CITY COUNCIL REGULAR MEETING

NOVEMBER 13, 2012 7:00 PM

AGENDA

Melody Carruth, Mayor
Joel Lautenschleger, Mayor Pro Tempore | **Barbara Kogerman, Council Member**
Randal Bressette, Council Member | **L. Allan Songstad, Jr., Council Member**

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, California 92653

Any person wishing to address the City Council/Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a pink “Request to Speak” form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council/Planning Agency. Completion of the form is voluntary. All persons may attend the meeting regardless of whether this form is completed.

Members of the public wishing to address the City Council can do so during the Public Comments portion of the Agenda with a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes for Public Comments. If you are commenting on an Agenda item, your comments will be heard at the time that item is scheduled on the Agenda. If you are addressing the City Council on an item not listed on the Agenda, the City Council is prohibited by law from discussing or taking any action on that item.

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

PLEDGE OF ALLEGIANCE: COUNCIL MEMBER BRESSETTE

ROLL CALL OF CITY COUNCIL MEMBERS

1. PRESENTATIONS AND PROCLAMATIONS

1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN ORAL REPORT FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON ADAM WONG.

2. PUBLIC COMMENTS

This is the time to address the City Council on any matter not listed on this Agenda that is within the subject matter jurisdiction of the City Council. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

3. MINUTES

3.1 REGULAR MEETING, OCTOBER 23, 2012

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE MINUTES OF THE OCTOBER 23, 2012, REGULAR MEETING.

4. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

4.1 MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS, SAID TITLES, WHICH APPEAR ON THE PUBLIC AGENDA, SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED

RECOMMENDATION: THAT THE CITY COUNCIL WAIVE READING OF ORDINANCES AND RESOLUTIONS.

4.2 APPROVAL OF WARRANT REGISTER FOR PEROID ENDED NOVEMBER 13, 2012

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF $488,360.69.

4.3 2012-13 CIVIC CENTER BUDGET - BUDGET AMENDMENT

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE AN AMENDMENT TO THE 2012-13 CIVIC CENTER BUDGET IN THE AMOUNT OF $25,000.

4.4 GRANT OF WATERLINE EASEMENT TO THE EL TORO WATER DISTRICT AT THE LAGUNA HILLS CIVIC CENTER

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, GRANTING A WATERLINE EASEMENT TO THE EL TORO WATER DISTRICT AT THE LAGUNA HILLS CIVIC CENTER," AND APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE DEED OF EASEMENT.

4.5 GRANT OF WATERLINE EASEMENT FOR A RECYCLED WATERLINE TO THE EL TORO WATER DISTRICT AT VEEH RANCH PARK

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, GRANTING A WATERLINE EASEMENT FOR A RECYCLED WATERLINE TO THE EL TORO WATER DISTRICT AT VEEH RANCH PARK," APPROVE AND AUTHORIZE THE MAYOR TO EXECUTE THE DEED OF EASEMENT, AND APPROVE AND AUTHORIZE THE MAYOR TO EXECUTE THE ACCEPTANCE AGREEMENT.

4.6 AUTHORIZATION TO FILE A GRANT APPLICATION WITH THE STATE DEPARTMENT OF RESOURCES, RECYCLING AND RECOVERY FOR RUBBERIZED ASPHALT CONCRETE FUNDING IN COOPERATION WITH THE CITY OF LAGUNA WOODS

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING AN APPLICATION FOR GRANT FUNDING FROM THE SB 1346 RUBBERIZED ASPHALT CONCRETE GRANT PROGRAM."

4.7 AWARD OF CONTRACT FOR COMMUNITY CENTER BUILDING REFURBISHMENT, CIP NO. 513A

RECOMMENDATION: THAT THE CITY COUNCIL DENY THE BID PROTEST BY ACR BUILDERS, INC., DIRECT THE CITY ENGINEER TO ISSUE A RESPONSE TO THE NOTICE OF BID PROTEST BY ACR BUILDERS, INC., AND AWARD THE CONTRACT FOR THE COMMUNITY CENTER BUILDING REFURBISHMENT, CIP NO. 513A, TO THE APPARENT LOW BIDDER, NICK STAVRIANOPOULOS CONSTRUCTION AND PAINTING.

4.8 PROGRESS PAYMENT NO. 19 FOR LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS PAYMENT NO. 19, IN THE NET AMOUNT OF $63,617.73, TO SEMA CONSTRUCTION, INC., FOR THE LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159.

ITEMS REMOVED FROM THE CONSENT CALENDAR

5. PLANNING AGENCY

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

5.2 PUBLIC COMMENTS

This is the time to address the Planning Agency on any matter not listed on this Agenda that is within the subject matter jurisdiction of the Planning Agency. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

5.3 MINUTES

5.3.1 REGULAR MEETING, OCTOBER 23, 2012

RECOMMENDATION: THAT THE PLANNING AGENCY APPROVE THE MINUTES OF THE OCTOBER 23, 2012, REGULAR MEETING.

5.4 PLANNING AGENCY PUBLIC HEARINGS

PLANNING AGENCY ADJOURNMENT

6. JOINT MEETING OF THE PLANNING AGENCY AND CITY COUNCIL TO CONSIDER THE PROPOSED LAND USE AND DEVELOPMENT ENTITLEMENTS AND ADOPTION OF A PROPOSED DEVELOPMENT AGREEMENT FOR THE REDEVELOPMENT OF THE OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA

6.1 ROLL CALL OF PLANNING AGENCY AND CITY COUNCIL MEMBERS

6.2 PUBLIC COMMENTS

6.3 PUBLIC HEARING

6.3.1 SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM/ CONDITIONAL USE PERMIT/ PARKING USE PERMIT/VESTING TENTATIVE TRACT MAP/PRECISE PLAN/ DEVELOPMENT AGREEMENT NO. 12-11-2137, A REQUEST BY LAGUNA HILLS INVESTMENT COMPANY TO REDEVELOP OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA.

RECOMMENDATION: THAT THE PLANNING AGENCY AND CITY COUNCIL CONDUCT A JOINT PUBLIC HEARING TO CONSIDER THE PROPOSED LAND USE AND DEVELOPMENT ENTITLEMENTS AND ADOPTION OF A PROPOSED DEVELOPMENT AGREEMENT FOR THE REDEVELOPMENT OF THE OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA AND TAKE THE FOLLOWING ACTIONS:

(1) THAT THE PLANNING AGENCY AND CITY COUNCIL INDEPENDENTLY CONSIDER THE "ADDENDUM TO THE CITY OF LAGUNA HILLS GENERAL PLAN UPDATE EIR - OAKBROOK RESIDENTIAL PROJECT" ALONG WITH THE "CITY OF LAGUNA HILLS GENERAL PLAN PROGRAM ENVIRONMENTAL IMPACT REPORT (STATE CLEARING HOUSE NO. 20080811100)" AND FIND THAT NO ADDITIONAL ENVIRONMENTAL DOCUMENTATION IS REQUIRED UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 21166 AND 21083.3, AND CEQA GUIDELINES SECTIONS 15168, 15162, 15164, AND 15183 FOR THE REASONS SET FORTH IN RESOLUTION NO. PA2012-11-13-1 AND ORDINANCE NO. 2012-4;

(2) THAT THE PLANNING AGENCY ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM/CONDITIONAL USE PERMIT/PARKING USE PERMIT/VESTING TENTATIVE TRACT MAP/PRECISE PLAN/DEVELOPMENT AGREEMENT NO. 12-11-2137, A REQUEST BY LAGUNA HILLS INVESTMENT COMPANY TO REDEVELOP OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA;

(3) THAT THE CITY COUNCIL INTRODUCE AN ORDINANCE ENTITLED: "AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AND ADOPTING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND LAGUNA HILLS INVESTMENT COMPANY FOR THE OAKBROOK VILLAGE SHOPPING CENTER REDEVELOPMENT PROJECT."

ADJOURNMENT OF THE PLANNING AGENCY/CITY COUNCIL JOINT MEETING

7. ADMINISTRATIVE REPORTS

7.1 City Manager

7.2 Deputy City Manager/Community Services

7.2.1 WEBSITE COMMUNITY BULLETIN BOARD

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE STAFF TO DEVELOP A COMMUNITY BULLETIN BOARD PRESENCE ON THE CTIY'S WEBSITE FOR THE POSTING OF NONCOMMERCIAL MESSAGES TO PROMOTE LOCAL COMMUNITY EVENTS AND ACTIVITIES IN ACCORDANCE WITH THE DRAFT ADMINISTRATIVE POLICY.

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

8.1 COUNCIL MEMBER BRESSETTE

8.1.1 DROWNING PREVENTION INFORMATION PROGRAM

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT CITY STAFF TO WORK WITH THE ORANGE COUNTY FIRE AUTHORITY IN DEVELOPING A PILOT PROGRAM THAT WILL ENSURE THAT ALL PROPERTY OWNERS AND RESIDENTS ARE PROVIDED WITH POOL SAFETY AND DROWNING PREVENTION EDUCATIONAL INFORMATION COINCIDENT WITH THE CONSTRUCTION OF A SWIMMING POOL.

9. CITY COUNCIL MEMBER COMMENTS

10. CLOSED SESSION

The City Council shall convene in Closed Session, in the City Hall Conference Room, to consider the following matters:

10.1 CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957(b)(1)
City Designated Representative: Bruce Channing, City Manager, and
Don White, Assistant City Manager
Employee Organization: Laguna Hills City Employees Association
City Employee Organization

10.2 CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6
Agency Negotiator: John Goss, Labor Representative
Unrepresented Employee: City Manager
Under Negotiation: Terms and Conditions of Employment

10.3 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957.6
Public Employee Title: City Manager - Annual Performance Evaluation

Reconvene in regular session in the City Council Chamber.

Report on whether any reportable action was taken on matters considered during Closed Session.

ADJOURNMENT

The next Regular Meeting of the City Council will be November 27, 2012, at 7:00 PM, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

CERTIFICATION

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and La Paz Center by November 9, 2012, at 5:00PM.

Peggy J. Johns

PEGGY J. JOHNS, CITY CLERK

November 9, 2012
DATE

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

CITY OF LAGUNA HILLS, CALIFORNIA
CITY COUNCIL/PLANNING AGENCY REGULAR MEETING
MINUTES
OCTOBER 23, 2012

CALL TO ORDER

Mayor Carruth called the Regular Meeting of the City Council of the City of Laguna Hills, California, to order at 7:00 PM in the Laguna Hills City Council Chamber, 24305 El Toro Road, Laguna Hills.

PLEDGE OF ALLEGIANCE: Mayor Pro Tempore Lautenschleger

ROLL CALL OF CITY COUNCIL MEMBERS

Present: Mayor Carruth, Mayor Pro Tempore Lautenschleger, Council Member Bressette, Council Member Kogerman, and Council Member Songstad

1. PRESENTATIONS AND PROCLAMATIONS

1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON

THE CITY COUNCIL RECEIVED AN ORAL REPORT FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON ALTERNATE AMANDA JAFEE.

1.2 LAGUNA HILLS 3/5 MARINE SUPPORT COMMITTEE

THE CITY COUNCIL RECEIVED AN ORAL PRESENTATION FROM COMMITTEE CHAIR MIKE BLAND.

2. PUBLIC COMMENTS

MUNICIPAL ELECTION

John Bosch, Andrew Blount, and Dr. Raghu Mathur, Laguna Hills, spoke on the issue of missing or destroyed campaign signs.

3. MINUTES

3.1 REGULAR MEETING, OCTOBER 9, 2012

MOTION TO APPROVE THE MINUTES OF THE OCTOBER 9, 2012, REGULAR MEETING, BY M/COUNCIL MEMBER BRESSETTE, S/MAYOR PRO TEMPORE LAUTENSCHLEGER.
APPROVED BY A VOTE OF 5-0.

4. CONSENT CALENDAR

MOTION TO APPROVE THE CONSENT CALENDAR, BY M/COUNCIL MEMBER BRESSETTE, S/MAYOR PRO TEMPORE LAUTENSCHLEGER, WITH COUNCIL MEMBER KOGERMAN REMOVING ITEMS NO. 4.3 AND 4.4.
APPROVED BY A VOTE OF 5-0.

4.1 MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS, SAID TITLES, WHICH APPEAR ON THE PUBLIC AGENDA, SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED

THE CITY COUNCIL WAIVED READING OF ORDINANCES AND RESOLUTIONS.

4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED OCTOBER 23, 2012

THE CITY COUNCIL APPROVED THE WARRANT REGISTER IN THE AMOUNT OF $1,191,724.47.

4.5 PROGRESS PAYMENT NO. 3 FOR CITYWIDE PAVEMENT REHABILITATION PROJECT, CIP NO. 101-H

THE CITY COUNCIL APPROVED PROGRESS PAYMENT NO. 3, IN THE NET AMOUNT OF $250,764.87, TO ALL AMERICAN ASPHALT, FOR CITYWIDE PAVEMENT REHABILITATION PROJECT, CIP NO. 101-H AND AUTHORIZED A TASK ORDER TO WILLDAN FOR SURVEY MONUMENT PRESERVATION.

4.6 CITY COUNCIL AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A JOINT PARKING COVENANT AND AGREEMENT BETWEEN MOULDY, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AND THE CITY OF LAGUNA HILLS, FOR PROPERTY LOCATED AT 25202-25352 CABOT ROAD (CABOT TOWN CENTER).

THE CITY COUNCIL APPROVED THE JOINT PARKING COVENANT AND AGREEMENT BETWEEN MOULDY, LLC, AND THE CITY OF LAGUNA HILLS, AND AUTHORIZED THE CITY MANAGER TO EXECUTE THE AGREEMENT.

ITEMS REMOVED FROM THE CONSENT CALENDAR

4.3 CLARIFICATION OF MUNICIPAL CODE FOR TERMS OF OFFICE FOR THE PARKS AND RECREATION COMMISSION AND TRAFFIC COMMISSION

THE CITY COUNCIL ADOPTED ORDINANCE NO. 2012-3, AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING CHAPTER 2-28.070 OF THE LAGUNA HILLS MUNICIPAL CODE CONCERNING THE TERMS OF OFFICE FOR THE PARKS AND RECREATION COMMISSION AND THE TRAFFIC COMMISSION, BY M/COUNCIL MEMBER SONGSTAD, S/MAYOR PRO TEMPORE LAUTENSCHLEGER.
APPROVED BY A VOTE OF 3-2 (COUNCIL MEMBERS BRESSETTE AND KOGERMAN VOTING NO).

4.4 PROGRESS PAYMENT NO. 6 FOR AVENIDA DE LA CARLOTA WIDENING PROJECT, CIP NO. 164

THE CITY COUNCIL APPROVED CONTRACT CHANGE ORDER NO. 2 AND PROGRESS PAYMENT NO. 6, IN THE NET AMOUNT OF $32,217.41, TO HILLCREST CONTRACTING, INC., FOR THE AVENIDA DE LA CARLOTA WIDENING PROJECT, CIP NO. 164, BY M/MAYOR PRO TEMPORE LAUTENSCHLEGER, S/COUNCIL MEMBER SONGSTAD.
APPROVED BY A VOTE OF 5-0.

5. PLANNING AGENCY

Mayor Carruth recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:32 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Carruth, Vice Chair Lautenschleger, Agency Member Bressette, Agency Member Kogerman, and Agency Member Songstad

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, OCTOBER 9, 2012

MOTION TO APPROVE THE MINUTES OF THE OCTOBER 9, 2012, REGULAR MEETING, BY M/AGENCY MEMBER BRESSETTE, S/VICE CHAIR LAUTENSCHLEGER.
APPROVED BY A VOTE OF 5-0.

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.4.1 MINOR SITE DEVELOPMENT PERMIT/PARKING USE PERMIT NO. 9-12-2372, A REQUEST BY WBSA ARCHITECTS INC., ON BEHALF OF SADDLEBACK MEMORIAL MEDICAL CENTER, A CALIFORNIA NON-PROFIT CORPORATION, FOR A JOINT USE PARKING PERMIT TO ESTABLISH OFF-SITE STAFF PARKING FOR USE BY MEMORIAL CARE CANCER TREATMENT CENTER, WHICH PLANS TO OCCUPY THE EXISTING BUILDING AT 24302 PASEO DE VALENCIA, AND FOR A MINOR SITE DEVELOPMENT PERMIT FOR A 3,160 SQUARE FOOT BUILDING ADDITION AND MINOR SITE IMPROVEMENTS

City Manager Channing left the dais and was not in attendance during the discussion of Item No. 5.4.1.

Chair Carruth opened the Public Hearing.

Rick Wood, representative for the applicant, spoke on the Minor Site Development Permit/Parking Use Permit No. 9-12-2372. Mr. Wood indicated that he agreed to all of the Conditions of Approval including the Amendments.

Chair Carruth closed the Public Hearing.

THE PLANNING AGENCY ADOPTED RESOLUTION NO. PA2012-10-23-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING MINOR SITE DEVELOPMENT PERMIT/PARKING USE PERMIT NO. 9-12-2372, A REQUEST BY WBSA ARCHITECTS INC., ON BEHALF OF SADDLEBACK MEMORIAL MEDICAL CENTER, A CALIFORNIA NON-PROFIT CORPORATION, FOR A JOINT USE PARKING PERMIT TO ESTABLISH OFF-SITE STAFF PARKING FOR USE BY MEMORIAL CARE CANCER TREATMENT CENTER, WHICH PLANS TO OCCUPY THE EXISTING BUILDING AT 24302 PASEO DE VALENCIA, AND FOR A MINOR SITE DEVELOPMENT PERMIT FOR A 3,160 SQUARE FOOT BUILDING ADDITION AND MINOR SITE IMPROVEMENTS, WITH AMENDMENT TO CONDITION NO. 16, AS FOLLOWS: 16. ALL CONSTRUCTION SHALL COMPLY WITH 2010 CALIFORNIA BUILDING, PLUMBING, MECHANICAL, AND ELECTRICAL CODES; AND ADD CONDITION NO. 27, AS FOLLOWS: 27. PRIOR TO THE ISSUANCE OF THE CERTIFICATE OF OCCUPANCY FOR THE NEW STRUCTURE, THE APPLICANT SHALL DESIGN AND INSTALL ADA COMPLIANT CURB RAMPS AT THE NORTHEAST AND SOUTHEAST CORNERS OF THE INTERSECTION OF PASEO DE VALENCIA AND CALLE DE

LA MAGDELENA TO THE REASONABLE SATISFACTION OF THE CITY ENGINEER, BY/AGENCY MEMBER BRESSETTE, S/AGENCY MEMBER KOGERMAN.
APPROVED BY A VOTE OF 5-0.

City Manager Channing returned to the meeting.

PLANNING AGENCY ADJOURNMENT

Mayor Carruth reconvened the City Council meeting at 7:54 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

7. ADMINISTRATIVE REPORTS

7.1 City Manager

The City Manager made no reports.

7.2 City Attorney

7.2.1 APPOINTMENT OF LABOR NEGOTIATOR

John Bosch, Dr. Dore Gilbert, and Dr. Raghu Mathur, Laguna Hills, spoke on the appointment of Labor Negotiator.

THE CITY COUNCIL SELECTED AND APPOINTED JOHN GOSS, AS DESIGNATED REPRESENTATIVE, FOR PURPOSES OF CONDUCTING LABOR NEGOTIATIONS WITH THE CITY MANAGER, AN UNREPRESENTED EMPLOYEE, BY M/MAYOR CARRUTH, S/COUNCIL MEMBER SONGSTAD.
APPROVED BY A VOTE OF 4-1 (COUNCIL MEMBER KOGERMAN VOTING NO.)

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

There were no matters agendized and presented by City Council Members.

9. CITY COUNCIL MEMBER COMMENTS

MAYOR PRO TEMPORE LAUTENSCHLEGER

Mayor Pro Tempore Lautenschleger reported on his attendance at the Orange County Vector Control meeting.

MAYOR CARRUTH

Mayor Carruth reported on her attendance at the OC Parks dedication of a new and improved area of Aliso Creek Watershed.

Mayor Carruth asked if the "no turn" on red light eastbound on La Paz Road and Cabot Road intersection would continue after the construction was completed.

Public Works Director/City Engineer Rosenfield indicated there was not a definite decision at this time. Mr. Rosenfield stated he would know in the next couple of weeks and would report back to City Council with the final decision.

COUNCIL MEMBER KOGERMAN

Council Member Kogerman requested clarification on the missing or damaged campaign signs that was discussed under Public Comments.

City Manager Channing provided clarification on this issue.

10. CLOSED SESSION

Mayor Carruth recessed the meeting into Closed Session at 8:31 PM.

10.1 CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957(b)(1)
City Designated Representative: Bruce Channing, City Manager and
Don White, Assistant City Manager
Employee Organization: Laguna Hills City Employees Association
City Employee Organization

10.2 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957.6
Public Employee Title: City Manager - Annual Performance Evaluation

10.3 CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6
Agency Negotiator: John Goss, Labor Representative
Unrepresented Employee: City Manager
Under Negotiation: Terms and Conditions of Employment

Mayor Carruth reconvened the meeting at 11:00 PM. All Council Members were present.

City Attorney Simonian indicated that no reportable action was taken by the City Council in Closed Session.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Carruth declared the meeting adjourned at 11:03 PM.

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PEGGY J. JOHNS, CITY CLERK

ATTEST:

____
MELODY CARRUTH, MAYOR

APPROVED AT MEETING OF ____________________________

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE, ASSISTANT CITY MANAGER

ISSUE: APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED NOVEMBER 13, 2012.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF $488,360.69.

SUMMARY:

In accordance with Government Code Section 37202, the attached Warrant Register reflects the disbursements of the City of Laguna Hills for the period reported thereon. The Assistant City Manager certifies and attests to its accuracy and the availability of funds for the payment thereof. These warrants are hereby submitted to the City Council for approval of payment.

Prepared by:

JANICE MATEO REYES
Finance Manager

Certified:

DONALD J. WHITE
Assistant City Manager

11-7-12
DATE

FISCAL IMPACT:

The warrant register total is $488,360.69.

ATTACHMENTS:

1. **Warrant Register**

CITY OF LAGUNA HILLS
WARRANT REGISTER
November 13, 2012

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
PREPAID WARRANTS:			
AT&T	*Communication Expense, Administrative Services Fax Line, Oct '12*	8804266	$ 63.51
BUILDRITE, INC.	*Refund, C&D Deposit, CR# 44743*	8804270	1,734.60
CHANDAR, KARTIK	*Refund, SDPA Fees, CR# 44750*	8804239	87.50
COX COMMUNICATION	*Communication Expense, Traffic Control, Oct '12*	8804281	179.00
CRAVENS, BRAD	*Refund, SDPA Fees, CR# 44841*	8804282	12.50
DOMINGUEZ, CHRIS	*Mileage Reimbursement, Planning, Oct '12*	8804286	106.01
DYNAMIC AUTO IMAGES	*Refund, SDPA Fees, CR# 44886*	8804288	162.50
ECHEVARRIA, LUCY	*Mileage Reimbursement, Community Services, Jul - Sep '12*	8804240	104.34
EL TORO WATER DISTRICT	*Water Usage, Parks, Sep '12*	8804289	18,046.64
EVERBANK COMMERCIAL FINANCE	*Lease - Copier, City Hall, Oct '12*	8804290	267.41
H20 PARTNERS, LLC	*Refund, CUP Fees, CR# 44749*	8804241	2,537.50
HOME DEPOT	*Program Supplies, Community Services, Sep '12*	8804295	66.29
IRVINE RANCH WATER DISTRICT	*Water Usage, Parks, Sep '12*	8804242	178.82
LYNN, ADAM	*Refund, SDPA Fees, CR# 44624*	8804243	87.50
MEEHAN, DANIEL	*Mileage Reimbursement, Community Services, Oct '12*	8804244	19.43
MERCURY DISPOSAL SYSTEM, INC.	*Professional Fees, Recycling Program, Jul '12*	8804310	386.80
MOBILE MINI, INC.	*Storage Rental Fee, Community Services, Nov '12*	8804250	82.97
MOULTON NIGUEL WATER DISTRICT	*Water Usage Parks and Community Center, Sep - Oct '12*	8804311	17,678.04
OROS CONSULTING SERVICES, LLC	*Professional Fees, Computer Consulting Services, Oct '12*	8804316	5,005.00
PAEZ, IRMA	*Refund, SDPA Fees, CR# 44706*	8804317	462.50
RALPHS GROCERY COMPANY	*Program Supplies, Community Services, Sep '12*	8804251	27.42
REFUND, COMMUNITY SVCS PROGRAM	*L. Shorter, V# 2002556.002*	8804245	90.00
REFUND, FACILITY RENTAL DEPOSIT	*G. Ataii, V# 2002574.002*	8804253	440.00
REFUND, FACILITY RENTAL DEPOSIT	*Bella Vista @ Moulton Ranch, V# 2002575.002*	8804254	250.00

CITY OF LAGUNA HILLS
WARRANT REGISTER
November 13, 2012

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
REFUND, FACILITY RENTAL DEPOSIT	*Agape Christian Church, V# 2002577.002*	8804255	500.00
REFUND, FACILITY RENTAL DEPOSIT	*Beach Cities Quilters Guild, V# 2002576.002*	8804256	500.00
REFUND, FACILITY RENTAL DEPOSIT	*Action Property Management, V# 2002569.002*	8804257	130.00
REFUND, FACILITY RENTAL DEPOSIT	*A. Ashraff, V# 2002533.002*	8804321	500.00
REFUND, FACILITY RENTAL DEPOSIT	*K. Martin, V# 2002563.002*	8804322	500.00
REFUND, FACILITY RENTAL FEE	*Hoag Memorial Hospital, V# 2002579.002*	8804252	250.00
REYNOLDS, DAVID	*Travel Reimbursement, Information Technology, Oct '12*	8804258	577.73
SAN DIEGO GAS & ELECTRIC	*Electric Usage, Street Lights and Traffic Control, Oct '12*	8804246	242.67
SAN DIEGO GAS & ELECTRIC	*Electric Usage, Community Center, Traffic Control and Street Lights, Sep '12*	8804328	24,318.57
SOUTHERN CALIFORNIA EDISON	*Electric Usage, Street Lights and Traffic Control, Oct '12*	8804247	405.19
SOUTHERN CALIFORNIA EDISON	*Electric Usage, Street Lights and Traffic Control, Oct '12*	8804332	2,653.33
SPRINT	*Communication Expense, Community Services, Sep '12*	8804248	150.51
TOTALFUNDS BY HASLER	*Postage, Meter Replenishment, Oct '12*	8804334	1,000.00
VERIZON WIRELESS	*Communication Expense, Sep '12*	8804249	1,892.81
	Total Prepaid Warrants:		**$ 81,697.09**
REGULAR WARRANTS:			
A. C. LANDSCAPE, INC.	*Water Management Services, Irrigation Repairs, Oct '12*	8804260	$ 1,982.44
ACE BUSINESS MACHINES, INC.	*Equipment, Check Signer, Finance, Oct '12*	8804261	4,053.61
ALBERT, SOPHI	*Contract Instructor Fee, Piano/Keyboard Fall, Community Services*	8804262	319.20
ALL CITY MANAGEMENT, INC.	*Crossing Guard Services, 09/02/12 - 10/13/12*	8804263	9,110.40
APPLIED PLANNING, INC.	*Reimbursable Expense, Professional EIR Review, Oakbrook Village, Sep '12*	8804264	8,350.00
ART TO GROW ON CHILDREN'S	*Contract Instructor Fee, Art Classes Fall Session, Community Services*	8804265	693.00
ATHALYE CONSULTING ENGINEERING	*Professional Fees, La Paz Widening @ I-5 CIP # 159*	8804267	28,964.75
BEE MAN, THE	*Bee Removal, Parks, Oct '12*	8804268	440.00

CITY OF LAGUNA HILLS
WARRANT REGISTER
November 13, 2012

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
BLUEPRINT TECHNOLOGIES	*Maintenance, Phone System, Community Center, Sep '12*	8804269	62.50
BUREAU VERITAS NORTH AMERICA	*Professional Fees, On-Call Inspections, Jul - Sep '12*	8804271	18,862.00
C&D ELECTRIC, INC.	*Lighting Repairs and Inspections, Parks, Oct '12*	8804272	1,128.42
CA BUILDINGS STANDARD COMMISSION	*Remittance, Building Fees Collected, Jul - Sep '12*	8804274	358.20
CALIF PARK & REC SOCIETY, INC.	*Membership, Community Services, FY 12/13*	8804273	145.00
CALIF SPECIAL DISTRICTS ASSOC.	*Annual Membership, Administrative Services, 2013*	8804275	779.00
CALIFORNIA YELLOW CAB	*Dial-a-Taxi Senior Transportation Program, Sep '12*	8804276	180.00
CARRINO, MARGARET	*Professional Fees, Paleontology, Community Services, Sep '12*	8804277	237.50
CDW GOVERNMENT, INC.	*Computer Supplies, IT, Oct '12*	8804278	1,503.75
CHARLES ABBOTT ASSOCIATES, INC	*Professional Fees, Plan Checking and Building & Safety Services, Sep '12*	8804279	10,177.54
COMPLETE OFFICE OF CALIFORNIA	*Office and Operating Supplies, Community Center, Oct '12*	8804280	796.50
COUNTY OF ORANGE-DISTRICT ATTORN	*Prosecution Services, Municipal Code Violation, Jul - Sep '12*	8804285	234.00
DEPARTMENT OF CONSERVATION	*Remittance, SMIP Fees Collected, Jul - Sep '12*	8804283	292.88
DIRECT DOCUMENT SYSTEMS	*Printing Expense, Finance Forms*	8804284	179.42
DUNBAR ARMORED, INC.	*Courier Fee, Armored Transport, Oct '12*	8804287	117.20
FEDERAL EXPRESS CORPORATION	*Delivery Services, Sep '12*	8804291	82.33
FOREST LANES	*Program Expense, Deposit, Community Services, Jan '13*	8804292	100.00
GOVPARTNER	*Hosting Fees, Request Partner, Oct '12*	8804293	500.00
GREEN MART, INC.	*Operating Supplies, Parks, Oct '12*	8804294	614.18
ICMA	*Membership, Administrative Services, 2013*	8804296	200.00
IRON MOUNTAIN OFFSITE	*Off Site Data Storage, Sep '12*	8804297	208.26
IRV SEAVER MOTORCYCLES	*Motorcycle Maintenance, Police Services, Aug - Oct '12*	8804298	4,949.29
JAMEY CLARK, INC.	*Miscellaneous Park Repairs, Janitorial Services and Graffiti Removal, Sep - Oct '12*	8804299	2,424.00
JCTEES.COM CORPORATION	*Program Supplies, Community Services, Oct '12*	8804300	470.19
JOE A. GONSALVES & SON	*Professional Fees, Legislative Services, Nov '12*	8804301	2,900.00

CITY OF LAGUNA HILLS
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VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
K F STUDIOS	*Event Promotional Services, 1/2 Marathon and 5K Event, Community Services, May '13*	8804302	480.00
KNIGHT, LORNA ANGELA	*Contract Instructor Fee, Yoga Fall Session, Community Services*	8804303	2,174.90
LINDY OFFICE PRODUCTS	*Operating Supplies, Oct '12*	8804305	109.60
MAIN GRAPHICS	*Printing, Police Services, Oct '12*	8804306	376.72
MARTIN-RUSK, DINA	*Contract Instructor Fee, Zumba Fall Session, Community Services*	8804307	420.00
MCDONOUGH, ROBERT	*Contract Instructor Fee, Karate Fall Session, Community Services*	8804308	182.00
MERCURY DISPOSAL SYSTEM, INC.	*Professional Fees, Recycling Program, Oct '12*	8804309	268.91
MUSIC MOVES ACADEMY, INC.	*Contract Instructor Fee, Music Classes Fall Session, Community Services*	8804312	101.50
MYERS, JOHN	*Contract Instructor Fee, Tennis Classes Fall Session, Community Services*	8804313	312.00
OFFICE SOLUTIONS	*Office and Operating Supplies, Oct '12*	8804315	948.07
ORANGE COUNTY TREASURER	*Public Safety 800 MHZ Cost Allocation 2nd Qtr 12/13, Communication Charge 3rd, 4th Qtr 11/12, and 1st Qtr 12/13*	8804304	6,868.14
ORANGE COUNTY TREASURER	*NPDES, Water Quality Ordinance Implementation, FY 12/13*	8804314	481.00
ORANGE COUNTY TREASURER	*Road Maintenance, Sep '12*	8804326	59,599.75
ORANGE COUNTY TREASURER	*Traffic Signal Maintenance, Jul - Aug '12*	8804335	26,010.15
PROMOTIONAL SIGNS, INC.	*Display Case Modification, City Clerk, Oct '12*	8804318	215.37
QUESTYS SOLUTIONS	*Professional Fees, Software License and Annual Maintenance Agreement, Oct '12 - Sep '13*	8804319	8,451.70
QUIKSILVER COURIER	*Delivery Service, Oct '12*	8804320	29.64
RENEGADE RACING	*Event Management Services, 2013 1/2 Marathon and 5K Event, May '13, Partial Payment*	8804323	5,000.00
RICHARD FISHER ASSOCIATES	*Professional Fees, On-Call Inspections, Oct '12*	8804324	1,327.50
RIPPETOE MILES, LLP	*Professional Fees, Legal Services, Aug '12*	8804325	4,515.55
SADDLEBACK FAMILY &URGENT CARE	*Pre-employment Physicals, Sep - Oct '12*	8804327	540.00
SAN JOAQUIN HILLS TRANSPORT	*Remittance, Transportation Corridor, Fees Collected, Oct '12*	8804329	4,775.00
SEMA CONSTRUCTION, INC.	*Progress Payment #19, La Paz Widening @ I-5 CIP # 159*	8804330	63,617.73
SOCAL OFFICE TECHNOLOGIES	*Printer, Maintenance and Supplies, Nov '12*	8804331	600.81

CITY OF LAGUNA HILLS
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November 13, 2012

VENDOR	DESCRIPTION	CHECK NO.	AMOUNT
STV INCORPORATED	*Professional Fees, Paseo de Valencia Widening CIP # 145*	8804333	20,558.54
TRAUMA INTERVENTION PROGRAMS	*Community Program, TIP, Oct - Dec '12*	8804336	910.32
WEST COAST ARBORISTS, INC.	*Tree Planting, Urban Reforestation, CIP # 320 and Tree Trimming, Aug '12*	8804337	6,086.00
WILLDAN	*Professional Fees, Annual Street Maintenance CIP # 101*	8804338	39,000.00
WOODRUFF, SPRADLIN & SMART	*Professional Fees, Legal Services, Sep '12*	8804339	50,801.63
XEROX CORPORATION	*Lease - Copier, City Hall, Oct '12*	8804340	485.51
	Total Regular Warrants:		**$ 406,663.60**
	*****WARRANT REGISTER TOTAL*****		**$ 488,360.69**

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: 2012-13 CIVIC CENTER BUDGET - BUDGET AMENDMENT

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE AN AMENDMENT TO THE 2012-13 CIVIC CENTER BUDGET IN THE AMOUNT OF $25,000.

SUMMARY:

Staff is proposing that the City begin an aggressive marketing campaign to lease Suite 100 (5,585 sq. ft.). In order to prepare the space for this campaign, it is recommended that the interior tenant improvements be demolished to bring the space to a shell-ready condition. The Civic Center Management Committee has reviewed this proposed project and has directed staff to move forward. Since the cost to demolish the tenant improvements ($25,000) was not included in the 2012-13 Civic Center budget, staff is recommending that the City Council approve an amendment to the budget in the amount of $25,000.

BACKGROUND:

Suite 100 is a former bank space that was occupied by Century 21 Real Estate until April 30, 2008. Since that time, two factors have worked against the City's ability to lease the space. The first factor has been the recession, especially given the size of the suite. The second factor is the current tenant improvements, including the large bank vault. These features make it very difficult for a prospective tenant to visualize how the space might work for them. At this point, staff believes that improving economic conditions will eliminate the first factor, but that the second factor will continue to hinder the City's leasing efforts. Staff estimates that it will cost about $25,000 to demolish the vault and other unwanted elements and bring the suite to a shell-ready condition. This will greatly improve our ability to market the space.

It should be noted that even after the demolition, in order to lease Suite 100, the City will be required to make a significant upfront capital investment. Attached to this report are two lease analyses of 5-years and 10-years. Under these scenarios, the City's capital requirement would be $334,838 and $358,240, respectively. However, under both scenarios, the City does make a positive return on investment, albeit a small return under a 5-year lease term. In any case, substantial returns will occur during the second and third 5-year lease cycles. These additional upfront capital expenses will only be incurred when the City has a signed lease for the space.

Given the prospects of an improving economy, improving rental rates, and modest construction costs, staff is recommending that the City proceed with the demolition of existing tenant improvements in Suite 100 to ready the space for an aggressive marketing campaign. This project was discussed with the Civic Center Management Committee at the October 23, 2012, meeting. The Committee voted unanimously to proceed with the project. Since the cost to demolish the existing improvements was not included in the 2012-13 Civic Center budget, the Committee directed staff to bring forth a budget amendment to the City Council.

FISCAL IMPACT:

The 2012-13 Civic Center budget includes $101,210 for painting the interior of the Civic Center and for replacing carpeting throughout the common areas on all three floors, elevator cabs, and first floor City offices. There may be sufficient funds left over from this project to fund the demolition of tenant improvements in Suite 100; however, if not, then a capital contribution from City reserves up to $25,000 may be necessary.

ATTACHMENTS:

- 5-Year Lease Analysis
- 10-Year Lease Analysis

SUITE 100 LEASE ANALYSIS (5-YEARS)

Return Analysis	
Net Present Value	$ 27,958
Present Value Ratio	1.08
Internal Rate of Return	15%

Assumptions	
Usable Square Feet	4,417
Rentable Square Feet	5,582
Tenant Allowance	$ 45
Cost of Capital	12%
Term	5 years

	Rate	Monthly	Annually	Less Direct Variable Costs	Present Value Interest Factor	Discounted Cash Flow
Year 1	1.80	$ 10,048	$ 120,571	$ (27,352)	0.8929	$ 83,236
Year 2	1.85	$ 10,327	$ 123,920	$ (27,352)	0.7972	$ 76,984
Year 3	1.90	$ 10,606	$ 127,270	$ (27,352)	0.7118	$ 71,121
Year 4	1.95	*$ 10,885*	*$ 130,619*	$ (27,352)	0.6355	$ 65,626
Year 5	2.00	*$ 11,164*	*$ 145,132*	$ (27,352)	*0.5674*	$ 66,828
Total Cash In-Flow			$ 647,512			$ 363,796
Less						
Demolition						$ 25,000
TI Construction						$ 251,190
Space Planning						$ 5,000
Constuction Management	5.0%					$ 12,560
Procuring Broker (years 1-5)	4.0%					$ 25,900
Essex Realty (years 1-5)	2.5%					$ 16,188
Total Upfront Capital						$ 335,838
Net Present Value						$ 27,958

SUITE 100 LEASE ANALYSIS (10-YEARS)

Return Analysis		
Net Present Value	$	266,055
Present Value Ratio		1.74
Internal Rate of Return		27%

Assumptions		
Usable Square Feet		4,417
Rentable Square Feet		5,582
Tenant Allowance	$	45
Cost of Capital		12%
Term		10 Years

	Rate	Monthly	Annually	Less Direct Variable Costs	Present Value Interest Factor	Discounted Cash Flow
Year 1	1.80	$ 10,048	$ 120,571	$ (27,352)	0.8929	$ 83,236
Year 2	1.85	$ 10,327	$ 123,920	$ (27,352)	0.7972	$ 76,984
Year 3	1.90	$ 10,606	$ 127,270	$ (27,352)	0.7118	$ 71,121
Year 4	1.95	*$ 10,885*	*$ 130,619*	$ (27,352)	0.6355	$ 65,626
Year 5	2.00	*$ 11,164*	*$ 145,132*	$ (27,352)	*0.5674*	$ 66,828
Year 6	2.05	*$ 11,443*	*$ 148,760*	$ (27,352)	*0.5066*	$ 61,506
Year 7	2.10	*$ 11,722*	*$ 152,389*	$ (27,352)	*0.4523*	$ 56,554
Year 8	2.15	*$ 12,001*	*$ 156,017*	$ (27,352)	*0.4039*	$ 51,968
Year 9	2.20	*$ 12,280*	*$ 159,645*	$ (27,352)	*0.3606*	$ 47,705
Year 10	2.25	*$ 12,560*	*$ 163,274*	$ (27,352)	*0.322*	$ 43,767
Total Cash In-Flow			$1,427,597			$ 625,296
Less:						
Demolition						$ 25,000
TI Construction						$ 251,190
Space Planning						$ 5,000
Constuction Management	5.0%					$ 12,560
Procuring Broker (years 1-5)	4.0%					$ 25,900
Procuring Broker (years 6-10)	2.0%					$ 15,602
Essex Realty (years 1-5)	2.5%					$ 16,188
Essex Realty (years 6-10)	1.0%					$ 7,801
Total Upfront Capital						$ 359,240
Net Present Value						$ 266,055

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: GRANT OF WATERLINE EASEMENT TO THE EL TORO WATER DISTRICT AT THE LAGUNA HILLS CIVIC CENTER

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, GRANTING A WATERLINE EASEMENT TO THE EL TORO WATER DISTRICT AT THE LAGUNA HILLS CIVIC CENTER," AND APPROVE AND AUTHORIZE THE MAYOR TO SIGN THE DEED OF EASEMENT.

SUMMARY:

The development of the building site that houses the Laguna Hills Civic Center required modifications to waterlines for purposes of fire protection and domestic use. The El Toro Water District (ETWD) has requested the City grant them an easement on the Civic Center property sufficient to allow the ETWD to maintain the waterlines. Approval of the proposed Resolution and Deed of Easement, each attached hereto, conveying the waterline easements to ETWD is recommended.

BACKGROUND:

During the 2004 remodeling of the Civic Center Building at 24035 El Toro Road, the City was required to upgrade the waterlines serving the building for both fire protection and domestic water use. The waterlines exist on both the easterly and westerly sides of the building in the parking lot areas. The ETWD maintains the new waterlines serving the building and has requested easements be granted to them to formally allow their services to be provided in accordance with their procedures. The Deed of Easement instrument, attached, provides a legal description and plat of the easement areas to be granted. The Deed of Easement instrument has been reviewed and determined to be acceptable by both the City Engineer and the City Attorney. Approval of both the attached Resolution and Deed of Easement is recommended.

FISCAL IMPACT:

None

CEQA FINDINGS:

CEQA's Class 1 exemption applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private facilities involving negligible or no expansion of a use beyond the use existing at the time of the lead agency's CEQA determination. (CEQA Guidelines Section 15301) Here, the conveyance of easements to ETWD involves negligible or no expansion of the existing waterlines serving the Civic Center. ETWD already maintains these existing facilities, and seeks the formal conveyance of easements to allow it to service the waterlines in accordance with their standard procedures. The project is therefore exempt from CEQA review pursuant to CEQA Guidelines Section 15301.

ATTACHMENTS:

- Resolution
- Deed of Easement with legal description and plat

RESOLUTION NO. 2012-11-13-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, GRANTING A WATERLINE EASEMENT TO THE EL TORO WATER DISTRICT AT THE LAGUNA HILLS CIVIC CENTER

WHEREAS, the City is owner of that certain real property commonly referred to as the Laguna Hills Civic Center, located at 24035 El Toro Road, Laguna Hills, California 92653; and

WHEREAS, the El Toro Water District has requested 20 foot wide perpetual non-exclusive easements in, on, over, under, upon, along, through, and across a certain portion of the above-described property to construct, reconstruct, and maintain a pipeline or pipelines for water and sanitary sewer purposes; and

WHEREAS, the City Engineer and the City Attorney have reviewed the Deed of Easement conveying the requested easements from the City to El Toro Water District and find it to be in proper form.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. That the Deed of Easement presented to the City Council conveying to El Toro Water District, perpetual non-exclusive easements in, on, over, under, upon, along, through, and across a certain portion of real property owned by the City commonly referred to as the Laguna Hills Civic Center, a copy of which is attached hereto as Exhibit "A," is hereby approved.

PASSED, APPROVED, AND ADOPTED this 13th day of November, 2012.

____
MELODY CARRUTH, MAYOR

ATTEST:

____
PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2012-11-13- adopted by the City Council of the City of Laguna Hills, California, at a regular meeting thereof, held on the 13th day of November, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

Exhibit "A"

Deed of Easement – Civic Center Project

Easement No. 374

W.O. No. 34-470

Recorded at the request of
EL TORO WATER DISTRICT

When recorded mail to:

EL TORO WATER DISTRICT
P.O. BOX 4000
LAGUNA HILLS, CA 92654

Deed of Easement from:

CITY OF LAGUNA HILLS

To: EL TORO WATER DISTRICT

Re: Civic Center Project

DEED OF EASEMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California hereinafter referred to as Grantor, hereby grants and conveys to EL TORO WATER DISTRICT, a public agency of the State of California, its successors and assigns, hereinafter referred to as Grantee, a perpetual non-exclusive easement and right of way to install, enlarge, construct, reconstruct, remove and replace, operate, inspect, maintain, repair, improve and relocate a pipeline or pipelines for water and sanitary sewer purposes, together with incidental appurtenances, structures and connections including, but not limited to, manholes, measuring devices, air-valves, blow-offs, stations and service connection structures in, on, over, under, upon, along, through and across the real property hereinafter described, together with reasonable right of access to and from the said easement for the purpose of exercising the rights granted herein, provided however, that no right of access is given over or through the buildings now or hereafter located on said real property.

Said easement shall be of such width or widths and shall lie in, under, over and across that certain real property situated in the County of Orange, State of California, described as follows:

> That certain real property depicted on a plat marked Exhibit 'A' and further described on a plat marked Exhibit 'B'. Said plats are attached hereto and made a part hereof.

