

WILLIAM T FUJIOKA Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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January 14, 2014

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 (PARCEL Q) CONSIDER PROPOSED PARCEL Q PLAN/PROJECT DESCRIPTION REVISIONS AND OTHER RELATED ACTIONS (ALL DISTRICTS) (3 VOTES)

SUBJECT

Consideration of the recommended actions will implement the September 30, 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 Plan and either approve or disapprove. The proposed Parcel Q Plan, if approved, will serve as Project re-formulation documents to define the revised project description 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) Plan (Plan) for a proposed mixed-use development on Parcel Q, comprised of overall plans for Parcel Q and architectural plans proposed by 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.

Under the terms of the September 2013 Letter of Understanding Re: Term Sheet (September Agreement), the Board and the Grand Avenue Authority (Authority), each have the right to approve or disapprove the proposed Project Plan, and the Authority has the separate right to approve or disapprove a Disposition and Development Agreement (DDA) Amendment, even if the Project Plan is determined to be acceptable in its sole discretion. The Authority is scheduled to consider the revised Project Plan at a special meeting to be held before the January 20, 2014, deadline date for action by the Authority and the Board.

If the Board approves the proposed redesigned Project Plan, 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. Any County approval of the redesigned Project Plan at this time is independent of its later consideration of the Project and contingent upon no obligations being assumed by the County of Los Angeles (County) for Parcel Q development without its express approval of environmental documentation and an Amended DDA and Ground Lease specifying the requirements for the development based on the Project Plan, 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 and Ground Lease. Further, the Board's approval of the Project Plan 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 Project Plan, 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 proposed Project Plan, in its sole and absolute discretion, and/or the proposed a DDA Amendment in its sole discretion, the Project is terminated. If any of the four Governing Entities (Authority, County, a Designated Local Authority (successor to the Community Redevelopment Agency (CRA) of the City of Los Angeles [CRA/LA]), and the City of Los Angeles (City)) disapproves a DDA Amendment, or if all four Governing Entities have not approved the Fourth Amendment to the DDA before May 17, 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, now the CRA/LA and is a separate legal entity, which selected 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 a Letter of Understanding Re: Term Sheet (May 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 May Agreement included milestone dates in which specific delivery to the Authority of design plans and of executed documentation is required by the Developer. The May Agreement provided that as of the date of the May Agreement, 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 May Agreement, and revisions were required, including but not limited, to actions to make First Street and Grand Avenue more inviting to the public.

On September 3, 2013, in accordance with the Agreement, the Developer delivered the drawings or renderings that illustrated 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.

On September 23, 2013, the Authority disapproved the proposed Plans submitted by the Developer citing concerns including that specific original goals of the Project and urban design guidelines for the architectural quality of this property, located across from the Walt Disney Concert Hall, were not satisfied by the concept plans and responses presented. The Authority Board Members remarks included their concerns that the elements of architectural creativity to produce an architectural landmark and the concepts that would contribute to the vitality of Grand Avenue did not appear in the presented plans. It was expressed that clear Project goals for the quality and architecture for this key property had been established since the time of developer selection for this Project.

On September 24, 2013, the Board requested the Authority to reconsider the action taken at its September 23, 2013 meeting that disapproved the proposed Plans submitted by the Developer on September 3, 2013.

On September 30, 2013, the Authority reconsidered the action taken at its September 23, 2013

meeting and approved and authorized an extension which would amend as appropriate the May Agreement to extend all dates for plans, payments and documents in an amended and restated September Agreement in order to permit the Developer to resubmit deliverables, including revised Project Design Plans and Detailed Project Phase IA Design Plans. Further, the September 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 May and September Agreements further provide that the Authority is willing to consider revisions to Project 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 May and September Agreements specifically stated that the Board had not accepted the concept of excluding condominiums from the Project and expressed a desire that the Developer develop the proposed residential tower in such a way that all or a portion of the rental units could be converted to condominiums at a later date.

Further, the May and September Agreements provide 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, 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 the 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.

Redesigned Parcel Q

On November 25, 2013, in accordance with the September Agreement, the Developer delivered the drawings/renderings that illustrate the entire Parcel Q Plan; and the revised Project description/project formulation documents to be used in the required environmental analysis update. A site plan and conceptual depictions of the proposed development of Parcel Q is depicted in Attachment A.

The proposed Project Plan was required to 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 proposed Project Plan illustrates the public ground floor level access and circulation through the site, and the architectural concepts for a single development site, either in elevations or perspective drawings.

The proposed redesigned Project Plan for the Parcel Q 131,000 square-foot land parcel reflects 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 summary of changes are:

1. Total Residential units net decreased from 488 units in the 2007 Program to 450 units in the Proposed 2013 program;

2. Total Hotel keys increased from 275 keys to 300 units;

3. Total Retail/Commercial square footage decreased from 250,000 square feet to 209,000 square feet;

4. Total Office square footage increased from 0 square feet to 47,000 square feet; and

5. Parking spaces decreased from 1,510 spaces to 1,350 spaces.

Proposed Project

The proposed residential tower consists of an approximately 37-story residential tower containing approximately 450 residential units and approximately 106,000 square feet of retail development, to be located on the southerly portion of Parcel Q abutting Grand Avenue, Olive and Second Streets. The proposed revised Project Plan reflects a mix of types of residential units comprised of: market rate apartment units with a 20 percent affordable housing component; lofts, and condominiums. The residential units will be comparable to rents for other high-end residential tower projects in downtown Los Angeles.

