event. Such event may be conducted for a period of time not exceeding twelve (12) consecutive hours. The holder of this permit may provide live bands and amplified music.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.060 - Permit application.

Before any permit is issued pursuant hereto, an application for such permit shall be filed with the City Manager or his delegate signed and verified by the applicant and accompanied by the fee required and shall set forth the following:

- A. The name, principal business address and phone number, or, if none, the address and phone number of the applicant and whether the applicant is an individual, partnership, association, or corporation;
- B. The nature of the business or activity for which a permit is requested;
- C. The name and address of the person by whom the applicant is employed, if any;
- D. The address and a detailed description of the premises for which the permit is sought, including but not limited to the approximate size of the lot and the approximate square footage of any structure in which the activity will occur, a description of the area where any dancing is to be conducted, a description of any parking facilities on the premises and in the nearby vicinity, and a general description of the neighborhood in which the premises are located;
- E. A description of the principal activities to be conducted on the premises;
- F. Whether alcoholic beverages will be offered for sale or otherwise provided;
- G. The names, residence addresses, and business addresses of all persons who will be charged with the supervision of the activities conducted on the premises;
- H. Whether the applicant or any person named in the application has ever been convicted of the commission of a violation of law, except any offense resulting only in a fine or bail forfeiture of less than one hundred fifty (\$150.00) dollars;
- I. Whether the applicant has ever obtained or sought to obtain a permit in the past, and whether such permit was ever revoked or denied;
- J. In the case of a Class I permit, the maximum capacity of the room or rooms where such business is to be conducted;
- K. In the case of a Class II permit, the projected maximum number of people on the premises at any one time while the permit is in effect;
- L. Such other information as the applicant may desire to furnish in support of the application.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.070 - Permit application: Investigation.

Upon receipt of an application for a permit the City Manager or his delegate shall, within a reasonable time thereafter, conduct such investigation as may be necessary concerning the application and the business proposed to be conducted to determine whether the applicants propose to engage in any activity or enterprise which may be detrimental to the public peace, health, safety, morals, or welfare of the City or its inhabitants whether by reason of the nature of the activity or the manner in which the activity is proposed to be conducted. The City Manager or his delegate shall consult the Chief of Police or his delegate for approval prior to issuing any permit under this chapter.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.080 - Granting or refusal of permit.

After conducting an investigation, the City Manager may refuse to issue a permit if the City Manager finds that:

- A. The applicant proposes to engage in an activity or enterprise which will be detrimental to the public peace, health, safety, morals, or welfare of the City or its inhabitants either by reason of the nature of the business or activity or the manner in which the business or activity is proposed to be conducted;
- B. The business or activity is or has become a public nuisance;
- C. The business or activity is prohibited by local or State law;
- D. The applicant is "unfit," has a bad moral character, is under the age of eighteen (18), has been refused a permit in the past or has had a permit revoked;
- E. The application contains information or representations which are false, fraudulent or materially misleading;
- F. The applicant has failed to comply with the provisions of this chapter regarding fees and application requirements.

If, after conducting an investigation, the City Manager or his delegate does not find that subsections (A), (B), (C), (D), (E), or (F) of this section describe the applicant or the proposed activities, then the City Manager or his delegate shall issue a permit subject to such terms, conditions and restrictions as are necessary and appropriate to regulate the operation and conduct of the applicant's business or activities to protect the peace, health, safety, morals, or welfare of the City or its inhabitants. Such terms, conditions and restrictions may include, but shall not be limited to, limitations on the number of people permitted on the premises at a given time, vehicular parking and traffic standards and requirements, limitations on noise levels, trash and debris clean-up and removal requirements, and restrictions on the hours of operation, if considered appropriate based upon special circumstances.

(§ 1, Ord. 1775, eff. March 4, 1988; § 2, Ord. 1789, eff. February 16, 1989)

4.20.090 - Hours of operation.

All group entertainment permittees under the provisions of this chapter shall observe hours of operation and entertainment as set forth in the permit; however, if the group entertainment permit is utilized in conjunction with a use permit or other discretionary permit issued by the Planning Commission or City Council, the group entertainment permittee shall observe any hours of operation and entertainment as set forth in the use permit or other discretionary permit, as it may be amended from time to time.

(§ 1, Ord. 1789, eff. February 16, 1989; § 1, Ord. 1795, eff. March 23, 1989; Ord. No. 1910, Amended, 07/21/94)

4.20.100 - Duration and renewal of permit.

Permits of the Class I type shall only be issued to legally operated businesses which operate on a continuous basis throughout the year, including restaurants, hotels, cafeterias, bars, and fast-food establishments. Such permits shall be for a period of one year or until the following March 1. Permits of the Class II type shall be issued for one (1) occasion only and a separate permit shall be required for each and every occasion. Application for the granting of permits or the renewals of permits of the Class I type shall be made at least twenty-one (21) working days in advance of the date sought for the issuance of such permit or renewal. Application for the granting of permits of the Class II type shall be made at least twenty-one (21) working days in advance of the date sought for the issuance of such permit or renewal.

