

**CITY OF EL SEGUNDO**

**PLANNING COMMISSION STAFF REPORT**

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**PUBLIC HEARING:** January 24 , 2008

**SUBJECT:** Environmental Assessment No. 768, Zone Text Amendment 08-01 and Development Agreement Amendment No. 07-03

**APPLICANT:** Rosecrans-Sepulveda Partners 2, LLC and PES Partners 2, LLC

**PROPERTY OWNER:** Rosecrans-Sepulveda Partners 2, LLC and PES Partners 2, LLC

**REQUEST:** Development of a 70,000 Square Foot Shopping Center

**PROPERTY INVOLVED:** 850 South Sepulveda Blvd., 2021 Rosecrans Avenue (generally north east corner of Sepulveda Blvd./Rosecrans Ave.)

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**I. Introduction**

The Developer has filed an application to amend the existing development agreement and site plan for the relatively small portion of the Plaza El Segundo Development that has not been constructed yet but that was previously approved by the City in March 2005. The existing Development Agreement and Vesting Tentative Map to permit development of a shopping center of up to 425,000 square feet on a 43.3 gross acre (38.1 net acres) portion of the 110-acre site (“the Plaza El Segundo Development”). The undeveloped portion of the project is approximately 58.6 acres and 401,171 square feet of buildable floor area and is located at the northeast corner of Sepulveda and Rosecrans Boulevards. The Developer is seeking to add approximately 3.4 acres to this yet to be developed area that would result in the developable floor area that would allow a maximum of 70,000 square feet of buildable floor area. The project as amended would still be required to stay within the total traffic trip generation cap that was imposed on the original project. The purposed of the proposed zone text amendment is to make the zoning text consistent with the proposed revisions to the development agreement.

An Addendum to the previously Certified Final Environmental Impact Report

(FEIR - certified by the City of El Segundo on March 1, 2005 (Resolution No. 4415) for the Plaza El Segundo Development to evaluate potential environmental effects which may be associated with the proposed changes to the previously-approved Development. The Certified EIR was a Program/Project EIR that analyzed the environmental effects (1) of a proposed General Plan Amendment, Zone Change and a Zone Text Amendment that would effect a land use re-designation and rezoning of approximately 85.8 acres of an 110-acre area located at the northeast corner of the intersection of Sepulveda Boulevard and Rosecrans Avenue (“Sepulveda/Rosecrans Site Rezoning”) that would accommodate up to 850,000 square feet of commercial development in the Commercial Center (C-4) Zone; and (2) the proposed Plaza El Segundo Development.

An EIR is a detailed informational document that analyzes a proposed project’s potentially significant environmental effects. An EIR also identifies ways to reduce environmental effects and reasonable alternatives to avoid or minimize significant environmental effects. The addendum has been prepared under the authority of 14 Cal. Code Regs, § 15164(a) (State CEQA Guidelines) which allows a lead agency to prepare an addendum to a previously certified EIR if some changes or additions to the previously certified EIR are necessary but none of the conditions described in § 15162 of the State CEQA Guidelines calling for preparation of a subsequent EIR have occurred. The purpose of the addendum is to provide substantial evidence in the record to support the determination of the decision making body of the lead agency that none of these conditions has occurred as a result of the proposed changes in the Plaza El Segundo Development. An addendum need not be circulated for public review but can be included or attached to the final EIR. As described above, and in more detail below, the proposed project includes minor amendments to the existing development agreement and the Commercial Center “C-4” Zone development standards relating to permitted uses, setbacks, and signs.

## **II. Recommendation**

Planning staff recommends that the Planning Commission review the facts as contained within this report and conduct a public hearing, and adopt Resolution No. 2630 (Exhibit 1) recommending that the City Council approve Environmental Assessment No. 768, Zone Text Amendment No. 08-01, and Development Agreement No. 07-03 with conditions.

## **III. Project Description**

The following applications are proposed:

- 1) **Environmental Assessment No. 768 (EA No. 768) California Environmental Quality Act (CEQA)** - An Addendum to the certified Final Environmental Impact Report is proposed for this project pursuant to the requirements of CEQA.

- 2) **Zone Text Amendment No. 08-01 (DA No. 08-01)** – An amendment to the Commercial Center (C-4) Zone development standards that include: an amendment to ESMC 15-5G-2 to allow health and/or skin care uses that are limited to minor medical cosmetic procedures; an amendment to ESMC § 15-5G-6.D to exclude environmental mitigation structures from setback requirements that are required by other regulatory agencies, (including but not limited to the Los Angeles Regional Water Quality Control Board and the Department of Toxic Substance Control) that are necessary to mitigate the presence of hazardous substances that are present in the soils on the parcel of property on which a treatment facility is located while still complying with the City’s traffic safety and building code requirements; and an amendment to ESMC § 15-5G-9 relating to light emitting diode (“LED”) signs
- 3) **Development Agreement No. 07-03 (DA No. 07-03)** - An eight-year amended Development Agreement for a period of eight years from the date of amendment with a possible five year extension (Exhibit 1 – Attachment A) is proposed to allow the developer sufficient time to build the Plaza El Segundo Project Site Phase 1B portion of the project and provide the City with certain assurances regarding the uses and quality of tenants that would be located on the site. As the current development agreement does not expire for five years and already contains the provision for the potential one 5-year extension, the amendment actually results in an extension of the current agreement by 3 years. Additionally the amendment would include modifications to the project site boundary, an increase in the allowable building square footage by 23,829 square feet; allow for two of the health and/or skin care uses; and the amendment to ESMC § 15-5G-6.D to exclude environmental mitigation structures that are required by other regulatory agencies, including but not limited to the Los Angeles Regional Water Quality Control Board and the Department of Toxic Substance Control, from setback requirements; limitations on the number of ground and monument signs; and two light emitting diode (“LED”) signs discussed above. It also provides for fencing and landscaping screening requirement along the eastern boundary of Phase 1B; a \$25,000 contribution to the Downtown Signage Program; and provide the City with some assurance regarding the future construction of the extension of Park Place in the Phase 2 project area by requiring an irrevocable offer to dedicate land within the C-4 Zone to the extent such is acquired by the Developer for the extension of the Park Place right-of-way; and providing up to \$2,418,000 in funding of the City’s acquisition of the Honeywell, Chevron and Union Pacific Railroad Park Place properties for the roadway segments that are needed for the ultimate extension of Park Place.

All three applications require review and recommendations by the Planning Commission. The City Council will take final action on all of the applications.

#### IV. **Background**

The Plaza El Segundo Development has only been developed on the portion of the site north of the Union Pacific Railroad (“UPRR”) tracks and south of Hughes Way. Total development constructed or under construction is 46,171 net square feet less than the 425,000 square feet of allowable development analyzed in the Certified EIR. Additionally, the conditions of approval allowed for a daily maximum allowable trip count of 16,645 and the development currently constructed or under construction generates a total of 13,162 daily trips, which are 3,483 trips less than the maximum.