The proposed hotel tower will consist of an approximately 300 key, 4-star hotel; approximately 103,000 square feet of retail food and beverage, including a health club.

Connecting the residential and hotel towers is proposed a plaza, amenities, and pedestrian access from Grand Avenue, Olive and First Streets. Further, the proposed plaza will provide a visual and accessible connection to the underground parking garage.

The Developer has entered into an initial Letter of Intent with SBE Hotel Group for the hotel and associated retail, dining and entertainment as part of the Project. In addition to making the Project their new corporate headquarters, SBE Hotel Group's intention is to make a substantial economic investment in the Project.

Implementation of Strategic Plan Goals

The recommendations herein are consistent with the Countywide Strategic Project 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 Project Plan is estimated by the Developer to cost \$750.0 million.

Under the September Agreement, the Developer must execute and submit to the Authority by December 20, 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 March 3, 2014. Should additional time be required for all the Governing Entities to consider the executed documents, the September Agreement allows for an extension to May 17, 2014, with a day for day extension for the Developer's commencement of construction in the Schedule of Performance.

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 Project 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 Project 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 would 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 the Developer submissions through September 2013, the May and September Agreements have 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 Project 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 May 17, 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 Project 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 Project Plan 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 Project Plan revisions will not have a significant impact on the environment. If approved, the revised Project Plan 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 Project Plan description 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

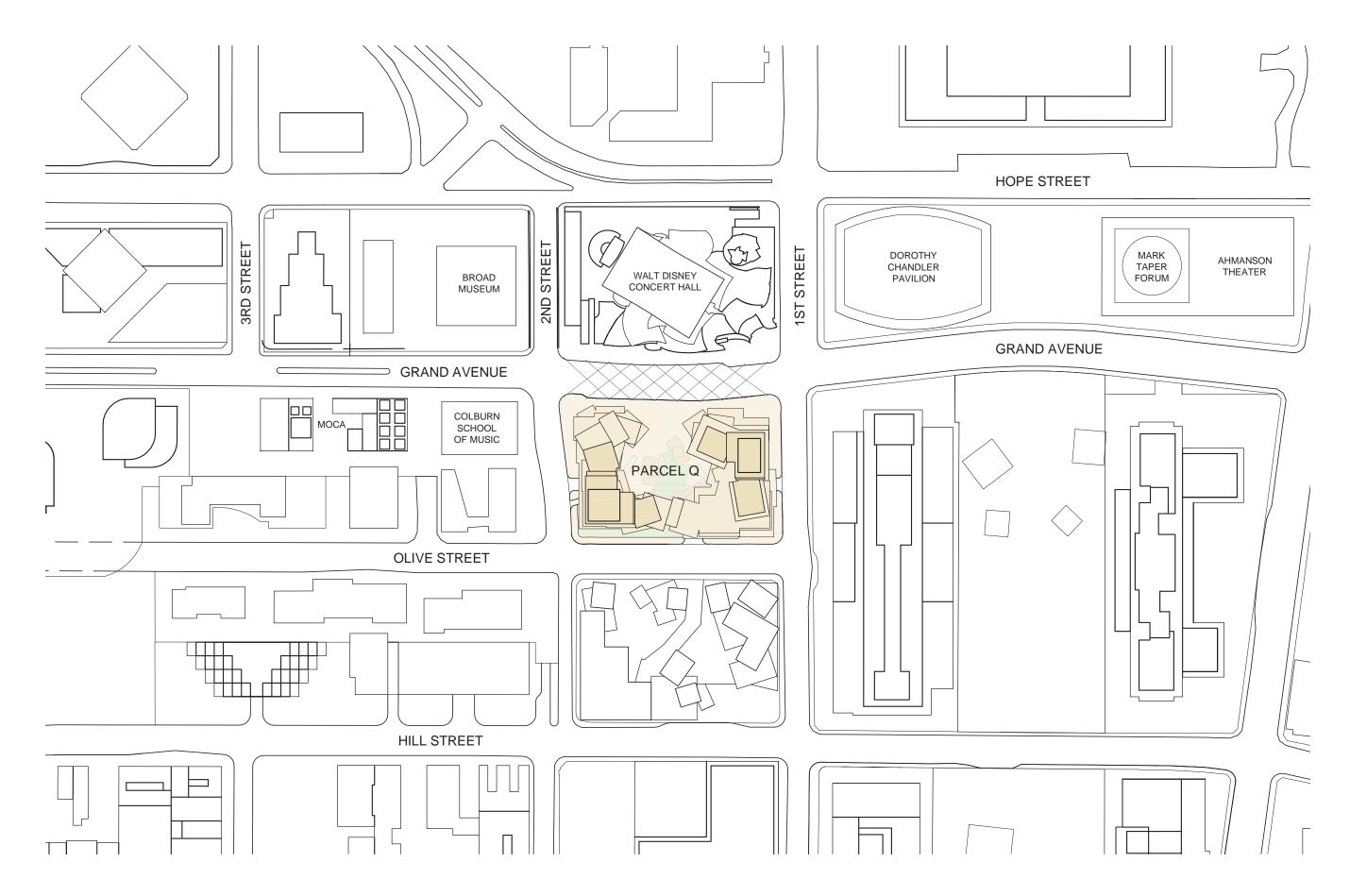
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Enclosures

