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Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

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"To Enrich Lives Through Effective And Caring Service"

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September 24, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

GRAND AVENUE PROJECT-PHASE I
CONSIDER PROPOSED PARCEL Q PLANS/PROJECT DESCRIPTION REVISIONS AND OTHER RELATED ACTIONS
(ALL DISTRICTS)
(3 VOTES)

SUBJECT

Consideration of the recommended actions will implement a May 2013 Letter of Understanding between the Grand Avenue Authority and Grand Avenue L.A., LLC (formerly The Related Companies) that gives the Board of Supervisors an opportunity to approve or disapprove in its sole discretion proposed changes to the Grand Avenue Project Plans for County-owned Parcel Q in the Bunker Hill Redevelopment Project Area prior to the consideration of any lease or other transactional documents permitting development.

IT IS RECOMMENDED THAT THE BOARD:

1. Acting as a responsible agency, find that the recommended actions are exempt from the California Environmental Quality Act for the reasons stated in this letter and the record of the Project.

2. Consider the proposed Parcel Q Plans and either approve, disapprove, or continue them for later review. The Plans, if approved, will serve as Project re-formulation documents for later environmental review and proposed Project transactional documents necessary to permit development.

3. Authorize the Chief Executive Officer to take other actions consistent with implementation of these actions.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions seek the Board's consideration and approval, or disapproval of proposed revisions to the Grand Avenue Project–Phase I (Project) Plans for a proposed mixed-use development on Parcel Q, comprised of overall plans for Parcel Q and architectural plans for a proposed Phase IA, the first of two phases proposed by the Grand Avenue L.A., LLC (formerly The Related Companies) (Developer) for Parcel Q, which was first approved by the Board in February 2007. The proposed revisions continue a mixed-use development on Parcel Q, located on Grand Avenue, in the Bunker Hill Redevelopment Project Area, but now propose to reserve the right to complete Parcel Q in two phases: Phase IA, in the southern portion of Parcel Q bordered by Second Street; and Phase IB, in the northern portion of Parcel Q, bordered by First Street. A site plan and conceptual depictions of the proposed development of Parcel Q is depicted in Attachment A.

Under the terms of the May 2013 Letter of Understanding Re: Term Sheet (Agreement), the Board and the Grand Avenue Authority (Authority), each have the right to approve or disapprove the proposed Plans, and the Authority has the separate right to approve or disapprove a Disposition and Development Agreement (DDA) Amendment, even if the Plans are determined to be acceptable in their sole discretion. The Authority is scheduled to consider the revised Plans at its regular meeting scheduled for September 23, 2013.

If the Board approves, or continues consideration of, the proposed redesigned Plans, the Board also will have a subsequent opportunity to review updated environmental documentation, and to approve or disapprove an amended DDA between the Authority and Developer to permit development on Parcel Q, potentially in two phases as proposed. Any County of Los Angeles(County) approval of the redesigned Plans is independent of its later consideration of the Project and contingent upon no obligations being assumed by the County for Parcel Q development without its express approval of environmental documentation and an Amended DDA/Ground Lease package specifying the requirements for the development based on those Plans, which will be presented to the Board for its consideration at a future date. The Board reserves the right to disapprove the revised Project DDA/Ground Lease package. Further, the Board's approval of the Parcel Q Plans as a basis for a revised Project description is a condition precedent to entering into the transaction for development of Parcel Q.

If the Board disapproves the proposed Plans, in its sole and absolute discretion as owner of Parcel Q under the terms of the Agreement, the Project is terminated. Also, if the Authority disapproves a DDA Amendment in its sole discretion, the Project is terminated. If any of the four Governing Entities (Authority, County, CRA/LA, a Designated Local Authority (successor to the Community Redevelopment Agency of the City of Los Angeles) (CRA/LA) and City of Los Angeles) disapproves a DDA Amendment, or if all four Governing Entities have not approved the Fourth Amendment to the DDA before February 1, 2014, then the Project is terminated. Such Project termination would exclude the ongoing construction on Parcels L and M, and development otherwise proposed for CRA/LA-owned parcels in Phases IIA, IIB, and IIC.

Background

The Authority was created in September 2003, through a Joint Powers Agreement, between the County and the former Community Redevelopment Agency for the City of Los Angeles (CRA), now the CRA/LA) and is a separate legal entity, which selected the Developer as the developer for the Grand Avenue Project in September 2004 after a public process.