(§ 1, Ord. 1775, eff. March 4, 1988; § 3, Ord. 1789, eff. February 16, 1989)

4.20.110 - Revocation.

When any permit is issued pursuant to the terms of this chapter, such permit may be revoked at any time thereafter by the City Manager or his delegate if it is determined that the conduct of such business does or will endanger in any manner the public welfare or the peace, health or safety of the City or its inhabitants or that the same has been conducted in an illegal manner, or in violation of any of the terms and conditions attached to such permit or when the proprietor or person in charge of such business violates or permits any infraction of any law of the State or City. Such revocation in the case of a Class I type permit shall be affected by delivering a notice of revocation with the reasons therefor to the applicant in person or by mailing the same to the address of the applicant as set forth in his application. Such revocation shall be effective within five (5) days following the date of delivery or the date of mailing unless within such period of time the applicant files with the City Council a demand for a hearing. If such demand for a hearing is filed, the Council shall conduct a hearing relative to the revocation of such permit and at the conclusion of such hearing may uphold such revocation or may reinstate the permit as it was originally issued or subject to such additional terms and conditions as the Council may impose to protect the public peace, health, safety, morals, or welfare of the City or its inhabitants. In the event such revocation is upheld by the Council, the revocation of such permit shall be effective on the date of the action by the Council.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.120 - Suspension.

- A. When any permit is issued pursuant to the terms of this chapter such permit may be suspended at any time thereafter by the City Manager or his delegate for a period of time not to exceed thirty (30) days if it is determined that the business has not been conducted in compliance with the terms and conditions of such permit, but that such misconduct is not of such gravity as to warrant a revocation of such permit.

Such suspension in the case of a Class I type permit shall be effected by delivering a notice of suspension to the permit holder in person or by mailing the same to the address of the holder as set forth in his application.

Such suspension shall be effective within five (5) days following the date of delivery or the date of mailing unless within such period of time the holder files with the City Manager a demand for a hearing. Such an appeal by a permit holder of a suspension by the City Manager or his delegate, the City Manager or his delegate shall afford the permit holder an opportunity to be heard. After such hearing the City Manager or his delegate may approve, modify or cancel the suspension order. The action of the City Manager or his delegate upon an appealed suspension shall be final.

- B. If the Police Chief or his delegate determines that the conduct of such business or activity is or will endanger in any manner the public welfare or the peace, health or safety of the City or its inhabitants, or that the same is being conducted in an illegal manner or in violation of any of the terms and conditions attached to such permit or that the proprietor or person in charge of such business or activity is in violation or permitting any infraction of any law of this State or City, he shall have the authority to:
1. In the case of a Class I type permit, immediately suspend the permit, cause the event to cease and report the matter to the City Manager or his delegate for the consideration of revocation of said permit.
 - 2.

In the case of a Class II type permit, immediately revoke the permit and cause the event to cease.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.130 - Appeal.

In the event the City Manager or his delegate denies such permit or the applicant objects to the terms and conditions attached to said permit, the applicant may appeal to the Council by filing with the City Clerk a written notice of appeal within ten (10) days from the date of such denial or imposition of terms and conditions to the permit. If such appeal is filed, the Council within a reasonable time shall review the matter and after conducting such hearing thereon as the Council may require, may grant or refuse such permit if it determines that the proposed enterprise would be detrimental to the peace, health, safety, morals or welfare of the City or its inhabitants either by reason of the moral character of the applicant, the nature of the business or the manner in which the proposed business is to be operated. The Council may further confirm, modify or delete such terms or conditions imposed by the City Manager as it deems appropriate. The action of the Council shall be final and conclusive.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.140 - Enforcement.

The following persons shall be guilty of a misdemeanor, punishable by six (6) months in County Jail and/or a five hundred (\$500.00) dollar fine.

- A. Any person conducting or operating any place having group entertainment upon the premises without having obtained a permit from the City Manager or his delegate authorizing such group entertainment;
- B. Any person conducting or operating any place having group entertainment upon the premises who does not present an appropriate permit to the Chief of Police or his representative upon demand;
- C. Any person conducting or operating any place having group entertainment upon the premises whose permit has been revoked unless and until such permit has been reinstated;
- D. Any person conducting or operating any place having group entertainment upon the premises whose permit has been suspended unless and until such permit has been reinstated or the term of the suspension has expired.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.150 - Recreation and school dances or cafe entertainment excepted.

Nothing in this chapter shall be deemed or construed to apply to any group entertainment given or held under the auspices of the City Recreation Department or the City School District or the South Bay Union High School District.

(§ 1, Ord. 1775, eff. March 4, 1988)

4.20.160 - Temporary street closing for special events.

The City Manager or his delegate may issue permits for noncommercial neighborhood dances or block parties subject to such conditions considered appropriate. For this purpose, the

City Manager or his delegate may authorize closure of any street or streets or parts thereof to all vehicular traffic or parking as may be necessary or appropriate in connection with any such special event conducted within the City. Appropriate signs or traffic control devices shall be posted to provide notice of such closing.

(§ 1, Ord. 1775, eff. March 4, 1988)