

DEPARTMENT OF
CITY PLANNING
200 N. SPRING STREET, ROOM 525
LOS ANGELES, CA 90012-4801
AND
6262 VAN NUYS BLVD., SUITE 351
VAN NUYS, CA 91401
CITY PLANNING COMMISSION

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BARBARA ROMERO
MICHAEL K. WOO
JAMES WILLIAMS
COMMISSION EXECUTIVE ASSISTANT
(213) 978-1300

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

EXECUTIVE OFFICES

S. GAIL GOLDBERG, AICP
DIRECTOR
(213) 978-1271
VINCENT P. BERTONI, AICP
DEPUTY DIRECTOR
(213) 978-1274
JANE BLUMENFELD
ACTING DEPUTY DIRECTOR
(213) 978-1272
EVA YUAN-MCDANIEL
DEPUTY DIRECTOR
(213) 978-1273
FAX: (213) 978-1275
INFORMATION
(213) 978-1270
www.planning.lacity.org

MAR 02 2010

City Plan Case No. 2003-5865-ZC-GPA-SP-
DA Council File No. 10-0245

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

SUBJECT: Ordinance Establishing a Development Agreement Between the City of Los Angeles and Playa Capital Company, LLC for the "Village at Playa Vista" Project

Honorable Members,

At a duly noticed public meeting held on December 10, 2009, the City Planning Commission recommended that the City Council adopt an ordinance establishing a development agreement ("Development Agreement") for the second phase of the Playa Vista Project, known as the Village at Playa Vista ("Proposed Project") and adopted the Planning Department Staff Report and findings. The City Planning Commission's January 12, 2010 determination letter, which includes a summary discussion of the prior history of the Proposed Project and related litigation in the Staff Report, is attached as Exhibit 1.

Following that action, the City Attorney transmitted a proposed ordinance ("Ordinance") to the City Planning Commission. Pursuant to Charter Section 559, and on behalf of the City Planning Commission, I previously approved by stamp the Ordinance transmitted by the City Attorney and recommended that it be transmitted to, and adopted by, the City Council. This communication supplements that approval and recommendation.

Environmental Status

As further detailed in Exhibit 1, a Complete Final Environmental Impact Report No. ENV-2002-6129-EIR (the "Complete FEIR") has been prepared for the Proposed Project, in accordance with CEQA, the State CEQA Guidelines and the City's CEQA guidelines. The Complete FEIR includes the Recirculated Sections of the Draft EIR (dated January 2009) ("RS-DEIR"), the Final Recirculated Sections of the EIR (dated 2009) ("Final RS-EIR"), and the portions of the original Final Environmental Impact Report (dated April 2004) (which itself includes the 2003 Draft EIR), that have not been superseded by the RS-DEIR and Final RS-EIR. The City Planning Commission certified the Complete FEIR as complete.

Findings

Pursuant to Charter Section 559, I make the following findings with respect to the proposed Ordinance:

1. In accordance with Charter Section 556, the Ordinance is in substantial conformance with the purposes, intent, and provisions of the General Plan (as amended pursuant to the Proposed Project) and all of its elements for a number of reasons, including but not limited to those reasons set forth in the City Charter Findings – City Charter Sections 556 and 558 located at pages 1-10 of the attached Exhibit 1 and the Development Agreement Findings located at pages 28-34 in the attached Exhibit 1, all of which are hereby incorporated by this reference.
2. In accordance with Charter Section 558(b)(2), the Ordinance is in substantial conformance with public necessity, convenience, general welfare and good zoning practice for a number of reasons, including but not limited to those reasons set forth in the City Charter Findings – City Charter Sections 556 and 558 located at pages 1-10 of the attached Exhibit 1 and the Development Agreement Findings located at pages 28-34 in the attached Exhibit 1, all of which are hereby incorporated by this reference.

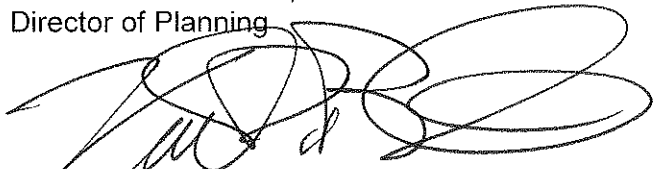
Approval and Recommendation

In view of the circumstances described above, and as provided under the authority of Charter Section 559 and City Plan Case No. 13505-A, I find that my approval of this proposed Ordinance regarding the Development Agreement is in conformity with the action of the City Planning Commission of December 10, 2009 on this matter.

I, therefore, again approve the Ordinance and recommend that it be adopted by the City Council.

Sincerely,

S. GAIL GOLDBERG, AICP
Director of Planning



VINCENT P. BERTONI, AICP
Deputy Director

Attachment (City Planning Commission January 12, 2010 letter)



LOS ANGELES CITY PLANNING COMMISSION

200 N. Spring Street, Room 272, Los Angeles, California, 90012-4801, (213) 978-1300
www.lacity.org/PLN/index.htm

Determination Mailing Date: JAN 12 2010

CASE NO.: CPC-2003-5865-ZC-GPA-SPA-DA
RELATED CASE: VTT-60110-REC-1A
CEQA: ENV-2002-6129-EIR

Location: 12200 W. Jefferson Blvd.
Council District: 11
Plan Area: Westchester-Playa Del Rey
Zone: C2(PV), R4(PV) and M(PV)
D.M.: 102B161

Applicant: Playa Capital, LLC, J. Marc Huffman
Appellant: Rex Frankel

At its meeting on December 10, 2009, the following action was taken by the City Planning Commission:

1. Adopted the Staff Report as the Commission's report on the matter.
2. Approved and Recommend that the Mayor and City Council Adopt the Resolution amending the Westchester-Playa del Rey Community Plan.
3. Approved and recommend that the City Council approve the Zone Changes for the second phase area.
4. Approved and Recommend that the City Council approve the Playa Vista Area D Specific Plan Amendments.
5. Approved and recommend that the City Council adopt the Development Agreement between the City of Los Angeles and the Playa Capital Company LLC.
6. Approved and recommend that the City Council approve the ordinance executing the Development Agreement between the City of Los Angeles and the Playa Capital Company.
7. Certified that it has reviewed and considered the information contained in the Complete Final Environmental Impact Report, which includes the RS-DEIR, Final RS-EIR, and the portions of the Original Final EIR that have not been superseded by the RS-DEIR and Final RS-EIR (No. ENV-2002-6129-EIR) and transmit to the City Council for consideration and appropriate action.
8. Adopted and recommend that the City Council adopt the California Environmental Quality Act CEQA Findings and the Statement of Overriding Considerations.
9. Adopted and recommend that pursuant to Section 21081.6 of the California State Resources Code the City Council adopt the Mitigation Monitoring and Reporting Program for this Project.
10. Adopted the attached Findings for the City Charter, the Community Plan amendment, the Specific Plan Amendments and the Development Agreement.

Fiscal Impact Statement: There is no General Fund impact as administrative costs are recovered through fees.

This action was taken by the following vote:

Moved: Burton
Seconded: Kezios
Ayes: Cardoso, Freer, Romero, Roschen
Absent: Orozco, Woo
Vacant: One

Vote: 6-0


James Williams, Commission Executive Assistant I
Los Angeles City Planning Commission

Effective Date/Appeals: This action of the Los Angeles City Planning Commission will be final within 20 days from the mailing date on this determination unless an appeal is filed within that time to the City Council. All appeals shall be filed on forms provided at the Planning Department's public counters at 201 North Figueroa Street, Third Floor, Los Angeles, or at 6262 Van Nuys Boulevard, Room 251, Van Nuys. Forms are also available on-line at www.lacity.org/pln.

FINAL APPEAL DATE FEB 01 2010

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

Attachments: Ordinance, Maps, Findings, Proposed Development Agreement, Resolution
Senior City Planner: Gordon Hamilton

ORDINANCE NO. _____

An ordinance amending Ordinance No. 160,523, commonly known as the Playa Vista Area D Specific Plan.

NOW THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 3 of Ordinance No. 160,523 is amended by revising or adding the following definitions in the proper alphabetical order to read:

"Alzheimer's/Dementia Care Housing" shall mean residential housing that is licensed by the California Department of Social Services and provides assistance to people 62 years of age or older who require assistance with two or more non-medical activities of daily living as defined in the Department of Social Services licensing requirements. The residential units may consist either of dwelling units or guest rooms. Full time medical services shall not be provided on the premises. It may be a component of an Assisted Living Facility.

"Assisted Living Care Housing" shall mean a facility licensed by the California Department of Social Services and provides assistance to people 62 years of age or older who require assistance with two or more non-medical activities of daily living as defined in the Department of Social Service licensing requirements. The residential units may consist either of dwelling units or guestrooms. Full time medical services shall not be provided on the premises. It may be a component of an Assisted Living Facility.

"Assisted Living Facilities" shall mean a facility that provides residential units for persons 62 years of age and older and which includes one or more of the following housing types: assisted living care housing; skilled nursing care housing; Alzheimer's/Dementia care housing, and/or include senior independent housing.

"Community Serving Uses" shall mean those uses specified in Section 5 F of this Ordinance.

"Mixed Use Development" shall mean any development within the Specific Plan Area which contains in an initial phase or by reason of any subsequent phase of development any combination of the following uses:

commercial, office, retail, residential, hotel, entertainment, restaurant/lounge, recreation, cultural or other public uses. Such uses may be located in a single building or in separate buildings. Such uses and such separate buildings may also be under single or multiple ownerships.

"Senior Independent Housing" shall mean residential housing that consists of dwelling units for persons 62 years of age and older and may include common dining areas or other community rooms. Full time medical services shall not be provided on the premises. It may be a component of an Assisted Living Facility.

"Skilled Nursing Care Housing" shall mean residential housing that is licensed by the California Department of Health and provides acute, intermediate, or long term skilled nursing care and consists only of guest rooms for its residents. Full time medical services may be provided on the premises. It may be a component of an Assisted Living Facility.

"Telecommunications Facility" shall mean those wireless facilities which are required for cellular and commercial or non-commercial transmissions and receptions, and may include but not be limited to satellite dishes, monopole and antenna transmitters.

"Transit Related Facility" shall mean stations, bus/shuttle stops, bus/shuttle bays and other facilities, including their right of way, which serve transportation by means other than single-occupancy vehicles. This definition shall include the support, storage, maintenance, staging facilities and ridership amenities which are related to these uses.

Sec. 2. Subparagraph (i) of Paragraph a of Subdivision 1 of Subsection B of Section 4 of Ordinance No. 160,523 is amended to read:

- (i) The dedication and restoration of the Ballona Wetlands as defined and set forth in Section 10 of Ordinance No. 165,638 (Playa Vista Area B Specific Plan), or the sale of the Ballona Wetlands to a non-profit or governmental entity for purposes of habitat conservation, open space preservation, recreation or other similar public purpose as determined by the Director of Planning, together with the park or recreational space required to be provided under Subparagraph (ii) below, are hereby found to satisfy the requirements of Sections 17.12, 12.21 G and 12.33 of the Code for dedication of real property for park and recreational purposes, or for the payment of a fee in lieu thereof, in connection with the construction or development of any and all dwelling units within the Specific Plan

Area. Subdivision maps for residential or condominium purposes are hereby authorized to be recorded without any further compliance with Sections 17.12, 12.21 G or 12.33 of the Code.

Sec. 3. Paragraphs a and b of Subdivision 2 of Subsection B of Section 4 of Ordinance No. 160,523 are amended to read:

- a. **Use.** No building, structure or land shall be used and no building or structure shall be erected, structurally altered, enlarged or maintained, except for (i) those uses permitted in the "R4" Zone including conditional uses enumerated in Section 12.24 of the Code when the location is approved pursuant to the provisions of such Section, (ii) Community Serving uses, and (iii) Convenience Commercial uses permitted in the "C1" Zone or the accessory uses listed below provided that such uses do not exceed 90,000 square feet of Floor Area (excluding covered tennis, racquetball or squash courts):
- (1) Athletic, racquet or health club
 - (2) Recreation center
 - (3) Community center, privately operated
 - (4) Swimming pool, commercial
 - (5) Medical offices
 - (6) Other uses or facilities similar to those listed above when determined as provided for in Section 12.21 A.2 of the Code.
- b. **Yard Requirements.** Except as may be provided in a condition of approval for Vesting Tentative Tract Map ("VTT") 60110, yard requirements of the "R4" Zone shall apply to all uses permitted in the "R4" Zone, and yard requirements of the "C1" Zone shall apply to permitted Convenience Commercial uses and to the accessory uses listed above. Notwithstanding the provisions of Sections 12.11 C or 12.13 C of the Code to the contrary, any uses or structures, as set forth in a condition of approval for VTT 60110, may extend or project into a required yard within this Specific Plan area.

Sec. 4. The first unnumbered paragraph of Subdivision 1 of Subsection C of Section 4 of Ordinance No. 160,523 is amended to read:

1. **Use.** No building, structure or land shall be used and no building or structure shall be erected, structurally altered, enlarged or maintained, except for (i) those uses permitted in the "C2" Zone, including conditional uses enumerated in Section 12.24 of the Code when the location is approved pursuant to the provisions of that section, (ii) those uses permitted in the "R5" Zone, (iii) Telecommunications Facilities, (iv) Assisted Living Facilities, (v) Community Serving uses, (vi) Other uses or facilities similar to those listed above as provided for in Section 12.21 A 2 of the Code, and (vii) any combination of uses permitted in the "R5" Zone and commercial uses permitted in the "C2" Zone. Notwithstanding the foregoing, the following uses shall be prohibited:

Sec. 5. Paragraphs c, d, e, f, g, h and i of Subdivision 1 of Subsection D of Section 4 of Ordinance No. 160,523 are re-lettered in order as Paragraphs e, f, g, h, i, j and k.

Sec. 6. Subdivision 1 of Subsection D of Section 4 of Ordinance No. 160,523 is amended by adding two new paragraphs lettered "c" and "d" to read:

c. Transit Related Facilities

d. Telecommunications Facilities provided they comply with the design and location guidelines, as set forth in the conditions of approval for VTT 49104, 52092 and 60110.

Sec. 7. Subsection A of Section 5 of Ordinance No. 160,523 is amended to read:

A. Residential Limitations.

Notwithstanding the provisions of Section 12.11 C 4 of the Code to the contrary, the total allowable dwelling units within the Specific Plan Area shall not exceed 5,846 dwelling units. Excluded from the foregoing limitation shall be any Low and Moderate Income Dwelling Units, as defined in Ordinance No. 165,638 (Playa Vista B Specific Plan) and Ordinance No. 165,639 (Playa Vista Area C Specific Plan) which are required to be constructed under those ordinances but which are located within the Specific Plan Area or any Assisted Living residential units as permitted by Subsection B3 of this section.

Sec. 8. Subdivision 1 of Subsection B or Section 5 of Ordinance No. 160,523 is amended to read:

1. Retail Commercial.

The total Floor Area shall not exceed 185,000 square feet (including all square footage devoted to Convenience Commercial uses).

Sec. 9. Subdivision 2 of Subsection B of Section 5 of Ordinance No. 160,523 is deleted.

Sec. 10. Subdivision 3 of Subsection B of Section 5 of Ordinance No. 160,523 is renumbered as Subdivision 2.

Sec. 11. Subdivision 4 of Subsection B of Section 5 of Ordinance No. 160,523 is renumbered as Subdivision 3 and amended to read:

3. Office and Other Permitted Uses.

The total Floor Area for all other uses permitted within the "C2(PV)" Zone, shall not exceed 625,000 square feet. Except that up to 200 Assisted Living residential units shall be permitted, and the Floor Area for such units shall be determined pursuant to the Land Use Equivalency Matrix. The Floor Area for the 200 Assisted Living residential units may cause the total Floor Area for Office and Other Permitted Uses, combined with Assisted Living residential units, to exceed 625,000 square feet:

Sec. 12. Subsection C of Section 5 of Ordinance No. 160,523 is amended to read:

C. "M(PV)" Zone Limitations.

The total Floor Area of all buildings within the "M(PV)" Zone shall not exceed 2,950,000 square feet.

Sec. 13. Subsection E of Section 5 of Ordinance No. 160,523 is relettered as Subsection F.

Sec. 14. Section 5 of Ordinance No. 160,523 is amended by adding a new Subsection "E" to read:

E. Land Use Equivalency Transfer.

1. Purpose.

Land Use Equivalency Transfers are established to permit shifts of Floor Area between certain land use categories over the life of the Specific Plan by authorizing Floor Area reallocations between certain land use categories, utilizing the conversion factors set forth in the Land Use Equivalency Matrix.

2. Limitations.

The permitted Floor Area for Office uses, as specified in Subsection B3, may be reallocated as provided in Table 1, the Land Use Equivalency Matrix. Subject to the limitations of this Subdivision and Table 1, the permitted Floor Area of Assisted Living and Retail uses shall only be increased if there is a proportional decrease in permitted Floor Area of Office uses, based upon applying the corresponding conversion factor in Table 1. In no event, however, shall any reallocation of Floor Area among Office, Assisted Living and Retail land use categories by application of the Land Use Equivalency Matrix result in more than 125,000 square feet of Office use being transferred to a use with combination of Retail and Assisted Living uses or all Retail or Assisted Living uses.

**TABLE 1
Land Use Equivalency Matrix**

	Equivalency Ratio to Convert to These Land Use Categories	
	Retail	Assisted Living
From Office Use Category (per 1,000 Square Feet)	454.66 Square Feet	6.9 Units

Sec. 15. The first unnumbered paragraph of Section 8 of Ordinance No. 160,523 is amended to read:

No building or structure shall be erected, enlarged or maintained which exceeds the height limits hereinafter specified. Notwithstanding such height limits,

development within the Specific Plan Area shall be subject to the applicable density and Floor Area limitations set forth in Section 5 of this Ordinance.

Sec. 18. Subsections A and B of Section 6 of Ordinance No. 160,523 are amended to read:

- A. First Phase Tract Maps (VTT 49104 and 52092).** Except as provided in Subdivisions 1 and 2 below, within the first phase tract maps (VTT 49104 and 52092) area, no buildings or structures shall exceed a height of 140 feet above mean sea level as measured by a licensed surveyor and approved by the Department of Building and Safety.
1. Buildings or structures on a limited number of lots may exceed the height of the nearest bluff. The total area of all such lots shall not exceed twenty percent (20%) of the total area of the Specific Plan Area. For such lots, no buildings or structures shall exceed two hundred forty (240) feet above grade.
 2. Buildings or structures on a limited number of lots may exceed two hundred forty (240) feet above grade. The total area of all such lots shall not exceed ten percent (10%) of the total area of the Specific Plan Area. For such lots, no buildings or structures shall exceed the maximum height allowed under Part 77 of the Code of Federal Regulations. The lots affected by this subdivision shall be separate and distinct from the lots affected by Subdivision 1 above.
 3. Notwithstanding anything in the foregoing exceptions to the contrary, in that portion of the first phase tract maps (VTT 49104 and 52092) area located southerly of a line which is 600 feet northerly of the top of the bluff, no buildings or structures, or any part thereof, including rooftop equipment and skylights, may exceed 140 feet above mean sea level as measured by a licensed surveyor and approved by the Department of Building and Safety. The precise location of such line for the purposes of this Specific Plan shall be the line established on the Map in Figure 2 of Section 1 of this Ordinance and verified by the City Engineer. Once such line is established, it shall not be subject to change due to future erosion of earth movement.
- B. Second Phase Tract Map (VTT 60110).** Within the second phase tract map (VTT 60110) area, no buildings or structures shall exceed a height of 95 feet above mean sea level in Height Zone A and 112 feet above mean sea level in Height Zone B as measured by a licensed surveyor and approved by the Department of Building and Safety. The boundaries of

Height Zones A and B shall be as specified in the "Village at Playa Vista Development Criteria and Guidelines" dated August 20, 2003 which is a condition of approval for VTT 80110. Ornamental architectural features (such as balvederes, cupolas, steeples and spires, flags, ornamental towers, clock and bell towers and weather vanes) may exceed the above height limits provided such elements are no more than 625 sq. ft. in total plan area. These elements shall have no plan dimension greater than 25 feet and shall not exceed 142 feet above mean sea level.

Sec. 17. Subdivision 1 of Subsection A of Section 9 of Ordinance No. 160,523 is amended to read:

1. For rental dwelling units, there shall be at least two covered off-street parking spaces provided for each dwelling unit with four or more habitable rooms and one and one-half parking spaces for each dwelling unit with less than four habitable rooms. In addition, there shall be at least one parking space provided for each four dwelling units which shall be reserved for, and accessible to, visitors and guests.

Sec. 18. Subdivisions 2, 3, and 4 of Subsection A of Section 9 of Ordinance No. 160,523 are renumbered as 3, 4 and 5.

Sec. 19. Subsection A of Section 9 of Ordinance No. 160,523 is amended by adding a new Subdivision 2 to read:

2. For condominium dwelling units, there shall be a minimum of two covered off-street parking spaces per dwelling unit with three or more habitable rooms and 1.5 covered off-street parking spaces for dwelling units with less than three habitable rooms plus $\frac{1}{4}$ guest parking space per dwelling unit, which shall be readily accessible, conveniently located and specifically reserved for guest parking.

(104474)

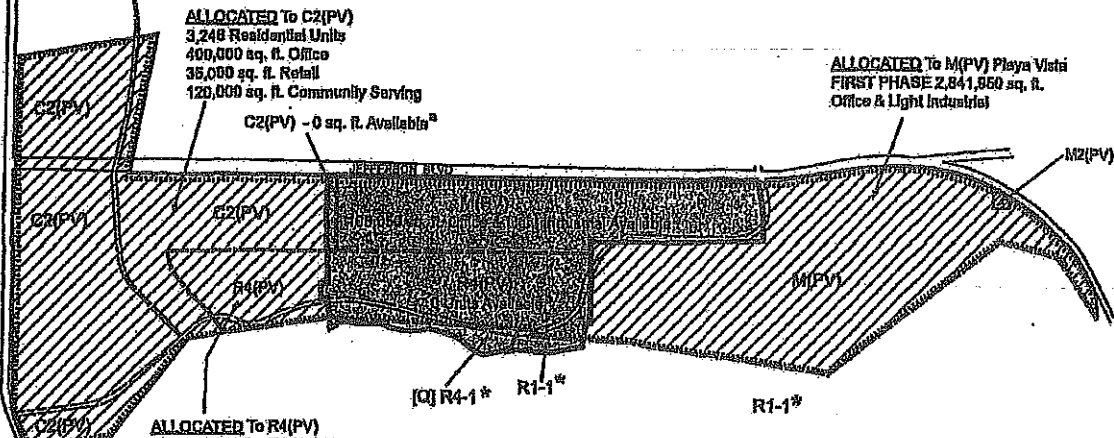
ORDINANCE NO. _____

An ordinance amending Section 12.04 of the Los Angeles Municipal Code by amending the zoning map.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section __. Section 12.04 of the Los Angeles Municipal Code is hereby amended by changing the zone classifications of property shown upon a portion of the Zoning Map incorporated therein and made a part of Article 2, Chapter 1 of the LAMC, so that such portion of the Zoning Map shall conform to the zoning on the map attached hereto and incorporated herein by this reference.

Existing Entitlements in Area D



ALLOCATED To C2(PV)
 3,248 Residential Units
 400,000 sq. ft. Office
 35,000 sq. ft. Retail
 120,000 sq. ft. Community Serving
 C2(PV) - 0 sq. ft. Available^a

ALLOCATED To M(PV) Playa Vista
FIRST PHASE 2,841,850 sq. ft.
 Office & Light Industrial

ALLOCATED To R4(PV)
 Playa Vista **FIRST PHASE**
 Residential Unit count included
 above under "Allocated to C2(PV)"

^a As explained in the text, this analysis assumes that only 103,050 sq. ft. is available for office and light industrial development (the amount remaining under M(PV)) on the Proposed Project site. See also Detail of Appeal Option (Appendix A1) at pp. 19-20.
^b No residential units remaining for the R4(PV) zones in the Village at Playa Vista Project as all the residential units were allocated to the Playa Vista First Phase Project.