In August 2005, the Board approved the Developer's Grand Avenue Implementation Plan as the framework for development of parcels in the Grand Avenue Project, including County-owned Parcels Q and W2. This document provided the original project formulation, which formed the basis of the Environmental Impact Report (EIR) and project documents.

In February 2007, August 2010, May 2011, and December 2012, the Board approved various actions relative to the phased development of the Grand Avenue Project. Among those actions was the approval, in form and substance, of the First, Second, and Third Amendments to the DDA (Amended DDA) between the Authority and the Developer, which: 1) outlined the terms and conditions for development and lease of the Bunker Hill Properties owned by the County and CRA/LA; 2) approved the change in Scope of Development to permit construction of the Broad Museum as Grand Avenue Project-Phase IIA; 3) divided Phase II of the Grand Avenue Project into Phases IIB and IIC; and 4) approved the modification in Scope of Development to permit construction of a residential tower as part of the Grand Avenue Project–Phase IIB (Parcel M).

Section 501(1) of the Amended DDA, provides that the Schedule of Performance for Phase I is subject to revision from time to time as mutually agreed upon in writing by the Authority and Developer. At the Developer's request, the Authority has approved time extensions to the Schedule of Performance for Phase I.

Letter of Understanding/Term Sheet with Plan Submission Requirements

In May 2013, the Authority and Developer entered into an Agreement, which granted a new four-month extension period until September 30, 2013, to engage in good faith negotiations regarding the proposed revision and phased development of the Project. The Agreement included milestone dates in which specific delivery of design plans and of executed documentation is required by the Developer to the Authority. Further, the Agreement stated the Authority and the County shall have the right to approve or disapprove, each in its sole and absolute discretion, all proposed Parcel Q Plans.

The Term Sheet for Parcel Q provided that as of the date of the Term Sheet in May 2013, the Authority had informed the Developer that the Plans presented for Parcel Q did not include sufficient detail for the Board to evaluate whether the proposed revised development will satisfy the quality standards described in the Term Sheet, and revisions were required, including but not limited to, actions to make First Street and Grand Avenue inviting to the public.

The Term Sheet further provides that the Authority is willing to consider revisions to Parcel Q Plans, which are a part of its Scope of Development, provided that the requested changes meet a quality standard to produce a project on Parcel Q of the same quality as the original approved plan contemplated by the DDA, recognizing that Parcel Q is a unique full city block directly across the street from The Walt Disney Concert Hall, a world-recognized architectural structure, and adjacent to the Music Center of Los Angeles County, the Broad Art Museum, the Colburn School of Performing Arts, and the Civic Center. In addition, the Term Sheet specifically stated that the County Board has not accepted the concept of excluding condominiums from Phase IA and expressed a desire that the Developer develop the proposed residential tower in Phase IA in such a way that all or a portion of the rental units can be converted to condominiums at a later date.

Further, the Term Sheet provides that in addition to meeting the quality standard, the plans for development must comply with the Design Guidelines required in the original DDA, including: ground floor design and entrances must contribute to the creation and reinforcement of street

activity; pedestrian entrances and orientation of the development must be along the Grand Avenue frontage as a front door for the development; activation of the street frontage; activity generating uses with retail shops, restaurants, food market, and community serving uses; and all publicly accessible space must be attractively landscaped, designed, and finished with high quality materials.

The Design Guidelines provide that the distribution of building mass on Parcel Q must be carefully considered to respect the prominence of Walt Disney Concert Hall immediately across the street as well as the low height of the Colburn School immediately to the south, and indicates that two towers would be an ideal mechanism to permit distribution of building mass. The applicable Design Guidelines are attached for your convenience as Attachment B.

Redesign Phase I

On September 3, 2013, in accordance with the Agreement, the Developer delivered the drawings or renderings that illustrate the entire Parcel Q Plans; the architectural and development plans for the Project-Phase IA; and the revised Project description/project formulation documents to be used in the required environmental analysis update.

The proposed Parcel Q Plans detail the ground floor public circulation and the architectural character of the public plaza, Grand Avenue, Olive and First Streets frontages, and conceptual elevations of the upper floor tower elements. The Phase IA Plans illustrate the public ground floor level access and circulation through the site, and the architectural concepts for the development of Phase IA, either in elevations or perspective drawings.