The proposed project modification would be applicable to that part of the Plaza El Segundo Development that has not yet been constructed, which is located south of the UPRR tracks at the northeast corner of Sepulveda Boulevard and Rosecrans Avenue. The proposed project modification would modify the project site boundary to include an additional 3.4 acres and increase the allowable buildable square footage in the Plaza El Segundo Development by 23,829 net square feet for a total of 448,829 net square feet. If approved the Development would have approximately 70,000 square feet of remaining floor area to develop. The 3.4 acres is a portion of a 7.6-acre property previously owned by General Chemical Corporation that was utilized for pesticides grinding and packaging, sulfuric acid production and production of liquid aluminum chloride and aluminum sulfate and is a portion of the entire 110-acre site rezoned in the Original Project and analyzed in the Certified EIR.

The proposed increase in square footage and the proposed mix of commercial uses will keep the overall Development within the previously approved daily maximum allowable trip count of 16,645 vehicle trips. The a.m. maximum allowable trip count is 779 trips and the p.m. maximum allowable trip count is 1,477 trips. The proposed project would generate 14,873 daily vehicle trips, 444 a.m. vehicle trips, and 1,454 p.m. vehicle trips. The Development Agreement permitted variations in the mix of uses as long as the daily, a.m. and p.m. peak hour traffic generation was not increased above the traffic generation associated with the approved uses.

The proposed 8.13 acre shopping center expansion (“Plaza El Segundo Development Phase 1B”) would consist of six one- and two-story buildings, totaling 70,000 square feet with a maximum height of 65 feet at the northeast corner of Sepulveda Boulevard and Rosecrans Avenue. Four of the commercial retail buildings will surround a large, landscaped and paved outdoor plaza that contains general seating, a temporary stage for occasional community functions, a small retail building, a media screen installed on the side of one of the two story buildings facing the interior of the plaza, a few portable retail kiosks, and a small utilitarian building that provides public restrooms, and a small property maintenance and storage facility. The proposed development would conform to all of the C-4 development standards and the architectural style would be contemporary. Approximately 394 surface parking spaces will be provided to serve the development. The two existing parcels that comprise the 8.13 acres proposed for development will be merged into one lot to accommodate the precise configuration of the proposed buildings.

Access to the 8.13-acre portion of the Plaza El Segundo site would be via one driveway on Sepulveda Boulevard and one driveway on Rosecrans Avenue. The driveway on Sepulveda Boulevard will have an additional deceleration lane north of the intersection at Rosecrans Avenue. The driveway access on Sepulveda Boulevard will include a northbound right turn into the site and northbound right turn out of the site. Access to the driveway on Rosecrans Avenue will include a westbound right turn into the site, an eastbound left turn into the site, and an eastbound right turn out of the site. The dedicated westbound right turn lane on Rosecrans Avenue will be extended as much as is feasible based upon obstructions and the limitations of the Edison easement for powerlines. The development would tie into the existing City's water and sewer lines. Site remediation is underway and is ongoing in compliance with the mitigation measures imposed upon the Project. Construction of Plaza El Segundo Development Phase 1B is anticipated to be completed in 2009.

The chemical production facilities of Honeywell International Inc. and General Chemical that were located on the 8.13-acre site have been demolished.

## **V. Analysis**

### **Sepulveda/Rosecrans Rezoning Site Description and Surrounding Land Uses**

The approximately 110-acre Sepulveda/Rosecrans Rezoning Site studied in the Certified EIR, which includes the 85.8 acre irregularly shaped Sepulveda/Rosecrans Rezoning Site is located in the southern portion of the City of El Segundo at the northeast corner of the intersection of Sepulveda Boulevard and Rosecrans Avenue. The entire Sepulveda/Rosecrans Rezoning Site is roughly bounded by Hughes Way to the north, Douglas Street to the east, Rosecrans Avenue to the south, and Sepulveda Boulevard to the west. Two railroad spurs run through the middle of the site. The northern spur belongs to the Union Pacific Railroad (UPRR) and the southern spur belongs to the Burlington Northern Santa Fe (BNSF) railroad. Both of these railroads serve the Chevron Oil Refinery on the west side of Sepulveda Boulevard adjacent to the project site. Regional access to the Sepulveda/Rosecrans Rezoning Site is provided from the San Diego Freeway (I-405), located approximately 1.5 miles to the east of the site, and the Century Freeway (I-105), located approximately 1.4 miles north of the site. Major arterials that provide access to the site include El Segundo Boulevard, Sepulveda Boulevard, and Rosecrans Avenue.

The majority of the site was historically devoted to industrial chemical manufacturing facilities. The proposed project site is to be located on 8.13 acres at the northeast corner of Sepulveda Boulevard and Rosecrans Avenue within the Sepulveda/Rosecrans Rezoning Site. The Honeywell International and General Chemical had operational facilities on the site until 2003. At that time the facilities were closed and demolition of the facilities commenced in anticipation of the sale of the properties and eventual re-use.

The surrounding properties are a mix of light industrial, heavy industrial, office, retail, and entertainment uses. On the north side of the project site are light industrial buildings for self-storage, freight forwarding, and aerospace uses and the first phase of the Plaza El Segundo development project. A reclaimed water treatment plant and municipal golf course are also located to the north of the project. East of the project site are light industrial buildings and uses along Douglas Street as well as office, entertainment and restaurant uses in the Continental Park development along Rosecrans Avenue. South of the project site on the south Side of Rosecrans Avenue in the City of Manhattan Beach is the Manhattan Village shopping center, which consists of retail, restaurants, banks, and a movie theater. West of the project site on the west side of Sepulveda Boulevard is the Chevron Oil Refinery.

	<u>Land Use</u>	<u>Zone</u>
<b>North:</b>	Plaza El Segundo Phase 1, self-storage, warehouse, light industrial	C-4 and M-1
<b>South:</b>	retail, office	Manhattan Beach
<b>East:</b>	office, entertainment, light industrial	MU-N, M-1
<b>West:</b>	oil refinery	M-2

Plaza El Segundo Phase 1B Property Composition

The proposed project site includes 4.7 gross acres (former Honeywell International property) of the Plaza El Segundo development that is located south of the UPRR tracks immediately at the northeast corner of Sepulveda Boulevard and Rosecrans Avenue and 3.4 acres (former General Chemical property) east of the 4.7 gross acres and north of Rosecrans Boulevard.

Density

The proposed Plaza El Segundo Project Site Phase 1B development consists of 8.13 acres, currently comprised of two parcels one that is 4.20 acres and the second parcel is 3.411 acres. The proposed FAR for this development is 0.20:1 based on a maximum 71,591 gross square feet of development on a single-lot comprised of 8.13 acres. The Commercial Center “C-4” Zone permits an FAR of 0.275:1. The following table provides a breakdown of the square footage of the proposed buildings:

<u>Building</u>	<u>Acres</u>	<u>Bldg. Area</u>	<u>FAR</u>	<u>No. of Stories</u>
A	N/A	14,888	N/A	1
B	N/A	15,980	N/A	1
C	N/A	21,835	N/A	2
D	N/A	17,468	N/A	2
E	N/A	1,020	N/A	1

<b><u>Building</u></b>	<b><u>Acres</u></b>	<b><u>Bldg. Area</u></b>	<b><u>FAR</u></b>	<b><u>No. of Stories</u></b>
F	N/A	400	N/A	1
<b>TOTAL</b>	<b>8.13</b>	<b>71,591</b>	<b>0.20</b>	<b>N/A</b>

### Circulation

Ingress and egress to the 8.13-acre Plaza El Segundo Project Site Phase 1B would be provided from Sepulveda Boulevard via a driveway approximately 370 feet east of the intersection of Sepulveda Boulevard and Rosecrans Avenue just south of the UPRR and the BNSF railroad tracks. An approximately 150 to 200-foot deceleration lane will be provided for the Sepulveda Boulevard driveway. Additionally, one driveway would be provided on Rosecrans Avenue approximately 114 feet from the eastern boundary of the project site. An approximately 94-foot deceleration lane will be provided for the Rosecrans Avenue driveway. The driveway on Sepulveda Boulevard will be limited to being a right-in/right-out driveway. The driveway on Rosecrans Avenue will be a right-in/right-out driveway that also allows eastbound left turns into the site. Surface parking spaces will be provided to serve the development.