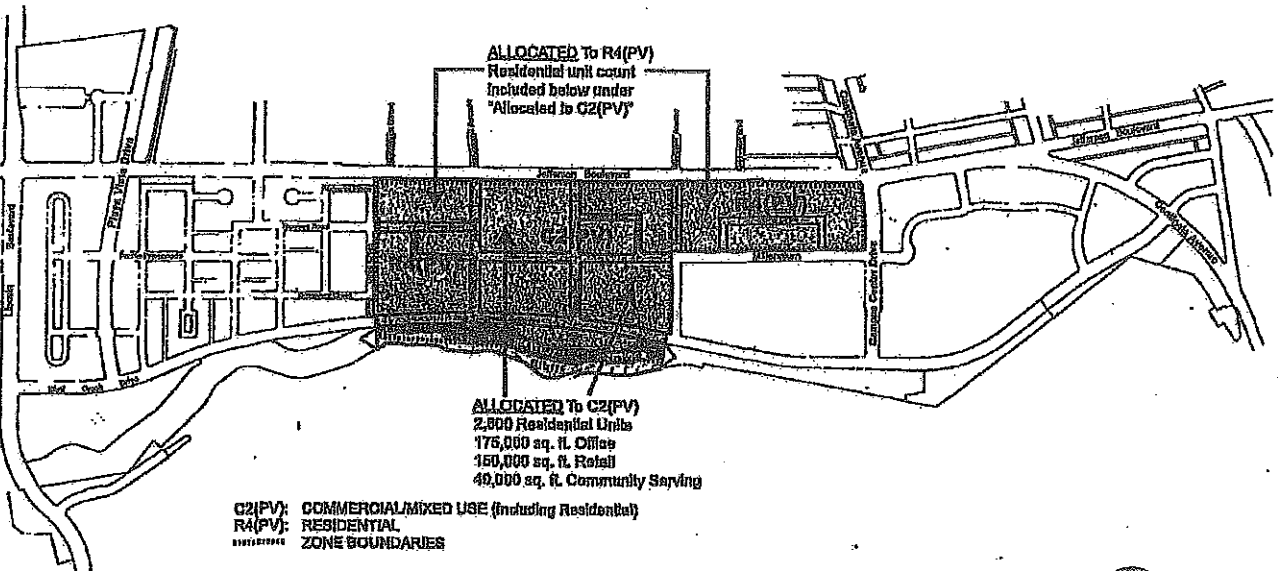
Legend

C2(PV): REGIONAL MIXED USE COMMERCIAL ZONE
 M(PV); M2(PV): OFFICE & LIGHT INDUSTRIAL ZONE
 R1-1; R4-1; R4(PV): RESIDENTIAL

Playa Vista First Phase
 Zone Boundary
 Specific Plan Boundary
 These zones lie outside of the Area D Specific Plan boundaries

Proposed Village at Playa Vista

Proposed Entitlements in Area D

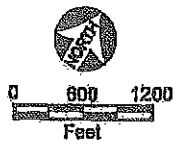


ALLOCATED To R4(PV)
 Residential unit count
 included below under
 "Allocated to C2(PV)"

ALLOCATED To C2(PV)
 2,800 Residential Units
 175,000 sq. ft. Office
 150,000 sq. ft. Retail
 40,000 sq. ft. Community Serving

C2(PV): COMMERCIAL/MIXED USE (including Residential)
 R4(PV): RESIDENTIAL
 --- ZONE BOUNDARIES

NOTE:
 Locations of roadways and land use boundaries are approximate.
 Precise placement will be determined as part of subdivision process.



Source: Playa Capital Company, November 2008.



Figure I.B-3
 Comparison of Entitlement Allocated
 and Entitlement Proposed in Area D

**CITY CHARTER FINDINGS—
City Charter Sections 556 and 558.**

1. The proposed General Plan amendment ("General Plan Amendment") complies with Los Angeles City Charter Section 556 in that it is in substantial conformance with the purposes, intent, and provisions of the General Plan and all of its elements including but not limited to the Housing Element, the Land Use Element, the Public Recreation Plan of the Service Systems Element, the Open Space Element, the Transportation Element, and the Wastewater Treatment Element of the Infrastructure Systems Element. With the approval of the requested amendments to the Specific Plan, the General Plan Amendment would be consistent with the amended Specific Plan.

A. General Plan

The City of Los Angeles has adopted guidance for the General Plan in December 1996 and re-adopted in August 2001, regarding land use issues for the entire City of Los Angeles, including the Proposed Project. The General Plan also sets forth a Citywide comprehensive long-range growth strategy and defines Citywide policies regarding such issues as land use, housing, urban form, neighborhood design, open space, economic development, transportation, infrastructure, and public services. In addition, the General Plan Amendment is consistent with several goals and policies of the General Plan Framework. The General Plan Amendment will, for instance, enable the construction of a supply of housing at a wide range of sizes and prices which is in close proximity to jobs and services.

The Land Use chapter identifies objectives and supporting policies relevant to the Proposed Project. Those objectives and policies seek, in part, to: (1) accommodate a diversity of uses; (2) identify areas for the establishment of new open space opportunities; (3) provide for the spatial distribution of development; provide for the stability and enhancement of multi-family neighborhoods; and encourage new multi-family residential, retail, commercial, and office development in the City's neighborhood districts, community, regional, and downtown centers as well as along primary transit corridors/boulevards.

The Proposed Project would be compatible with the General Plan's objectives and policies. The Proposed Project would accommodate a diversity of uses because it is based on a mixed-use concept with a range of related and complementary uses. This integrated mixed-use community would generate housing (including multi-family housing), recreational activities, community-serving activities and jobs of a substantial scale, so as to decrease dependency on the automobile, encourage pedestrian activity and alternative transportation modes, make efficient use of existing infrastructure, reduce energy consumption, and foster a strong sense of community. The Proposed Project would provide appropriate transitions between the varying densities and intensity of proposed land use, and between future residential areas and existing lower density neighborhoods, commercial areas, and light industrial uses. In addition, the design of the residential neighborhoods would enhance the residential character of the community by (1) introducing residential over commercial uses and otherwise providing convenient commercial and neighborhood-serving retail uses

within a short walk from residential uses; (2) providing pedestrian-friendly streets, as well as a system of pedestrian walkways and bicycle paths; (3) providing parks within walking distance of all residential units that would include recreational fields and facilities, children's play areas, and trails; (4) and providing an internal transit system to reduce automobile dependency and create neighborhood identity. The Proposed Project is also part of a comprehensive planning effort (the entire Playa Vista development) that includes a substantial industrial/employment district.

The Proposed Project's Urban Development Component would provide a comprehensive program of parks and open space areas that would contribute to the aesthetic character of the area, thus meeting the General Plan's open space objectives. The proposed Urban Development Component includes 11.4 acres of parks, 0.4 acre of other passive open space, and an additional 1.0 acre of bike lanes. The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the riparian corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres.

Residents, visitors, and employees would have ready access to transit in the Proposed Project. The Proposed Project would be accessible to four public transit systems serving Culver City, Santa Monica and the larger Los Angeles metropolitan area. This transit system accessibility will work in tandem with the Proposed Project's Internal and Expanded Shuttle Systems, which would provide enhanced transit service for Proposed Project residents, visitors, employees, and the surrounding community. The Internal and Expanded Shuttle Systems would provide connections to key destinations such as Marina del Rey, Howard Hughes Center, the adjacent Playa Vista First Phase Project, and the Fox Hills Mall. Connections to regional transit service shall be provided at Lincoln Boulevard/Jefferson Boulevard and Fox Hills Mall Transit Center.

B. Housing Element

With the General Plan Amendment, the Proposed Project would meet or exceed all of the relevant housing goals and policies contained in the Housing Element of the Los Angeles General Plan. According to the Housing Element, the City's goal is to create livable and sustainable neighborhoods with a range of housing types and costs in mutual proximity to jobs, infrastructure and services. Other goals and policies include: (1) the preservation, stabilization, and enhancement of livability/sustainability in all neighborhoods throughout the City; (2) the encouragement of mixed-use development which provides for activity and natural surveillance after commercial business hours; (3) provisions for high intensity residential and commercial development in centers, districts and along transit corridors; and (4) the development of new projects that are accessible to public transportation and services.

The General Plan Amendment would allow for the development of the Proposed Project which would be consistent with the relevant goals and policies of the Housing Element. The 2,600 unit increase in the total number of dwelling units furthers the General Plan Housing Element's objectives by enabling the

construction of a supply of housing at a wide range of sizes and prices in close proximity to jobs and services.

The Proposed Project, as permitted under the amended General Plan, would meet other City Housing Element policies by providing an integrated mixed use development with enhanced public realm streets, streetscapes and landscaping that encourage pedestrian activity and provide a network of bicycle trails that allow accessibility throughout the Proposed Project site. The Proposed Project, both by itself and in conjunction with the adjacent Playa Vista First Phase Project, would create a residential and commercial center that is transit accessible and designed to facilitate the reduction of vehicle trips and vehicle miles traveled by locating commercial/retail uses in proximity to proposed residential development and employment.

The General Plan Amendment would permit a project that is accessible to multiple existing transit systems, and that clusters population so as to support public transit service. The Proposed Project site is accessible to four public transit systems serving Culver City, Santa Monica and the larger Los Angeles metropolitan area. The Proposed Project shall fund the purchase of five transit buses (to be operated by the City of Culver City) to supplement regional bus transit service along key travel corridors. The Proposed Project shall also fully fund operations and maintenance costs for each new bus for a period of three years and compensate for the unsubsidized portion of the operations and maintenance costs for an additional seven years to ensure continued operations. In addition, the Proposed Project shall extend and expand the Internal Shuttle System, creating an intelligent demand-responsive Expanded Shuttle System which provides enhanced transit service for Proposed Project residents, visitors, employees, and the surrounding community, focusing on providing connections to key destinations such as Marina del Rey, Howard Hughes Center, the adjacent Playa Vista First Phase Project, and the Fox Hills Mall. Connections to regional transit service shall be provided at Lincoln Boulevard/Jefferson Boulevard and Fox Hills Mall Transit Center.

C. Land Use Element

The Land Use Element of the General Plan is the Community Plan. Some goals of the Community Plan include: (1) providing for housing of such types, sizes, and densities as are required to satisfy the varying needs and desires of all economic segments of the Community Plan District (District); (2) promoting economic health and public convenience through the allocation and distribution of commercial lands for retail, service, and office facilities and through the provision of places of employment and transportation facilities within the District; and (3) providing a circulation system coordinated with land uses and densities which is adequate to accommodate necessary traffic movements and the expansion and improvement of public transportation service.

The General Plan Amendment is compatible with these goals. As a result of the General Plan Amendment's changes in land use designations, the Proposed Project would provide housing options across a wide range of sizes and costs to meet market demand in Los Angeles' impacted Westside.

The Proposed Project would also promote economic health and public convenience through the allocation and distribution of commercial lands for retail, service, and office facilities and through the provision of places of employment and transportation facilities. It would provide 1,180 permanent jobs and allocate 175,000 square feet of office space, 150,000 square feet of retail space, and 40,000 square feet of community serving uses. It will also locate commercial uses amid residential uses, creating a walkable, pedestrian friendly, village. Finally, the Proposed Project promotes alternative modes of travel such as mass transit through the provision of an on-site transit center and the provision of a community-based shuttle as well as bicycle paths and landscaped pedestrian walkways.

D. Public Recreation Plan of the Service Systems Element

Two documents establish the planning efforts and activities related to parks, recreation facilities, and open space areas in the City: (1) the Public Recreation Plan (PRP), a portion of the Service Systems Element of the City of Los Angeles General Plan, and (2) the Specific Plan. The General Plan Amendment is consistent with policies established under both planning documents.

The PRP provides citywide goals, objectives, and recommendations concerning parks and recreation facilities. The Proposed Project includes 11.4 acres of parks and 1.0 acre of bike lanes, exclusive of private, open space, such as courtyards and plazas. Besides providing this parkland, the Proposed Project would include the improvement of these parks with landscaping; hardscaping; walking, jogging and bicycle trails; children's play areas; recreational fields; and other recreational facilities (e.g., basketball courts, soccer fields and skating rinks). The provision of 11.4 acres of active open space within the Proposed Project is equivalent to 2.0 acres of active open space per 1,000 residents and would increase the service ratio in the District Plan area from 0.7 acre per 1,000 population to 0.8 acre per 1,000 population. The Proposed Project will provide an additional 5.76 acres of active open space, equivalent to 1.0 acre per 1,000 residents, within the adjacent Playa Vista First Phase Project or on land controlled or improved by the applicant and its affiliates (i.e., nearby off-site locations). Since the Proposed Project would provide the equivalent of 3.0 acres of park space per 1,000 residents, the Proposed Project would meet the PRP's short- and intermediate-range standards for community and neighborhood parks of 2.0 acres per 1,000 residents. Accordingly, the park or recreational facilities requirements generated by the Proposed Project would be adequately accommodated.

As required by the Area D Specific Plan, the Proposed Project would provide open space within each residential project in the amount of 100 square feet per dwelling unit. This recreational space is in addition to the open space and landscaping which would be provided throughout the grounds, and would create a broad range of recreational experiences, social interaction, and cultural opportunities. All such recreational space would be easily accessible throughout the Proposed Project site by a network of paths, sidewalks and nature trails.

E. Open Space Element

The Open Space Element of the General Plan seeks, in part, to (1) ensure the preservation and conservation of sufficient open space to serve the recreational, environmental, health and safety needs of the City; (2) conserve unique natural features and scenic areas; (3) provide access, where appropriate, to open space lands; and (4) identify unique natural features and scenic areas which are desirable for preservation. Toward that end, the Open Space Element incorporates policies that provide, among other things, that (1) ecologically important areas be kept in their natural state, to the maximum extent feasible; (2) psychological relief from urban development is provided for in existing and proposed areas of high density; and (3) open space is provided for in order to serve those needs which are appropriate to the location, size, and intended use of the open space in the community.

The General Plan Amendment would allow for a Proposed Project that complies with the goals and policies of the General Plan's Open Space Element. It would protect and enhance 11.7 acres of open space within its Habitat Creation/Restoration Component in addition to 12.8 acres of open space in the Urban Development Component. The 11.7 acres of habitat restoration efforts include 6.7 acres of Riparian Corridor, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres. After the City certified the Original FEIR and approved the Proposed Project in 2004 and prior to the Court of Appeals' ruling in September 2007, construction of the Habitat Creation/Restoration Component was completed, and the portion of the Riparian Corridor in the Proposed Project area connected with the eastern and western portions of the riparian corridor within the Playa Vista First Phase Project. With this component complete, there is now a 25-acre riparian corridor that also includes sections east and west of the Riparian Corridor in the Proposed Project site, ultimately feeding into the Playa Vista First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System. The 12.8 acres of open space in the Urban Development component includes 11.4 acres of parks, 1.0 acre of bike lanes, and 0.4 acre of other passive open space. The Applicant has proposed to fund, construct, and maintain the amenities and facilities (e.g., landscaping, bicycle trails, children's play areas, recreational fields and basketball courts) on the parks within the Proposed Project site.

F. Transportation Element

The Transportation Element of the General Plan serves as a guide which furthers the development of a citywide transportation system that provides for the efficient movement of people and goods. The Transportation Element recognizes that primary emphasis must be placed on maximizing the efficiency of existing and proposed transportation infrastructure through advanced transportation technology, reduction of vehicle trips, and focused growth in proximity to public transit.

The Proposed Project, as built under the amended General Plan, meets the stated purpose of the Transportation Element through a design which encourages internal transit with increased use of walk and bike ways. Implementation of the Proposed Project will improve the transportation systems

in the area in a manner that addresses changes brought about by the Proposed Project. The Proposed Project will provide significant enhancements to the transportation system, including roadway corridor and intersection improvements, signal system improvements, external transit system improvements, internal and expanded intelligent shuttle system improvements and bicycle system improvements. The Proposed Project includes an internal clean fuel transit system which links with regional transit systems. The Proposed Project also provides a mix of on-site uses which allows people to perform multiple activities without leaving the area.

Moreover, because the Proposed Project is an infill development within an existing urbanized area, it is accessible to multiple existing transit systems that would interconnect with the proposed internal transit system. The Proposed Project site is accessible to four public transit systems serving Culver City, Santa Monica and the larger Los Angeles metropolitan area. In addition, the Internal Shuttle System and Expanded Shuttle System would provide enhanced transit service for Proposed Project residents, visitors, employees, and the surrounding community, providing connections to key destinations such as Marina del Rey, Howard Hughes Center, the adjacent Playa Vista First Phase Project, and the Fox Hills Mall. Connections to regional transit service shall be provided at Lincoln Boulevard/Jefferson Boulevard and Fox Hills Mall Transit Center.

In addition, the Proposed Project will provide significant enhancements to the transportation system. These include roadway corridor and intersection improvements, signal system improvements, external transit system improvements, internal and expanded intelligent shuttle system improvements and bicycle system improvements. In addition, office tenants shall be required to join the Playa Vista Transportation Management Association, required in the Playa Vista First Phase Project. Further, in providing enhancements to the overall transportation system, these mitigation measures would mitigate the Proposed Project's significant impacts at all analyzed locations. The transportation infrastructure serving the project site and surrounding areas, specifically the Freeways, Highways, and Streets presently serving the affected area within the Westchester-Playa del Rey Community Plan, have adequate capacity to accommodate the existing traffic flow volumes, and any additional traffic volume which would be generated from projects enabled by such discretionary actions. However, it is noted that the addition of even small amounts of project traffic (below significance criteria) to other individualized locations that may operate poorly under cumulative conditions could contribute to potentially significant impacts. A statement of overriding considerations is included in the findings under the California Environmental Quality Act.

G. Wastewater Treatment

The issue of sewerage is considered under the Service Systems Element of the existing General Plan. Under the new General Plan System, however, sewerage would be incorporated into the Infrastructure Systems Element. Objectives of the Sewerage Plan include (1) providing a basis for the development of a safe, efficient and economical sewerage system for the City of Los Angeles; (2) describing standards followed in formulating the Sewerage Plan; and (3) providing a basis for the improvement of existing sewerage facilities, the

development of proposed facilities, and the accommodation of future technical improvements.

The Proposed Project will be connected to the City's sanitary sewer system where the sewage will be directed to the LA Hyperion Treatment Plant. The Hyperion Treatment System is anticipated to have sufficient capacity to treat projected wastewater flows from the Proposed Project and all other projected growth through 2020. The Proposed Project and other projected growth within the Hyperion Service Area are not anticipated to cause a measurable increase in wastewater flows at a point where, and a time when, a sewer's collection capacity is already constrained or that would cause a sewer's capacity to become constrained.

The Hyperion Treatment Plant operates under waste discharge requirements issued by the California Regional Water Quality Control Board for the Los Angeles Region. The wastewater generated by the Proposed Project, in combination with the projected cumulative increase in wastewater treated at the Hyperion Treatment Plant and discharged into Santa Monica Bay, would not result in a violation of any permit or other requirement prescribed by the California Regional Water Quality Control Board for the Los Angeles Region or result in "pollution," "contamination" or "nuisance" as those terms are defined in California Water Code Section 13050.

2. The General Plan Amendment complies with Los Angeles City Charter Section 558 in that it is in substantial conformance with public necessity, convenience, general welfare and good zoning practice, in the following respects:

- A. Housing/Jobs

The Proposed Project would provide up to 2,600 new houses and apartments (both for-sale and rental) to help meet the market demand for housing at a wide range of prices in Southern California, and particularly in Los Angeles' impacted Westside. The proposed array of residential, retail, and office uses would promote a reduction of mobile source emissions by providing a large supply of housing and employment opportunities within close proximity to one another. This would make it possible for an individual to both reside and work within the Proposed Project site or the adjacent Playa Vista First Phase Project.

Through the creation of a variety of housing units in combination with the development of employment opportunities, the Proposed Project would also support an improved applicable jobs/housing balance which will help offset the current jobs-heavy environment. The Proposed Project would create a beneficial effect by generating a total of 1,180 permanent jobs. The Proposed Project would have a ratio of 0.45 jobs per housing unit, and thus would have a beneficial impact on the applicable jobs/housing balance by reducing that applicable jobs/housing ratio of 2.76 for the Westchester-Playa del Rey Community Plan Area within which the Proposed Project is located. The employment opportunities associated with the Proposed Project would be distributed across a wide variety of office, retail, community-serving uses, and short-term construction.

B. Environmental Protection and Enhancement

The Proposed Project would create an ecologically sound development that implements a comprehensive program of resource protection, enhancement, and conservation (e.g., habitat creation and restoration). In addition to encouraging recycling for both construction operations and long-term community activities, the Proposed Project would create a Riparian Corridor along the base of the Westchester Bluffs and restore a coastal sage scrub habitat adjacent to the Riparian Corridor on the bluff face itself. After the City certified the Original FEIR and approved the Proposed Project in 2004 and prior to the Court of Appeals' ruling in September 2007, construction of the Habitat Creation/Restoration Component was completed, and the portion of the Riparian Corridor in the Proposed Project area connected with the eastern and western portions of the Riparian Corridor within the Playa Vista First Phase Project. With this component complete, there is now a 25-acre riparian corridor that also includes sections east and west of the Riparian Corridor in the Proposed Project site, ultimately feeding into the Playa Vista First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System, which supports natural habitat, flood control and cleansing of waters entering Santa Monica Bay.

C. Transportation

Dependence on the automobile would be reduced under the Proposed Project. The Proposed Project, as permitted under the amended General Plan, would emphasize public transit and non-motorized transportation through the provision of an internal shuttle system, bikeways, and walkways. These amenities would reduce dependence on the automobile as a form of transportation causing a decrease in the number of vehicle trips and vehicle miles. Moreover, the spatial distribution of the development would promote an improved quality of life by facilitating a reduction of vehicular trips, vehicle miles traveled, and air pollution.

Through the use of transit and shuttles, transportation demand management would be enhanced for the area. The Proposed Project also seeks to maintain satisfactory levels of service to the extent possible through the implementation of other transportation mitigation measures. While existing and projected levels of service vary on the roadway network as a result of population growth in the region, the Proposed Project provides significant enhancements to the transportation system. The Proposed Project has been designed with a wide range of traffic improvements including improvements to the local street network and other streets of regional significance, bicycle and pedestrian facilities, and an internal shuttle available to residents, workers, and visitors. Finally, as noted above, the Proposed Project will provide significant enhancements to the transportation system, including roadway corridor and intersection improvements, signal system improvements, external transit system improvements, internal and expanded intelligent shuttle system improvements and bicycle system improvements. The Proposed Project mitigates all of its traffic impacts to a level of insignificance. These measures also encourage more efficient transportation modes. However, it is noted that the addition of even small amounts of project traffic (below significance criteria) to other individualized locations that may operate at LOS E or F under cumulative conditions could contribute to potentially

significant impacts. A statement of overriding considerations is included in the findings under the California Environmental Quality Act.

D. Compatibility with Adjacent Areas and Land Uses

Land immediately to the west and east of the Proposed Project site is approved for development as part of the Playa Vista First Phase Project, with construction completed or underway immediately west of the Proposed Project site and extending to Lincoln Boulevard. When the First Phase Project is completed, the land adjacent to the west of the Proposed Project site will include predominantly residential uses, with some mixed uses in mid-rise buildings (typically 3- to 5-story buildings, with some buildings extending an additional 2 to 3 stories). Land immediately to the east of the Proposed Project site is approved for office and commercial uses, including entertainment, media, and technology uses, and several new office buildings have been completed or are under construction in this area. As such, the Proposed Project provides a continuity between its development area and the Playa Vista First Phase Project areas which abut the Proposed Project on its east and west sides.

The Proposed Project establishes height and lot coverage restrictions which are generally more restrictive than those in existing plans. These new development standards would result in a development which is typically low- to mid-rise in nature, with the taller of such buildings being limited by amount, location, and maximum height. The result of these restrictive standards is a finished development which seamlessly integrates into the existing community, including the adjacent Playa Vista First Phase Project.

The Community Plan notes that efforts should be made to ensure compatibility between land uses. The land use designations proposed in the General Plan Amendment provide an appropriate transition between the Playa Vista First Phase Project office, commercial, entertainment, media and technology uses approved on the east and west, the Westchester Bluffs to the south, and the development comprised of small manufacturing and commercial uses, newer mid-rise office buildings, apartment buildings and larger facilities, across Jefferson Boulevard to the north.