The proposed redesigned Plans for the Phase I Project 131,000 square-foot land parcel reflect changes since the February 2007 Board approval of schematic design plans. The proposed redesigned mixed-use development includes a repositioned residential tower to be located on Second Street between Grand Avenue and Olive Street, formerly located on First and Olive Streets, and a repositioned hotel/residential tower to be located on the corner of Grand Avenue and First Street, formerly located on Second Street and Grand Avenue, along with a public plaza, retail/commercial spaces, and various streetscape and site landscaping improvements. The proposed residential tower may be taller than the hotel tower, which would be a change from the previously approved schematic design plans.

The Board-approved 2007 Parcel Q Program was to be implemented as a single development site. The Developer is now requesting the option to implement the Proposed 2013 Program in two phases with program differences described below and included as Attachment C:

The summary of changes are:

1. Total Residential units net decreased from 488 units in the 2007 Program to 430 units in the Proposed 2013 program;

2. Total Hotel keys decreased from 275 keys to 250 units;

3. Total Retail/Commercial square footage decreased from 250,000 square feet to 171,100 square feet; and

4. Parking spaces decreased from 1,510 spaces to 1,340 spaces.

Development as proposed in Phases:

Phase IA
1. Residential Apartments increased from 98 units to 380 units;
2. Retail/Commercial of approximately 31,000 square footage;
3. Common Area of 8,500 square footage; and
4. Parking spaces of 400 spaces.

Phase IB
1. Condominiums decreased from 390 units to 50 units;
2. Hotel keys decreased from 275 keys to 250 units;
3. Retail/Commercial of approximately 141,000 square footage;
4. Common Area of 20,700 square footage; and
5. Parking spaces of 940 spaces.

Proposed Phases

The proposed Phase IA consists of an approximately 48-story residential tower containing approximately 380 residential units and approximately 31,000 square feet of retail development, to be located on the southerly portion of Parcel Q abutting Grand Avenue, Olive and Second Streets, with a plaza of approximately 8,500 square feet, amenities, and pedestrian access. The proposed revised Plans reflect a mix of types of residential units comprised of: market rate apartment units with a 20 percent affordable housing component; lofts, and premium apartments that can be converted into condominiums at a future date. The residential units will be comparable to rents for other high-end residential tower projects in downtown Los Angeles.

Phase IB will consist of an approximately 250 key, 4-star hotel; approximately 50 condominium units above the hotel; approximately 141,000 square feet of retail food and beverage, including a market and an approximately 20,700 square feet public plaza joined with the Phase IA plaza abutting Grand Avenue, Olive and First Streets.

Under the proposed revised Schedule of Performance, commencement of construction for Phase IA is scheduled for March 2015 with a stated completion date of September 2017. Phase IB commencement of construction is scheduled for June 2017 with a stated completion date of June 2020.

Implementation of Strategic Plan Goals

The recommendations herein are consistent with the Countywide Strategic Plan Goals of Community and Municipal Services (Goal 3) residents and visitors by providing access to cultural, recreational, and lifelong learning facilities programs; ensuring quality regional open space, recreational, and public works infrastructure services for County residents; and delivering customer-oriented municipal services to the County's diverse unincorporated communities.

FISCAL IMPACT/FINANCING

The entire Phase I Project is estimated by the Developer to cost $650 million. The proposed revised Phase IA Project's estimated cost totals $160 million.

Under the Agreement, the Developer must execute and submit to the Authority by September 27, 2013, the Fourth Amendment to the DDA and other related documents. Upon receipt from the

Developer of the executed Fourth Amendment to the DDA and other related documents, the executed documents will be presented to the Governing Entities, including the Board, for consideration on or before November 15, 2013. Should additional time be required for all the Governing Entities to consider the executed documents, the Term Sheet allows for an extension to January 31, 2014, with a day for day extension to the Schedule of Performance Phase IA Commencement Date of Construction.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In August 2004, the Authority chose the Developer as the designated developer for the Project that was conceived by the Grand Avenue Committee (Committee). The Committee's vision, as adopted by the Board saw the Bunker Hill area of downtown Los Angeles as having the potential to become a day and night environment that would be multi-layered and attractive to all populations and all generations. The Committee noted that three key interventions were needed to create the energy that would launch the downtown revival: completion and enhancement of the County Mall as a civic park from Grand Avenue east to Los Angeles City Hall; improvement of the Grand Avenue streetscape; and development of unused and underused parcels of land near the top of Bunker Hill.