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



GRAND AVENUE PROJECT - PARCEL Q MASTER PLAN AND CONCEPT DESIGN NOVEMBER 25, 2013



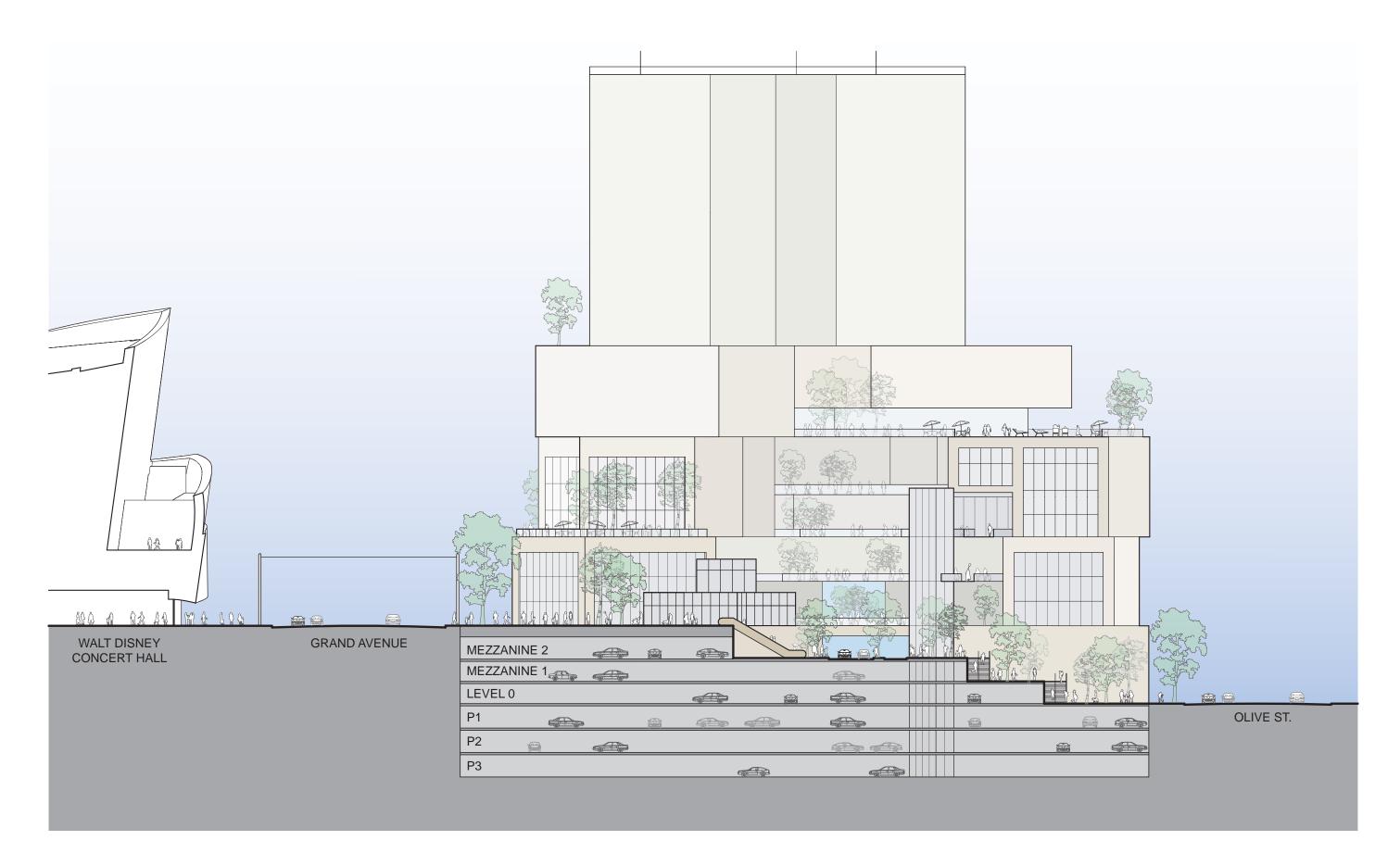
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PLAN VIEW OF GRAND AVE