### Phasing

The Plaza El Segundo Project Site Phase 1B development is proposed to be constructed as one phase. Construction is expected to commence in early 2008 and to be completed in 2009.

### Utilities

In order to accommodate the development that would be permitted on the Plaza El Segundo Project Site Phase 1B, several infrastructure improvements will be required. These infrastructure improvements include drainage facilities, water, sewer and reclaimed water. Proposed development would connect into the existing water, sewer, and reclaimed water lines on Rosecrans Avenue, Sepulveda Boulevard and to the utility infrastructure constructed in the Plaza El Segundo development north of the UPRR and BNSF railroad tracks consistent with the analysis in the Final EIR. Greater detail is provided in the attached Addendum to the certified EIR.

### Parking and Loading

Parking for Plaza El Segundo Project Site Phase 1B is proposed to be located in surface parking lots that will surround the proposed shopping center buildings. Based on a total of 70,000 square feet, including 51,670 square feet of commercial/retail space and 17,000 square feet of restaurant floor area, 388 parking spaces are required. The developer proposes to provide 394 parking spaces, which exceeds the City's parking requirements.

The proposed development meets the City's development standards.

#### Development Agreement Amendment

The proposed development agreement revisions are discussed in depth above.

### **VI. General Plan Consistency**

The El Segundo General Plan land use designation for the proposed Plaza El Segundo Project Site Phase 1B is currently Commercial Center. This designation seeks a range of commercial uses in an integrated shopping center design, which promotes employment and diversity. The proposed project and its consistency with relevant Element Goals, Objectives and Policies of the City of El Segundo General Plan are discussed below.

#### Economic Development

The General Plan contains a number of relevant Goals, Objectives, and Policies in the Economic Development Element. The goal of Objective ED1-1 is building "support and cooperation among the City of El Segundo and its businesses and residential communities for the mutual benefits derived from the maintenance and expansion of El Segundo's economic base". Staff finds the benefits of the development will be shared by many constituencies in the City. The development will provide significant fiscal benefit to the City by generating additional business license and sales tax revenue for the City's General Fund.

According to Policy ED1-1.2, long-run efforts for economic development should focus on "diversification of El Segundo's economic base in order to meet quality of life goals." Staff is of the opinion that the project will add to the diversification of the economic base in the City by providing for a new larger format retail uses that do not currently exist in the City. Therefore, these uses will meet quality of life goals by benefiting the residential and business communities with more diverse retail uses not currently available in the City.

Objective ED1-2 also directs diversification of the economic base "on targeted industries that meet the City's criteria for job creation, growth potential, fiscal impact and fit with local resources." The City's Economic Development Advisory Council (EDAC) prepared a list of targeted industries, which was approved by the City Council. These industries are eligible for certain financial incentives because they meet the criteria described in Objective ED1-2. The retail and restaurant uses would be on the list of targeted industries that the City is recruiting in order to meet its diversification efforts. Therefore, the proposed project does meet the diversification criteria established in the General Plan, by the EDAC, and the City Council.

With the proposed amendment, the remaining development of Plaza El Segundo will add an additional 53 jobs. Currently there is no permanent employment on the Plaza El Segundo Project Site Phase 1B. Therefore, the project meets the job

job creation Objective (ED1-2) in the General Plan.

Policies ED1-2.1 and ED1-2.2, both seek to promote land uses, which improve the City's retail and commercial tax base. Since the stated purpose of the Commercial Center Land Use Designation is to provide for retail and other commercial services, it is appropriate to examine the potential fiscal impacts of the proposed project and compare them with other potential uses of the property. This will enable the Commission to determine if the fiscal impact might be similar to land uses, which promote growth and diversification of the tax base. The Fiscal Impact Analysis prepared for the Plaza El Segundo development showed that the fiscal benefits for the City would be consistent with the estimates that were prepared for the Campus El Segundo project.

The applicant for the Plaza El Segundo project prepared a brief Fiscal Benefit Analysis. The remaining development would provide an estimated \$383,837 annual marginal fiscal benefit to the City.

The proposed project meets the City's policy of seeking balance between enhanced economic development and available resources and infrastructure capacity (Policies ED1-2.3 and LU7-1.2). As adequate resources are currently available within the City to serve the proposed project or will be developed as part of the project, as supported by the certified FEIR and the addendum, a substantial commitment of City resources or City funded infrastructure is not required. The project also proposes several roadway improvements to ensure that the project would not overburden the existing roadway infrastructure. Based on this, staff believes that the proposed project is consistent with Policy ED1-2.3.

### Land Use

Implementation of the proposed project will meet relevant goals and policies with regard to the Land Use Element. The project will help the tax base through the development of new commercial uses without adversely affecting the viability of downtown (Goal LU4). The types of products and services expected to be provided for the most part are not already available in El Segundo. Plaza El Segundo Project Site Phase 1B is likely to include specialty retail; home furnishings; electronics; a spa; health and/or skin care uses; apparel and accessories; sales of automobiles, and automobile accessories and parts; and other merchandise in stores which will provide a different range of products than the smaller stores in downtown.

Objective LU4-1 encourages high quality retail facilities in proximity to major employment centers. The Plaza El Segundo Project Site Phase 1B is adjacent to the 2,000,000 square foot Continental Park office development, the 2,000,000 square foot Raytheon campus and other office buildings along the Rosecrans commercial corridor. The proposed project will provide additional services to these employment centers.

The project will be conditioned to require maintenance and permanent upkeep on all the landscaping developed in conjunction with the project as required by Policy LU4-1.1.

Any development on the Plaza El Segundo Project Site Phase 1B would be required to meet all health and safety and environmental regulations and would be built to meet all current seismic safety standards, as overseen by the City of El Segundo's Building Safety Division. The appropriate regulatory agencies, including the Regional Water Quality Control Board (LARWQCB) would be required to approve the remediation of the existing soil and water contamination on the Plaza El Segundo Project Site Phase 1B. The LARWQCB determines what level of contaminants are acceptable to allow construction at the subject site (Policy LU4-1.2 and Policy LU4-1.4).

Any proposed development would comply with all the zoning regulations and development standards for the C-4 Zone (Policy LU4-2.1).

Although the Plaza El Segundo Project Site Phase 1B is not located within a quarter-mile of a Green Line Station, two are located within relatively close proximity. The Douglas/Rosecrans Station is located approximately 0.4 miles east and El Segundo/Nash Station is located approximately 0.5 miles north which will help encourage transit ridership to the project (Policy LU4-4.4).