The Implementation Plan, approved by the Board in August 2005, incorporated a number of design goals and principles that would create a significant new urban destination for downtown Los Angeles:

- Residential uses to include a variety of housing types and urban living opportunities, and would create a critical mass of people to energize the Bunker Hill neighborhood;

- Retail, restaurant, and entertainment/cultural uses would be a primary force to shape the final design;

- Public spaces to play a major role in organizing the plan, with an emphasis on pedestrian-friendly design, and strengthening the role of Grand Avenue as a retail and pedestrian oriented street that respects and enhances the views to the Walt Disney Concert Hall; and

- The design program will be inclusive in its appeal to various market segments and the surrounding neighborhoods.

Since the Board's approval in February 2007 of the original Project Phase I–Parcel Q design, certain elements of the Project have changed use and have been implemented differently than originally envisioned. In 2010, the construction and implementation of Grand Park was approved with the completion date of June 2012. In addition, in 2010, the Broad Museum was approved and construction begun on Parcel L. In 2012, a mixed-use development on Parcel M-2, owned by the CRA/LA was approved and construction begun.

In consideration for an additional extension for Developer submissions through September 2013, the Agreement has a number of provisions providing for terminating the Project without further notice to the Developer. The Project terminates if the Developer fails to meet any term sheet milestones for document submittals. If the Board disapproves the proposed Plans, in its sole and absolute discretion as owner of Parcel Q, under the terms of the Agreement, the Project is terminated. Also, if the Authority disapproves the DDA Amendment in its sole discretion, the Project is terminated. If any of the four Governing Entities (Authority, County, CRA/LA and City) disapproves the DDA Amendment, or if all four governing entities have not approved a DDA Amendment before February

1, 2014, then the Project is terminated. Such Project termination would exclude the ongoing construction on Parcels L and M, and development otherwise proposed for CRA/LA-owned parcels Phases IIA, IIB, and IIC.

ENVIRONMENTAL DOCUMENTATION

In August 2005 , acting as a responsible agency, the Board found that the approval of an Implementation Plan, which defined the project description for an EIR and project development was exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15362 and 15061(b)(3). These actions to review proposed changes to that project description without any commitment to changing the project or approving changes to previously approved development is exempt from CEQA on the same grounds.

The review of Plans revisions for the project involves planning for future possible actions, which the Board has not approved, and may disapprove, in its sole discretion. It can be seen with certainty that the approval of Plans revisions will not have a significant impact on the environment. If approved, the revised Plans will provide the basis for project description revisions that will be analyzed in an environmental document that will be brought back to the Board for its consideration. Considering or approving the revised Plans does not commit the County to authorize or approve any project. The County retains the absolute sole discretion to modify the project, particularly as may be required to comply with CEQA, or to disapprove the project. Authorization of any project activities would only commence in compliance with CEQA.

In February 2007, acting as a responsible agency, the Board certified the Grand Avenue Project Environmental Impact Report (Final EIR) as prepared and certified by the Authority as lead agency for the Phase IIB (Parcel M) Project, a mixed-use development on Parcels Q and W-2, L, and M-2, and potentially W-1, along with a revitalized and expanded civic park.

In August 2010, acting as a responsible agency, the Board certified the First Addendum to the previously certified Final EIR in connection with the First Amendment to the DDA and a change in the Scope of Development to permit the Museum improvements on Parcel L.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not Applicable.

CONCLUSION

Upon action on the recommendations, please return one adopted copy of this Board letter to the Chief Executive Office, Facilities and Asset Management Division.