It is the intention of the Grantor that the pipeline(s) and other appurtenances (collectively "Pipeline") be located at the centerline of the aforedescribed real property. In the event that the Pipeline as actually constructed is not located at said centerline, the easement area shall be deemed to include the real property where the Pipeline is located. In addition thereto, if the Pipeline is not located at the centerline of the described easement area, in order for the Grantee to exercise its appurtenant rights described above, the easement area shall be defined as an area including five feet (5') on either side of the pipeline. Together with the right to enter upon and to pass and repass over and along said strip or strips of land, and to deposit tools, implements and other materials thereon by said Grantee, its officers, agents and employees, and by persons under contract to construct said water lines, and their employees, whenever and wherever necessary for the purpose of exercising the rights herein granted.

Notwithstanding the foregoing, the surface of the ground with respect to the distance from the ground surface to the top of the pipe, as of the date of this easement, shall not be changed by any party other than Grantee and Grantor only, exclusive of Grantor's successors and assigns, if it results in:

a) "Cutting" or removing of soil which will leave less than thirty-six inches (36") of soil over the top of the water or sewer pipe.

b) Hauling in of soil or "filling" which will leave more than six feet (6') of soil over the top of the water pipe.

c) Relocation of any of the facilities of Grantee.

Notwithstanding anything to the contrary herein contained, it is understood that the permanent easements and rights of way above described shall be acquired subject to the rights of the Grantor, its successors, heirs and assigns, and guests, invitees, and tenants to use the surface of land within the boundary lines of such easements and rights of way, provided however, no trees shall be planted thereon and no buildings or structures of any kind, other than driveways and sidewalks, excepting any buildings or structures erected prior to the execution of this Grant of Easement, shall be placed, erected or maintained thereon. It is understood that any use of the surface rights by Grantor, its successors, heirs and assigns, and guests, invitees, and tenants shall be deemed a continuing permissive use allowed by Grantee, its successors, heirs and assigns, and each successor in interest of the Grantors, by acceptance of a conveyance of said property or interest therein, admits and agrees that any such use is a continuing permissive use. It is understood that each and every right and privilege hereby granted is free and alienable.

All pipeline improvements constructed or placed within the easement area by Grantee shall be operated and maintained at Grantee's sole cost and expense. Grantee shall maintain the pipeline improvements in good repair and working order, ordinary wear and tear excepted.

Subject to the provisions contained herein, Grantor shall have the right to access the easement area to inspect and/or perform maintenance to any municipal infrastructure located within or adjoining the easement area. Except in an emergency, Grantor covenants and agrees to provide Grantee with fifteen (15) days prior written notice of its intent to enter the easement area, which notice shall contain reasonable information regarding the work to be performed and the anticipated duration of the entry. Grantee agrees to reasonably cooperate and coordinate with Grantor to facilitate any entry on or within the easement area. Except in an emergency, Grantor agrees to comply with any reasonable requests of Grantee in connection with any entry within the easement area.

Subject to the provisions contained herein, in the event of an emergency situation, as determined by Grantor, in its sole discretion, and in the reasonable exercise of the Grantor to protect the public health, safety and welfare, Grantor shall have the right to immediately enter the easement area. In such an event, Grantor shall have the right to perform any work on any municipal infrastructure either within or adjoining the easement area. If Grantor enters the easement area pursuant to this paragraph, Grantor shall provide notice to Grantee as soon as possible and as reasonable under the circumstances. In connection with any entry within the easement area pursuant to this paragraph, Grantor covenants and agrees to promptly restore the easement area to substantially the same condition as existing prior to the entry.

Prior to any modification or alteration of the Pipeline within the easement area, except for emergency maintenance activities, Grantee shall provide Grantor with fifteen (15) days prior written notice of its intent to enter the easement area, which notice shall contain reasonable information regarding the work to be performed and the anticipated duration of the entry. Grantor agrees to reasonably cooperate and coordinate with Grantee to facilitate any such entry on or within the easement area. Except in an emergency, Grantee agrees to comply with any reasonable requests of Grantor in connection with any entry within the easement area.

Easement No. 52

W.O. No. 34-470

Deed of Easement from:

CITY OF LAGUNA HILLS

To: EL TORO WATER DISTRICT

Re: Civic Center Project

To the fullest extent permitted by law, Grantee shall at all times defend, indemnify and hold harmless (with counsel reasonably acceptable to Grantor) Grantor, its officers, officials, employees, agents, and representatives, from and against, and pay in full, all claims, demands, losses, liens, damages, costs, expenses, environmental mitigation costs, penalties, fines or liabilities of any kind or nature (including actual attorneys' fees) that Grantor, its officers, officials, employees, agents, and representatives may sustain, incur, or become liable for, arising out of or resulting in any manner from the Grantee's use of the easement area, including any such loss, damage, or expense arising out of: (a) loss of or damage to property of any party, and (b) personal or bodily injury, including death, to any person, excepting any loss, damage, or expense and claims for loss, damage, or expense arising out of or resulting in any manner from the active negligence or willful misconduct of Grantor, its elected officials, officers, employees, agents, and volunteers.

This easement shall terminate upon the occurrence of any of the following: (a) there is a modification or alteration of the Pipeline improvements within the easement area by Grantee that is inconsistent with the exclusive purpose for the grant of the rights herein; (b) there is a change in the use of the easement area by Grantee that is not specifically authorized by this easement; (c) the Pipeline improvements are either relocated outside of the easement area or removed therefrom; (d) Grantee is in continuing violation of any of the terms or express limitations of the easement rights granted herein; or (e) the easement is abandoned. Upon termination of this easement, Grantee shall, at its sole cost and expense, furnish Grantor a good and sufficient quitclaim deed of all rights, title, and interest herein granted and shall promptly restore the easement area to substantially the same condition as existing prior to the grant of this easement.

Should Grantee abandon the easement, then the easement rights granted hereunder shall lapse and revert to Grantor, its successors, heirs and assigns. Such abandonment shall be conclusively presumed following non-use of the easement area by Grantee for a period of one (1) year and with use not being resumed within sixty (60) days following receipt of written notice of abandonment (sent certified, return-receipt-requested) from Grantor to Grantee, and on such abandonment, Grantee shall then execute, upon Grantor's request, any and all necessary documents to evidence such abandonment. If Grantee fails to execute such documents within thirty (30) days after receipt, Grantor is hereby authorized, as Grantee's attorney-in-fact, to execute all necessary documents evidencing such abandonment on behalf of Grantee.

Nothing contained herein shall result in a forfeiture or reversion of Grantor's fee title to the easement area in any respect.

Grantee, its successors and assigns, shall restore or cause to be restored, to the satisfaction of the Grantor, the surface or subsurface of the real property hereinabove described to the condition said property was in as of the time of performance of any enlargement, construction, reconstruction, removal and replacement, operation, inspection, maintenance, repair, improvement and relocation, and such restoration shall be performed with due diligence and dispatch.

IN WITNESS WHEREOF, this instrument has been executed this ________ day of November 2012.

CITY OF LAGUNA HILLS,
a municipal corporation

BY ______________________________
Melody Carruth
Mayor

BY ______________________________

STATE OF CALIFORNIA }
}
COUNTY OF ORANGE }

On ________________, 2012, before me, ______________________________

personally appeared ______________________________

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal,

Signature ______________________________

EXHIBIT “A”

LEGAL DESCRIPTION FOR 3 – 20 FOOT WIDE
WATERLINE EASEMENTS

IN THE CITY OF LAGUNA HILLS, COUNTY OF ORANGE, STATE OF CALIFORNIA:

THAT PORTION OF PARCEL 2 AS SHOWN ON A MAP FILED IN BOOK 14, PAGE 24 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE WESTERLY LINE OF SAID PARCEL 2 (ALSO BEING THE EASTERLY RIGHT OF WAY LINE OF PASEO DE VALENCIA) AS SHOWN ON SAID PARCEL MAP, WITH THE SOUTHERLY LINE OF THAT CERTAIN 10 FOOT WIDE WATER EASEMENT AS DESCRIBED AND SHOWN ON A DOCUMENT RECORDED MAY 4, 1966 AS DOCUMENT NO. 2707 IN BOOK 7921 PAGE 529 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 61°17’45” EAST, 9.08 FEET; THENCE EAST, 93.00 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT “A”; THENCE CONTINUING ALONG SAID LINE, EAST, 250.00 FEET; THENCE AT A RIGHT ANGLE TO SAID SOUTHERLY LINE, NORTH, 1.00 FOOT TO A POINT HEREINAFTER REFERRED TO AS POINT “B”; THENCE EAST, 10.00 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT “C”.

THE CENTERLINES OF THE THREE 20 FOOT WIDE STRIPS ARE DESCRIBED AS FOLLOWS AND LIE 10.00 ON EACH SIDE OF THE FOLLOWING DESCRIBED LINES:

STRIP 1

BEGINNING AT THE ABOVE REFERENCED POINT “A”; THENCE SOUTH, 207.00 FEET; THENCE EAST, 18.00 FEET TO THE END OF THE DESCRIBED LINE.

EXCEPT ANY PORTION LYING WITHIN PARCEL 1 OF SAID PARCEL MAP NO. 20.

STRIP 2

BEGINNING AT THE ABOVE REFERENCED POINT “B”; THENCE EAST, 37.00 FEET; THENCE SOUTH, 153.00 FEET; THENCE EAST, 30.00 FEET TO THE END OF THE DESCRIBED LINE.

SIDELINES ARE TO SHORTENED OR LENGTHENED SO AS TO MEET AT ANGLE POINTS.

STRIP 3

BEGINNING AT THE ABOVE REFERENCED POINT "C"; THENCE NORTH, 11.00 FEET TO THE END OF THE DESCRIBED LINE.

EXCEPT ANY PORTION OF SAID STRIP 3 LYING WITHIN STRIP 2 AS DESCRIBED ABOVE.

EXCEPTING FROM ALL THREE STRIPS ANY PORTION INCLUDED WITHIN SAID CERTAIN 10 FOOT WIDE WATER EASEMENT AS DESCRIBED AND SHOWN ON A DOCUMENT RECORDED MAY 4, 1966 AS DOCUMENT NO. 2707 IN BOOK 7921 PAGE 529 OF OFFICIAL RECORDS OF SAID COUNTY

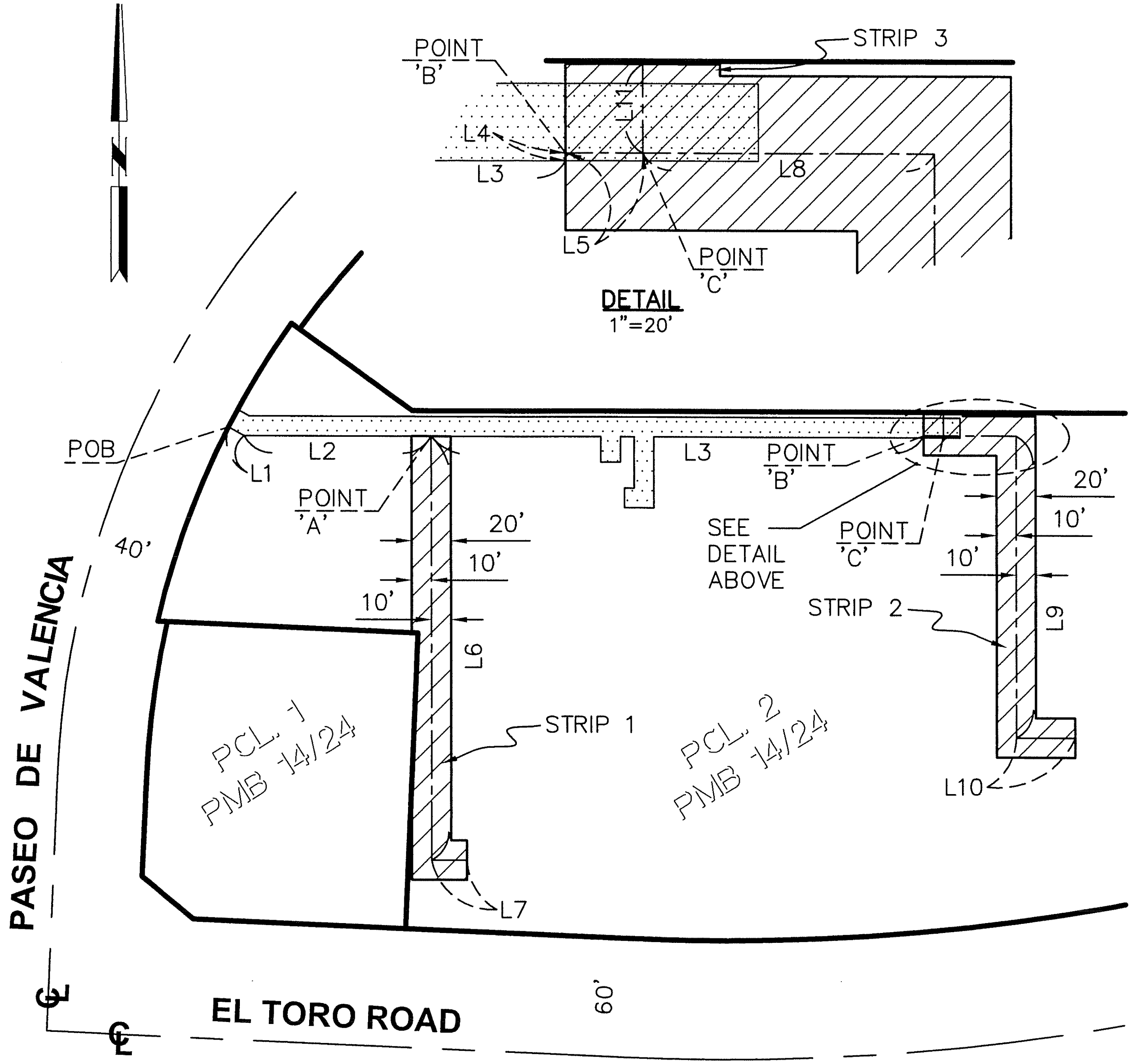
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF

Prepared under my supervision:

David O. Knell 9-19-2011

David O. Knell PLS 5301 Date

EXHIBIT 'B'



SEGMENT TABLE

L1	S61°17'45"E	9.08'
L2	EAST	93.00'
L3	EAST	250.00'
L4	NORTH	1.00'
L5	EAST	10.00'
L6	SOUTH	207.00'
L7	EAST	18.00'
L8	EAST	37.00'
L9	SOUTH	153.00'
L10	EAST	30.00'
L11	NORTH	11.00'

LEGEND

EXISTING 10' WATERLINE EASEMENT PER DOCUMENT RECORDED 5-4-66 AS INSTRUMENT NO. 2707 IN BOOK 7921 PAGE 29 O.R.

PROPOSED 20' WATERLINE EASEMENTS

M:\LAGUNAHILLS\CIVICCTRRNV\01 EXHIBIT B\S01 EXHIBIT B 80-8.5X11.DWG

WILLDAN Engineering | extending your reach
13191 CROSSROADS PARKWAY NORTH, SUITE 405
INDUSTRY, CA. 91746-3497
(562) 908-6247

SCALE: 1"=80'	DATE: 09/20/2011
DRAWN BY: SCB	CHECKED BY: DOK

SKETCH TO ACCOMPANY LEGAL DESCRIPTION

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: GRANT OF WATERLINE EASEMENT FOR A RECYCLED WATERLINE TO THE EL TORO WATER DISTRICT AT VEEH RANCH PARK

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, GRANTING A WATERLINE EASEMENT FOR A RECYCLED WATERLINE TO THE EL TORO WATER DISTRICT AT VEEH RANCH PARK," APPROVE AND AUTHORIZE THE MAYOR TO EXECUTE THE DEED OF EASEMENT, AND APPROVE AND AUTHORIZE THE MAYOR TO EXECUTE THE ACCEPTANCE AGREEMENT.

SUMMARY:

The El Toro Water District (ETWD) is planning to install waterlines for the use of recycled water in the northerly Laguna Hills area. The vast majority of the waterline work will occur in the public street areas, however, the waterlines also need to cross Veeh Ranch Park in order to serve the Park and the Casa de Laguna Homeowners Association common areas. The ETWD has requested the grant of an easement for waterline purposes across a small portion of Veeh Ranch Park to allow the project to be implemented. Approval of the proposed Resolution and Deed of Easement, each attached hereto, conveying the waterline easement to ETWD, as well as approval and execution of the attached Acceptance Agreement is recommended.

BACKGROUND:

The ETWD is initiating a multi-million dollar sewer and water systems upgrade in order to provide the major users of irrigation water in the northerly Laguna Hills area with recycled water. The project was recently presented to the City Council. The project will upgrade the ETWD sewer treatment plant located in the City of Laguna Woods and then install new recycled waterlines within both Laguna Hills and Laguna Woods. The main waterline will traverse Ridge Route Drive and Santa Vittoria Drive to serve all three City neighborhood parks in that area along with several large landscape open spaces maintained by the City. The City will benefit from the project by having a reliable and lower cost water source available for irrigation purposes.

To implement the project, the ETWD needs to cross the open channel known as F24 (also known as Cañada Channel or Veeh Creek) and the entrance to Veeh Ranch Park. The recycled waterline will connect to the existing ETWD facility located in Veeh Ranch Park, serve the Park and also serve the Casa de Laguna Homeowners Association common areas. During construction of this particular section of waterline, the secondary entrance to Veeh Ranch Park along Santa Vittoria Drive will remain open and accessible. There will be no significant impact to the facilities in the Park either during or after the construction of the waterlines.

The ETWD has requested the City grant them an easement across F24 and Veeh Ranch Park. The Deed of Easement instrument, attached hereto, provides a legal description and plat of the requested easement area. The Deed of Easement instrument has been reviewed and determined to be acceptable by both the City Engineer and City Attorney. ETWD has prepared an Acceptance Agreement whereby it agrees to pay to the City a total sum of $1,400 just compensation for the easement rights conveyed by the City to the ETWD. Approval of the attached Resolution and Deed of Easement, and approval and execution of the Acceptance Agreement is recommended.

FISCAL IMPACT:

The City will be compensated $1400 for granting the waterline easement to ETWD.

CEQA FINDINGS:

The El Toro Water District, as lead agency, has prepared a Mitigated Negative Declaration ("MND") that analyzes the Recycled Water Distribution System Expansion project and its environmental impacts. The MND is entitled "Mitigated Negative Declaration for the Recycled Water Distribution Expansion, State Clearinghouse No. 201203110." The District filed a Notice of Determination with the State Clearinghouse on August 31, 2012. The City serves as a Responsible Agency with respect to CEQA compliance. Pursuant to Public Resources Code Section 21166 and CEQA Guidelines Section 15162, the City has determined that no further environmental documentation is required.

ATTACHMENTS:

- Resolution
- Deed of Easement with legal description and plat
- Acceptance Agreement

RESOLUTION NO. 2012-11-13-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, GRANTING A WATERLINE EASEMENT FOR A RECYCLED WATERLINE TO THE EL TORO WATER DISTRICT AT VEEH RANCH PARK

WHEREAS, the City is owner of that certain real property commonly referred to as Veeh Ranch Park, located northeast of the intersection of Camino Jalisco and Santa Vittoria Drive, Laguna Hills, California (APN 588-071-04); and

WHEREAS, the El Toro Water District has requested a perpetual non-exclusive easement in, on, over, under, upon, along, through, and across a certain portion of the above-described property (10 feet wide, approximately 6,982 square feet of easement area in total) to construct, reconstruct, and maintain a recycled water pipeline or pipelines; and

WHEREAS, the City Engineer and the City Attorney have reviewed the Deed of Easement conveying the requested easement from the City to El Toro Water District and find it to be in proper form.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. That the Deed of Easement presented to the City Council conveying to El Toro Water District, a perpetual non-exclusive easement in, on, over, under, upon, along, through, and across a certain portion of real property owned by the City commonly referred to as Veeh Ranch Park, a copy of which is attached hereto as Exhibit "A," is hereby approved.

PASSED, APPROVED, AND ADOPTED this 13th day of November, 2012.

____
MELODY CARRUTH, MAYOR

ATTEST:

____
PEGGY J. JOHNS, CITY CLERK

889537.1

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2012-11-13- adopted by the City Council of the City of Laguna Hills, California, at a regular meeting thereof, held on the 13th day of November, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

Exhibit "A"

Deed of Easement – Recycled Water Expansion Project

Easement No. 52

W.O. No. 31-038

Recorded at the request of
EL TORO WATER DISTRICT

When recorded mail to:

EL TORO WATER DISTRICT
P.O. BOX 4000
LAGUNA HILLS, CA 92654

Deed of Easement from:

CITY OF LAGUNA HILLS

to EL TORO WATER DISTRICT

Re: Recycled Water Expansion Project

DEED OF EASEMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California hereinafter referred to as Grantor, hereby grants and conveys to EL TORO WATER DISTRICT, a public agency of the State of California, its successors and assigns, hereinafter referred to as Grantee, a perpetual non-exclusive easement and right of way to install, enlarge, construct, reconstruct, remove and replace, operate, inspect, maintain, repair, improve and relocate a pipeline or pipelines for water and sanitary sewer purposes, together with incidental appurtenances, structures and connections including, but not limited to, manholes, measuring devices, air-valves, blow-offs, stations and service connection structures in, on, over, under, upon, along, through and across the real property hereinafter described, together with reasonable right of access to and from the said easement for the purpose of exercising the rights granted herein, provided however, that no right of access is given over or through the buildings now or hereafter located on said real property.

Said easement shall be of such width or widths and shall lie in, under, over and across that certain real property situated in the County of Orange, State of California, described as follows:

That certain real property depicted on a plat marked Exhibit 'A' and further described on a plat marked Exhibit 'B'. Said plats are attached hereto and made a part hereof.

It is the intention of the Grantor that the pipeline(s) and other appurtenances (collectively "Pipeline") be located at the centerline of the aforedescribed real property. In the event that the Pipeline as actually constructed is not located at said centerline, the easement area shall be deemed to include the real property where the Pipeline is located. In addition thereto, if the Pipeline is not located at the centerline of the described easement area, in order for the Grantee to exercise its appurtenant rights described above, the easement area shall be defined as an area including five feet (5') on either side of the pipeline. Together with the right to enter upon and to pass and repass over and along said strip or strips of land, and to deposit tools, implements and other materials thereon by said Grantee, its officers, agents and employees, and by persons under contract to construct said water lines, and their employees, whenever and wherever necessary for the purpose of exercising the rights herein granted.

Notwithstanding the foregoing, the surface of the ground with respect to the distance from the ground surface to the top of the pipe, as of the date of this easement, shall not be changed by any party other than Grantee and Grantor only, exclusive of Grantor's successors and assigns, if it results in:

a) "Cutting" or removing of soil which will leave less than thirty-six inches (36") of soil over the top of the water or sewer pipe.

b) Hauling in of soil or "filling" which will leave more than six feet (6') of soil over the top of the water pipe.

c) Relocation of any of the facilities of Grantee.

Notwithstanding anything to the contrary herein contained, it is understood that the permanent easements and rights of way above described shall be acquired subject to the rights of the Grantor, its successors, heirs and assigns, and guests, invitees, and tenants to use the surface of land within the boundary lines of such easements and rights of way, provided however, no trees shall be planted thereon and no buildings or structures of any kind, other than driveways and sidewalks, excepting any buildings or structures erected prior to the execution of this Grant of Easement, shall be placed, erected or maintained thereon. It is understood that any use of the surface rights by Grantor, its successors, heirs and assigns, and guests, invitees, and tenants shall be deemed a continuing permissive use allowed by Grantee, its successors, heirs and assigns, and each successor in interest of the Grantors, by acceptance of a conveyance of said property or interest therein, admits and agrees that any such use is a continuing permissive use. It is understood that each and every right and privilege hereby granted is free and alienable.

All pipeline improvements constructed or placed within the easement area by Grantee shall be operated and maintained at Grantee's sole cost and expense. Grantee shall maintain the pipeline improvements in good repair and working order, ordinary wear and tear excepted.

Subject to the provisions contained herein, Grantor shall have the right to access the easement area to inspect and/or perform maintenance to any municipal infrastructure located within or adjoining the easement area. Except in an emergency, Grantor covenants and agrees to provide Grantee with fifteen (15) days prior written notice of its intent to enter the easement area, which notice shall contain reasonable information regarding the work to be performed and the anticipated duration of the entry. Grantee agrees to reasonably cooperate and coordinate with Grantor to facilitate any entry on or within the easement area. Except in an emergency, Grantor agrees to comply with any reasonable requests of Grantee in connection with any entry within the easement area.

Subject to the provisions contained herein, in the event of an emergency situation, as determined by Grantor, in its sole discretion, and in the reasonable exercise of the Grantor to protect the public health, safety and welfare, Grantor shall have the right to immediately enter the easement area. In such an event, Grantor shall have the right to perform any work on any municipal infrastructure either within or adjoining the easement area. If Grantor enters the easement area pursuant to this paragraph, Grantor shall provide notice to Grantee as soon as possible and as reasonable under the circumstances. In connection with any entry within the easement area pursuant to this paragraph, Grantor covenants and agrees to promptly restore the easement area to substantially the same condition as existing prior to the entry.

Prior to any modification or alteration of the Pipeline within the easement area, except for emergency maintenance activities, Grantee shall provide Grantor with fifteen (15) days prior written notice of its intent to enter the easement area, which notice shall contain reasonable information regarding the work to be performed and the anticipated duration of the entry. Grantor agrees to reasonably cooperate and coordinate with Grantee to facilitate any such entry on or within the easement area. Except in an emergency, Grantee agrees to comply with any reasonable requests of Grantor in connection with any entry within the easement area.

Easement No. 52

W.O. No. 31-038

Deed of Easement from:

CITY OF LAGUNA HILLS

to EL TORO WATER DISTRICT

Re: Recycled Water Expansion Project

To the fullest extent permitted by law, Grantee shall at all times defend, indemnify and hold harmless (with counsel reasonably acceptable to Grantor) Grantor, its officers, officials, employees, agents, and representatives, from and against, and pay in full, all claims, demands, losses, liens, damages, costs, expenses, environmental mitigation costs, penalties, fines or liabilities of any kind or nature (including actual attorneys' fees) that Grantor, its officers, officials, employees, agents, and representatives may sustain, incur, or become liable for, arising out of or resulting in any manner from the Grantee's use of the easement area, including any such loss, damage, or expense arising out of: (a) loss of or damage to property of any party, and (b) personal or bodily injury, including death, to any person, excepting any loss, damage, or expense and claims for loss, damage, or expense arising out of or resulting in any manner from the active negligence or willful misconduct of Grantor, its elected officials, officers, employees, agents, and volunteers.

This easement shall terminate upon the occurrence of any of the following: (a) there is a modification or alteration of the Pipeline improvements within the easement area by Grantee that is inconsistent with the exclusive purpose for the grant of the rights herein; (b) there is a change in the use of the easement area by Grantee that is not specifically authorized by this easement; (c) the Pipeline improvements are either relocated outside of the easement area or removed therefrom; (d) Grantee is in continuing violation of any of the terms or express limitations of the easement rights granted herein; or (e) the easement is abandoned. Upon termination of this easement, Grantee shall, at its sole cost and expense, furnish Grantor a good and sufficient quitclaim deed of all rights, title, and interest herein granted and shall promptly restore the easement area to substantially the same condition as existing prior to the grant of this easement.

Should Grantee abandon the easement, then the easement rights granted hereunder shall lapse and revert to Grantor, its successors, heirs and assigns. Such abandonment shall be conclusively presumed following non-use of the easement area by Grantee for a period of one (1) year and with use not being resumed within sixty (60) days following receipt of written notice of abandonment (sent certified, return-receipt-requested) from Grantor to Grantee, and on such abandonment, Grantee shall then execute, upon Grantor's request, any and all necessary documents to evidence such abandonment. If Grantee fails to execute such documents within thirty (30) days after receipt, Grantor is hereby authorized, as Grantee's attorney-in-fact, to execute all necessary documents evidencing such abandonment on behalf of Grantee.

Nothing contained herein shall result in a forfeiture or reversion of Grantor's fee title to the easement area in any respect.

Grantee, its successors and assigns, shall restore or cause to be restored, to the satisfaction of the Grantor, the surface or subsurface of the real property hereinabove described to the condition said property was in as of the time of performance of any enlargement, construction, reconstruction, removal and replacement, operation, inspection, maintenance, repair, improvement and relocation, and such restoration shall be performed with due diligence and dispatch.

IN WITNESS WHEREOF, this instrument has been executed this __________ day of November 2012.

CITY OF LAGUNA HILLS,
a municipal corporation

BY ____________________________________
Melody Carruth
Mayor

BY ____________________________________

STATE OF CALIFORNIA }
}
COUNTY OF ORANGE }

On __________________, 2012, before me, ________________________________

personally appeared ____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal,

Signature ____________________________________

EXHIBIT "A"
EASEMENT
APN 588-071-04

THOSE PORTIONS OF LOT 6 OF TRACT NO. 8333, IN THE CITY OF LAGUNA HILLS, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 342, PAGES 12 THROUGH 18 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

PARCEL A

A STRIP OF LAND 10 FEET WIDE OVER SAID LOT 6 THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

COMMENCING AT AN ANGLE POINT IN THE WESTERLY LINE OF SAID LOT 6, BEING THE SOUTHERLY TERMINUS OF THE COURSE SHOWN AS "NORTH 01°27'17" EAST 142.90 FEET" ON SAID MAP, SAID COURSE HAVING A BEARING OF NORTH 02°15'22" EAST FOR THE PURPOSES OF THIS DESCRIPTION; THENCE NORTH 02°15'22" EAST 75.96 FEET ALONG THE WESTERLY LINE OF SAID LOT 6, ALSO BEING THE EASTERLY RIGHT OF WAY LINE OF SANTA VITTORIA DRIVE TO THE **TRUE POINT OF BEGINNING**; THENCE LEAVING SAID WESTERLY LOT LINE SOUTH 87°44'38" EAST 34.92 FEET TO POINT B; THENCE SOUTH 87°44°38" EAST 5.00 FEET; THENCE NORTH 50°11'58" EAST 53.00 FEET; THENCE SOUTH 82°27'43" EAST 177.00 FEET TO POINT A-1; THENCE SOUTH 82°27'43" EAST 200.04 FEET; THENCE NORTH 07°48'05" EAST 42.11 FEET TO THE NORTHERLY LINE OF SAID LOT 6, TOGETHER WITH:

> **PARCEL A-1:** A STRIP OF LAND 10 FEET WIDE THE CENTERLINE OF WHICH BEGINS AT THE HEREINABOVE DESCRIBED POINT A-1; THENCE SOUTH 07°32'17" WEST 22.65 FEET.

THE SIDELINES OF SAID STRIPS TO BE LENGTHENED OR SHORTENED TO MEET AT ANGLE POINTS AND TO TERMINATE WESTERLY IN SAID WESTERLY LOT LINE AND NORTHERLY IN SAID NORTHERLY LOT LINE.

PARCEL B

A STRIP OF LAND 10 FEET WIDE OVER SAID LOT 6 THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE HEREINABOVE DESCRIBED POINT B; THENCE SOUTH 02°14'17" WEST 19.95 FEET TO POINT B-1; THENCE SOUTH 02°14'17" WEST 147.37 FEET TO THE SOUTHERLY LINE OF SAID LOT 6, TOGETHER WITH:

> **PARCEL B-1:** A STRIP OF LAND 10 FEET WIDE THE CENTERLINE OF WHICH BEGINS AT THE HEREINABOVE DESCRIBED POINT B-1; THENCE NORTH 87°44'38" WEST 11.12 FEET.

THE SIDELINES OF SAID STRIPS TO BE LENGTHENED OR SHORTENED TO MEET AT ANGLE POINTS AND TO TERMINATE SOUTHERLY IN SAID SOUTHERLY LOT LINE.

TOTAL AREA OF EASEMENTS IS 6,982 SQUARE FEET, MORE OR LESS.

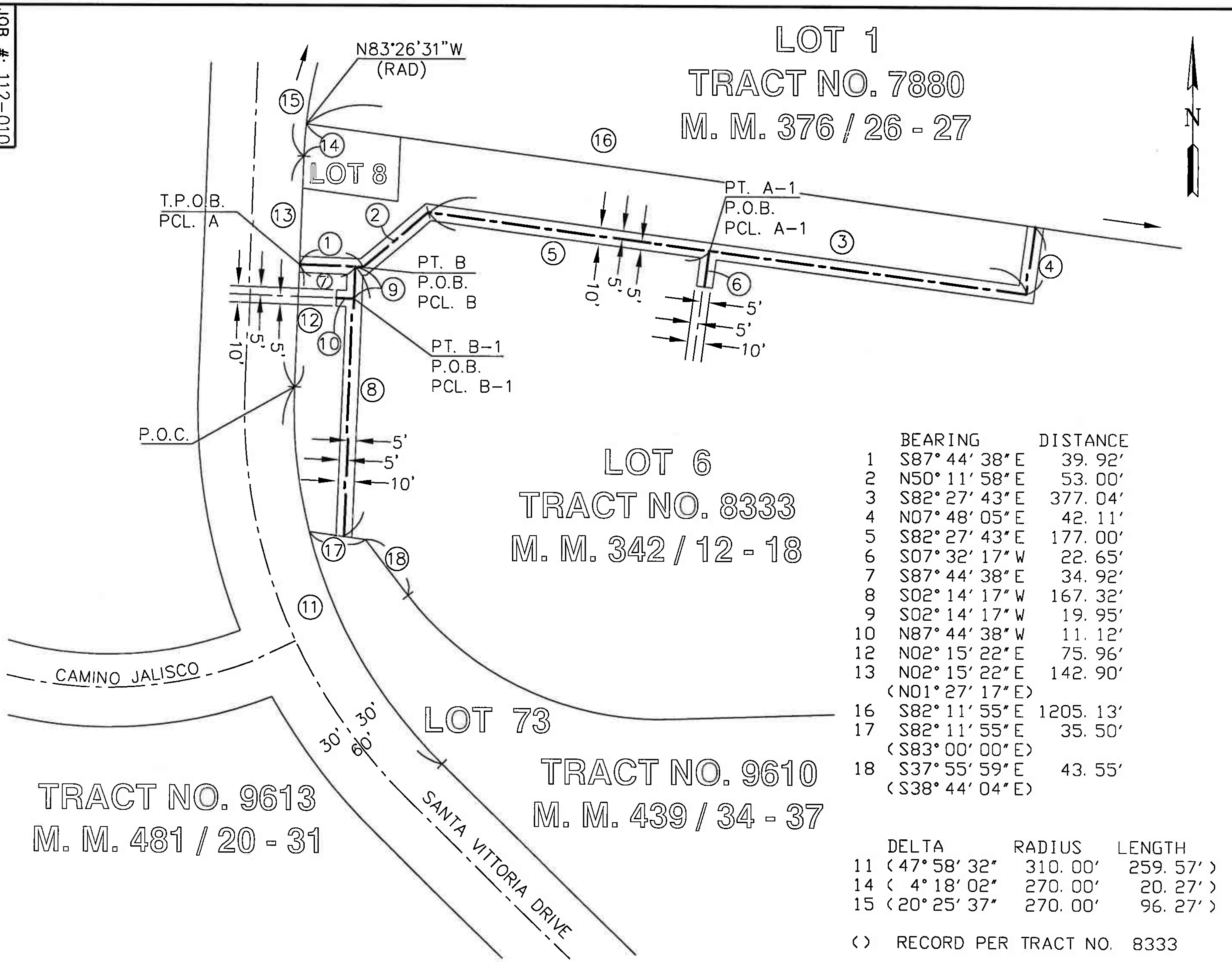
ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT B ATTACHED HERETO AND MADE A PART HEREOF.

DATED THIS 1ST DAY OF NOVEMBER, 2012.

Gwen-Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108

LICENSED LAND SURVEYOR
GWEN-VERA DEL CASTILLO
L.S. 5108
STATE OF CALIFORNIA



	BEARING	DISTANCE
1	S87° 44' 38" E	39. 92'
2	N50° 11' 58" E	53. 00'
3	S82° 27' 43" E	377. 04'
4	N07° 48' 05" E	42. 11'
5	S82° 27' 43" E	177. 00'
6	S07° 32' 17" W	22. 65'
7	S87° 44' 38" E	34. 92'
8	S02° 14' 17" W	167. 32'
9	S02° 14' 17" W	19. 95'
10	N87° 44' 38" W	11. 12'
12	N02° 15' 22" E	75. 96'
13	N02° 15' 22" E	142. 90'
	(N01° 27' 17" E)	
16	S82° 11' 55" E	1205. 13'
17	S82° 11' 55" E	35. 50'
	(S83° 00' 00" E)	
18	S37° 55' 59" E	43. 55'
	(S38° 44' 04" E)	

	DELTA	RADIUS	LENGTH
11	(47° 58' 32"	310. 00'	259. 57')
14	(4° 18' 02"	270. 00'	20. 27')
15	(20° 25' 37"	270. 00'	96. 27')

( ) RECORD PER TRACT NO. 8333

JOB #: 112-010
DATE: 9/19/12
SCALE: 1"=80'
SHEET 1 OF 1

EXHIBIT "B"
APN 588-071-04

COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6266

Owner Name: City of Laguna Hills
APN's: 588-071-04

ACCEPTANCE AGREEMENT

City of Laguna Hills ("Owner") hereby accepts the offer of payment of just compensation and good will from El Toro Water District ("District") to acquire an easement over and across certain real property owned and/or controlled by Owner.

This acceptance by Owner is subject to the following terms and conditions:

1. The Owner shall execute a Grant of Easement ("Easement") in favor of the District in the form and content of the Easement attached hereto as Exhibit "A."

2. District shall pay to the order of Owner the total sum of one thousand four hundred dollars ($1,400) ("Purchase Price") for the rights conveyed to District by the Easement.

3. The Purchase Price constitutes the entire consideration for the Easement and relieves the District of all further obligations or claims with respect thereto.

4. Payment of the Purchase Price shall be made by District to Owner upon delivery of the fully executed Easement. In the District's sole and absolute discretion, the District may obtain a preliminary policy of title ("Preliminary Report") and/or a policy of title insurance ("Title Policy") with respect to the Easement. In the event that the Preliminary Report or the Title Policy issued by the title company is not acceptable to District in its sole and absolute discretion, the District may terminate this offer and acceptance and this document shall be null and void.

5. This offer is subject to approval by the board of directors ("Board") of the District. Board approval must be received prior to District acceptance of the executed of Easement.

Unless this offer is executed by Owner and such acceptance is delivered to the District, this offer shall terminate on the earlier of the following events: (1) written termination of this offer by the District; or (2) November 19, 2012.

OWNER(S):

CITY OF LAGUNA HILLS

Date: ____________________

____
Melody Carruth, Mayor

Owner Name: City of Laguna Hills
APN's: 588-071-04

DISTRICT:

EL TORO WATER DISTRICT

Date: ________________ By________________________________

Ted F. Martin, President

Date: ________________ By________________________________

Robert R. Hill, General Manager

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: AUTHORIZATION TO FILE A GRANT APPLICATION WITH THE STATE DEPARTMENT OF RESOURCES, RECYCLING AND RECOVERY FOR RUBBERIZED ASPHALT CONCRETE FUNDING IN COOPERATION WITH THE CITY OF LAGUNA WOODS

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING AN APPLICATION FOR GRANT FUNDING FROM THE SB 1346 RUBBERIZED ASPHALT CONCRETE GRANT PROGRAM."

SUMMARY:

The City of Laguna Woods has requested the City join them in a regional grant application to the State Department of Resources, Recycling and Recovery (aka CalRecycle) to seek funding for the use of rubberized asphalt concrete in upcoming pavement rehabilitation projects. The City has two projects planned for construction in summer 2013: the El Toro Road Pavement Rehabilitation, CIP NO. 179; and the Ridge Route Drive Pavement Rehabilitation, CIP NO. 172; for which the rubberized asphalt concrete grant funding can be applied. Authorization to seek the grant funding by the approval of the attached Resolution is recommended.

BACKGROUND:

The State of California, through the CalRecycle Agency, seeks to promote the recycling of scrap tire rubber by blending recovered crumb rubber into asphalt concrete used to resurface roadways. Grant money is currently available for this purpose with the funding amount being equivalent to the estimated additional cost of adding crumb rubber to the otherwise conventional asphalt concrete. However, CalRecycle requires a certain minimum tonnage of asphalt concrete and the currently planned City projects will not meet that requirement. To take advantage of this grant funding, the City of Laguna Woods has requested that our two cities combine efforts in a regional grant application to CalRecycle. The City of Laguna Woods has offered to act as the lead agency for this effort.

The use of rubberized asphalt concrete to resurface major roadways has become more common as the technology to properly integrate the crumb rubber into the conventional asphalt concrete and then place it with satisfactory results has improved. Rubberized asphalt concrete is used as the final surface layer of a multi-layer pavement rehabilitation strategy. The rubberized asphalt concrete is known to retain a deep black color for longer periods of time than conventional asphalt concrete and has a reputation for reducing roadway generated noise. The City has two pavement rehabilitation projects that are planned for construction in summer 2013 that can take advantage of the use of the rubberized asphalt concrete grant funding. These projects are the El Toro Road Pavement Rehabilitation, CIP NO. 179, and the Ridge Route Drive Pavement Rehabilitation, CIP NO. 172.

In order to seek the CalRecycle grant funding, it is necessary to adopt the attached Resolution. At a later date, a Memorandum of Understanding between the City of Laguna Woods and City of Laguna Hills will be presented for City Council approval.

FISCAL IMPACT:

The rubberized asphalt concrete grant funding from CalRecycle will provide up to $25 per ton toward the cost of the material. The grant funding for the City of Laguna Hills is estimated to be approximately $50,000. This grant funding will offset the cost of the use of the rubberized asphalt concrete.

ATTACHMENTS:

- Resolution

RESOLUTION NO. 2012-11-13-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING AN APPLICATION FOR GRANT FUNDING FROM THE SB 1346 RUBBERIZED ASPHALT CONCRETE GRANT PROGRAM

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, Public Resources Code Sections 40000 et seq. authorize the Department of Resources, Recycling and Recovery (CalRecycle), formerly known as the California Integrated Waste Management Board, to administer various Grant Programs (grants) in furtherance of the State of California's (State) efforts to reduce, recycle, and reuse solid waste generated in the State thereby preserving landfill capacity and protecting public health and safety and the environment; and

WHEREAS, in furtherance of this authority, CalRecycle is required to establish procedures governing the application award and management of the grants; and

WHEREAS, CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by Resolution certain authorizations related to the administration of CalRecycle grants.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The foregoing statements are true and correct.

SECTION 2. The submittal of grant applications to CalRecycle for all grants for which the City of Laguna Hills is eligible is hereby authorized.

SECTION 3. The City Manager or his designee is hereby authorized and empowered to execute in the name of the City of Laguna Hills all grant documents, including but not limited to applications, agreements, amendments, and requests for payment necessary to secure grant funds and implement the approved grant projects.

SECTION 4. These authorizations are effective for five (5) years from the date of adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 13th day of November 2012.

MELODY CARRUTH, MAYOR

ATTEST:

PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2012-11-13-__ adopted by the City Council of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 13th day of November 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: AWARD OF CONTRACT FOR COMMUNITY CENTER BUILDING REFURBISHMENT, CIP NO. 513A

RECOMMENDATION: THAT THE CITY COUNCIL DENY THE BID PROTEST BY ACR BUILDERS, INC., DIRECT THE CITY ENGINEER TO ISSUE A RESPONSE TO THE NOTICE OF BID PROTEST BY ACR BUILDERS, INC., AND AWARD THE CONTRACT FOR THE COMMUNITY CENTER BUILDING REFURBISHMENT, CIP NO. 513A, TO THE APPARENT LOW BIDDER, NICK STAVRIANOPOULOS CONSTRUCTION AND PAINTING.

SUMMARY:

In accordance with City Council authorization, nine bids for the subject project were received on October 25, 2012. The apparent low bidder, Nick Stavrianopoulos Construction and Painting, meets the contract requirements, is currently licensed, and provides satisfactory references. A Bid Protest was filed by the second low bidder. Staff's analysis of the issues raised by the protest is that they were minor immaterial variations in the bid having no impact on the bid price. Accordingly, it is recommended that the City Council deny the Bid Protest and award the contract to the apparent low bidder, Nick Stavrianopoulos Construction and Painting.

BACKGROUND:

On October 25, 2012, the City received nine bids for the Community Center Building Refurbishment, CIP No. 513A. The Engineer's Estimate for the project was $200,000.

The following bids were received:

COMPANY NAME	BID AMOUNT
Nick Stavrianopoulos Construction and Painting	$182,150.00
ACR Builders, Inc.	$253,259.00*
A.J. Fistas	$261,462.00
CTG Construction, Inc.	$287,590.00
T&M Painting & Construction	$320,000.00
Optima	$399,853.00
Avi-Con, Inc.	$421,000.00
Fast Track Construction	$442,290.00
Visionary Construction & Consulting, Inc.	$453,541.00

*Adjusted total due to $1.00 addition error.

The second low bidder, ACR Builders, Inc., submitted a Formal Notice of Bid Protest by letter dated October 29, 2012. The protest alleged the low bidder was not a responsive bidder due to errors and omissions in the bid document. Staff reviewed the details of the Bid Protest and concluded the apparent low bidder's omissions were minor immaterial variations having no impact on the price bid. In accordance with the project specifications, the City reserves the right to waive any informality in the bidding. Accordingly, staff recommends the City Council deny the Bid Protest.

The lowest responsive and responsible bidder, Nick Stavrianopoulos Construction and Painting, meets the contract requirements, is currently licensed, and provides satisfactory references. This project will begin in mid-December 2012 and will last for a period of fifty (50) working days. Work on the Community Center Building will occur both during the day and during the night, as needed, in order to avoid conflicts with scheduled events.

FISCAL IMPACT:

The project is funded in the Fiscal Year 2012-2013 Capital Improvement Program Budget in the amount of $250,000.

CEQA FINDINGS:

Exempt in accordance with CEQA exemption Class 1 (CEQA Guidelines Section 15301 – existing facilities). The exemption applies to the maintenance, repair and minor alterations of existing public facilities.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFIELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: PROGRESS PAYMENT NO. 19 FOR LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS PAYMENT NO. 19, IN THE NET AMOUNT OF $63,617.73, TO SEMA CONSTRUCTION, INC., FOR THE LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159.