The development of the Plaza El Segundo Project Site Phase 1B would allow for the development for a blighted former industrial/chemical use area into a new shopping/retail opportunity for the surrounding area. This reuse would occur through the combined efforts of the City of El Segundo and private applicants and would conform to the new C-4 development standards (Objective LU5-3).

The Plaza El Segundo Project Site Phase 1B is only partially served by water and sewer lines. Additional facilities will be installed as development is approved on a project by project basis (Policy LU7-1.2).

As development on the site is approved, stormwater detention basin(s) would be required to contain the stormwater runoff. The size of these basin(s) would depend on the size of the individual developments and would be determined through the completion of a hydrology study. (Policy LU7-1.4).

All new on-site utilities required for development(s) on the Plaza El Segundo Project Site Phase 1B will be placed underground with the construction of the individual project (Policy LU7-2.3).

Landscaping, in compliance with the development standards for the Commercial Center (C-4) Zone, would be required for any development on the Plaza El Segundo Project Site Phase 1B. (Policy 7-2.5).

The proposed project will be required to have strategic safety plans and a fire life safety plan in place (Policy LU 7-1.1 and Policy LU 7-1.2). All on-site utilities will be placed underground (Policy LU7-2.3).

### Circulation

The proposed project is consistent with the policies of the City's Circulation Element.

Access to development on the Plaza El Segundo Project Site Phase 1B would be provided from Sepulveda Boulevard and Rosecrans Avenue. This would allow emergency vehicle access to the site from two sides of the subject property (Policy C1-1.10).

The Plaza El Segundo Project Site Phase 1B will include the widening of Sepulveda Boulevard on the east side of the street to provide acceleration and deceleration lanes to serve the project. The developer will dedicate property for the lane widening (Policy C1-1.14).

The Traffic Study for the proposed Sepulveda/Rosecrans Site Rezoning and Plaza El Segundo Development was conducted in June 2004. This traffic study analyzed the potential traffic related impacts associated with the full buildout of the Sepulveda/Rosecrans Rezoning Site under the new C-4 Zone and recommended mitigation measures as required by Policy C1-1.14. A trip generation study in compliance with the adopted mitigation measures was prepared in December 2007 that analyzed the trip generation of the Plaza El Segundo Development and the trip generation for the additional proposed development of 23,829 square feet (Plaza El Segundo Project Site Phase 1B). The trip generation study determined that the number of vehicles trips for the Plaza El Segundo Development and the additional 23,829 square feet of commercial retail development would be less than the maximum number of trips allowed under the adopted Plaza El Segundo Reduced Traffic Generation Alternative Development project. The proposed Plaza El Segundo Project Site Phase 1B combined with the Plaza El Segundo Development project would generate 444 am peak period trips and 1454 pm peak period trips and would remain below the maximum permitted number of 779 am peak period trips and 1,477 pm peak period trips.

The Plaza El Segundo Project Site Phase 1B development will have sidewalks around the project boundaries and other internal pedestrian walkways with linkages to surrounding properties and public transit stops (Policies C2-1.3, C2-1.6, and C2-3.3).

While future development projects on the Sepulveda/Rosecrans Rezoning Site, are currently unknown, most projects of this type provide on-site amenities such as internal bicycle lanes or pathways that lead to the adjacent roadway system, bicycle racks or lockers that are distributed throughout the site, and on-site shower facilities and clothes lockers for employees for tenants 50,000 square feet or

feet or larger. It is therefore, anticipated that future developments on the Sepulveda/Rosecrans Rezoning Site will be conditioned to provide these types of amenities (Policy C2-2.2). In addition to the Plaza El Segundo development, the Plaza El Segundo Project Site Phase 1B development will be required to provide bicycle racks and lockers that are distributed throughout the site.

The proposed project will adhere to any applicable regulations regarding preferential parking areas or promotion of ride share (Policy C2-5.1). The proposed project will provide sufficient on-site parking and loading (Policy C3-2.1 and C1-3.2) as required by the El Segundo Municipal Code.

Parking would be provided on the Plaza El Segundo Project Site Phase 1B in accordance with the City of El Segundo's parking requirements for the Commercial Center (C-4) Zone (Policy C3-2.1).

Policy C3-1.1 requires all project-related transportation impacts to be mitigated, where feasible, by the developer. The traffic impact study identified a number of intersections in the City that would require mitigation and identified mitigation measures to address the traffic impacts. However, because two of the proposed mitigation measures are infeasible due to right-of-way constraints, not all traffic impacts can be mitigated to an insignificant level. In order for the City Council to approve the project with significant unmitigated impacts, the City Council must adopt a Statement of Overriding Considerations finding that there are positive aspects of the project, that when taken as a whole, outweigh the unavoidable negative environmental impacts. A Statement of Overriding Considerations would indicate that all feasible mitigation measures were incorporated into the project. As an alternative to a Statement of Overriding Considerations, the applicant would have to develop other feasible mitigation measures that could be incorporated into the project as part of the Final Environmental Impact Report and reduce the identified impacts to a level of insignificance. For further analysis of traffic impacts, refer to Section VIII of this report. This statement of overriding considerations is virtually identical to the statement adopted in February 2005 and is to be readopted to conform with CEQA requirements.

### Open Space and Recreation

Implementation of the proposed project will meet the policies of the City's Open Space and Recreation Element as the proposed project includes the development of an outdoor private recreational facility, specifically a large landscaped plaza with outdoor play equipment, a temporary stage, outdoor seating and a human chess set area in conjunction with non-residential development. This would expand the recreational opportunities for residents and employees in the City (Goal OS1, Objective OS1-2, and Policy OS 1-2.5).

### Conservation

The proposed project is consistent with the applicable policies of the City's Conservation Element. Specifically, the construction of plumbing to accommodate the use of reclaimed water for irrigation systems, and the application of the City's Water Conservation in Landscape regulations (Title 10- Chapter 2 of the ESMC), as required by mitigation measures M.2-4, M2.5, M2.6, M.2-10, M2-13, and M2-16 and the Original Condition of Approval No. 8, would be consistent and further Policies CN2-5, CN2-7, CN2-12. All development on the Plaza El Segundo Project Site Phase 1B development would be required to include a comprehensive and coherent design for the development, including landscaping and amenities, in order to improve the existing aesthetic appearance of the site (Policy CN2-7).

All development on the Plaza El Segundo Project Site Phase 1B development, will be required to include facilities capable of holding stormwater runoff resulting from the development. Additionally, reclaimed water would be used to the extent possible in the irrigation of the landscaping (Policy CN2-11). All development on the Plaza El Segundo Project Site Phase 1B development will be required to utilize reclaimed water for landscaping to the extent source reclaimed water is available (Policy CN2-12). The project would provide a comprehensive and coordinated design of the entire project site, including landscape amenities to substantially improve the aesthetic appearance of the site and the surrounding area as encouraged by Policy CN5-6. The project has identified and is currently under Los Angeles Regional Water Quality Control Board (LARWQCB) orders to remediate soil and ground water contamination as contemplated by Goal CN3 and Policy CN3-2 to protect groundwater from contamination.