Respectfully submitted,

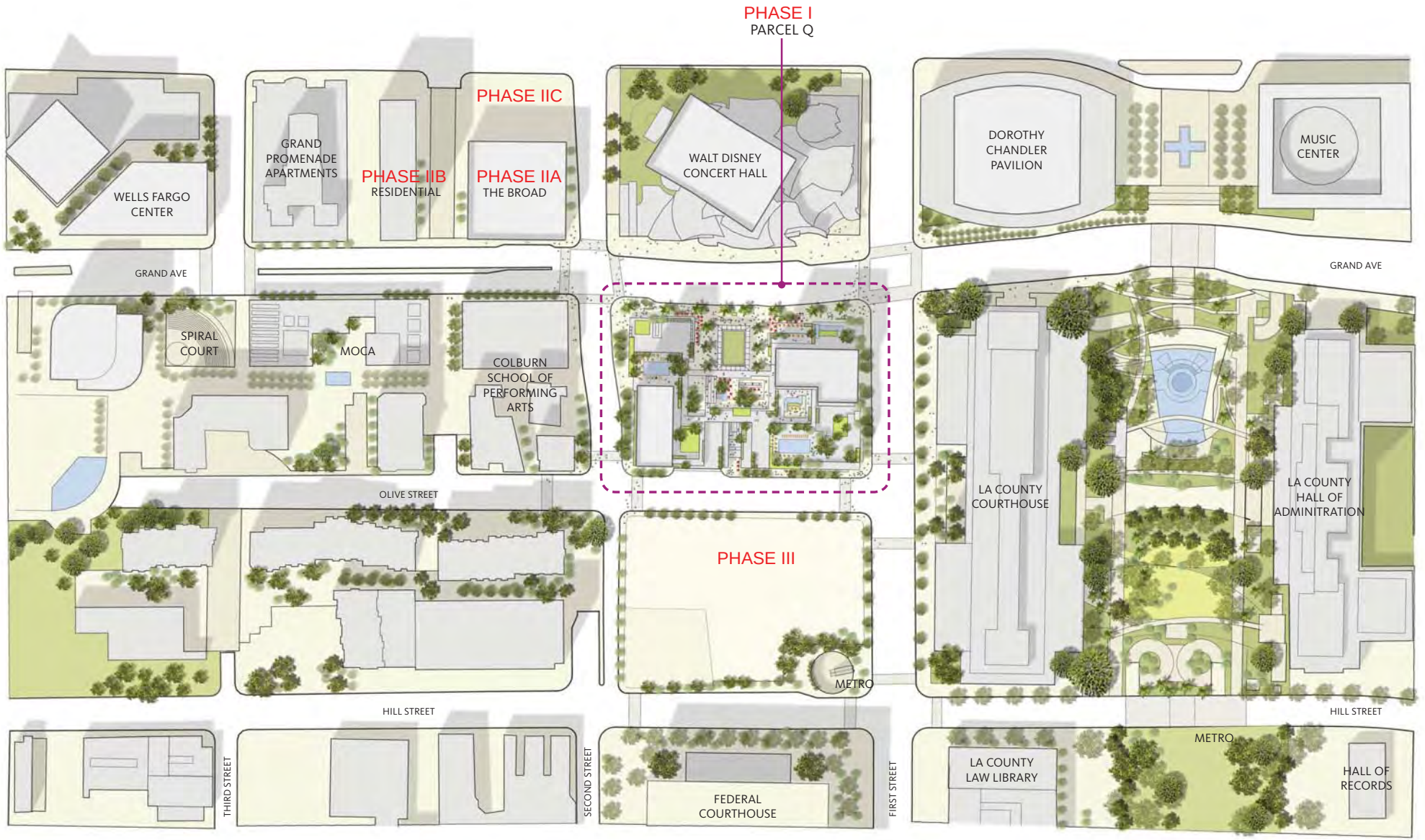
WILLIAM T FUJIOKA

Chief Executive Officer

WTF: SHK:DJT
DKM:zu

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
The Los Angeles Grand Avenue Authority