SUMMARY:

Work on the La Paz Road Widening at I-5 Improvement Project, CIP No. 159, began on April 7, 2011, and is being performed by SEMA Construction, Inc. Work performed in September 2012, included temporary concrete wash-out bin, signage, utility adjustments, rock blanket, asphalt concrete, monument installation, signal and lighting, fiber communications, and water line installation. Landscaping and final project details are currently in process. The contractor has submitted the nineteenth progress payment request for approval.

BACKGROUND:

A routine monthly action for capital improvement projects is the submission, review, and approval of the contractor's invoice. Procedurally, field staff verifies the contractor's quantities and matches them with the submitted invoice. The unit prices and total costs of the project are confirmed by the office staff and a progress payment is then processed. A ten (10) percent retention is withheld from each payment to assure final performance of the work. The contractor for the project, SEMA Construction, Inc., has submitted the nineteenth progress payment for the subject project as follows:

ITEM #	DESCRIPTION	QUANTITY	UNIT	$	AMOUNT
12	Temp Conc WO Bin	1	EA	$ 1,000.00	$ 1,000.00
38	Relocate Sign	1	EA	$ 250.00	$ 250.00
39	Adjust Valve to Grade	4	EA	$ 300.00	$ 1,200.00
55	Rock Blanket	473	SY	$ 63.00	$ 29,799.00
68	Hot Mix Asphalt	71.9	TN	$ 78.50	$ 5,644.15
70	Place Hot Mix (C)	60	LF	$ 3.00	$ 180.00
71	Place Hot Mix (D)	848	LF	$ 3.00	$ 2,544.00
72	Place Hot Mix (F)	33	LF	$ 3.00	$ 99.00
88	Unframed Alum Sign (.063)	205.82	SF	$ 13.00	$ 2,675.66
89	Aluminum Sign (.08)	20	SF	$ 14.00	$ 280.00
90	Framed Alum Sign (.063)	26.66	SF	$ 16.00	$ 426.56
93	Roadside Sign – One Post	24	EA	$ 350.00	$ 8,400.00
114	Monuments	1	EA	$ 1,600.00	$ 1,600.00
132	Signal & Lighting (2)	.05	LS	$ 8,200.00	$ 410.00
137	Interconnect & Fiber	.04	LS	$ 61,900.00	$ 2,476.00
CCO No. 4	A1 – Water Line C-900 Pipe	1	LS	$ 13,702.00	$ 13,702.00

Total To Date	$4,369,808.93	
Less Prior Billing	$4,299,122.56	
Total This Period	$ 70,686.37	$ 70,686.37
Less 10% Retention		$(7,068.64)
		$ 63,617.73

FISCAL IMPACT:

The progress payment is within the Capital Improvement Program Budget for the La Paz Road Widening at I-5 Improvement Project, CIP No. 159.

THE CITY COUNCIL APPROVED THE JOINT PARKING COVENANT AND AGREEMENT BETWEEN MOULDY, LLC, AND THE CITY OF LAGUNA HILLS, AND AUTHORIZED THE CITY MANAGER TO EXECUTE THE AGREEMENT.

ITEMS REMOVED FROM THE CONSENT CALENDAR

4.3 CLARIFICATION OF MUNICIPAL CODE FOR TERMS OF OFFICE FOR THE PARKS AND RECREATION COMMISSION AND TRAFFIC COMMISSION

THE CITY COUNCIL ADOPTED ORDINANCE NO. 2012-3, AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING CHAPTER 2-28.070 OF THE LAGUNA HILLS MUNICIPAL CODE CONCERNING THE TERMS OF OFFICE FOR THE PARKS AND RECREATION COMMISSION AND THE TRAFFIC COMMISSION, BY M/COUNCIL MEMBER SONGSTAD, S/MAYOR PRO TEMPORE LAUTENSCHLEGER.
APPROVED BY A VOTE OF 3-2 (COUNCIL MEMBERS BRESSETTE AND KOGERMAN VOTING NO).

4.4 PROGRESS PAYMENT NO. 6 FOR AVENIDA DE LA CARLOTA WIDENING PROJECT, CIP NO. 164

THE CITY COUNCIL APPROVED CONTRACT CHANGE ORDER NO. 2 AND PROGRESS PAYMENT NO. 6, IN THE NET AMOUNT OF $32,217.41, TO HILLCREST CONTRACTING, INC., FOR THE AVENIDA DE LA CARLOTA WIDENING PROJECT, CIP NO. 164, BY M/MAYOR PRO TEMPORE LAUTENSCHLEGER, S/COUNCIL MEMBER SONGSTAD.
APPROVED BY A VOTE OF 5-0.

5. PLANNING AGENCY

Mayor Carruth recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:32 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Carruth, Vice Chair Lautenschleger, Agency Member Bressette, Agency Member Kogerman, and Agency Member Songstad

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, OCTOBER 9, 2012

MOTION TO APPROVE THE MINUTES OF THE OCTOBER 9, 2012, REGULAR MEETING, BY M/AGENCY MEMBER BRESSETTE, S/VICE CHAIR LAUTENSCHLEGER.
APPROVED BY A VOTE OF 5-0.

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.4.1 MINOR SITE DEVELOPMENT PERMIT/PARKING USE PERMIT NO. 9-12-2372, A REQUEST BY WBSA ARCHITECTS INC., ON BEHALF OF SADDLEBACK MEMORIAL MEDICAL CENTER, A CALIFORNIA NON-PROFIT CORPORATION, FOR A JOINT USE PARKING PERMIT TO ESTABLISH OFF-SITE STAFF PARKING FOR USE BY MEMORIAL CARE CANCER TREATMENT CENTER, WHICH PLANS TO OCCUPY THE EXISTING BUILDING AT 24302 PASEO DE VALENCIA, AND FOR A MINOR SITE DEVELOPMENT PERMIT FOR A 3,160 SQUARE FOOT BUILDING ADDITION AND MINOR SITE IMPROVEMENTS

City Manager Channing left the dais and was not in attendance during the discussion of Item No. 5.4.1.

Chair Carruth opened the Public Hearing.

Rick Wood, representative for the applicant, spoke on the Minor Site Development Permit/Parking Use Permit No. 9-12-2372. Mr. Wood indicated that he agreed to all of the Conditions of Approval including the Amendments.

Chair Carruth closed the Public Hearing.

THE PLANNING AGENCY ADOPTED RESOLUTION NO. PA2012-10-23-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING MINOR SITE DEVELOPMENT PERMIT/PARKING USE PERMIT NO. 9-12-2372, A REQUEST BY WBSA ARCHITECTS INC., ON BEHALF OF SADDLEBACK MEMORIAL MEDICAL CENTER, A CALIFORNIA NON-PROFIT CORPORATION, FOR A JOINT USE PARKING PERMIT TO ESTABLISH OFF-SITE STAFF PARKING FOR USE BY MEMORIAL CARE CANCER TREATMENT CENTER, WHICH PLANS TO OCCUPY THE EXISTING BUILDING AT 24302 PASEO DE VALENCIA, AND FOR A MINOR SITE DEVELOPMENT PERMIT FOR A 3,160 SQUARE FOOT BUILDING ADDITION AND MINOR SITE IMPROVEMENTS, WITH AMENDMENT TO CONDITION NO. 16, AS FOLLOWS: 16. ALL CONSTRUCTION SHALL COMPLY WITH 2010 CALIFORNIA BUILDING, PLUMBING, MECHANICAL, AND ELECTRICAL CODES; AND ADD CONDITION NO. 27, AS FOLLOWS: 27. PRIOR TO THE ISSUANCE OF THE CERTIFICATE OF OCCUPANCY FOR THE NEW STRUCTURE, THE APPLICANT SHALL DESIGN AND INSTALL ADA COMPLIANT CURB RAMPS AT THE NORTHEAST AND SOUTHEAST CORNERS OF THE INTERSECTION OF PASEO DE VALENCIA AND CALLE DE

LA MAGDELENA TO THE REASONABLE SATISFACTION OF THE CITY ENGINEER, BY/AGENCY MEMBER BRESSETTE, S/AGENCY MEMBER KOGERMAN.
APPROVED BY A VOTE OF 5-0.

City Manager Channing returned to the meeting.

PLANNING AGENCY ADJOURNMENT

Mayor Carruth reconvened the City Council meeting at 7:54 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

7. ADMINISTRATIVE REPORTS

7.1 City Manager

The City Manager made no reports.

7.2 City Attorney

7.2.1 APPOINTMENT OF LABOR NEGOTIATOR

John Bosch, Dr. Dore Gilbert, and Dr. Raghu Mathur, Laguna Hills, spoke on the appointment of Labor Negotiator.

THE CITY COUNCIL SELECTED AND APPOINTED JOHN GOSS, AS DESIGNATED REPRESENTATIVE, FOR PURPOSES OF CONDUCTING LABOR NEGOTIATIONS WITH THE CITY MANAGER, AN UNREPRESENTED EMPLOYEE, BY M/MAYOR CARRUTH, S/COUNCIL MEMBER SONGSTAD.
APPROVED BY A VOTE OF 4-1 (COUNCIL MEMBER KOGERMAN VOTING NO.)

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

There were no matters agendized and presented by City Council Members.

9. CITY COUNCIL MEMBER COMMENTS

MAYOR PRO TEMPORE LAUTENSCHLEGER

Mayor Pro Tempore Lautenschleger reported on his attendance at the Orange County Vector Control meeting.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DAVID CHANTARANGSU, AICP
DIRECTOR OF COMMUNITY DEVELOPMENT

ISSUE: SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM/ CONDITIONAL USE PERMIT/ PARKING USE PERMIT/VESTING TENTATIVE TRACT MAP/PRECISE PLAN/ DEVELOPMENT AGREEMENT NO. 12-11-2137, A REQUEST BY LAGUNA HILLS INVESTMENT COMPANY TO REDEVELOP OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA.

RECOMMENDATION: THAT THE PLANNING AGENCY AND CITY COUNCIL CONDUCT A JOINT PUBLIC HEARING TO CONSIDER THE PROPOSED LAND USE AND DEVELOPMENT ENTITLEMENTS AND ADOPTION OF A PROPOSED DEVELOPMENT AGREEMENT FOR THE REDEVELOPMENT OF THE OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA AND TAKE THE FOLLOWING ACTIONS:

1. THAT THE PLANNING AGENCY AND CITY COUNCIL INDEPENDENTLY CONSIDER THE "ADDENDUM TO THE CITY OF LAGUNA HILLS GENERAL PLAN UPDATE EIR – OAKBROOK RESIDENTIAL PROJECT" ALONG WITH THE "CITY OF LAGUNA HILLS GENERAL PLAN PROGRAM ENVIRONMENTAL IMPACT REPORT (STATE CLEARINGHOUSE NO. 20080811100)" AND FIND THAT NO ADDITIONAL ENVIRONMENTAL DOCUMENTATION IS REQUIRED UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 21166 AND 21083.3, AND CEQA GUIDELINES SECTIONS 15168, 15162, 15164, AND 15183 FOR THE REASONS SET FORTH IN RESOLUTION NO. PA2012-11-13-1 AND ORDINANCE NO. 2012-4;

2. THAT THE PLANNING AGENCY ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN

PROGRAM/ CONDITIONAL USE PERMIT/ PARKING USE PERMIT/VESTING TENTATIVE TRACT MAP/PRECISE PLAN/ DEVELOPMENT AGREEMENT NO. 12-11-2137, A REQUEST BY LAGUNA HILLS INVESTMENT COMPANY TO REDEVELOP OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA;

3. **THAT THE CITY COUNCIL INTRODUCE AN ORDINANCE ENTITLED: “AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AND ADOPTING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND LAGUNA HILLS INVESTMENT COMPANY FOR THE OAKBROOK VILLAGE SHOPPING CENTER REDEVELOPMENT PROJECT."**

SUMMARY:

Laguna Hills Investment Company, the property owner of the Oakbrook Village Shopping Center, (the “Applicant”) has submitted plans for redevelopment of its property located immediately east of Interstate 5 (I-5) and Avenida de la Carlota and south of the Laguna Hills Mall in the Urban Village Specific Plan area.

The project applicant is seeking approval of a two-phased redevelopment project of a portion of the Oakbrook Village Shopping Center. The redevelopment plan would include the development of up to 489 residential units (289 in phase One and up to 200 in Phase Two) in multistory residential buildings and up to 82,574 square feet of retail space (23,974 in Phase One and 58,600 in Phase Two). To accommodate the new construction, a total of 148,530 square feet of the existing commercial building area would be demolished under both phases. The existing retail buildings to remain at the center will be remodeled to provide a cohesive look between the new and old portions of the Center. <u>The Planning Agency is considering the zoning approvals necessary for the Applicant to develop Phase One only,</u> while the City Council is considering an agreement that provides the Applicant the right to build both Phase One and the future Phase Two.

The Applicant has demonstrated that the project complies with all aspects of the Laguna Hills Municipal Code and the Urban Village Specific Plan (UVSP). A Site Development Permit is nevertheless required for development projects such as the proposed project. Additionally, the following discretionary approvals are required for this project:

- A Master Sign Program is required for each new or remodeled center with three or more tenants on a single development site, regardless of parcelization.
- A Parking Use Permit is required for the subject project due to the fact that, much like other commercial retail centers, parking is shared among the multiple commercial buildings and retail uses in the shopping center (all required residential

parking is gated off from the retail area and is not included in the shared parking permit).

- A Vesting Tentative Tract Map is required to subdivide airspace for condominium purposes.
- A Precise Plan is required for the development of a mixed-use project in the UVSP area.
- A Development Agreement is required to secure the development rights for the Phase Two improvements, allowing them to be built over a period of up to 15 years.

Because the project involves items which both the City's Planning Agency and City Council must approve for the project to go forward, the items are being considered through a joint public hearing between the Planning Agency and City Council and the requested entitlements and Development Agreement are being processed concurrently. The Planning Agency is required to consider and act on the project's requested zoning approvals and the City Council is required to consider and act on the Development Agreement.

For this project, the City has prepared an initial study checklist and has determined that the Project is within the scope of the General Plan Update Program Environmental Impact Report (PEIR). Based on the initial study completed, the Project will not result in any new significant effects that were not examined in the PEIR, or require any new mitigation measures. The applicable mitigation measures identified in the PEIR are incorporated into the design of the Project and will be imposed as conditions of approval, as appropriate. The City, therefore, has prepared an Addendum to the PEIR for the Project. The Planning Agency and City Council, should independently consider the Addendum, along with the PEIR, and find that no additional environmental documentation is required prior to approving the zoning approvals and adopting the Development Agreement pursuant to the California Environmental Quality Act.

Finally, the project directly implements the City's UVSP in that it includes improvements, such as, a village green, several pedestrian paseos, parking lot paseos, a pedestrian trail, connectivity to the Laguna Hills Mall property, entry features, and landscaping that are all consistent with the UVSP.

AUTHORITY:

Actions by both the City Council and the Planning Agency will be required on different aspects of the project. The City Council will:

- Independently consider the "Addendum to the City of Laguna Hills General Plan Update EIR- Oakbrook Village Residential Project" along with the City of Laguna Hills General Plan Update PEIR
- Consider the Development Agreement and, if approved, introduce an Ordinance

The Planning Agency will:

- Independently consider the “Addendum to the City of Laguna Hills General Plan Update EIR- Oakbrook Village Residential Project” along with the City of Laguna Hills General Plan Update PEIR
- Consider the development proposal for the mixed-use project (as described in the plans and justification letter submitted for SDPM/MSP/CUP/PUP/TTM/PREC/DEVA No. 12-11-2137)

BACKGROUND:

Urban Village Specific Plan
After more than three years of study and an extensive public participation process, the City’s UVSP was adopted in November 2002. The UVSP regulates development within the Village Commercial area of Laguna Hills. This area consists of 240 acres bounded by Paseo de Valencia on the north and west, Los Alisos Boulevard on the south, and I-5 on the east. The intent of the UVSP is to better define and establish development policies and standards that encourage and facilitate the creation of a village-like “downtown core” within the UVSP area, and to shape the future of the district as a vibrant regional and community destination that contributes to the quality of life for residents of Laguna Hills and the region. The UVSP is also a proactive effort on the part of the City to maintain and enhance the long-term economic vitality of the area as it relates to the image and fiscal health of the community.

The purpose of the UVSP is to establish development policies and standards that address these issues, fostering a “sense of place” that makes the area a shopping, business, medical, and recreational destination for residents of Laguna Hills and south Orange County. The main goals are to:

- Encourage and facilitate new uses in the area;
- Create new pathways and add landscaping to existing sidewalks to create a pedestrian-friendly environment;
- Create an identity for the area through the use of entry features, area wayfinding signs, consistent landscaping and street furniture;
- Facilitate the private investments in the development of desirable and planned activity nodes;
- Take full commercial and market advantage of the Urban Village’s central location in the Saddleback Valley; and
- Provide the framework for a public/private partnership to implement the goals of the specific plan.

The UVSP promotes a variety of commercial, civic, recreational, and high density residential uses that work in concert to create an urban village and provide pedestrian areas that conveniently link the mix of uses. The overarching theme of the plan is to better integrate the variety of activity nodes that already exist in the UVSP and transform the

Urban Village into an area “where residents, employees, and visitors to Laguna Hills can meet, socialize, shop, and conduct business.”

The development intensity in the Urban Village is regulated based upon vehicle trip generation limits, not land use type or size of the project. The UVSP provides for flexibility in development options and the mixture of land uses, provided established anticipated aggregate vehicle trip limits are not exceeded by new development. The City implements this aspect of the UVSP through a vehicle trip budget debiting process pursuant to which additional peak hour vehicle trips generated by each new development or redevelopment project are subtracted from the current aggregate total additional peak hour vehicle trips available to accommodate future new development in the UVSP area. For example, there could be more residential uses and less retail uses established, or vice-versa, as long as the overall AM and PM peak hour vehicle trip budget is not exceeded. At the time that the General Plan Update was adopted in July 2009 (see discussion below), the UVSP area could accommodate development that generated up to 1,243 additional AM peak hour trips and 2,272 PM peak hour trips. This trip cap was set to ensure that the maximum buildout trip levels evaluated in the PEIR were not exceeded as a result of new development projects within the UVSP area.

General Plan Update

The City’s General Plan Update and its associated PEIR, which were adopted and certified (respectively) in July 2009, identify the UVSP area as a “future study area” that would undergo expansion/revitalization in the future and increased commercial and residential development opportunity within the UVSP. Specifically, the General Plan Update and PEIR assumed 300,000 square feet of new retail uses within the UVSP area, 117,000 square feet more than anticipated by the prior General Plan and prior UVSP. The General Plan Update and PEIR also assumed a 250-room hotel, 200 residential units, and 380,000 square feet of office uses within the UVSP area, which are consistent with the existing UVSP. The traffic study that was prepared for the General Plan Update and PEIR included the corresponding increase in AM and PM peak hour vehicle trips to the overall trip budget allocated to the UVSP area as indicated above.

The General Plan Update included an Implementation Program requiring that the UVSP be amended by the City to include this new development and its associated vehicle trips, and to ensure consistency with the General Plan and help implement the General Plan goals and policies. The Housing Element of the General Plan Update also required that the UVSP be amended to establish a minimum residential density of 30 units per acre and reduce high-density residential open space standards that discourage affordable housing. These revisions were completed in 2011 via an addendum to the PEIR (First Addendum) and amendment to the UVSP (UVSP Amendment).

Although the PEIR anticipated the development of additional retail uses, other uses such as high-density residential could be developed within the project site, consistent with the General Plan Update and the UVSP, as amended. More specifically, as described in the General Plan Update Housing Element, the UVSP area housing development was anticipated to include at least 400 dwelling units at Oakbrook Village with the maximum number of units to be determined by the vehicle trip budgets allocated to the UVSP area.

Urban Village Specific Plan Amendment
The UVSP Amendment described above was adopted by the City Council in 2011. The UVSP Amendment also included other minor but important changes that (1) modified the development standards in order to integrate and improve internal consistency between the existing commercial and residential development standards, (2) incorporated the mixed-use application process and development standards already contained in the City's Development Code, (3) added the new AM and PM peak hour trips that would be generated by the additional anticipated development, and (4) updated the Public Art section to clarify the management of the funds collected. The UVSP was also amended to add the General Plan Housing Element requirements that establish a minimum residential density standard of 30 units per acre and reduce high-density residential open space standards from 30 percent to 10 percent.

No changes were made to the permitted land use matrix for the UVSP. However, to ensure a compatible mix of uses, the UVSP was amended to require that new mixed-use developments be approved through a Precise Plan permit process, which requires the careful consideration of potential impacts from proposed development and ensures a proper balance of uses. Furthermore, the UVSP was amended to include additional provisions in mixed-use developments for enhanced security, restrictions on activities, noise standards, vibrations and odors, and lighting to ensure that residential uses are not adversely impacted by commercial uses.

PROJECT DESCRIPTION AND ANALYSIS:

The project applicant (Laguna Hills Investment Company) is seeking approval of a two-phased redevelopment of a portion of the Oakbrook Village Shopping Center. Currently, the project site consists of 190,956 square feet of retail space, including nationally recognized tenants such as Trader Joe's, Marshall's, and El Torito restaurant. The remainder of the site consists of parking areas and drive aisles, sidewalks, landscaped plaza area, and other hardscape and landscape improvements. Surrounding land uses include residential and office to the east across I-5 and Avenida de la Carlota, respectively; residential to the south; residential and the Laguna Hills Transportation Center to the west; and Laguna Hills Mall to the north.

The redevelopment plan includes the development of up to 489 residential units (289 in Phase One and up to 200 in Phase Two) in multistory residential buildings and up to 82,574 square feet of retail space (23,974 in Phase One and 58,600 in Phase Two). To accommodate the new construction, a total of 148,530 square feet of the existing commercial building area would be demolished under both phases.

The *Overall Site Plan (sheet A0.3 of the Applicant's submitted plans)* illustrates the proposed site design and layout of the proposed project, while the *Concept Elevations* illustrate the conceptual building elevations and the proposed Santa Barbara inspired architectural style and elements of the project.

As noted above, the amended UVSP allows a mixture of uses as long as the overall vehicle trip budget allocated to the UVSP area is not exceeded. In order to accommodate the additional residential units, the proposed project would include the conversion of a portion of the Oakbrook Village Shopping Center nonresidential square footage (demolition of a total of 148,530 square feet of retail space) and replace it with 289 residential units and 23,974 square feet of new retail space under Phase One, leaving a balance of 132,200 square feet of retail space under this phase (see Table 1). Phase Two would include up to an additional 200 units and 58,600 square feet of new retail space, and would reduce the total retail space to 125,000 square feet under this phase (see Table 1). However, the ultimate development components of Phase Two might vary, depending on market conditions.

Table 1
Oakbrook Village Development Summary

	Quantity	***Demolition***	***Construction***	***Net***
Existing				
Residential	—	—	—	—
Commercial/Retail	190,956 SF [1]	—	—	190,956 SF
Proposed Project – Phase One				
Residential	289 DU	—	289 DU	289 DU
Commercial/Retail (Proposed)	—	—	23,974 SF	23,974 SF
Commercial/Retail (Existing)	190,956 SF	82,730 SF	—	108,226 SF [2]
TOTAL PHASE 1 DEVELOPMENT: 289 Dwelling Units and 132,200 SF Commercial Retail				
Proposed Project – Phase Two				
Residential	200 DU	—	200 DU	200 DU
Commercial/Retail (Proposed)	58,600 SF	—	58,600 SF	58,600 SF
Commercial/Retail (Existing)	108,226 SF	65,800 SF	—	42,426 SF [2]
Total at Project Buildout				
Residential	489 DU	—	489 DU	489 DU
Commercial/Retail (Proposed)	82,574 SF	—	82,574 SF	82,574 SF
Commercial/Retail (Existing)	190,956 SF	148,530	—	42,426 SF [2]
TOTAL DEVELOPMENT AT BUILDOUT: 489 Dwelling Units and 125,000 SF Commercial Retail				

[1] The existing 190,956 SF of commercial uses includes 82,730 SF that would be demolished in Phase One, 65,800 SF that would be demolished in Phase Two, and 42,426 that would remain in Phase One and Phase Two (project buildout).
[2] This existing commercial/retail square footage is what would remain under each phase of the proposed project.

Phase One - Site Plan and Character

As shown in Table 1, Phase One would include the demolition of 82,730 square feet of nonresidential uses and the development of up to 289 dwelling units and 23,974 square feet of new retail space. The new retail square footage would include 9,000 square feet of ground-level retail that would be integrated into the proposed residential building and the remaining square footage would be dedicated to two stand-alone retail pads. All of the units would be provided in a single rectangular building. The units would include a mix of one- and two-bedroom units with square footages of approximately 700 to 1,100 square feet. In addition to a leasing office, the residents would have access to a recreation/fitness center, a clubroom, community pool, spa and cabanas, and landscaped courtyards. A village green open space area would also be provided for the residents of the project along the northwestern portion of the Phase One residential building.

The residential building would be up to five stories and would include vertical tower elements, varying roof pitches and elements, a variation of window types and styles, balconies, and base elements that would help ground the building massing. Sidewalks, landscaping, and plaza areas are also anticipated along the ground-level building frontages. The ground-level retail uses would front the internal parking area to take advantage of visibility and to engage pedestrians, residents, and customers. Landscaping would be provided along the building edges, within the village green open space area, along the project boundary, and within the parking areas.

Circulation and Parking
Vehicular and pedestrian circulation would be provided via a number of drive aisles and pedestrian walkways and paseos, respectively. The main entry drive into Oakbrook Village and the project site is currently stop-sign controlled, but would be signalized under the proposed project.

Parking for residents and visitors would be provided within a ground-level parking garage (which would be accessed via an internal drive aisle) and in enclosed garages and surface parking spaces along the southern project boundary. The proposed project includes a total of 1,297 parking spaces. 734 parking spaces are available to be shared among the retail uses and 557 spaces are to be used strictly for residential uses (i.e., the required residential parking will be gated off from the retail area and is not included in the shared parking request).

The Development Code sets forth theoretical parking ratios for individual uses. While the site is deficient in parking if each retail use is taken as a stand-alone business that requires its own parking, the Code allows for shared use of parking facilities on sites with multiple uses such as the Oakbrook Village Project. The Code allows for reduced parking in such situations, when the Applicant can demonstrate that the provided parking is adequate for the proposed uses.

A shared parking analysis was conducted by HDR Engineering which used a methodology analyzing the parking demand for each individual land use type on the property against a parking demand profile based on the time of day to establish the parking requirements. Using this methodology, the parking study found that there is adequate parking for all existing and proposed uses at the subject site, and it is reasonable for all commercial/retail uses to share the parking facilities. The shared parking analysis determined that peak parking would result in a demand for 727 spaces for retail uses versus a supply of 734 spaces. This information is described in Appendix H of the traffic study. It is also included with this report as Attachment 9.

While Appendix H in the traffic study supports the shared parking analysis for the shopping center, the following table describes the required residential parking and provided parking:

Parking Type	Required Parking/ Unit	Total
1 Bedroom @ 160 Units	1.5 Spaces	240 Spaces
2 Bedroom @ 129 Units	2.0 Spaces	258 Spaces
Guest Parking	0.2 Spaces	58 Spaces
Total Parking	NA	556 Spaces
Parking Provided	NA	556 Spaces*

*Includes 343 Parking Structure Spaces/ 83 Garage Spaces/ 51 Tandem Spaces/ 79 Surface Spaces

Therefore, there will be an adequate parking supply for the project after the project is built out. To ensure adequate parking is provided on the site at all times, Conditions 31 and 32 allow the City to require additional studies when there is a change in any use of the center.

Infrastructure Improvements

Water and sewer services to the project area are currently and would continue to be provided by the El Toro Water District (ETWD). New potable water and sewer lines would be constructed onsite and would connect to the existing water and sewer lines offsite. No substantive offsite infrastructure improvements are required. All modifications of, and connections to, water and sewer services would be accomplished consistent with City and purveyor requirements. Conditions 41-45 address requirements for ETWD to ensure that adequate water and sewer facilities are provided.

Under existing conditions, the majority of site runoff, including building runoff, flows into a series of gutters and inlets in the parking areas, which are ultimately conveyed into an existing storm drain system. Runoff from the perimeter of the site discharges to offsite drainage conveyances. The proposed condition would result in a similar drainage pattern. The proposed project would not materially increase the rate or flow of stormwater discharges when compared to pre-development conditions (see Preliminary Hydrology Study provided in Appendix B of the Addendum). Condition 56 will result in the submittal of a final hydrology study to the Public Services Department to verify project runoff and on and off-site storm drain needs. The project has also been conditioned to comply with strict stormwater runoff quality standards and low impact development requirements.

Phase One Timeline

Upon approval of the proposed project by the City, Phase One of the proposed project would be completed in approximately 24- 30 months (includes demolition and construction activities). Phase One improvements are expected to be completed and the site operational by the end of 2014.

Phase Two

Phase Two would include the demolition of 65,800 square feet of nonresidential uses and development of up to 200 dwelling units and 58,600 square feet of new retail space (see Table 1). The new retail square footage may be integrated into the residential building(s) as ground-level retail, developed as a detached component (e.g., stand-alone retail pads), or developed as a combination of these. As noted above, the ultimate development components of Phase Two might vary, depending on market conditions. Uses and intensities would be based on the vehicle trip budgets specified in the proposed project's traffic impact analysis and Development Agreement.

The design and layout of the proposed residential building(s) and the unit types and sizes have not been determined at this time for Phase Two, but would be designed and developed to complement and be compatible with the Phase One residential building. The design and layout of Phase Two would also be regulated by the design guidelines and development standards outlined in the UVSP, as amended. The circulation, parking, and infrastructure improvements for Phase Two would also be designed and developed similar to those of Phase One. Development of Phase Two is subject to the City's approval of additional zoning entitlements.

UVSP improvements
The proposed project includes the development of several features that are called out in the UVSP, such as pedestrian paseos, a village green, and public plazas. The Village Green has been located on the western end of the Paseo and contains a gazebo. The approximate 17,000-square foot phase one Village Green is designed to accommodate a 7,000 SF expansion in phase two to provide a half acre Village Green. The East-West Paseo connects the Village Green with the proposed mixed-use building and to the existing North/South Paseo in front of the Marshall's/Roadrunner building. These paseos are constructed of brick pavers with 10' of pedestrian walkway, 5' of landscaping planters against the parking lot edge, and 5' of landscaping against the building edge. The paseos have acorn streetlights to provide pedestrian lighting and uniform landscaping consisting of palm trees with roses and birds of paradise. A fountain is located in the middle of the East/West Paseo. A new connection, the Hillside Paseo, will be constructed to better connect the Laguna Hills Mall property to the pedestrian paseo that will run through Oakbrook Village. The Hillside Paseo will be a combination of stairs and ADA accessible ramps and will include enhanced landscaping. Additionally, several parking lot paseos are included in the project which would provide pedestrian connections throughout the parking lot area.

Along the north property line, adjacent to the Laguna Hills Mall, a new five (5)-foot wide concrete paver trail is proposed that would connect the proposed termination of the Mall's Main Street on the northwest corner of the property to the Hillside Paseo and out to Avenida de la Carlota. This allows pedestrian movement to and from Oakbrook Village to the Mall's future Main Street area and hopefully to a future pedestrian connection to the Transportation Center and Saddleback Memorial Medical Center. Along this North Trail, pocket park elements have been included, such as the North Trail Statement at the western property line which would have a trellised sitting area for reading, the Eastern North Trail Statement at Avenida de la Carlota with a stretching lawn for warming up before a walk or jog, and the sitting areas at the Hillside Paseo.

Condition 47 requires the Applicant to provide final construction details for the Paseo improvements and requires the improvements to be consistent with the UVSP. Final project landscape plans are also required as described by Condition 38.

Master Sign Program

The applicant is requesting approval of a Master Sign Program (Attachment 4) for new shopping center signage. The proposed signage is not typical of other projects where shopping centers are limited to monument signs at project driveways or a tenant identification sign. The applicant proposes a number of signs along Avenida de la Carlota consistent with the provisions of the UVSP. Additional internal directional signage is also requested to direct pedestrians to other locations on and off-site as well at five locations in addition to a monument sign facing the mall. Staff has prepared a Sign Matrix Comparison Table to assist the Planning Agency in understanding the proposed Master Sign Program, the City's sign regulations, and the requirements of the UVSP. The Sign Comparison Matrix is Attachment 5 to this report.

Staff has recommended some minor changes to proposed wall signage for aesthetic purposes and has suggested that the Planning Agency re-evaluate the Applicant's proposals for freestanding signage concerning the width of the freestanding signs as well as the number of tenant panels (Items 6 and 8 of the Sign Matrix Comparison Table). For example for the Perimeter Entry Sign, which is proposed in three locations (one facing the mall and two on Avenida de la Carlota), staff is suggesting three panels as opposed to the five shown. The width of the sign panels should also be reduced from 10 feet to 6 feet. Otherwise the entire monument sign structure would be nearly 17 feet wide and 14 feet high. Staff believes the recommended change is more in line with the pedestrian scale the UVSP is seeking to establish. Also, staff is recommending that the monument signage facing the mall be deferred until the City has a better understanding of the scope of the mall's redevelopment plans. The applicant has expressed concerns over the uncertainty as to when or if the mall might be required to install the street.

The applicant is also proposing to renovate the existing freeway sign which includes the name of the shopping center and 5 tenant panels. A substantial stone base will be added that matches the other street monuments located in the UVSP area. A decorative cornice is also proposed at the top of the sign.

To assist the Planning Agency in reviewing the Master Sign Program, the Planning Agency should be aware of the following information:

- The City's sign regulations provide for either two tenants in a center identification sign or allow for a monument sign to be used to display tenants which has a height limit of four feet and a sign area of 40 square feet at driveway entrances to the shopping center.
- It appears that the center has need of three tenant panels for major tenants such as Trader Joe's, Marshall's and Road Runner Sports. At least two panels have been

used to advertise smaller tenants on the Freeway Identification Sign such as Woody's Diner.

- If the Planning Agency approves the Master Sign Program as submitted, the Applicant will have a total of 20 panels available for tenants – 5 panels on each of the 3 monument signs and 5 panels with a center identification for the Freeway Identification Sign.

In addition to the Sign Matrix Comparison Table, staff's recommendations to the Planning Agency to amend the proposed Master Sign Program are included. Corresponding conditions of approval have also been recommended in the resolution to achieve staff's recommendations.

Vesting Tentative Tract Map

The proposed Vesting Tentative Tract Map provides the applicant with the ability to subdivide the residential portion of the project into airspace for condominium purposes, although staff understands the applicant intends to operate the residential component as a for-rent opportunity. The tract map process provides the City with the opportunity to determine project consistency with the City's General Plan and Development Code, review the site's suitability to accommodate the project (such as ensure adequate infrastructure exists to serve the project), and ensure the project does not damage the environment or create health problems.

The applicant is constructing the proposed project on an existing developed site where all public services and utilities are available to serve the development. Existing road access is sufficient to serve the project and there are no hazardous conditions that exist on the site that would prevent the redevelopment of the property from an under-utilized shopping center to a mixed-use residential development. The project complies with the City's zoning regulations in that all required parking is provided, physical building limitations such as height limits, setbacks, and floor area ratios are met, project density complies with the minimum and maximum number of dwelling units per acre allowed in the Urban Village (30-50 dwelling units per acre) and improvements necessary for the implementation of the UVSP are incorporated into the project. These include various pedestrian paseos, a village green, and UVSP entry signs. Since the project site is a previously developed property, the project does not impact fish or wildlife or their habitat or cause other significant environmental impacts that were not previously identified in the PEIR.

However, the project will impact existing water lines and easements used by the ETWD in providing water to the general area. Conditions of approval require the Applicant to design, relocate and build these facilities to the satisfaction of ETWD to ensure adequate water service is provided to the Project as well as any other areas adjacent to the Project that might utilize the existing facilities.

Prior to the approval of the final map, the applicant is required to accomplish a number of items including the design of water and sewer lines for the El Toro Water District

(Conditions 41-45) preparation of a final project grading plan (Condition 64), payment of a park impact fee (Conditions 53), ensure that adequate improvements are provided to comply with the requirements of the National Pollutant Discharge Elimination System (Conditions 69, 71 and 80), install public improvements such as sidewalk, curb, gutter, driveway improvements and a traffic signal (Conditions 72, 73, 74, 75 and 77), and provide additional right-of-way dedication for landscape and sidewalk improvements (Condition 76).

Development Agreement

The project proposes the use of a development agreement to contractually obligate both the City and the property owner to take certain actions in building the project. On the City's side, the agreement proposes to provide development rights for up to 15 years to the builder to complete the project. On the property owner's side, the agreement identifies public improvements that must be made, and establishes a substantial penalty in favor of the City for lost retail revenue. The following generally summarizes the significant aspects of the development agreement for the City and the property owner:

- Development of private improvements identified in the UVSP such as the Secondary Village Green and Pedestrian Paseos.
- Owner provides public improvements including landscaping and sidewalk improvements along Avenida de la Carlota, traffic signalization improvements, and public art.
- Owner provides façade renovations for existing retail buildings (excluding pads).
- Owner receives a 15 year right to build provided Phase 1 is completed in 5 years and Phase 2 entitlements are secured by the end of year 11.
- Owner receives right to build up to 489 units – 289 units in Phase 1 & 200 units in Phase 2. However, the right to build the Phase 2 units expires if the Phase 2 zoning approvals have not been issued by the City after 11 years.
- Owner to provide a minimum 125,000 square feet of commercial building area at project completion.
- City obtains a Retail Loss Impact Fee in Phase 2 for lost retail revenue due to demolition of retail buildings if the retail building area is not rebuilt.

Staff notes that were it not for the proposed development agreement, the owner could not be made to provide the Retail Loss Impact Fee in Phase 2. Without this fee and the agreement, the City could be subject to the loss of retail sales tax for prolonged periods of time while the project is developed without any way to recover the lost revenue.

DISCUSSION OF ENVIRONMENTAL REVIEW PROCESS

As part of the Project's approval, staff is recommending that the City Council and Planning Agency consider the Addendum to the previously certified PEIR to serve as the environmental review for the Project pursuant to the provisions of CEQA.

At the conclusion of the City's General Plan update process, the City prepared the PEIR which addressed the environmental impacts associated with development activity expected under the General Plan including increased development within the UVSP. The General Plan anticipated the following uses and intensities.

General Plan Buildout Scenario

Land Use Type	Changes Under the General Plan
Retail	+/- 528,000 Square Feet
Office	+/- 415,000 Square Feet
Business	+/- 75,000 Square Feet
Hotel	250 Rooms
Single-Family	7 Units
Multi-Family	450 Units
Parks & Open Space	+/- 13 acres

The PEIR was certified by the Laguna Hills City Council on July 14, 2009. The City found that some potentially significant impacts would be adequately mitigated and that overriding considerations outweighed the remaining significant impacts. The significant impacts identified in the PEIR were related to air quality, greenhouse gas emissions, and water supply. Impacts to air quality and greenhouse gases were primarily related to vehicle emissions from increased traffic due to development. Water supply was identified as a significant impact due to the uncertainty of water supply availability over the life of the General Plan.

In reviewing the proposed project and evaluating the project's environmental impacts, staff has determined that the project is within the scope of the PEIR, that the project is consistent with the development density anticipated in the General Plan Update and UVSP Amendment, and that the project will not result in any new significant impacts or a substantial increase in the severity of any previously identified significant impacts. No new mitigation measures or alternatives would be required. Therefore the project qualifies for streamlined environmental review through the use of an Addendum.

Among other things, the Applicant prepared a traffic study for the project to analyze traffic conditions at all of the intersections analyzed by the PEIR including one additional intersection located in the City of Laguna Woods at Moulton Parkway and El Toro Road. Attachment 8 depicts the intersection locations analyzed. Each intersection was analyzed for existing conditions and the intersection level of service (LOS) was determined. LOS is typically used to describe a ratio of traffic volume moving through an intersection versus an intersection's vehicle capacity (commonly referred to as the volume-to-capacity, or V/C ratio). A letter grade is then assigned to describe the level at which an intersection is operating as described by the following table:

Level of Service	Volume to Capacity Ratio	Description
A	0.00 - 0.60	Excellent operation. All approaches to the intersection appear quite open, turning movements are easily made, and nearly all drivers find freedom of operation.
B	0.61 - 0.70	Very good operation. An occasional approach phase is fully utilized. Many drivers feel somewhat restricted within platoons of vehicles.
C	0.71 - 0.80	Good operation. Major approach phases fully utilized. Most drivers feel somewhat restricted.
D	0.81 - 0.90	Fair operation. Drivers may have to wait through more than one red signal indication. Queues may develop but dissipate rapidly, without excessive delays.
E	0.91 - 1.00	Poor operation. Volumes at or near capacity. Vehicle may wait through several signal cycles. Long queues from upstream intersections.
F	≥ 1.00	Forced flow. Represents jammed conditions. Intersection operates below capacity with low volumes. Queues may block upstream intersections.

Source: City of Laguna Hills Traffic Study Guidelines

Except for a few intersections within the City that are part of a system of arterials under the jurisdiction of the County's Congestion Management Program (CMP), the City requires intersections to operate at LOS D. Intersections that fall under the CMP network may operate at LOS E. For example El Toro Road falls under the County CMP arterial network. In addition to using LOS as a determination for significant traffic impacts, the City also determines that an increase in the V/C ratio of 0.01 at an intersection already operating at an LOS E or LOS F is also a significant impact. Table 3 from the traffic study provides a description of the existing LOS conditions at the intersections studied for the project.

Table 3: Existing Intersection Operating Conditions

	Intersection Name	Control	AM PEAK HOUR		PM PEAK HOUR	
			LOS	ICU	LOS	ICU
1	El Toro Road and Moulton Parkway	Signal	D	0.900	E	0.915
2	El Toro Road and Avenida Sevilla	Signal	A	0.573	B	0.684
3	El Toro Road and Paseo De Valencia	Signal	B	0.686	C	0.785
4	El Toro Road and Regional Center Drive	Signal	A	0.463	C	0.733
5	El Toro Road and Avenida de la Carlota	Signal	B	0.662	F	102.6
6	Mall Entrance and Avenida de la Carlota	Signal	A	0.292	B	0.606
12	Los Alisos Boulevard and Paseo De Valencia	Signal	B	0.558	B	0.611
13	Los Alisos Boulevard and Avenida de la Carlota	Signal	A	0.549	B	0.695
14	I-5 Southbound Ramps and Avenida de la Carlota	Signal	B	0.684	C	0.797

To determine if the project would have a significant traffic impact, the traffic study compared future traffic levels without the project to future traffic levels with the project. Since the project will be built in phases, the traffic study evaluated traffic impacts at intersections for both phases of development. Pages 31 and 32 of the traffic study summarize the results of the traffic analysis. For both Phase 1 and 2, other than the existing conditions on El Toro Road, no additional intersections exceed the LOS E threshold of significance. For intersections on El Toro Road at Avenida de la Carlota and Moulton Parkway that already operate at LOS E, the traffic study determined that additional traffic added from the project does not result in a change in either intersection's V/C ratio greater than 0.01.

The results of the traffic analysis can best be explained by comparing the results of the PEIR traffic study for the Oakbrook Village area with the project traffic study. The table below depicts both the amount of daily traffic and peak hour traffic at Oakbrook Village as modeled by the PEIR and from the proposed project. As demonstrated in the table below, the reduction of on-site commercial building area of +/- 65,000 square feet and the construction of up to an additional 289 dwelling units on the site results in a trade-off where the project's environmental impacts are comparable to those analyzed in the PEIR.

	General Plan	Phase 1	Phase 2
AM Peak	228	328	420
PM Peak	989	945	1,026
Daily Traffic	10,413	10,118	10,939

Source: Table 5 - Oakbrook Village Plaza Traffic Impact Analysis HDR Engineering October 2012 Revision 3

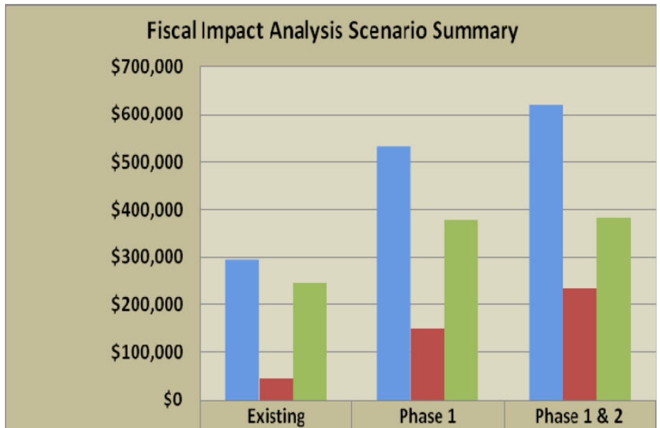
In Phase 1, AM peak hour trips increase but PM peak hour trips and daily trips decrease when compared to traffic from development analyzed in the PEIR. For Phase 2, the project buildout phase, traffic levels for both peak hour periods are higher along with daily traffic. Even though the project results in increased traffic levels, in comparison to traffic levels anticipated under the PEIR the increases do not rise to a level where significant traffic impacts occur. Appendix D to the Addendum includes the traffic study prepared for the project.

For other project specific impacts, the City Council and Planning Agency should note that the project has been conditioned to comply with standard requirements that serve to avoid significant impacts and applicable mitigation measures from the PEIR. For example, these conditions require the applicant to comply with the local water quality requirements to avoid stormwater pollution, submit final plans for site lighting to avoid light and glare impacts, and adhere to construction noise limits to avoid impacts to adjacent properties.

FISCAL IMPACT:

Recurring Expenses/Revenues - Operating Budget Impacts

In support of the project and the changes to the commercial building area, the Owner, in consultation with staff, retained the services of a consultant to prepare a detailed Fiscal Impact Analysis (FIA) to study and analyze the project as a mixed-use development. The FIA was provided to the City Council/Planning Agency on November 1 and has been available online since October 31. In addition, a copy is currently on file in the City Clerk's office. The table to the right summarizes the impact of the study for Phase 1 and full build-out of the project. For Phase 1, the project would result in a 53% increase in the net annual surplus over existing conditions. After the completion of Phase 2, the net annual surplus increases by 55% over existing conditions. Staff has reviewed the FIA and has found it to be conservative in its assumptions and approach. As a result, the project is expected to have a positive impact on the City's operating budget.