### Air Quality

The implementation of transportation demand management programs, as required by Mitigation Measure L-8 (bike, rideshare matching, and transit options), and as required by Chapters 15-16 and 15-17 of the El Segundo Municipal Code will provide compliance with air quality objectives to encourage alternative commuting strategies (AQ1-1), reduce vehicle trips (AQ3-1.1, AQ3-1.2), and promote non-motorized transportation (AQ4-1.1). Traffic Impact Mitigation Fees for off-site traffic mitigation measures must be paid to the City to offset development impacts (AQ5-1.2) related to the project. The amount would be \$407,676 under the current program rate, however the amount is actually determined at the time of building occupancy based upon the rates in effect at that time. Additionally, the applicant will be responsible for approximately \$500,000 in costs for on-site and off-site traffic improvements required for the Plaza El Segundo development.

The project will implement a number of traffic improvements, as required by mitigation measures L-1, L-2, L-3, L-4, L-5, L-6, L-7, L-9, L-10, L-11, L-14, L-15, L-16, L-17, and L-19 which will improve traffic flow (Policy AQ 7-1.1, AQ 7-2.1). Mitigation measure M.5-1 provides that the proposed project will incorporate energy conservation devices (i.e., motion-sensitive light activation switches, etc.)

consistent with City (Policy AQ12-1.2). For further analysis of air quality impacts, refer to Section VIII of this report.

Noise

Implementation of the proposed project, subject to mitigation measures I-1, I-2, I-3, I-4, and I-5 which address construction hours, equipment mufflers, construction equipment staging, and noise barriers, will be consistent with relevant policies of the City's Noise Element (Policies N1-2.1, N1-2.1B, N1-2.1C, N1-3.1, N1-3.5, and Program N1-2.1A). For further analysis of noise impacts, refer to Section VIII of this report.

Public Safety

The development on the proposed Plaza El Segundo Project Site Phase 1B will end eighty years of industrial use by several companies which will significantly reduce the quantity of many hazardous materials that have been handled on the site (Objective PS3-1). The developer will remediate soil and groundwater contamination under the authority of the LARWQCB (Policy PS4-1.1). Public Safety Element Policy PS6-1.2 to continue efforts to reduce fire hazards would be furthered by preparation of fire life safety plans (mitigation measures K1-2, K1-5, K.1-7, and K-1.10) and the reduction of fire prone industrial facilities. As required by mitigation measures K1-3 and K.1-8, fire access roads will be provided throughout the Plaza El Segundo Project Site Phase 1B (Policy PS6-1.2E).

Hazardous Materials and Waste Management

As a re-use of a previously developed industrial site, that will be remediated to the satisfaction of the appropriate regulatory agencies and will not pose any health hazard to employees, patrons or visitors to the site, the project is consistent with Policy HM3-1.1 requiring compliance with hazardous materials handling laws. Mitigation measure G-1 and G-2 will ensure that site contamination is remediated.

Zoning Consistency

The following table compares the proposed site development standards to the C-4 Zone. The comparison below is for the proposed Plaza El Segundo Project Site Phase 1B project.

<u>REQUIREMENTS</u>	<u>C-4 ZONE STANDARDS</u>	<u>PROPOSED PROJECT (One Lot)</u>
<b>Building Area</b>	0.275 FAR	0.20 FAR
<b>Lot Area</b>	10,000 s.f. min.	354,143 s.f. min.

<b>Street Frontage</b>	20' min.	841' min. (Sepulveda Blvd.) 392' min. (Rosecrans Avenue)
<b>Building Height</b>	65' max.	65' max.
<b>Setbacks</b>		
<b>Front</b>	25' min.	75'-9" min. (Rosecrans Avenue)
<b>Side</b> (Interior)	0' min.	160' min.
(Street Side)	25' min.	83' min. (Sepulveda Blvd.)
<b>Rear</b> (interior)	10' min.	45' min. (excepting remediation facility=approx. 1 foot)
<b>Landscaping</b>		
a) Vehicular - Use Area	5% of VUA	5% min.
b) Building - perimeter	5' min.	5' min.
c) Property perimeter	Fully Landscaped	Fully Landscaped
<b>Parking Spaces</b>	388 spaces	394 spaces

Although minor changes may be made to the final building locations and configurations that are different than depicted on the proposed site plan, conformance with all of the development standards will be required prior to the issuance of each building permit.

As discussed in the Development Agreement subsection above, the approved Development Agreement and its proposed amendment will also provide additional land use controls on the mix of tenant and building sizes and the number and location of various types of restaurants. These additional requirements are consistent with the C-4 zoning regulations.

**VII. Inter-Departmental Comments**

**INTERDEPARTMENTAL COMMENTS**

<b>DEPARTMENT</b>	<b>COMMENT</b>
<b>City Manager' Office</b>	None.
<b>Building Safety</b>	The Building Safety Division highlighted accessibility requirements by indicating that accessible parking must be dispersed throughout the project and must be located on the shortest possible accessible route to accessible entrances of the buildings and that an accessible path of travel must be provided from public right-of-way, specifically from public transportation stops and from accessible parking stalls on the site to building entrances.
<b>Recreation and Parks</b>	The Recreation and Parks Department will review the landscaping plans during the plan check process.
<b>Police</b>	The Police Department comment indicated that the conditions of approval and mitigation measures will address their standard security measures .
<b>Finance</b>	None.
<b>Fire</b>	The Fire Department submitted several comments to clarify statements related to hazardous materials handling and environmental remediation review requirements by the Fire Department.
<b>Library</b>	None.
<b>Public Works</b>	The Engineering Division provided comments regarding the analysis and upgrading of the sanitary sewer system, the upgrading and installation of a loop water system, the installation of water meters for each building ensuring that the hydrology study adequately evaluates and insures that no impact would occur on the downstream pipes draining into the City's storm water station no. 18 for the Phase 1B site.

Staff has incorporated the applicable comments into the draft conditions of approval.

### Public Comments

No comments have been received from the public or other agencies regarding the addendum to the certified EIR, the Zone Text Amendment, or the proposed Development Agreement amendment as of the issuance of this staff report.

## **VIII. Environmental Review/The Certified EIR**

An Environmental Impact Report (EIR) was prepared for the Sepulveda/Rosecrans and Plaza El Segundo projects pursuant to the requirements of CEQA. The City hired the firm of Christopher A. Joseph and Associates (CAJA) to prepare the EIR. The City independently reviewed all work products prepared by CAJA. Pursuant to CEQA requirements, a Notice of Preparation of the Draft EIR was prepared and circulated for public review from November 26, 2003 to December 26, 2003. A Revised Notice of Preparation was also prepared and circulated for public review from March 25, 2004 to April 30, 2004. The public review and comment period for the Draft EIR began on October 5, 2004 and ended on November 19, 2004. In accordance with the City's local CEQA guidelines (City Council Resolution No. 3805), the Planning Commission opened a special public hearing on November 15, 2004, to take public testimony on the Draft EIR and make recommendations to the City Council and continued the public hearing to a special meeting on December 15, 2004. Revisions to the Draft EIR, responses to comments received from the public by November 19, 2004, as well as written comments from the public, governmental agencies, and other interested parties during the public review period received by November 19, 2004, were prepared and were included in the Final Environmental Impact Report (Final EIR). As required by law, the responses to comments received by November 19, 2004 were distributed to the public who request a copy and all responsible agencies who comment on the Draft EIR 10 days prior to the City Council hearing on the project. On March 1, 2005, the City Council certified the Environmental Impact Report and adopted a Mitigation Monitoring Reporting Program. The City Council conducted a separately noticed public hearing on the project after the completion of the response to comments and completion of the Final EIR.