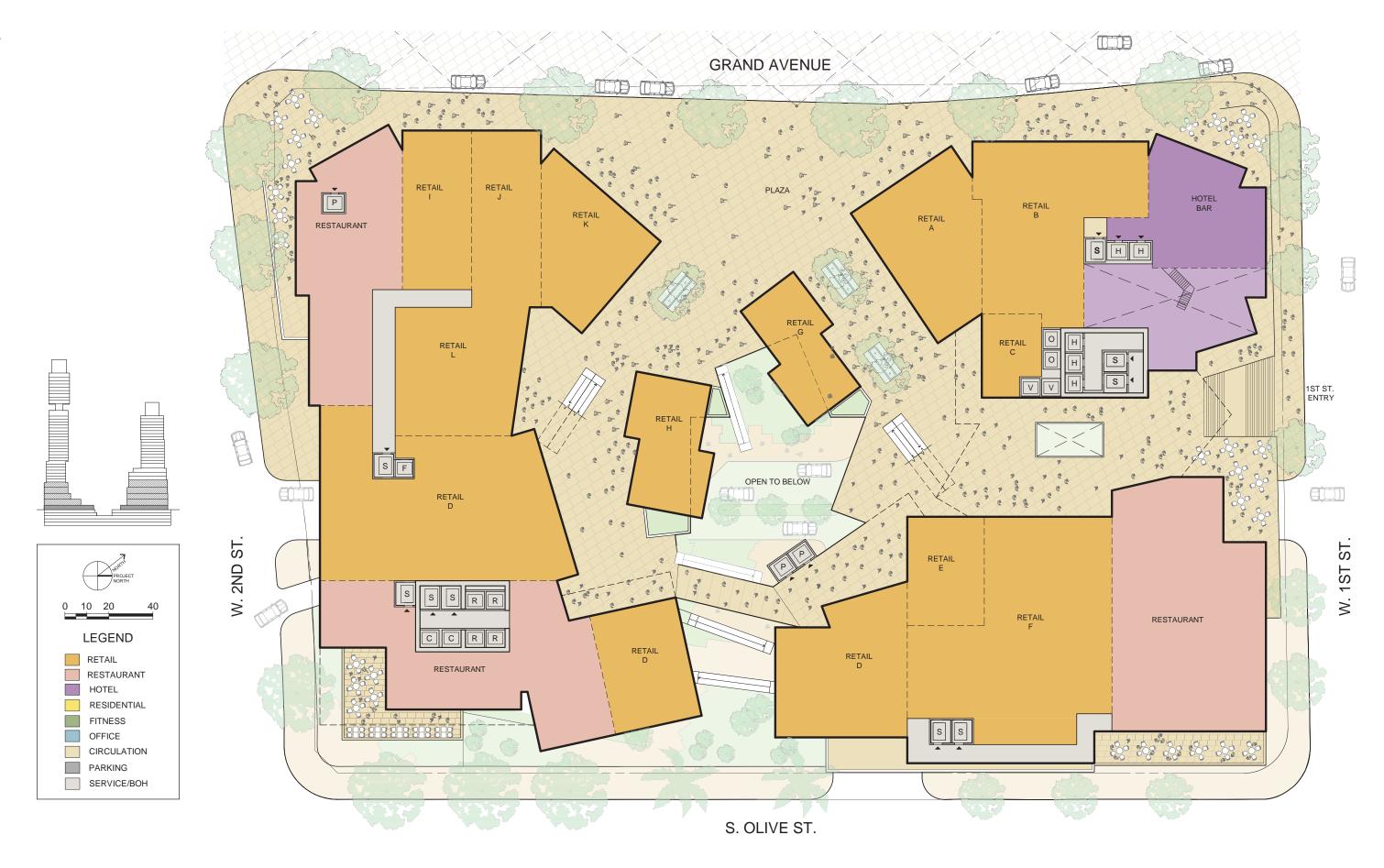
GRAND AVENUE CONCEPT







VIEW OF GRAND AVENUE PLAZA AND CONNECTION TO S OLIVE ST.