F. Mixed Use

The Proposed Project is based on a mixed-use concept with a range of related and complementary uses, both internally and in conjunction with the Playa Vista First Phase Project. Under the amended General Plan, the Proposed Project's land use mix would provide mutually supportive employment, housing, recreation, commercial and community-serving activities so as to meet a range of needs internally to both the Proposed Project and the First Phase Project.

G. Clustered Development

As amended under the General Plan, the Proposed Project's land use mix would cluster development so as to create an activity center, support public transit service, provide for efficient provision of infrastructure, and permit growth outside of existing localized neighborhoods.

H. Open Space

The Proposed Project's Urban Development Component would provide a comprehensive program of parks and open space areas that would contribute to the aesthetic character of the area and complement the Proposed Project's land use program. The proposed Urban Development Component includes 11.4 acres of parks, 1.0 acre of bike lanes, and 0.4 acre of other passive open space. The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres.

I. Pedestrian Walkways

The pedestrian walkways to be developed will be designed to make walking a convenient and attractive means of getting around the Proposed Project. They will enable the adjoining residential neighborhoods to be connected more closely to the Village commercial district and further encourage walking as an alternative to automobile use. The pedestrian walkways will have rights-of-way that are at least 15 feet wide with the walkways having a minimum width of six feet and with landscaping on both sides of the walkways.

GENERAL PLAN AMENDMENT FINDINGS

1. Current General Plan Land Use Designation.

The subject property is generally bounded by the adjacent Playa Vista First Phase Project to the east and west, Jefferson Boulevard to the north, and the Westchester Bluffs to the south. The subject property is located within the area covered by the Westchester-Playa Del Rey Community Plan (Community Plan), adopted by the City Council on April 13, 2004, as amended. The subject property is also located within the Playa Vista Area D Specific Plan, adopted by Ordinance 160,523 as amended (Specific Plan). The Community Plan has been amended numerous times, and was amended in 1985 to include the area in which the Proposed Project is located, in conjunction with its annexation into the City of Los Angeles. The Community Plan designates the subject property for Regional Mixed Use Commercial, Light/Limited Industrial and High/Medium Density Residential.

2. The Proposed Project.

The proposed Village at Playa Vista project (Proposed Project), is a two component development consisting of (1) a mixed-use community (Urban Development Component); and (2) implementation of a riparian corridor and restoration of a portion of the Westchester Bluffs (the "Habitat Creation/Restoration Component"). The primary component of the Proposed Project, the Urban Development Component, would enable the development of a master planned community composed of residential, commercial, recreational, and community-serving uses. This development would occur on an approximately 99.3-acre site and would consist of 87.5 acres of development, 11.4 acres of parks, and 0.4 acre of other passive open space. The proposed development includes 2,600 dwelling units, 175,000 square feet of office space, 150,000 square feet of retail space, and 40,000 square feet of community serving uses.

The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres. After the City certified the Original FEIR and approved the Proposed Project in 2004, and prior to the Court of Appeals' ruling in September 2007, construction of the Habitat Creation/Restoration Component was completed, and the portion of the Riparian Corridor in the Proposed Project area connected with the eastern and western portions of the riparian corridor within the Playa Vista First Phase Project. With this component complete, there is now a 25-acre riparian corridor that also includes sections east and west of the Riparian Corridor in the Proposed Project site, ultimately feeding into the Playa Vista First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System.

The Proposed Project's Urban Development Component includes a series of residential neighborhoods organized around a Village Center. The Village Center is envisioned as an area defined by mixed-use development which is centered on a public plaza. The Village Center may include ground floor retail uses with additional retail, office and/or residential uses located above.

The Urban Development Component has been designed to create an integrated and internally oriented mixed-use project that optimizes the synergy among its proposed uses, while creating a compatible interface with adjoining development and adjacent communities. Proposed Project buildings would support the mixed-use concept by placing interrelated uses within close proximity to one another. The various on-site activity centers would be connected via walkways, the internal shuttle system, and bicycle trails. These connections, or linkages, would be extended to the development that is occurring immediately east and west of the Proposed Project site.

The proposed amendments to the Community Plan would replace the current Regional Mixed Use Commercial, High/Medium Density Housing and Light/Limited Industry land use designations with High/Medium Density Residential and Community Commercial land use designations. These amendments support the Project's design concept by locating residential uses surrounding a commercial/mixed-use village center, and by providing a continuity of uses within the Specific Plan.

3. Requested General Plan Amendment.

The existing land use designations on the Proposed Project site are Regional Mixed Use Commercial, High/Medium Density Residential, Light/Limited Industrial, Public/Quasi-Public and Low Density Residential. The proposed amendments to the General Plan would make the following changes to the land use designations on the subject property: remove the Light/Limited Industrial and Regional Mixed Use Commercial designations; designate a portion of the property in the center of the Proposed Project area for Community Commercial uses; and (3) relocate the boundaries of the property designated for High/Medium Density Residential to surround the Community Commercial designated property on the east and the west. The proposed amendments to the General Plan would therefore designate the entire site either High/Medium Density Residential Housing, Community Commercial, Public/Quasi-Public, or Low Density Residential, although the amendments do not impose any change with regard to the Public/Quasi-Public or Low Density Residential designations.

Conclusion. Based upon the findings detailed in Exhibit G, City Charter Findings – City Charter Section 556 and 558, the proposed General Plan amendment to replace the existing Regional Mixed Use Commercial, High/Medium Density Residential and Light/Limited Industrial land use designations with High/Medium Density Residential and Community Commercial designations is deemed consistent with the General Plan, public necessity, convenience, general welfare, and good zoning practice.

SPECIFIC PLAN AMENDMENT FINDINGS

In accordance with Charter Section 556, and based on the following findings, the recommended amendments to the subject Playa Vista Area D Specific Plan are in substantial conformance with the purposes, intent, and provisions of the applicable portions of the City's General Plan. In accordance with Charter Section 558, and based upon the following specific findings, the recommended amendments are deemed consistent with the public necessity, convenience, general welfare, and good zoning practice. The City finds that the recommended amendments to the Specific Plan further the purposes of the Specific Plan.

1. In addition, the City finds that the recommended amendments to the Specific Plan achieve the following objectives:
 - A. Development of an integrated new community with a unique identity that will generate housing, recreational activities and jobs of a substantial scale and magnitude; Development of a new mixed-use community that will promote the internal relationship of mutually supportive uses such as employment, housing, recreation, and community-serving activities, so as to decrease dependency on the automobile, encourage pedestrian activity and alternative transportation modes, make efficient use of land and infrastructure, reduce energy consumption, and foster a strong sense of community; Creation of a new community whose design and development is consistent with that of the adjacent Playa Vista First Phase Project. This community will form linkages to transportation, development and conservation aspects of the Playa Vista First Phase Project where appropriate;
 - B. Creation of an ecologically sound development that implements a comprehensive program of resource protection, enhancement, and conservation (e.g., habitat creation and restoration) and encourages recycling for both construction operations and long-term community activities;
 - C. Creation of a residential community oriented around a Village Center, a major outdoor gathering place hosting a variety of community activities and special events;
 - D. Interconnection with various portions of the Proposed Project site, and its environs, via a system of pedestrian trails, bicycle trails, and public transit features, (e.g., shuttles);
 - E. Provisions for up to 2,600 new houses and apartments to help meet the market demand for housing at a wide range of prices in Southern California, and particularly in Los Angeles' Westside;
 - F. Creation of a public parks and an active recreation space system as an integral part of the community which offers a broad range of recreational experiences, social interaction, and cultural opportunities and which will be easily accessible throughout the Proposed Project site and be connected by a network of paths, sidewalks and nature trails;
 - G. Provisions for open space and landscaping throughout the Proposed Project site to enhance the visual character of the development;

- H. Establishment of the Proposed Project's ecological components via the creation of a Riparian Corridor along the base of the Westchester Bluffs and the restoration of coastal sage scrub habitat adjacent to the Riparian Corridor on the bluff face itself. After the City certified the Original FEIR and approved the Proposed Project in 2004 and prior to the Court of Appeals' ruling in September 2007, construction of the Habitat Creation/Restoration Component was completed, and the portion of the Riparian Corridor in the Proposed Project area connected with the eastern and western portions of the riparian corridor within the Playa Vista First Phase Project. With this component complete, there is now a 25-acre riparian corridor that also includes sections east and west of the Riparian Corridor in the Proposed Project site, ultimately feeding into the Playa Vista First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System, which would support natural habitat, flood control and cleansing of waters entering Santa Monica Bay;
- L. Development of the Proposed Project in a manner that would also link the residential communities to the west with the commercial development to the east by providing an integrated and interconnected series of neighborhoods and districts, streets and trails;
- J. Establishment of height and lot coverage restrictions which are generally more restrictive than those in existing plans. These new development standards would result in a development which is typically low- to mid-rise in nature, with the taller of such buildings being limited by amount, location, and maximum height;
- K. Improvement of the transportation systems in the area in a manner that addresses the increased number of trips generated by the Proposed Project;
- L. Creation of thousands of construction jobs which will provide a substantial boost to the local economy;
- M. Accommodation of a portion of the expected population and employment growth within the City and within the Community Plan Area and preparation for the provision of adequate supporting transportation and utility infrastructure and public services;
- N. Encouragement of new residential, retail commercial, and office development in the City's neighborhood districts, community, regional, and downtown centers as well as along primary transit corridors/boulevards, while promoting conservation of existing neighborhoods and related districts;
- O. Accommodation of a diversity of uses that support the needs of the City's existing and future residents, businesses and visitors;
- P. Identification of areas sufficient for the development of a diversity of uses that serve the needs of existing and future residents (housing, employment, retail, entertainment, cultural/institutional, educational, health, services, recreation, and similar uses), provide job opportunities, and encourage visitation and tourism;
- Q. Identification of areas for the establishment of new open space opportunities to serve the needs of existing and future residents. These opportunities include a

linear network of parklands and trails, neighborhood parks, and urban open spaces;

- R. Provision for the spatial distribution of development that promotes an improved quality of life by facilitating a reduction of vehicular trips, vehicle miles traveled, and air pollution;
- S. Establishment of patterns and types of development that improve the integration of housing with commercial uses and the integration of public services and various densities of residential development within neighborhoods at appropriate locations;
- T. Provisions for the development of land use patterns that emphasize pedestrian/bicycle access and use in appropriate locations;
- U. Provisions for the stability and enhancement of residential neighborhoods where there is sufficient public infrastructure and services;
- V. Maintenance of the character and scale of stable single-family residential neighborhoods, allowing for infill development which is compatible with and maintains the scale and character of existing development;
- W. Reinforcement of existing, and establishment of new, Neighborhood Districts which accommodate a broad range of uses that serve the needs of adjacent residents, promote neighborhood activity, are compatible with adjacent neighborhoods, and are developed as desirable places to work and visit;
- X. Reinforcement of existing, and establishment of new, Community Centers, which accommodate a broad range of uses that serve the needs of adjacent residents, promote neighborhoods and community activity, are compatible with adjacent neighborhoods, and are developed to be desirable places in which to live, work and visit, both in daytime and nighttime;
- Y. Accommodation of land uses, locations and building designs, and implementation of street amenities that enhance pedestrian activity.

2. Relationship to the Los Angeles Municipal Code (LAMC)

The regulations of this Specific Plan, with the recommended amendments, are in addition to those set forth in the planning and zoning provisions of Chapter 1 of the Los Angeles Municipal Code (LAMC) and do not convey any rights not otherwise granted under the provisions contained in said Chapter, except as specifically provided for in the amendments to the Specific Plan. Wherever the Specific Plan contains provisions different from or in conflict with provisions contained elsewhere in Chapter 1, the Specific Plan shall supersede such other provisions. Procedures for the granting of exceptions to the requirements of the Specific Plan are established in Section 11.5.7.D of the LAMC.

The City finds that the recommended amendments to the requirements set forth in the Specific Plan which are different from, more restrictive, or more permissive than would be allowed pursuant to the provisions contained in Chapter 1 of the LAMC or any other

relevant ordinances are necessary and appropriate to achieve the purposes and objectives of the Specific Plan as set forth above.

3. Requested Amendments to Playa Vista Area D Specific Plan

The Applicant, Playa Capital Company LLC, has requested amendments to the Playa Vista Area D Specific Plan (Ordinance 160,523, as amended) in order to permit the construction and operation of the proposed Village at Playa Vista Project (Proposed Project), as more fully described in the Complete Final Environmental Impact Report. The overall effect of these amendments will (1) permit the adjustment of the zone boundaries and designations on the Proposed Project site; (2) allow for the adjustment of the land use entitlements allowed in the Specific Plan, consistent with the Proposed Project and previous Playa Vista First Phase project approvals; and (3) sanction other procedures necessary to implement the Proposed Project.

The recommended amendments to the Playa Vista Area D Specific Plan are being proposed in conjunction with amendments to the General Plan (the Westchester-Playa del Rey Community Plan). Amendments to the both the General Plan and Specific Plan are necessary to meet the various Proposed Project objectives. With respect to the Specific Plan, the proposed amendments will modify the location of the permitted uses, increase the amount of residentially zoned land, eliminate permitted industrial and hotel uses, and decrease the amount of office and retail space. These amendments are necessary to permit the construction of an integrated new community located around a "Village Center" that provides residences, retail shops and offices while decreasing dependence on the automobile and implementing a comprehensive program of resource protection, enhancement, and conservation.

Specifically, the amendments include the following (where entire Specific Plan sections are stated below, new text is shown underlined in bold and deleted text is shown in strikeout):

- A. Section 3 (Definitions) adds the following definition for "Alzheimer's/Dementia Care Housing": "...residential housing that is licensed by the California Department of Social Services and provides assistance to people 62 years of age or older who require assistance with two or more non-medical activities of daily living as defined in the Department of Social Services licensing requirements. The residential units may consist either of dwelling units or guest rooms. Full time medical services shall not be provided on the premises. It may be a component of an Assisted Living Facility";
- B. Section 3 (Definitions) adds the following definition for "Assisted Living Care Housing": "...a facility licensed by the California Department of Social Services and provides assistance to people 62 years of age or older who require assistance with two or more non-medical activities of daily living as defined in the Department of Social Service licensing requirements. The residential units may consist either of dwelling units or guestrooms. Full time medical services shall not be provided on the premises. It may be a component of an Assisted Living Facility";
- C. Section 3 (Definitions) adds the following definition for "Assisted Living Facilities": "...a facility that provides residential units for persons 62 years of age and older

and which includes one or more of the following housing types: assisted living care housing; skilled nursing care housing; and/or Alzheimer's/Dementia care housing, and may also include senior independent housing";

- D. Section 3 (Definitions) adds the following definition for "Community Serving Uses": "...those uses specified in Section 5F of this Ordinance";
- E. Section 3 (Definitions) adds the following definition for "Senior Independent Housing": "...residential housing that consists of dwelling units for persons 62 years of age and older and may include common dining areas or other community rooms. Full time medical services shall not be provided on the premises. It may be a component of an Assisted Living Facility";
- F. Section 3 (Definitions) adds the following definition for "Skilled Nursing Care Housing": "...residential housing that is licensed by the California Department of Health and provides acute, intermediate, or long-term skilled nursing care and consists only of guest rooms for its residents. Full time medical services may be provided on the premises. It may be a component of an Assisted Living Facility."
- G. Section 3 (Definitions) adds the following definition for "Telecommunications Facilities": "...those wireless facilities which are required for cellular and commercial or non-commercial transmissions and receptions, and may include but not be limited to satellite dishes, monopole and antennae transmitters. Such facilities shall be subject to design and location guidelines, as set forth in Tract Map conditions of approval";
- H. Section 3 (Definitions) adds the following definition for "transit related facility": "...stations, bus/shuttle stops, bus/shuttle bays and other facilities, including their right of way, which serve transportation by means other than single-occupancy vehicles. This definition shall include the support, storage, maintenance, staging facilities and ridership amenities which are related to these uses."
- I. Section 3 (Definitions) adds "commercial uses" to the uses allowed within a "Mixed Use Development";
- J. Section 4(B)(1)(a) (Zone Regulations — Residential Regulations — General Provisions — Quimby Dedication Requirements) provides that "the sale of the Ballona Wetlands to a non-profit or governmental entity for purposes of habitat conservation or open space preservation, recreation or other similar public purpose" together with the park or recreational space required to be provided by the Specific Plan satisfy the requirements of Sections 17.12, 12.21(G) and 12.33 of the Code for dedication of real property for park and recreational purposes, or for the payment of a fee in lieu thereof, in connection with the construction or development of any and all dwelling units within the Specific Plan Area;
- K. Section 4(B)(2)(a)(ii) (Zone Regulations — Residential Regulations — Residential Zone — Use) deletes the requirement that lot or lots on which Convenience Commercial uses are located have access from a major or secondary highway;

- L. Section 4(B)(2)(a)(iii) (Zone Regulations — Residential Regulations — Residential Zone — Use) adds "Community-Serving uses" as a permitted use within the R4(PV) zone;
- M. Section 4(B)(2)(b) (Zone Regulations — Residential Regulations — Residential Zone — Yard Requirements) amends this section to read as follows "Except as may be provided in a condition of approval for Vesting Tentative Tract Map ("VTT") 60110-REC, yard requirements of the R4 Zone shall apply to all uses permitted in the R4 Zone, and yard requirements of the C1 Zone shall apply to permitted Convenience Commercial uses and to the accessory uses listed above. Notwithstanding provisions of Sections 12.11.C or 12.13.C of the Code to the contrary, any uses or structures, as set forth in a condition of approval for VTT 60110-REC, may extend or project into a required yard within this Specific Plan area,"
- N. Section 4(C)(1) (Zone Regulations - Regional Mixed Use Commercial Zone - Use) adds Telecommunications Facilities; Assisted Living Facilities; Community-Serving uses; and other uses or facilities similar to those listed (when determined as provided for in Section 12.21(A)(2) of the Code) as permitted uses within the C2(PV) Regional Mixed Use Commercial Zone in the Specific Plan Area;
- O. Section 4(D)(1) (Zone Regulations — Industrial Zone — Use) adds Transit related facilities and Telecommunications Facilities as permitted uses in the M(PV) Industrial Zone;
- P. Section 5(A) (Density and Floor Area — Residential Limitations) increases the total allowable dwelling units within the Specific Plan area from 3,246 to 5,846 but excludes "any Assisted Living units as permitted by Sec. 5.B.3" of the Specific Plan from this dwelling unit limitation;
- QK. Section 5(B)(1) (Density and Floor Area — Zone Limitations — Retail Commercial) decreases the maximum permitted Retail Commercial total Floor Area from 600,000 square feet to 185,000 square feet. The proposed section 5(B)(1) would omit the former exclusion for "uses and areas ancillary to hotels such as restaurants, retail shops, ballrooms, meeting rooms and other similar places";
- R. Section 5(B)(2) (Density and Floor Area — Zone Limitations — Hotels) deletes Section 5(B)(2) which provides that in hotels, "[t]he total guest rooms or suites of rooms shall not exceed 600, including all hotel rooms or suites of rooms constructed within the M(PV) Zone";
- S. Section 5(B)(3) (Density and Floor Area — Zone Limitations — Office and Other Permitted Uses) amends the subsection to read "The total Floor Area for all other uses permitted within the C2(PV) Zone, ~~excluding hotels and uses and areas ancillary to hotels such as restaurants, retail shops, ballrooms, meeting rooms or other similar place of assembly~~ shall not exceed ~~2,050,000~~ 625,000 square feet. Except that up to 200 Assisted Living units shall be permitted, and the floor area for such units shall be determined pursuant to the Land Use Equivalency Matrix. The floor area for the 200 Assisted Living units may cause the total floor area for

Office and Other Permitted Uses, combined with Assisted Living units, to exceed 625,000 square feet”;

- T. Section 5(C) (Density and Floor Area — Zone Limitations) makes clear that hotels and ancillary uses are not included within the permitted floor area in a M(PV) zone, as the amended Section 5(C) would delete the phrase “excluding hotels and uses and areas ancillary thereto, such as restaurants, retail shops, ballrooms, meeting rooms and other similar places of assembly”;
- U. Section 5(E) (Density and Floor Area — Land Use Equivalency Transfer) adds the following section: “Purpose. Land Use Equivalency Transfers are established to permit shifts of Floor Area between certain land use categories over the life of the Specific Plan, while maintaining the intent and regulatory requirements of the Specific Plan. Whereas Section 5 establishes the maximum density and Floor Area permitted within the Specific Plan area, this Subsection allows for Floor Area reallocations between certain land use categories, utilizing conversion factors set forth in the Land Use Equivalency Matrix”;
- V. Section 5(E) (Density and Floor Area — Land Use Equivalency Transfer) adds the following section: “Limitations. The permitted Floor Area of Office uses, as specified in Section 5.8.3, may be reallocated as provided in Table 1, the Land Use Equivalency Matrix. Subject to the limitations of this Subsection and Table 1, the permitted Floor Area of Assisted Living and Retail uses shall only be increased if there is a proportional decrease in permitted Floor Area of Office uses, based upon applying the corresponding conversion factor in Table 1. In no event, however, shall any reallocation of Floor Area among Office, Assisted Living and Retail land use categories by application of the Land Use Equivalency Matrix result in more than 125,000 square feet of Office use being transferred to Retail and/or Assisted Living uses”;
- W. Section 5(E) (Density and Floor Area — Land Use Equivalency Transfer) adds the following matrix:

TABLE 1
Land Use Equivalency Matrix

	Equivalency Ratio to Convert to These Land Use Categories	
	Retail	Assisted Living
From Office Use Category (per 1,000 Square Feet)	454.66 Square Feet	8.3 Units

- X. Section 6 (Height of Buildings or Structures) amends the first sentence to read "No building or structure shall be erected, enlarged or maintained which exceeds the height limits hereinafter specified."
- Y. Section 6 (Height of Buildings or Structures) is amended to make the height limits for the area of the second phase tract map consistent with The Village at Playa Vista Development Criteria and Guidelines dated August 20, 2003 (Revised August 17, 2005).
- Z. Section 9.A amends parking requirements for rental dwelling units and adds a provision regarding parking requirements for condominium dwelling units.

4. **Compliance with Los Angeles Charter Section 556**

The proposed amendments to the Playa Vista Area D Specific Plan comply with Los Angeles City Charter Section 556 in that they are in substantial conformance with the purposes, intent, and provisions of the General Plan. The proposed amendments are also in conformance with public necessity, convenience, general welfare and good zoning practice, as required by LAMC Section 12.32(C)(7). Finally, all amendments further the goals of the Specific Plan. Generally, the proposed amendments to the Playa Vista Area D Specific Plan will remove permitted industrial and hotel uses while enabling the construction of 2,600 additional residential dwelling units at the Proposed Project, which will improve the regional applicable jobs/housing balance.

A. **Housing**

The amended Specific Plan would increase the total allowable dwelling units within the Specific Plan area by 2,600 from 3,246 to 5,846. Excluded from this increase are any Assisted Living units as set forth in the amended Specific Plan. The 2,600 unit increase in the total number of dwelling units furthers the objective of the General Plan Housing Element to provide residents with a wide range of unit sizes and rental cost options, as the units will be varied by size and tenure and contain a mixture of for-sale and rental units. Therefore the Proposed Project, under the amended Specific Plan, would also meet the goal of the Housing Element to encourage production and preservation of an adequate supply of rental and ownership housing to meet the identified needs of persons of all income levels and special needs.

The additional 2,600 residential dwelling units will improve the jobs/housing ratio in the Westchester-Playa del Rey Community Plan Area. The jobs/housing

balance issue relates to the availability and location of employment and housing opportunities for residents of the Southern California region. The availability of jobs and housing within close proximity to one another provides people an opportunity to live closer to their places of work, and to thus benefit from reduced travel time. The community benefits from reduced traffic and congestion, which in turn leads to reduced levels of noise, air pollution, and fuel consumption.