CONTEXT PLAN

VIEW FROM DOROTHY CHANDLER

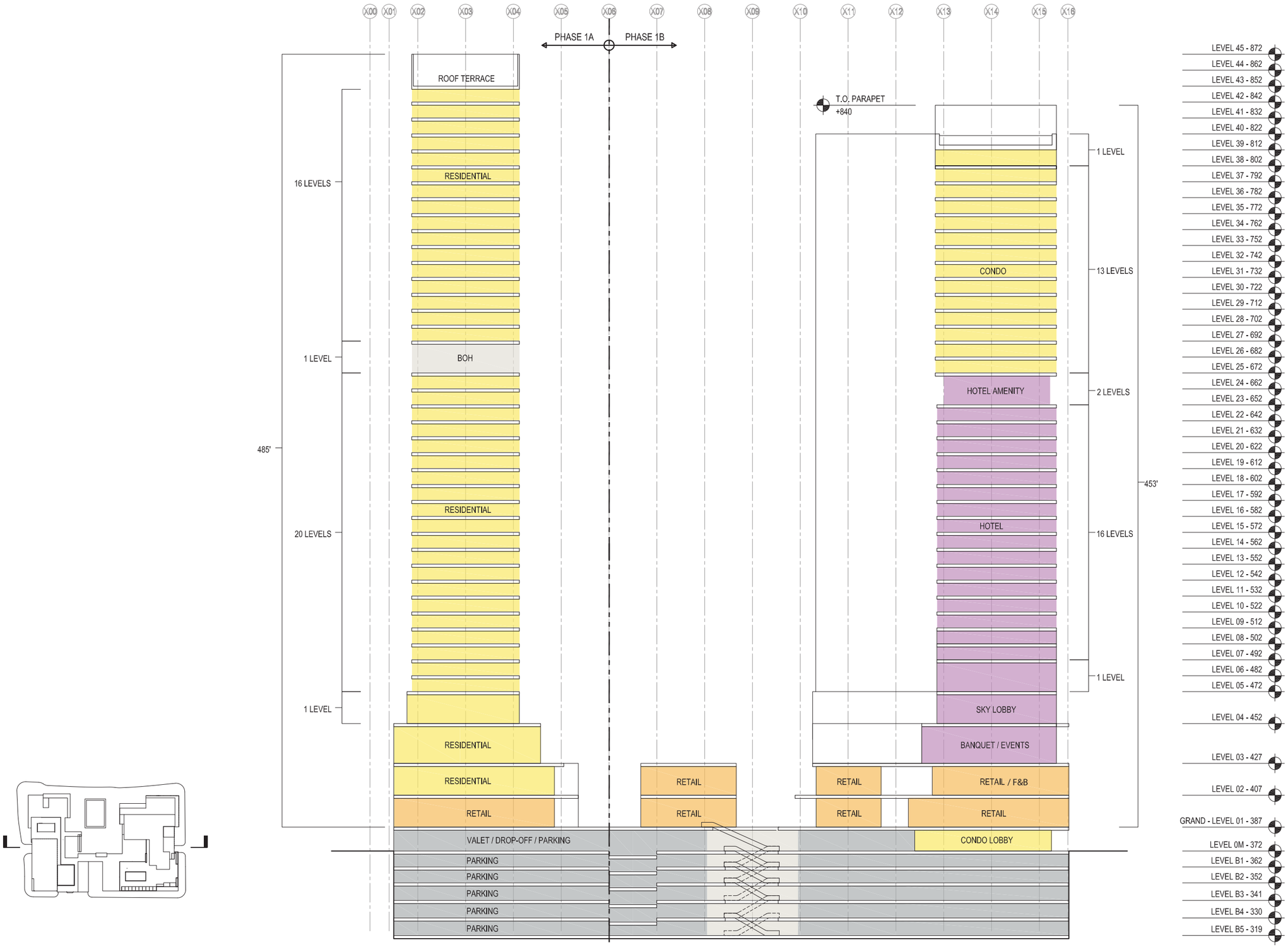
VIEW FROM THE BROAD

AERIAL VIEW

FLOOR PLAN: +387 (LEVEL 01)

0' 15' 30' 90'

RETAIL | F&B · HOTEL · RESIDENTIAL · CIRCULATION · PARKING · SERVICE / BOH



SECTION

0' 15' 30' 90'

RETAIL | F&B | HOTEL | RESIDENTIAL | CIRCULATION | PARKING | SERVICE / BOH

PHASING OPTION B PROGRAM

PROGRAM	PHASE 1A	PHASE 1B	TOTAL	
RETAIL / F & B / ENTERTAINMENT PROGRAM	**31,755 sf**	**140,311 sf**	**172,066 sf**	
HOTEL				
GUESTROOM		206432 sf	206,432 sf	**250** keys
LOBBY, SUPPORT AND SERVICES		68177 sf	68,177 sf	
HOTEL SUBTOTAL		**274,609 sf**	**274,609 sf**	
HOTEL CONDOS		**160563 sf**	**160,563 sf**	**50** units
RESIDENTIAL APARTMENTS	**405,600 sf**		**405,600 sf**	**380** units
Market Rate				**304** units
Affordable				**76** units
Lobby & Amenity	**18483 sf**		**18,483 sf**	
TOTAL PROGRAM	**455,838 sf**	**575,483 sf**	**1,031,321 sf**	
COMMON AREA	**8,550 sf**	**20,690 sf**	**29,240 sf ****	
PARKING COUNT	**400 spaces**	**940 spaces**	**1,340 spaces**	

** reflects master plan common area

FLOOR PLAN: +387 (LEVEL 01)

0' 15' 30' 90'

RETAIL | F&B | HOTEL | RESIDENTIAL | CIRCULATION | PARKING | SERVICE / BOH

VIEW LOOKING SOUTH ON GRAND AVENUE

VIEW LOOKING EAST ON GRAND AVE AND 2ND ST.