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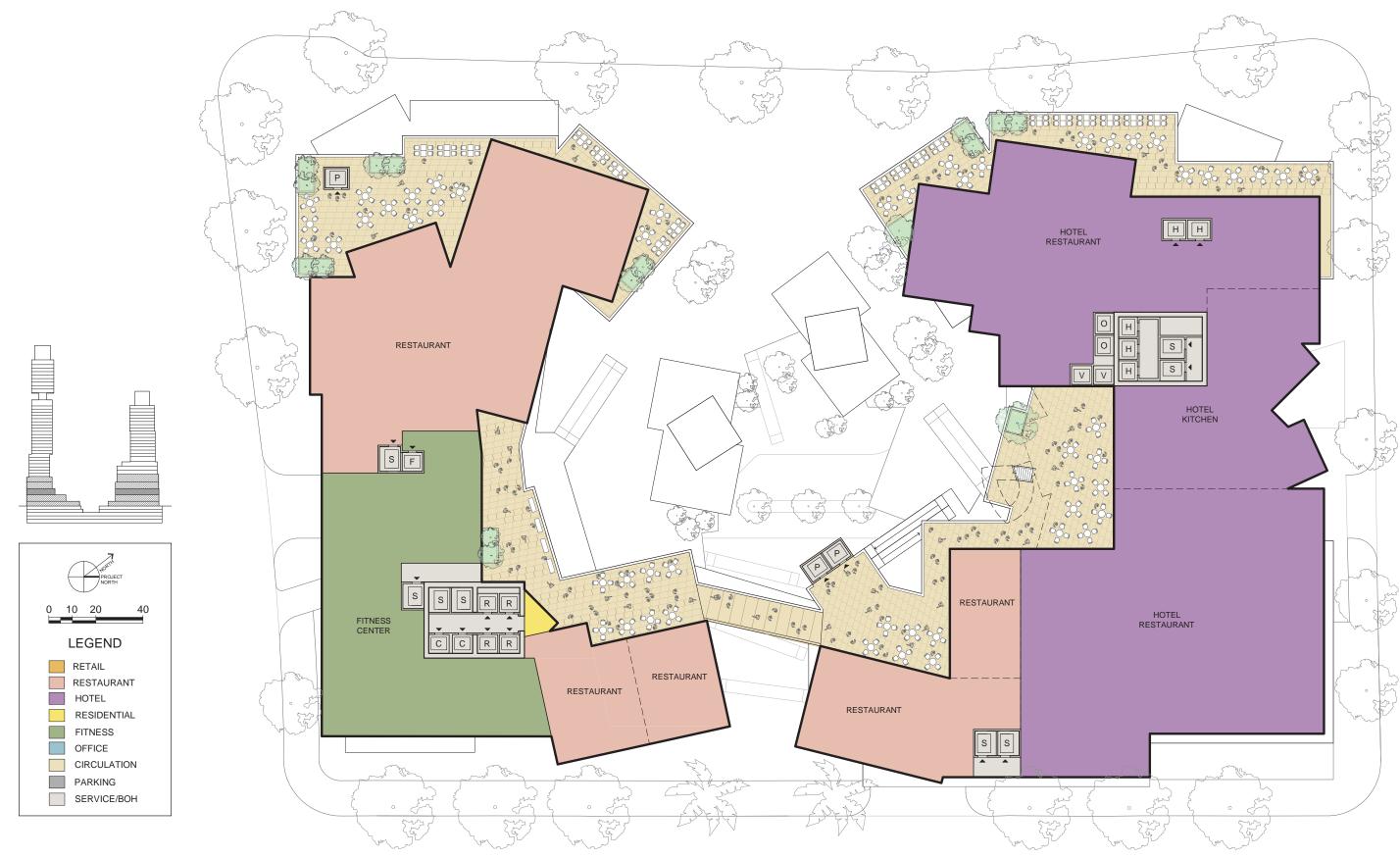
LEVEL 01 PLAN - GRAND AVE.

EL. +387'-0"