### Structure of Certified Program/Project EIR

The Certified EIR was structured as a Program EIR and a Project EIR in one document. The Sepulveda/Rosecrans Site Rezoning is analyzed at a "program level", in accordance with the requirements of CEQA. Since there are number of factors that could not be studied in sufficient detail to conduct a "project level" review of the entire proposed 850,000 square foot project, the Program EIR included a review of the issues that could be fully addressed, and establishes a mechanism, (called "Subsequent Environmental Documentation") for determining

what additional information will have to be provided and studied in order for a “project level” review to be conducted.

All of the environmental conditions associated with development on the Plaza El Segundo project could be analyzed. Therefore, a “project level” review was prepared for that portion of the Sepulveda/Rosecrans Site Rezoning.

As required by CEQA, the EIR also included an analysis of alternatives to the proposed Sepulveda/Rosecrans Site Rezoning and Plaza El Segundo Development projects. The alternatives include a No Project Alternative, a Reduced Traffic Generation Commercial Alternative, and an Alternative Land Use (Industrial) Alternative. For the Sepulveda/Rosecrans Site Rezoning, an additional Rezoning of the Plaza El Segundo Development Site Only Alternative is also included in the Draft EIR. The City Council adopted the Reduced Traffic General Alternative.

### Traffic

As part of the Certified EIR, Crain & Associates prepared a Traffic Impact Study to analyze the potential traffic impacts associated with the proposed project. The Study analyzed the project traffic impacts on 25 intersections in the area, and factored in several planned roadway improvements, and other planned and approved projects in the area. These included major projects, such as the improvements of Los Angeles International Airport (LAX), the Campus El Segundo project, the El Segundo General Plan Circulation Element update, and redevelopment of the Los Angeles Air Force Base. As a result, the traffic study takes a very conservative approach to measuring growth from projects that may affect traffic in the City. Based on the applicant’s estimated project completion in 2007 for the Plaza El Segundo project and 2012 for the Sepulveda/Rosecrans Site Rezoning, the future traffic conditions with the proposed project were estimated.

The Traffic Impact Study concluded that the forecasted average daily trip generation for the Sepulveda/Rosecrans Site Rezoning would be 28,334, of which 1,167 trips would be in the A.M. peak hour, 2,657 trips would be in the P.M. peak hour, and 3,515 would be during the Saturday midday peak hour. The Traffic Study concluded that the Plaza El Segundo portion of the overall project would generate 19,151 average daily trips, 915 A.M. peak hour trips, 1,790 P.M. peak hour trips, and 2,344 Saturday midday peak hour trips.

For the Sepulveda/Rosecrans Site Rezoning, the Study identified no intersections which would require mitigation during the A.M. peak hour only. Eight intersections during the P.M. peak hour only and three intersections during the A.M. and P.M. peak hours would require mitigation to reduce project related impacts to a level of insignificance. One intersection would also have impacts during the P.M. peak and Saturday midday peak (Rosecrans/Aviation). For the Plaza El Segundo development portion of the Sepulveda/Rosecrans Site Rezoning, the study identified one intersection in the A.M. peak hour only, two in the P.M. peak hour only, two in the A.M. and PM, one in the A.M., P.M. and Saturday midday peak, and one

one intersection in the Saturday midday peak only would require mitigation to reduce project impacts to a less than significant level.

The Certified EIR also analyzed the traffic impacts of the project on the adjacent freeway system and concluded that the Sepulveda/Rosecrans Site Rezoning and Plaza El Segundo development would create significant traffic impacts for the southbound I-405 between the I-105 interchange and El Segundo Boulevard during the P.M. peak hour. No feasible mitigation measures were identified, which would enable these impacts to be reduced to an insignificant level.

Additionally, since the intersection of El Segundo Boulevard/ Sepulveda Boulevard is part of the Los Angeles County Congestion Management Plan network, the significant unavoidable P.M. peak period traffic impact at this intersection is also considered as a significant impact to the CMP network.

An analysis of the cumulative traffic from 52 nearby projects was also conducted to determine the percent contribution of the proposed project to overall/cumulative traffic growth in the area. The study identified 15 intersections that would be significantly impacted by cumulative growth in conjunction with the Sepulveda/Rosecrans Site Rezoning and 13 of these 15 significantly impacted intersections with just the Plaza El Segundo development. CEQA does not require a project to mitigate all cumulative growth, only its fair share contribution toward cumulative impacts.

The Certified EIR included a number of mitigation measures (L-1 through L-20) to reduce the number of vehicle trips associated with the proposed project and several potential roadway improvement projects (Mitigation Measures L-1 through L-7) to improve the traffic flow at the intersections directly impacted by the Sepulveda/Rosecrans Site Rezoning. Mitigation measures would include intersection improvements at El Segundo Boulevard/Sepulveda Boulevard (L-1), El Segundo Boulevard/Aviation Boulevard (L-2), Park Place/Nash Street (L-3), Park Place/Douglas Street (L-4), Rosecrans Avenue/Sepulveda Boulevard (L-5), Rosecrans Avenue/Continental Way (L-6), and Rosecrans Avenue/Douglas Street (L-7). For the Plaza El Segundo development, mitigation measures L-1, L-2, L-5, and L-6 would be required to improve intersections.

However, the study concluded that proposed mitigation measures L-1 which affects the intersection of El Segundo Boulevard/Sepulveda Boulevard would not reduce the significant P.M. peak hour traffic impacts to a level of insignificance for the Sepulveda/Rosecrans Site Rezoning. Additionally the intersection of Rosecrans Avenue/Aviation Boulevard would also have a significant impact that could not be mitigated during the midday Saturday peak period only. The intersection of El Segundo Boulevard/Sepulveda Boulevard would also remain a significant impact for the Plaza El Segundo development in the P.M. only even with mitigation measure L-1. No feasible mitigation measures were identified which could eliminate the impacts at these two intersections. As a result, significant unavoidable project related traffic impacts would remain at these intersections. The proposed mitigation measures at the other identified impacted intersections would reduce the traffic impacts to

impacts to insignificant levels.

Additionally, since the final design of the project had not been developed at the time of the project review, staff included condition No. 56 to require the submittal of a Traffic, Circulation and Parking Plan prior to the issuance of each building permit to ensure that site specific traffic issues have been fully evaluated. Since the precise mix of land uses could differ from those described above, Condition No. 31 instituted a trip cap based on trip generation identified in the Reduced Traffic Generation Alternative in the EIR. The trip cap limits the number of project generated vehicle trips for the Sepulveda/Rosecrans Site Rezoning to 25,859 per day and limits the Plaza El Segundo portion of the development to 16,645 average daily vehicle trips. This ensures that no matter the mix of commercial, restaurant and other uses permitted in the C-4 Zone that are ultimately developed on the project site, the traffic impacts would not exceed the levels evaluated in the EIR.