Under the amended Specific Plan, the Proposed Project also supports jobs/housing balance through the creation of a variety of housing units in combination with the development of employment opportunities. Overall, the Proposed Project would create a total of 2,600 housing units and 1,180 permanent jobs. The Proposed Project would have a ratio of 0.45 jobs per housing unit, and thus would have a beneficial impact on the applicable jobs/housing balance by reducing the applicable jobs/housing ratio of 2.76 for the Westchester-Playa del Rey Community Plan Area within which the Proposed Project is located. The employment opportunities associated with the Proposed Project would be distributed across a wide variety of office, retail, and community-serving uses. The proximity of these jobs to the 2,600 housing units in the Proposed Project will reduce traffic, increase reliance on public transportation, and benefit the environment through fewer automobile trips.

Finally, the City Housing Element's goal of addressing the availability of an adequate supply of ownership and rental housing at a wide range of prices will be furthered by the Proposed Project. This is particularly important in the area surrounding the Proposed Project, where there are fewer affordable units than in the region as a whole. Rental and for-sale housing is also generally more expensive closer to the Pacific Ocean to the west and the Santa Monica Mountains to the north, and generally less expensive towards the east and southeast. To address this need, the City is implementing specific programs to address the provision of affordable housing per the Regional Housing Needs Assessment.

B. No Industrial Uses

The existing Specific Plan allows for industrial uses on the Proposed Project site. The proposed amendments to the Specific Plan would eliminate these industrial uses for the Proposed Project site by modifying the zone boundaries and designations on the Proposed Project site and allowing for the adjustment of the land use entitlements allowed in the Specific Plan, consistent with the Proposed Project and previous Playa Vista First Phase Project agreements. Specifically, the existing M(PV) Zone (Light/Limited Industrial) and C2(PV) (Regional Mixed Use Commercial) would be replaced with C2(PV) (Community Commercial) and R4(PV) (High/Medium Density Housing) under the Proposed Project.

The elimination of the existing industrial uses would enable the development of a mixed-use community composed of residential, commercial, recreational, and community-serving uses. This development would include 2,600 dwelling units, 175,000 square feet of office space, 150,000 square feet of retail space, 40,000 square feet of community-serving uses, as well as a comprehensive program of parks and open space areas that would contribute to the aesthetic character of the area. The Proposed Project also furthers the Existing General/Community

Plan goal to provide employment opportunities for the City's residents and maintain the City's fiscal viability. The Proposed Project is part of a comprehensive planning effort (the entire Playa Vista development) that includes a substantial industrial/employment district, and would provide a long-term revenue stream to the City, thereby contributing to the City's long-term economic viability and stability.

C. Mixed Use

The amendments to the Specific Plan would permit the development of a project that is based on a mixed-use concept with a range of related and complementary uses, both internally and in conjunction with the Playa Vista First Phase Project. The Proposed Project's land use mix would provide a balance of jobs and housing. It would also cluster development so as to create an activity center and provide for efficient provision of infrastructure, and provide mutually supportive employment, housing, recreation, commercial and community-serving activities so as to meet a range of needs internally to the Proposed Project. The land use mix would emphasize public transit and non-motorized transportation through the provision of an internal shuttle system and the provision of bikeways and walkways. Finally, under the amended Specific Plan, the Proposed Project would locate housing close to jobs so as to minimize the use of the automobile and reduce both the high number of generated trips and distances traveled.

A number of proposed amendments to the Specific Plan support and further the Proposed Project's mixed-use aspirations:

1. **Community-Serving Uses.** The amendment to Section 4(B)(2)(a)(iii) permits "Community-Serving Uses" within the R4(PV) Residential Zone. The Proposed Project will include up to 40,000 square feet of such uses. This provision is consistent with the Proposed Project's land use mix, as it will contribute to the creation of mutually supportive employment, housing, recreation, commercial and community-serving activities so as to meet a range of needs internally to the Proposed Project.
2. **Yard Requirements.** The amendment to Section 4(B)(2)(b) applies the R4 Zone yard requirements to all uses permitted in the R4 Zone, and the C1 Zone yard requirements to permitted Convenience Commercial and the accessory uses, except as allowed by Plot Plan approval or a Tract Map condition of approval. Further, notwithstanding any contrary provisions of LAMC Sections 12.11(C) or 12.13(C), any uses or structures set forth in a Tract Map condition of approval will be permitted within required yards.
3. **The revisions to Section 4(B)(2)(b) regarding Yard Requirements** are consistent with the Proposed Project's proposed land use mix, as they will contribute to the creation of mutually supportive employment, housing, recreation, commercial and community-serving activities so as to meet a range of needs internally to the Proposed Project. The yard requirements in the amended Specific Plan will also provide needed open space within the Proposed Project. The Proposed Project's 11.4 acres of parks and 0.4 acre of other passive open space, as well as the 11.7-acre Habitat

Creation/Restoration Component, would contribute to the aesthetic character of the area and complement the Urban Development Component's land use program.

4. Telecommunications Facilities, Assisted Living Facilities, Community-Serving Uses. The amendment to Section 4(B)(2)(b)(1) of the Specific Plan would add Telecommunications Facilities, Assisted Living Facilities, Community-Serving uses, and other similar uses or facilities as permitted uses in the Regional Mixed Use Commercial Zone. This amendment would enhance the mixed-use character of the Proposed Project by adding uses which are compatible with the Proposed Project's other uses. The Assisted Living Facilities, for instance, will provide needed housing for seniors and the disabled in close proximity to public transportation.

D. Environmental Enhancements

In addition to other environmental enhancements established by the proposed amendments, the Proposed Project would also permit construction of a project which would protect and enhance 11.7 acres of open space within its Habitat Creation/Restoration Component, and a total of 23.5 acres of open space within the larger Proposed Project site. The Proposed Project's habitat restoration efforts include 6.7 acres of Riparian Corridor, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres. After the City certified the Original FEIR and approved the Proposed Project in 2004 and prior to the Court of Appeals' ruling in September 2007, construction of the Habitat Creation/Restoration Component was completed, and the portion of the Riparian Corridor in the Proposed Project area connected with the eastern and western portions of the riparian corridor within the Playa Vista First Phase Project. With this component complete, there is now a 25-acre riparian corridor that also includes sections east and west of the Riparian Corridor in the Proposed Project site, ultimately feeding into the Playa Vista First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System. Applicant has proposed to fund, construct, and maintain the amenities and facilities (e.g., landscaping, bicycle trails, children's play areas, recreational fields and basketball courts) on the parks within the Proposed Project site.

E. Alternative Transportation

Under the amended Specific Plan, the Proposed Project would promote alternative modes of travel such as mass transit through the provision of an on-site transit center and the provision of a community-based shuttle as well as bicycle paths and landscaped pedestrian walkways. The Proposed Project has been designed to encourage internal transit with increased use of walk and bike ways. It provides a mix of on-site uses which allows people to perform multiple activities without leaving the area. The Proposed Project also includes an internal clean fuel transit system which links with regional transit systems. Moreover, because the Proposed Project is an infill development within an existing urbanized area, it is accessible to multiple existing transit systems that would interconnect with the proposed internal transit system. The Proposed Project site is accessible to four public transit systems serving Culver City, Santa Monica and the larger Los Angeles metropolitan area. In addition, the Internal

Shuttle System and Expanded Shuttle System would provide enhanced transit service for Proposed Project residents, visitors, employees, and the surrounding community, providing connections to key destinations such as Marina del Rey, Howard Hughes Center, the adjacent Playa Vista First Phase Project, and the Fox Hills Mall. Connections to regional transit service shall be provided at Lincoln Boulevard/Jefferson Boulevard and Fox Hills Mall Transit Center. The Proposed Project clusters population so as to support public transit service.

In addition, the Proposed Project will provide significant enhancements to the transportation system. These include roadway corridor and intersection improvements, signal system improvements, external transit system improvements, internal and expanded intelligent shuttle system improvements and bicycle system improvements. Further, in providing enhancements to the overall transportation system, these mitigation measures would mitigate the Proposed Project's impacts at all analyzed locations to a level of insignificance. The transportation infrastructure serving the Proposed Project site and surrounding areas, specifically the freeways, highways, and streets presently serving the affected area within the Westchester-Playa del Rey Community Plan, have adequate capacity to accommodate the existing traffic flow volumes, and any additional traffic volume which would be generated from projects enabled by such discretionary actions. However, it is noted that the addition of even small amounts of project traffic (below significance criteria) to other individualized locations that may operate at LOS E or F under cumulative conditions could contribute to potentially significant impacts. A statement of overriding considerations is included in the findings under the California Environmental Quality Act.

F. Land Use Equivalency Transfer Program

Under the amended Specific Plan, the Proposed Project would include a Land Use Equivalency Transfer program (Equivalency Program) that provides development flexibility so that the Proposed Project can respond to the future needs of those who live and work at the Proposed Project site. The Program would apply only transfers of land uses within the Proposed Project's Urban Development Component—no changes are proposed under the Equivalency Program to the Proposed Project's Habitat Creation/Restoration Component. The Equivalency Program's flexibility is consistent with good zoning practices because it allows a limited exchange of office uses for retail and/or assisted living uses in order to meet future needs while providing a balanced project consistent with the mixed-use concept.

Under the Equivalency Program, a maximum of 125,000 square feet of office development may be exchanged for up to 56,832 square feet of retail uses, up to 200 assisted living units, or a combination thereof (e.g., an increase of both retail and assisted living development). The amount of office space in the Proposed Project could therefore be reduced by as much as 71 percent, while the amount of retail space could be increased by as much as 38 percent, and up to 200 assisted living units could be constructed. The limits on square footage/dwelling unit increases will help to ensure that there are no additional significant impacts even if a transfer occurs.

The potential increase in residentially zoned land under the Equivalency Program is consistent with public necessity, convenience, general welfare and good zoning practice. The Land Use Equivalency Transfer program will increase the number of residential dwelling units in Playa Vista Area D and help to correct the current jobs/housing imbalance through the creation of a variety of housing units in combination with the development of employment opportunities. The transfer of land from commercial to residential uses will provide needed housing in the impacted West Los Angeles region, and help to restore order to the current imbalance of jobs and housing in the area.

G. Open Space

The amendments to the Specific Plan would allow for a project that provides open space opportunities to residents of the Proposed Project and the surrounding community. The Proposed Project's Urban Development Component will provide a comprehensive program of parks and open space areas that would contribute to the aesthetic character of the area and complement the Proposed Project's land use program. The proposed Urban Development Component includes 11.4 acres of parks and 0.4 acre of other passive open space. The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres.

H. Consistency with Surrounding Uses

The proposed amendments to the Specific Plan are in keeping with the surrounding uses. Construction is ongoing on land immediately to the west and east of the Proposed Project site. When completed, the land adjacent to the west of the Proposed Project site will include predominantly residential uses, with some mixed uses in mid-rise buildings (typically 3- to 5- story buildings, with some buildings extending an additional 2 to 3 stories). Land immediately to the east of the Proposed Project site will contain office and commercial uses, including entertainment, media, and technology uses. The first office buildings in this area, five stories in height, were recently completed, with several other buildings under construction. The Proposed Project includes residential (2,600 units), office (175,000 square feet), retail (150,000 square feet), community-serving (40,000 square feet), and open space uses. As such, the Proposed Project provides a continuity between its development area and the Playa Vista First Phase Project areas which abut the Proposed Project site on its east and west sides.

5. Compliance with Los Angeles Charter Section 558

The proposed amendments to the Specific Plan will permit the construction of an integrated new community with a unique identity that would generate housing, recreational activities and jobs of a substantial scale and magnitude. The Proposed Project, as permitted under the Specific Plan, would promote the internal relationship of mutually supportive uses such as employment, housing, recreation, and community serving activities, so as to decrease dependency on the automobile, encourage pedestrian activity and alternative transportation modes, make efficient use of land and

infrastructure, reduce energy consumption, and foster a strong sense of community. The proposed Specific Plan amendments are therefore consistent with City Charter Section 558 in that they will be in conformity with public necessity, convenience, general welfare and good zoning practice, in the following respects:

- A. **Environmental Protection and Enhancement.** As permitted under the Specific Plan, the Proposed Project will create an ecologically sound development that implements a comprehensive program of resource protection, enhancement, and conservation (e.g., habitat creation and restoration). In addition to encouraging recycling for both construction operations and long-term community activities, the Proposed Project will create a Riparian Corridor along the base of the Westchester Bluffs and restore a coastal sage scrub habitat adjacent to the Riparian Corridor on the bluff face itself. After the City certified the Original FEIR and approved the Proposed Project in 2004 and prior to the Court of Appeals' ruling in September, construction of the Habitat Creation/Restoration Component was completed, and the portion of the Riparian Corridor in the Proposed Project area connected with the eastern and western portions of the riparian corridor within the Playa Vista First Phase Project. With this component complete, there is now a 25-acre riparian corridor that also includes sections east and west of the Riparian Corridor in the Proposed Project site, ultimately feeding into the Playa Vista First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System, which would support natural habitat, flood control and cleansing of waters entering Santa Monica Bay.
- B. **Transportation.** Dependence on the automobile will be reduced under the Proposed Project, as permitted under the amendments to the Specific Plan. Such a project would emphasize public transit and non-motorized transportation through the provision of an internal shuttle system, bikeways, and walkways. These amenities would reduce dependence on the automobile as a form of transportation causing a decrease in the number of vehicle trips and vehicle miles traveled and an improvement in regional air quality. Moreover, the spatial distribution of the development will promote an improved quality of life by facilitating a reduction of vehicular trips, vehicle miles traveled, and air pollution.
- C. **Compatibility with Adjacent/Neighboring Areas.** The Specific Plan amendments will contribute to a Proposed Project with height and lot coverage restrictions which are generally more restrictive than those in the existing Specific Plan. These new development standards would result in a development which is typically low- to mid-rise in nature, with the taller of such buildings being limited by amount, location, and maximum height. The result of these restrictive standards is a finished development which integrates into the existing community, including the adjacent Playa Vista First Phase Project.
- D. **Mixed Use.** The Proposed Project, as permitted with the proposed amendments to the Specific Plan, is based on a mixed-use concept with a range of related and complementary uses, both internally and in conjunction with the Playa Vista First Phase Project. Under the amended Specific Plan, the Proposed Project's land use mix will provide mutually supportive employment, housing, recreation, commercial and community-serving activities so as to meet a range of needs internally to both the Proposed Project and the First Phase Project.

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- E. Clustered Development. As amended under the amended Specific Plan, the Proposed Project's land use mix will cluster development so as to create an activity center, support public transit service, provide for efficient provision of infrastructure, and permit growth outside of existing localized neighborhoods.
- F. Open Space. The Proposed Project's Urban Development Component will provide a comprehensive program of parks and open space areas that would contribute to the aesthetic character of the area and complement the Proposed Project's land use program. The proposed Urban Development Component includes 11.4 acres of parks and 0.4 acre of other passive open space. The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres.

The Proposed Project, as permitted under the proposed Specific Plan amendments, is therefore consistent with City Charter Section 558 in that it will conform with public necessity, convenience, general welfare and good zoning practice.

DEVELOPMENT AGREEMENT FINDINGS

Pursuant to Section 65867.5 of the Government Code, the City Council of the City of Los Angeles hereby recommends approval of that certain Development Agreement by and between Playa Capital Company LLC and the City of Los Angeles and makes the following findings with regard to the Development Agreement and its approval by the City.

1. State Government Code Sections 65864 through 65869.5 authorize municipalities to enter into binding development agreements with the persons having legal or equitable interest in real property for the development of such property.
2. The City of Los Angeles (City) has adopted rules and regulations establishing procedures and requirements for consideration of development agreements under Citywide Development Agreement Procedures (CF 85-2313-S3). In addition, on November 19, 1992, the City Planning Commission adopted new guidelines for the processing of development agreement applications (CPC No. 86-404 MSC).
3. Playa Capital Company LLC (Applicant) has requested that the City consider entering into a development agreement (Development Agreement). The development agreement process was initiated by the Applicant, and all proceedings have been taken in accordance with the City's adopted procedures.
4. The Proposed Project, the Village at Playa Vista, consists of two components: (1) development of a mixed-use community (Urban Development Component); and (2) implementation of a Riparian Corridor and restoration of a portion of the Westchester Bluffs (Habitat Creation/Restoration Component). The primary component of the Project, the Urban Development Component, would enable the development of a master planned community composed of residential, commercial, recreational, and community-serving uses. This development would occur on an approximately 99.3-acre site and would consist of 87.5 acres of development, 11.4 acres of parks, and 0.4 acre of other passive open space. The proposed development includes 2,600 dwelling units, 175,000 square feet of office space, 150,000 square feet of retail space, and 40,000 square feet of community serving uses.

The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres. After the City certified the Original FEIR and approved the Proposed Project in 2004 and prior to the Court of Appeals' ruling in September 2007, construction of the Habitat Creation/Restoration Component was completed, and the portion of the Riparian Corridor in the Proposed Project area connected with the eastern and western portions of the riparian corridor within the Playa Vista First Phase Project. With this component complete, there is now a 25-acre riparian corridor that also includes sections east and west of the Riparian Corridor in the Proposed Project site, ultimately feeding into the Playa Vista First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System. The Playa Vista First Phase Freshwater Marsh and the Riparian Corridor to the east and west of the Habitat Creation/Restoration Component were previously approved by the City of Los Angeles and not the subject of the Proposed Project or the Development Agreement.

The Proposed Project's Urban Development Component includes a series of residential neighborhoods organized around a Village Center. The Village Center is envisioned as an area defined by mixed-use development which is centered on a public plaza. The Village Center may include ground floor retail uses with additional retail, office and/or residential uses located above.

The Urban Development Component has been designed to create an integrated and internally oriented mixed-use project that optimizes the synergy among its proposed uses while creating a compatible interface with adjoining development and adjacent communities. Proposed Project buildings would support the mixed-use concept by placing interrelated uses within close proximity to one another. The various on-site activity centers would be connected via walkways, the internal shuttle system, and bicycle trails. These connections, or linkages, would be extended to the development that is occurring immediately east and west of the Proposed Project site.

The Proposed Project site is regulated under the Westchester-Playa del Rey Community Plan of the City of Los Angeles (Community Plan), a component of the Land Use Element of the General Plan (General Plan). The proposed Development Agreement is consistent with the objectives, policies and programs specified in the General Plan, including the Community Plan and the Playa Vista Area D Specific Plan (Specific Plan). Both the General Plan and Specific Plan would be amended by the Proposed Project. The proposed Development Agreement, which will vest the development rights of the Proposed Project, will be consistent with the General Plan and the Community Plan for the following reasons:

The General Plan encourages the development of neighborhoods which accommodate a broad range of uses and which provide for increased housing opportunities. The Proposed Project is based on a mixed-use concept with a range of related and complementary uses both internally, and in conjunction with the adjacent and previously approved Playa Vista First Phase Project. The use mix would provide a balance of jobs and housing, and it would cluster development so as to create an activity center and provide for efficient provisions of infrastructure. The Proposed Project's use mix will also provide mutually supportive employment, housing, recreation, commercial and community-serving activities so as to meet a range of needs internally to both the Proposed Project and the First Phase Project. The mix of uses would also emphasize public transit and non-motorized transportation through an internal shuttle system and the provision of bikeways and walkways. The Proposed Project's Habitat Creation/Restoration Component has been designed to preserve and enhance important natural features of the Project site such as the bluffs and the Riparian Corridor.

The proposed General Plan amendments are in substantial conformance with the purposes, intent, and provisions of the General Plan as amended by the Project Approvals (which consist of an 1) amendment of the General Plan to amend the Community Plan to revise the land use designations from Light Industrial, High Medium Residential and Regional Mixed Use Commercial to Community Commercial and High Medium Density Residential; 2) a zone change from the M(PV), R4(PV) and C2(PV) to C2(PV) and R4(PV); 3) amendments to the text of the Playa Vista Area D Specific Plan to adjust the land use entitlements allowed in the Specific Plan; 4) approval of Tract Map 60110-REC for the project, including Conditions of Approval and the resubdivision of Lot 113 of VTTM 49104; and 5) the proposed Development Agreement). The Development Agreement allows for a project that would meet or exceed all of the relevant housing

goals and policies contained in the Housing Element of the General Plan by providing a transit accessible, pedestrian friendly, integrated mixed use development with a combination of for-sale and rental dwelling units that are varied by size and tenure. The proposed amendments will also support the creation of a more local and residentially oriented mixed-use community that is in keeping with the surrounding uses.

The Development Agreement conforms with the various elements of the General Plan as amended by the Project Approvals. The Land Use Element of the General Plan—the Community Plan—will be satisfied by the Proposed Project through (1) the provision of housing options across a wide range of sizes and costs to meet the need for housing on the westside of Los Angeles; (2) the allocation and distribution of commercial lands for retail, service, and office facilities; and (3) the provision of places of employment and transportation facilities. The park or recreational facilities requirements generated by the Proposed Project would be accommodated to the satisfaction of Public Recreation Plan of the Service Systems Element by existing or planned facilities and services. Protection and enhancement of 11.7 acres of open space within the Habitat Creation/Restoration Component (6.7 acres of Riparian Corridor and 5 acres of bluff restoration) and provision of a total of 23.5 acres of open space within the larger Proposed Project site is consistent with the General Plans Open Space Element goals that promote the preservation and conservation of sufficient open space to serve recreational, environmental, health and safety needs. The Proposed Project also meets the stated purposes of the Transportation Element through a design which encourages internal transit with increased use of walk and bike ways, the incorporation of an internal clean fuel transit system which links with regional transit systems, and the provision of a mix of on-site uses which allow people to perform multiple activities without leaving the area.

5. The proposed Development Agreement will not be detrimental to the public health, safety and general welfare. Rather, the Development Agreement will allow for a project which would serve the needs of adjacent residents, promote neighborhood activity, be compatible with adjacent neighborhoods, and be developed as a desirable place to work and visit. Its compatibility with the General Plan is based on the Proposed Project's mixed-use concept, which will provide a range of related and complementary uses both internally and in conjunction with the adjacent Playa Vista First Phase Project.

Development of the Proposed Project would support the goals of mixed-use and clustered development, while improving the jobs/housing balance, making an efficient provision of infrastructure, and emphasizing public transit and non-motorized transportation. The Proposed Project will provide 2,600 dwelling units and generate 1,180 permanent jobs. Based on these characteristics, the Proposed Project would have a ratio of 0.45 jobs per housing unit, and thus would have a beneficial impact on the applicable jobs/housing balance in the local area by reducing the applicable jobs/housing ratio of 2.76 for the Westchester-Playa del Rey Community Plan Area within which the Proposed Project is located. In addition, through the allocation and distribution of land for retail, service, office facilities and residential uses, the Proposed Project will promote the internal relationship of mutually supportive uses. Specifically, the Proposed Project's land allocation will decrease dependency on the automobile, encourage alternative transportation modes, make efficient use of land and infrastructure, reduce energy consumption, and foster a strong sense of community.

Approval of the Development Agreement will make provisions of the amended Specific Plan binding on the Applicant, thus ensuring that the following measures will be implemented:

Floor Area. Maximum permitted floor area of C2(PV) office and retail uses will be 625,000 square feet and 185,000 square feet, respectively. The Proposed Project would require an increase of 150,000 square feet of retail use and an increase of 66,950 square feet of office use (a reduction of 108,050 square feet of office in the M(PV) zone and an increase of 175,000 square feet in the C2(PV) zone) over what is presently permitted in the Proposed Project area under the existing Specific Plan and zoning for the Proposed Project site. Application of the Land Use Equivalency Transfer Program will not result in increased impacts since reallocation of Floor Area among Office, Assisted Living and Retail land use categories would not result in the transfer of more than 125,000 square feet of Office Use to Retail and/or Assisted Living uses.

Dwelling Units. The Proposed Project will provide up to 2,600 new houses and apartments (both for-sale and rental) to help meet the market demand for housing at a wide range of prices in Southern California, and particularly in Los Angeles' jobs rich, housing deficient Westside. The proposed array of residential, retail, and office uses will promote a reduction of mobile source emissions by providing a supply of housing in close proximity to employment opportunities. This will make it possible for an individual to both reside and work within the Proposed Project site or the adjacent Playa Vista First Phase Project and in the surrounding areas.