LEVEL 02 PLAN



LEVEL 03 PLAN

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LEVEL 04 PLAN





LEVEL 05 PLAN

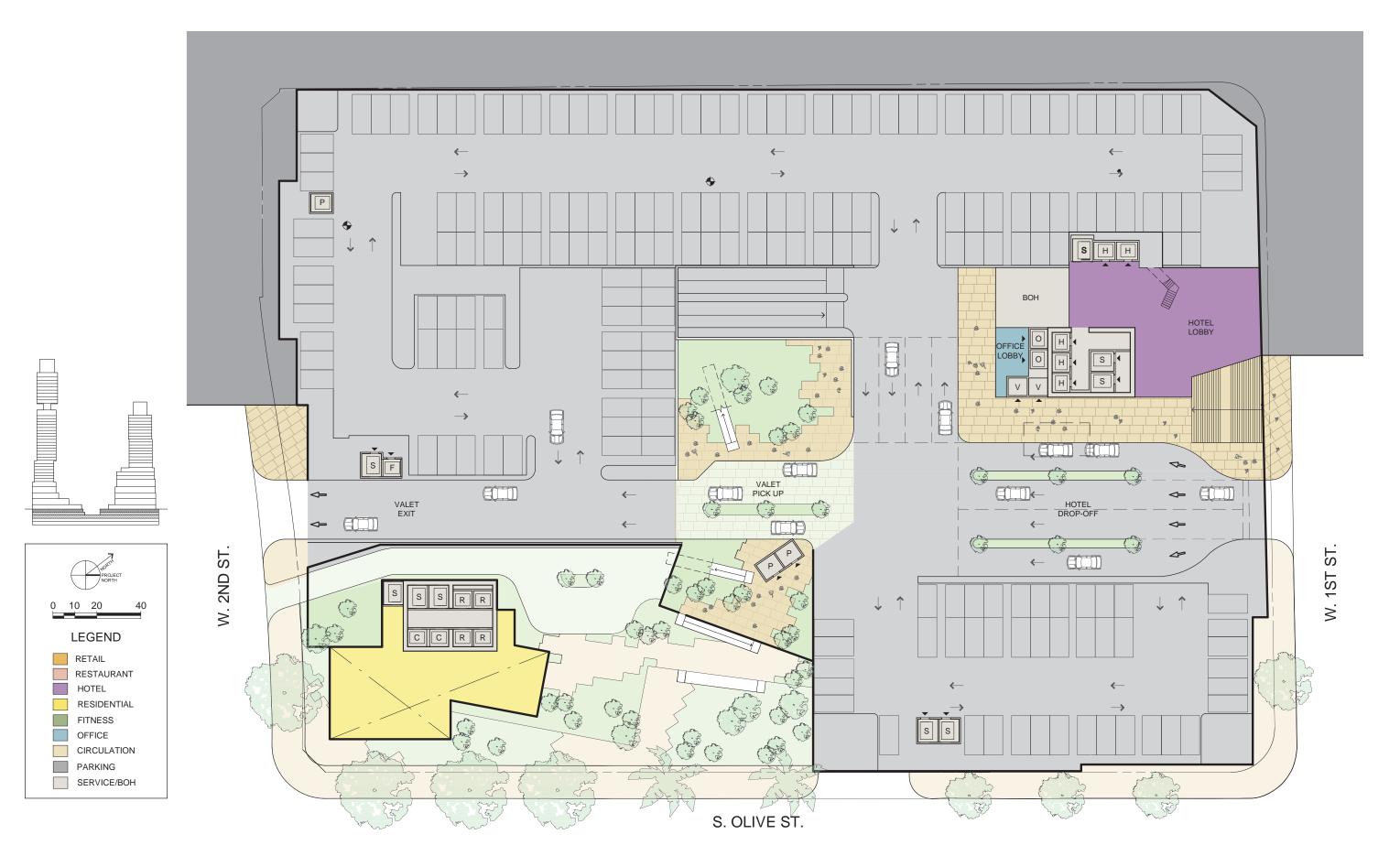


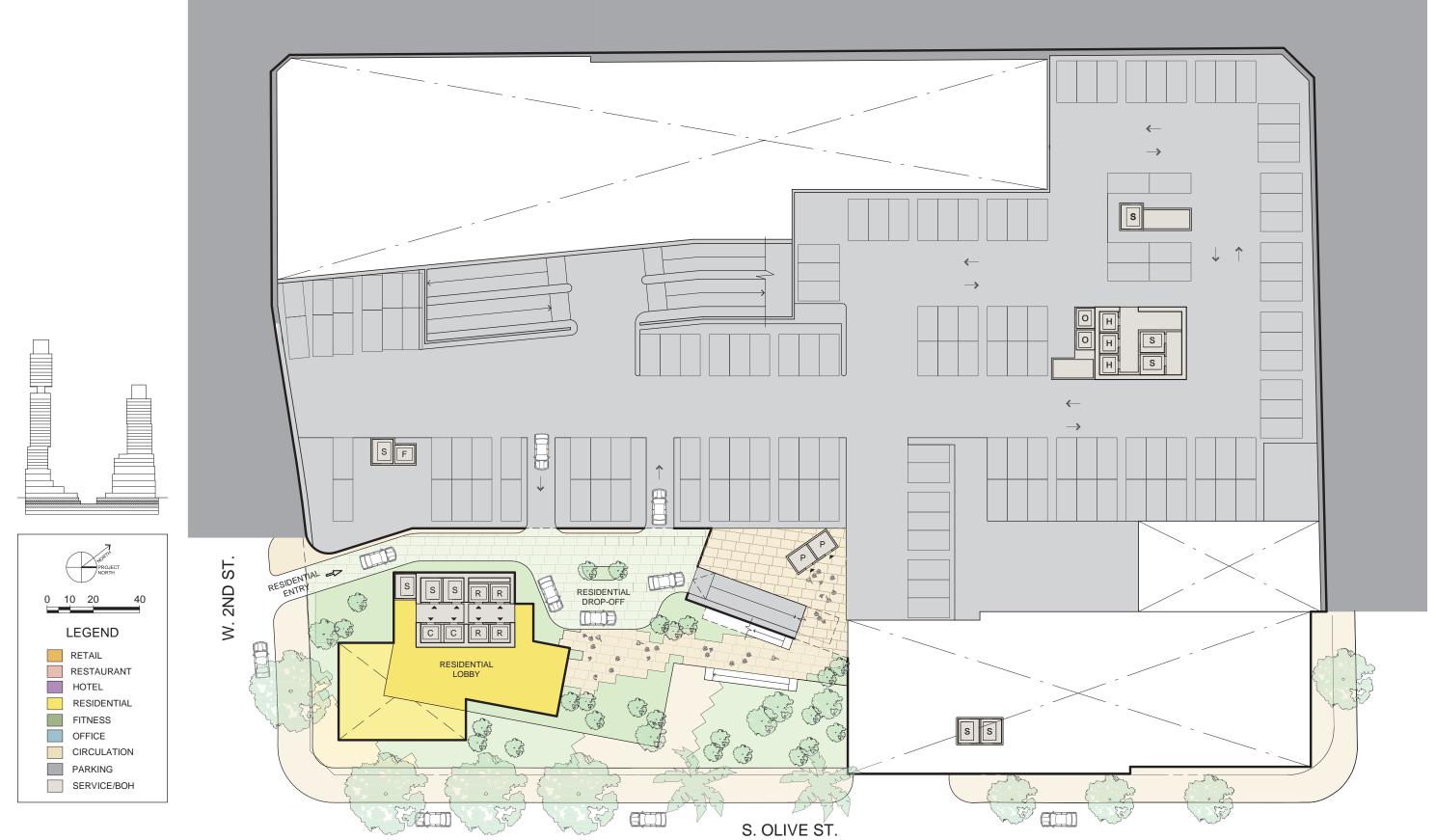


VIEW OF GRAND AVE PLAZA AND 1ST STREET ENTRY

CONNECTION TO OLIVE ST.