	Existing	Phase 1	Phase 1 & 2
Recurring Revenue	$291,902	$529,313	$616,224
Recurring Cost	$44,188	$150,875	$232,423
Net Annual Surplus	$247,714	$378,438	$383,801

One-Time Revenues - Development Fees

1. Public Park In-lieu Fees

   Chapter 8-06 of the Laguna Hills Municipal Code pertaining to park dedication and in-lieu fee requirements applies to both Phase 1 and Phase 2 of the project, regardless of whether the Owner proposes a subdivision map for each Phase. This requires the Owner to pay the City a public park in-lieu fee of $7,392.00 for each residential unit constructed. The fee will be paid on a per unit basis at the time of filing of the final map or, if no final map is filed, prior to issuance of a building permit for each residential unit. For Phase 1, the Owner will pay the City $2,136,288 (289 units x $7,392). The fees for Phase 1 are expected to be paid to the City sometime in FY 2013-14. For Phase 2, the Owner will pay the City $1,478,400 based on 200 units, the maximum allowed under the Development Agreement.

2. Urban Village Traffic Impact Mitigation Fees

   The Owner is required to pay a traffic impact fee in accordance with Chapter 9-102 of the Laguna Hills Municipal Code in the amount of $3,914 for each PM peak hour trip generated as a result of the project. The Traffic Study for the project shows zero (0) incremental PM peak trips for Phase 1 and forty-four (44) incremental PM peak trips for Phase 2. Therefore, the Owner will pay the City $172,216 upon issuance of any permits for the start of Phase 2.

3. Public Art/Public Art In-Lieu Fee

   The Owner is required to furnish public art in connection with the project, and/or pay an in-lieu fee, pursuant to the UVSP. The City retains the right to approve, in advance, the proposed type, size, art medium, location, and content of all Public Art. Staff estimates the public art requirement for Phase 1 to be $175,000. At this time, the Owner has indicated that they intend to furnish public art on site that will equal or exceed this estimated value. If this occurs, the Owner would not pay any Public Art In-Lieu Fee to the City.

4. Security for Construction of Required Retail in Phase 2/ Phase 2 Retail Loss Impact Fee

   Phase 2 involves the construction of up to 200 additional residential units. In exchange for the right to build these units, the Agreement imposes a requirement for a minimum of 125,000 total aggregate square feet of retail space on the property, which is the assumption for the full build-out in the FIA. However, in the process of constructing Phase 2, the Owner may need to demolish up to 65,800 square feet of existing retail space, leaving in place only 51,426 square feet of retail. Under this scenario, in order to reach the 125,000 square foot minimum, the Owner will need to construct 73,574 square feet of new retail space, including the deferred retail pads from Phase 1. The Owner's commitment to timely construct such additional new retail space is a material inducement to the City's agreement to permit the Owner to demolish the existing retail space and construct additional residential units on the property in Phase 2. If the Owner fails to complete construction of all such additional new retail space prior to completion of the additional Phase 2 residential units, then the City will suffer a loss of future revenue necessary to offset the costs of certain City services required by the Project. Section 10.4 of the Development Agreement is designed to protect the City in this circumstance and to provide an incentive to the Owner to timely construct the required new retail space in Phase 2. As security for the Owner's commitment to construct such additional new retail space in Phase 2, prior to the issuance of the first residential Certificate of Occupancy for Phase 2, the Owner is required by the Development Agreement to provide security to the City in the form of a combination of a cash deposit and an alternative security instrument (i.e. Letter of Credit) to provide for the potential loss of sales tax revenue over a twenty year period. The formula for calculating the amount of the security is set forth in section 10.4.1 of the Development Agreement. Should the Owner fail to timely construct the additional new retail space by the earlier of the expiration of the Development Agreement or the five year anniversary of the date of the Phase 2 project approvals, then the owner will forfeit the full amount of the security. If the Owner completes construction of the required minimum retail within this time period it is entitled to a partial refund of the security. Exhibit G to the Development Agreement contains two examples of how the security is calculated and the amount forfeited to the City (the "Retail Loss Impact Fees"), if any. Because the amount of the security will vary depending on certain factors, including the actual retail deficit, the security may be substantial. If the deficit is 46,574 square feet, then the total security amount would be just under $3.5 million. However, should the Owner construct the required retail and obtain a final Certificate of Occupancy prior to the earlier of the expiration of the Development Agreement or the five year anniversary of the date of the Phase 2 project approvals, then the City would release the alternative security instrument and refund to the Owner a portion of the cash deposit pursuant to Section 10.4.5 of the Development Agreement. It should be noted that the Owner can avoid the Phase 2 Retail Loss Impact Fee in its entirety by constructing all residential and retail elements of Phase 2 in one construction cycle.

Development Processing Costs

The City's cost to process the Owner's development application, conduct a peer review of the Addendum to the PEIR, and negotiate and prepare the Development Agreement, is estimated to be $60,000 to $65,000. To date the Owner has deposited $52,000 and will submit a final payment to fully cover the City's cost once a final project accounting is completed.

Finally, it should be noted that this project does not involve any financial contributions from the City or taxpayer subsidies.

CONCLUSION

Staff supports the proposed project for its excellent design qualities, the many public and quasi-public improvements the development proposes to add to the Urban Village Specific Plan area, the guarantees provided to the City against loss of retail revenue during the project's construction period, and its conformance with the General Plan, the General Plan EIR, as well as the Urban Village Specific Plan. The project brings a type of housing presently missing from the community that serves young professionals providing a state-of-the-art quality living environment in the various amenities the project provides. It introduces a type of housing into the area that will enable residents to live, work, shop, and enjoy the substantial lifestyle amenities that currently exist in the Urban Village and that have been envisioned by the City for the future.

Staff requests that the Planning Agency/ City Council bring the plans and studies distributed earlier for the meeting of November 13.

CEQA FINDINGS:
The City Council and Planning Agency have independently considered the Second Addendum prepared by City Staff, along with the PEIR, and find that no further environmental documentation is required because: (i) the Project is within the scope of the PEIR; (ii) the Project is consistent with the development density established by the General Plan Update and UVSP Amendment; (iii) there are no substantial changes in the Project requiring major revisions of the PEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (iv) there are no substantial changes with respect to the circumstances under which the Project is being undertaken which will require major revisions of the PEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects; and (v) there is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the PEIR was certified showing that: (a) the Project will have one or more significant effects not discussed in the PEIR; (b) significant effects previously examined will be substantially more severe than shown in the PEIR; (c) mitigation measures or alternatives previously found not feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the mitigation measures or alternatives have not been adopted; or (d) mitigation measures or alternatives considerably different from those analyzed in the PEIR would substantially reduce one or more significant effects on the environment, but the mitigation measures or alternatives have not been adopted. (Public Resources Code Sections 21166 and 21083.3, and CEQA Guidelines Sections 15168, 15162, 15164, and 15183.)

ATTACHMENTS:
1. Resolution of Approval
2. Ordinance- Development Agreement
3. Letter of Justification
4. Master Sign Program
5. Sign Comparison Matrix
6. Photos from other Sares-Regis Group projects
7. Fritz Duda Company Green Building Strategy letter
8. Intersection Study Area
9. Shared Parking Table
10. Plans and Exhibits/Link To Project Documents

ATTACHMENT 1- RESOLUTION OF APPROVAL

RESOLUTION NO. PA2012-11-13-1

A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING SITE DEVELOPMENT PERMIT/MASTER SIGN PROGRAM/ CONDITIONAL USE PERMIT/ PARKING USE PERMIT/VESTING TENTATIVE TRACT MAP/PRECISE PLAN/ DEVELOPMENT AGREEMENT NO. 12-11-2137, A REQUEST BY LAGUNA HILLS INVESTMENT COMPANY TO REDEVELOP OAKBROOK VILLAGE SHOPPING CENTER LOCATED AT 24231-24391 AVENIDA DE LA CARLOTA

The Planning Agency of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, on November 26, 2002, the City Council of the City of Laguna Hills adopted the Urban Village Specific Plan ("UVSP"). The UVSP area consists of 240 acres bounded by Paseo de Valencia on the north and west, Los Alisos Boulevard on the south, and I-5 on the east. The UVSP regulates development within the Village Commercial area of Laguna Hills. The purpose of the Village Commercial area is to develop a community core in which a variety of public, regional commercial, recreational, and high density residential uses work in concert to create an “urban village.” The UVSP provides for a continuing mixture of land uses, including retail, residential hotel, medical offices, and general offices. The allowed development intensity in the Urban Village is regulated based upon vehicle trip generation limits, not land use type or size of the project, and the UVSP provides for flexibility in development options and the mixture of land uses, provided established anticipated aggregate vehicle trip limits generated by new development are not exceeded. The City implements this aspect of the UVSP through a vehicle trip budget debiting process pursuant to which additional peak hour vehicle trips generated by each new development or redevelopment project are subtracted from the current aggregate total additional peak hour vehicle trips available to accommodate future new development in the UVSP area (the "Trip Budget Allocation"). Pursuant to the UVSP, applicants for new development projects are authorized to develop to the maximum intensity of their plans upon verification that the vehicle trip generation impacts created by the new development will not exceed the remaining Trip Budget Allocation; and

WHEREAS, in July 2009, the City Council adopted the 2009 Comprehensive General Plan Update (“Update”). The Update identified the UVSP area for expansion/revitalization and increased commercial and residential development; and

WHEREAS, in 2009, in connection with approving the Update, the City prepared a Program Environmental Impact Report entitled "City of Laguna Hills General Plan Program Environmental Impact Report, June 2009, State Clearinghouse No. 20080811100" ("PEIR"). On July 14, 2009, the City Council certified the PEIR, adopted a Statement of Findings of Fact, a Statement of Overriding Considerations and

Mitigation Monitoring Program. The City filed a Notice of Determination on July 15, 2009; and

WHEREAS, in April 2011, the City Council adopted an Urban Village Specific Plan Amendment ("UVSP Amendment") in order to implement the Update. The UVSP Amendment updated the UVSP to reflect the development intensification approved in the Update, to modify the Trip Budget Allocation to 1,243 additional AM Peak Hour Trips and 2,272 PM Peak Hour Trips consistent with the Update, to modify the development standards in the UVSP in order to integrate and improve internal consistency between the existing commercial and residential development standards, to incorporate the mixed use application process and development standards already contained in the City's Development Code, and to update the Public Art section to clarify the management of the funds collected. On April 12, 2011, the City Council adopted an Addendum to the PEIR in connection with the adoption of the UVSP Amendment (the "First Addendum"); and

WHEREAS, Laguna Hills Investment Company, the owner of the Oakbrook Village Shopping Center, located at 24231-24391 Avenida de la Carlota in the Urban Village Specific Plan area, (the "Applicant") filed zoning applications designated as Site Development Permit/ Master Sign Program/ Conditional Use Permit/ Parking Use Permit/ Vesting Tentative Tract Map/ Precise Plan/ Development Agreement (SDPM/MSP/CUP/PUP/TTM/PREC/DEVA) No. 12-11-2137, requesting land use entitlement approvals for the redevelopment of Oakbrook Village Shopping Center with a Phase 1 mixed-use project (the "Project") that includes the construction of a maximum of 289 multi-family residential units, demolition of approximately 82,730 square feet of retail space, the reconstruction of approximately 24,000 square feet of retail space, a 17,000-square foot Village Green, several pedestrian paseos, a pedestrian trail, a traffic signal at the intersection of Avenida de la Carlota and the main entrance to the property, reconstruction of sidewalk in the project area, new storm drain connections and inlets, and landscaped parkway space along Avenida de la Carlota; and

WHEREAS, the Applicant has requested that the City prepare and enter into that certain development agreement entitled "DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND LAGUNA HILLS INVESTMENT COMPANY" (hereinafter referred to as the "Development Agreement") which governs certain aspects of the Project and a potential future Phase 2 project, including the timing of development of the Project and the future Phase 2 project, the provision of certain public improvements, the intensity of development allowed, and the type of improvements to be provided by the Applicant; and

WHEREAS, the redevelopment of Oakbrook Village Shopping Center is considered a "project" pursuant to the California Environmental Quality Act, Public Resources Code Section 21000 *et seq.*, and California Code of Regulations, Title 14, Sections 15000 *et seq*. ("CEQA"); and

WHEREAS, the redevelopment of the Oakbrook Village Shopping Center was an activity contemplated by the Update and PEIR. The City of Laguna Hills, as lead agency, has prepared an initial study checklist and has determined that the Project is within the scope of the PEIR. Based on the initial study completed, the Project is consistent with the development density established by the Update and UVSP Amendment and will not result in any new significant effects that were not examined in the PEIR, a substantial increase in the severity of significant effects examined in the PEIR, or require any new mitigation measures or alternatives. The applicable mitigation measures identified in the PEIR are incorporated into the design of the Project or are imposed as conditions of approval, as appropriate. The City, therefore, has prepared an Addendum to the PEIR for the Project (the "Second Addendum") pursuant to Public Resources Code Sections 21166, 21083.3, and CEQA Guidelines Sections 15168, 15162, 15164, and 15183; and

WHEREAS, the Planning Agency has considered evidence presented by the Community Development Department, the Applicant, and other interested parties with respect to the subject applications at a public hearing, which was noticed for November 13, 2012.

NOW, THEREFORE, THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The above recitals are true and correct, and are incorporated herein by reference.

SECTION 2. The Planning Agency has independently considered the Second Addendum prepared by City Staff, along with the PEIR, and finds that no further environmental documentation is required because: (i) the Project is within the scope of the PEIR; (ii) the Project is consistent with the development density established by the Update and UVSP Amendment; (iii) there are no substantial changes in the Project requiring major revisions of the PEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (iv) there are no substantial changes with respect to the circumstances under which the Project is being undertaken which will require major revisions of the PEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects; and (v) there is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the PEIR was certified showing that: (a) the Project will have one or more significant effects not discussed in the PEIR; (b) significant effects previously examined will be substantially more severe than shown in the PEIR; (c) mitigation measures or alternatives previously found not feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the mitigation measures or alternatives have not been adopted; or (d) mitigation measures or alternatives considerably different from those analyzed in the PEIR would substantially reduce one or more significant effects on the environment, but the mitigation measures or alternatives have not been adopted.

(Public Resources Code Sections 21166 and 21083.3, and CEQA Guidelines Sections 15168, 15162, 15164, and 15183.)

SECTION 3. The required findings by the City for approval of SDPM/MSP/CUP/PUP/TTM/PREC/DEVA No. 12-11-2137 have been met and made as follows:

<u>Site Development Permit</u>

1. The site design complies with standards of the development code in that:

The Project meets all of the development standards for properties within the Village Commercial zone and the Urban Village Specific Plan area, including density, building FAR, landscape requirements, parking requirements, setbacks, building height, and other development standards required.

2. The site is suitable for the proposed development in that:

The site is comprised of an existing shopping center and surface parking. The Project meets the development standards for the zone, will provide a mix of uses and an enhanced aesthetic appeal, while implementing the Urban Village Specific Plan.

From an environmental standpoint, the development is also suitable for the site in that the Project does not create any new or significant environmental impacts that were not already considered in the PEIR. There are no significant impacts as a result of the Project on the neighborhoods surrounding the Project, and there are no significant impacts the development may have on the project site itself resulting in unsuitable development conditions. Additional analysis conducted in an initial study determined that impact categories addressing air quality, noise, traffic and circulation, light and glare, soils and geology, and hydrology would not result in any significant impacts on the site or surrounding neighborhoods. As identified by the initial study, the Project will not exceed air quality thresholds of significance for construction and are below thresholds established by the South Coast Air Quality Management District.

3. The Project is consistent with the City's General Plan and applicable design guidelines in that:

The General Plan identifies the subject site as a “future study area,” in which intensification and redevelopment was expected to occur. The Project implements the General Plan's vision for the Future Study Area by redeveloping the existing shopping center with a project that will be compact, mixed use, and pedestrian oriented.

The proposed residential building will be of quality design, with strong and appropriately scaled framework of architectural and landscape architectural elements and design. The building masses and landscaping throughout the project site will be designed to create a sense of unity. High-quality development features will be provided throughout the project site through site design (e.g., building orientation, screening and placement of service areas), architecture (e.g., mass, scale and form, style, material and color) and streetscape elements (e.g., lighting, paving materials). Development of the Project will enhance and strengthen the character of the existing center through landscaping, hardscape, and other improvements onsite and along the street edges.

4. The site design and structural components are appropriate for the site and function of the proposed uses in that:

Santa Barbara inspired architecture will be used in the design of the new mixed-use buildings as well as the remodeling of the existing buildings. The new buildings have been sited in ways that meet development standards, while making the best use of available space and maintaining a cohesive flow between the old and new portions of the center.

Master Sign Program

1. The design and application of the sign criteria required by the development code are satisfied by the proposed sign program in that:

The City's Development Code provides for deviations from the standard sign criteria subject to the approval of a Master Sign Program by the Planning Agency. The proposed sizes and locations of the perimeter entry signs and the secondary entry signs are appropriate for the mixed use project.

2. The sign program provides a compatible and harmonious design between advertising, landscaping and building design in that:

Freestanding signs are finished in materials that are consistent with the major project entry and secondary entry features along El Toro Road in the Urban Village area, complement the buildings on site, and are placed in landscaped areas that will accent the signs without detracting from their effectiveness. Wall signs make use of quality materials and construction and are proportional to the building façade to which they are attached. Therefore, the sign program provides a compatible and harmonious design between advertising, landscaping, and building design.

Conditional Use Permit/Parking Use Permit

1. The proposed use is consistent with the General Plan in that:

   The General Plan encourages shared parking to make the most efficient use of available land and reducing the amount of land devoted to parking by integrating multiple use and creative parking solutions that still provide adequate parking for all uses. The reduced parking makes efficient use of the available space by sharing parking for all uses on the project site, while still providing adequate parking. The Applicant has demonstrated that adequate parking will be provided for all proposed uses on the project site through completion of a parking study conducted by a licensed professional.

2. The nature, condition and development of adjacent uses, buildings and structures have been considered and the proposed conditional use will not adversely affect or be materially detrimental to the adjacent uses, buildings or structures in that:

   The Applicant has demonstrated that there is adequate parking on the project site for the proposed uses. Therefore the parking use permit will not adversely affect or be materially detrimental to the adjacent uses, buildings or structures.

3. The proposed site is adequate in size and shape to accommodate the use and integrate it with the existing and planned uses in the vicinity in that:

   The Applicant has demonstrated that the proposed site can accommodate enough parking to adequately serve the existing and proposed uses on the subject site. Furthermore, the parking will not only be sufficient in size, but will be improved in quality due to attractive pedestrian connections (parking lot paseos) and landscaping.

4. All required development standards prescribed by the Laguna Hills Development Code can be achieved in that:

   The project includes a total of 1297 parking spaces. 734 parking spaces are available to be shared among the retail uses and 557 spaces are to be used strictly for residential uses (the required residential parking will be gated off from the retail area and is not included in the shared parking request). The Development Code sets forth theoretical parking ratios for individual uses. While the site is deficient in parking if each retail use is taken as a stand-alone business that requires its own parking, the Code allows for shared use of parking facilities, similar to what is encountered in a shopping center with multiple uses such as the Oakbrook Village Project. The Code allows for reduced parking for such situations, when the

Applicant can demonstrate that the provided parking is adequate for the proposed uses, as was demonstrated in the parking study conducted for this Project. While City parking code ratios require 1,041 spaces for the mix of retail uses, existing demand and future development are expected to result in an actual peak demand of 727 spaces for retail uses leaving a surplus of 7 spaces.

5. The conditions and limitations placed upon the use are necessary to insure compatibility with adjacent or abutting uses and the preservation of the public peace, safety, and welfare in that:

   The conditions imposed on the parking use permit are intended to maintain continued functionality of the parking use plan thereby insuring compatibility with adjacent uses and the preservation of public safety and welfare.

6. The proposed joint parking permit is consistent with the intent and purpose of the development code in that:

   By establishing theoretical parking ratios for different types of uses, the development code intends to anticipate the amount of parking that will be needed to adequately serve proposed uses, thereby ensuring parking availability and relative ease of parking for patrons, which is consistent with goals of the General Plan. Despite a decrease in parking from the theoretical number of parking spaces that would be required per the parking ratios listed in the development code, the Applicant has demonstrated through completion of a parking study that adequate parking exists for all proposed uses on the site, thereby meeting the intent of the development code in establishing parking standards. While City parking code ratios require 1,041 spaces for retail uses, existing demand and future development are expected to result in an actual peak demand of 727 spaces leaving a surplus of 7 spaces.

7. The joint parking use permit provides a reasonable and enforceable means for all uses to share parking facilities in that:

   There will be 734 parking spaces designated to serve the retail land use on the site, as is typical for similar shopping centers. In addition, the Project includes 498 residential and 58 guest parking spaces that will be gated off from the retail area and therefore only available to serve the residential land use. With the conditions of approval, the Applicant is required to have the Shared Parking model recalculated in its entirety if a future expansion project at the subject site results in a change of use (switches to a different land use category).

8. The requirement for parking established by the joint parking use permit shall assure that parking demands for the participating uses are continually met:

The parking study conducted for this Project demonstrates that with the current proposed mix of uses, there is adequate parking for all uses, even at expected peak periods. With the conditions of approval, any new type of tenant (such as was not identified in the parking study) must submit an updated Shared Parking model calculation to the Community Development Director to ensure consistency with the established joint use parking permit, thereby assuring that parking demands continue to be met for all uses on the subject site.

<u>Vesting Tentative Tract Map</u>

1. The proposed subdivision is consistent with the General Plan and Urban Village Specific Plan in that:

The General Plan identifies the subject site as a "future study area," in which intensification and redevelopment was expected to occur. The Project implements the General Plan's vision for the Future Study Area by redeveloping the existing shopping center with a project that will be compact, mixed use, and pedestrian oriented. Likewise, the Project is consistent with the UVSP in that a mixed use development is identified as the preferred land use for the Oakbrook Village shopping center site in the UVSP. Peak hour trips resulting from development associated with the proposed map also complies with UVSP trip budget limits for new development in that the project will result in an additional 102 net trip ends in the AM Peak Hour and a reduction of 37 PM Peak Hour trips from existing conditions. Currently the trip budget allocation in the UVSP has a balance of 1,234 AM Peak Hour Trips and 2,242 PM Peak Hour Trips which is more than enough AM and PM Peak Hour Trips to support the proposed Project.

2. The design or improvement of the proposed subdivision is consistent with the General Plan and Urban Village Specific Plan in that:

The Project includes improvements, such as, a village green, several pedestrian paseos, a pedestrian trail, entry features, and landscaping that are all consistent with the UVSP. Given the mix of land uses and the project design, the site promotes smart growth and infill development, which are concepts that have been incorporated into the General Plan.

3. The site is physically suitable for the type of development in that:

   The site is relatively flat and is physically suitable for the residential and commercial uses proposed. The site is currently improved with a shopping center and surface parking. The site is currently underutilized and provides the opportunity for the infill redevelopment project, which will enhance the community character, optimize City investments in infrastructure and community facilities, and promote a more walking- and bike-friendly neighborhood.

4. The site is physically suitable for the proposed density of development in that:

   The Project includes the construction of 289 residential dwelling units and will have a density of approximately 44 dwelling units per acre. The proposed density of development meets the UVSP density requirement of up to 50 dwelling units per acre. The site is large enough to accommodate the proposed development. All utilities are available to serve the site along with adequate street access.

5. The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidable injure fish or wildlife or their habitat in that:

   The Project site is developed with commercial/retail uses and is not in its natural condition. City Staff evaluated the potential environmental impacts of the redevelopment Project and concluded that the improvements at the site will not result in any new significant impacts, or any increase in the severity of significant impacts identified in the General Plan Update Program EIR, which analyzed the General Plan Update program, including the redevelopment of the Oakbrook Village Shopping Center. No natural biological resources or communities existed on or in the vicinity of the Project site in 2009 when the General Plan Update was analyzed under the Program EIR- and no such resources exist at the present time since site conditions have not changed.

6. The design of the subdivision or type of improvements is not likely to cause serious public health problems in that:

   The Project improvements have been designed in accordance with all applicable codes. The design of the proposed land division will not cause public health problems since the proposed parcels are similar to other commercial and residential parcels adjacent to the site which are similarly served by existing improved roads and utilities.

7. The design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision; or, if such easements exist, that alternate easements for access or for use will be provided and that these will be substantially equivalent to ones previously acquired by the public in that:

   The Project area includes an existing waterline easement for purposes of enabling El Toro Water District to provide water to existing and future development at the project site. A condition of approval to the Project approvals requiring the Applicant to relocate the existing easement to avoid impacting water infrastructure has been included. Also, the City will be vacating portions of the public right-of-way along Avenida de la Carlota that are no longer necessary as a result of the project. Additional dedications will be provided by the Applicant.

8. The design of the subdivision, to the extent feasible, does have allowance for future passive or natural heating and cooling opportunities in that:
   The orientation of buildings to be constructed as part of the subdivision improvements provide the opportunity for the future passive or natural heating and cooling to be provided. Proposed buildings enjoy substantial vertical and horizontal separation between existing buildings in the area so that the installation of future solar improvements can occur. Dwelling unit structures which are part of the subdivision include ventilation opportunities for natural ventilation to occur through natural air movement the exists within the local climate.

9. The design, density, and configuration of the subdivision strikes a balance between the effect of the subdivision on the housing needs of the region and of public service needs in that:

   The project will result in housing production well in excess of the City's 2009-2014 regional housing needs assessment allocation of seven dwelling units. The type of housing stock proposed will increase the supply of one and two bedroom, for rent multi-family units, a type of housing which is in limited availability within the community but in high demand within the South Orange County region. The project provides a compact, mixed-use housing development within an existing underutilized retail shopping center which is already served by existing infrastructure and other public services. The project location and design maximizes the efficiency at which public agencies provide services to the area because of its high-density compact design. The design takes advantage of existing in-place public services and utilities that already serve the area.

10. The discharge of waste from the proposed subdivision into the existing sewer system will not result in violation of existing requirements prescribed by the California Regional Water Quality Control Board in that:

    The conditions of approval for on and off-site improvements will ensure permitted capacity of the public sewer system is not exceeded.

Precise Plan

1. The plan and the uses proposed are consistent with the General Plan in that:

   The General Plan identifies the subject site as a "future study area," in which intensification and redevelopment was expected to occur. The Project implements the General Plan's vision for the Future Study Area by redeveloping the existing shopping center with a project that will be compact, mixed use, and pedestrian oriented.

2. The proposed plan is consistent with adopted development standards for the area in which proposed in that:

   The Project meets all of the development standards, including lot size, lot width, lot depth, lot coverage, density, building height, open space and amenities, landscape coverage, parking (with approval of a CUP/PUP), and signage (with approval of a SDP/MSP).

3. The plan promotes community image and enhances compatibility of uses in the plan area in that:

   The proposed residential building will be of quality design, with strong and appropriately scaled framework of architectural and landscape architectural elements and design. The building masses and landscaping throughout the project site will be designed to create a sense of unity. High-quality development features will be provided throughout the project site through site design (e.g., building orientation, screening and placement of service areas), architecture (e.g., mass, scale and form, style, material and color) and streetscape elements (e.g., lighting, paving materials). Development of the Project will enhance and strengthen the character of the existing center through landscaping, hardscape, and other improvements onsite and along the street edges.

   Santa Barbara inspired architecture will be used in the design of the new mixed-use buildings as well as the remodeling of the existing buildings. The new buildings have been sited in ways that meet development standards, while making the best use of available space and maintaining a cohesive flow between the uses in the plan area.

4. The plan will reduce undesirable environmental consequences while improving economic needs of the area and community in that:

   The Oakbrook redevelopment project is an infill project that enhances community character, optimizes City investments in infrastructure and community facilities, supports increased transit use, and promotes a more walkable environment within its portion of the UVSP. Additionally, as stated in the General Plan, infill projects reduce vehicle trips and resulting air pollution, increases housing diversity, and enhances retail viability. The Project will add nearly dwelling units 300 units within close proximity to job centers, shopping opportunities, health facilities, and existing transit infrastructure.

5. The plan is sufficiently detailed to ensure design values and controls needed to achieve a balance and integration of uses in that:

   The Project mixes compatible land uses, residential and commercial, which increases the balance of land uses within the project area. By integrating these compatible uses in proximity to one another, the Project creates a desirable place for people to live, work, shop, and play. The key to successful mixed use projects is creating pedestrian friendly environments within the project and connections to neighboring uses through the use of trails, pathways, bikeways, and safe crosswalks. The Project achieves this by improving the site with a village green, pedestrian paseos and parking lot paseos (connecting the mixed use buildings to the village green, existing retail space, and the Laguna Hills Mall), a pedestrian trail, landscaped parkway space along Avenida de la Carlota, and reconstructing sidewalk in the Project area.

NOW, THEREFORE, based upon the above findings, the Planning Agency of the City of Laguna Hills does hereby approve SDPM/MSP/CUP/PUP/TTM/PREC/DEVA No. 12-11-2137, subject to the following conditions of approval:

General

1. This approval constitutes approval of the proposed Project only to the extent that it complies with the City's Development Code and any other applicable zoning regulations. Approval does not include any action or findings as to compliance or approval of the Project regarding any other applicable ordinance, regulation, or requirement.

2. Failure to abide by and faithfully comply with any and all conditions of approval shall constitute grounds for revocation and/or termination of the Site Development Permit, the Master Sign Program, the Conditional Use Permit, the Parking Use Permit, the

Vesting Tentative Tract Map, and/or the Precise Plan approved in conjunction with the Project (collectively, the "Entitlements").

3. All Conditions of Approval set forth herein shall be binding on and enforceable against each of the following, and whenever used herein, the term "Applicant" shall mean and refer to the Project Applicant, the developer of the Project, the subdivider of the property, the owner(s) and tenant(s) of the property, and/or their successors and assigns, as applicable.

4. As a condition of issuance of the Entitlements granted herein, the Applicant hereby agrees, at its sole cost and expense and to the fullest extent permitted by law, to defend (with legal counsel approved or selected by City), indemnify, and hold harmless the City, its officers, employees, agents, and consultants, from any claim, action, or proceeding brought by a third party against the City, its officers, employees, agents, and consultants, which seeks to attack, challenge, set aside, void, or annul an approval of the City Council, Planning Agency, or other decision-making body, or staff action concerning this Project. The City agrees to promptly notify the Applicant of any such claim filed against the City and to fully cooperate in the defense of any such action. The City may, but is not obligated to, at its sole cost and expense, elect to participate in the defense of any such action under this condition.

5. The Applicant shall agree in writing to these conditions of approval within 30 days of the Planning Agency's approval.

6. The Applicant shall reimburse the City for any outstanding staff time spent on processing SDPM/MSP/CUP/PUP/TTM/PREC/DEVA No. 12-11-2137 within 60 days of the Planning Agency's approval.

7. The Entitlements shall become effective only upon the adoption and effective date of an Ordinance approving the Development Agreement for the "Oakbrook Village Shopping Center Mixed Use Project" between the City of Laguna Hills and the Applicant.

8. Within 30 days from the date of approval, the Applicant shall reimburse the City for fees associated with filing the Notice of Determination, including posting fees and Department of Fish and Game fees, if applicable.

<u>Building</u>

9. The Applicant shall obtain applicable building permits, as required by Section 105 of the 2010 California Building Code, prior to commencement of any work for which a permit is required.

10. Any required documents submitted for the purpose of building permit issuance shall be accurately labeled and reflect all work, as required by Section 107 of the 2010 California Building Code.

11. For building permit purposes only, the Applicant shall secure any required approvals from the Orange County Fire Authority, El Toro Water District, and City Planning and Engineering Departments prior to issuance of any required building permit.

12. At time of building permit issuance, the Applicant shall submit Construction and Demolition Waste Recycling Program documentation, if applicable, as required by the City of Laguna Hills Ordinance No. 2003-9 and to comply with mandates of the California Integrated Waste Management Board (CIWMB).

13. The Applicant shall comply with all applicable general construction Water Quality Ordinances, as required by the City of Laguna Hills and Ordinance No. 2003-12.

14. The Applicant shall secure any required approvals from Orange County Health Department at the time of document submittal for the purpose of building permit issuance.

15. The Applicant shall ensure compliance with the California Disabled Accessibility requirements, as required by Chapter 11 of the California Building Code.

16. The Applicant shall comply with all California Energy Code requirements, as required by the California Energy Commission.

17. All construction shall comply with applicable building codes including the 2010 California Building, Plumbing, Mechanical, Electrical, and Green Building Codes in regards to applicable occupancy types.

18. The California Green Building Code shall apply to all newly constructed buildings (from the ground up).

19. The Applicant shall comply with the City of Laguna Hills Water Efficient Landscape Ordinance.

<u>OCFA</u>

20. Prior to issuance of building permits, the Applicant shall submit to Orange County Fire Authority for review and approval a fire master plan (Service Code PR 145). A detailed fire master plan will be required demonstrating access to all rescue windows throughout the project. Fire hydrants and fire lanes shall be indicated on this plan.

21. Prior to issuance of building permits, the Applicant shall submit to Orange County Fire Authority for review and approval architectural plans (Service Code PR 200- PR 285), when required by the OCFA "Plan Submittal Criteria Form."

22. Prior to issuance of building permits, the Applicant shall submit to Orange County Fire Authority for review and approval plans for underground piping for private hydrants and fire sprinkler systems (Service Code PR 470- PR 475).

23. Prior to issuance of building permits, the Applicant shall submit to Orange County Fire Authority for review and approval a fire sprinkler system plan (Service Code PR 400- PR 465).

24. Prior to concealing interior construction, the Applicant shall submit to Orange County Fire Authority for review and approval plans a sprinkler monitoring system plan (Service Code PR 500).

25. Prior to concealing interior construction, the Applicant shall submit to Orange County Fire Authority for review and approval plans a fire alarm system plan (Service Code PR 500 – PR 520).

26. Specific submittal requirements to Orange County Fire Authority may vary from conditions numbered 22-27 listed above depending on actual project conditions identified or present during design development, review, construction, inspection, or occupancy. The Applicant shall comply with all submittal requirements of the Orange County Fire Authority.

27. Prior to commencement of construction, the Applicant or its agent shall attend a pre-construction meeting an Orange County Fire Authority inspector. Call OCFA Inspection Scheduling at 714-573-6150 at least two days in advance to schedule and pay for the pre-construction meeting.

28. After installation of required fire access roadways and hydrants, the Applicant shall receive clearance from the OCFA prior to bringing combustible building materials on-site. Call OCFA Inspection Scheduling at 714-573-6150 with the Service Request number of the approved fire master plan at least two days in advance to schedule the lumber drop inspection.

<u>Planning</u>

29. Outdoor security and other lighting, including illuminated signs, shall be designed and maintained so as not to illuminate beyond the

project boundary. All exterior lights shall be focused inward and away from surrounding uses and adjacent residential properties.

30. All noise generated by the Project, including construction noise, delivery noise, and other operational noise shall at all times meet noise requirements pursuant to LHMC section 5-24 (Noise Control).

31. If future activity or expansion at the subject site results in a change of use (switches to a different land use category), the Shared Parking model must be recalculated in its entirety. The resultant parking demand identified from a singular Shared Parking calculation must never be automatically used as a "baseline" value to debit or credit another (or future) project's incremental parking requirements.

32. If at any time in the future the Community Development Director determines, in his or her sole discretion, that a parking and circulation study is necessary to address parking and/or circulation issues relative to any change in any use or any portion of any use (i.e., change in tenant mix) in the shopping center, the Applicant shall, at its sole cost and expense, be responsible for the cost of parking and circulation study prepared by a licensed consultant selected by the City. The Applicant shall, at its sole cost and expense, be responsible for implementation costs of any reasonable mitigation measures deemed appropriate by the Community Development Director related to such impacts based on the findings of such study.

33. Mechanical equipment, storage, trash areas, and utilities shall be architecturally screened by a solid material from public view to the reasonable satisfaction of the Community Development Director. The method of screening shall be architecturally compatible in terms of materials, color, shape, and size. The screening design shall blend with the building design and include landscaping when on the ground.

34. No building permits for any dwelling unit construction shall be issued until final map approval by the City Council and evidence of final map recordation has been provided to the City, and other applicable conditions have been met.

35. Prior to the issuance of building permits, the Applicant shall pay any fees not in place at the time of approval of the tentative map approved as part of the Entitlements, which can meet the criteria for the payment of fees pursuant to Section 65961 of the California Government Code.

36. Prior to the commencement of any work, the Applicant shall provide a contact number for the public to call concerning dust or noise complaints. The information shall also be posted on site in a manner approved by the Community Development Director.

37. The Applicant shall prepare Covenants, Conditions, and Restrictions, or another appropriate recordable document(s) or agreement(s) acceptable to the City that runs with the land and binds future owners (collectively, "CC&Rs") for review and approval by the City Attorney's office and Community Development Department prior to the issuance of building permits. The approved CC&Rs shall be recorded concurrently with the final subdivision map, and the Applicant shall provide a recorded copy if the CC&Rs prior to the issuance of certificates of occupancy. The CC&Rs shall provide for the establishment of a homeowners association and/or property owners' association, as applicable; shall address, to the satisfaction of the City, responsibilities for all common areas, utilities, drainage devices, ingress and egress, property maintenance, and building architecture; shall require that residents of the residential component of the Project to make their required garage parking available for the parking of automobiles at all times; shall include provisions identifying a property owner's association or other entity responsible for ongoing implementation and funding of the Operations and Maintenance (O&M) Plan associated with the WQMP for the Project and compliance with the City's Stormwater Quality Ordinance and other applicable National Pollutant Discharge Elimination System (NPDES) regulations; shall provide that those provisions of the CC&Rs benefitting the City may not be substantively amended or terminated without City approval; and shall provide that the City may, but shall not be obligated to, enforce the CC&Rs. The CC&Rs shall be submitted to the City Attorney for review and approval and shall be recorded concurrently with the final map. The Applicant shall provide a recorded copy if the CC&Rs prior to the issuance of occupancy. The Applicant shall reimburse the City for all legal costs associated with this condition.

38. A final landscape and irrigation plan for all Project landscaping shall be submitted to the City for review and approval prior to the issuance of a building permit. Trees installed shall be a minimum one-inch caliper. Final landscape and irrigation plans shall include information on minimum spacing between all plant materials except for trees which shall be planted as indicted on the preliminary landscape plan at a minimum. The Community Development Department shall inspect Applicant-installed landscaping to ensure full coverage of all landscaped areas. The Applicant shall provide additional material as required. Approved landscape and irrigation

improvements shall be installed prior to the issuance of any occupancy, except for the Village Green area. Village Green landscape and irrigation improvements shall be installed prior to the issuance of the last residential occupancy.

39. Prior to the issuance of any building permit, the Applicant shall provide final details and specifications identifying the amenities of all outdoor landscaped courtyards and pool courtyard to the Community Development Department for review and approval. The plan shall label the location of jacuzzis, cabanas, barbeques, fire pits, wet bars, and seating areas as depicted on Sheets A1.3a and A1.3b of the project architectural plans submitted to the City in support of the Entitlements.

40. The Applicant shall submit a final project photometric study to the Community Development Department for review and approval prior to the issuance of any building permits. Pedestrian and parking lot lighting poles and fixture types shall be consistent with the types depicted in the Urban Village Specific Plan.

41. Prior to the recordation of a Final Tract Map, sewer improvement plans to serve the project shall be designed to the satisfaction of the El Toro Water District.

42. Prior to the issuance of any certificates of occupancy, all sewer improvements shall be constructed to the satisfaction of the El Toro Water District.

43. Prior to the recordation of a Final Tract Map, water improvement plans to serve the Project shall be designed to the satisfaction of the El Toro Water District. At a minimum, water lines shall be sized to accommodate the total domestic requirements and fire-flow requirements of OCFA.

44. Prior to the issuance of any occupancy, all water improvements shall be constructed to the satisfaction of the El Toro Water District.

45. Prior to the recordation of a Final Tract Map, existing water line easements on the site shall be relocated to the satisfaction of the El Toro Water District.

46. No overhead utilities shall be installed.

47. All pedestrian paseos and parking lot paseos shall be designed, installed and constructed in conformance with Figures 17 and 18 of the Urban Village Specific Plan. Prior to the issuance of any building permits, plans for the pedestrian and parking lot paseos shall be

reviewed and approved by the Community Development Department.

48. All vehicle and pedestrian gates shall be reviewed and approved by OCFA and OCSD for conformance with the respective agencies' requirements for limited access devices.

49. Prior to the issuance of grading permits for the Project, the southwest gated parking entrance shall be redesigned to avoid interfering with vehicles backing out of garage spaces.

50. The conditions of Project approval set forth herein include certain development impact fees and other exactions. Pursuant to Government Code §66020(d), these conditions constitute written notice of the amount of such fees. The Applicant is hereby notified that the 90-day protest period, commencing from the date of approval of the Project, has begun.

51. Prior to the issuance of the first residential certificate of occupancy, the Applicant shall submit plans and specifications for the construction/ fabrication and installation of public art required by the Urban Village Specific Plan. The proposed art work and its location shall be reviewed and approved by the Planning Agency along with the conformance with the requirements and goals of the City's Public Art Program.

52. As indicated on the vesting tentative map, portions of the site required for public improvements shall be irrevocably offered for dedication prior to the recordation of the final map. Dedications shall be in fee or as an easement at the discretion of City. The City may accept the Owner's offer of dedication upon Owner's completion and acceptance by City of the associated improvements in compliance with the specifications as approved by City.

53. Prior to the City Council's approval of the final map, the Applicant shall pay the public park in-lieu fee of Seven Thousand Three Hundred Ninety Two Dollars ($7,392.00) for each residential unit constructed as part of the project.

54. Prior to the issuance of the last residential certificate of occupancy, the Applicant shall construct the Secondary Entry Signs depicted by Exhibit G of the Project's proposed Master Sign Program.

55. Prior to the issuance of a building permit, the Applicant shall revise the Project's proposed Master Sign Program to the satisfaction of the Community Development Director to include the following:

a. General Specification No. 28 for Primary and Secondary Signs shall be revised to refer to the City of Laguna Hills Community Development Director.
b. Design Specifications for Primary Signs shall be revised to refer to the appropriate exhibit depicting the wood beam detail.
c. The height of stacked signs for In-Line Shop Buildings and Multi-Tenant Pads shall not exceed 12 inches.
d. The maximum letter height for Free-Standing Pad Buildings shall be 18 inches.
e. Unreadable text pertaining to sign locations on Exhibit A shall be revised.
f. Exhibit D shall be revised to show a readable canopy detail.
g. The maximum sign area for individual wall signs for In-Line Shop Buildings and Multi-Tenant Pads shall not exceed 150 square feet.
h. The maximum wall sign area for Major Anchor Retailer tenants shall be 150 square feet.
i. The Freeway Pylon sign elevation shall be revised to depict 5 tenant panels in addition to the name of the shopping center.
j. Exhibit F shall be revised to depict 3 tenant panels and a sign panel width of 6 feet. Corresponding changes to the description of "Center Identification" shall also be made.
k. The description of the "Center Identification" provisions shall be revised to preclude the installation of a Perimeter Entry Sign facing the Laguna Hills Mall until the installation of an adjoining street between Oakbrook Village and the mall.
l. Secondary Entry Features shall not exceed a sign area of 15 square feet for the display of the shopping center name.
m. Directional signage specifications shall be revised to a maximum height of 8 feet and a width of 4 feet and a maximum letter height of 3 inches.

Public Services

56. Project improvement plans and related documents shall be reviewed and approved by the City Engineer; said plans shall be prepared by a State of California Registered Civil Engineer and shall conform to City standards.

57. No work shall be performed within the public right-of-way, by the Applicant or his or her agents until a public property encroachment permit is issued by the City Engineer and applicable fees have been paid.

58. Construction traffic shall not access or depart the site during morning or evening peak periods, which are 7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m., Monday through Friday. The Applicant shall provide a construction vehicle routing plan for approval by the City Engineer prior to any demolition or construction work.

59. It shall be the Applicant's responsibility to protect-in-place existing public improvements. Applicant shall repair or replace, to the satisfaction of the City Engineer, any public improvements that are damaged as a result of the proposed construction.

60. All public improvements shall be constructed and completed to the satisfaction of the City Engineer prior to the recordation of a Final Map, or the Applicant shall enter into a Subdivision Improvement Agreement to include the posting of securities to guarantee the completion of the public improvements as approved by the City Attorney.

61. The Subdivision Map shall be prepared in accordance with City, County, and State requirements and standards. The Applicant shall submit the Final Map for plan check to both the City Engineer and County Surveyor and pay all applicable plan check fees. The Applicant shall submit a current Title Report, supporting documents, and traverse closure calculations.

62. Any existing monumentation disturbed during construction shall be restored by a California Licensed Land Surveyor, and Corner Records shall be filed with the City Engineer and County Surveyor.

63. The Applicant shall submit a final grading plan and erosion control plan on 24"x 36" sheets to the City Engineer. A separate hydrology report shall also be provided. All plans shall be prepared by a registered Civil Engineer. The grading plan shall show street, sewer, water, storm drain facilities, and all proposed grading. The plans shall show the extent of topography of the grading plan and shall be sufficient to determine drainage impacts to the surrounding area. All grading shall be designed and constructed in accordance with the City's Grading and Excavation Code. The final grading plan shall be approved by the City Engineer prior to the issuance of a building permit. No concentrated drainage shall be allowed onto driveways or sidewalks and shall be conveyed to the street via a storm drain pipeline or culvert, as applicable.

64. A separate Grading Plan with related documents shall be required for each phase of development. Prior to the recordation of a final map, the Grading Plan for Phase One shall be submitted for review and approval by the City Engineer.

65. The Applicant shall submit a geotechnical report prepared by a Registered Engineering Geologist for approval by the City Engineer. The report shall include evaluation of onsite soils and provide recommendations on pavement sections, building foundations, and a discussion of the functionality of the water quality features.

66. All parking lots and drives shall be constructed of asphalt concrete over crushed aggregate base over subgrade, or equal, and compacted to a relative compaction of 95% or equivalent. The structural pavement thickness shall be no less than 4” AC over 6” AB, or more, for drive aisles, and 4” AC over 4” AB for all other areas, or more, as required by the project soils engineer and approved by the City Engineer.