Habitat Creation/Restoration. The Proposed Project will protect and enhance 11.7 acres of open space within its Habitat Creation/Restoration Component, and provide a total of 23.5 acres of open space within the larger Proposed Project site. Further, the 6.7 acres of Riparian Corridor in Proposed Project's Habitat Creation/Restoration Component completes the creation of a 25-acre Riparian Corridor lying along the foot of the Westchester Bluffs. This Riparian Corridor includes wetland habitat and native grasslands and feeds into the First Phase Freshwater Marsh, thus establishing a 51-acre Freshwater Wetland System. The Applicant has proposed to fund, construct, and maintain the amenities and facilities on the parks within the Proposed Project site.

Open Space. The Proposed Project's Urban Development Component will provide a comprehensive program of parks and open space areas that would contribute to the aesthetic character of the area and complement the Proposed Project's land use program. The proposed Urban Development Component includes 11.4 acres of parks and 0.4 acre of other passive open space. The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres.

6. The Development Agreement vests the Applicant's rights to develop the property as delineated in the Complete Final EIR and the Project Approvals. The Urban Development Component, which includes a series of residential neighborhoods organized around a Village Center, would occur on an approximately 99.3-acre site consisting of 87.5 acres of development, 11.4 acres of parks, and 0.4 acre of other passive open space. It includes 2,600 dwelling units, 175,000 square feet of office space, 150,000 square feet of retail space, and 40,000 square feet of community serving uses. The Specific Plan amendment and zone changes would increase the

development of housing in exchange for a decrease of the office, retail, and hotel development allowed under the existing Specific Plan. Implementation of the Urban Development Component would not disrupt, divide, or isolate any existing neighborhoods, communities or land uses. The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres.

The proposed Development Agreement provides assurances that the Proposed Project will proceed in accordance with all applicable rules, regulations and conditions, and strengthens the public planning process by encouraging private participation in comprehensive planning and reducing the economic costs of development to the Applicant and the public. The proposed Development Agreement provides assurance of a comprehensive development plan that is consistent with all applicable provisions of the City's Municipal Code as well as the proposed amendments to the General Plan and Specific Plan.

The proposed Development Agreement will ensure the orderly development of the subject property in accordance with good land use practice. Approval of the Development Agreement would allow for the development of a 99.3-acre Urban Development Component composed of residential, commercial, recreational, and community-serving uses as well as an 11.7 acre Habitat Creation/Restoration Component. It would also contribute to a cluster of mixed-use activity and would add to the overall form of the region. Finally, development of the Proposed Project pursuant to the Development Agreement would not alter the general character of existing nearby development or divide an existing neighborhood, community, or land use.

The Proposed Project's 2,600 additional housing units will provide housing options across a wide range of sizes and costs to meet housing needs in Los Angeles' Westside area. Through the creation of a variety of housing units in combination with the development of 1,180 jobs, the Proposed Project would support an improved jobs/housing balance which will help offset the current jobs-rich, housing deficient environment. Finally, the Proposed Project will promote the internal relationship of mutually supportive uses such as employment, housing, recreation, and community-serving activities, so as to decrease dependency on the automobile, encourage pedestrian activity and alternative transportation modes, make efficient use of land and infrastructure, reduce energy consumption, and foster a strong sense of community.

The proposed Habitat Creation/Restoration Component will also accord with good land use practice. The Habitat Creation/Restoration Component includes a total of 11.7 acres, of which the Riparian Corridor involves approximately 6.7 acres, with the restoration of the adjoining portion of the Westchester Bluffs occurring over the remaining 5 acres. Under the Habitat Creation/Restoration Component, a portion of land south of the Urban Development Component would be committed to open space and enhanced habitat. This community amenity will support the attainment of regional and City policies for the provision of open space contained, for instance, in the Land Use chapter of the City of General Plan Framework and the Open Space Element of the General Plan.

7. The proposed Development Agreement complies in form and substance with all applicable City and State regulations governing development agreements. The

proposed Development Agreement further complies with the guidelines adopted by the City:

- A. **When to use.** As a project with multiple buildings to be built over a period of several years, the Proposed Project could be exposed to a substantial hardship if its implementation was to be governed by changing and different rules, ordinances and policies.
- B. **Term.** The recommended 25-year term provides a reasonable time frame to permit the development of the Proposed Project and to accommodate potential changes in the development build out time frame caused by market conditions. Development agreements with similar substantial terms have been approved for projects much smaller in scope than the Proposed Project.
- C. **Processing.** This proposed Development Agreement is being processed concurrently with the amendment to the Playa Vista Area D Specific Plan, which will regulate this property.
- D. **Public Benefits.** The proposed Development Agreement sets forth the additional public benefits to be provided, which include:
 - i. **Affordable Housing.** Implementation of an affordable housing program to ensure homeownership opportunity at the Village at Playa Vista and to provide for an appropriate mix and distribution of affordable housing units.
 - ii. **Parks and Recreation.** Provision of 3 acres of land per thousand projected residents for park and recreational facilities in the Village at Playa Vista Project and in nearby areas, including but not necessarily limited to, the First Phase Project. Further, the Development Agreement provides for the construction and maintenance (or funding) of park and recreational facilities on park land provided within the Village at Playa Vista Project, and funding towards a bicycle/pedestrian enhancement trust fund.
 - iii. **Job Training and Local Hiring.** Implementation of a program of job training and local hiring with a goal of employing (or causing project contractors to employ) at-risk youth and adults in up to 10 percent of jobs in connection with construction of buildings at the Village at Playa Vista. Cooperation with local job-placement programs, local job-skills training programs, and other community-based organizations to bring qualified "at-risk" individuals into the workplace.
 - iv. **Extension of Playa Vista Educational Trust.** Adoption of the Playa Vista Educational Trust (PVET) for the Village at Playa Vista through 2010 at an amount comparable to 2003 PVET sponsorship for the First Phase Project.
 - v. **Additional Transportation Improvements in the Del Rey Community.** Installation of new traffic signal poles, mast arms and equipment to accommodate left-turn signal phasing in each direction at 3 intersections within the Del Rey community.

- vi. **Mar Vista Neighborhood Traffic Management Plan. Provision of funding for Neighborhood Traffic Management Measures in the Mar Vista area.**
8. The Proposed Project includes a subdivision. As required by Government Code Section 65867.5, the proposed Development Agreement requires the Applicant to comply with the applicable provisions of Government Code Section 66473.7 regarding the availability of a sufficient water supply to meet demand associated with the Proposed Project. Pursuant to Water Code Section 10910 *et seq.*, the Los Angeles Department of Water and Power ("LADWP") has prepared a written water supply assessment dated July 28, 2003 and approved by resolution of the City of Los Angeles Board of Water and Power Commissioners on August 25, 2003 ("WSA") (located at Appendix I-1 of the Original FEIR), which finds the LADWP will be able to meet the water demands associated with the Proposed Project. Accordingly, LADWP has concluded that it has adequate water supplies to meet the existing and future water demands identified in the 2005 UWMP, which includes the water demand of the Proposed Project and other water demands associated with future growth. Based on the WSA and LADWP's 2005 UWMP, as explained in Appendix D.iv of the Final RS-DEIR (Report on Playa Vista WSA), there is a sufficient water supply available to meet the water demand for the Proposed Project.
9. The proposed Development Agreement contains all of the provisions, terms and conditions which, in addition to those required by law, are deemed to be necessary and or desirable in order to implement the City's General Plan.
10. The proposed Development Agreement will provide public benefits not otherwise obtainable, and for which no nexus exists under the Proposed Project's environmental clearance, that will benefit the surrounding residents of the site and the City as a whole.
11. Based upon the above findings, the recommended Development Agreement action is deemed consistent with public necessity, convenience, general welfare and good zoning practice.

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

William F. Delvac, Esq.
LATHAM & WATKINS
633 West Fifth Street, Suite 4000
Los Angeles, California 90071
(213) 485-1234

DEVELOPMENT AGREEMENT

by and among

THE CITY OF LOS ANGELES

and

PLAYA CAPITAL COMPANY, LLC

_____ 200

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DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") is executed this ___ day of _____ 200_ by and among the CITY OF LOS ANGELES, a municipal corporation ("City"), and PLAYA CAPITAL COMPANY, LLC, a Delaware limited liability company ("Playa"), pursuant to California Government Code Section 65864, *et seq.*, and the implementing procedures of the City, with respect to the following:

1. DEFINITIONS.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context requires:

1.1 "Applicable Rules"

means the rules, regulations, ordinances and officially adopted policies of the City in force as of the Effective Date of this Agreement, including but not limited to the City's General Plan and the Playa Vista Area D Specific Plan, as amended by the Project Approvals. Additionally, notwithstanding the language of this Section or any other language in this Agreement, all specifications, standards and policies regarding the design and construction of public works facilities, if any, except for those included in Vesting Tentative Tract No. 60110, shall be those that are in effect at the time the Project plans are being processed for approval and/or under construction. Further, the Applicable Rules shall include the Citywide programs which will be enacted after the Effective Date of this Agreement, for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972, and subsequent amendments thereto.

1.2 "Community Plan"

means the Westchester-Playa del Rey Community Plan of the City's General Plan.

1.3 "Developer"

means Playa or its successors and assigns that meet the criteria set forth in Section 6.10.

1.4 "Development Agreement Act"

means Section 65864 *et seq.* of the California Government Code.

1.5 "Discretionary Action" or "Discretionary Approval"

means an action which requires the exercise of judgment, deliberation or a decision on the part of the City, including any board, commission or department or any officer or employee thereof, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires the City, including any board, commission or department or any officer or employee thereof, to determine whether there has been compliance with statutes, ordinances or regulations.

1.6 "Effective Date"

is the date on which this Agreement is attested by the City Clerk of the City of Los Angeles after execution by Developer and the Mayor of the City,

1.7 "Specific Plan"

means the Playa Vista Area D Specific Plan, located within the Community Plan area.

1.8 "Parties"

means collectively Developer and the City.

1.9 "Playa Vista First Phase Project"

means the development of 363 acres located within the Westside area of the City, specifically development previously approved by the City within Vesting Tentative Tract Map ("VTM") 49104 and Tentative Tract Map ("TIM") 52092.

1.10 "Processing Fees"

means all fees required by the City including, but not limited to, fees for land use applications, project permits, building applications, building permits, grading permits, maps and certificates of occupancy which are necessary to accomplish the intent and purpose of this Agreement. Expressly exempted from Processing Fees are all impact fees, linkage fees, or exactions which may be imposed by the City on development projects pursuant to laws enacted after the Effective Date of this Agreement, except as specifically provided for in this Agreement. The amount of the Processing Fees to be applied in connection with the development of the Project shall be the amount which is in effect on a Citywide basis at the time an application for the City action is made unless an alternative amount is established by the City in a subsequent

agreement. Notwithstanding the language of this Section or any other language in this Agreement, Developer shall not be exempt from the payment of fees, if any, imposed on a Citywide basis as part of the City's program for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972 and subsequent amendments thereto, unless a waiver of any such fees is provided by the City in a subsequent agreement.

1.11 "Project"

means the development of the Village at Playa Vista Property into a mixed use community with a habitat creation and restoration component. As more particularly set forth in the Project Approvals, development would consist of uses permitted by and in accordance with the Playa Vista Area D Specific Plan, including, but not limited to, up to 2,600 dwelling units; 175,000 square feet of office space; 150,000 square feet of retail space; 40,000 square feet of community-serving uses; 11.4 acres of parks; 1.0 acre of on-site bicycle lanes; 6.7 acre Riparian Corridor; and the restoration of a 5-acre portion of the Westchester Bluffs.

1.12 "Project Approvals"

means the following land use actions requested by Developer from the City of Los Angeles: 1) amendment of the General Plan to amend the Community Plan to revise the land use designations from Light Industrial, High Medium Residential and Regional Mixed Use Commercial to Community Commercial and High Medium Density Residential; 2) a zone change from the M(PV), R4 (PV) and C2 (PV) to C2 (PV) and R4 (PV); 3) amendments to the text of the Playa Vista Area D Specific Plan to adjust the land use entitlements allowed in the Specific Plan; and 4) approval of Tract Map 60110 for the project, including Conditions of Approval and the subdivision of Lot 113 of VTTM 49104.

1.13 "Reserved Powers"

means the rights and authority excepted from this Agreement's restrictions on the City's police powers and which are instead reserved to the City. The Reserved Powers include the powers to enact regulations or take future Discretionary Actions after the Effective Date of this Agreement that may be in conflict with the Applicable Rules, but: (1) are necessary to protect the public health and safety, and are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes and similar acts of God); (2) are amendments to Chapter IX of the Los Angeles Municipal Code Section 91.0101 *et seq.* (Building Code) or Chapter V of the Los Angeles Municipal Code Section 57.01.01 *et seq.* (Fire Code) regarding the construction, engineering and design standards for private and public improvements and which are (a) necessary to the health and safety of the

residents of the City, and (b) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes, and similar acts of God; (3) are necessary to comply with state or federal laws and regulations (whether enacted previous or subsequent to the Effective Date of this Agreement); or (4) constitute Processing Fees and charges imposed or required by the City to cover its actual costs in processing applications, permit requests and approvals of the Project or in monitoring compliance with permits issued or approvals granted for the performance of any conditions imposed on the Project, unless otherwise waived by the City.

1.14 "Village at Playa Vista Property"

means the site generally bounded by the Playa Vista First Phase Project to the east and west, Jefferson Boulevard to the north, and the Westchester Bluffs to the south, and as more particularly set forth in the legal description attached hereto as Exhibit 7. The property included within the boundaries of the Village at Playa Vista Property may be amended from time to time pursuant to Section 6.9 of this Agreement.

2. RECITALS OF PREMISES, PURPOSE AND INTENT.

2.1 State Enabling Statute.

To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted the Development Agreement Act which authorizes any city to enter into binding development agreements establishing certain development rights in real property with persons having legal or equitable interests in such property. Section 65864 of the Development Agreement Act expressly provides as follows:

"The Legislature finds and declares that:

(a) the lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development to the consumer, and discourage investment in and a commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the applicant for a development project that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules and

regulations, and subject to conditions of approval will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic cost of development.

(c) The lack of public facilities, including, but not limited to, streets, sewerage, transportation, drinking water, school, and utility facilities, is a serious impediment to the development of new housing. Whenever possible, applicants and local governments may include provisions in agreements whereby applicants are reimbursed overtime for financing of public facilities."

Notwithstanding the foregoing, to ensure that the City remains responsive and accountable to its residents while pursuing the benefits of development agreements contemplated by the Legislature, the City: (1) accepts restraints on its police powers contained in development agreements only to the extent and for the duration required to achieve the mutual objectives of the Parties; and (2) to effect such restraints, seeks public benefits which go beyond those obtained by traditional City controls and conditions imposed on development project applications.

2.2 City Procedures and Actions.

2.2.1 Planning Commission Action.

The Planning Commission held a duly noticed public hearing on July 8, 2004 and recommended approval of this Agreement on July 8, 2004.

2.2.2 City Council Action.

The City Council on September 29, 2004, after conducting a duly noticed public hearing, adopted Ordinance No. _____, to become effective on the thirty-first day after publication, approving this Agreement, found that its provisions are consistent with the City's General Plan, the Community Plan, and the Specific Plan, and authorized the execution of this Agreement.

2.3 Purpose of this Agreement.

2.3.1 Developer Objectives.

In accordance with the legislative findings set forth in the Development Agreement Act, and with full recognition of the City's policy of judicious restraints on its police powers, Developer wishes to obtain reasonable assurances that the Project may be developed in accordance with the Applicable Rules and with the terms of this Agreement and subject to the City's Reserved Powers. To the extent of Project development, and as provided by Section 3.1.1, Developer anticipates making capital expenditures in reliance upon this Agreement. In the absence of this Agreement, Developer would have no assurance that it can complete the Project for the uses and to the density and intensity of development set forth in this Agreement and the Project Approvals. This Agreement, therefore, is necessary to assure Developer that the Project will not be (1) reduced in density, intensity or use from what is set forth in the Project Approvals; (2) subjected to new rules, regulations, ordinances or official policies which are not related to compliance with State or Federal mandates or health and safety conditions; or (3) subjected to delays for reasons other than Citywide health and safety enactments related to critical situations such as, but not limited to, the lack of water availability or sewer or landfill capacity.

2.3.2 Mutual Objectives.

Development of the Project in accordance with this Development Agreement will provide for the orderly development of the Village at Playa Vista Property in accordance with the objectives set forth in the General Plan, the Community Plan and the Specific Plan. Moreover, this Development Agreement will eliminate uncertainty in planning for and securing orderly development of the Project, assure installation of necessary improvements, assure attainment of maximum efficient resource utilization within the City at the least economic cost to its citizens and otherwise achieve the goals and purposes for which the Development Agreement Act was enacted. The Parties believe that such orderly development of the Project will provide many public benefits to the City through the imposition of development standards and requirements under the provisions and conditions of this Agreement, including without limitation: an affordable housing program, parks and recreational facilities in excess of the requirements of environmental mitigation measures or the Subdivision Map Act, a program of job training and local hiring and a five-year continuation of the Playa Vista Educational Trust. Additionally, although development of the Project in accordance with this Development Agreement will restrain the City's land use or other relevant police powers, the Development Agreement will provide the City with sufficient reserved powers during the term hereof to remain responsible and accountable to its residents. In exchange for these and other benefits to the City, Developer will receive assurances that the Project may be developed during the term of this Agreement in accordance with the Applicable Rules and Reserved Powers, subject to the terms and conditions of this Agreement.

-24_ Applicability of the Agreement.

This Agreement does not: (1) grant density or intensity in excess of that otherwise established in the Applicable Rules; (2) eliminate future Discretionary Actions relating to the Project if applications requiring such Discretionary Action are initiated and submitted by the owner of the Property after the Effective Date of this Agreement; (3) guarantee that Developer will receive any profits from the Project; (4) prohibit the Project's participation in any benefit assessment district that is generally applicable to surrounding properties; or (5) amend the City's General Plan. This Agreement has a fixed term. Furthermore, in any actions after the Effective Date applicable to the Village at Playa Vista Property, the City may apply such new rules, regulations and official policies as are contained in its Reserved Powers.

3. AGREEMENT AND ASSURANCES

3.1 Agreement and Assurance on the Part of Developer.

In consideration for the City entering into this Agreement, and as an inducement for the City to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, Developer hereby agrees as follows:

3.1.1 Project Development.

Developer agrees that it will use its best efforts, in accordance with its own business judgment and taking into account market conditions and economic considerations, to develop the Project in accordance with the terms and conditions of this Agreement and the Project Approvals.

3.1.2 Timing of Development.

Build-out of the Project will occur incrementally, with development expected to begin following resolution of any litigation challenges to the Project and completion of construction of the Project is scheduled to occur within approximately 10 years following commencing construction. Beyond these general parameters, the Parties acknowledge that Developer cannot at this time predict when or the rate at which the Project would be developed. Such decisions depend upon numerous factors that are not all within the control of Developer, such as market orientation and demand, availability of financing and competition. Because the California Supreme Court held in Pardee Construction Co. v. City of Camarillo, 37 Cal.3d 465 (1984), that the failure of the Parties therein to provide for the timing of development permitted a later adopted initiative restricting the timing of development and controlling the Parties'

agreement, it is the intent of Developer and the City to hereby acknowledge and provide for the right of Developer to develop the Project in such order and at such rate and times as Developer deems appropriate within the exercise of its sole and subjective business judgment. The City acknowledges that such a right is consistent with the intent, purpose and understanding of the Parties to this Agreement. Developer will use its best efforts, in accordance with its own business judgment and taking into consideration market conditions, litigation and other economic factors influencing its business decision, to commence or to continue development, and to develop the Project in accordance with the provisions and conditions of this Agreement and with the Applicable Rules.

3.1.3 Additional Obligations of Developer as Consideration for this Agreement.

In addition to the obligations identified in Section 3.1.1, the development assurances provided by this Agreement and the resulting construction of the Project will result in the following:

1. **Affordable Housing.** Developer shall implement the affordable housing program as set forth in Exhibit 1.
2. **Parks and Recreation.** Developer shall provide parks and recreational facilities and improvements in excess of the requirements of environmental mitigation measures or the Subdivision Map Act as set forth in Exhibit 2.
3. **Job Training and Local Hiring.** Developer shall implement a program of job training and local hiring as set forth in Exhibit 3.
4. **Playa Vista Educational Trust.** Developer shall implement the Playa Vista Educational Trust as set forth in Exhibit 4.
5. **Additional Transportation Improvements in the Del Rey Community.** Developer shall implement the additional transportation improvements in the Del Rey Community as set forth in Exhibit 5.
6. **Mar Vista Neighborhood Traffic Management Plan.** Developer shall implement a neighborhood traffic

management plan as set forth in Exhibit 6.

3.2_ Developer's Obligations

Notwithstanding any sale of lots within the Village at Playa Vista Property, Developer shall undertake and perform or cause to be performed the obligations of Developer under Section 3.1 of this Agreement. In the event of any assignment to a controlled entity or to an assignee as set forth in Section 6.10 or less than all of Developer's interest in this Agreement, the Project, the Project Approvals or the Village at Playa Vista Property, Developer may have further obligation under this Agreement as set forth in Section 6.10 to the extent of such assignment.

3.3_ Agreement and Assurances on the Part of the City.

In consideration for Developer entering into this Agreement, and as an inducement for Developer to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, the City hereby agrees as follows:

3.3.1 Entitlement to Develop.

Developer has the right to develop the Project subject to the terms and conditions of this Agreement, the Applicable Rules and the Reserved Powers.

3.3.2 Consistency with Applicable Rules.

Based upon all information made available to the City up to or concurrently with the execution of this Agreement, the City finds and certifies that no Applicable Rules prohibit or prevent the full completion and occupancy of the Project in accordance with the uses, densities, designs, heights, permitted demolition, signage regulations and other development entitlements incorporated and agreed to herein and in the Project Approvals. Without limiting the generality of the foregoing, the City further finds and certifies that upon execution of this Agreement, development of this Project will be exempt from Los Angeles Municipal Code, Chapter 1, Article 6.1, § 16 (the "Site Plan Review Ordinance") because during preparation of the EIR for this Project, the City considered significant aspects of the Project's relation to its site, surrounding property, traffic circulation, sewers and other infrastructures, and its general environmental setting (as required by the Site Plan Review Ordinance.)

3.3.3 Changes in Applicable Rules.

3.3.3.a Non-application of Changes in Applicable Rules.

Any change in, or addition to, the Applicable Rules, including, without limitation, any change in any applicable general or specific plan, zoning or building regulation, adopted or becoming effective after the Effective Date of this Agreement, including, without limitation, any such change by means of ordinance, City Charter amendment, initiative, referendum, resolution, motion, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the Mayor, City Council, Planning Commission or any other Board, Commission or Department of the City, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which would conflict in any way with the Applicable Rules or this Agreement, shall not be applied to the Project unless such changes represent an exercise of the City's Reserved Powers. Notwithstanding the foregoing, Developer may, in its sole discretion, consent to the application to the Project of any change in the Applicable Rules.

3.3.3.b Changes in Building and Fire Codes.

Notwithstanding any provision of this Agreement to the contrary, development of the Project shall be subject to changes occurring from time to time in the Uniform Building Code and other uniform construction codes. In addition, development of the Project shall be subject to changes occurring from time to time in Chapters V and IX of the Los Angeles Municipal Code regarding the construction, engineering and design standards for both public and private improvements provided that such changes are (1) necessary to the health and safety of the residents of the City, and (2) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes and similar acts of God).

3.3.3.c Changes Mandated by Federal or State Law.

This Agreement shall not preclude the application to the Project of changes in, or additions to, the Applicable Rules, including rules, regulations, ordinances and official policies, to the extent that such changes or additions are mandated to be applied to developments such as

this Project by state or federal regulations. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations.

3.3.4 Subsequent Development Review.

The City shall not require Developer to obtain any approvals or permits for the development of the Project in accordance with this Agreement other than those permits or approvals that are required by the Applicable Rules or the Reserved Powers. However, any subsequent Discretionary Action or Discretionary Approval initiated by Developer that is not otherwise permitted by the Project Approvals, which changes the uses, intensity, density, building height or timing of the Project, or decreases the lot area, setbacks, yards, parking or other entitlements permitted on the Village at Playa Vista Property shall be subject to the rules, regulations, ordinances and official policies of the City then in effect. Any subsequent Discretionary Action or Discretionary Approval initiated by Developer that is permitted by or in furtherance of the Project Approvals shall be subject to the Applicable Rules. Unless amended to provide otherwise, this Agreement shall not apply to any such subsequently approved Discretionary Actions.