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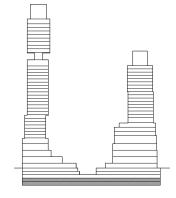
Grand Avenue Project - Parcel Q Master Plan and Concept Design November 25, 2013 17

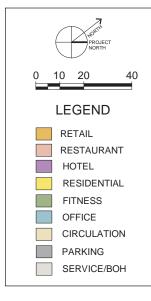


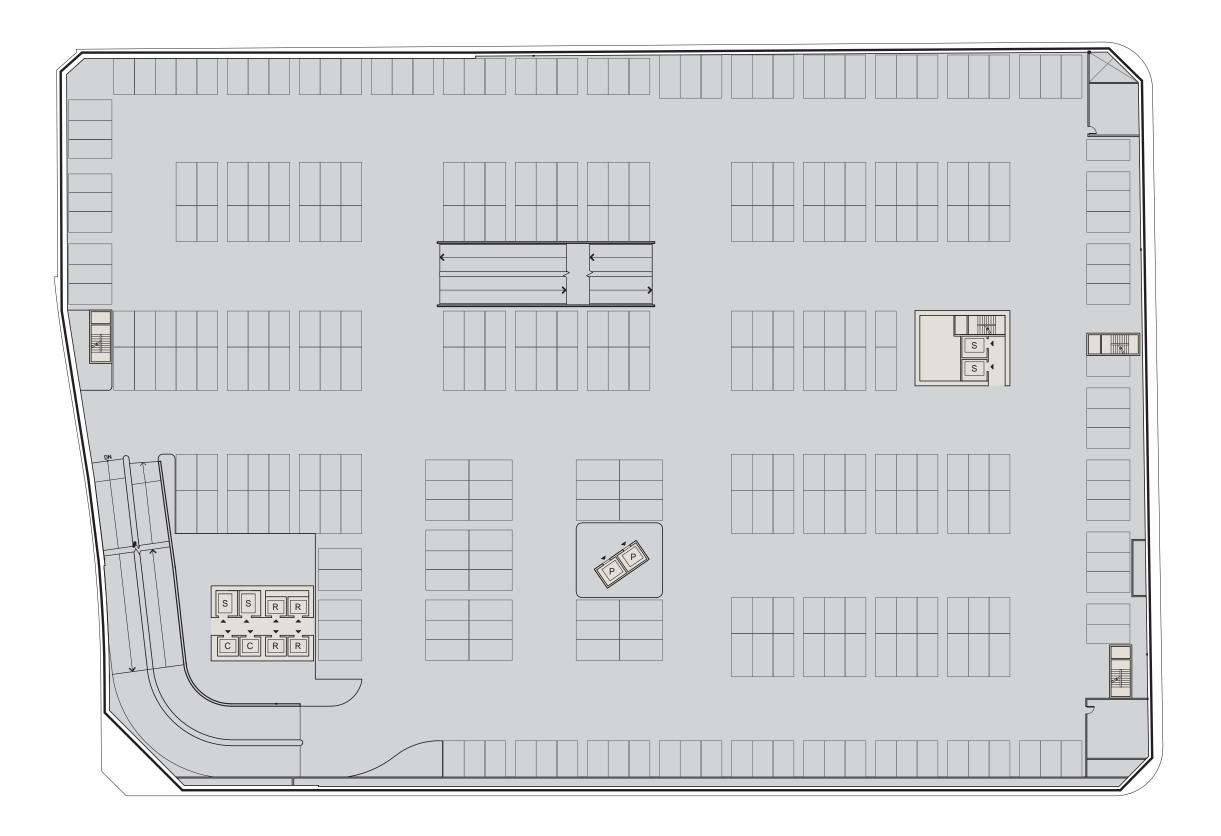


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VIEW FROM OLIVE STREET PLAZA