67. Prior to issuance of a grading permit, the Applicant shall pay a traffic impact mitigation fee in accordance with Chapter 9-102 of Laguna Hills Municipal Code in the amount of Three Thousand Nine Hundred Fourteen Dollars ($3,914.00) per each new PM peak hour trip generated as a result of the Project, as determined by the City Engineer based upon a traffic study.

68. Prior to the issuance of grading, building, encroachment, or other permits, as applicable, the Applicant shall pay, or provide City with evidence of payment of, all fees required by public agencies other than the City, whether or not collected by the City, including, but not limited to, the fees imposed pursuant to the County of Orange’s CARITS program, the fees imposed pursuant to the County of Orange’s major thoroughfare and bridge fee programs for the Moulton Parkway/Laguna Niguel area, fees imposed by the San Joaquin Hills Transportation Corridor Agency, and school district fees.

69. Prior to issuance of any grading or building permits, the Applicant shall submit for approval by the Community Development Department and Public Services Department a water quality management plan (WQMP) specifically identifying Best Management Practices (BMPs) that will be used on-site to control predictable pollutant run-off. This WQMP shall identify Low Impact Development (LID) BMPs and routine structural and non-structural measures specified in the current Orange County Drainage Area Management Plan (DAMP) and the San Diego Regional Water Quality Control Board requirements. This WQMP must also:

    a. Address site design BMPs (as applicable) such as minimizing impervious areas, maximizing permeability, minimizing directly connected impervious areas, creating reduced or “zero discharge” areas, conserving natural areas, preserving trees, and retaining existing site hydrology to the maximum extent practicable;

    b. Include a design goal to maintain or replicate the pre-development hydrologic functions through site preservation, infiltration, retention, detention, evapotranspiration, and filtration treatment systems.

c. Incorporate applicable routine source control BMPs as defined in the DAMP and provide a detailed description of their implementation;

d. Incorporate applicable treatment control BMPs as defined in the DAMP to the approval of the City Engineer;

e. Implement Low Impact Development (LID) BMPs to reduce runoff to the maximum extent practicable.

f. Include an Operation and Maintenance (O&M) plan that identifies the mechanism(s) by which long-term O&M of all post construction BMPs will be provided and funded.

70. Prior to issuance of grading permits, the Applicant shall submit a copy of the Notice of Intent (NOI) indicating that coverage has been obtained under the National Pollutant Discharge Elimination System (NPDES) State General Permit for Storm Water Discharges Associated with Construction Activity from the State Water Resources Control Board. Evidence that the NOI has been obtained shall be submitted to the Public Services Department. Projects subject to this requirement shall prepare and implement a Stormwater Pollution Prevention Plan (SWPPP). A copy of the current SWPPP shall be kept at the project site and be available for City review on request. In addition, the Applicant shall include notes on the grading plans indicating that the project will be implemented in compliance with the Statewide Permit for General Construction Activities.

71. The Applicant shall comply with and/or implement all hydromodification criteria, hydrologic control measures, performance measures, management measures, and other requirements of the Hydromodification Management Plan or Interim Hydromodification Criteria, as applicable, developed in accordance with Section F.1.h of Order No. R9-2009-0002 (NPDES Permit No. CAS0108740), or any subsequent Order adopted by the California Regional Water Quality Control Board, San Diego Region, and shall provide all necessary related calculations in the grading plans.

72. Prior to issuance of the first residential certificate of occupancy, the Applicant shall install, to the reasonable satisfaction of the City Engineer, a traffic signal at the intersection of Avenida de la Carlota and the main entrance to the Property, including interconnection to the existing traffic signal at the intersection of Avenida de la Carlota

and Los Alisos Boulevard via conduit and hardwire, and construction on the easterly side of Avenida de la Carlota of a public sidewalk connection to the Oakbrook Plaza office development. Said traffic signal shall be constructed to applicable State and City standards and specifications and shall be equipped with video detection and controller equipment as approved by City. The sidewalks and ramps at all corners of the newly signalized intersection and the sidewalk connection to the Oakbrook Plaza office development on the easterly side of Avenida De La Carlota shall be constructed and/or modified to conform to City and Americans With Disabilities Act ("ADA") standards. Prior to construction of said improvements, the Applicant shall prepare, and the City Engineer shall approve, a Traffic Signal Improvement Plan and a Striping Plan for the proposed traffic signal, including a traffic signal interconnection plan to interconnect the new traffic signal with the existing traffic signal at the intersection of Avenida de la Carlota at Los Alisos Boulevard.

73. The Applicant shall design and construct, to the satisfaction of the City Engineer, storm drain connections, inlets, and/or other improvements necessary to eliminate all cross-gutter drainage across both the main and the northerly entrance driveway intersections with Avenida De La Carlota. No cross-gutters shall be used at the above-described intersections.

74. Debris gates of the type specified by the City Engineer shall be installed at all catch basin inlets along the Property frontage to Avenida De La Carlota.

75. The northerly entrance intersection with Avenida De La Carlota shall be realigned to intersect Avenida De La Carlota at 90 degrees to the reasonable satisfaction of the City Engineer and as shown on the Vesting Tentative Map.

76. Prior to issuance of the first residential certificate of occupancy, the Applicant shall dedicate and transfer to City the public right-of-way necessary for, and shall construct and create, a new curb line along the entire Property frontage of Avenida de la Carlota, including a six (6) foot wide landscaped parkway space and a minimum six (6) foot wide sidewalk to City standards and specifications. Such improvements shall not interfere with existing vehicular lane configurations or result in modifications that have the effect of reducing any on-site parking for the Project. Required parkway improvements shall be as shown on the approved landscape plans, shall be consistent with the Urban Village Specific Plan, and shall include all irrigation and drainage facilities and improvements deemed necessary by the City Engineer.

77. All of the curb ramps on Avenida De La Carlota at each entrance to Oakbrook Village shall be reconstructed to current ADA standards to the satisfaction of the City Engineer with detectable warning surface by Armor Tile, cast in place, and blue in color.

78. The Applicant shall provide an Americans with Disabilities Act (ADA) site review of existing pathways, sidewalks and access ramps for both on-site access and adjacent to the site access along the accessible pathways. The accessible pathway shall not include a path within any drive aisle, except as necessary to cross a drive aisle at 90° to the drive aisle. The report shall be prepared by a professional whose expertise lies in the field and shall include an implementation plan to correct all deficiencies noted as approved by the City Engineer. Any sidewalk or pathway not in compliance with ADA standards shall be reconstructed.

79. The Applicant shall demonstrate that all on-site access routes are capable to accommodate truck access and truck turning radii.

80. Prior to the grading permit close out or the issuance of a certificate of use and occupancy, the Applicant shall demonstrate compliance with the WQMP in a manner meeting the satisfaction of the City Engineer, including:

    a. Demonstrates that all structural BMPs described in the Project WQMP have been implemented, constructed, and installed in conformance with approved plans and specifications;

    b. Demonstrates that the Applicant has complied with and/or is prepared to implement all non-structural BMPs described in the Project WQMP;

    c. Demonstrates that an adequate number of copies of the project's approved Project WQMP are available for the future occupants;

    d. Demonstrates that the Applicant has agreed to and recorded CC&R's, an agreement, or another legal instrument approved by the City Attorney that shall require the property owner, successors, tenants (if applicable), and assigns to fund, operate and maintain in perpetuity the post-construction BMPs described in the Project WQMP.

    e. The Community Development Department and Public Services Department shall determine whether any proposed change in use requires an amendment to an approved Project WQMP and/or recorded document or agreement.

81. Trash/recycling enclosures shall be provided on-site and shall be constructed per the City of Laguna Hills Covered Trash Enclosure Detail and City standards, including a solid roof and sewer drain connection.

82. The Applicant shall install "Smart" landscape irrigation controllers, low precipitation-rate sprinkler heads, and water efficient landscaping throughout the property in conformance with Municipal Code Chapter 9-47.

Additional Mitigation Measures / Conditions

The following mitigation measures/conditions relate to air quality impacts:

83. During grading activities, all rubber-tired dozers and scrapers (≥ 50 horsepower) shall be CARB Tier 3 Certified or better. Additionally, the maximum (actively graded) disturbance area shall not exceed four acres per day.

84. The Applicant shall apply the following measures, as applicable, during construction of the Project to reduce the amount of fugitive dust in accordance with SCAQMD Rule 403:

•Dust suppression at construction sites using vegetation, surfactants, and other chemical stabilizers

• Wheel washers for construction equipment

•Watering down of all construction areas

•Limit speeds at construction sites to 15 miles per hour

•Covering of aggregate or similar material during transportation of material

85. The Applicant shall implement the following measures, as applicable, during construction of the Project to reduce exhaust emissions from construction equipment:

- On-site equipment shall not be left idling when not in use.

- The hours of operation of heavy-duty equipment and/or the amount of equipment in use at any one time shall be limited.

- Staging areas for heavy-duty construction equipment shall be located as far as possible from sensitive receptors.

- Before construction contracts are issued, the project Applicant shall perform a review of new technology, in consultation with the SCAQMD, as it relates to heavy-duty equipment, to determine what (if any) advances in emissions reductions are available for use and are economically feasible. Construction contract and bid specifications shall require contractors to utilize the best available and economically feasible technology on an established percentage of the equipment fleet. It is anticipated that in the near future, both NOx and PM10 control equipment will be available.

86. Activities involving idling trucks shall be oriented as far away from and downwind of existing or proposed sensitive receptors as feasible. Strategies shall be incorporated to reduce the idling time of main propulsion engines though alternative technologies such as IdleAire, electrification of truck parking, and alternative energy sources for transport refrigeration units (TRUs) to allow diesel engines to be completely turned off.

87. The Applicant shall develop a Construction Traffic Emission Management Plan for the proposed project. The Plan shall include measures to minimize emissions from vehicles including: scheduling truck deliveries to avoid peak hour traffic, consolidating truck deliveries, and prohibiting truck idling in excess of five minutes. Other measures include: use electricity or alternate fuels for on-site mobile equipment instead of diesel equipment to the extent feasible; maintain construction equipment by conducting regular tune ups and retard diesel engine timing; use electric welders where electricity is available; use on-site electricity rather than temporary power generators where electricity is available; evaluate the feasibility of retrofitting the large off-road construction equipment; use alternative diesel fuels, if commercially available; and suspend the use of all construction activities during first stage smog alerts.

<u>The following mitigation measures/conditions relate to both air quality and greenhouse gas emissions impacts:</u>

88. Prior to building permit final, the Applicant shall provide bike support facilities (e.g., bicycle racks) to encourage bicycle riding as a transportation mode. Prior to installation, a plan for such amenities shall be submitted to the Community Development Director for his or her review and approval.

89. At a minimum, the Applicant shall implement the following “green” building practices:

- The apartment units shall feature dual pane low E vinyl windows, low flow toilets, low flow showerheads, low flow faucets, Energy Star appliances, energy efficient lighting, reflective white PVC "cool" roof membrane, programmable thermostats, and high efficiency HVAC condensing units.

- Project irrigation shall utilize Smart irrigation technology.

- The "green" 2010 Cal Green Building Code shall be implemented into building design.

- Individual identification of gas, electricity, and water consumption shall be available to give resident awareness of consumption.

The following mitigation measures/conditions relate to hazardous building materials impacts:

90. All demolition activities shall comply with the SCAQMD's Rule 1403**,** which requires that buildings undergoing demolition or renovation be surveyed for asbestos-containing materials (ACM) prior to any demolition or renovation activities.

The following mitigation measures/conditions relate to noise impacts:

91. Delivery or service hours for stores and businesses with loading areas, docks, or trash bins that gain access on driveways next to residential and other noise sensitive areas shall take place between the hours of 7:00 a.m. and 10:00 p.m. No use that is immediately adjacent to a residential use shall produce loading or unloading of materials, products, and or supplies at the site between the hours of 8:00 p.m. and 7:00 a.m. The City shall only approve exceptions if full compliance with the nighttime limits of the noise regulations is achieved.

92. Trucks associated with construction activities shall follow designated truck routes, where appropriate.

93. Noise sources associated with construction, repair, remodeling, or grading of any real property, shall not take place between the hours of 8:00 p.m. and 7:00 a.m. on weekdays, 8:00 p.m. and 8:00 a.m. on Saturday, or at any time on Sunday or a federal holiday.

94. Heating ventilation and air conditioning (HVAC) units shall be installed in compliance with the provisions of Chapter 5-24 (Noise Control) of the City's Municipal Code.

95. Prior to the issuance of building permits, the Applicant shall submit a final acoustical report prepared to the Satisfaction of the Community Development Director indicating compliance with the state's interior noise standard of 45 dB CNEL for multiple-family residential land use. The Applicant shall increase the recommended STC ratings of windows/ doors, exterior wall and/or roof assemblies for the project as recommended by the final acoustic report and include any such requirements in project building plans.

<u>The following mitigation measures/conditions relate to utilities and service systems impacts:</u>

96. The project shall comply with all federal, state, and local statutes and regulations related to solid waste. The project shall comply with the City's established reduction, reuse, and recycling programs.

97. The project shall be connected to the public sewer.

PASSED, APPROVED, AND ADOPTED this 13th day of November, 2012.

____

MELODY CARRUTH, CHAIR

ATTEST:

____

PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. PA2012-11-13-1 adopted by the Planning Agency of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 13th day of November, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PEGGY J. JOHNS, CITY CLERK

ATTACHMENT 2- ORDINANCE- DEVELOPMENT AGREEMENT

ORDINANCE NO. 2012-4

AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AND ADOPTING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND LAGUNA HILLS INVESTMENT COMPANY FOR THE OAKBROOK VILLAGE SHOPPING CENTER REDEVELOPMENT PROJECT

WHEREAS, Laguna Hills Investment Company ("Developer") initiated an application with the City of Laguna Hills ("City") for approval of a development agreement to redevelop the Oakbrook Village Shopping Center, an approximate 19.2 acre existing shopping center site located at 24231-24391 Avenida de la Carlota, Laguna Hills, into a multi-phase, mixed-use project consisting of multi-family residential units, renovated and expanded retail uses, public open space, pedestrian pathways, and private and public infrastructure improvements within the Village Commercial District of the Urban Village Specific Plan, generally located south of the Laguna Hills Mall along Avenida de la Carlota to the East, north of Los Alisos Boulevard (the "Project"); and,

WHEREAS, in June 2009, in connection with an update to the General Plan ("Update"), the City prepared a Program Environmental Impact Report entitled City of Laguna Hills General Plan Program Environmental Impact Report, June 2009, State Clearinghouse No. 20080811100 ("PEIR"). On July 14, 2009, the City Council certified the PEIR and adopted a Statement of Findings of Fact, a Statement of Overriding Considerations and Mitigation Monitoring Program. The City filed a Notice of Determination on July 15, 2009; and,

WHEREAS, on April 12, 2011, the City Council considered an Addendum to the PEIR ("First Addendum") prepared in connection with the adoption of an amendment to the Urban Village Specific Plan ("UVSP Amendment"); and,

WHEREAS, the redevelopment of Oakbrook Village Shopping Center is considered a "project" pursuant to the California Environmental Quality Act, Public Resources Code Section 21000 *et seq.*, and California Code of Regulations, Title 14, Sections 15000 *et seq*. ("CEQA"); and

WHEREAS, the redevelopment of the Oakbrook Village Shopping Center was an activity contemplated by the Update and analyzed by the PEIR. The City of Laguna Hills, as lead agency, has prepared an initial study checklist and has determined that the Project is within the scope of the PEIR. Based on the initial study completed, the Project is consistent with the development density established by the Update and UVSP Amendment, and will not result in any new significant effects that were not examined in the PEIR, a substantial increase in the severity of significant effects examined in the PEIR, or require any new mitigation measures or alternatives. The applicable mitigation measures identified in the PEIR are incorporated into the design of the Project or are imposed as conditions of approval, as appropriate. The

City, therefore, has prepared an Addendum to the PEIR for the Project (the "Second Addendum") pursuant to Public Resources Code Sections 21166, 21083.3 and CEQA Guidelines Sections 15168, 15162, 15164, and 15183; and

WHEREAS, the City Council serves as, and is, the Planning Agency of the City pursuant to Government Code Section 65100; and

WHEREAS, on November 2, 2012, as required by Government Code Section 65867, the City caused public notice to be given of the City Council's intention to consider adoption of the development agreement for the Project, and on November 13, 2012, as required by Government Code Section 65867, the City Council held a public hearing on adoption of the development agreement, and introduction and first reading of this ordinance; and,

WHEREAS, on November 27, 2012, the City Council considered the adoption of this ordinance approving and authorizing the execution of the development agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, HEREBY ORDAINS AS FOLLOWS:

SECTION 1. The City Council has independently considered the Second Addendum prepared by City Staff, along with the PEIR, and finds that no further environmental documentation is required because: (i) the Project is within the scope of the PEIR; (ii) the Project is consistent with the development density established by the Update and UVSP Amendment; (iii) there are no substantial changes in the Project requiring major revisions of the PEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; (iv) there are no substantial changes with respect to the circumstances under which the Project is being undertaken which will require major revisions of the PEIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects; and (v) there is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the PEIR was certified, showing that: (a) the Project will have one or more significant effects not discussed in the PEIR; (b) significant effects previously examined will be substantially more severe than shown in the PEIR; (c) mitigation measures or alternatives previously found not feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the mitigation measures or alternatives have not been adopted; or (d) mitigation measures or alternatives considerably different from those analyzed in the PEIR would substantially reduce one or more significant effects on the environment, but those mitigation measures or alternatives have not been adopted. (Public Resources Code Sections 21166 and 21083.3, and CEQA Guidelines Sections 15168, 15162, 15164, and 15183.)

SECTION 2. The development agreement with the Developer for the Project attached hereto as Exhibit "A" is hereby APPROVED based on the following statement of findings:

A. The development agreement and the Project are consistent with the objectives, policies, general land uses, and programs of the Laguna Hills General Plan and the Urban Village Specific Plan encouraging an urban village identity to include a variety of high quality public, regional commercial, recreational, and high density residential uses working in concert to create an "urban village" with enhanced pedestrian areas conveniently linking commercial, residential, and civic areas.

1. Phase 1 of the Project consisting of approval of Vesting Tentative Map (VTM) / Site Development Permit (SDPM) / Conditional Use Permit (CUP)/ Precise Plan (PP)/ Parking Use Permit (PUP) / Master Sign Program (MSP) No. 12-11-2137 includes:

i. the demolition of approximately 82,730 square feet of the approximately 190,956 square feet of existing retail space on the on the Project property;
ii. the redevelopment of existing retail space and construction of approximately 9,000 square feet of additional new retail space, resulting in approximately 132,200 square feet, and no less than a minimum of 124,000 square feet of retail space on the Project property;
iii. the renovation of the façades of all remaining retail structures located on the Project property other than the restaurant buildings currently housing the Lone Star and El Torito restaurants;
iv. the construction of a maximum of 289 multi-family residential units;
v. the construction of an approximately 17,000 square foot Village Green;
vi. the construction of an east-west pedestrian paseo;
vii. the construction of an improved north-south pedestrian paseo;
viii. the construction of a hillside pedestrian paseo connecting the north-south pedestrian paseo with the adjacent property occupied by the Laguna Hills Mall;
ix. the construction of a pedestrian trail along the north property line;
x. the construction of two parking lot paseos;
xi. the construction of various pedestrian connections between all buildings on the Project property;
xii. the installation of a traffic signal at the intersection of Avenida de la Carlota and the main entrance to the Project property, including interconnection to the existing traffic signal at the intersection of Avenida de la Carlota and Los Alisos Boulevard, and construction on the easterly side of Avenida de la Carlota of a public sidewalk connection to the Oakbrook Plaza office development;
xiii. dedication of the public right-of-way necessary for, and construction of, a new curb line along the entire Property frontage

of Avenida de la Carlota, including a six foot wide landscaped parkway space and a minimum six foot wide sidewalk;

xiv. construction of storm drain connections, inlets, and/or other improvements necessary to eliminate all cross-gutter drainage across both the main and the northerly entrance driveway intersections with Avenida de la Carlota;

xv. the installation of debris gates at all catch basin inlets along the Project property frontage to Avenida de la Carlota;

xvi. the realignment of the intersection of the northerly entrance to the Project property with Avenida de la Carlota;

xvii. the construction or reconstruction of all curb ramps on Avenida de la Carlota at each entrance to the Project property to current Americans with Disability Act standards.

2. Phase 2 of the Project includes:

i. the construction of a maximum of 200 additional multi-family residential units;

ii. the construction of a minimum of 27,000 square feet of new retail space within the residential/retail mixed-use structures or on other areas on the Project property;

iii. the construction of such additional new retail space necessary to result in a minimum of 125,000 total aggregate square feet of retail space; and

iv. the construction of an approximately 7,000 square foot secondary Village Green area directly adjacent to the Phase 1 Village Green area.

B. The development agreement and the Project are consistent with the densities and uses authorized for the Project site specified in the Laguna Hills General Plan, the Urban Village Specific Plan, and the Zoning and Development Code of the City.

C. The development agreement provides for the orderly development of the Project property. The development agreement identifies the different phases and timing for construction of the Project and public improvements.

D. The development agreement and the Project are consistent with the Zoning and Development Code of the City, compatible with the present and future logical growth of the proposed project area (as envisioned in the Laguna Hills General Plan and Urban Village Specific Plan), and designed to protect and promote the public health, safety and welfare.

SECTION 3. The City Council finds that the above recitations are true and correct and constitute the findings of the City Council and Planning Agency in this case.

SECTION 4. The City Manager is hereby directed and authorized to take all necessary actions to implement this ordinance, including but not limited to, the execution of the development agreement attached hereto as Exhibit "A" and other related documents.

SECTION 5. A fully executed copy of the development agreement attached hereto as Exhibit A between the City and the Developer shall be filed and maintained in the office of the City Clerk.

SECTION 6. The City Clerk shall record a copy of the development agreement within 10 days of the effective date of this Ordinance, on or before January 7, 2013.

SECTION 7. This Ordinance shall become effective 30 days after its adoption, on December 28, 2012.

SECTION 8. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more section, subsection, subdivision, sentence, clause, phrase, or portion thereof be declared invalid or unconstitutional.

SECTION 9. The City Clerk shall certify to the adoption of this ordinance and cause the same to be posted at the duly designated posting places within the City and published once within fifteen days after passage and adoption as may be required by law; or, in the alternative, the City Clerk may cause to be published a summary of this ordinance and a certified copy of the text of this ordinance shall be posted in the office of the City Clerk five days prior to the date of adoption of this ordinance; and, within fifteen days after adoption, the City Clerk shall cause to be published, the aforementioned summary and shall post a certified copy of this ordinance, together with the vote for and against the same, in the office of the City Clerk.

PASSED, APPROVED, AND ADOPTED this______ day of November, 2012.

____
MELODY CARRUTH, MAYOR

ATTEST:

____
PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing Ordinance No. 2012-4 was duly introduced and placed upon its first reading at a Regular Meeting of the City Council on the 13th day of November, 2012, and that thereafter, said ordinance was duly adopted and passed at a Regular Meeting of the City Council held on the 27th day of November, 2012, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

AFFIDAVIT OF POSTING
AND PUBLICATION

PEGGY J. JOHNS, being first duly sworn, deposes and says:

That she is the duly appointed and qualified City Clerk of the City of Laguna Hills;

That in compliance with State Laws of the State of California, ORDINANCE NO. 2012-4, being:

AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING AND ADOPTING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND LAGUNA HILLS INVESTMENT COMPANY FOR THE OAKBROOK VILLAGE SHOPPING CENTER REDEVELOPMENT PROJECT

on the _____ day of ____ 2012 was published in summary in the Register Newspaper and on the ____ day of ______ 2012, was published in summary in the Saddleback Valley News; and was, in compliance with City Resolution No. 2004-05-25-2, on the _____ day of _____ 2012 and the ____ day of ______ 2012, caused to be posted in summary in three places in the City of Laguna Hills, to wit:

Laguna Hills City Hall
Laguna Hills Community Center
La Paz Center

____
PEGGY J. JOHNS, CITY CLERK
Laguna Hills, California

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:
City of Laguna Hills
c/o City Clerk
24035 El Toro Road
Laguna Hills, California 92653

(Space Above Line for Recorder's Use)
Exempt from Recorder's Fees Pursuant to
Government Code §§ 6103 and 27383

DEVELOPMENT AGREEMENT
(Oakbrook Village Shopping Center Mixed Use Project)

BY AND BETWEEN

THE CITY OF LAGUNA HILLS, a municipal corporation, duly organized and existing under the Constitution and laws of the State of California

AND

LAGUNA HILLS INVESTMENT COMPANY, a Delaware limited partnership

THIS DEVELOPMENT AGREEMENT SHALL BE RECORDED WITHIN TEN DAYS OF ITS EFFECTIVE DATE
PURSUANT TO THE REQUIREMENTS OF GOVERNMENT CODE §65868.5

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DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF LAGUNA HILLS
AND
LAGUNA HILLS INVESTMENT COMPANY

This Development Agreement ("Development Agreement") is made and entered into this 28th day of December, 2012 ("Development Agreement Date"), by and between the City of Laguna Hills, a municipal corporation, duly organized and existing under the Constitution and laws of the State of California ("City") and Laguna Hills Investment Company, a Delaware limited partnership (collectively "Owner"), pursuant to the authority set forth in Article 2.5 of Chapter 4 of Division I of Title 7, Sections 65864 through 65869.5 of the California Government Code (the "Development Agreement Statute").

RECITALS

This Development Agreement is predicated upon the following facts:

A. City is authorized, pursuant to California Government Code §§65864 through 65869.5 (the "Development Agreement Statute") and Chapter 9-84 of the Laguna Hills Municipal Code (the "Development Agreement Ordinance") to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property in order to, among other things: encourage and provide for the development of public facilities in order to support development projects; provide certainty in the approval of development projects in order to avoid the waste of resources and the escalation in project costs and to encourage investment in and commitment to comprehensive land use planning, which will make maximum efficient utilization of resources at the least economic cost to the public; provide assurance to the applicants of development projects: (i) that they may proceed with their projects in accordance with existing policies, rules and regulations, subject to the conditions of approval of such projects and provisions of such development agreements, and (ii) encourage private participation in comprehensive planning and reduce the private and public economic costs of development.

B. These Recitals refer to and utilize certain terms which are defined in this Development Agreement. The Parties intend to refer to those definitions in conjunction with the use thereof in these Recitals.

C. City desires that the approximately 240 acre area bounded by Paseo de Valencia on the north and west, Los Alisos Boulevard on the south, and I-5 on the east be developed in a manner consistent with the Village Commercial land use designation of the City's General Plan, which generally envisions the development of this area as a community core in which a variety of public, regional commercial, recreational, and high density residential uses work in concert to create an "urban village" with enhanced pedestrian areas conveniently linking commercial, residential, and civic areas.

D. In order to carry out the goals and policies of the General Plan for the Village Commercial area, on November 26, 2002, the Laguna Hills City Council adopted the Urban Village Specific Plan (the "Specific Plan"), establishing a land use concept, plans for additional public open space and pedestrian pathways, design guidelines, and development standards for new developments in the Specific Plan area aimed at creating an urban village identity. The allowed development intensity in the Specific Plan area is determined based upon vehicle trip generation limits, rather than land use type or size, and the Specific Plan provides for flexibility in development options and the mixture of land uses, provided established anticipated aggregate vehicle trip limits generated by new development are not exceeded. The City implements this aspect of the Specific Plan through a vehicle trip budget debiting process pursuant to which additional peak hour vehicle trips generated by each new development or redevelopment project are subtracted from the current aggregate total additional peak hour vehicle trips available to accommodate future new development in the Specific Plan area (the "Specific Plan Area Trip Budget Allocation"). Pursuant to the Specific Plan, applicants for new development projects are authorized to develop to the maximum intensity of their plans upon verification that the vehicle trip generation impacts created by the new development will not exceed the remaining Specific Plan Area Trip Budget Allocation. In July 2009, the Laguna Hills City Council adopted a comprehensive update to the City's General Plan, which authorized increased development intensity, and a corresponding increased number of authorized aggregate additional vehicle trips to accommodate future development projects, within the Specific Plan area. In April 2011, the Laguna Hills City Council approved amendments to the Specific Plan in order to implement the General Plan update.

E. In 2009, in connection with approving the updated General Plan, the City prepared a Program Environmental Impact Report entitled City of Laguna Hills General Plan Program Environmental Impact Report, June 2009, State Clearinghouse No. 20080811100 ("PEIR"). On July 14, 2009, the City Council certified the PEIR, adopted a Statement of Findings of Fact, a Statement of Overriding Considerations and Mitigation Monitoring Program. City filed a Notice of Determination on July 15, 2009. On April 12, 2011, the City Council adopted an Addendum to the PEIR in connection with the adoption of the Specific Plan Amendment (the "First Addendum").

F. In order to implement the Project, Owner has submitted, and City has approved, Site Development Permit / Master Sign Program / Conditional Use Permit / Parking Use Permit / Vesting Tentative Map / Precise Plan / Development Agreement No. 12-11-2137 for Phase 1 of the Project (the "Phase 1 Project Approvals").

G. Owner represents that it owns in fee the approximately 19.2-acre existing Oakbrook Village shopping center property (the "Property") located at 24231-24391 Avenida de la Carlota, Laguna Hills, California, within the Specific Plan area, which is more particularly described in **Exhibit A** to this Development Agreement.

H. Owner desires to re-develop the existing shopping center Property in accordance with the provisions of this Development Agreement by developing a multi-phase, mixed-use project consisting of multi-family residential units, renovated and expanded retail uses, public open space, pedestrian pathways, and private and public infrastructure improvements, all as more particularly defined herein (hereinafter collectively referred to as the "Project").

I. City desires to accomplish the goals and objectives set forth in City's General Plan and the Specific Plan, and finds that the Project will accomplish said goals and objectives. The City has determined that the Project is consistent with the General Plan, the Specific Plan and the Existing Land Use Regulations, as defined below.

J. In accordance with the Specific Plan, Owner has prepared a comprehensive traffic study dated October, 2012, (the "Traffic Study"), which analyzes the anticipated traffic impacts of the Project, calculates the additional peak hour vehicle trips that will be generated as a result of the Project, and demonstrates that there are sufficient remaining additional peak hour vehicle trips available in the current Specific Plan Area Trip Budget Allocation to accommodate the Project.

K. As consideration for the benefits gained by Owner from the vested rights acquired pursuant to the Development Agreement Statute and to conform with the requirements of the Specific Plan, City is requiring that Owner construct and install as part of Development of the Project certain public improvements and provide other public benefits.

L. In order to avoid any misunderstandings or disputes which may arise from time to time between Owner and City concerning the proposed Development of the Project and to assure each party of the intention of the other as to the processing of any land use entitlements which now or hereafter may be required for such development, the Parties believe it is desirable to set forth their intentions and understandings in this Development Agreement. In order for both City and Owner to achieve their respective objectives, it is imperative that each be as certain as possible that Owner will develop and that City will permit Owner to proceed with Development of the Project and public improvements and other public benefits as approved by City within the time periods provided in this Development Agreement, except as otherwise indicated herein.

M. On November 2, 2012, as required by Section 65867 of the Development Agreement Statute, the City caused public notice to be given of the City Council's intention to consider adoption of a development agreement for the Project.

N. On November 13, 2012, as required by Section 65867 of the Development Agreement Statute, the City Council held a public hearing on the Development Agreement.

O. The City has prepared an initial study checklist and has determined that the Project is within the scope of the PEIR. Based on the initial study completed, the Project will not result in any new significant effects that were not examined in the PEIR, or require any new mitigation measures pursuant to Public Resources Code Section 21166 and/or CEQA Guidelines Section 15162. The applicable mitigation measures identified in the PEIR are incorporated into the design of the Project and will be imposed as conditions of approval, as appropriate. The City, therefore, has prepared an Addendum to the PEIR for the Project (the "Second Addendum"). The City Council, after considering the requirements of the California Environmental Quality Act, Public Resources Code Section 21000 *et seq.*, and California Code of Regulations, Title 14, Sections 15000 *et seq.* ("CEQA), including Sections 21083.3 and 21166, of the California Public Resources Code and Sections 15168, 15162, 15164, and 15183 of the CEQA Guidelines, independently considered the Second Addendum, along with the PEIR, prior to approving this Development Agreement.

P. The City Council hereby finds and determines that this Development Agreement: (i) is consistent with the objectives, policies, general land uses, and programs contained City's General Plan and Urban Village Specific Plan; (ii) is compatible with the uses authorized in the Village Commercial land use district; (iii) provides for the orderly development of the Property; and (iv) is entered into pursuant to and in compliance with the requirements of Section 65867 of the Development Agreement Statute.

Q. In preparing and adopting the General Plan and in granting the Existing Development Approvals, City considered the health, safety and general welfare of the residents of City and prepared in this regard an extensive environmental impact report and other studies. Without limiting the generality of the foregoing, in preparing and adopting the General Plan and in granting the Existing Development Approvals, the City Council carefully considered and determined the projected needs (taking into consideration the planned development of the Project and all other areas within the City) for water service, sewer service, storm drains, electrical facilities, traffic/circulation infrastructure, police and fire services, paramedic and similar improvements, facilities and services within the Specific Plan, and the appropriateness of the density and intensity of the development comprising the Project and the needs of City and surrounding areas for other infrastructure.

R. On November 27, 2012, the City Council adopted the Authorizing Ordinance approving and authorizing the execution of this Development Agreement.

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Statute, and pursuant to the Development Agreement Ordinance, and pursuant to the mutual promises and covenants herein contained, the Parties hereto agree as follows:

SECTION 1 DEFINITIONS

The following words and phrases are used as defined terms throughout this Development Agreement, and each defined term shall have the meaning set forth below.

1.1 Authorizing Ordinance. The "Authorizing Ordinance" means Ordinance No. 2012-4 approving and authorizing this Development Agreement.

1.2 CEQA. "CEQA" means the California Environmental Quality Act, Public Resources Code Section 21000 *et seq.*, and the regulations adopted pursuant thereto (Title 14 of the California Code of Regulations, Section 15000 *et seq.*), as they may be amended from time to time.

1.3 City. "City" means the City of Laguna Hills, a municipal corporation, duly organized and existing under the Constitution and laws of the State of California.

1.4 Deferred Retail Pads. "Deferred Retail Pads" means the two pads identified as "Deferred Retail Pad" on the Phase 1 Site Plan and Phase 2 Building Envelope attached at **Exhibit C** to this Development Agreement, and on the site plan approved pursuant to the Phase 1 Project Approvals, and consisting of approximately 14,000 square feet of new retail space.

1.5 Development. "Development" or "Redevelopment" means the improvement or renovation of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, without limitation: grading; the construction of infrastructure and public facilities related to the Project, whether located within or outside the Property; the construction of buildings, structures, and other facilities; the installation of landscaping; and the construction of other facilities and improvements necessary or appropriate for the Project. "Development" or "Redevelopment" does not mean the maintenance, repair or reconstruction of any building, structure, improvement, landscaping or facility after the initial construction and completion thereof.

1.6 Development Agreement. "Development Agreement" means this Development Agreement and any subsequent amendments to this Development Agreement which have been made in compliance with the provisions of this Development Agreement, the Development Agreement Statute, and the Development Agreement Ordinance.

1.7 Development Agreement Date. The "Development Agreement Date" means the effective date of the Authorizing Ordinance, which date is shown on page 1, paragraph 1 of this Development Agreement.

1.8 Development Agreement Ordinance. The "Development Agreement Ordinance" means Chapter 9-84 of the Laguna Hills Municipal Code.

1.9 Development Agreement Statute. The "Development Agreement Statute" means Sections 65864 through 65869.5 of the California Government Code as it exists on the Development Agreement Date.

1.10 Development Approvals. "Development Approvals" means the Specific Plan, maps, permits and other entitlements to use of every kind and nature which are approved or granted by City in connection with Development of the Property, including, but not limited to: site plans, precise plans, tentative and vesting tentative maps, final subdivision maps, variances, conditional use permits, parking use permits, master sign programs, site development permits, lot line adjustments, and grading, building and other similar permits. To the extent any of such site specific plans, maps, permits and other entitlements to use are amended from time to time, "Development Approvals" shall include such matters as so amended. If this Development Agreement is required by law to be amended in order for "Development Approvals" to include any such amendments, "Development Approvals" shall not include such amendments unless and until this Development Agreement is so amended.

1.11 Development Fees. "Development Fees" shall have the meaning ascribed in Section 10.1 of this Development Agreement, as specified in **Exhibit B** to this Development Agreement.

1.12 Development Plan. "Development Plan" means Development of the Property pursuant to this Development Agreement, the Existing Development Approvals, and the Existing Land Use Regulations, as well as all Subsequent Development Approvals, and all Subsequent Land Use Regulations to which Owner has consented to in writing.

1.13 Discretionary Action(s), Discretionary Approval(s), or Discretionary Permit(s). "Discretionary Action(s)", "Discretionary Approval(s)", or "Discretionary Permit(s)" means an action which requires the exercise of judgment, deliberation or discretion on the part of the City, including any board, agency, commission or department and any officer or employee thereof, in the process of approving or disapproving a particular activity, as distinguished from an activity which is defined herein as a Ministerial Action, Ministerial Approval, or Ministerial Permit.

1.14 Existing Development Approvals. "Existing Development Approvals" means all Development Approvals, including, without limitation, the Specific Plan, this Development Agreement, and the Phase 1 Project Approvals, approved or issued for the Project on or before the Development Agreement Date.

1.15 Existing Land Use Regulations. "Existing Land Use Regulations" means all ordinances, laws, resolutions, codes, rules, regulations, moratoria, initiatives, policies, requirements, or guidelines of the City in effect on the Development Agreement Date, which govern the permitted uses of land, the density and intensity of use, and the design, improvement, construction standards and specifications applicable to the development of the Property, including, but not limited to, the General Plan, the Zoning Code, the Specific Plan, Mitigation Monitoring Program, and all other ordinances of City establishing subdivision standards, park regulations, impact or Development Fees and building and improvement standards. Existing Land Use Regulations do not include non-land use regulations, which include, without limitation, all City ordinances, resolutions, rules, regulations or official policies governing: business licenses issued by the City for the conduct of businesses, professions, and occupations; taxes and assessments; the control and abatement of nuisances; the granting of encroachment permits and the conveyance of rights and interests which provide for the use of the entry upon public property; and/or the exercise of the power of eminent domain.

1.16 General Plan. "General Plan" means the City General Plan, as updated on July 14, 2009.

1.17 Ministerial Action(s), Ministerial Approval(s), or Ministerial Permit(s). "Ministerial Action(s)", "Ministerial Approval(s)", and "Ministerial Permit(s)" means a permit approval or clearance in conformance with the Existing Land Use Regulations, including, without limitation, conformance maps for tentative maps, determinations of compliance with the Project conditions of approval of the Development Approvals, grading plans, improvement plans, buildings plans and specifications, and ministerial issuance of one or more final maps, zoning clearances, grading permits, improvement permits, wall permits, building permits, demolition permits, lot line adjustments, encroachment permits, temporary use permits, and certificates of use and occupancy as necessary for completion of the Development of the Property, as distinguished from an activity which is defined herein as a Discretionary Action, Discretionary Approval, or Discretionary Permit.

1.18 Mitigation Monitoring Program. "Mitigation Monitoring Program" means the Mitigation Monitoring and Reporting Program adopted by the City Council on July 14, 2009 in conjunction with certification of the Program Environmental Impact Report prepared in connection with the 2009 Comprehensive Update of the City's General Plan.

1.19 Mortgage. "Mortgage" means a mortgage, deed of trust or sale and leaseback arrangement or other transaction in which the Property, or a portion thereof or an interest therein, is pledged as security.

1.20 Mortgagee. "Mortgagee" means the holder of the beneficial interest under a Mortgage, or the owner of the Property, or interest therein, under a Mortgage.

1.21 Owner. "Owner" is Laguna Hills Investment Company, and any person or entity with which or into which Laguna Hills Investment Company may merge, and any person or entity who may acquire substantially all of the assets of Laguna Hills Investment Company, and any person or entity who receives any of the rights or obligations under this Development Agreement in accordance with the provisions of Section 21 (Assignment) of this Development Agreement.

1.22 Parties. "Parties" means the Owner and the City.

1.23 Phase 1. "Phase 1" of the Project means those certain improvements described in the Phase 1 Project Approvals and the public improvements required to be constructed pursuant to the Existing Land Use Regulations and the conditions of approval to the Existing Development Approvals. Phase 1 of the Project generally includes, without limitation: (i) the demolition of approximately 82,730 square feet of the approximately 190,956 square feet of existing retail space on the Property; (ii) the construction of the Deferred Retail Pads and approximately 9,000 square feet of additional new retail space, resulting in approximately 132,200 square feet, and no less than a minimum of 124,000 square feet of retail space on the Property; (iii) the renovation of the façades of all remaining retail structures located on the Property other than restaurant Buildings D and E (Lone Star and El Torito); (iv) the construction of a maximum of 289 multi-family residential units; and (v) the construction of the Phase 1 Public Improvements, as defined in Section 1.25, below.

1.24 Phase 1 Project Approvals. "Phase 1 Project Approvals" means Site Development Permit / Master Sign Program / Conditional Use Permit / Parking Use Permit / Vesting Tentative Map / Precise Plan / Development Agreement No. 12-11-2137 and all conditions of approval with respect thereto.

1.25 Phase 1 Public Improvements. "Phase 1 Public Improvements" means the following improvements, as more specifically described in the Phase 1 Project Approvals and this Development Agreement: (i) the construction of an approximately 17,000 square foot Village Green; (ii) the construction of an east-west pedestrian paseo; (iii) the construction of an improved north-south pedestrian paseo; (iv) the construction of a hillside pedestrian paseo connecting the north-south pedestrian paseo with the adjacent property occupied by the Laguna Hills Mall; (v) the construction of a pedestrian trail along the north property line; (vi) the construction of two parking lot paseos; (vii) the construction of various pedestrian connections between all buildings; (viii) the installation of a traffic signal at the intersection of Avenida de la Carlota and the main entrance to the Property, including interconnection to the existing traffic signal at the intersection of Avenida de la Carlota and Los Alisos Boulevard, and construction on the easterly side of Avenida de la Carlota of a public sidewalk connection to the Oakbrook Plaza office development; (ix) dedication of the public right-of-way necessary for, and construction of, a new curb line along the entire Property frontage of Avenida de la Carlota, including a six (6) foot wide landscaped parkway space and a minimum six (6) foot wide sidewalk; (x) construction of storm drain connections, inlets, and/or other improvements necessary to eliminate all cross-gutter drainage across both the main and the northerly entrance driveway intersections with Avenida de la Carlota; (xi) the installation of debris gates at all catch basin inlets along the Property frontage to Avenida de la Carlota; (xii) the realignment of the intersection of the northerly entrance to the Property with Avenida de la Carlota; (xiii) the construction or reconstruction of all curb ramps on Avenida de la Carlota at each entrance to the Property to current Americans with Disability Act ("ADA") standards; and (xiv) construction of any and all other public improvements required to be constructed pursuant to the Existing Land Use Regulations and the conditions of approval to the Existing Development Approvals.

1.26 Phase 2. "Phase 2" of the Project means the Development or Redevelopment of the Property in accordance with the Subsequent Development Approvals and in a manner that shall result in: (i) the construction of a maximum of 200 additional multi-family residential units; (ii) the required construction of a minimum of 27,000 square feet of new retail space within the residential/retail mixed-use structures or on other areas on the Property; (iii) the required construction of such additional new retail space necessary to result in a minimum of 125,000 total aggregate square feet of retail space on the Property; and (iv) the required construction of an approximately 7,000 square foot secondary Village Green area directly adjacent to the Phase 1 Village Green area. Phase 2 may be developed in sub-phases, if, and to the extent, authorized pursuant to the Subsequent Development Approvals. The approximate locations and/or building envelope of the residential and retail structures and Village Green area on the Property following completion of Phase 2 are generally depicted on **Exhibit C** to this Development Agreement.

1.27 Phase 2 Project Approvals. "Phase 2 Project Approvals" means all Development Approvals necessary for Development of all portions and/or sub-phases Phase 2 of the Project, and which require Discretionary Action or Discretionary Approval by the City's Planning Agency or City Council.

1.28 Project. The "Project" means Phase 1 and Phase 2. In general, the Project consists of the Development of a multi-phase, mixed-use project on the Property generally consisting of multi-family residential units, renovated and expanded retail uses, public open space, pedestrian pathways, and private and public infrastructure improvements.

1.29 Project Trip Budget Allocation. "Project Trip Budget Allocation" means the total aggregate net additional AM and PM peak hour vehicle trips anticipated to be generated as a result of full development of the Project, as determined by the Traffic Study (see pages 14-15 and Table 5) and in accordance with Section 5.6. As set forth in the Traffic Study, as of the Development Agreement Date, the Project is allocated 194 total additional AM and 44 total additional PM peak hour vehicle trips.

1.30 Property. The "Property" means the real property described in **Exhibit A** to this Development Agreement.

1.31 Specific Plan. "Specific Plan" means the Urban Village Specific Plan approved by the City Council on November 26, 2002, and amended by the City Council in 2011.

1.32 Specific Plan Area Trip Budget Allocation. "Specific Plan Area Trip Budget Allocation" means the then current number of remaining AM and PM peak hour vehicle trips available to accommodate future new development in the Specific Plan area as calculated by the City in accordance with the vehicle trip budget debiting process contemplated by the General Plan and the Specific Plan.

1.33 Subsequent Development Approvals. "Subsequent Development Approvals" means all Development Approvals approved, granted, or issued for the Project after the Development Agreement Date, including the Phase 2 Project Approvals, which are required or permitted by the Existing Land Use Regulations, or by the Subsequent Land Use Regulations to which Owner has consented in writing, and this Development Agreement.