ATTACHMENT B - DESIGN GUIDELINES
(EXCERPT FROM DISPOSITION AND DEVELOPMENT AGREEMENT)

III. DESIGN GUIDELINES

The following design guidelines, the satisfaction of which will be subject to CRA, or County, as appropriate, approval, shall apply to the Project; provided, however, that such guidelines will not apply to the Civic Park, which is subject to a separate design and development process pursuant to the Civic Park Design Agreement and the Civic Park Development Agreement, and such guidelines will not apply to the County Office Building.

A. Ground Floor/Street Level Uses:

Ground floor design and uses, along with the primary building entrances, must contribute to the creation and reinforcement of street activity and identity along Upper Grand Avenue, Hope Street, First Street, Olive Street and Hill Street, and recognize and appropriately incorporate the existing access to the Metro Rail Red Line at First and Hill Streets. With the exception of Parcel W-2, primary pedestrian entrances and orientation of the Development must be along the Grand Avenue frontage, and treated as the "front door" of the Project, with appropriate entry plazas and landscaping located at street level. Appropriate secondary entrances and orientation of the Development must also be provided along First Street, Hope Street and Olive Street.

Activation of the street frontage and interaction with street activity is a major design requirement. This may be achieved by incorporating active retail and/or public spaces into the building design, and with appropriate retail frontage along Grand Avenue and portions of First Street. Activity generating uses such as retail shops, restaurants, food market, jazz clubs, movie theaters, bookstores, residential building entries and the like are strongly encouraged. Community-serving uses such as newsstands, flower shops, gift shops, card shops, food markets, drug stores and dry cleaners are also encouraged at the ground level. Professional offices are permitted above the first floors of buildings.

All publicly accessible space, including sidewalks, building lobbies, gardens and plaza areas, must be attractively landscaped, and designed and finished with high quality materials. The design of Parcels L and M-2 must provide for a connection between the two Parcels over GTK Way at the Upper Grand Avenue level in order to create a continuous and active streetscape along Upper Grand Avenue.

B. Consistency with Grand Avenue Master Plan:

Development of the Project must be also consistent with the recently completed Grand Avenue Master Plan entitled: "Reimagining Grand Avenue." Concerning the street itself, the plan envisions widened sidewalks, improved landscape, and amenities including lighting, benches, kiosks, newsstands, and other streetscape elements. The Plan promotes a consistent approach to streetscape design along Grand Avenue from Cesar E. Chavez Avenue to Fifth Street. The Plan also envisions the renovation and extension of the County Mall into a new Civic Park for Los Angeles. It is imagined that the Civic Park and the new development on Grand Avenue will attract a regional market and that these two elements will be mutually supportive and collaborative in the scheduling and creation of events, and in attracting the public to Grand Avenue in general.

C. Parking and Access:

The Project must provide Municipal Code required parking on site. For residential, retail and hotel uses, code parking must be provided, including adequate residential guest parking. For commercial office uses, parking should be provided at the rate of not less than one space for every 1,000 square feet of development. Given the proximity of public transit to the Project, reduced parking or shared parking is encouraged, subject to the approval of the City. The City of Los Angeles Department of Building and Safety will calculate the exact number of required parking spaces to be provided. Parking must be provided below the elevation of Upper Grand Avenue. Any visible parking structure is subject to design approval and must be, at a minimum, screened from public view. Parking and loading access points are prohibited along Upper Grand Avenue. They are to be located primarily along GTK Way, Hope Street, Second Street, Olive Street, or Lower Grand Avenue.

D. Building Materials and Finishes:

Building materials, color and design must be of the quality represented by other major developments in the area. Materials selected should provide a sense of permanence and an attractive street level environment. Glazing for street level commercial uses should allow indoor functions to be visible from the outside. The use of highly reflective or mirrored glass material is discouraged.

E. Building Height:

The elevation of the uppermost-occupied floor may not exceed 65 stories above the elevation of Upper Grand Avenue.

F. Building Setbacks:

Buildings located on Parcels L and M-2 must be setback from the existing east curb line along Upper Grand Avenue at least 24 feet. This setback may be used for sidewalk cafes and other street related functions that will provide activity along Upper Grand Avenue. Buildings on Parcel Q must be setback from the existing curb line a minimum of 15 feet. Setbacks on other streets shall be sufficient to assure a minimum sidewalk width, after any curb line adjustments that may be required by the City, as described below in Section L.

G. Building Placement:

Location of tower components on Parcels L and M-2 must be particularly sensitive to their location adjacent to the Walt Disney Concert Hall. Smaller floor plates are encouraged to offer opportunities to stagger the placement of the towers on these parcels, thus achieving appropriate setbacks from the concert hall and, at the same time, maximizing views from residential units.