### Air Quality

According to the Certified EIR, the Sepulveda/Rosecrans Site Rezoning has negative air quality impacts associated with project related mobile source emissions. When comparing the proposed emissions from mobile sources associated with the proposed project to the South Coast Air Quality Management's (SCAQMD) significance thresholds for criteria pollutants, the EIR concluded that the project would exceed the thresholds for Reactive Carbon Monoxide (CO), Reactive Organic Compounds (ROC) and Nitrous Oxides (NO<sub>x</sub>), and Particulate Matter (PM10). The Plaza El Segundo portion of the project would also exceed the SCQMD significance thresholds for ROC, CO, NO<sub>x</sub>, and PM10.

Because the degree of "excess" emissions substantially exceeds the strict SCAQMD limits, the Draft EIR concluded that the impact could not be mitigated to insignificant levels. As a result, the projects' impacts remain significant and unavoidable.

The Certified EIR also concluded that the daily construction impacts associated with the Sepulveda/Rosecrans Site Rezoning would exceed SCAQMD daily thresholds for ROC, CO, NO<sub>x</sub>, and PM10. These are significant and unavoidable short-term environmental impacts. The EIR concluded that the Plaza El Segundo portion of the project would exceed SCAQMD construction emission thresholds for ROC and NO<sub>x</sub>. Between 2007 and 2012, emissions from construction activities from the portion of the Sepulveda/ Rosecrans Rezoning Site south of the Union Pacific Railroad tracks may occur simultaneously with operation of the Plaza El Segundo. Combined emissions would exceed the SCAQMD's significance threshold for ROC, CO, NO<sub>x</sub>, and PM10. These three construction-related impacts would be significant and unavoidable because there is no feasible mitigation available to reduce the impacts below the significance thresholds.

### Noise

The Certified EIR identified a significant and unavoidable construction-related noise impact at two locations (FedEx facility at 645 Allied Way and Pacific Theatres at 831 South Douglas Street) adjacent to the Sepulveda/Rosecrans Site Rezoning. Construction equipment would increase the ambient noise levels by 26 and 14 decibels, respectively. This is in excess of the eight decibel level permitted in the ESMC. A potential construction related noise impact to residents on Oak Avenue in the City of Manhattan Beach would be fully mitigated by Mitigation Measure I-1, which requires a temporary plywood noise barrier be constructed at the southern end of the project site during construction.

There would be a significant unavoidable construction-related noise impact at just the FedEx facility at 645 Allied Way with the Plaza El Segundo development.

### Adoption of Statement of Overriding Considerations

As indicated above, the Certified EIR identified significant project related traffic impacts, operational and construction related air quality impacts, and construction related noise impacts that cannot be mitigated to a less than significant level. In such cases, CEQA requires that the project cannot be approved unless special findings of overriding considerations can be made by the City Council. CEQA Section 15093(a) states:

“CEQA requires the decision making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of the proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable”.”

Unless the project is modified by the applicant to avoid the significant impacts, a Statement of Overriding Considerations must be adopted by the City Council stating the specific reasons why the project's benefits outweigh its significant environmental impacts. The City Council adopted a Statement of Overriding Considerations on March 1, 2005 for the Sepulveda/Rosecrans Site Rezoning and Plaza El Segundo Development. The Plaza El Segundo Phase 1B impacts are the same or similar to the impacts Plaza El Segundo development and no new significant impacts would occur. The Addendum has been prepared because only minor technical changes are needed in the Certified EIR. Based on the consistency of the project with the General Plan as described earlier, the creation of approximately 1,904 jobs, the contribution to recreational facilities (in the original approval), the contribution to the downtown signage program (in the proposed Development Agreement amendment), and other economic and social benefits that will derive to the City, and the nature of the unavoidable impacts, staff recommends that the Planning Commission find that the overriding benefits

of the project outweigh the environmental impacts and recommend to the City Council readopt the Statement of Overriding Considerations as required by CEQA.

### Cumulative Impacts

The Certified EIR concluded that the Sepulveda Rosecrans Site Rezoning and Plaza El Segundo development would contribute to a significant cumulative impact on traffic, solid waste disposal capacity, and population and housing caused by regional growth. There are no feasible mitigation measures available to reduce the cumulative regional impact.

The traffic from the proposed Sepulveda/Rosecrans Site Rezoning, when combined with traffic from other known projects in the area would create significant cumulative impacts at 15 intersections. All but three of these intersections would be significantly impacted from the other identified projects even if the Sepulveda/Rosecrans Site Rezoning were not fully developed. The Plaza El Segundo development would have a cumulatively considerable contribution to the significant traffic impacts at 13 intersections in the surrounding area.

### Alternatives

The Draft EIR concluded that the Reduced Traffic Generation Alternative would be the environmentally superior alternative to both the Sepulveda/Rosecrans Site Rezoning and Plaza El Segundo development because this alternative would reduce impacts compared to each of the proposed projects and meet most of the project objectives. Other alternatives might create fewer impacts but they do not meet the project objectives for development of a commercial shopping center.

### Addendum to the Certified Final EIR

The addendum to the certified Final EIR analyzed the proposed amendment to the Plaza El Segundo development project ("Plaza El Segundo Project Site Phase 1B") that would add 3.41 acres east of the existing parcel of the project and increase the size of the original 425,000 square-foot development by 23,829 square feet for a total of 448,829. The addendum determined that there would be no new, or substantially more severe, significant impacts than the impacts originally identified in the Final EIR. Specifically, the addendum determined that the following impact categories would be the same for the revised project as the Plaza El Segundo Development: aesthetic, construction impacts of air quality, operational impacts for air quality, biological resources, geology and soils, hydrology and water quality, hazards and hazardous materials, land use, operational impacts of noise, public services for fire and police, transportation and traffic, and cultural resources. The addendum determined that the revised project impacts for the revised project would be similar for population, housing and employment, and for utilities (sewer, water, solid waste, natural gas, and electricity). Additionally, the addendum determined that the revised project impacts would be lower for construction noise and the same or lower for

operational impacts for air quality. However, the project impacts for the revised project would be significant and unavoidable for construction impacts of air quality, operational impacts of air quality, construction impacts of noise, and transportation and traffic. The cumulative impacts for the revised project would remain the same. Therefore, as stated above, the previously adopted Statement of Overriding Considerations must be readopted by the City Council stating the specific reasons why the project's benefits outweigh its significant environmental impacts. A full analysis is provided in the attached Addendum to the EIR (Exhibit 8). The adopted Mitigation Monitoring and Reporting Program is also attached (Exhibit 1B).

## **IX. Application Findings**

In order to approve the project, the City Council must take certain actions related to the proposed project. The Planning Commission's responsibility is to make recommendations to the City Council related to the CEQA and Development Agreement applications. The required findings for each application are attached as Exhibit 3. A detailed discussion of each required finding is provided below.