3.3.5 Effective Development Standards.

The City agrees that it is bound to permit the uses, intensity of use and density on the Village at Playa Vista Property which are permitted by this Agreement, insofar as this Agreement and the Project Approvals so provide or as otherwise set forth in the Applicable Rules or the Reserved Powers. The City hereby agrees that it will not unreasonably withhold or unreasonably condition any Discretionary Action or Discretionary Approval which must be issued by the City in order for the Project to proceed, provided that Developer reasonably and satisfactorily complies with all preliminary procedures, actions, payments of Processing Fees, and criteria generally required of developers by the City for processing applications for developments and consistent with this Agreement.

3.3.6 Interim Use.

The City agrees that Developer may use the Village at Playa Vista Property during the term of this Agreement for any use which is otherwise permitted by the applicable zoning regulations and the General Plan in effect at the time of the interim use or pursuant to any approvals, permits, or other entitlements previously granted and in effect as of the Effective Date.

3.3.7 Moratoria.

In the event an ordinance, resolution or other measure is enacted, whether by action of the City, by initiative, or otherwise, which relates to the rate, timing, or sequencing of the development or construction on all or any part of the Village at Playa Vista Property, City agrees that such ordinance, resolution or other measure shall not apply to the Village at Playa Vista Property or this Agreement, unless such changes: (1) are found by the City to be necessary to the health and safety of the residents of the City, and (2) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or the City Council such as floods, earthquakes and similar acts of God).

3.3.8 Infrastructure Financing.

If Developer undertakes infrastructure financing, the City will cooperate fully by processing any related applications as expeditiously as possible.

3.4 Water Assessment.

Pursuant to Government Code section 65867.5, Developer and the City agree that any tentative map prepared for the Project shall comply with the provisions of Government Code section 66473.7.

4 PERIODIC REVIEW

4.1 Annual Review.

During the Term of this Agreement, the City shall review annually Developer's compliance with this Agreement. Such periodic review shall be limited in scope to good faith compliance with the provisions of this Agreement as provided in the Development Agreement Act and Developer shall have the burden of demonstrating such good faith compliance.

4.2 Pre-Determination Procedure.

Developer's submission of evidence of compliance with this Agreement, in a form which the Director of Planning may reasonably establish, shall be made in writing and transmitted to the Director of Planning not later than sixty (60) days prior to the yearly anniversary of the Effective Date. The public shall be afforded an opportunity to submit written comments regarding compliance to the Director of Planning at least sixty (60) days prior to the yearly anniversary of the Effective Date. All such public comments and final staff reports shall, upon receipt by the City, be made available as soon as possible to Developer.

4.3 Director's Determination.

On or before the yearly anniversary of the Effective Date of the Agreement, the Director of Planning shall make a determination regarding whether or not Developer has complied in good faith with the provisions and conditions of this Agreement. This determination shall be made in writing with reasonable specificity, and a copy of the determination shall be provided to Developer in the manner prescribed in Section 6.17. Copies of the determination shall also be available to members of the public.

4.4 Appeal by Developer.

In the event the Director of Planning makes a finding and determination of non-compliance, Developer shall be entitled to appeal that determination to the Planning Commission. After a public hearing on the appeal, the Planning Commission shall make written findings and determinations, on the basis of substantial evidence, whether or not Developer has complied in good faith with the provisions and conditions of this Agreement. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

4.5 Period to Cure Non-Compliance.

If, as a result of this Annual Review procedure, it is found and determined by the Planning Director or the Planning Commission, on appeal, that Developer has not complied in good faith with the provisions and conditions of this Agreement, the City, after denial of any appeal or, where no appeal is taken, after the expiration of the appeal period described in Section 6.3, shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 6.17, stating with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of default, Developer shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), by mutual consent of the City and Developer, provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

4.6 Failure to Cure Non-Compliance Procedure.

If the Director of Planning finds and determines that Developer, or its

successors, transferees, and/or assignees, as the case may be, has not cured a default pursuant to this Section, and that the City intends to terminate or modify this Agreement or those transferred or assigned rights and obligations, as the case may be, the Director of Planning shall make a report to the Planning Commission. The Director of Planning shall then set a date for a public hearing before the Planning Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after such public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that Developer, or its successors, transferees, and/or assignees, as the case may be, has not cured a default pursuant to this Section, and that the City shall terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, the finding and determination shall be appealable to the City Council in accordance with Section 6.3. In the event of a finding and determination of compliance, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

4.7. Termination or Modification of Agreement.

The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, after such final determination of the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 6.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 6.3.

4.8. Reimbursement of Costs.

Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to accomplish the required annual review.

5. DEFAULT PROVISIONS

5.1. Default by Developer.

5.1.1 Default.

In the event Developer does not perform its obligations under the Agreement in a timely manner, the City shall have all rights and remedies provided herein which shall include compelling the specific performance of the obligations of Developer under this Agreement, or modification or termination of this Agreement, provided that the City has first complied with the procedure in Section 5.1.2.

5.1.2 Notice of Default.

The City through the Director of Planning shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 6.17, identifying with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of default, Developer, shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured. In the event that Developer has assigned all or any portion of its interest pursuant to Section 6.10, Developer shall have the right but not the obligation to cure any defaults of any assignee or successor in interest. Further, any assignee or successor in interest shall have the right but not the obligation to cure any default of Developer.

5.1.3 Failure to Cure Default Procedure.

If after the cure period has elapsed, the Director of Planning finds and determines that Developer remains in default and that the City intends to terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, the Director shall make a report to the Planning Commission and then set a public hearing before the Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that Developer has not cured default pursuant to this Section, and that the City shall terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, Developer shall be entitled to appeal that finding and determination to the City Council in accordance with Section 6.3. In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

5.1.4 Termination or Modification of Agreement.

The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, after such final determination of the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 6.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 6.3.

5.2 Default by the City.

5.2.1 Default and Notice of Default.

In the event the City does not accept, process, or render a decision on necessary development permits, entitlements, or other land use or building approvals for use as provided in this Agreement upon compliance with the requirements therefor, or as otherwise agreed to by the Parties, or the City otherwise defaults under the provisions of this Agreement, Developer shall have all rights and remedies provided herein or by applicable law, which shall include compelling the specific performance of the City's obligations under this Agreement provided that Developer has first complied with the procedures in Section 5.2.2. No part of this Agreement shall be deemed to abrogate or limit any immunities or defenses the City may otherwise have with respect to claims for monetary damages.

5.2.2 Notice of Default.

Developer shall first submit to the City a written notice of default stating with specificity those obligations that have not been performed. Upon receipt of the notice of default, the City shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), provided that the City shall continuously and diligently pursue such remedy at all times until such default(s) is cured. In the case of a dispute as to whether the City has cured the default, the Parties shall submit the matter to arbitration pursuant to Section 6.5 of this Agreement.

5.3 No Monetary Damages.

It is acknowledged by the Parties that the City would not have entered into this Agreement if it were liable in monetary damages under or with respect to this Agreement or the application thereof. Both Parties agree and recognize that, as a practical matter, it may not be possible to determine an amount of monetary damages which would adequately compensate Developer for its investment of time and financial resources in planning to arrive at the kind, location, intensity of use, and improvements for the Project, nor to calculate the consideration the City would require to enter into this Agreement to justify such exposure. Therefore, the Parties agree that each of the Parties may pursue any remedy at law or equity available for any breach of any provision of this Agreement, except that the Parties shall not be liable in monetary damages and the Parties covenant not to sue for or claim any monetary damages for the breach of any provision of this Agreement.

6. GENERAL PROVISIONS

6.1_ Effective Date.

This Agreement shall be effective upon such date as it is attested by the City Clerk of the City of Los Angeles ("Effective Date") after execution by Developer and the Mayor of the City of Los Angeles.

6.2_ Term.

The term of this Agreement ("Term") shall commence on the Effective Date and shall extend until twenty-five years after the Effective Date, unless said Term is otherwise terminated, modified or extended by circumstances set forth in this Agreement, including, but not limited to, Section 6.4 of this Agreement, or by mutual consent of the Parties hereto. Following the expiration of this Term, this Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Village at Playa Vista Property approved concurrently with, or subsequent to, the Effective Date of this Agreement. The Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments pursuant to the City's Reserved Powers or moratoria.

6.3_ Appeals to City Council.

Where an appeal by Developer to the City Council from a finding and/or determination of the Planning Commission is created by this Agreement, such appeal shall be taken, if at all, within twenty (20) days after the mailing of such finding and/or determination to Developer, or its successors, transferees, and/or assignees, as the case may be. The City Council shall act upon the finding and/or determination of the Planning Commission within eighty (80) days after such mailing, or within such additional period as may be agreed upon by Developer and the Council.

6.4_ Enforced Delay; Extension of Time of Performance.

In addition to specific provisions of this Agreement, whenever a period of time, including a reasonable period of time, is designated within which either party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days during which such party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of causes beyond the reasonable control of the party to be excused, including: war; insurrection; strikes; walk-outs; riots; floods; earthquakes; fires; casualties; acts of God; litigation

and administrative proceedings against the Project (not including any administrative proceedings contemplated by this Agreement in the normal course of affairs (e.g., the annual review)); any approval required by the City (not including any period of time normally expected for the processing of such approvals in the ordinary course of affairs); restrictions imposed or mandated by other governmental entities; enactment of conflicting state or federal laws or regulations; judicial decisions; the exercise of the City's Reserved Powers; or similar bases for excused performance which is not within the reasonable control of the party to be excused (financial inability excepted). This Section shall be applicable to Section 6.2 of this Agreement. This Section shall not be applicable to any proceedings with respect to bankruptcy or receivership initiated by or on behalf of Developer or, if not dismissed within ninety (90) days, by any third Parties against Developer. If written notice of such delay is given to either party within thirty (30) days of the commencement of such delay, an extension of time for such cause will be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

6.5 Dispute Resolution.

6.5.1 Dispute Resolution Proceedings.

The Parties may agree to dispute resolution proceedings to fairly and expeditiously resolve disputes or questions of interpretation under this Agreement. These dispute resolution proceedings may include: (a) procedures developed by the City for expeditious interpretation of questions arising under development agreements; (b) non-binding arbitration as provided below; or (c) any other manner of dispute resolution which is agreed upon by the Parties.

6.5.2 Arbitration.

Any dispute between the Parties that is to be resolved by arbitration shall be settled and decided by arbitration conducted by an arbitrator who must be a former judge of the Los Angeles County Superior Court or Appellate Justice of the Second District Court of Appeals or the California Supreme Court. This arbitrator shall be selected by mutual agreement of the Parties.

6.5.3 Arbitration Procedures.

Upon appointment of the arbitrator, the matter shall be set for arbitration at a time not less than thirty (30) nor more than ninety (90) days from the effective date of the appointment of the arbitrator. The arbitration shall be conducted under the procedures set forth in Code of Civil Procedure Section 638, *et seq.*, or under such other procedures as are agreeable

to both Parties, except that provisions of the California Code of Civil Procedure pertaining to discovery and the provisions of the California Evidence Code shall be applicable to such proceeding.

6.5.4 Extension of Agreement Term.

The Term of this Agreement as set forth in Section 6.2 shall automatically be extended for the period of time in which the Parties are engaged in dispute resolution to the degree if at such extension of the Term is reasonably required because activities which would have been completed prior to the expiration of the Term are delayed beyond the scheduled expiration of the Term as the result of such dispute resolution.

6.6 Legal Action.

Either party may, in addition to any other rights or remedies, institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation, or enforce by specific performance the obligations and rights of the Parties hereto.

6.7 Applicable Law.

This Agreement shall be construed and enforced in accordance with the laws of the State of California, and the venue for any legal actions brought by any party with respect to this Agreement shall be the County of Los Angeles, State of California for state actions and the Central District of California for any federal actions.

6.8 Amendments.

This Agreement may be amended from time to time by mutual consent in writing of the Parties to this Agreement in accordance with Government Code Section 65868. Any amendment to this Agreement which relates to the Term, permitted uses, density or intensity of use, height, or size of buildings, provisions for reservation and dedication of land, conditions, restrictions, and requirements relating to subsequent discretionary action, or any conditions or covenants relating to the use of the Village at Playa Vista Property not allowed or provided for under the Applicable Rules or Project Approvals shall require notice and public hearing before the Parties may execute an amendment thereto. Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to review any amendments requested by Developer including the cost of any public hearings.

6.9 Sale of Certain Lots within Village at Playa Vista Property.

It is contemplated that development of the Village at Playa Vista Property will occur over time on a lot by lot basis to third party developers and home builders. It is also contemplated that certain lots within the Village at Playa Vista Property will be sold by Developer over time, either prior or subsequent to development of said lots. Developer may request the Director of the Planning Department to modify the property included within the boundaries of the Village at Playa Vista Property, as that term is used in this Agreement, to exclude certain lots within the Village at Playa Vista Property. The Director of Planning may approve or deny any request in his or her discretion. In making such a determination, the Director of Planning shall consider whether the property that would remain subject to this Development Agreement would be sufficient to allow Developer to carry out its obligations under this Agreement.

6.10 Assignment

6.10.1 Sale of Lots

Developer may sell or assign all or any portion of its interests in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof, provided that such sale or assignment conforms with this Section 6.10. The City acknowledges that Developer may sell lots either prior to or subsequent to development without the consent, approval or action of, or notice to, the City. The purchaser of such lots shall be entitled to the rights and benefits of developer under this Agreement provided however, that Developer shall remain responsible for carrying out the obligations of Developer as required by his Agreement as set forth in Section 3.2.

6.10.2 Sale or Assignment to a Controlled Entity

In the event of a sale or assignment of all or any portion of Developer's interest in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof to an assignee in which Developer has a controlling interest, no consent, approval, or action of the City is required. However, except for the sale of lots which is covered by Section 6.9 or Section 6.10.1 above, Developer shall provide written notice to the City at least 30 days prior to any assignment pursuant to this Section 6.10. Provided, however, that if such sale or assignment is a sale or assignment of all of the Developer's interest in this Agreement, in the Project and in the Village at Playa Vista Property, the assignee shall be responsible for all of Developer's burdens, obligations, or liabilities and the Developer shall thereafter be relieved of all such burdens, obligations or liabilities. Provided further, if Developer sells or assigns only a portion of its interest, the Developer and the assignee shall be jointly and severally liable for all such burdens, obligations or liabilities, unless the City otherwise consents (such decision to consent or not

consent to be made by the Director of Planning in consultation with the City Attorney).

6.10.3 Sale or Assignment to a Non-Controlled Entity

If such sale or assignment is to an assignee in which Developer does not have a controlling interest, except for the sale of lots which is covered by Section 6.9 or Section 6.10.1 above, Developer must obtain the prior written consent of the City, which consent may be withheld only on the basis of the assignee's character or financial capability as determined in the reasonable discretion of the City as set forth below in this Section 6.10. At least 30 days prior to any assignment to an assignee in which Developer does not have a controlling interest pursuant to this Section 6.10, Developer shall provide to the City: (a) written notice of the assignment, (b) evidence reasonably satisfactory to the City that the assignee satisfies any criteria set forth below in this Section 6.10 and (c) a copy of the assignment document pursuant to which the assignee shall assume the obligations of Developer applicable to the interest assigned, including, without limitation, the obligations of Developer under this Agreement to the extent such obligations are applicable to the interest assigned. The City may reasonably withhold such consent only on the basis of the following factors:

1. **Character.** The assignee must be a person or entity of good character and reputation.
2. **Financial Capability.** The assignee must have sufficient verifiable financial resources or commitments to carry out the development and/or operation of the Project in accordance with the terms of this Agreement and the Developer shall have the right to address and rebut. If the assignee (together with its Affiliates) has a verifiable net worth of \$10,000,000 (Ten Million) Dollars or more, it shall be deemed to have met this test.

In the event the City consents to such sale or assignment, if such sale or assignment is a sale or assignment of all of the Developer's interest in this Agreement, in the Project and in the Village at Playa Vista Property, the assignee shall be responsible for all of Developer's burdens, obligations, or liabilities and the Developer shall thereafter be relieved of all such burdens, obligations or liabilities. Provided further, if Developer sells or assigns only a portion of its interest, the Developer and the assignee shall be jointly and severally liable for all such burdens, obligations or liabilities, unless the City otherwise consents (such decision to consent or not consent to be made by the Director of Planning in consultation with the City Attorney).

Notwithstanding the above, the City may, in its discretion, consent to the sale or assignment of Developer's interests in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof to an assignee that does not satisfy the criteria set forth in this Section 6.10. Unless the City otherwise consents (such decision to consent or not consent to be made by the Director of Planning in consultation with the City Attorney), such an assignment

to an assignee that does not satisfy this Section 6.10 shall be an assignment of Developer's right, title, benefit, privileges and interest in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof and shall not be assignment of Developer's burdens, obligations or liabilities in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof.

6.11 Covenants.

Except for lots excluded from the Village at Playa Vista Property pursuant to Section 6.9 of this Agreement, the provisions of this Agreement shall constitute, during the Term of this Agreement, covenants which shall run with the land comprising the Village at Playa Vista Property for the benefit thereof, and the burdens and benefits hereof shall bind and inure to the benefit of all assignees, transferees, and successors to the Parties hereto.

6.12 Statute of Limitation and Laches.

The City and Developer agree that each party will undergo a change in position in detrimental reliance upon this Agreement from the time of its execution and subsequently. The Parties agree that Section 65009(e) of the Government Code, which provides for a 90 day statute of limitation to challenge the enactment or amendment of a zoning ordinance, is applicable to this Agreement, which will provide for development consistent with the zoning ordinance. In addition, any person who may challenge the validity of this Agreement is hereby put on notice that, should the legality or validity of this Agreement be challenged by any third party in litigation which is filed and served more than 90 days after the execution of this Agreement, the City and Developer shall each assert the affirmative defense of laches with respect to such challenge, in addition to all other available defenses.

6.13 Cooperation and Implementation.

6.13.1 Processing.

Upon satisfactory completion by Developer of all required preliminary actions and payment of appropriate Processing Fees, including the fee for processing this Agreement, the City shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Village at Playa Vista Property in accordance with the terms of this Agreement. Developer shall, in a timely manner, provide the City with all documents, plans and other information necessary for the City to carry out its processing obligations.

6.13.2 Other Governmental Permits.

Developer shall apply in a timely manner for such other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the development of, or provision of services to, the Project. The City shall cooperate with Developer in its endeavors to obtain such permits and approvals and shall, from time to time at the request of Developer, attempt with due diligence and in good faith to enter into binding agreements with any such entity to ensure the availability of such permits and approvals, or services, provided such agreements are reasonable and not detrimental to the City. These agreements may include, but are not limited to, joint powers agreements under the provisions of the Joint Exercise of Powers Act (Government Code Section 6500, et seq.) or the provisions of other laws to create legally binding, enforceable agreements between such Parties. To the extent allowed by law, Developer shall be a party to any such agreement, or a third party beneficiary thereof, entitled to enforce for its benefit on behalf of the City, or in its own name, the rights of the City or Developer thereunder or the duties and obligations of the Parties thereto. Developer shall reimburse the City for all costs and expenses incurred in connection with seeking and entering into any such agreement provided that Developer has requested it. Developer shall defend the City in any challenge by any person or entity to any such agreement, and shall reimburse the City for any costs and expenses incurred by the City in enforcing any such agreement. Any fees, assessments, or other amounts payable by the City thereunder shall be borne by Developer, except where Developer has notified the City in writing, prior to the City entering into such agreement, that it does not desire for the City to execute such agreement.

6.13.3 Cooperation in the Event of Legal Challenge.

In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to affirmatively cooperate in defending said action.

6.14 Relationship of the Parties.

It is understood and agreed by the Parties hereto that the contractual relationship created between the Parties hereunder is that Developer is an independent contractor and not an agent of the City. Further, the City and Developer hereby renounce the existence of any form of joint venture or partnership between them and agree that nothing herein or in any document

executed in connection herewith shall be construed as making the City and Developer joint venturers or partners.

6.15 Hold Harmless.

Developer hereby agrees to and shall indemnify, save, hold harmless and defend the City, and its elected and appointed representatives, boards, commissions, officers, agents, and employees (collectively, "the City" in this Section), from any and all claims, costs, and liability for any damages, personal injury, or death which may arise, directly or indirectly, from Developer or Developer's contractors, subcontractors, agents, or employees' operations in connection with the construction of the Project, whether such operations be by Developer or any of Developer's contractors, subcontractors, by any one or more persons directly or indirectly employed by, or acting as agent for Developer or any of Developer's contractors or subcontractors. Developer further agrees to and shall indemnify, save, hold the City harmless and, if requested by the City, Developer shall defend the City in any action brought by a third party (1) challenging the validity of this Agreement or (2) seeking damages which may arise directly or indirectly from the negotiation, formation, execution, enforcement or termination of this Agreement. Nothing in this Section shall be construed to mean that Developer shall hold the City harmless and/or defend it from any claims arising from, or alleged to arise from, the negligent acts, negligent failure to act, or willful misconduct on the part of the City. City agrees that it shall fully cooperate with Developer in the defense of any matter in which Developer is defending and/or holding the City harmless. City may make all reasonable decisions with respect to its representation in any legal proceeding.

6.15.1. Insurance.

Without limiting its obligation to hold the City harmless, Developer shall provide and maintain at its own expense, until the completion of construction of the Project, the following program of insurance concerning its operations hereunder. The insurance shall be provided by insurer(s) satisfactory to the City on or before the Effective Date of this Agreement. The program of insurance provided shall specifically identify this Agreement and shall contain express conditions that the City is to be given written notice at least thirty (30) days prior to any cancellation of coverage. Such insurance shall be primary to and not contributing with any other insurance maintained by the City. Such insurance shall name the City as an additional insured, and shall include, but not be limited to, comprehensive general liability insurance endorsed for Promises/Project Site Operations, Products/Completed Operations, Contractual, Broad Form Property Damage, and Personal Injury, with a combined single limit of not less than \$2,000,000 per occurrence. From time to time until completion of construction, but not more often than once every two (2) years, Developer shall increase the coverage limits of the insurance required under this Section if so directed by the City after a determination by the City that such an increase is justified using customary and reasonable risk management methods and principles and to the extent such increased limits are available.

6.16 Tentative Maps.

Pursuant to California Government Code Section 66452.6(a), the duration of tentative maps filed subsequent to the Effective Date shall automatically be extended for the Term of this Agreement.

6.17. Notices.

Any notice or communication required hereunder between the City or Developer must be in writing, and may be given either personally or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered, a notice shall be deemed to have been given when delivered to the party to whom it is addressed. Any party hereto may at any time, by giving ten (10) days' written notice to the other party hereto, designate any other address in substitution of the address, or any additional address, to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to the City:

Director of Planning
City of Los Angeles
221 North Figueroa, 16th Floor
Los Angeles, California 90012

with copies to:

Managing Assistant City Attorney,
City of Los Angeles
Real Property/Environment Division
700 City Hall East, 200 N. Main Street
Los Angeles, California 90012

If to Developer:

Mr. Steve Soboroff
Playa Capital Company, LLC
5510 Lincoln Boulevard, Suite 100
Los Angeles, California 90094

with copies to:

Patricia T. Sinclair, Esq.
Playa Capital Company, LLC
5510 Lincoln Boulevard, Suite 100
Los Angeles, California 90094

and

William F. Delvac, Esq.
Latham & Watkins
633 West Fifth Street, Suite 4000
Los Angeles, California 90071

6.18_ Recordation.

As provided in Government Code Section 65868.5, the City Clerk of Los Angeles shall record a copy of this Agreement with the Registrar-Recorder of the County of Los Angeles within ten (10) days following its execution by both Parties. Developer shall provide the City Clerk with the fees for such recording prior to or at the time of such recording.

6.19_ Constructive Notice and Acceptance.

Every person who now or hereafter owns or acquires any right, title, interest in or to any portion of the Village at Playa Vista Property, is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Village at Playa Vista Property.

6.20_ Successors and Assignees.