H. Building Massing:

The distribution of building mass on Parcel Q must be carefully considered to respect the prominence of the Walt Disney Concert Hall immediately across the street, as well as the low height of the Colburn School immediately to the south. Ideally, two towers will be built on Parcel Q, allowing for a segregation of office and hotel and/or residential uses as well as a distribution of building mass. Entertainment and retail uses should be located on the lower levels of both towers, and provide easy access to the street level.

I. Lighting:

Nighttime lighting of building tops, entrances, and other architectural features is encouraged, except where such lighting would be disruptive to or incompatible with adjacent residential developments. Pedestrian paths and public spaces should be lighted in a manner that results in a natural color spectrum while meeting energy conservation standards while providing a sense of security. Nighttime lighting in public areas must be adequate to meet security needs but should be shielded or diffused and not so harsh as to create unnecessary glare or dissipation into the night sky.

J. Landscaping:

All publicly accessible spaces, including sidewalks, lobbies, entrance areas, and residential plaza spaces, shall be attractively landscaped or finished in high-quality materials. Street trees and other landscaping shall be provided within public sidewalks in a manner and quality consistent with City streetscape standards and with the streetscape guidelines proposed in the Grand Avenue Master Plan.

K. Signage:

The size, color, lighting, and design of all exterior signs are subject to approval. All signage must conform to the CRA Skyline Signage Policy and the Bunker Hill Design for Development regarding signage.

L. Sidewalk Standards:

Developer shall construct and/or improve all sidewalks adjoining the Development Site. Minimum sidewalk widths, setbacks, and build-to lines for all public streets affected by the Project must conform to the Grand Avenue Master Plan and the CRA's Master Plan of Downtown Street Widths. Specifically, minimum sidewalk widths will be 15 feet along Upper Grand Avenue and First Street, Olive, Hill and Hope Streets, and 10 feet along GTK Way. The sidewalk on Second Street, which is not indicated in the Master Plan of Downtown Street Widths, will have a minimum width of 12 feet. Some or all of this 12-foot minimum-width may be a pedestrian arcade. Streetscape elements (paving, lighting, landscape, etc.) must conform to the Grand Avenue Master Plan.

M. Security:

The design of the Project must be responsive to the security needs of tenants, visitors, and patrons. Buildings must incorporate lighting that reinforces entrances, provides a safe level of illumination and is compatible with the design of the building facades.

N. Energy:

The Project must be designed efficiently to minimize the energy required to heat, cool, and light the Project over its lifetime. The Project must comply with the State of California Energy Conservation standards and, to the extent feasible, seek to exceed such standards through the use of state-of-the-art energy-conscious design practices. Additional measures may include, but not be limited to, building placement and orientation, architectural features, open spaces, landscaping, mechanical and operational measures.

O. Solid Waste Management:

The Project must include a coordinated resource conservation and recycling program, designed to reduce the amount of solid waste materials going to local landfills. During Project construction, measures for maximizing the recycling of construction debris must be incorporated, including a layout for source separation of materials and recycling bins and the utilization of contractor(s) specializing in demolition and construction waste management. Trash compactor facilities must be provided in all residential units, where feasible, and recycling bins and chutes must be provided at appropriate locations within the Project to promote the recycling of paper, glass, metal and other recyclable materials.

P. Sustainable Development:

The proposed development must incorporate "sustainable" building methodologies and technologies. Sustainable technologies and methodologies could include, but are not limited to, the conservation of water through the use of water saving fixtures, drought resistant plants to reduce the amount of watering, installation of double pane windows, installation of 1.5 gallon toilets in each dwelling unit, insulation on hot water piping at exposed areas, and the use of forced heating systems as established by the California State Title 24 energy efficiency guidelines.

ATTACHMENT C

PROPOSED PARCEL Q PROGRAM COMPARISON

	2007 Program	**Proposed 2013 Program**
Residential Apartments	98 units	380 units
Condominiums	390 units	50 units
Total Residential	**488 units**	**430 units**
Hotel	275 keys	250 keys
Total Hotel	**275 keys**	**250 keys**
Retail – Food & Beverage - Market	185,000 square feet	171,100 square feet
Health Club	35,000 square feet	0 square feet
Event Facility	30,000 square feet	0 square feet
Total Retail	**250,000 square feet**	**171,100 square feet**