1.34 Subsequent Land Use Regulations. "Subsequent Land Use Regulations" means any change in or addition to the Existing Land Use Regulations adopted or becoming effective after the Development Agreement Date, including, without limitation, any change in any applicable general or specific plan, zoning, subdivision, or building regulation, including, without limitation, any such change by means of an ordinance, initiative, resolution, policy, order or moratorium, initiated or instituted for any reason whatsoever by the City Council or any other board, agency, commission or department of City, or any officer or employee thereof, or by the electorate, as the case may be, or changes in state law, which would, absent this Development Agreement, otherwise be applicable to the Project.

1.35 Term. "Term" is defined in Section 2 of this Development Agreement.

1.36 Traffic Study. "Traffic Study" means the comprehensive traffic study dated October, 2012, submitted by Owner pursuant to the Specific Plan and in conjunction with the Second Addendum, which analyzes the anticipated traffic impacts of the Project and calculates the additional AM and PM peak hour vehicle trips that will be generated by the Project. Pursuant to the Traffic Study, the estimated total additional AM and PM peak hour vehicle trips that will be generated by the Project are calculated utilizing the trip generation rates set forth in the Institute of Traffic Engineer's (ITE) Trip Generation Manual, 8th Edition.

1.37 Uniform Codes. "Uniform Codes" means codes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, and also adopted by the City, if applicable City-wide.

1.38 Zoning Code. "Zoning Code" refers to Title 9 of the Laguna Hills Municipal Code.

SECTION 2 TERM

2.1 Duration of Term. The term ("Term") of this Development Agreement shall be that period of time during which this Development Agreement shall be in effect and bind the Parties hereto. The Term shall commence on the Development Agreement Date and shall extend for an initial period of eleven (11) years thereafter, terminating at the end of the day on the eleventh (11th) anniversary of the Development Agreement Date, subject to the mandatory extension provisions of Section 2.2 , the termination provisions of Sections 2.3, 2.4, 2.5, and 5.4.1, the mutual cancellation provisions of Section 17, the periodic review provisions of Section 18, the default provisions of Section 19, the modification or termination provisions of Section 20, and the force majeure tolling provisions of Section 22.1, respectively, of this Development Agreement.

2.2 Extension of Term. The Term of this Development Agreement shall be automatically extended an additional four (4) years if, prior to expiration of the initial Term, as defined in Section 2.1, Owner has completed Development of all portions of Phase 1 of the Project and has obtained all Phase 2 Project Approvals. For purposes of the foregoing sentence, "completed" shall have the same meaning as defined in Section 5.4.1 of this Development Agreement. Notwithstanding the foregoing, the Parties may mutually agree to extend the Term of the Development Agreement, regardless of whether the mandatory extension provisions of this Section 2.2 are applicable.

2.3 Termination Due to Owner's Failure to Timely Commence or Complete Phase 1. This Development Agreement and all Development Approvals for the Project shall automatically terminate and be void and of no further force and effect upon the effective date of an ordinance adopted by the City Council in accordance with Section 5.4.1 of this Development Agreement terminating the Development Agreement pursuant to a finding by the City Council that Owner has failed to timely commence or complete Phase 1 of the Project.

2.4 Termination Due to Judicial Order. This Development Agreement shall terminate and be of no further force and effect upon the occurrence of the entry of a final judgment or issuance of a final order, after all appeals have been exhausted, directed to City as a result of any lawsuit filed against City to set aside, withdraw or abrogate the approval of the City Council of this Development Agreement.

2.5 Automatic Termination upon Completion of Project. If not already terminated by reason of any other provision in this Development Agreement, or for any other reason, this Development Agreement shall automatically terminate and be of no further force and effect upon completion of the Project pursuant to the terms of this Development Agreement and any further amendments thereto and the issuance of all occupancy permits and acceptance by City of all dedications and improvements as required by the Development of the Project.

2.6 Effect of Expiration of Term Prior to Completion of Project. If not already terminated by reason of any other provision in this Development Agreement, or for any other reason, this Development Agreement and all Development Approvals shall automatically terminate and be of no further force and effect upon expiration of the Term, regardless of whether the Project has been completed. Upon expiration of the Term, Owner's rights to proceed with Development of the Project pursuant to this Development Agreement shall also automatically terminate and be of no further force and effect.

SECTION 3 BINDING COVENANTS

The provisions of this Development Agreement to the extent permitted by law shall constitute covenants which shall run with the Property for the benefit thereof, and the benefits and burdens of this Development Agreement shall bind and inure to the benefit of the Parties and all successors in interest to the Parties hereto.

SECTION 4 EFFECT OF AGREEMENT

As a material part of the consideration of this Development Agreement, unless otherwise provided herein, the Parties agree that the Existing Land Use Regulations shall be applicable to development of the Project. In connection with all subsequent Discretionary Actions which City takes or has the right to take under this Development Agreement relating to the Project, including any review, approval, renewal, conditional approval or denial, City shall exercise its discretion or take action in a manner which complies and is consistent with the Existing Land Use Regulations (as same may be modified in accordance with this Development Agreement) and such other standards, terms and conditions expressly contained in this Development Agreement. City shall accept and timely process, in the normal manner for processing such matters as may then be applicable, all applications for further approvals with respect to the Project called for or required under this Development Agreement, including, without limitation, any necessary site plan, precise plan, site development permit, conditional use permit, parking use permit, lot line adjustment, tentative map, vesting tentative map, final map and any grading, construction or other permits filed by Owner in accordance with the Development Approvals.

SECTION 5 DEVELOPMENT OF PROJECT

5.1 Rights to Develop. Subject to and during the Term of this Development Agreement, including Section 16 (Reserved Authority), Owner shall have a vested right to develop the Project in accordance with, and to the extent of, the Development Plan, the Development Approvals, and this Development Agreement. No Subsequent Land Use Regulation shall delay, hinder, or impede the purpose or the effect of this vested right unless specifically permitted by this Development Agreement or agreed to in writing by Owner. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. The permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings, and provisions for reservation or dedication of land for public purposes shall be those set forth in the Development Plan.

5.2 Vesting of Rights of Developer. The City agrees that the right to Develop the Project consistent with the Development Plan is vested in Owner by this Development Agreement. Owner's right to develop the Project shall be vested in accordance with this Development Agreement and the Development Agreement Statute.

5.3 Effect of Development Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Development Agreement, the only rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings, and the design, improvement and construction standards and specifications applicable to Development of the Property, shall be those set forth in the Existing Land Use Regulations and the Subsequent Land Use Regulations to which Owner has consented in writing, subject to the terms of this Development Agreement.

5.4 Timing of Development.

5.4.1 Phase 1. Owner expressly understands and agrees that its commitment to timely commence and complete Phase 1 of the Project is a material inducement to City's approval of this Development Agreement. Accordingly, except as otherwise expressly provided herein, Developer shall (i) have obtained all applicable grading, encroachment, building, demolition, and similar permits for Development of all portions of Phase 1 of the Project within two (2) years of the Development Agreement Date, and (ii) have completed Development of all portions of Phase 1 of the Project within five (5) years of the Development Agreement Date. For purposes of this Section 5.4.1, "completed" means that Owner (i) has obtained all required written City approvals for the façade renovations required by the Existing Development Approvals, (ii) has obtained residential and commercial certificates of occupancy for all Development contemplated under the Existing Development Approvals, and (iii) has obtained written approval from the appropriate City officials for all Phase 1 Public Improvements. Notwithstanding Sections 17, 18, 19, 20, or any other provision of this Development Agreement, and without complying with the provisions of Sections 17, 18, 19, and 20, it is expressly understood and agreed by the Parties that the City Council may unilaterally terminate this Development Agreement if, following notice and a public hearing in accordance with applicable law, the City Council finds that Owner has failed to commence or complete the required portions of Phase 1 of the Project in accordance with this Section. Notwithstanding Section 5.5, below, this Development Agreement and Development Approvals for the Project shall automatically expire, terminate and be of no further force and effect upon the effective date of an ordinance adopted by the City Council terminating this Development Agreement based on such a finding pursuant to this Section.

5.4.2 Deferred Retail Pads. Owner's Development of the Deferred Retail Pads shall not be subject to the requirements of Section 5.4.1 and may be completed at any time prior to, or concurrently with, Owner's Development of Phase 2. In addition, subject to all applicable Subsequent Development Approvals, in lieu of Development of either or both of the Deferred Retail Pads at the locations specified in the Phase 1 Project Approvals, Owner may proceed with Development or Redevelopment of an equivalent or greater amount of new retail space on the Property. If Owner elects to proceed with Development or Redevelopment of an equivalent or greater amount of new retail space on the Property, rather than proceed with the Development of either or both of the Deferred Retail Pads at the locations specified in the Phase 1 Site Plan and Phase 2 Building Envelope attached at **Exhibit C** and in the Phase 1 Project Approvals, such new retail space shall be in addition to, and not be included in the calculation of, the minimum 27,000 square feet of new retail space required to be constructed within the residential/retail mixed-use structures as part of Phase 2.

5.4.3 Phase 1 Public Improvements. Notwithstanding Section 5.4.1, Owner shall not be obligated to commence the Phase 1 Public Improvements within two (2) years of the Development Agreement Date. However, with the exception of the Village Green, Owner shall complete the Phase 1 Public Improvements prior to issuance of the first residential certificate of occupancy for Phase 1. Accordingly, Owner shall not be entitled to the issuance of, and City shall not be obligated to issue, certificates of occupancy for any residential units constructed in Phase 1 of the Project until all Phase 1 Public Improvements, other than the Village Green, have been completed and accepted by City. Owner shall complete construction of the Phase 1 Village Green prior to issuance of the final residential certificate of occupancy for Phase 1. Accordingly, Owner shall not be entitled to the issuance of, and City shall not be obligated to issue, a certificate of occupancy for the last residential unit (or the building in which the last residential unit is located, if applicable) constructed in Phase 1 of the Project until the Village Green for Phase 1 has been completed and approved in writing by the City.

5.4.4 Phase 2. In the event Owner elects to proceed with the Development of Phase 2, Owner shall apply for all Phase 2 Project Approvals simultaneously, and Owner's Development of Phase 2 of the Project shall be in accordance with the Development Plan, including, but not limited to, the Subsequent Development Approvals. Except as otherwise modified pursuant to the Subsequent Development Approvals, the approximate locations and/or building envelope of the Phase 2 residential and retail structures and Village Green area shall be as generally depicted on **Exhibit C** to this Development Agreement. Owner expressly understands and agrees that Owner's right pursuant to this Development Agreement to proceed with the Development of any residential units as part of Phase 2 is expressly contingent upon: (i) Owner's Development of a minimum of 27,000 square feet of new retail space within the residential/retail mixed-use structure or structures housing the residential units or on other areas on the Property; (ii) Owner's Development of such additional retail space necessary to result in a minimum of 125,000 total aggregate square feet of retail space on the Property (inclusive of the Deferred Retail Pads) and/or payment of a Phase 2 retail loss impact fee pursuant to Section 10.4; and (iii) Owner's construction of a minimum 7,000 square foot secondary Village Green area on the Property. Accordingly, the timing and sequencing of Development of the component portions of Phase 2 shall be subject to City's discretionary approval pursuant to the Subsequent Development Approvals, provided, however, that Development of all of Phase 2 shall be completed within the Term of this Development Agreement. For purposes of this Section 5.4.4, "completed" means that Owner (i) has obtained residential and commercial certificates of occupancy for all Development contemplated under the Subsequent Development Approvals, and (ii) has obtained written approval from the appropriate City officials for the Phase 2 secondary Village Green area.

5.4.5 Owner's Discretion in Timing of Development. The Parties acknowledge that Owner cannot at this time predict when or the precise rate at which the Property will be developed. Such decisions depend upon numerous factors which are not within the control of Owner, such as market orientation and demand and other similar factors. The California Supreme Court held in *Pardee Construction v. City of Camarillo* (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for the timing of development resulted in a latter-enacted initiative restricting the timing of development to prevail over such parties' agreement. It is the Parties' intent to cure that deficiency by expressly addressing the timing of Development. Except as expressly set forth in the Development Plan, including, without limitation, Section 5.4 of this Development Agreement, regardless of any future enactment, whether by initiative or otherwise, Owner shall have the vested right to Develop the various components of the Project in such order, at such rate, and at such times as Owner deems appropriate within the exercise of its subjective business judgment.

5.5 Tentative Subdivision Map and Other Entitlement Extensions. Unless otherwise terminated pursuant to Section 5.4.1, above, in accordance with California Government Code Sections 65863.9 and 66452.6, all tentative subdivision maps or tentative parcel maps, whether vesting or not, or any other Development Approvals, except for grading and building permits and certificates of occupancy, which may be approved by the City in connection with Development of the Property, shall be granted an extension of time for the Term of this Development Agreement. The Parties also agree that phased final subdivision maps may be processed and recorded.

5.6 Project Trip Budget Allocation. During the Term of this Development Agreement, the City shall allocate to the Project the number of A.M. and P.M. peak hour vehicle trips equal to the Project Trip Budget Allocation and debit an equal amount from the Specific Plan Area Trip Budget Allocation available for other future new development in the Specific Plan area. As of the Development Agreement Date, the Project Trip Budget Allocation is equal to 194 total additional AM and 44 total additional PM peak hour vehicle trips, which has been calculated in accordance with the trip generation rates published in the Institute of Traffic Engineer's (ITE) Trip Generation Manual, 8th Edition (see Traffic Study, pages 14-15 and Table 5). During the Term of this Development Agreement, the Project Trip Budget Allocation shall be automatically adjusted without the need to amend this Development Agreement, to account for future changes in the trip generation rates published in future editions of the ITE Trip Generation Manual. Prior to issuance or approval of any permits or land use entitlements for the expansion or intensification of existing uses or the construction of new development in the Specific Plan area that would necessitate adjustment to the Specific Plan Area Trip Budget Allocation, City's City Manager, or his or her designee, shall review the trip generation rates published in the then latest edition of the ITE Trip Generation Manual and determine whether the Project Trip Budget Allocation should be automatically adjusted in accordance therewith. If the City Manager, or his or her designee, determines, in his or her reasonable discretion, that the Project Trip Budget Allocation should be automatically adjusted due to changes in the published trip generation rates, City shall debit the number of A.M. and P.M. peak hour vehicle trips equal to the adjusted Project Trip Budget Allocation from the Specific Plan Area Trip Budget Allocation available for other future new development in the Specific Plan area.

SECTION 6 ENFORCEMENT

Unless this Development Agreement is terminated or cancelled pursuant to the provisions of this Development Agreement, this Development Agreement or any amendment hereto, shall be enforceable by any party hereto notwithstanding any change hereafter in any applicable general plan, specific plan, zoning ordinance, subdivision ordinance or building ordinance adopted by City which alters or amends the rules, regulations or policies of Development of the Project as provided in this Development Agreement pursuant to Section 65865.4 of the Development Agreement Statute; provided, however, that the limitations of this Section shall not apply to changes mandated by State or Federal laws or other permissible changes or new regulations as more particularly set forth in Section 16 of this Development Agreement.

SECTION 7 PUBLIC BENEFITS

7.1 Installation of Traffic Signal. In accordance with the Phase 1 Project Approvals, before issuance of the first residential certificate of occupancy for Phase 1 of the Project, Owner shall install, to the reasonable satisfaction of the City Engineer, a traffic signal at the intersection of Avenida de la Carlota and the main entrance to the Project, including interconnection to the existing traffic signal at the intersection of Avenida de la Carlota and Los Alisos Boulevard via conduit and hardwire, and construction on the easterly side of Avenida de la Carlota of a public sidewalk connection to the Oakbrook Plaza office development. Said traffic signal shall be constructed to applicable State and City standards and specifications and shall be equipped with video detection and controller equipment as approved by City. The sidewalks and ramps at all corners of the newly signalized intersection and the sidewalk connection to the Oakbrook Plaza office development on the easterly side of Avenida de la Carlota shall be constructed and/or modified to conform to City and Americans With Disabilities Act ("ADA") standards.

7.2 Installation of New Curb Line, Landscaped Parkway, and Sidewalk. In accordance with the Phase 1 Project Approvals, before issuance of the first residential certificate of occupancy for Phase 1 of the Project, Owner shall dedicate and transfer to City the public right-of-way necessary for, and shall construct and create, a new curb line along the entire Property frontage of Avenida de la Carlota, including a six (6) foot wide landscaped parkway space and a minimum six (6) foot wide sidewalk to City standards and specifications. Such improvements shall not interfere with existing vehicular lane configurations or result in modifications that have the effect of reducing any on-site parking for the Project. Required parkway improvements shall be as shown on the landscape plans approved as part of the Phase 1 Project Approvals, shall be consistent with the Specific Plan, and shall include all irrigation and drainage facilities and improvements deemed necessary by City's City Engineer.

7.3 Provision of the Village Green Park Facilities. In accordance with the Development Approvals, Owner shall complete the construction and improvement of an approximately 17,000 square foot Village Green park facility in Phase 1 of the Project and an approximately 7,000 square foot Village Green park facility in Phase 2 of the Project. The Village Green park facilities are generally described and depicted in **Exhibit D** to this Development Agreement. Although the Village Greens will be available for public access and will be publically accessible, subject to Owner and City reaching an agreement upon park area operating hours and authorized uses, the Village Greens shall be privately owned, operated, and maintained by Owner.

7.4 Construction of Pedestrian Paseos. In accordance with the Development Approvals, Owner shall complete construction of various pedestrian paseos and pathways during Phase 1 of the Project, including, but not limited to, the following: (i) a pedestrian paseo, extending from the western driveway of the Project to the Laguna Hills Mall, connecting to the Village Green and then east to Avenida de la Carlota; (ii) a improved north-south pedestrian paseo; (iii) a hillside paseo connecting the north-south paseo with the Laguna Hills Mall; (iv) a pedestrian trail along the north Property line; (v) and two parking lot paseos. The pedestrian paseos are described and depicted in **Exhibit E** to this Development Agreement.

7.5 Provision of Public Art. Owner shall furnish public art in connection with the Project, and/or pay an in-lieu fee, pursuant to the Specific Plan and other Existing Development Approvals. The Parties understand and agree that the City shall have the right to approve, in advance, the proposed type, size, art medium, location, and content of all Public Art. The Parties agree that, to the extent that the value of the public art provided and/or in-lieu fee paid by Owner for Phase 1 exceeds one-half percent (0.5%) of the total construction costs of Phase 1, as determined by the City, if Owner Develops Phase 2, Owner shall be entitled to a credit in such amount towards Owner's obligation to provide public art and/or pay an in-lieu fee pursuant to the Development of Phase 2.

SECTION 8 PUBLIC IMPROVEMENTS AND SERVICES

8.1 Public Improvements Required to Support the Project. As material consideration for City's entering into this Development Agreement, Owner shall undertake the construction and installation of public improvements required by the Development Approvals, the Existing Land Use Regulations, this Development Agreement, and the Specific Plan to support the Project as specified in **Exhibit F** to this Development Agreement. **Exhibit F** constitutes a complete list of all required public improvements for the Project, unless the Project is modified, requiring the modification of **Exhibit F**.

8.2 Cooperation by City and Owner for Public Improvements. The required public improvements will be designed and constructed in phases as required to service the Project or as otherwise required by the Project conditions of approval and/or this Development Agreement. Owner shall design and construct these public improvements in accordance with all applicable federal, state and City laws, ordinances, regulations, codes, standards, and other applicable requirements. These improvements shall be subject to City's approval and acceptance. City shall cooperate with Owner for the purpose of coordinating all public improvements constructed under the Development Approvals or this Development Agreement to existing or newly constructed public improvements, whether located within or outside of the Property. Owner shall be responsible for and use good faith efforts to acquire any right(s)-of-way necessary to construct the public improvements required by, or otherwise necessary to comply with the conditions of, this Development Agreement or any Development Approvals. Should it become necessary due to Owner's failure or inability to acquire said right(s)-of-way within four (4) months after Owner begins its efforts to so acquire said right(s)-of-way, City shall negotiate the purchase of the necessary right(s)-of-way to construct the public improvements as required by, or otherwise necessary to comply with the conditions of, this Development Agreement and, if necessary in accordance with the procedures established by State law, and the limitations hereinafter set forth in this Section, City may use its powers of eminent domain to condemn said required right(s)-of-way. Owner agrees to pay for all costs associated with said acquisition and condemnation proceedings. If City cannot make the proper findings or if for some other reason under the condemnation laws City is prevented from acquiring the necessary right(s)-of-way to enable Owner to construct the public improvements required by, or otherwise necessary to comply with the conditions of, this Development Agreement, then the Parties agree to amend this Development Agreement to modify Owner's obligations accordingly. Any such required modification shall involve the substitution of other considerations or obligations by Owner (of similar value) as are negotiated in good faith between the parties hereto. Nothing contained in this Section shall be deemed to constitute a determination or resolution of necessity by City to initiate condemnation proceedings.

8.3 Timing, Phasing and Sequence of Public Improvements and Facilities. The timing, phasing and sequence of the construction of public improvements, facilities or the payment of fees therefore shall be constructed or paid in accordance with the timing, phasing and sequence set forth in the Development Plan.

8.4 Maintenance of Public Improvements. City shall not be responsible or liable for the maintenance or care of public improvements, intended to be dedicated to the City, until City approves and accepts them. City shall exercise no control over the public improvements until accepted. Any use by any person of the public improvements, or any portion thereof, shall be at the sole and exclusive risk of the Owner at all times prior to City's acceptance of the public improvements. Owner shall maintain all the public improvements in a state of good repair until they are completed by Owner and approved and accepted by City. If Owner fails to properly prosecute its maintenance obligation under this Section, City may do all work necessary for such maintenance and the cost thereof shall be the responsibility of Owner under this Development Agreement. City shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the public improvements or their condition prior to acceptance. Approval and acceptance of public improvements shall not be unreasonably withheld by the City.

8.5 Acceptance of Improvements; As-Built or Record Drawings. If the public improvements are properly completed by Owner and approved by the City Engineer, and if they comply with all applicable federal, state and local laws, ordinances, regulations, codes, standards, and other requirements, the City shall accept the public improvements. Prior to the total or partial acceptance of the public improvements by City, Owner shall file with the Recorder's Office of the County of Orange a notice of completion for the accepted public improvements in accordance with California Civil Code section 3093, at which time the accepted public improvements shall become the sole and exclusive property of City without payment therefore. Issuance by City of occupancy permits for any buildings or structures located on the Property shall not be construed in any manner to constitute City's acceptance or approval of any public improvements. Notwithstanding the foregoing, City may not accept any public improvements unless and until Owner provides the required sets of "as built" or record drawings or plans to the City for review and approval for all such public improvements. The drawings shall be certified and shall reflect the condition of the public improvements as constructed, with all changes incorporated therein.

8.6 Facilitation of the Building of Future Pedestrian Connection Improvements. The City agrees that it shall use reasonable efforts to coordinate with the owner of the Laguna Hills Mall to facilitate the potential future building of a pedestrian connection between the northwest corner of the Property to the existing transit station and a pedestrian connection from the Property's west vehicular entry point to the Laguna Hills Mall.

SECTION 9 DEDICATIONS AND EXACTIONS

9.1 Dedications In Conjunction With Public Improvements. Right-of-way or property for required public improvements shall be irrevocably offered for dedication as required by the Phase 1 Project Approvals. These dedications shall be in fee or as an easement at the discretion of City. The City may accept the Owner's offer of dedication upon Owner's completion and acceptance by City of the associated improvements in compliance with the specifications as approved by City. Nothing contained in this Development Agreement, however, shall be deemed to preclude City from exercising the power of eminent domain with respect to the Property or the Project, or any part thereof.

9.2 Dedication for Public Roadway and Signalized Intersection at Laguna Hills Mall. In order to accommodate the potential need for a future public roadway along the southerly property line of the Laguna Hills Mall ("Mall") and a signalized intersection at the west vehicular entry point to the Mall, Owner shall irrevocably offer to dedicate real property needed for such public roadway and traffic signal improvements, as more particularly described and depicted on the vesting tentative map approved pursuant to the Phase 1 Project Approvals. If City accepts the irrevocable offer to dedicate while the Development Agreement is still in effect, Owner agrees to contribute Owner's fair share, as determined by the City in its reasonable discretion, of the cost of signal improvements for one signal for the future public roadway described above, not to exceed fifty percent (50%) of such estimated cost. Owner shall deposit said fair share of the estimated cost with City within one hundred twenty (120) days of written demand from City. If Owner's fair share of the actual cost to construct the signal improvements exceeds the amount of Owner's deposit, Owner shall deposit the difference with City within thirty (30) days of receipt of written notice and an accounting from City. If Owner's fair share of the actual cost to construct the signal improvements is less than the amount of Owner's deposit, City shall refund the difference to Owner.

9.3 Dedication for New Curb Line, Landscaped Parkway, and Sidewalk Along Avenida de la Carlota. Owner shall dedicate to City the real property necessary for the new curb line, six (6) foot wide landscaped parkway space, and a minimum six (6) foot wide sidewalk along the entire Property frontage of Avenida de la Carlota, as further described in Section 7.2. Such dedication shall be made pursuant to the vesting tentative map approved pursuant to the Phase 1 Project Approvals.

9.4 Dedication Associated with New Southerly Entrance to Property. Owner shall dedicate to City the real property necessary for street and highway and incidental purposes associated with Owner's construction of the southerly entrance to the Project. Such dedication shall be made pursuant to the vesting tentative map approved pursuant to the Phase 1 Project Approvals.

9.5 Vacation of Portion of Public Driveway Accessing Avenida de la Carlota. The Parties acknowledge that the existing driveway providing ingress and egress to the Property from Avenida de la Carlota includes property dedicated as public right of way, and that, as part of the Project, Owner intends to relocate said driveway. Subject to limitation by applicable legal and regulatory authority, upon Owner's completion of relocation of the driveway to the reasonable satisfaction of the City Engineer, in his sole discretion, City agrees to institute proceedings to vacate that portion of the public right of way over the existing driveway determined by the City to no longer be necessary for public use and to promptly pursue such proceedings to a final decision. Upon completion of said vacation proceedings and vacation of the applicable portion of public right of way, City shall convey such portion of the former public right of way at no cost to Owner, which conveyance may be executed by City's City Manager.

SECTION 10 FEES

10.1 Development Fees Applicable to the Project. Owner shall pay all existing impact and development fees applicable to the Project on the Development Agreement Date charged by City for the purpose of defraying all or a portion of the cost of public facilities related to development of the Project ("Development Fees"). All Development Fees applicable to the Project are listed in **Exhibit B** to this Development Agreement.

The Parties acknowledge that the following fees, taxes, and charges do not constitute Development Fees and that nothing in this Development Agreement is intended or shall be construed to release Owner from the obligation to pay these fees, taxes, and charges, including increases, if and when they become due:

(a) City's normal fees for processing, environmental assessment and review, tentative tract and parcel map review, plan checking, site review and approval, administrative review, building permit, grading permit, inspection, and similar fees imposed to recover City's costs associated with processing, reviewing, and inspecting project applications, plans, and specifications; and

(b) Fees and charges levied by any other public agency, utility, district, or joint powers authority, regardless of whether City collects those fees and charges; and

(c) Community facility district special taxes or special district assessments or similar assessments, business license fees, bonds or other security required for public improvements, sales taxes, property taxes, sewer lateral connection fees, water service connection fees, new water meter fees, and the property development tax payable under the Laguna Hills Municipal Code.

10.2 Fees Applicable for Modified Development Approvals. Notwithstanding Section 10.1 of this Development Agreement, if and to the extent that the Development Approvals applicable to the Property are amended after the Development Agreement Date and Owner is authorized under the modified Development Approvals to develop any additional density or intensity of use beyond what is allowed as of the Development Agreement Date, City shall retain the right to require Owner to pay all City fees for such additional density or intensity of use to the extent such fees would be applicable in the absence of this Development Agreement.

10.3 Public Park In-lieu Fees. Owner hereby agrees that Chapter 8-06 of the Laguna Hills Municipal Code pertaining to park dedication and in-lieu fee requirements shall apply to both Phase 1 and Phase 2 of the Project, regardless of whether Owner proposes a subdivision map for each Phase. Accordingly, as part of the Development Fees applicable to the Project pursuant to this Development Agreement, Owner hereby agrees to, and shall, pay City a public park in-lieu fee of Seven Thousand Three Hundred Ninety Two Dollars ($7,392.00) for each residential unit constructed as part of the Project, which amount the Parties agree is the applicable per dwelling unit fee calculated pursuant to Chapter 8-06 of the Laguna Hills Municipal Code. Said fee shall be paid on a per unit basis at the time of filing of the final map or, if no final map is filed, prior to issuance of a building permit for each residential unit.

10.4 Phase 2 Retail Loss Impact Fee. Owner understands and agrees that Owner's commitment to timely construct such additional new retail space necessary to result in a minimum of 125,000 total aggregate square feet of retail space on the Property is a material inducement to City's agreement to permit Owner to demolish existing retail space and construct additional residential units on the Property in Phase 2, and that Owner's failure to complete construction of all such additional new retail space prior to completion of the additional Phase 2 residential units will result in the loss of future revenue to City necessary to offset the costs of certain City services required by the Project that are not otherwise being reimbursed to City. Accordingly, as security for Owner's commitment to construct such additional new retail space in Phase 2, prior to issuance of the first residential Certificate of Occupancy for Phase 2 for any portion of Phase 2, Owner shall provide security to the City in the amounts and forms described below.

10.4.1 Amount of Security. Owner shall provide security to the City in an amount equal to the present value of the aggregate "Projected Annual City Sales Tax Revenue" anticipated to be generated by the "Retail Square Footage Deficit" over a twenty (20) year period commencing on January 1st of the calendar year in which the "Phase 2 Retail Commencement Date" occurs, where:

(a) the assumed present value interest factor / discount rate is four percent (4.0%);

(b) "Projected Annual City Sales Tax Revenue" is assumed to equal three dollars ($3.32) per square foot of retail space as of 2012 and to increase at a rate of two and one-half percent (2.5%) per year thereafter; and

(c) the "Retail Square Footage Deficit" is an amount of retail space equal to (1) 125,000 square feet, minus (2) the total square feet of additional new retail space anticipated to be constructed within one or more residential/retail mixed use structures in Phase 2 pursuant to the Subsequent Development Approvals, minus (3) the difference between (i) the actual total square feet of usable retail space existing on the Property as of the date the City issues the first building or demolition permit for any portion of Phase 2 and (ii) the total square feet of retail space anticipated to be demolished in Phase 2 pursuant to the Subsequent Development Approvals; and

(d) the "Phase 2 Commencement Date" is the date that is the earlier of (i) the date the City issues the first residential Certificate of Occupancy for Phase 2, or (ii) the date that is thirty (30) months after the date the City issues the first building or demolition permit for any portion of Phase 2.

10.4.2 Minimum Cash Deposit. Prior to issuance of the first residential Certificate of Occupancy for Phase 2, Owner shall provide a deposit to City, in immediately payable funds, of a portion of the required security in an amount at least equal to the present value of the aggregate "Projected Annual City Sales Tax Revenue" anticipated to be generated by the "Retail Square Footage Deficit" over a five (5) year period commencing on January 1st of the calendar year in which the Phase 2 Commencement Date occurs. City shall place said deposit in a separate dedicated account and not comingle the funds with other funds of the City.

10.4.3 Alternative Security Instrument for Remaining Security Amount. Prior to issuance of the first residential Certificate of Occupancy for Phase 2, Owner shall provide City with a security instrument acceptable to City in its sole discretion, naming City as beneficiary, which guarantees payment to City upon demand of that additional amount of the required security due from Owner to City pursuant to Section 10.4.1 not included in the cash deposit described in Section 10.4.2. Such security instrument may be in the form of a letter of credit from a surety or financial institution acceptable to City, or such other type of security instrument deemed acceptable by City in its sole discretion. The terms and conditions of any letter of credit or other security instrument provided by Owner shall be subject to approval of City in its sole and absolute discretion.

10.4.4 Forfeiture of Security Due to Owner's Failure to Timely Construct Additional New Retail Space. If, prior to the earlier to occur of (i) expiration of the Term of this Development Agreement or (ii) the five (5) year anniversary of the date the Phase 2 Project Approvals are approved by the City, Owner has not obtained final certificates of occupancy for all new retail structures necessary to cause the total aggregate retail space actually existing on the Property (excluding any retail structures anticipated to be, but not yet, demolished) to equal at least 125,000 square feet, Owner shall forfeit the full amount of the security required to be provided pursuant to Section 10.4.1, City shall be entitled to retain the entire cash deposit provided by Owner pursuant to Section 10.4.2, and City shall be entitled to demand and retain payment from the surety or financial institution pursuant to the letter of credit or other security instrument provided by Owner pursuant to Section 10.4.3.

10.4.5 Partial Refund of Security to Owner. If, prior to the earlier to occur of (i) expiration of the Term of this Development Agreement or (ii) the five (5) year anniversary of the date the Phase 2 Project Approvals are approved by the City, Owner has obtained final certificates of occupancy for all new retail structures necessary to cause the total aggregate retail space actually existing on the Property (excluding any retail structures anticipated to be, but not yet, demolished) to equal at least 125,000 square feet, City shall take the following actions:

(a) City shall release the letter of credit or other security instrument provided by Owner pursuant to Section 10.4.3;

(b) City shall retain a portion of the cash deposit provided by Owner pursuant to Section 10.4.2 in an amount equal to the present value of the aggregate "Projected Annual City Sales Tax Revenue" anticipated to be generated by the "Retail Square Footage Deficit" over the period of time commencing on January 1st of the calendar year in which the Phase 2 Commencement Date occurs and running for a length of time equal to the number of days that elapse between the Phase 2 Commencement Date and the date Owner obtains a final certificate of occupancy for the retail structure or structures, which cause(s) the total aggregate retail space existing on the Property (excluding any retail structures anticipated to be, but not yet, demolished) to equal at least 125,000 square feet; and

(c) City shall refund to Owner the portion of the cash deposit not retained by City pursuant to Section 10.4.5(b).

10.4.6 Phase 2 Retail Loss Impact Fee. Owner and City hereby agree that the amounts authorized to be retained by City pursuant to Sections 10.4.4 and 10.4.5, above, are intended to offset the costs of certain City services required by the Project that are not otherwise being reimbursed to City and shall be referred to collectively in this Development Agreement as the "Phase 2 Retail Loss Impact Fee."

10.4.7 Examples. For purposes of illustration and reference, depictions of the calculations of the amount of security that would be required and the amount of the Phase 2 Retail Loss Impact Fee pursuant to this Section 10.4 under various hypothetical circumstances are set forth in **Exhibit G** to this Development Agreement. The Projected Annual City Sales Tax Revenue per year and the Net Present Value multipliers to be used in calculating the amount of the required security and the Phase 2 Retail Loss Impact Fee pursuant to this Section 10.4 shall be those set forth in **Exhibit G**.

10.4.8 Survival of Termination of Development Agreement. Notwithstanding any other provision of this Development Agreement, to the extent, and for the period, necessary to implement the provisions hereof, this Section 10.4 shall survive termination of this Development Agreement and remain enforceable and executory by the Parties notwithstanding termination of the remainder of this Development Agreement.

SECTION 11 EXISTING USES

City and Owner agree that those existing legally established uses on the Property may be retained until the Project is implemented.

SECTION 12 FUTURE APPROVALS

12.1 Basis for Denying or Conditionally Granting Future Approvals. Before Owner can begin grading on the Property or other development of the Property, Owner must secure additional permits and/or approvals from City. The Parties agree that for Development of Phase 1 of the Project, only Ministerial Approvals are required. The Parties agree that to the extent said Development Approvals are Ministerial in nature, City shall not, through the enactment or enforcement of any subsequent ordinances, rules, regulations, initiatives, policies, requirements, guidelines, or other constraints, withhold such approvals as a means of blocking construction or of imposing conditions on the Project which were not imposed during an earlier approval period unless City has been ordered to do so by a court of competent jurisdiction. Notwithstanding the previous sentence, City and Owner will use reasonable efforts to ensure each other that all applications for and approvals of all required permits, or other Development Approvals, necessary for Owner to develop the Project in accordance with this Development Agreement are sought and processed in a timely manner.

12.2 Standard of Review. Except as otherwise provided under the terms of this Development Agreement, the rules, regulations and policies that apply to any Subsequent Development Approvals which Owner must secure prior to the Development of the Property shall be the Existing Land Use Regulations, as defined in this Development Agreement.

SECTION 13 AMENDMENT

13.1 Initiation of Amendment. Either party may propose an amendment to this Development Agreement.

13.2 Procedure. The procedure for proposing and adopting an amendment to this Development Agreement shall be the same as the procedure required for entering into this Development Agreement in the first instance.

13.3 Consent. Except as provided elsewhere within this Development Agreement, any amendment to this Development Agreement shall require the consent of both Parties. No amendment of this Development Agreement or any provision hereof shall be effective unless set forth in writing and signed by duly authorized representatives of each party hereto.

13.4 Effect of Amendment to Development Agreement. The Parties agree that except as expressly set forth in any such amendment, an amendment to this Development Agreement will not alter, affect, impair, modify, waive or otherwise impact any other rights, duties or obligations of either party under this Development Agreement.

13.5 Operating Memoranda. The provisions of this Development Agreement require a close degree of cooperation and flexibility between the City and Owner. The Development of the Property may demonstrate that clarifications or modifications to this Development Agreement and the Existing Land Use Regulations are appropriate with respect to the details of performance of the City and Owner. To the extent allowable by law, Owner shall retain a certain degree of flexibility as provided herein with respect to all matters, items and provisions covered in general under this Development Agreement. When and if the Owner finds it necessary or appropriate to make changes, adjustments or clarifications to matters, items or provisions, the Parties shall effectuate such changes, adjustments or clarifications through operating memoranda ("Operating Memoranda") approved by the Parties in writing which reference this Section 13.5. Operating Memoranda are not intended to constitute either a substantive change or an amendment to this Development Agreement, but are ministerial clarification; therefore public notices and hearings shall not be required. Operating Memoranda may be used and thus deemed non-substantive and/or procedural if they do not result in, for example: i) a material changes in fees or costs; ii) an increase in density or intensity of use; iii) a change in permitted uses; iv) an increase in the maximum height and size of buildings; v) a decrease in the amount of land to be dedicated for public purposes; or vi) the reduction of improvement and construction standards and specifications for the Project. The City Attorney shall be authorized, upon consultation with, and approval of, the Owner, to determine whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such character to constitute either a substantive change or an amendment to this Agreement which requires compliance with the provisions of Section 13.2 of this Development Agreement.

SECTION 14 NON-CANCELLATION OF RIGHTS

Subject to defeasance pursuant to Sections 2, 5.4.1, 20, 21 or 22 of this Development Agreement, the Development Approvals as provided for in this Development Agreement shall be final and the rights once granted thereby shall be vested in the Property upon recordation of this Development Agreement.

SECTION 15 UNDERTAKINGS AND ASSURANCES CONTEMPLATED AND PROMOTED BY DEVELOPMENT AGREEMENT STATUTE

The mutual undertakings and assurances described above and provided for in this Development Agreement are for the benefit of City and Owner and promote the comprehensive planning, private and public cooperation and participation in the provision of public facilities, and the effective and efficient development of infrastructure and facilities supporting development which was contemplated and promoted by the Development Agreement Statute. City agrees that it will not take any actions which are intended to circumvent this Development Agreement; provided, however, that any action of the electorate shall not be deemed an action for purposes of this Section.

SECTION 16 RESERVED AUTHORITY

16.1 Reservation of Authority With Respect to Subsequent Development Approvals. Owner expressly understands and agrees that all Subsequent Development Approvals (including all Development Approvals required for Phase 2) shall be subject to review by the City pursuant to CEQA. Notwithstanding any other provision set forth in this Development Agreement to the contrary, City reserves the right after the Development Agreement Date to exercise the same degree of discretion and control in its consideration of Subsequent Development Approvals that it would have in the absence of this Agreement to impose conditions under CEQA, and other applicable laws and regulations that apply to all similar development throughout the City in order to mitigate the Project's impact on the environment.

16.2 State and Federal Laws and Regulations. In the event that the State or Federal laws or regulations enacted after this Development Agreement has been entered into prevent or preclude compliance with one or more provisions of the Development Agreement, such provisions of the Development Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Development Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

16.3 Uniform Codes. This Development Agreement shall not prevent City from applying new rules, regulations and policies contained in Uniform Codes as long as adoption of the Uniform Codes applies to all development in the City.

16.4 Public Health and Safety. This Development Agreement shall not prevent City from adopting new rules, regulations and policies, including amendments or modifications to Uniform Codes described in Section 16.3 of this Development Agreement which directly result from findings by City that failure to adopt such rules, regulations or policies would result in a condition injurious or detrimental to the public health and safety.

SECTION 17 CANCELLATION

17.1 Initiation of Cancellation. Either Party may propose cancellation of this Development Agreement.

17.2 Procedure. The procedure for proposing a cancellation of and cancelling this Development Agreement shall be the same as the procedure required for entering into this Development Agreement in the first instance. Such procedures are set forth in Section 65868 of the California Government Code.

17.3 Consent of Owner and City. Any cancellation of this Development Agreement shall require the mutual consent of Owner and City.

SECTION 18 PERIODIC REVIEW

18.1 Time for Review. In accordance with the procedures set forth in the Development Agreement Ordinance, City shall, at least every twelve (12) months after the Development Agreement Date, review the extent of good faith compliance by Owner with the terms of this Development Agreement. Such periodic review shall determine compliance with the terms of this Development Agreement pursuant to California Government Code Section 65865.1 and other successor laws and regulations. If City fails to review the Project and the Owner's compliance with the material terms of this Development Agreement, Owner will be deemed to be in compliance with the provisions of this Development Agreement, and the Development Agreement will be deemed in full force and effect. The City's failure to review the Project or Owner's compliance with the terms of the Development Agreement, or Owner's failure to submit evidence concerning its good faith compliance with the material terms of the Development Agreement as specified in Section 18.2 of this Development Agreement, shall not constitute or be asserted by either Party as a breach of the Development Agreement by the other Party.

18.2 Owner's Submission. Each year, not less than forty-five (45) days nor more than ninety (90) days prior to the anniversary of the Development Agreement Date, Owner shall submit evidence to the City's Community Development Director demonstrating its good faith compliance with the terms and conditions of this Development Agreement. Owner shall pay to City a reasonable processing fee in an amount as City may reasonably establish from time to time on each occasion that Owner submits its evidence for a periodic review.

18.3 Findings. Within sixty (60) days after the submission of Owner's evidence, the City Council shall determine, on the basis of substantial evidence, whether or not Owner has, for the period under review, complied in good faith with the terms and conditions of this Development Agreement. The burden of proof on this issue shall be on the Owner. If the City Council finds that Owner has so complied, the review for that period shall be deemed concluded. If the City Council finds and determines, on the basis of substantial evidence, that Owner has not complied in good faith with the terms and conditions of this Development Agreement for the period under review, Owner shall be deemed to be in default of the Development Agreement, and City may proceed in accordance with Section 19.1.

18.4 Initiation of Review by City. In addition to the periodic review set forth in this Development Agreement, the City may at any time initiate a review of this Development Agreement upon the giving of written notice thereof to Owner. Within thirty (30) days following receipt of such notice, Owner shall submit evidence to the City's Community Development Director of Owner's good faith compliance with this Development Agreement and such review and determination shall proceed in the manner as otherwise provided in this Development Agreement.

SECTION 19 EVENTS OF DEFAULT

19.1 Defaults by Owner. If the City Council finds and determines, on the basis of substantial evidence, that Owner has not complied in good faith with the terms and conditions of this Development Agreement, City may, by written notice to Owner, specify the manner in which Owner has failed to so comply and state the steps Owner must take to bring itself into compliance. Owner shall be given at least sixty (60) days to cure such non-compliance and if the actions required to cure such non-compliance take more than sixty (60) days, then City shall give Owner additional time provided that Owner is making reasonable progress towards such end. If during the cure period, Owner fails to cure such noncompliance or is not making reasonable good faith progress towards such end, then, the City Council may, at its discretion, proceed to modify or terminate this Development Agreement or establish a time schedule for compliance in accordance with the procedures set forth in Section 20 of this Development Agreement.

19.2 Specific Performance Remedy. After implementation of the Project, Owner may be foreclosed from other choices it may have had to utilize the Property and provide for other benefits. Owner has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Development Agreement and will be investing even more significant time in implementing the Project in reliance upon the terms of this Development Agreement, and it is not possible to determine the sum of money which would adequately compensate Owner for such efforts. For the above reasons, City and Owner agree that damages would not be an adequate remedy if City fails to carry out its obligations under this Development Agreement. Therefore, specific performance of this Development Agreement is the only remedy which would compensate Owner if City fails to carry out its obligations under this Development Agreement, and City hereby agrees that Owner shall be entitled to specific performance in the event of a default by City hereunder. City and Owner acknowledge that, if Owner fails to carry out its obligations under this Development Agreement, City shall have the right to refuse to issue any permits or other approvals which Owner would otherwise have been entitled to pursuant to this Development Agreement. If City issues a permit or other approval pursuant to this Development Agreement in reliance upon a specified condition being satisfied by Owner in the future, and if Owner then fails to satisfy such condition, City shall be entitled to specific performance for the sole purpose of causing Owner to satisfy such condition. City's right to specific performance shall be limited to those circumstances set forth above, and City shall have no right to seek specific performance to cause Owner to otherwise proceed with the Development of the Project in any manner.

SECTION 20 MODIFICATION OR TERMINATION

If pursuant to Section 19.1 of this Development Agreement, City elects to modify or terminate this Development Agreement or establish a revised time schedule for compliance as herein provided, then City shall proceed as set forth in this Section.

20.1 Notice to Owner. City shall give notice to Owner of the City Council's intention to proceed to modify or terminate this Development Agreement or establish a time schedule for compliance within ten (10) days of making City's findings.

20.2 Public Hearing. The City Council shall set and give notice of a public hearing on modification, termination or a time schedule for compliance to be held within forty-five (45) days after the City Council gives notice to Owner.

20.3 Decision. The City Council shall announce its findings and decisions on whether this Development Agreement is to be terminated, how this Development Agreement is to be modified or the provisions of the Development Agreement with which Owner must comply and a time schedule therefore not more than ten (10) days following completion of the public hearing.