### CEQA Findings

1. The Draft EIR was completed in compliance with CEQA (**Section 15090**). A Notice of Preparation of the Draft EIR was prepared and circulated for public review from November 26, 2003 to December 26, 2004. A Revised Notice of Preparation was also prepared and circulated for public review from March 25, 2004 to April 30, 2004. The public review and comment period for the Draft EIR extended from October 5, 2004 to November 19, 2004. A Notice of Completion was filed with the State Clearinghouse on October 5, 2004.
2. The Final EIR was presented to the decision making body of the lead agency and that decision making body reviewed and considered information contained in the Final EIR prior to approving the project (**Section 15090**).
3. The Final EIR reflects the lead agency's independent judgment and analysis certified on March 1, 2005 (**Section 15090**).
4. The certified EIR identifies, for each significant impact of the project, one or more corresponding mitigation measures to reduce such impact to a level of insignificance, with the exception of traffic, operational and temporary construction, related air quality, and temporary construction-related noise impacts, and cumulative solid waste, population and housing, and traffic impacts.
5. The public agency specified the location and custodian of the documents or other materials which constitute the record of proceedings upon which its decision is based (**Section 15091**).

6. Changes or alterations were required in, or incorporated into the project, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR. **(Section 15091)**
7. Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities made infeasible the mitigation measures or project alternatives identified in the Final EIR **(Section 15091)**.
8. The public agency adopted a program for reporting on or monitoring the changes it has either required in the project or made a condition of approval to avoid or substantially lessen significant environmental effects. **(Section 15091)**.
9. The Draft Environmental Impact Report was made available for public review and comment in the time and manner prescribed by law. The EIR concluded that with mitigation the proposed project will not have a significant, adverse effect on the environment; or; that any remaining significant effects on the environment found to be unavoidable under Section 15091 are acceptable due to overriding concerns. **(Section 15092)**.
10. An addendum to the previously certified Environmental Impact Report was completed in compliance with CEQA. Some changes or additions are necessary but none of the conditions for the Plaza El Segundo Phase 1B project in Section 15162 calling for preparation of a subsequent EIR have occurred. No new significant effects will result from the revised project. No significant effects previously examined will be substantially more severe than shown in the previous EIR. **(Section 15164(a) and Section 15162)**.
11. The addendum was not circulated for public review but will be included in or attached to the Final EIR. **(Section 15164 (c))**.
12. The addendum to the Final EIR includes an explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 and the explanation is supported by substantial evidence. **(Section 15164(e))**.
13. The addendum to the Final EIR reflects the lead agency's independent judgment and analysis and has been considered with the Final EIR prior to making a decision on the project. **(Section 15090 and Section 15164(d))**.
14. That when considering the whole record, there is no substantial evidence that the project will have the potential for an adverse effect on wildlife resources or the habitat on which the wildlife depends, because the project

project is in a built-out urban environment.

#### Zone Text Amendment Findings.

The proposed Zone Text Amendment is necessary to amend the Commercial Center (C-4) development standards relating to permitted uses, setbacks and signs. Specifically, the Zone Text Amendment amends ESMC § 15-5G-2 relating to permitted uses to allow cosmetic health and medical office uses; amends ESMC § 15-5G-6.D to exclude environmental mitigation structures that are required by other regulatory agencies, including but not limited to the Los Angeles Regional Water Quality Control Board and the Department of Toxic Substance Control, from setback requirements; and amends ESMC § 15-5G-9 relating to light emitting diode (“LED”) signs. An amendment to ESMC § 15-5G-6(D) to exclude environmental mitigation structures that are required by other regulatory agencies from setback requirements is necessary to comply with the adopted mitigation measures in the certified FEIR. Without an amendment to ESMC § 15-5G-2 relating to permitted uses, cosmetic health and medical office uses would not be permitted in the Commercial Center (C-4) Zone. The amendment to ESMC § 15-5G-2 is consistent with the purpose of the C-4 Zone and the General Plan. Without an amendment to ESMC § 15-5G-9, the proposed light emitting diode (“LED”) signs would not be permitted in the Commercial Center (C-4) Zone.

#### Development Agreement Amendment Findings

1. As set forth in Section VI above, the project is consistent with the objectives, policies, general land uses, and programs specified in the general plan and the Commercial Center land use designation. In addition, the amended Development Agreement would provide the following public benefits in exchange for valuable development rights (eight-year entitlement):
  - (a) Development of a property that is currently vacant and underutilized.
  - (b) Increasing and further stabilizing the City’s tax base through development of new commercial businesses.
  - (c) Increase in employment opportunities for the City’s residents.
  - (d) Increasing the diversity of retail uses and services in the City.
  - (e) Increasing City revenues through the generation of taxes that outweigh the City cost of services.
  - (f) Development of a project that is consistent with the Elements of the General Plan.
  - (g) Improvements to roadways and intersections in the project vicinity.
  - (h) Expansion of the planned ITS network to make it even more effective in relieving congestion.
  - (i) Contribution of approximately \$20,045 in police, fire, and library, mitigation fees to offset the impacts of the project on public services.
  - (j) Contribution of approximately \$407,676 in traffic impact mitigation fees to offset the impacts of the project on public roadway infrastructure.

- (k) Contribution of \$25,000 for signage to enhance and promote businesses in the Downtown Specific Plan Area of El Segundo.
2. The project is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is located. These uses and development standards are similar and compatible with the other commercially zoned districts in the City.
  3. The project is in conformity with the public convenience, general welfare and good land use practice, as described in Section IX.11. above. The project would facilitate improvements to public roadways, through an irrevocable offer to dedicate land for public roadway purposes. The project would also be designed to support and encourage public transportation uses and contribute to the continued diversification of the southeast quadrant of the City by providing a broad range of commercial uses.
  4. The project will not be detrimental to the health, safety and general welfare. As established in Section VIII of this report, the proposed project will not create any significant environmental impacts, with the exception of traffic, operational and temporary construction related air quality, and temporary construction-related noise impacts, and cumulative solid waste and traffic impacts. The City Council is responsible for determining if there are overriding considerations, which outweigh the identified unavoidable environmental consequences of the project.
  5. The project will not adversely affect the orderly development of property or the preservation of property values. The proposed C-4 zone text amendments and development agreement amendment will ensure that the project will be developed in an orderly fashion. All mitigation measures will be implemented at the time and place impacts occur.

Based upon our review, it is the opinion of staff that the Planning Commission should recommend that the City Council make the findings outlined above related to the proposed Development Agreement amendment. The project is consistent with the purposes of the proposed Commercial Center land use designation and the C-4 Zone, and it is compatible with its surrounding developments. The project will promote public convenience, general welfare, and good land use practice, and would serve to improve property values in the area by providing a long-term master plan for the project site. Each Finding is contained in Draft Resolution No. 2630 and is supported by substantial evidence as noted in the Resolution.

## **X. Conclusion**

Staff recommends that the Planning Commission recommend that the City Council approve the proposed project, subject to the conditions contained in Draft Resolution No. 2630.

**XI. Exhibits**

1. Draft Planning Commission Resolution No. 2630
  - A. Draft Development Agreement
  - B. Conditions of Approval Including Mitigation Measures (MMRP)
2. Required Findings
3. Interdepartmental Comments
4. Mitigation Measure Summary
5. Peer Review Letter of Trip Generation Report from Kimley-Horn and Associates dated January 18, 2008
6. Applications
7. Plans
8. Addendum to the certified FEIR

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Planning and Building Safety Department

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