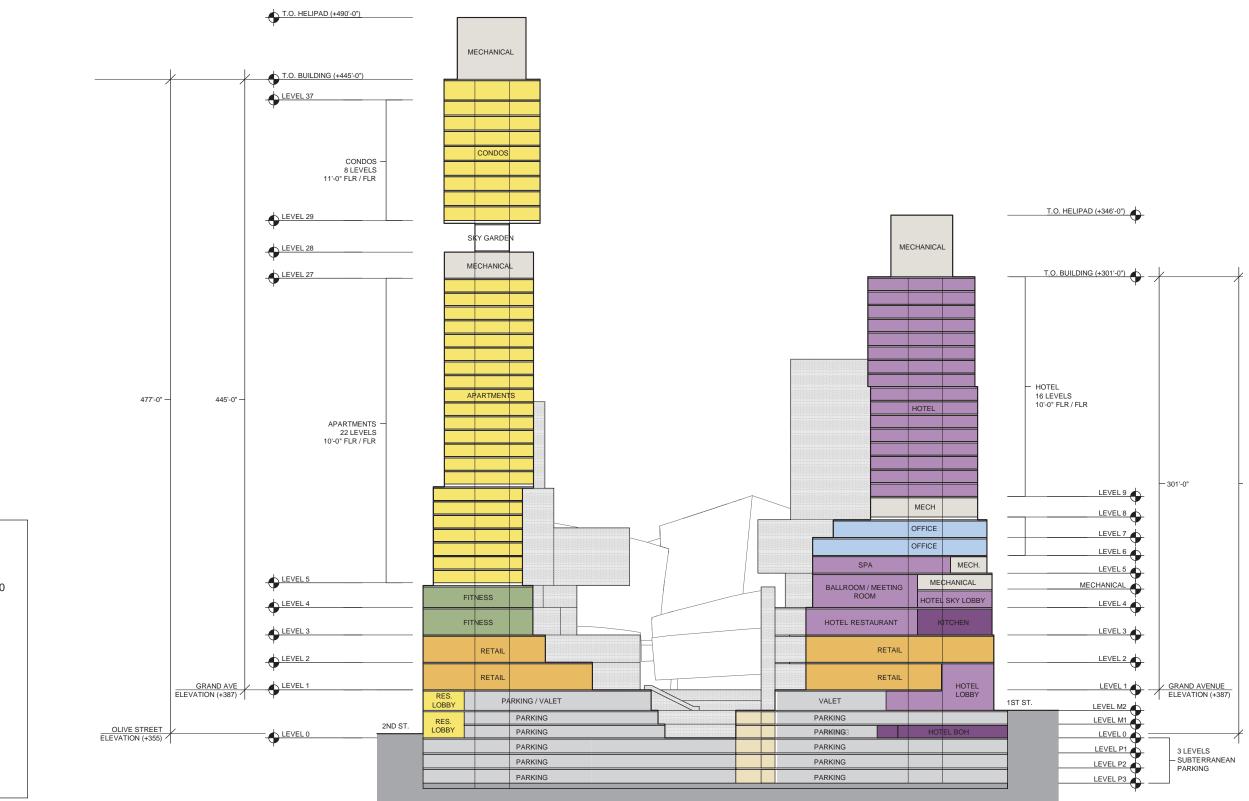




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PARKING LEVELS P1-P3

HOTEL & RESIDENTIAL CONCEPT





RELATED

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VIEW FROM WEST



RELATED © 2013 Gehry Partners, LLP

LEVEL 11 PLAN





VIEW FROM NORTHEAST

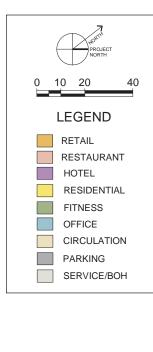


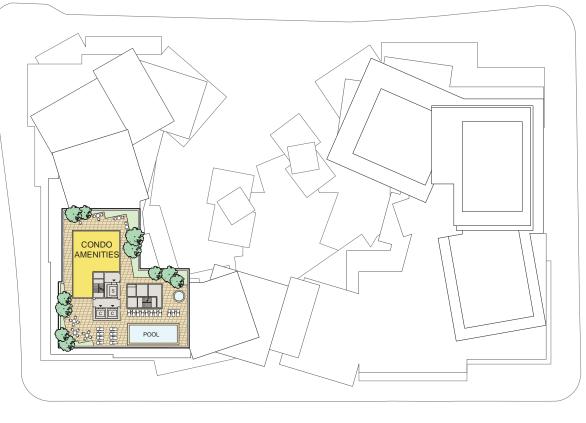
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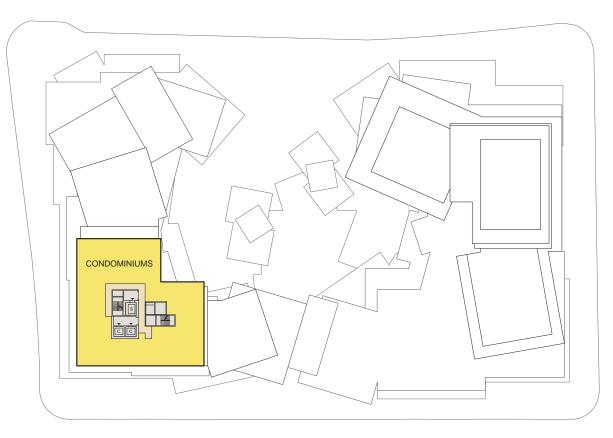




VIEW FROM NORTHWEST







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LEVEL 28 PLAN SKYGARDEN

LEVEL 29-37 PLANS





VIEW FROM SOUTHWEST

	Tower 1	Tower 2	Total
Number of Floors from Grand Ave Height from Grand Ave	24 301 ft	37 445 ft	
Approximate Gross Building Area (above Grand Ave) (incl mech flrs)	396,986 sf	599,218 sf	996,204 sf
Program Areas			
Net Hotel Room Area Gross Other Hotel Areas Number Hotel Rooms	141,136 sf 76,783 sf 300		141,136 sf 76,783 sf
Net Condo Area Number of Condominium Units		80,587 sf 70	80,587 sf
Net Apartment Area Number of Apartments Market Rate Affordable		291,471 sf 380 290 90	291,471 sf
Gross Retail / Food / Beverage	103,337 sf	105,653 sf	208,990 sf
Gross Office Area	46,567		46,567 sf



Number of Parking Spaces

1,350

PROJECT AREA SUMMARY

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VIEW OF BUNKER HILL FROM NORTHEAST



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VIEW FROM CITY HALL



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. <u>Ground Floor/Street Level Uses:</u>

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.

[djh:/338710_9.DOC/4282.005]

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. <u>Building Height:</u>

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 <u>Section L</u>.

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. <u>Sidewalk Standards:</u>

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. <u>Sustainable Development:</u>

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.