20.4 Standard of Review. Any determination by City to terminate this Development Agreement because Owner has not complied in good faith with the terms of this Development Agreement must be based upon a finding by the City Council, on the basis of substantial evidence, that Owner is in default and has not cured that default in the timeframe permitted by Sections 18 and 19 of this Development Agreement, as applicable.

20.5 Implementation. Amending or terminating this Development Agreement shall be accomplished by City enacting an ordinance. The ordinance shall recite the reasons which, in the opinion of City, make the amendment or termination of this Development Agreement necessary. Not later than ten (10) days following the adoption of the ordinance, one copy thereof shall be forwarded to Owner. This Development Agreement shall be terminated or this Development Agreement as modified shall become effective on the effective date of the ordinance terminating or modifying this Development Agreement.

20.6 Schedule for Compliance. Setting a reasonable time schedule for compliance with this Development Agreement may be accomplished by City enacting a resolution. The resolution shall recite the reasons which, in the opinion of City, make it advisable to set a schedule for compliance and why the time schedule is reasonable. Not later than ten (10) days following adoption of the resolution, one copy thereof shall be forwarded to Owner. Compliance with any time schedule so established as an alternative to amendment or termination shall be subject to periodic review as provided in this Development Agreement and lack of good faith compliance by Owner with the time schedule shall be basis for termination or modification of this Development Agreement.

SECTION 21 ASSIGNMENT

21.1 Right to Assign. Owner shall have the right to sell, mortgage, hypothecate, assign or transfer this Development Agreement, and any and all of its rights, duties and obligations hereunder, to any person, partnership, joint venture, firm or corporation at any time during the

Term of this Development Agreement, provided that any such sale, mortgage, hypothecation, assignment or transfer must be pursuant to a sale, assignment or other transfer of the interest of Owner in the Property, or a portion thereof. In the event of any such sale, mortgage, hypothecation, assignment or transfer, (a) Owner shall notify City of such event and the name of the transferee, together with the corresponding entitlements being transferred to such transferee, and (b) the agreement between Owner and such transferee shall provide that either Owner or the transferee or both shall be liable for the performance of all obligations of Owner pursuant to this Development Agreement and the Development Approvals. Such transferee and/or Owner shall notify City in writing which entity shall be liable for the performance of such obligations, and upon the express written assumption of any or all of the obligations of Owner under this Development Agreement by such assignee, transferee or purchaser shall, without any act of or concurrence by City, relieve Owner of its legal duty to perform said obligations under this Development Agreement with respect to the Property or portion thereof, so transferred, except to the extent Owner is in default under the terms of this Development Agreement.

21.2 Release upon Transfer. It is understood and agreed by the Parties that the Property may be subdivided following the Development Agreement Date. One or more of such subdivided parcels may be sold, mortgaged, hypothecated, assigned or transferred to persons for development by them in accordance with the provisions of this Development Agreement. Effective upon such sale, mortgage, hypothecation, assignment or transfer, the obligations of Owner shall become several and not joint. Upon the sale, transfer, or assignment of Owner's rights and interests under this Development Agreement as permitted pursuant to Section 21.1 of this Development Agreement, Owner shall be released from its obligations under this Development Agreement with respect to the Property, or portion thereof so transferred, provided that (a) Owner is not then in default under this Development Agreement, (b) Owner has provided to City the notice of such transfer specified in Section 21.1 of this Development Agreement, and (c) the transferee executes and delivers to City a written agreement in which (i) the name and address of the transferee is set forth and (ii) the transferee expressly and unconditionally assumes all the obligations of Owner under this Development Agreement and the Development Approvals with respect to the property, or portion thereof, so transferred. Non-compliance by any such transferee with the terms and conditions of this Development Agreement shall not be deemed a default hereunder or grounds for termination hereof or constitute cause for City to initiate enforcement action against the other Party or persons then owning or holding interest in the Property or any portion thereof and not themselves in default hereunder. The provisions of this Section shall be self-executing and shall not require the execution or recordation of any further document or instrument. Any and all successors, assigns and transferees of Owner shall have all of the same rights, benefits and obligations of Owner as used in this Development Agreement and the term "Owner" as used in this Development Agreement shall refer to any such successors, assigns and transferees unless expressly provided herein to the contrary.

SECTION 22 GENERAL

22.1 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government regulations, court actions (such as restraining orders or injunctions), or other causes of beyond the party's control. If any such events shall occur, the Term of this Agreement and the time for performance by either party of any of its obligations hereunder shall be extended for the period of time that any such events exist and/or delay or prevent performance of such obligations, provided the notice is timely given pursuant to this Section 22.1. Owner shall give notice to City of any delay which Owner believes to have occurred as a result of the occurrence of any of the events described in Section 22.1. For delays of six months or longer, this notice shall be given within a reasonable time after Owner becomes aware that the delay has lasted six (6) months or more. In no event, however, shall notice of a delay of any length be given later than thirty (30) days after the end of the delay or thirty days before the end of the Term, whichever comes first. In addition to the foregoing, any litigation filed attacking City's approval of the Development Approvals or this Development Agreement shall toll the expiration date of this Development Agreement and all Development Approvals for the length of time such litigation is pending until it is finally resolved.

22.2 Construction of Development Agreement. The language in all parts of this Development Agreement shall in all cases, be construed as a whole and in accordance with its fair meaning. The captions of the paragraphs and subparagraphs of this Development Agreement are for convenience only and shall not be considered or referred to in resolving questions of constructions. This Development Agreement shall be governed by the laws of the State of California. The Parties understand and agree that this Development Agreement is not intended to constitute, nor shall it be construed to constitute, an impermissible attempt to contract away the legislative and governmental functions of City, and in particular, City's police powers. In this regard, the Parties understand and agree that this Development Agreement shall not be deemed to constitute the surrender or abnegation of City's governmental powers over the Property.

22.3 Severability. If any provision of this Development Agreement shall be adjudged to be invalid, void or unenforceable, such provision shall in no way affect, impair or invalidate any other provision hereof, unless such judgment affects a material part of this Development Agreement, the Parties hereby agree that they would have entered into the remaining portions of this Development Agreement not adjudged to be invalid, void or illegal. In the event that all or any portion of this Development Agreement is found to be unenforceable, this Development Agreement or that portion which is found to be unenforceable shall be deemed to be a statement of intention by the Parties; and the Parties further agree that in such event they shall take all steps necessary to comply with such public hearings and/or notice requirements as may be necessary in order to make valid this Development Agreement or that portion which is found to be unenforceable. Notwithstanding any other provisions of this Development Agreement, in the event that any material provision of this Development Agreement is found to be unenforceable, void or voidable, Owner or City may mutually agree to terminate this Development Agreement in accordance with the provisions of the Development Agreement Statute.

22.4 Cumulative Remedies. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation, including suits for declaratory relief, specific performance, relief in the nature of mandamus and actions for damages. All of the remedies described above shall be cumulative and not exclusive of one another, and the exercise of anyone or more of the remedies shall not constitute a waiver or election with respect to any other available remedy.

22.5 Indemnification. Owner agrees to, and shall, to the fullest extent permitted by law, defend (with legal counsel approved or selected by City and at Owner's sole cost and expense), indemnify and hold City and City's elective and appointive councils, boards, commissions, officers, officials, agents, representatives and employees harmless from any liability for damages or claims for damage for personal injury, including death, and from claims for property damage which may arise from the construction activities of Owner or Owner's contractors, subcontractors, agents, or employees which relate to the Project whether such activities be by Owner, or by any of Owner's contractors, subcontractors, or by anyone or more persons directly or indirectly employed by, or acting as agent for Owner or any of Owner's contractors or subcontractors. Additionally, Owner agrees to, and shall, to the fullest extent permitted by law, defend (with legal counsel approved or selected by City and at Owner's sole cost and expense), indemnify, and hold harmless City and City's elective and appointive councils, boards, commissions, officers, officials, agents, representatives and employees from and against each and every claim, action, proceeding, cost, fee, legal cost, damage, award or liability of any nature whatsoever arising out of City's approval of or its performance under this Development Agreement and/or the Development Approvals. City may in its discretion participate in the defense of any such legal action. The provisions of this Subsection shall not be binding on Owner to the extent the liability arises out of the gross negligence or willful misconduct of City, or its elective and appointive councils, boards, commissions, officers, officials, agents, representatives or employees. Owner's indemnity obligations set forth in this Development Agreement shall survive termination of this Development Agreement.

22.6 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 Development Agreement and/or the Development Approvals, the Parties hereby agree to cooperate fully with each other in defending said action and the validity of each provision of this Development Agreement; however, it is expressly understood and agreed to by Owner that Owner shall be solely liable for all legal expenses and costs incurred in defending any such action. City shall have the right to approve or select legal counsel to defend against any such legal action. Owner shall pay any attorneys' fees awarded against City or Owner, or both, resulting from any such legal action. Owner shall be entitled to any award of attorneys' fees arising out of any such legal action.

22.7 Public Agency Coordination. City and Owner shall cooperate and use reasonable efforts in coordinating the implementation of the Development Approvals with other public agencies, if any, having jurisdiction over the Property or the Project.

22.8 Initiative Measures. Both City and Owner intend that this Development Agreement is a legally binding contract which will supersede any initiative, measure, moratorium, referendum, statute, ordinance or other limitation (whether relating to the rate, timing or sequencing of the Development or construction of all or any part of the Project and whether enacted by initiative or otherwise) affecting parcel or subdivision maps (whether tentative, vesting tentative or final), building permits, occupancy certificates or other entitlements to use approved, issued or granted within City, or portions of City, and which

Agreement shall apply to the Project to the extent such initiative, measure, moratorium, referendum, statute, ordinance or other limitation is inconsistent or in conflict with this Development Agreement. Should an initiative, measure, moratorium, referendum, statute, ordinance, or other limitation be enacted by the citizens of City which would preclude construction of all or any part of the Project, and to the extent such initiative, measure, moratorium, referendum, statute, ordinance or other limitation be determined by a court of competent jurisdiction to invalidate or prevail over all or any part of this Development Agreement, Owner shall have no recourse against City pursuant to the Development Agreement, but shall retain all other rights, claims and causes of action under this Development Agreement not so invalidated and any and all other rights, claims and causes of action at law or in equity which Owner may have independent of this Development Agreement with respect to the Project. The foregoing shall not be deemed to limit Owner's right to appeal any such determination that such initiative, measure, referendum, statute, ordinance or other limitation invalidates or prevails over all or any part of this Development Agreement. City agrees to cooperate with Owner in all reasonable manners in order to keep this Development Agreement in full force and effect, provided Owner shall reimburse City for its out-of-pocket expenses incurred directly in connection with such cooperation and City shall not be obligated to institute a lawsuit or other court proceedings in this connection.

22.9 Attorneys' Fees. In the event of any dispute between the Parties involving the covenants or conditions contained in this Development Agreement, the prevailing party shall be entitled to recover reasonable expenses, attorneys' fees and costs.

22.10 No Waiver. No delay or omission by either party in exercising any right or power accruing upon non-compliance or failure to perform by the other party under any of the provisions of this Development Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party of any of the covenants or conditions to be performed by the other party shall not be construed as a waiver of any succeeding breach of nonperformance of the same or other covenants and conditions hereof.

22.11 Authority to Execute. The person executing this Development Agreement on behalf of Owner represents and warrants that he/she has the authority to execute this Development Agreement on behalf of his/her partnership and represents and warrants that he/she has the authority to bind Owner to the performance of Owner's obligations hereunder.

22.12 Notice.

22.12.1 To Owner. Any notice required or permitted to be given by City to Owner under or pursuant to this Development Agreement shall be deemed sufficiently given if in writing and delivered personally to an officer of Owner or mailed with postage thereon fully prepaid, registered or certified mail, return receipt requested, addressed; to Owner as follows:

Laguna Hills Investment Company
3425 Via Lido, Suite 250
Newport Beach, California 92663
Attn: Ryan Jones

With copies to:

Fritz Duda Company
The Berkshire at Preston Center
5950 Berkshire Lane
Suite 800
Dallas, TX 75225
Attn: Chief Financial Officer

and

Allen Matkins Leck Gamble Mallory & Natsis LLP
1900 Main Street, 5th Floor
Irvine, CA 92614
Attn: John Condas

or such changed address as Owner shall designate in writing to City.

22.12.2 To City. Any notice required or permitted to be given to City under or pursuant to this Development Agreement shall be made and given in writing, if by mail addressed to:

City Manager
City of Laguna Hills
24035 El Toro Road
Laguna Hills, California 92653

With copies to:

City Attorney
City of Laguna Hills
24035 El Toro Road
Laguna Hills, California 92653

or such changed address as City shall designate in writing to Owner. Alternatively, notices to City may also be personally delivered to the City Clerk, at the Laguna Hills City Hall, 24035 El Toro Road, Laguna Hills, California 92653, together with copies marked for the City Manager and the City Attorney or, if so addressed and mailed, with postage thereon fully prepaid, registered or certified mail, return receipt requested, to the City Council in care of the City Clerk at the above address with copies likewise so mailed to the City Manager and the City Attorney, respectively and also in care of the City Clerk at the same address. The provisions of this Section shall be deemed permissive only and shall not detract from the validity of any notice given in a manner which would be legally effective in the absence of this Section.

22.13 Captions. The captions of the paragraphs and subparagraphs of this Development Agreement are for convenience and reference only and shall in no way define, explain, modify, construe, limit, amplify or aid in the interpretation, construction or meaning of any of the provisions of this Development Agreement.

22.14 Consent. Any consent required by the Parties in carrying out the terms of this Development Agreement shall not unreasonably be withheld.

22.15 Further Actions and Instruments. Each of the Parties shall cooperate with and reasonably provide to the other to the extent contemplated hereunder in the performance of all obligations under this Development Agreement and the satisfaction of the conditions of this Development Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Development Agreement to carry out the intent and to fulfill the provisions of this Development Agreement or to evidence or consummate the transactions contemplated by this Development Agreement.

22.16 Subsequent Amendment to Authorizing Statute. This Development Agreement has been entered into in reliance upon the provisions of the Development Agreement Statute in effect as of the Development Agreement Date. Accordingly, to the extent that subsequent amendments to the California Government Code would affect the provisions of this Development Agreement, such amendments shall not be applicable to this Development Agreement unless necessary for this Development Agreement to be enforceable or unless this Development Agreement is modified pursuant to the provisions set forth in this Development Agreement and California Government Code Section 65868 as in effect on the Development Agreement Date.

22.17 Governing Law. This Development Agreement, including, without limitation, its existence, validity, construction and operation, and the rights of each of the Parties shall be determined in accordance with the laws of the State of California.

22.18 Effect on Title. Owner and City agree that this Development Agreement shall not continue as an encumbrance against any portion of the Property as to which this Development Agreement has terminated.

22.19 Mortgagee Protection. Entering into or a breach of this Development Agreement shall not defeat, render invalid, diminish, or impair the lien of Mortgagees having a mortgage on any portion of the Property made in good faith and for value, unless otherwise required by law. No Mortgagee shall have an obligation or duty under this Development Agreement to perform Owner's obligations, or to guarantee such performance prior to any foreclosure or deed in lieu thereof.

22.20 Notice of Default to Mortgagee, Right of Mortgagee to Cure. If the City Clerk timely receives notice from a Mortgagee requesting a copy of any notice of default given to Owner under the terms of this Development Agreement, City shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to Owner. The Mortgagee shall have the right, but not the obligation, for a period up to sixty (60) days after the receipt of such notice from City to cure or remedy, or to commence to cure or remedy the default unless a further extension of time to cure is granted in writing by City. If the default is of a nature which can only be remedied or cured by such Mortgagee upon obtaining possession, such Mortgagee shall seek to obtain possession with diligence and continually through foreclosure, a receiver or otherwise, and shall thereafter remedy or cure the default or noncompliance within thirty (30) days after obtaining possession. If any such default or noncompliance cannot, with diligence, be remedied or cured within such thirty (30) day period, then such Mortgagee shall have such additional time as may be reasonably necessary to remedy or cure such default or non-compliance if such Mortgagee commences cure during such thirty (30) day period, and thereafter diligently pursues and completes such cure.

22.21 Bankruptcy. Notwithstanding the foregoing provisions of Section 22.20 of this Development Agreement, if any Mortgagee is prohibited from commencing or pursuing and prosecuting foreclosure or other appropriate proceedings in the nature thereof by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving City, the times specified in this Section for commencing or prosecuting foreclosure or other proceedings shall be extended for the period of the prohibition.

22.22 Disaffirmance.

22.22.1 New Development Agreement upon Most Senior Mortgagee's Request. City agrees that in the event of termination of this Development Agreement by reason of any default by City, or by reason of the disaffirmance hereof by a receiver, liquidator or trustee for Owner or its property, City, if requested by any Mortgagee, shall enter into a new Development Agreement for the Project with the most senior Mortgagee requesting such new agreement, for the remainder of the Term, effective as of the date of such termination, upon the terms, provisions, covenants and agreements as herein contained to the extent and subject to the law then in effect, and subject to the rights, if any, of any parties then in possession of any part of the Property, provided:

(a) The Mortgagee shall make written request upon City for the new Development Agreement for the Project within thirty (30) days after the date of termination;

(b) The Mortgagee shall pay to City at the time of the execution and delivery of the new Development Agreement for the Project expenses, including reasonable attorneys' fees, to which City shall have been subjected by reason of Owner's default; and

(c) The Mortgagee shall perform and observe all covenants herein contained on Owner's part to be performed, and shall further remedy any other conditions which Owner under the terminated agreement was obligated to perform under its terms, to the extent the same are curable or may be performed by the Mortgagee.

22.22.2 New Development Agreement Not Required. Nothing herein contained shall require any Mortgagee to enter into a new Development Agreement pursuant to

Section 22.22.1 of this Development Agreement, nor to cure any default of Owner referred to above.

22.23 No Third Party Beneficiaries. This Development Agreement and all provisions hereof is made and entered into for the sole protection and benefit of City, Owner and their successors and assigns. No other person shall have right of action based upon any provision in this Development Agreement.

22.24 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Development Agreement shall be filed and tried in the Superior Court of the County of Orange, State of California, and the Parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

22.25 Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties hereto that the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Development Agreement. No partnership, joint venture or other association of any kind is formed by this Development Agreement. The only relationship between City and Owner is that of a government entity regulating the development of private property and the owner of such private property.

22.26 Restrictions. Owner shall place in any agreements to sell or convey any interest in the Property or any portion thereof, provisions making the terms of this Development Agreement binding on any successors in interest of Owner and express provision for Owner or City, acting separately or jointly, to enforce the provisions of this Development Agreement and to recover attorneys' fees and costs for such enforcement.

22.27 Recitals. The recitals in this Development Agreement constitute part of this Development Agreement and each party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this Development Agreement.

22.28 Recording. The City Clerk shall cause a copy of this Development Agreement to be executed by City and recorded in the Official Records of Orange County no later than ten (10) days after the Development Agreement Date.

22.29 Entire Agreement. This Development Agreement, constitutes the entire agreement between the Parties with respect to the subject matter of this Development Agreement, and this Development Agreement supersedes all previous negotiations, discussions and agreements between the Parties, and no parol evidence of any prior or other agreement shall be permitted to contradict or vary the terms hereof.

22.30 Successors and Assigns. The burdens of the Development Agreement shall be binding upon, and the benefits of the Development Agreement inure to all successors in interest and assigns of the Parties to the Development Agreement.

22.31 Exhibits. All exhibits, including attachments thereto, are incorporated in this Development Agreement in their entirety by this reference.

IN WITNESS WHEREOF, City and Owner have executed this Development Agreement as of the date and year first above written.

"CITY"

CITY OF LAGUNA HILLS, a California municipal corporation

By: ______________________________
Bruce E. Channing
City Manager

ATTEST:

____
City Clerk

APPROVED AS TO FORM:

____
City Attorney

"OWNER"

LAGUNA HILLS INVESTMENT COMPANY, a Delaware limited partnership

By: FRITZ DUDA COMPANY, a Texas Corporation

Its General Partner

By: ______________________________
Fritz L. Duda
President

By: ______________________________
Name: ____________________________
Title: _____________________________

All signatures to be acknowledged by a Public Notary

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On ____________________, before me, ______________________________, a Notary Public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public	

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On ____________________, before me, ______________________________, a Notary Public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Notary Public	

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

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WITNESS my hand and official seal.

Notary Public	

STATE OF CALIFORNIA)
) ss
COUNTY OF ORANGE)

On ____________________, before me, ____________________________, a Notary Public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public	

EXHIBIT A

PROPERTY DESCRIPTION

PARCELS 1 THROUGH 16 INCLUSIVE, AS SHOWN ON A MAP FILED IN BOOK 187, PAGES 42, 43 AND 44 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA. EXCEPTING ALL RIGHTS TO OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES LYING UNDER OR THAT MAY BE PRODUCED FROM SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO ENTER UPON ANY PORTION OF THE SURFACE AND 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED IN DEEDS FROM GLEN E. MATHIS AND WIFE AND FIRST WESTERN BANK AND TRUST COMPANY, A CALIFORNIA CORPORATION, RECORDED JULY 28, 1972 IN BOOK 10248, PAGES 164, 167 AND 170 OF OFFICIAL RECORDS.

EXHIBIT B

DEVELOPMENT FEES

Public Park In-lieu Fees

Owner hereby agrees that Chapter 8-06 of the Laguna Hills Municipal Code pertaining to park dedication and in-lieu fee requirements shall apply to both Phase 1 and Phase 2 of the Project, regardless of whether Owner proposes a subdivision map for each Phase. Accordingly, as part of the Development Fees applicable to the Project pursuant to this Development Agreement, Owner hereby agrees to, and shall, pay City a public park in-lieu fee of Seven Thousand Three Hundred Ninety Two Dollars ($7,392.00) for each residential unit constructed as part of the Project, which amount the Parties agree is the applicable per dwelling unit fee calculated pursuant to Chapter 8-06 of the Laguna Hills Municipal Code. Said fee shall be paid on a per unit basis at the time of filing of the final map or, if no final map is filed, prior to issuance of a building permit for each residential unit.

Urban Village Traffic Impact Mitigation Fee

Owner shall pay a traffic impact mitigation fee in accordance with Chapter 9-102 of Laguna Hills Municipal Code in the amount of Three Thousand Nine Hundred Fourteen Dollars ($3,914.00) per each new PM peak hour trip generated as a result of the Project, as determined by the City Engineer based upon a traffic study.

Public Art / Public Art In-Lieu Fee

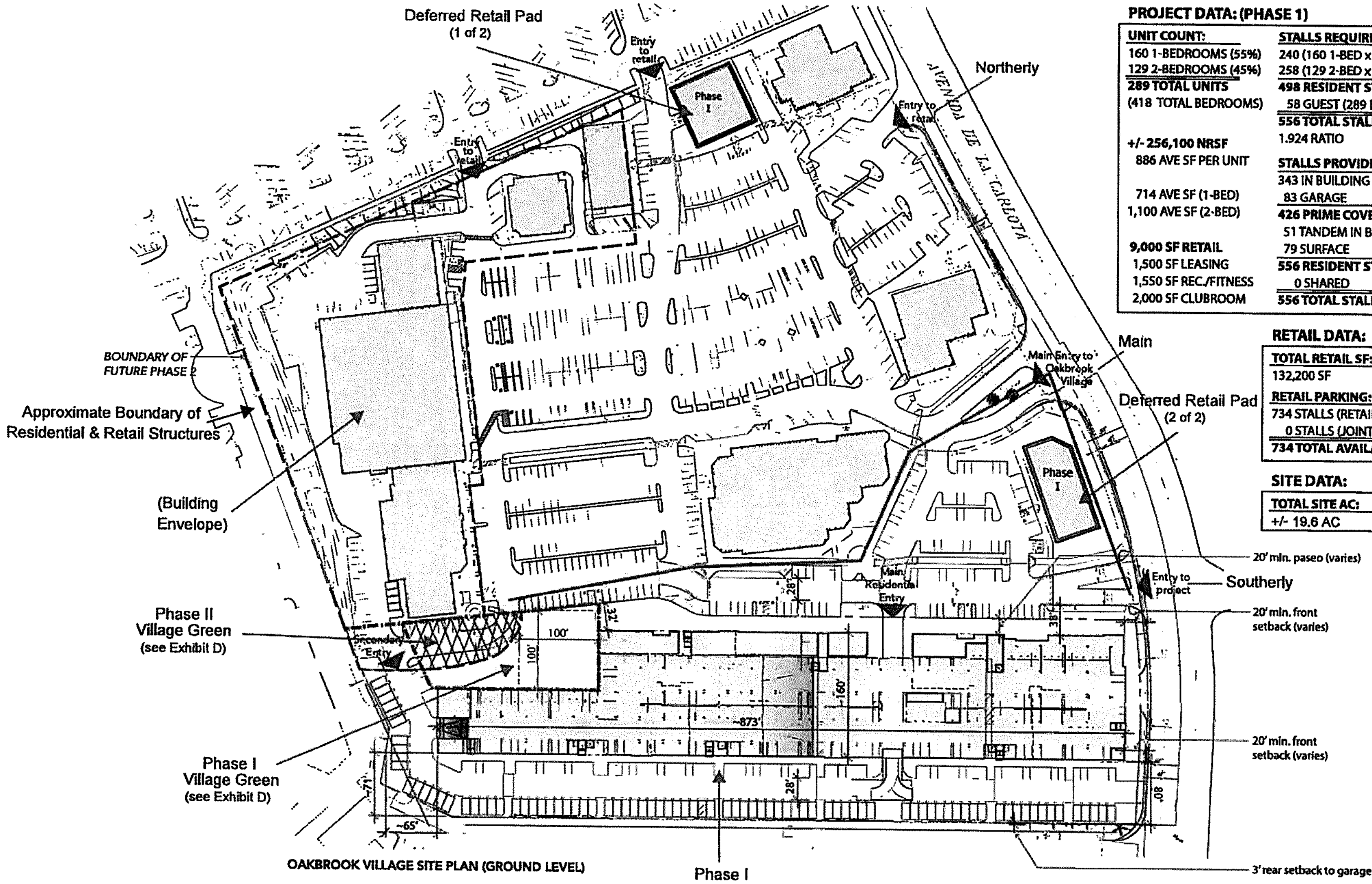
Owner shall furnish public art in connection with the Project, and/or pay an in-lieu fee, pursuant to the Specific Plan and other Existing Development Approvals. The Parties understand and agree that the City shall have the right to approve, in advance, the proposed type, size, art medium, location, and content of all Public Art. The Parties agree that, to the extent that the value of the public art provided and/or in-lieu fee paid by Owner for Phase 1 exceeds one-half percent (0.5%) of the total construction costs of Phase 1, as determined by the City, if Owner Develops Phase 2, Owner shall be entitled to a credit in such amount towards Owner's obligation to provide public art and/or pay an in-lieu fee pursuant to the Development of Phase 2.

Phase 2 Retail Loss Impact Fee

Owner shall pay City a Phase 2 Retail Loss Impact Fee in an amount calculated pursuant to Section 10.4 of the Development Agreement in order to offset the costs of certain City services required by the Project that are not otherwise being reimbursed to City.

EXHIBIT C

PHASE 1 SITE PLAN AND PHASE 2 BUILDING ENVELOPE



OAKBROOK VILLAGE SITE PLAN (GROUND LEVEL)

PROJECT DATA: (PHASE 1)

UNIT COUNT:	STALLS REQUIRED:
160 1-BEDROOMS (55%)	240 (160 1-BED x 1.5)
129 2-BEDROOMS (45%)	258 (129 2-BED x 2.0)
289 TOTAL UNITS	**498 RESIDENT STALLS**
(418 TOTAL BEDROOMS)	58 GUEST (289 DU x 0.2)
	556 TOTAL STALLS
+/- 256,100 NRSF	1.924 RATIO
886 AVE SF PER UNIT	**STALLS PROVIDED:**
	343 IN BUILDING
714 AVE SF (1-BED)	83 GARAGE
1,100 AVE SF (2-BED)	**426 PRIME COVERED STALLS**
	51 TANDEM IN BUILDING
9,000 SF RETAIL	79 SURFACE
1,500 SF LEASING	**556 RESIDENT STALLS (GATED)**
1,550 SF REC./FITNESS	0 SHARED
2,000 SF CLUBROOM	**556 TOTAL STALLS**

RETAIL DATA:

TOTAL RETAIL SF:
132,200 SF

RETAIL PARKING:
734 STALLS (RETAIL)
0 STALLS (JOINT USE)
734 TOTAL AVAILABLE STALLS

SITE DATA:

TOTAL SITE AC:
+/- 19.6 AC

OAKBROOK VILLAGE SITE PLAN

Laguna Hills, California TCA 2012-049

SARES·REGIS Group

TCA ARCHITECTS

SCALE: 1" = 60'
0 60' 120' 240' 360'
09 13 2012

02
PHASE 1
TECHNICAL SITE PLAN
N

<u>EXHIBIT D</u>

VILLAGE GREEN FACILITIES FOR PHASE 1 AND PHASE 2

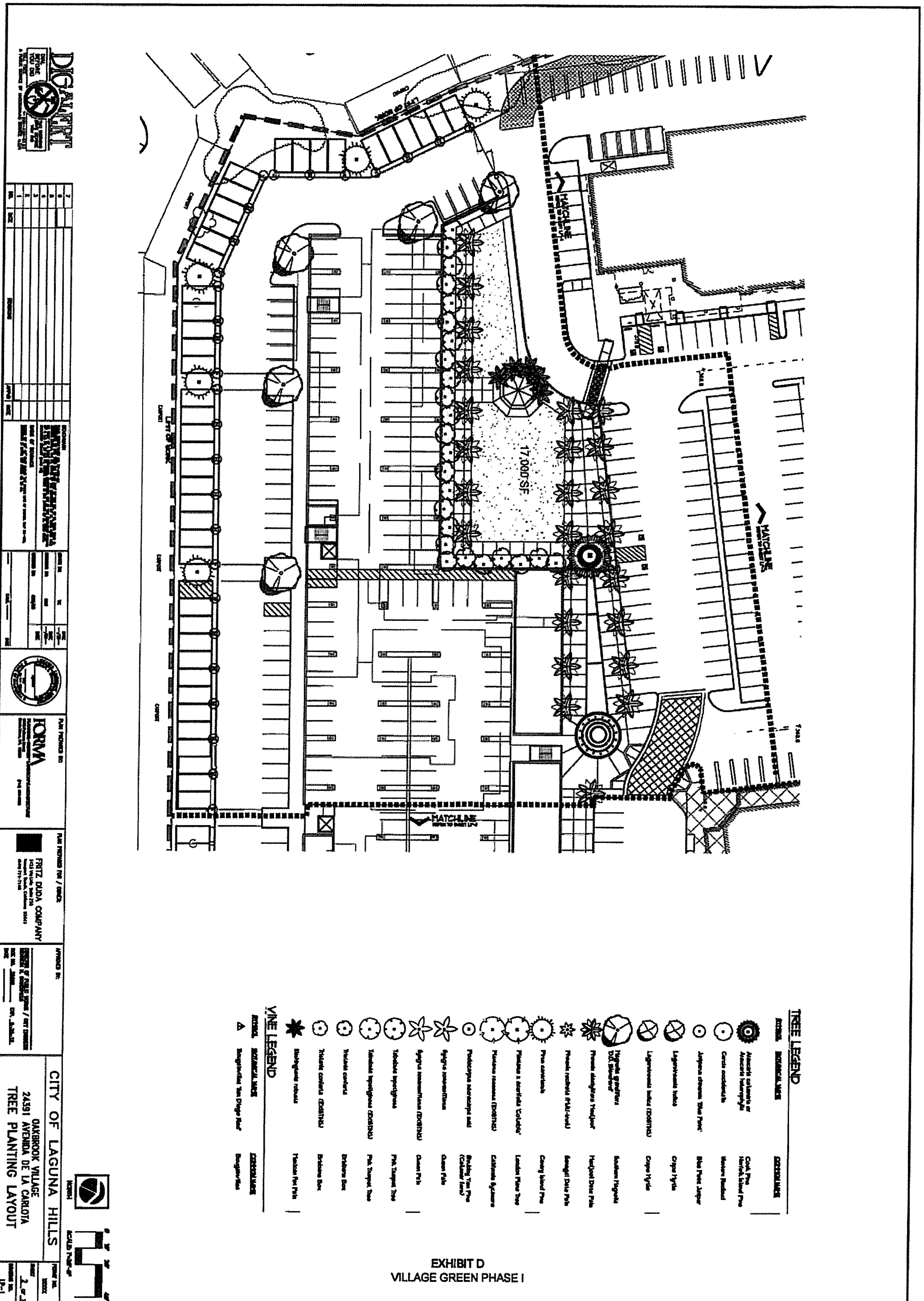
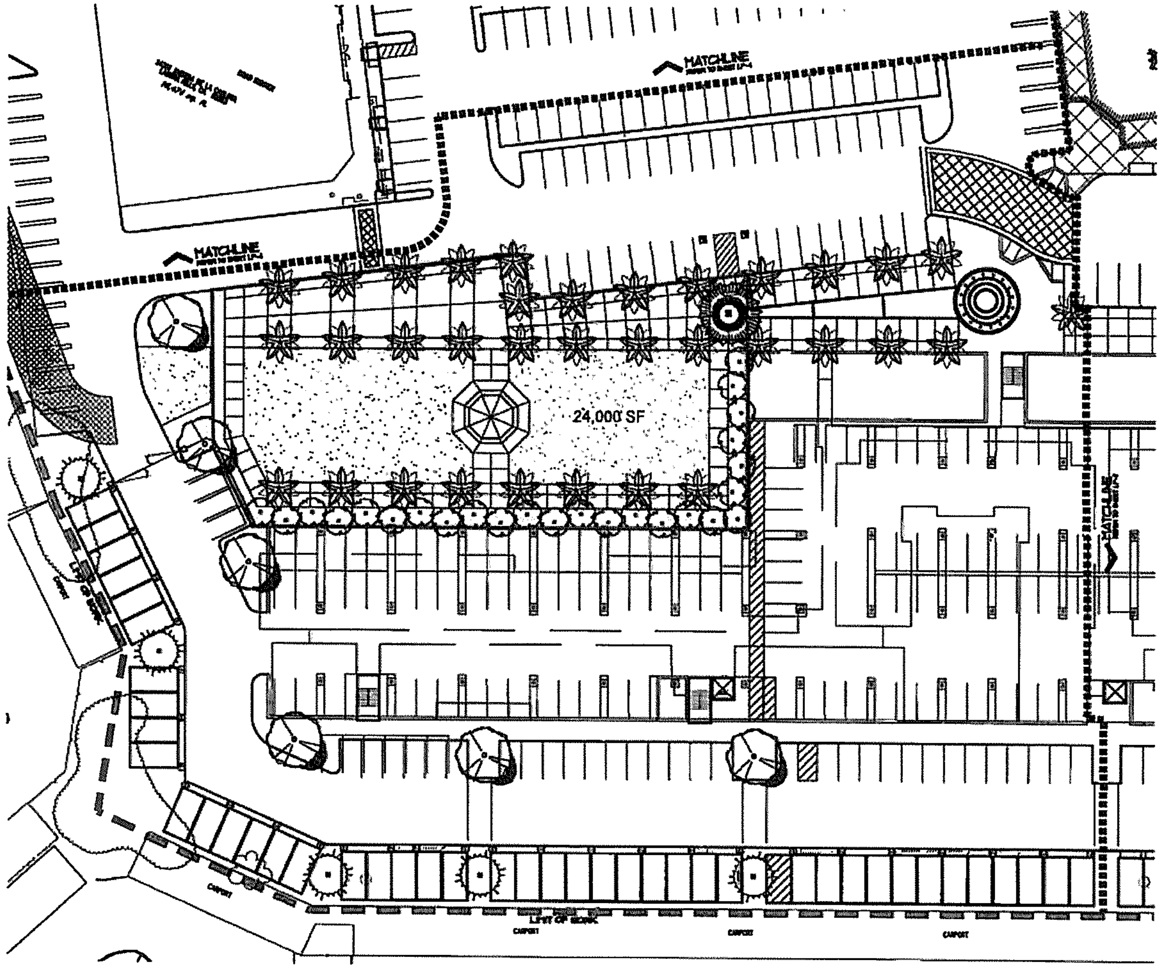


EXHIBIT D
VILLAGE GREEN PHASE I

11/13/2012 ITEM NO. 6.3.1



TREE LEGEND

SYMBOL	BOTANICAL NAME	COMMON NAME
	Araucaria columnaris or Araucaria heterophylla	Cook Pine Norfolk Island Pine
	Cercis occidentalis	Western Redbud
	Juniperus chinensis 'Blue Point'	Blue Point Juniper
	Lagerstroemia indica	Crape Myrtle
	Lagerstroemia indica (EXISTING)	Crape Myrtle
	Magnolia grandiflora 'D.D. Blanchard'	Southern Magnolia
	Phoenix dactylifera 'Medjool'	Medjool Date Palm
	Phoenix reclinata (Multi-trunk)	Senegal Date Palm
	Pinus canariensis	Canary Island Pine
	Platanus x acerifolia 'Columbia'	London Plane Tree
	Platanus racemosa (EXISTING)	California Sycamore
	Podocarpus macrophyllus maki	Shrubby Yew Pine (Columnar form)
	Syagrus romanzoffianum	Queen Palm
	Syagrus romanzoffianum (EXISTING)	Queen Palm
	Tabebuia impetiginosa	Pink Trumpet Tree
	Tabebuia impetiginosa (EXISTING)	Pink Trumpet Tree
	Tristania conferta	Brisbane Box
	Tristania conferta (EXISTING)	Brisbane Box
	Washingtonia robusta	Mexican Fan Palm

VINE LEGEND

SYMBOL	BOTANICAL NAME	COMMON NAME
	Bougainvillea 'San Diego Red'	Bougainvillea

EXHIBIT D
VILLAGE GREEN PHASE II

NORTH
SCALE: 1"=20'-0"

DIGALERT

PLAN PREPARED BY: FORMA

PLAN PREPARED FOR / OWNER: FRITZ DUDA COMPANY

APPROVED BY:

CITY OF LAGUNA HILLS
OAKBROOK VILLAGE
24391 AVENIDA DE LA CARLOTA
TREE PLANTING LAYOUT

SHEET 2 of X
LP-1

11/13/2012 ITEM NO. 6.3.1

EXHIBIT E

PEDESTRIAN PASEOS DEPICTION

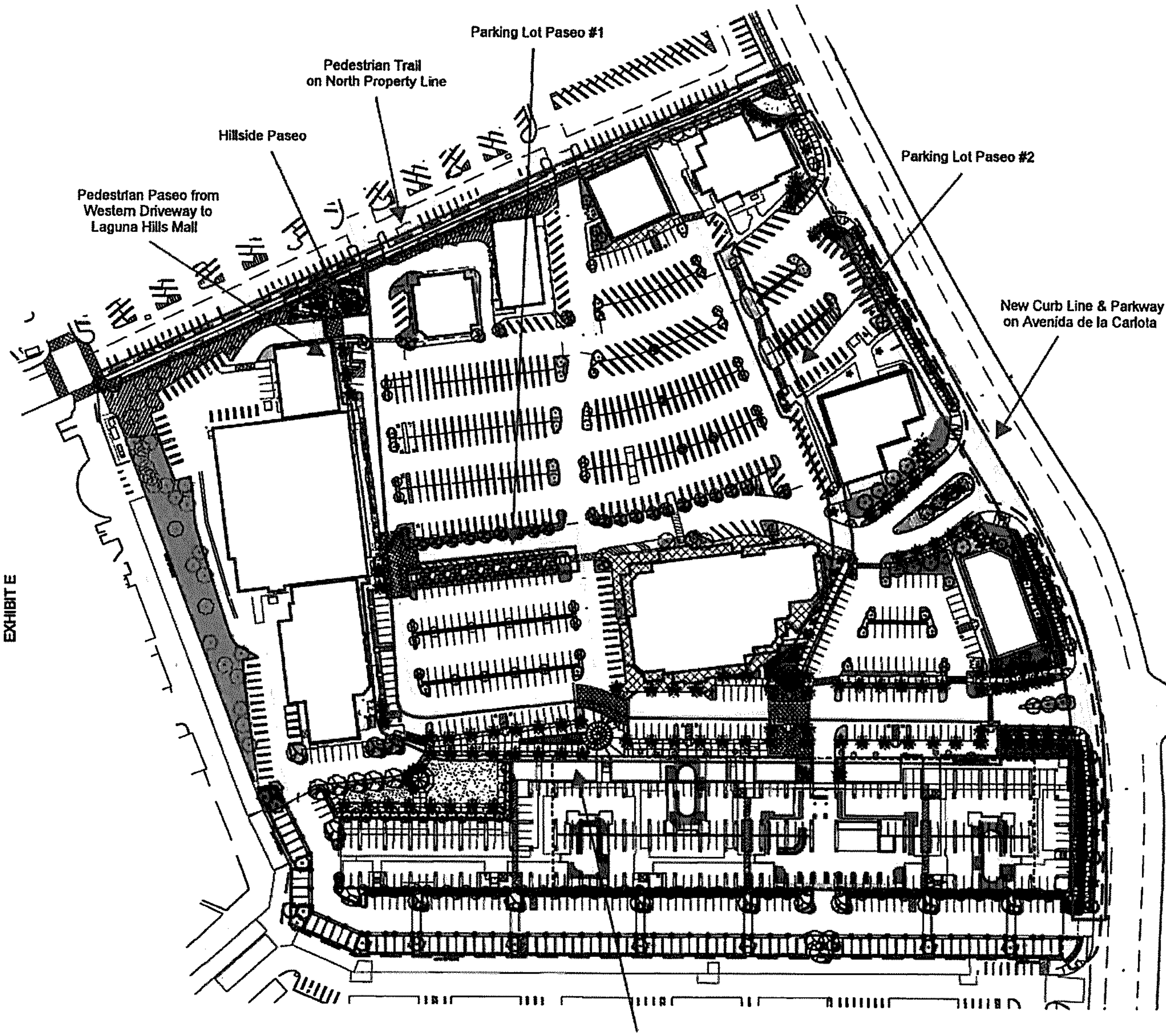


EXHIBIT E

TREE LEGEND - UPPER DECK

VINE LEGEND

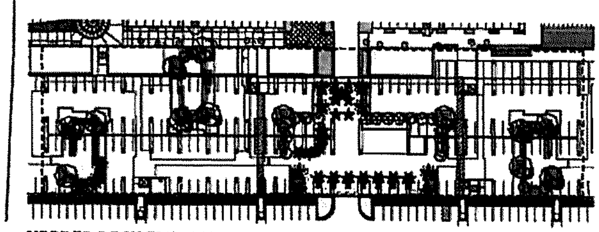
SHRUB LEGEND

GROUNDCOVER LEGEND

SHRUB LEGEND - UPPER DECK

TREE LEGEND

VINE LEGEND



UPPDER DECK TREE LAYOUT

The Pedestrian Paseo's will be designed and constructed in accordance with the Urban Village Specific Plan adopted by the City of Laguna Hills on November 26, 2002, City Council Ordinance No.: 2002-8, Section III - Land Use Plan, Pedestrian Pathways.

OVERALL SITE TREE LAYOUT

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
(949) 723-7100

NORTH

0 25' 50' 100'

SCALE: 1"=50'-0"

FORMA

October 4, 2012

EXHIBIT F

ALL REQUIRED PUBLIC IMPROVEMENTS

1. Installation, to the reasonable satisfaction of the City Engineer, of a traffic signal at the intersection of Avenida de la Carlota and the main entrance to the Project, including interconnection to the existing traffic signal at the intersection of Avenida de la Carlota and Los Alisos Boulevard via conduit and hardwire, and construction on the easterly side of Avenida de la Carlota of a public sidewalk connection to the Oakbrook Plaza office development. Said traffic signal shall be constructed to applicable State and City standards and specifications and shall be equipped with video detection and controller equipment as approved by City. The sidewalks and ramps at all corners of the newly signalized intersection and the sidewalk connection to the Oakbrook Plaza office development on the easterly side of Avenida de la Carlota shall be constructed and/or modified to conform to City and Americans With Disabilities Act ("ADA") standards.

2. Dedication of the public right-of-way necessary for, and construction of, a new curb line along the entire Property frontage of Avenida de la Carlota, including a six (6) foot wide landscaped parkway space and a minimum six (6) foot wide sidewalk, to City standards and specifications.

3. Construction of storm drain connections, and inlets, and/or other improvements necessary to eliminate all cross-gutter drainage across both the main and the northerly entrance driveway intersections with Avenida de la Carlota.

4. Installation of debris gates of the type specified by the City Engineer at all catch basin inlets along the Property frontage to Avenida de la Carlota.

5. Realignment of the intersection of the northerly entrance to the Property with Avenida de la Carlota to intersect Avenida de la Carlota at ninety (90) degrees, to the reasonable satisfaction of the City Engineer and as shown on the vesting tentative map approved as part of the Phase 1 Project Approvals.

6. Construction or reconstruction of all curb ramps on Avenida de la Carlota at each entrance to the Property to current ADA standards.

7. Construction of any and all other public improvements required to be constructed pursuant to the Existing Land Use Regulations and the conditions of approval to the Existing Development Approvals.