The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties, any subsequent owner of all or any portion of the Village at Playa Vista Property and their respective successors and assignees, provided, however, that the provisions of this Agreement shall not be binding upon any party or its successors and assigns owning property which is excluded from the definition of Village at Playa Vista Property pursuant to Section 6.9 of this Agreement.

6.21_ Severability.

If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of either party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition, or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

6.22_ Time of the Essence.

Time is of the essence for each provision of this Agreement of which time is an element.

6.23_ Waiver.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought and refers expressly to this Section. No waiver of any right or remedy with respect to any occurrence or event shall be deemed a waiver of any right or remedy with respect to any other occurrence or event.

6.24_ No Third Party Beneficiaries.

The only Parties to this Agreement are the City and Developer and their successors-in-interest. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person whatsoever.

6.25_ Entire Agreement.

This Agreement sets forth and contains the entire understanding and agreement of the Parties regarding the subject matter hereof and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements regarding the subject matter hereof which are not contained or expressly referred to herein and no testimony or evidence of any such representations, understandings, or covenants shall be admissible in any proceedings of any kind or nature to interpret or determine the provisions or conditions of this Agreement.

Developer and City, among others, are parties to that certain Stipulation for Entry of Judgment, in *Friends of Ballona Wetlands et al. v. California Coastal Commission, et al.*, Case No. C525,826 filed with the Los Angeles County Superior Court on June 9, 1994, and are negotiating an amendment thereto (as amended from time to time, the "Settlement Agreement"). The parties agree that nothing contained in the Settlement Agreement is intended to limit the rights or benefits to Developer or City under this Agreement nor is anything in this Agreement intended to limit the rights and benefits to Developer or City or the other parties under the Settlement Agreement.

6.26 Legal Advice; Neutral Interpretation; Headings, Table of Contents.

Each party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any party based upon any attribution to such party as the source of the language in question. The headings and table of contents used in this Agreement are for the convenience of reference only and shall not be used in construing this Agreement.

6.27 Discretion to Encumber.

This Agreement shall not prevent or limit Developer in any manner, at its sole discretion, from encumbering the Property or any portion of the Property or any improvement on the Property by any mortgage, deed of trust or other security device securing financing with respect to the property or its improvements.

6.28 Entitlement to Written Notice of Default.

The mortgagee or beneficiary of a deed of trust encumbering the Property, or any part thereof, and their successors and assigns shall, upon written request to the City, be entitled to receive from the City written notification of any default by Developer of the performance of Developer's obligations under this Agreement which has not been cured within sixty (60) days following the date of default. Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to prepare this notice of default.

6.29 Counterparts.

This Agreement may be executed in duplicate originals, each of which is deemed to be an original. This Agreement, not counting the Cover Page and Table of Contents, consists of 52 pages including seven Exhibits, which constitute the entire understanding and agreement of the Parties.

-IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

"City"

CITY OF LOS ANGELES, a municipal corporation of the State of California

By:
James K. Hahn
Mayor

APPROVED AS TO FORM:
ROCKARD J. DELGADILLO, City Attorney

By:
Susan D. Pfann
Assistant City Attorney

DATE: , 200__

ATTEST:
Frank H. Martinez, City Clerk

By:
[name]
Deputy

DATE: , 200__

"Playa"

Playa Capital Company, LLC, a Delaware
Limited Liability Company

Playa Capital Company, LLC, a Delaware
Limited Liability Company

By:

Name: Steve Soboroff
Title: President

By:

Name: Douglas Moreland
Title: Senior Vice President,
Development

APPROVED AS TO FORM:

By:

William F. Dsilva, Esq.
of LATHAM & WATKINS

Counsel for Playa Capital Company, LLC

EXHIBIT 1

Village at Playa Vista

Home ownership Opportunities and Affordable Rental Housing

A. OVERVIEW

In connection with entering into the Development Agreement Playa Capital Company, LLC, for itself, and its successors and assigns (the "Developer") hereby establishes an overall program to ensure homeownership opportunity at the Village at Playa Vista and to provide for an appropriate mix and distribution of affordable housing units by building upon the affordable housing in the Playa Vista First Phase project which is currently in the process of ongoing development with affordable housing in the Village of Playa Vista.

The Homeownership Opportunity Program and the Affordable Rental Housing Program are based on the following goals:

Create workforce housing, including both rental housing and homeownership, to promote a jobs/housing balance

Increase opportunities for buyers of moderate means by providing price controls on 10% of all for-sale units in the Village at Playa Vista and the First Phase Project

Take into consideration the efforts of existing housing programs including: organizations established or operated by the City (including the Affordable Housing Trust Fund and Mortgage Credit Certificates), Fannie Mae, and non-profit housing organizations

Serve diverse populations by providing senior housing and workforce housing

Create an appropriate distribution of affordable rental housing within the overall area of the Village at Playa Vista and the First Phase Project.

B. HOMEOWNERSHIP OPPORTUNITY PROGRAM

1. Upon the completion of the Village at Playa Vista Project, 10% of all for-sale units in the Village at Playa Vista shall be controlled price units; provided, however, not less than 125 units shall be for-sale price controlled units.

a. In First Phase Project this was accomplished with the "Controlled Price Units". In the Village this shall be accomplished with the continuation of the "CPU program" as currently underway in the First Phase.

b. Sale of "Controlled Price Units" shall be targeted to assisting targeted "Qualifying Buyers" in coordination with financing programs established by Fannie Mae, the City of Los Angeles and others.

2. **Qualifying Buyers.** For purposes of the Home ownership Opportunity Program, a "Qualifying Buyer" shall mean any person or family who qualifies for mortgage financing for purchase of a Controlled Price Unit in the Village at Playa Vista.

3. **Priority in Village at Playa Vista.**

In undertaking the Homeowner Opportunity Program, Developer shall, not less than three (3) months prior to selling Controlled Price Units in the Village at Playa Vista, develop a list of prospective Qualifying Buyers who meet the priority criteria set forth in Section B.3, below.

a. No Controlled Price Unit shall be sold to any buyer whose income exceeds 150% of the minimum income required for a buyer to qualify for purchase of the Controlled Price Unit.

b. In formulating the list of prospective Qualifying Buyers in the Village at Playa Vista, priority shall be given in consideration of the following criteria:

(i) the lowest income Qualifying Buyers at the time a controlled price unit is available for sale who qualify for financing;

(ii) first time home buyers;

(iii) persons whose principal workplace is within five miles of the Village at Playa Vista; and

(iv) community serving employees, such as police officers, fire fighters, teachers, and health care workers.

c. Priority for units with 2 or more bedrooms shall be given to families with children.

4. Targeting and priority shall be subject to any limitations or requirements of law.

5. In marketing for-sale units, Developer shall undertake an outreach effort to make the availability of Controlled Price Units known to teachers, police officers, fire fighters, and health care workers who work within the vicinity of Village at Playa Vista.

6. The Developer shall provide for-sale Controlled Price Units in the Village at Playa Vista in sufficient number so that the total number of all for-sale Controlled Price Units in the Village at Playa Vista shall be not less than 10% of all for-sale units in Village at Playa Vista; provided, however, not less than 125 units shall be for-sale Controlled Price Units. The purchase price for the Village at Playa Vista Controlled Price Units shall not exceed \$274,000 (in 2003 dollars) as adjusted on a monthly basis by an amount equal to the Initial Sale CPI Adjustment. The "Initial Sale CPI Adjustment" means \$274,000 multiplied by 1.5 times the percentage increase, if any, in the CPI in effect at the end of the first calendar month ending thirty days or more before the date on which the Controlled Price Unit is initially sold over the CPI in effect on December 31, 2003. The maximum price of \$274,000 is based on 2003 dollars as increased from the initial maximum price for Controlled Price Units of \$195,000 established for the First Phase Project in 1993. CPI means the Consumer Price Index published by the Bureau of Labor Statistics for "All Urban Consumers, Area: US City Average, Items: All Items, Base Period: 1982-1984 = 100, Series ID: CURR0000SA0."

7. The Controlled Price Units shall be compatible with the design or use of market rate units in the project in terms of exterior appearance, materials, and finished quality.

8. A Controlled Price Unit may not be sold for a price in excess of the resale price set forth herein (the "Resale Price"). The Resale Price shall be the lesser of (i) the agreed upon purchase price or (ii) the Adjusted Price. The "Adjusted Price" shall be the Base Price paid by the selling Owner plus an amount equal to the Resale CPI Adjustment, plus the cost of any capital improvements paid by the seller with a useful life of greater than five years with interest thereon at 10% per annum plus any prepayment charges and other charges related to resale incurred on the original note and deed of trust of the selling Owner, plus the seller's normal and customary closing costs incurred in a transaction of this nature in Los Angeles County, including the cost of any required repairs or governmental insurer or lender compliance work, pursuant to an agency inspection or lender appraisal of a Controlled Price Unit, and such additional costs as may actually be required in the sale. The "Resale CPI Adjustment" means the Purchase Price multiplied by 1.5 times the percentage increase, if any, in the CPI in effect at the end of the first calendar month ending thirty days or more before the date on which the Controlled Price Unit is resold over the CPI in effect for the first calendar month ending prior to the date on which the selling Owner acquired such Unit. CPI means the Consumer Price Index published by the Bureau of Labor Statistics for "All Urban Consumers, Area: US City Average, Items: All Items, Base Period: 1982-1984 = 100, Series ID: CURR0000SA0."

9. The Resale Price restriction shall remain in effect for 15 years following the date of the initial sale of a Controlled Price Unit.

10. At least 45 days prior to any sale of a unit that remains subject to the Resale Price restriction, the owner/seller shall provide written notice of the sale to the Housing Department, to the Playa Vista Housing Authority and the Developer. No Controlled Price Unit may be resold without Owner's/Seller's Notice having first been duly given.

11. The Developer shall have a right of first refusal to purchase at the Resale Price any unit that remains subject to the Resale Price restriction. Notice of Developer's intent to exercise its right of first refusal shall be given to the seller within 30 days of receipt of owner's/seller's notice of sale.

12. Subject to the limitations and requirements of law, Developer shall use reasonable efforts to obtain lower community facilities district special taxes for price-controlled units in the Village at Playa Vista when Developer proposes revisions to the Mello-Ross Rate and Method Apportionment for the Village at Playa Vista.

C. AFFORDABLE RENTAL HOUSING PROGRAM

Developer shall provide 83 low-income rental units in the Village at Playa Vista which are restricted to tenants with incomes that do not exceed 80% of the Los Angeles County median household income as determined by the US Department of Housing and Urban Development and adjusted for household size.

In connection with providing such 83 low-income rental units, Developer may choose to eliminate up to 83 existing low income rental units from Fountain Park Apartments located at 13151 Fountain Park Drive, 13163 Fountain Park Drive, 13175 Fountain Park Drive, 5389 Playa Vista Drive, and 5399 Playa Vista Drive, Playa Vista, CA 90094, within the First Phase Project. If Developer chooses to eliminate up to 83 low-income units from Fountain Park Apartments, Developer shall secure all necessary consents, amendments, modifications or waivers required by any bond financing agreements and shall secure any modifications, revisions or waivers of any applicable conditions of approval or mitigation measures of the First Phase Project. Upon request by the Developer, the City shall cooperate with the Developer in the foregoing.

D. DEVELOPMENT OF AFFORDABLE HOUSING

Developer shall ensure that the development of affordable housing units occurs in a time frame that is reasonably contemporaneous with the overall development of housing units permitted as part of the Project. Developer agrees that the City may enforce such development of affordable

housing units by phasing the issuance of certificates of occupancy for market rate units as follows: the City shall not issue a final certificate of occupancy for more than 1250 for-sale market rate units within the Project until at least 125 for-sale price controlled units are constructed. Further, the City shall not issue a final certificate of occupancy for more than 1300 residential units within the Project until 42 low-income rental units within the Project are constructed and shall not issue a final certificate of occupancy for more than 2100 residential units until 41 additional low-income rental units within the Project are constructed (for a total of 83 low-income rental units). To the extent more than 125 for sale price-controlled units are to be constructed pursuant to Section B above, construction of such additional units shall occur in a time frame reasonably contemporaneous with the development of the remaining housing units and shall be completed prior to the issuance of the final certificate of occupancy for the final residential unit within the Project.

EXHIBIT 2

PARKS AND RECREATION PROGRAM

Developer is providing the following park space and improvements: 1) 2 acres of land per thousand projected residents for park and recreational facilities in the Village at Playa Vista Project; 2) constructing and maintaining improvements in these parks within the Village at Playa Vista; and 3) providing 1 acre of land per thousand residents of "off-site" park space in nearby areas, including but not necessarily limited to the First Phase Project. As additional consideration and as a public benefit, Developer shall fund, construct and maintain, or cause to be funded, constructed and maintained, improvements for such off-site parks.

The soft costs and hard costs of off-site park improvements shall not be less than an average cost of \$20 per square foot in 2004 dollars annually adjusted by CPI (as defined in Exhibit 1) for the 5.76 acres of off-site parks. Thus, the total value of off-site park improvements shall be \$5,018,112.

Prior to the completion of the third subphase, Developer shall cause to be constructed community serving uses which consist of the following:

- Junior Olympic pool
- Children's pool
- Spa
- Fitness Center
- Meeting Room Facilities

These facilities will not be located within the parks. Upon completion, the facilities shall be conveyed to the homeowners association.

In addition, prior to issuance of the first building permit, Developer shall contribute \$50,000 to a bicycle/pedestrian enhancement trust fund to be administered by the Los Angeles Department of Transportation. These funds shall be used to study the feasibility of bicycle and pedestrian improvements on Lincoln Boulevard over the Ballona Channel, including bicycle lanes, improved pedestrian access and bicycle and pedestrian safety.

EXHIBIT 3

JOB TRAINING AND LOCAL HIRING PROGRAM

Community Employee Recruitment and Outreach Program

Developer shall employ, or cause project contractors to employ, at-risk youth and adults in up to 10 percent of jobs in connection with construction of buildings at the Village at Playa Vista.

Job Referral

Developer and project contractors shall utilize local job-placement programs and other community-based organizations to bring qualified "at-risk" individuals into the workplace.

Job Training

Developer and project contractors shall utilize local job-skills training programs and other community-based organizations to bring qualified "at-risk" individuals into the workplace, and to train such individuals

"At-risk" individuals have one or more of the following conditions at the time of their application for a job:

- Did not complete high school
- Have a history of substance abuse
- Household income below 50% of the median
- Homeless
- Welfare recipient
- History of involvement with the justice system
- Unemployed
- Single Parent

EXHIBIT 4

PLAYA VISTA EDUCATIONAL TRUST PROGRAM

During the First Phase Project, Developer has funded the Playa Vista Educational Trust ("PVET") which provided the programs set forth below as of March 2004. In connection with the development of the Village at Playa Vista, Developer shall continue to provide educational assistance through the PVET. For the obligations hereunder as part of the Village at Playa Vista project, the PVET shall be known as Village PVET. Developer shall sponsor the Village PVET until 2010 at a level comparable to Developer's sponsorship of PVET in 2003. The total monetary value of Developer's annual contribution to all Village PVET programs shall not be less than \$150,000 per year in 2004 dollars annually adjusted by CPI as defined in Exhibit 1.

The programs described below are examples of how Village PVET funds could be utilized. The Village PVET may modify its program offerings to reflect the changing needs of its sponsored schools and changing availability of partnership programs.

If Village PVET ceases to exist, Developer will provide and fund the Village PVET programs through December 31, 2010.

School/Youth Programs

Each year the Village PVET shall select up to fifteen schools in the reasonable proximity to the Village at Playa Vista to sponsor and shall offer those schools a selection of programs.

Under the Village PVET, each sponsored school shall be able to choose from a menu of options that changes each year.

Option 1: Village PVET shall offer a tailored program for each school based on their needs. The following are examples of the types of programs which have been offered in connection with PVET and which are illustrative of the types of program which may be offered as part of the Village PVET:

1. "Playa Vista Presents" Artist-in-Residence Program

This program is the result of a partnership between Playa Vista and the Music Center Education Division to help our partner schools sustain and expand quality arts education programs. "Playa Vista Presents" provides a range of opportunities including:

- A 12-week artist-in-residence program for a designated grade level through which expert teaching artists will work in the classrooms with students and teachers to provide hands-on learning activities in the arts.

- o Special opportunities for students to perform on stage at Concert Park in the Playa Vista community including funds for school bus transportation.
- o Five schools will be selected for the "Playa Vista Presents" Program.

2. "Playa Vista Presents" School Assembly Program

This program, also the result of the partnership between Playa Vista and the Music Center Education Division School, offers the partner schools the opportunity to have assembly performances by acclaimed Music Center artists in music, dance, or theater.

3. School Site Improvement Program

Playa Vista Education Trust will make a substantial physical improvement (i.e., painting and planting) to a school site. PVET will provide the materials and staff to do the work. One school will be selected for this program.

4. Freshwater Marsh Curriculum and Field Trips

Each of the 15 schools will have access to a docent-led field trip to the Freshwater Marsh at Playa Vista. Transportation for two classrooms will be provided by Playa Vista. The company will also provide a wetlands-based curriculum, developed by Friends of Ballona Wetlands, to participating schools.

5. Anne and Kirk Douglas Playground Grant

The Anne and Kirk Douglas Playground Award provides matching grant funding to schools that present a plan to improve and enhance their outdoor and recreational spaces. Over 105 projects have been funded to date, providing over \$2 million to LAUSD schools. All LAUSD school sites may apply for matching grants of up to \$25,000 per school for playground renovation, greening projects, outside classrooms, as well as other creative projects. Playa Vista will assist and provide support to schools that wish to become part of LAUSD's Anne and Kirk Douglas Playground grant program. One school will be selected for this program.

6. Library Programs

Playa Vista will sponsor a library card registration drive for every student and family member in each of the 15 schools. As an extension of the "Playa Vista Presents" program (referenced above), Playa Vista will sponsor after school storytelling at the new Playa Vista public library.

Option 2: An annual grant of \$3,000 to be used for a campus-wide project. In addition to choosing from either Option 1 or Option 2, Developer shall provide to each sponsored school a scholarship fund in a savings bond with a maturity amount of \$2000. The

sponsored school may determine how to disburse funds (e.g. all to one student or to be shared among a number of students).

EXHIBIT 5
ADDITIONAL TRANSPORTATION IMPROVEMENTS IN DEL REY COMMUNITY

Developer shall fund the installation of new traffic signal poles and mast arms to accommodate left-turn signal phasing in each direction at the intersections of Centinela Avenue/Culver Boulevard and Inglewood Avenue/Culver Boulevard. These improvements should be implemented concurrent with the implementation of the proposed project's roadway improvements to these intersections. If found to be warranted by LADOT prior to the installation of roadway improvements to the above-referenced intersections, Developer shall also fund new traffic signal heads with left turn signals and related signal phasing equipment at these intersections.

Concurrent with the implementation of the proposed project's roadway improvements at the intersection of Centinela Avenue/Washington Place, Developer shall apply for approval from the City of Culver City to install a new traffic signal pole and mast arm to accommodate left-turn signal phasing in each direction. Further if such approval is obtained and if found to be warranted by the Culver City Department of Transportation prior to the installation of the traffic signal pole and mast arm, Developer shall also fund new traffic signal heads with left turn signals and related signal phasing equipment at this intersection. Developer shall use its commercially reasonable efforts to obtain such approval. However, the approval is within the jurisdiction and decision-making authority of the city of Culver City and failure to secure such approval shall not be a breach of this Agreement.

EXHIBIT G
MAR VISTA NEIGHBORHOOD TRAFFIC MANAGEMENT PLAN.

Within one year of the effective date of this Agreement, Developer shall deposit \$150,000 into an account to be managed by the City Department of Transportation for implementation of Neighborhood Traffic Management Measures in the Mar Vista area. Implementation of the Neighborhood Traffic Management Measures shall follow the procedures established in LADOT's August 11, 2003 Initial Traffic Assessment, as amended on March 25, 2004 and July 7, 2004, for the Proposed Village at Playa Vista Project.

EXHIBIT 7
LEGAL DESCRIPTION OF THE VILLAGE AT PLAYA VISTA PROPERTY

P S O M A S

LEGAL DESCRIPTION

TRACT NO. 060110

That portion of the Rancho La Ballona, in the City of Los Angeles, County of Los Angeles, State of California as shown on map recorded in Book 3, Pages 204 et seq., of Miscellaneous Records, Records of said County, and a portion of the Rancho Sausal Redondo, in said City, per Book 1, Pages 507 and 508 of Patents, Records of said County, described as follows:

Beginning at most northeasterly corner of Tract No. 49104-02, in said City, as per map filed in Book 1270, pages 24 through 29, inclusive, of Maps, Records of said County and being on the southeasterly line of Jefferson Boulevard, 100 feet wide; thence along said southeasterly line of Jefferson Boulevard, North $62^{\circ}48'54''$ East 1467.90 feet; thence continuing along said southeasterly line, North $62^{\circ}21'36''$ East 929.98 feet; thence North $27^{\circ}38'24''$ West 5.00 feet to a line parallel with and 45.00 feet southeasterly of the centerline of said Jefferson Boulevard; thence along said southeasterly line of Jefferson Boulevard, North $62^{\circ}21'36''$ East 851.11 feet to the most northwesterly corner of Jefferson Boulevard as dedicated on Tract No. 49104-04, in said City, as per map filed in Book 1236, pages 41 through 55, inclusive, of said Maps; thence continuing along said Jefferson Boulevard and the southwesterly line of Campus Center Drive, 132.00 feet wide, the following eight courses:

- 1) South $27^{\circ}38'24''$ East 5.00 feet;

P S O M A S

- 1 2) North $63^{\circ}27'04''$ East 540.55 feet to the beginning of a curve, concave southerly
- 2 and having a radius of 160.00 feet;
- 3 3) easterly 44.00 feet along said curve, through a central angle of $15^{\circ}45'23''$ to the
- 4 beginning of a reverse curve, having a radius of 160.00 feet;
- 5 4) easterly 47.05 feet along said curve, through a central angle of $16^{\circ}50'51''$;
- 6 5) North $62^{\circ}21'36''$ East 255.53 feet to the beginning of a curve concave southerly
- 7 and having a radius of 25.00 feet;
- 8 6) easterly 33.46 feet along said curve, through a central angle of $76^{\circ}40'43''$ to the
- 9 beginning of a non-tangent curve, concave southwesterly, having a radius of
- 10 1414.00 feet and to which beginning a radial line bears North $49^{\circ}02'19''$ East;
- 11 7) southeasterly 326.46 feet along said curve through a central angle of $13^{\circ}19'41''$;
- 12 8) South $27^{\circ}44'00''$ East 211.23 feet to the beginning of a curve, concave
- 13 northwesterly, having a radius of 20.00 feet and being tangent at its southwesterly
- 14 terminus to a line parallel with and 94.00 feet northwesterly of the northwesterly
- 15 line of Lot 1 of Tract No. 52092, in said City, as per map filed in Book 1236,
- 16 pages 56 through 63, inclusive, of said Maps;
- 17 thence southerly 31.45 feet along said curve, through a central angle of $90^{\circ}05'36''$ to said
- 18 parallel line; thence along parallel line South $62^{\circ}21'36''$ West 1626.80 feet to a line
- 19 parallel with and 80.00 feet southwesterly of the southwesterly line of Lot 2 of said Tract
- 20 No. 52092; thence along said parallel line, South $27^{\circ}38'24''$ East 670.54 feet to the
- 21 beginning of a curve concave northwesterly and having a radius of 20.00 feet; thence
- 22 southerly 35.09 feet, through a central angle of $100^{\circ}31'09''$; thence South $72^{\circ}52'45''$ West
- 23 16.60 feet to the southwesterly line of Bluff Creek Drive as shown on said Tract No.

P S O M A S

1 52092; thence along said southwesterly line, South $17^{\circ}12'35''$ East 90.00 feet; thence
2 South $17^{\circ}12'35''$ East 217.03 feet to the southeasterly right of way of the 30.00 feet wide
3 sewer easement to the City of Los Angeles, as recorded in Book 3032, Page 170, Official
4 Records of said County; thence along said southeasterly right of way of the 30.00 feet
5 wide sewer easement to the City of Los Angeles, the following five courses:
6 1) South $49^{\circ}43'10''$ West 208.77 feet to the beginning of a curve concave
7 northwesterly and having a radius of 515.00 feet;
8 2) southwesterly 156.69 feet along said curve, through a central angle of $17^{\circ}25'55''$;
9 3) South $67^{\circ}09'05''$ West 231.84 feet to the beginning of a curve concave
10 southeasterly and having a radius of 185.00 feet;
11 4) southerly 70.08 feet along said curve, through a central angle of $21^{\circ}42'11''$;
12 5) South $45^{\circ}26'54''$ West 48.68 feet to the westerly line of Section 25, township 2
13 South, Range 15 West, SBM;
14 thence along said westerly line of Section 25, North $00^{\circ}05'41''$ West 42.03 feet to the
15 northwesterly right of way of the 30.00 feet wide sewer easement to the City of Los
16 Angeles, as recorded in Book 3080, Page 289, of said Official Records; thence along said
17 northwesterly right of way of the 30.00 feet wide sewer easement to the City of Los
18 Angeles, the following eleven courses:
19 1) South $45^{\circ}26'54''$ West 195.67 feet to the beginning of a curve, concave
20 northwesterly and having a radius of 185.00 feet;
21 2) southwesterly 176.85 feet along said curve, through a central angle of $54^{\circ}46'23''$;
22 3) North $79^{\circ}46'43''$ West 124.32 feet to the beginning of a curve, concave southerly
23 and having a radius of 215.00 feet;

P S O N A S

- 1 4) westerly 72.03 feet along said curve, through a central angle of $19^{\circ}11'42''$;
- 2 5) South $81^{\circ}01'35''$ West 217.64 feet to the beginning of a curve, concave
- 3 southeasterly, and having a radius of 215.00 feet;
- 4 6) southwesterly 103.76 feet along said curve, through a central angle of $27^{\circ}59'04''$;
- 5 7) South $53^{\circ}22'31''$ West 46.68 feet to the beginning of a curve concave
- 6 northwesterly and having a radius of 285.00 feet;
- 7 8) southwesterly 67.96 feet along said curve, through a central angle of $13^{\circ}39'45''$;
- 8 9) South $67^{\circ}02'16''$ West 173.26 feet to the beginning of a curve, concave
- 9 northwesterly and having a radius of 185.00 feet;
- 10 10) westerly 79.41 feet along said curve, through a central angle of $24^{\circ}35'40''$;
- 11 11) North $88^{\circ}22'04''$ West 5.37 feet to the beginning of a curve concave southerly and
- 12 having a radius of 215.00 feet; thence westerly 35.11 feet along said curve,
- 13 through a central angle of $09^{\circ}21'20''$ to the southerly line of said Rancho La
- 14 Ballona;
- 15 thence along said southerly line of the Rancho La Ballona, South $64^{\circ}58'39''$ West 158.00
- 16 feet to said northwesterly right of way of the 30.00 feet wide sewer easement to the City
- 17 of Los Angeles; thence along said northwesterly right of way of the 30.00 feet wide
- 18 sewer easement to the City of Los Angeles, South $58^{\circ}09'48''$ West 60.91 feet to the
- 19 beginning of a curve concave northwesterly and having a radius of 285.00 feet; thence
- 20 continuing along said northwesterly right of way of the 30.00 feet wide sewer easement
- 21 to the City of Los Angeles, southwesterly 76.39 feet along said curve, through a central
- 22 angle of $15^{\circ}21'26''$; thence continuing along said northwesterly right of way of the 30.00
- 23 feet wide sewer easement to the City of Los Angeles, South $73^{\circ}31'14''$ West 41.03 feet to

P S O M A S

1 said to the southerly line of the Rancho La Ballona; thence along said southerly line of
2 the Rancho La Ballona, South 64°58'59" West 76.33 feet; thence continuing along said
3 southerly line of the Rancho La Ballona, South 54°23'54" West 36.85 feet to the
4 northeasterly corner of Parcel C of Parcel Map No. 5409, per map filed in Book 171,
5 Pages 71 through 76, inclusive, of Parcel Maps, Records of said County; thence along the
6 easterly line of said Parcel C, South 00°07'20" East 23.73 feet to the southeasterly right
7 of way of said 30.00 feet wide sewer easement to the City of Los Angeles, as recorded in
8 Book 3080, Page 289, and the beginning of a non-tangent curve, concave southeasterly,
9 having a radius of 185.00 feet, and to which beginning a radial line bears North
10 40°36'44" West ; thence along said southeasterly right of way of said 30.00 feet wide
11 sewer easement to the City of Los Angeles, southwesterly 59.77 feet along said curve,
12 through a central angle of 18°30'40" to the most easterly corner of Lot 26 of Tract No.
13 49104-06, in said City, as per map filed in Book 1273, pages 86 through 94, inclusive, of
14 said Maps; thence along the northeasterly line of said Lot 26, North 30°56'34" West
15 185.30 feet; thence along the northeasterly terminus of Bluff Creek Drive as shown on
16 said Tract No. 49104-06, North 32°45'43" West 90.00 feet to the non-tangent curved
17 northwesterly right of way of said Bluff Creek Drive, 90.00 feet wide, said curve being
18 concave southeasterly, having a radius of 9246.00 feet and to which beginning a radial
19 line bears North 32°45'43" West; thence southwesterly 73.94 feet along said curve,
20 through a central angle of 00°27'30" to the northeasterly line of Lot 24 of said Tract No.
21 49104-06; thence along said northeasterly line of Lot 24, North 27°38'24" West 147.41
22 feet to the southeasterly line of Discovery Creek, 60 feet wide, as shown on said Tract
23 No. 49104-02; thence northeasterly along said southeasterly line, North 62°21'36" East

PSOMAS

1 60.00 feet to the northeasterly line of Dawn Creek, 60 feet wide, as shown on said Tract
 2 No. 49104-02; thence northwesterly along said northeasterly line, North 27°38'24" West
 3 557.00 feet to the beginning of a curve concave southeasterly and having a radius of
 4 15.00 feet and being tangent at its northeasterly terminus to the southeasterly line of
 5 Runway Road as shown on said Tract No. 49104-04; thence northeasterly 23.56 feet
 6 along said curve, through a central angle of 90°00'00" to said southeasterly line of
 7 Runway Road; thence North 27°38'24" West 80.00 feet to the northwesterly line of said
 8 Runway Road and the beginning of a non-tangent curve concave northerly, having a
 9 radius of 15.00 feet, tangent at its northwesterly terminus to said northeasterly line of
 10 Dawn Creek and to which beginning a radial line bears South 27°38'24" East; thence
 11 northwesterly 23.56 feet along said curve, through a central angle of 90°00'00" to said
 12 northeasterly line of Dawn Creek; thence along said northeasterly line of Dawn Creek,
 13 North 27°38'24" West 360.65 feet to the point of beginning.

14
 15 This Legal Description is shown on the accompanying "LEGAL DESCRIPTION MAP,
 16 TRACT NO. 060110" Exhibit and is made a part hereof for reference purposes and is not
 17 intended for the use in the division and/or conveyance of land in violation of the
 18 Subdivision Map Act of the State of California.

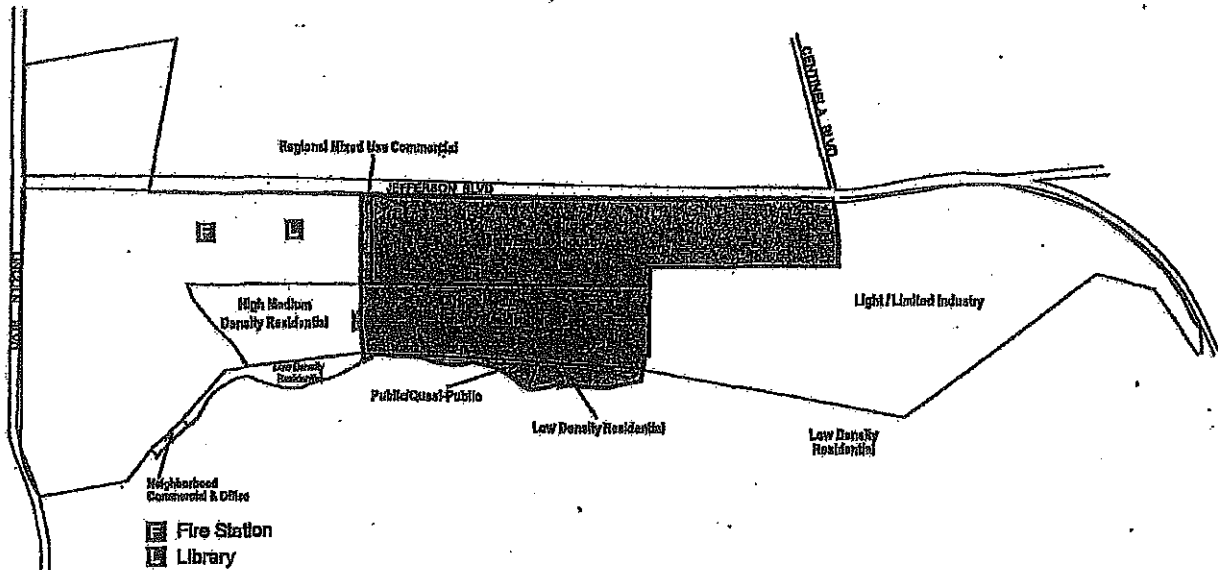


John Chiappe Jr., PLS 7230

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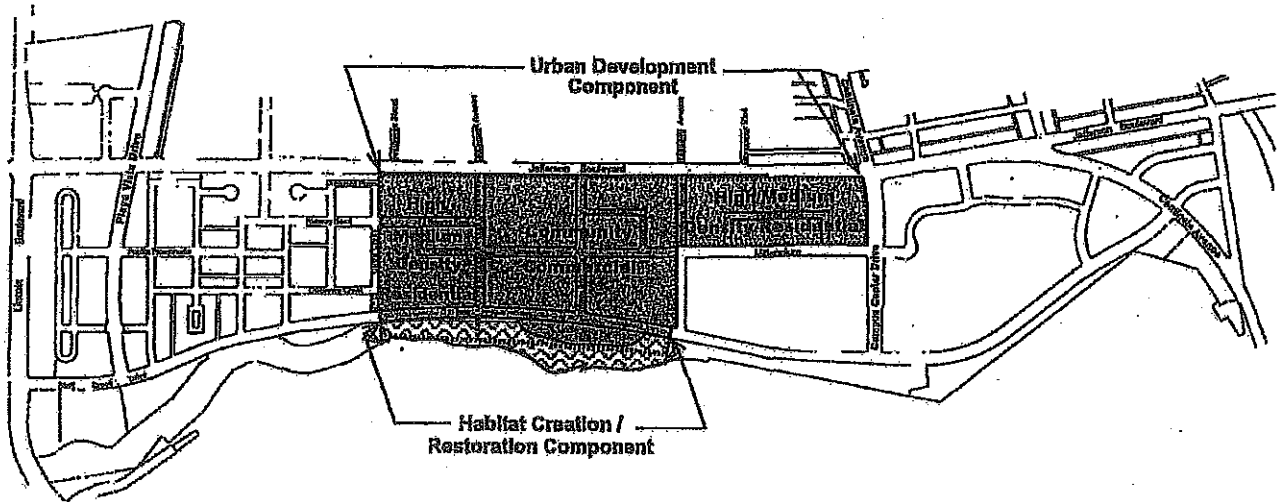
Date: 12/02/07

Existing General/Community Designations Plan

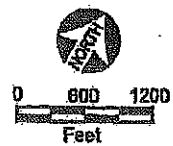


NOTE:
 1. For community facilities, symbol denotes general location of proposed facility and does not designate any specific private property for acquisition.

Proposed General/Community Plan



NOTE:
 Locations of roadways and land use boundaries are approximate.
 Precise placement will be determined as part of subdivision process.



Source: Playa Capital Company, March 2004.



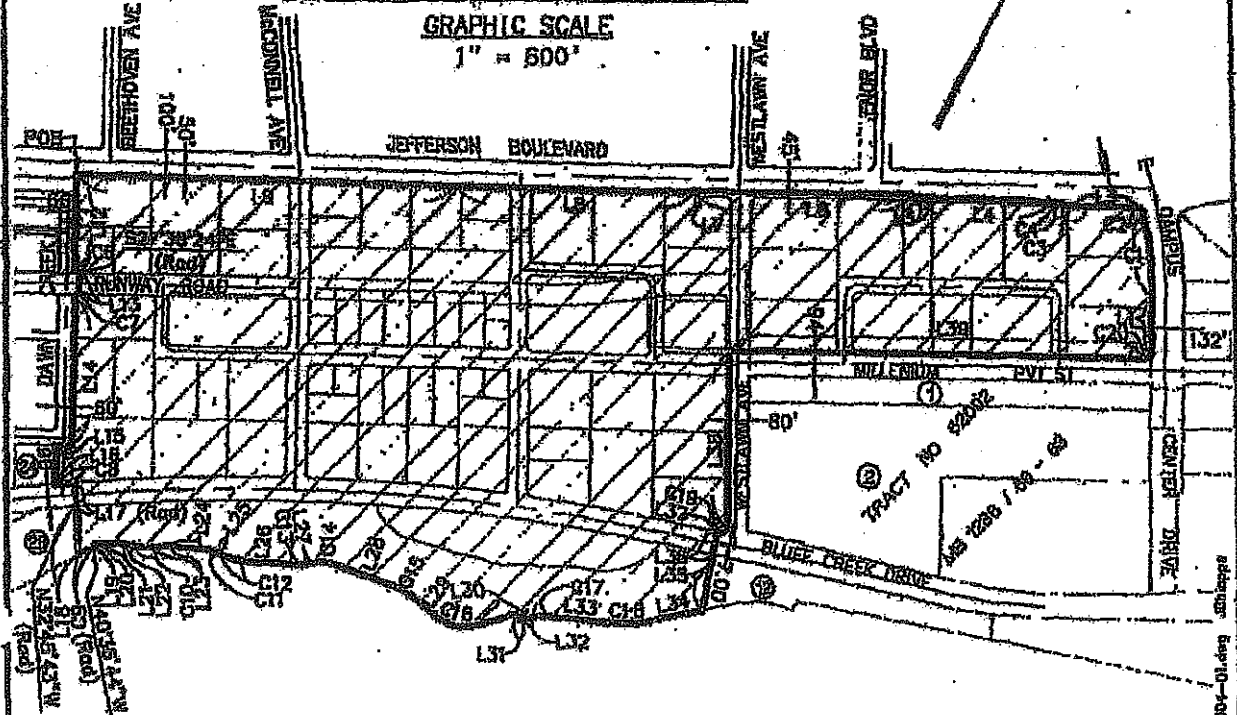
Figure I.B-1
 Comparison of the Existing Community Plan
 and the Proposed Designations

SCALE: 1" = 600'

SHEET 1 OF 1 SHEET

LEGAL DESCRIPTION MAP TRACT NO 060110

IN THE CITY OF LOS ANGELES
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	131°5'41"	1414.00	326.46
C2	76°40'43"	25.00	33.46
C3	10°30'31"	160.00	47.09
C4	15°45'23"	160.00	44.00
C6	90°00'00"	15.00	23.56
C7	90°00'00"	15.00	23.56
C8	0°27'30"	9246.00	73.94
C9	18°30'40"	186.00	59.77
C10	15°21'26"	286.00	76.39
C11	0°21'20"	215.00	35.11
C12	24°35'40"	185.00	79.41
C13	13°39'45"	286.00	67.86
C14	27°39'04"	215.00	103.76
C15	19°11'41"	215.00	72.03
C16	84°46'23"	185.00	176.85
C17	21°42'31"	185.00	70.08
C18	17°25'55"	515.00	156.69
C19	100°31'09"	20.00	35.09
C20	90°05'36"	20.00	31.45

LINE TABLE		
LINE	LENGTH	BEARING
L1	211.23	N27°44'00"W
L3	253.93	N62°21'36"E
L4	540.55	N63°27'04"E
L5	5.00	N27°38'24"W
L6	851.11	N62°21'36"E
L7	5.00	N27°38'24"W
L8	929.98	N62°21'36"E
L9	1467.80	N62°48'34"E
L12	350.65	N27°38'24"W
L13	80.00	N27°38'24"W
L14	557.00	N27°38'24"W
L15	60.00	N62°21'36"E
L16	147.41	N27°38'24"W
L17	90.00	N32°45'43"W
L18	185.30	N30°06'34"W
L19	23.73	N00°07'20"W
L20	38.85	N64°27'34"E
L21	76.33	N64°59'59"E
L22	41.03	N73°31'14"E
L23	80.91	N58°09'48"E
L24	158.00	N64°58'58"E
L25	9.37	N89°22'04"W

LINE TABLE		
LINE	LENGTH	BEARING
L26	173.26	N67°02'16"E
L27	46.88	N35°22'31"E
L28	217.64	N81°01'35"E
L29	124.32	N78°45'43"W
L30	195.67	N45°28'34"E
L31	42.03	N07°05'41"W
L32	46.68	N45°26'34"E
L33	231.04	N67°08'05"E
L34	208.77	N49°43'10"E
L35	217.03	N17°12'35"W
L36	80.00	N17°12'35"W
L37	16.60	N72°52'45"E
L38	870.64	N17°38'24"W
L39	1628.80	N62°21'36"E

Indicates Area of Legal Description

DATE: 11/10/04 REVISED ON: 12/02/04
JOB No: IPC020749

PSOMAS

Professional Engineer
No. 70
Professional Surveyor
No. 10000

Playa Capital Company, LLC
Playa Vista Development

PV2-0004-01

12/02/04 12:21:15 W:\Vista\Survey\Legal\EXHIBIT.PV2-0004-01.dwg J:\chp

RESOLUTION

WHEREAS, the Westchester-Playa del Rey District Plan currently designates the area for the second phase of the Playa Vista mixed use development, The Village at Playa Vista project, for Light/Limited Industrial, High/Medium Density Residential and Regional Mixed Use Commercial; and

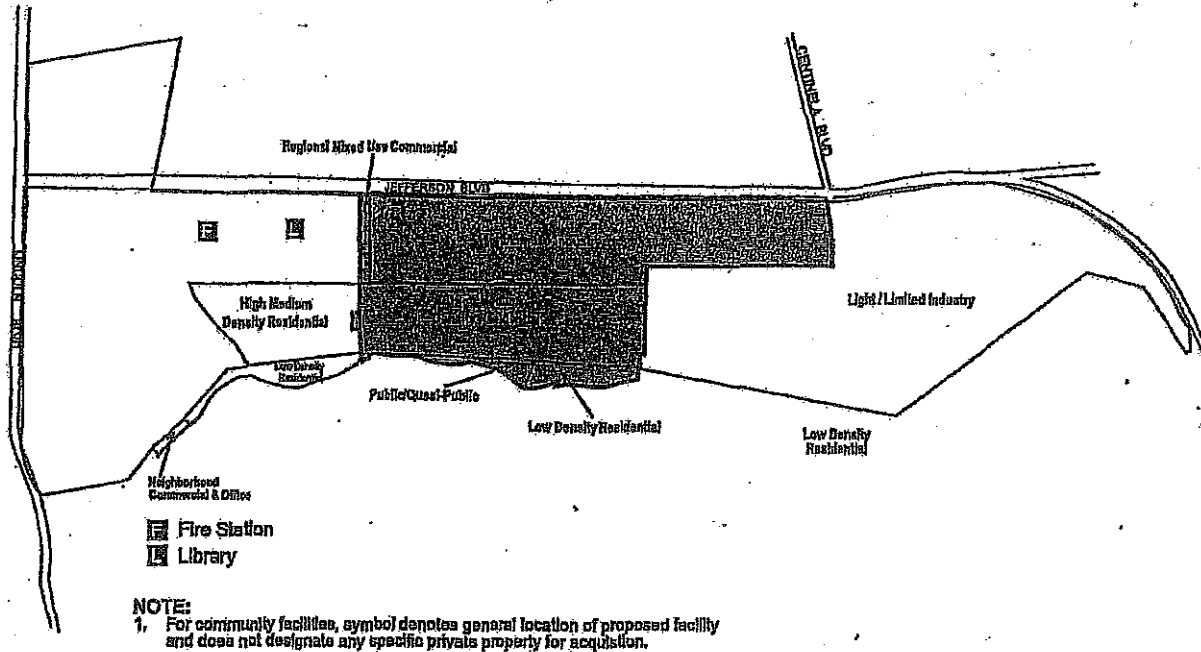
WHEREAS, the Village at Playa Vista Project places the Village commercial district in the center of the project area and multifamily residential on each side of the Village commercial district; and

WHEREAS, the existing Light/Limited Industrial, High/Medium Density Residential and Regional Mixed Use Commercial Plan designations will not permit the development of the Village at Playa Vista Project; and

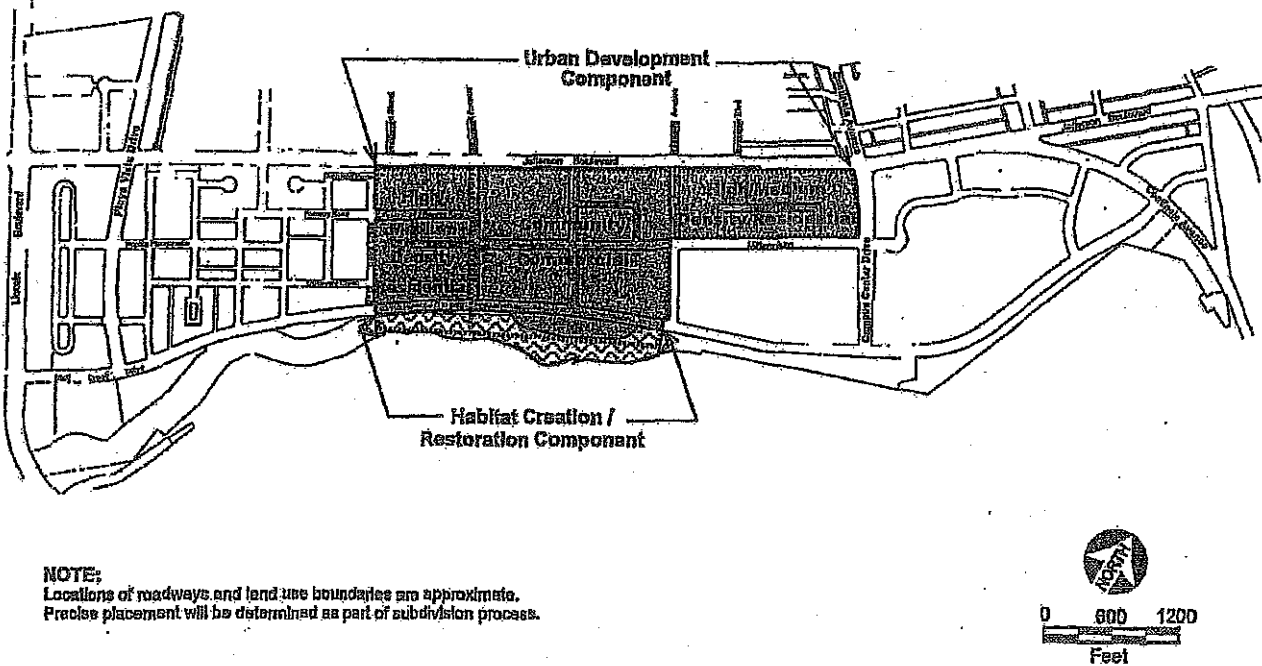
WHEREAS, the existing Light/Limited Industrial, High/Medium Density Residential and Regional Mixed Use Commercial Plan designations reflect the land use patterns for the Playa Vista mixed use development originally approved in 1985;

NOW THEREFORE, BE IT RESOLVED that the Westchester-Playa del Rey District Plan be amended to permit the Village at Playa Vista Project, such that the Village at Playa Vista project area be designated High/Medium Density Residential and Community Commercial, with the Village commercial district in the center and multifamily residential on each side of the Village commercial district, as indicated on the attached Westchester-Playa del Rey District Plan amendment map.

Existing General/Community Designations Plan



Proposed General/Community Plan



Source: Playa Capital Company, March 2004.



Figure I.B-1
Comparison of the Existing Community Plan
and the Proposed Designations