EXHIBIT G

PHASE 2 RETAIL LOSS IMPACT FEE EXAMPLES

<u>Example 1</u>

Calculation of Amount of Security

<u>ASSUMPTIONS</u>

Retail Square Footage Deficit	46,574	Phase 2 Commencement Date	March 1, 2024
Projected Annual City Sales Tax Revenue (including Use Tax) Per Sq. Ft. (2012 Dollars)	$3.32	Date of Final Certificate of Occupancy for Minimum 125,000 Sq. Ft. Retail	September 1, 2027
Inflation Factor	2.50%	Time Elapsed Between March 1, 2024 and September 1, 2027	3 Years, 184 Days
Present Value Interest Factor	4.00%		

Calendar Year	Projected Annual City Sales Tax Revenue (Per Sq. Ft.)	4% Present Value Interest Factor Table (20 Years)	Discounted Projected Annual City Sales Tax Revenue (Per Sq. Ft.)	5-Year Cash Deposit Amount[a]	Alternative Security Instrument Amount[a]
2013	$3.40				
2014	$3.48				
2015	$3.57				
2016	$3.66				
2017	$3.75				
2018	$3.84				
2019	$3.94				
2020	$4.04				
2021	$4.14				
2022	$4.24				
2023	$4.35				
2024	$4.46	0.9615	$4.29	$199,646.98	
2025	$4.57	0.9246	$4.23	$196,784.65	
2026	$4.68	0.889	$4.16	$193,938.02	
2027	$4.80	0.8548	$4.10	$191,139.11	
2028	$4.92	0.8219	$4.04	$188,377.01	
2029	$5.04	0.7903	$3.99		$185,662.74
2030	$5.17	0.7599	$3.93		$182,983.99
2031	$5.30	0.7307	$3.87		$180,351.44
2032	$5.43	0.7026	$3.82		$177,751.19
2033	$5.57	0.6756	$3.76		$175,193.46
2034	$5.71	0.6496	$3.71		$172,662.54
2035	$5.85	0.6246	$3.65		$170,168.02
2036	$6.00	0.6006	$3.60		$167,720.12
2037	$6.15	0.5775	$3.55		$165,301.08
2038	$6.30	0.5553	$3.50		$162,920.32
2039	$6.46	0.5339	$3.45		$160,557.78
2040	$6.62	0.5134	$3.40		$158,252.71
2041	$6.78	0.4936	$3.35		$155,953.21
2042	$6.95	0.4746	$3.30		$153,698.90
2043	$7.13	0.4564	$3.25		$151,499.97
			Subtotal	**$969,885.76**	**$2,520,677.49**

a. Discounted Projected City Sales Tax Revenue X Retail Square Footage Deficit

Example 1 Continued

Calculation of Phase 2 Retail Loss Impact Fee

ASSUMPTIONS

Retail Square Footage Deficit	46,574	Phase 2 Commencement Date	March 1, 2024
Projected Annual City Sales Tax Revenue (including Use Tax) Per Sq. Ft. (2012 Dollars)	$3.32	Date of Final Certificate of Occupancy for Minimum 125,000 Sq. Ft. Retail	September 1, 2027
Inflation Factor	2.50%	Time Elapsed Between March 1, 2024 and September 1, 2027	3 Years, 184 Days
Present Value Interest Factor	4.00%		

Calendar Year	Discounted Projected Annual City Sales Tax Revenue (Per Sq. Ft.)	5-Year Cash Deposit Amount	Phase 2 Retail Loss Impact Fee	Refund to Owner
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				
2024	$4.29	$199,646.98	$199,646.98	
2025	$4.23	$196,784.65	$196,784.65	
2026	$4.16	$193,938.02	$193,938.02	
2027	$4.10	$191,139.11	$96,355.06[a]	
2028	$4.04	$188,377.01		
	Subtotal	**$969,885.76**	**$ 686,724.70**	**$283,161.06[b]**

a. $191,139.11 x (184 Days ÷ 365 Days) = $96,355.06

b. $969,885.76 – $686.724.70 = $283,161.06

Example 2

Calculation of Amount of Security

ASSUMPTIONS

Retail Square Footage Deficit	46,574	Phase 2 Commencement Date	January 1, 2018
Projected Annual City Sales Tax Revenue (including Use Tax) Per Sq. Ft. (2012 Dollars)	$3.32	Date of Final Certificate of Occupancy for Minimum 125,000 Sq. Ft. Retail	November 1, 2020
Inflation Factor	2.50%	Time Elapsed Between March 1, 2024 and September 1, 2027	2 Years, 304 Days
Present Value Interest Factor	4.00%		

Calendar Year	Projected Annual City Sales Tax Revenue (Per Sq. Ft.)	4% Present Value Interest Factor Table (20 Years)	Discounted Projected Annual City Sales Tax Revenue (Per Sq. Ft.)	5-Year Cash Deposit Amount[a]	Alternative Security Instrument Amount[a]
2013	$3.40				
2014	$3.48				
2015	$3.57				
2016	$3.66				
2017	$3.75				
2018	$3.84	0.9615	$3.70	$172,154.97	
2019	$3.94	0.9246	$3.64	$169,686.78	
2020	$4.04	0.889	$3.59	$167,232.14	
2021	$4.14	0.8548	$3.54	$164,818.66	
2022	$4.24	0.8219	$3.49	$162,436.90	
2023	$4.35	0.7903	$3.44		$160,096.40
2024	$4.46	0.7599	$3.39		$157,786.52
2025	$4.57	0.7307	$3.34		$155,516.48
2026	$4.68	0.7026	$3.29		$153,274.30
2027	$4.80	0.6756	$3.24		$151,068.77
2028	$4.92	0.6496	$3.20		$148,886.37
2029	$5.04	0.6246	$3.15		$146,735.35
2030	$5.17	0.6006	$3.11		$144,624.54
2031	$5.30	0.5775	$3.06		$142,538.60
2032	$5.43	0.5553	$3.02		$140,485.68
2033	$5.57	0.5339	$2.97		$138,448.47
2034	$5.71	0.5134	$2.93		$136,460.82
2035	$5.85	0.4936	$2.89		$134,477.96
2036	$6.00	0.4746	$2.85		$132,534.08
2037	$6.15	0.4564	$2.80		$130,637.95
2038	$6.30				
2039	$6.46				
2040	$6.62				
2041	$6.78				
2042	$6.95				
2043	$7.13				
			Subtotal	$836,329.46	$2,173,572.30

a. Discounted Projected City Sales Tax Revenue X Retail Square Footage Deficit

Example 2 Continued

Calculation of Retail Loss Impact Fee

ASSUMPTIONS

Retail Square Footage Deficit	46,574	Phase 2 Commencement Date	January 1, 2018
Projected Annual City Sales Tax Revenue (including Use Tax) Per Sq. Ft. (2012 Dollars)	$3.32	Date of Final Certificate of Occupancy for Minimum 125,000 Sq. Ft. Retail	November 1, 2020
Inflation Factor	2.50%	Time Elapsed Between March 1, 2024 and September 1, 2027	2 Years, 304 Days
Present Value Interest Factor	4.00%		

Calendar Year	Discounted Projected Annual City Sales Tax Revenue (Per Sq. Ft.)	5-Year Cash Deposit Amount	Phase 2 Retail Loss Impact Fee	Refund to Owner
2013				
2014				
2015				
2016				
2017				
2018	$3.70	$172,154.97	$172,154.97	
2019	$3.64	$169,686.78	$169,686.78	
2020	$3.59	$167,232.14	$139,283.76[a]	
2021	$3.54	$164,818.66		
2022	$3.49	$162,436.90		
2023	$3.44			
2024	$3.39			
2025	$3.34			
2026	$3.29			
2027	$3.24			
2028	$3.20			
	Subtotal	**$836,329.46**	**$481,125.51**	**$355,203.95[b]**

a. $167,232.14 x (304 Days ÷ 365 Days) = $139,283.76

b. $836,329.46 – $481,125.51 = $355,203.95

ATTACHMENT 3- LETTER OF JUSTIFICATION

Palm Tree Communities Consulting, Inc.
6789 Quail Hill Parkway #212
Irvine, CA 92603
949 854-4441
jloper@palmtreecommunities.com
www.palmtreecommunities.com

October 15, 2012

Via email

Ms. Julie Molloy
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Re: Oakbrook Village, Laguna Hills – Revised submittal package

Dear Julie:

I recently delivered revised plans for a two-phase redevelopment proposal for the existing 190,956 SF retail project, Oakbrook Village. We are requesting a Site Development Permit, Master Sign Program, CUP/Parking Use Permit, Precise Plan, Vesting Tentative Tract Map and the implementation of a Development Agreement between the City of Laguna Hills and Laguna Hills Investment Company for the two-phase redevelopment of Oakbrook Village.

PHASE I: Phase I consists of demolishing approximately 82,730 SF of retail space on the south side of the existing Oakbrook Village project. A new mixed-use building would be constructed as well as two new pads. The 5-story buildings would have approximately 9,000 SF of retail on the ground floor facing the paseo plus the new 7,600 SF restaurant pad on Avenida de la Carlota and a new 7,050 SF retail/bank pad along the north property line between the existing Calico Corners and Lone Star buildings. The main residential entrance to the parking garage would align with the driveway from the main entrance. Two elevator entrances are proposed along the Paseo for residents and three rear elevator entrances are proposed for residents who use the rear garages and open parking spaces. The parking for the residents including the guest parking is located in the garage on the ground level and on a lower level on the western half of the building. The second floor (the podium deck) contains the fitness center, clubhouse and the pool/spa facilities. Three additional courtyards, each with a different landscape character, contain sitting areas, BBQ areas and extensive landscaping. Plazas. Phase I would have a total of 289 residential units and a total of approximately 131,876 SF of retail space.

PEDESTRIAN CONNECTIONS, RECREATION AND VILLAGE GREEN: The Village Green has been located on the western end of the Paseo and contains a gazebo. The approximate 17,000 SF phase one Village Green is designed to accommodate a 7,000 SF expansion in phase two to provide a half acre Village Green. A fountain is located in the middle of the east/west. The east-west pedestrian Paseo connects the Village Green with all three new mixed-use buildings and to the existing north/south Paseo in front of the

Marshals/Roadrunner Building. These Paseos are constructed of brick pavers with 10' of pedestrian walkway, 5' of landscaping planters against the parking lot edge and 5' of landscaping against the building edge. The Paseo has acorn streetlights to provide pedestrian lighting and uniform landscaping consisting of palm trees with roses and birds of paradise. A new connection (Hillside Paseo) to the north/south Paseo would connect the mall with the Paseo. The Hillside Paseo would be a combination of stairs and ADA assessable ramps that connect the lower level of the mall to the upper level of Oakbrook Village with special landscaping consisting of various succulents to make this a fun space.

Along the north property line with the mall, a new 5' wide concrete paver trail is proposed that would connect the proposed termination of the mall's Main Street on the NW corner of the property, to the Hillside Paseo and out to Avenida de la Carlota. This would allow pedestrians to get from Oakbrook Village to the western property line where hopefully the mall's Main Street would terminate and to a future pedestrian connection to the Transit center and the Hospital. Along this North Trail, we have included pocket park elements including the North Trail Statement at the western property line which would have a trellised sitting area for reading, the Eastern North Trail Statement at Avenida de la Carlota with a stretching lawn for warming up before a walk or jog, the Hillside Paseo with sitting areas. We expect these amenities will be popular with the apartment residents as well as the employees at Oakbrook Village that might want to take a break and get exercise.

Two parking lot Paseos are included in Phase I – one east/west parking Paseo between the Trader Joes building and the Roadrunner building and a north/south parking Paseo that starts at the Outdoor Living Room between Buildings 1 and 2 north along the east side of the Trader Joes building, on the west side of the El Torito pad through the parking lot to the Lone Star pad. An additional pedestrian connection connects Lone Star, the new retail pad, Calico Corners building and the Marshalls building.

ARCHITECTURE: Santa Barbara inspired architecture is used in the design of the new mixed-use buildings as well as the remodeling of the existing buildings. The buildings are mainly stucco with Spanish tile roofs, and wrought iron railings. The slopped roofs hide the mechanical equipment on the roof of the mixed-use buildings. Architectural shapes and features are used on both the new mixed-use buildings and the remodeling of the existing Trader Joes building. The Trader Joes building would have a new tile roof to match the new buildings, a new tower element for the main entrance to Trader Joes, Spanish style arched tower elements at the Woody's entrance and the rear of the Trader Joes building. A new roofed and walled exterior receiving area would be built for Trader Joes to allow them storage for their pallets, pallet jack and deliveries. A drive forward loading space is proposed adjacent to this new Trader Joes receiving area that allows a truck to pull in and out of the loading dock without having to back up to reduce noise. The exterior wall of the Trader Joes receiving area is stucco with tile accents and wrought iron openings to shield the view of the receiving from the Paseo street. The retail shops on either side of Trader Joes would have windows facing the Paseo Street.

PHASE II - Phase II consists of redeveloping the Roadrunner/Marshalls buildings as well as the Maytag/Calico Corners buildings with up to 58,600 SF of retail space and up to 200 residential units. This would provide for a total of 489 residential units and 125,000 SF of retail space. One conceptual site layout for Phase II is included in the submittal. Phase II would be implemented through the requested Development Agreement. The architecture for Phase II would be similar to the Phase I design with stucco, tile roofs and wrought iron rails.

If you have any questions regarding this information, please give me a call at 949 854-4441 .

Sincerely,

John Loper
Palm Tree Communities Consulting, Inc.

ATTACHMENT 4- MASTER SIGN PROGRAM

OAKBROOK Village
Laguna Hills, CA.

Sign Criteria

Prepared by the Fritz Duda Company
Dated: October 25, 2012

INDEX

Exhibits

Introduction

This manual has been prepared as a guide for design and installation of tenant signing within Oakbrook Village. The specifications indicated within this manual are intended to help each Tenant achieve visual identification.

Tenant agrees to design, construct and install Tenant's signage at Tenant's sole cost and expense in accordance with this Sign Criteria as set forth below, prior to Tenant opening for business in the Center. Conformance to detailed sign drawings and specifications, which have obtained the prior approval of the Landlord and the City of Laguna Hills, will be strictly enforced and any nonconforming sign must be brought into conformance at the sole expense of the Tenant erecting the same. The Landlord shall administer and interpret this Sign Criteria. These Criteria shall apply equally to Tenants of all buildings.

General Requirements - All Tenants

1. Tenant shall provide a minimum of one (1) primary business identification sign per store frontage with a public entrance. Tenant's signage shall conform to the sign sizes and locations designated for its storefront area set forth in this criteria. All tenant signage will be subject to all applicable governmental regulations and site plan approval conditions placed on the project by the City of Laguna Hills.

2. Each Tenant shall submit to the Landlord for approval before fabrication, not less than two (2) copies of scaled detailed drawings indicating the location, size, layout, design, materials and color graphics. Such drawings shall be submitted concurrently with sufficient architectural drawings to show the exact relationship with the store design, and their store location on-site and the dimensions of the lease frontage.

3. Prior to fabrication, detailed drawings of all signs shall be submitted to the City of Laguna Hills Planning Division for review and approval. <u>These drawings must be signed, stamped and approved by the Landlord prior to submittal to the City.</u>

4. Each Tenant shall obtain and pay the entire cost of all permits, approvals, construction, installation and maintenance of its respective sign.

5. Each Tenant shall be responsible for the fulfillment of all of these Sign Criteria. Prior to preparation of shop drawings and specifications, the tenant and it's contractor should visit the project site to become familiar with as-built conditions including provisions for accessibility for sign installation and verify all dimensions. Included should be a review of all architectural, structural and electrical documents as they relate to the building wall and storefront details at the proposed location of signage, prior to preparation of shop drawings and specifications.

6. Landlord's representative and its consultants shall review and provide tenant with its written approval, conditional approval or disapproval of the Shop Drawings and other materials submitted within fifteen (15) days after receipt thereof from Tenant's Sign Contractor.

7. If Landlord's representative disapproves or conditionally approves the Shop Drawings and/or other materials submitted, Landlord's representative shall note on a set of the Shop Drawings or separately the reasons for such disapproval or conditional approval, and thereafter if necessary the

Landlord's Representative, Tenant and Tenant's contractor shall meet to achieve approvable Shop Drawings and materials consistent with the approved Concept Design and this Criteria.

General Specification – Primary Signs and Secondary Signs

1. All primary and secondary Tenant signs are to be new single faced internally illuminated individual channel letters. Subject to architecture conditions at each storefront or building (see detailed exhibits); identity signs may be illuminated using a variety of lighting techniques. Lighting will be either a combination of through face and halo illumination, or halo only. Letters must be constructed of standard .063 aluminum returns painted with Matthews Satin Acrylic Polyurethane finish, faces using #7328 white Plex with applied 3M vinyl overlays of colors, and retained with matching ¾" trim cap. Illuminate with 30ma #6500 white neon only or LED and 3/16" white Lexan backs for halo lighting.

   Other custom designs for signs may be allowed under the discretion of the Landlord subject to Landlords and the City of Laguna Hills approval. These custom designs may include exposed neon and or exterior illuminated signs as part of an eyebrow canopy or awning.

2. All sign bolts, fastenings and clips shall consist of enameling iron with porcelain enamel finish be hot-dipped galvanized iron, stainless steel, anodized aluminum, brass or bronze, and no black iron materials of any type will be permitted.

3. Painted or polished metal lettering will be permitted, such as non illuminated individual letters and should be unique and high quality signage integral to the architecture and image of the Shopping Center.

4. No animated, flashing or audible signs will be permitted.

5. Logo cabinets used in conjunction with individual letters will be considered on an individual basis and will be considered a part of the sign area and are subject to approval of the Landlord.

6. No exposed illuminated tubing or lamps will be permitted except as approved by Landlord.

7. No exposed raceways, crossovers, transformers will be permitted, unless approved by Landlord.

8. No manufacturer's or approval agencies' labels exposed to public view will be permitted.

9. Participation on the Landlord's Pylon or freestanding signs will be permitted subject to Landlord's discretion.

10. All signs shall bear the UL label, and their installation shall comply with all local building and electrical codes.

11. Electrical service to all signs of in-line shop buildings, feeder and time clock to be provided by Landlord and connected to common area distribution panel. Connection to feeder panel and sign shall be by Tenant.

12. Location of all openings in Tenant's storefront for conduit and sleeves shall be shown on the drawings submitted to the Landlord for approval and installation shall conform to the approved drawings.

13. Each Tenant or its Sign Contractor shall be responsible for the repair of any damage to the building caused by the installation of said Tenant's sign.

14. Each Tenant shall be responsible for the performance of its Sign Contractor.

15. Individual shop address numerals will be installed by the Landlord.

16. No temporary signs (such as grand opening signs and coming soon signs) of any nature will be accepted without prior written approval by Landlord and City of Laguna Hills Planning Department.

17. Typestyles: The use of logos and distinctive typestyles is encouraged for all tenant signs. Tenants may adapt established typestyles, logos and/or images that are in use on similar buildings operated by them in California, provided said images are architecturally compatible and approved by the Landlord.

18. Accessory Uses. Tenants shall display their established trade names only. Tenant signs identifying accessory uses such as a supermarket identifying various departments contained within the store, such as bakery, deli, fish, etc., shall be permitted on a limited basis to the landlord's discretion.

19. Tenant shall be responsible for removal of his sign within thirty (30) days after leaving the site. Removal of the sign shall include the repair of the wall surface back to the original condition. Material specifications will be provided by Landlord and must be coordinated.

20. Notwithstanding the maximum square footage specified for copy area allowances, signs and typography in all cases shall appear balanced and in scale within the context of the sign space and the building as a whole. All signs shall fit comfortably into designated architectural spaces, leaving sufficient margins and negative space on all sides. Thickness, height and color of sign lettering shall be visually balanced and in proportion to other signs on the building.

21. Dimensional letters and symbols shall be affixed without visible means of attachment, unless attachments make an intentional design statement. Halo lit letters shall have a 1.3/8 inch stand-off.

22. All sign fabrication work shall be of excellent quality. All logo images and typestyles shall be accurately reproduced. Lettering that approximates typestyles shall not be acceptable. Landlord reserves the right to reject any fabrication work deemed to be below standard.

23. Signs must be of durable rust-inhibited materials that are appropriate and complimentary to the building. Surfaces with color mixes and hues prone to fading (e.g., pastels, fluorescent, complex mixtures, and intense reds, yellows and purples) shall be coated with ultraviolet-inhibiting clear coat in a semi-gloss finish. Finished surfaces of metal shall be free from oil canning and warping. All sign finishes shall be free of dust, orange peel, drips and runs, and shall have a uniform surface conforming to the highest standards of the industry.

24. Penetrations into building walls, where required, shall be made waterproof.

25. Coordination with building structural support and necessary modifications shall be the responsibility of the Tenant/Tenant's Sign Contractor.

26. All lighting must match the exact specifications of the approved working drawings. Landlord shall control brightness of illuminated signs. Surface brightness of all illuminated materials shall be consistent in all letters and components of the sign. Dimmer control units shall be included in all signage lighting installations. Illumination levels shall follow City Standards.

27. No Tenant shall affix or maintain upon any glass or other material on the storefront any signs unless they shall first have received the written approval of the Landlord, other than the signs shown on the following pages of this manual.

28. Alterations to architectural detailing such as changing exterior materials, colors, molding details to facilitate a sign shall be made only with written approval of the Landlord and approval of the City of Laguna Hills Planning Director.

Design Specification - Primary Signs

Signs shall consist of individual letters and may be face lit, halo lit, thru face or face lit in combination with halo illumination.

Copy to consist of tenant name and/or logo. Copy in languages other than English languages characters, subtitles, product or service descriptions are not allowed by right but may be allowed upon approval of the Landlord.

Signs shall be of one (1) line of copy. Consideration for copy stacked in two lines or more may be given to signs with limited signable areas.

Primary identification signs shall be placed on building or towers within the sign zone shown on the exhibits and within Tenant's leasehold frontage as shown on the example exhibits. On shop buildings with the wood beam detail (see Exhibit 2); the channel letter signs shall be located on this wood beam.

Sign length may not exceed 70% of the store frontage on which sign is located. Sign consisting of a tenant name and a logo is considered to be one sign. Signs must also be proportional and may not exceed 70% of the width of the architectural element they are located on (i.e. if the sign is located on a tower element that is less than the width of the store frontage).

1. Allowable Signs:

   A. In-Line Shop Buildings and Multi Tenant Pads:

      i. Each tenant will be permitted one (1) primary sign (on the front façade) with the exception of a tenant with rear and or side elevation frontage onto a public right of way in which case, tenant is permitted two signs, but only at the discretion of the landlord.

   B. Single Tenant Free-Standing Pad Building:

      i. i. Each will be permitted one (1) primary sign and up to (3) additional signs located on separate elevations, with sign area subject to architectural conditions and Landlord's approval. See Exhibits B, C, D and E

      ii. Signs shall consist of individual channel letters as specified in the General Requirement Section.

   C. Major Tenants (defined as tenants over 10,000 SF):

      i. ii. Each will be permitted one (1) primary sign per building frontage.

Tenants with more than 40 linear feet of frontage may have up to two signs located on separate elevations, with sign area subject to architectural conditions and Landlord's approval. See Exhibits C and E

ii. Signs shall consist of individual channel letters as specified in the General Requirement Section.

2. Signs shall be of the following size:

A. In-Line Shop Buildings and Multi Tenant Pads

i. i. For Tenant spaces with leased premises under 3,500 square feet, the maximum letter height for primary signs is 18". Tenant with a tower leased premises of at least 3,500 sq. ft. will be permitted a stacked sign with the primary sign maximum letter height of 24" and the secondary sign maximum letter height is 24". Logo's shall be balanced with the primary sign".

i. ii. Maximum length of sign is not to exceed 70% of width of the storefront.

B. Free-Standing Pad Buildings:

i. Maximum letter height permitted for building signs will be 36" for upper-case letters, with sign area subject to architectural conditions and Landlord's approval.

ii. Maximum length sign length is limited to seventy percent (70%) of the width of building frontage and sign area may not exceed 1 square foot per lineal foot of such frontage.

C. Major Anchor Retailer (Tenants over 10,000 SF)

Tenant shall be allowed to use maximum square footage allowable by the applicable governmental codes. Final size and location shall be approved by Landlord. Total sign area must not exceed the total allowable sign area of 1 square foot per lineal foot of such frontage and shall be limited to 70% of the frontage. Tenant sign shall fit within the architectural character of the element the sign is located on. The height of the sign shall not exceed 80% of the height of the architectural element the sign is located upon.

3. Halo lit channel letters shall have a return of not less than 4" in depth and be spaced 2 inches off the building surface. Letters shall have a clear lexan backing. Double tube neon shall be used where the width of the letter stroke exceeds 2 ¼ inches.

4. Sign colors shall be approved by the Landlord. Proposed letter and symbol colors will be reviewed for compatibility/contrast with the wall color upon which the sign is located. Colors within each sign should be harmoniously blended. Neon colors used in halo lit signs should be white.

5. Conventional sign cabinets with illuminated copy or backgrounds are not permitted. Logo cabinets used in conjunction with individual letters may be considered on an individual basis and will be considered a part of the sign area. (see under general specifications).

Under-Canopy Signs

All Tenants may install a blade sign centered on the storefront, under the canopy, perpendicular to the storefront. The sign specification shall be limited to a maximum of 12 SF subject to approval of the Landlord. Sign shall provide a minimum clearance of 7'6". The maximum height of the sign shall be 3'0" and the maximum length of the sign shall be 6'0". The design of the blade sign shall confirm to Landlords specifications and shall be subject to Landlords approval.

Shop Window Signage

Tenant shall be allowed to place in the upper window panel adjacent to the entrance door not more than 144 square inches of decal or stick-on lettering or graphics indicating hours of business, telephone numbers for emergency contact, approved credit cards, etc. No other window signage will be allowed, including but not limited to, temporary signs, sale banners, posters and product information. Letters shall be constructed white or gold and be in the Helvetica letter style unless another type font and or color are approved by Landlord.

Center Identification

The pylon and monument signs used to identify the center will have panels available and the allocation of these panels to particular tenants is subject to Landlords approval.

The existing Freeway Pylon sign shall be allowed to remain and remodeled as shown in exhibit H.

Perimeter Entry Signs at both the north and south driveways from Avenida de la Carlota shall be allowed as well as the one entrances at the mall property line. These shall be consistent in style and construction as the signs in Figure 25 of the Urban Village Specific Plan as shown on Exhibit F. A total of two signs shall be allowed on Avenida de la Carlota and one on the Mall property line. A maximum of 100 SF of sign area shall be allowed on each side of each of these sign for tenant signage. In addition, the center name shall be allowed in the middle of these stone pylons, which shall not exceed 25 SF each.

A Secondary Entry Feature shall be allowed at the main (center) entrance drive. These shall be consistent in style and construction as the signs in Figure 24 of the Urban Village Specific Plan and as shown on Exhibit G. A total of two signs (one on each side at each entry) shall be allowed. The Center name shall be allowed in the middle of these stone pylons, which shall not exceed 25 SF each.

Directional Signage

The directional signs used to identify the center and direct traffic to individual retail stores will be installed and maintained by landlord. Participation on these signs will be at the discretion of the landlord. Directional signs may include vehicular oriented signs and pedestrian oriented way finding or directory signs. Vehicular oriented signs shall not exceed 50 SF each. The maximum height of the sign shall be 9'0" and the maximum with of the sign shall be 7'0". The base of the sign shall have stone to match the proposed stone pylons. The colors of the sign shall be harmonious with the colors used in the shopping center. The placement, size and design of these signs shall be part of a comprehensive application for the specific site signage. The design of these signs shall be consistent with the architectural theme of the project and/or part of a signage program for the Urban Village Specific Plan. Up to five (5) directory signs shall be allowed in the following locations:

a) Hillside Paseo area
b) Marshalls Building Area
c) Village Green Area
d) Trader Joes/Bus stop Area
e) East/West Paseo Area

Leasing Signs

1. Center Freestanding Leasing signs shall be allowed. They shall not exceed 4' x 8' and be located on the Avenida de la Carlota frontage. One sign shall be allowed on this frontage.
2. Pad Leasing signs shall be allowed on vacant pads. Thee Pad Leasing sign shall not exceed 4' x 4' and shall be located on the pad being lease.
3. Storefront Leasing Signs shall be allowed on the window or doors of the individual suites. Leasing signs shall not exceed 2' x 3' and shall be affixed to the windows.

Miscellaneous Sign Criteria

1. No advertising placards, banners, pennants, insignias or trademarks, or other descriptive material shall be affixed or maintained upon the storefront or in show window space less than 24" from the face of the glass.

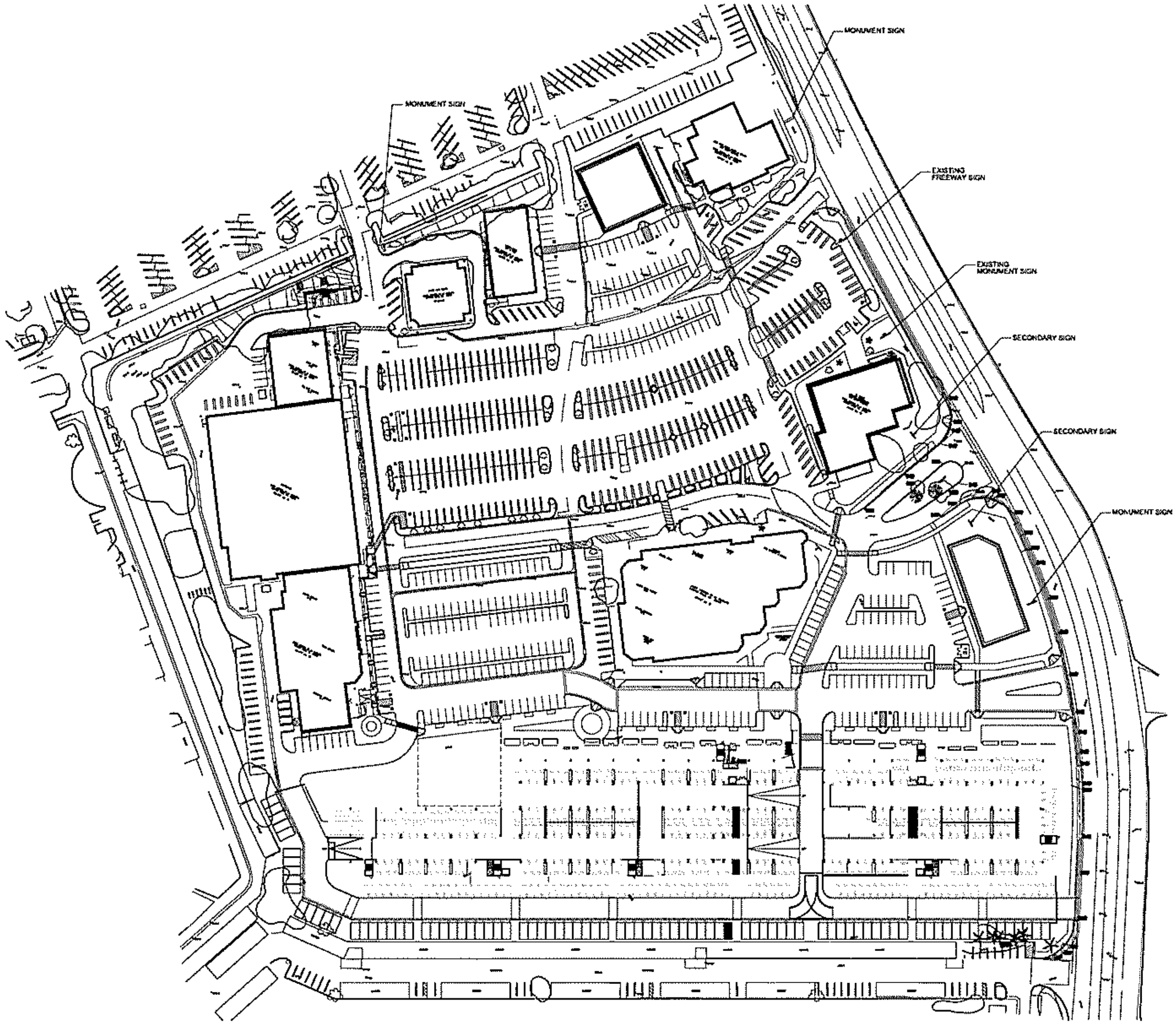
   A. Banners which publicize special events (such as "Grand Opening" or "Inventory Sale") are subject to prior approval by the Landlord and subject to the time limits as well as permit and fee requirements of the City of Laguna Hills. One Coming Soon sign (during construction) and one Grand Opening sign are allowed per tenant.

2. Service Door Identification

   Tenant shall identify service door for delivery and emergency purposes only. Signs shall be painted to match color of door and affixed in a secure manner to the door or painted directly on the door. The name and address can be in 2" and 3" characters.

3. Tenants Certification for compliance with this sign criteria

   Tenant and or its sign vendor shall submit to landlord and to the City of Laguna Hills with its application for approval and sign permit a written letter certifying that the design of the proposed sign complies with this sign criteria and the applicable codes of the City of Laguna Hills.



Total Site Area

Land	±19.2 AC	±838,277 SF

Summary - Retail

Exist'g Retail	108,366 SF
Proposed Retail	23,531 SF
Total	131,897 SF
Parking Provided	630 stalls
Parking Ratio	4.78/1000
Joint Use	106 stalls
Total available	736 stalls
Parking Ratio	5.58/1,000

Summary - Residential

Total 1 BR's	150 units
Total 2 BR's	114 units
Total	264 units
Parking Provided	
Garage	156 stalls
Car Garage	127 stalls
Surface	122 stalls
Joint Use	106 stalls
Total	511 stalls
Parking Ratio	1.94/unit

North

50

ALL BUILDINGS, IMPROVEMENTS, THEIR OCCUPANTS AND THE USES AS SHOWN ON THIS PLAN ARE PRELIMINARY AND SUBJECT TO MODIFICATION AT THE OWNER'S DISCRETION WITHOUT NOTICE

THIS PRELIMINARY SITE PLAN IS BASED ON INFORMATION FURNISHED TO NADEL STUDIO ONE, INC. AND IS SUBJECT TO VERIFICATION BY LEGALS, SURVEYS AND GOVERNING AGENCIES ETC. THIS EXHIBIT IS NOT NECESSARILY A REPRESENTATION AS TO IDENTITY, TYPE, SIZE, LOCATION, TAKING OR OCCUPANCY OF ANY BUILDING WITHIN THIS CENTER.

PRELIMINARY SITE PLAN - EXHIBIT A

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

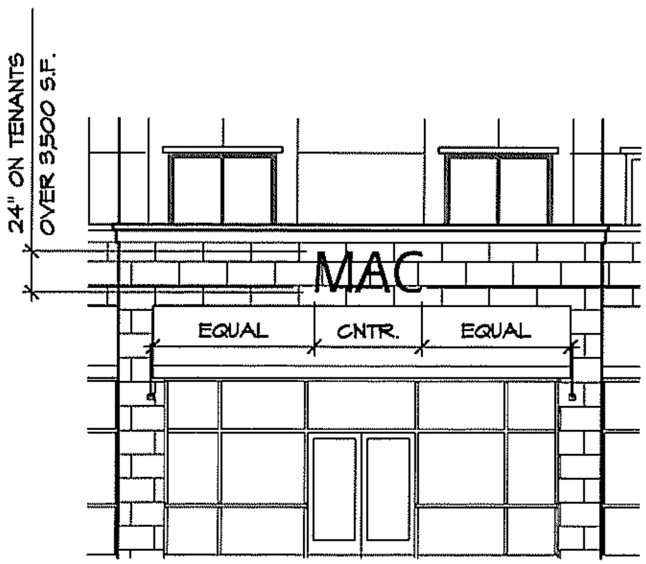
FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
(949) 723-7100

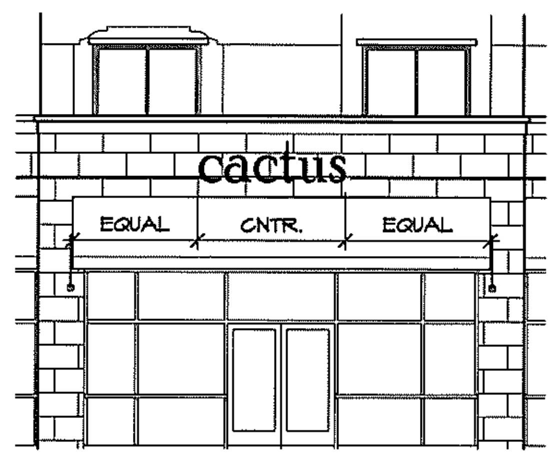
REVISED:
DATE: 10.25.12
NADEL JOB#: 11044

NADEL STUDIO ONE, INC.
3050 PULLMAN STREET
COSTA MESA, CA 92626
T 714.540.5000 F 714.755.3313
WWW.NADELARC.COM

NADEL

INLINE SHOP





SIGN ELEVATIONS - BLDG. 1 EXHIBIT "B"

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
(949) 723-7100

DATE: 10-25-2012
NADEL JOB#: 11044

NADEL STUDIO ONE, INC.
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T.714.540.5000 F.714.755.3013
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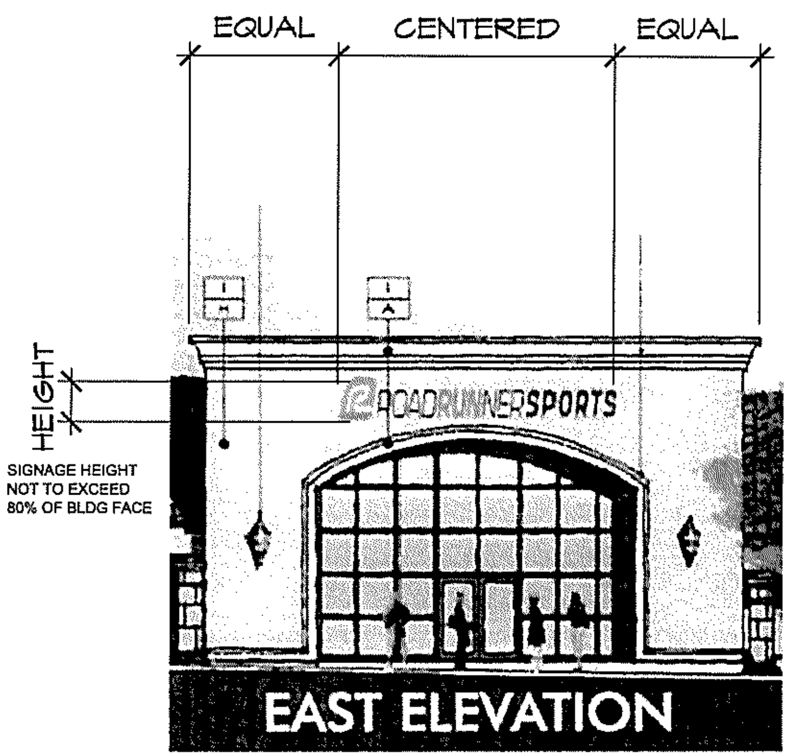
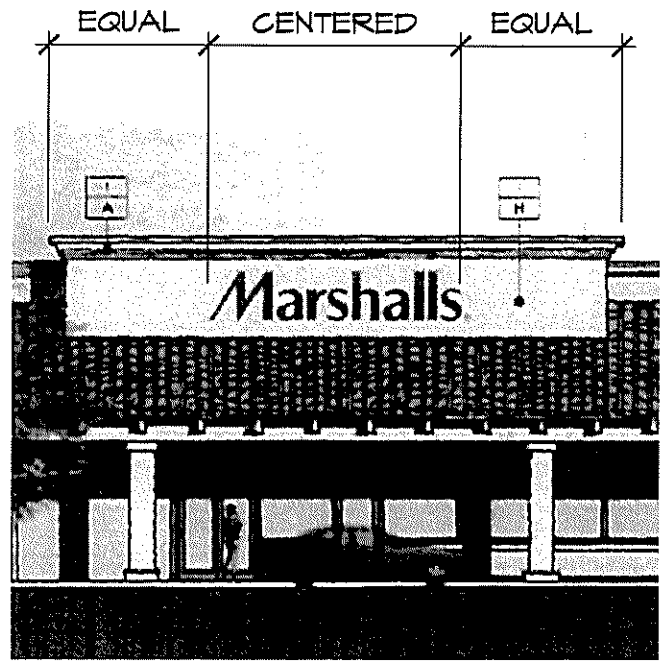
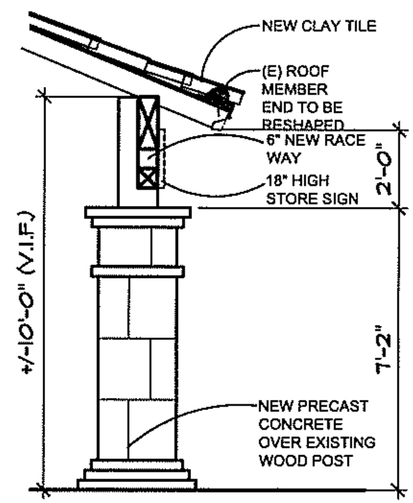
MAJOR TENANT



MAJOR TENANT





SECTION

SIGN ELEVATIONS - BLDGS. A, MARSHALLS, P EXHIBIT "C"

DATE: 10-25-2012
NADEL JOB#: 11044

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
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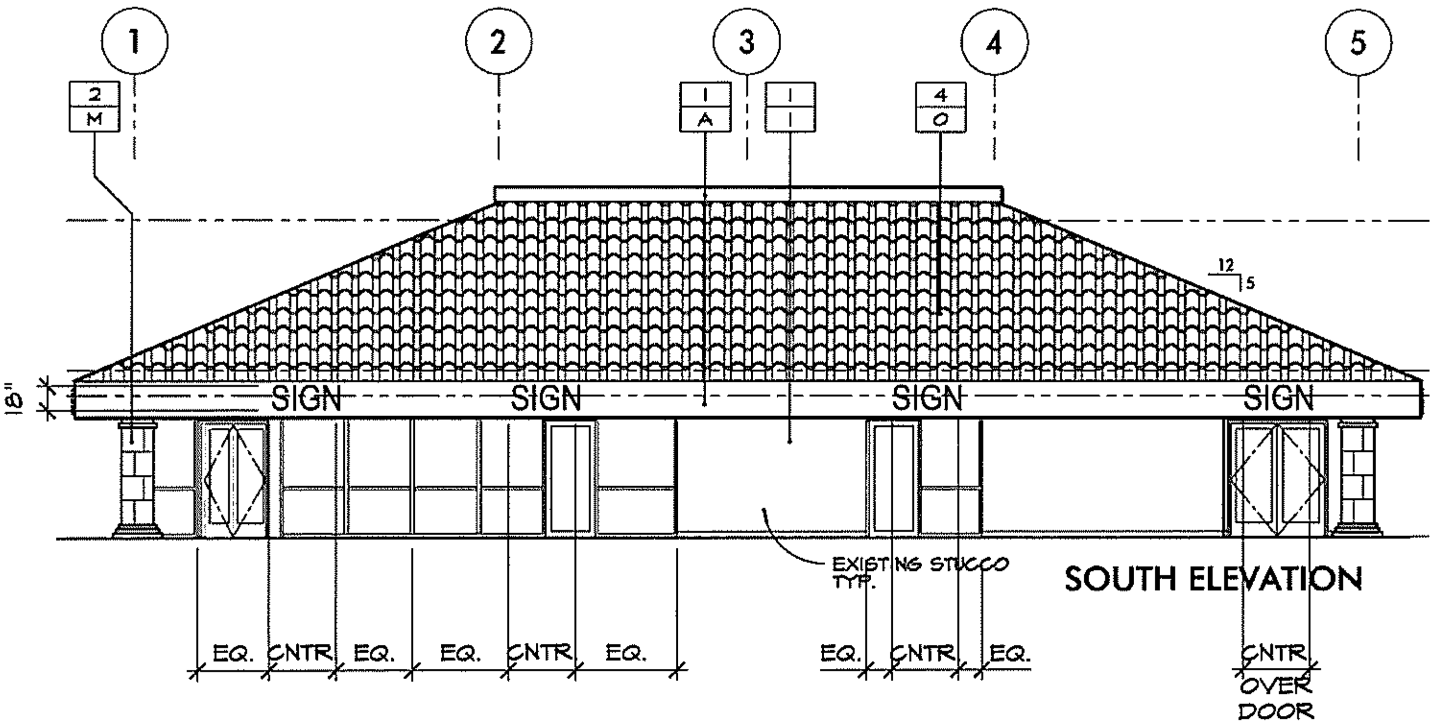
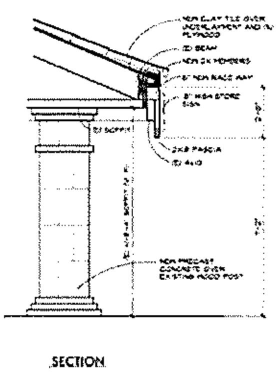
T.714.540.5000 F.714.755.3013
WWW.NADELARC.COM

FREESTANDING PAD



SOUTH ELEVATION



SECTION

SIGN ELEVATIONS - BLDG. B EXHIBIT "D"

DATE: 10-25-2012
NADEL JOB#: 11044

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
(949) 723-7100

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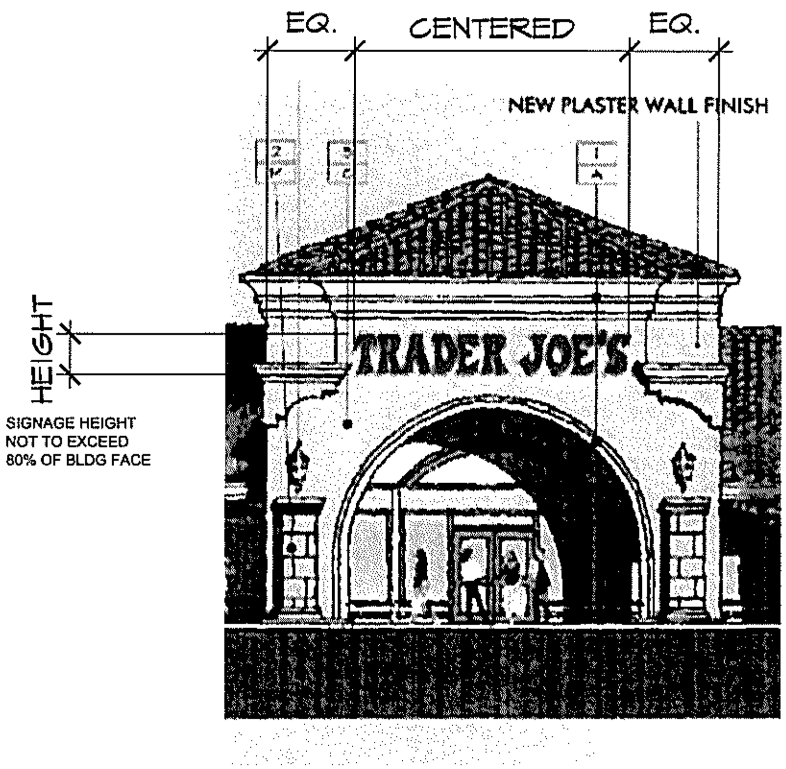
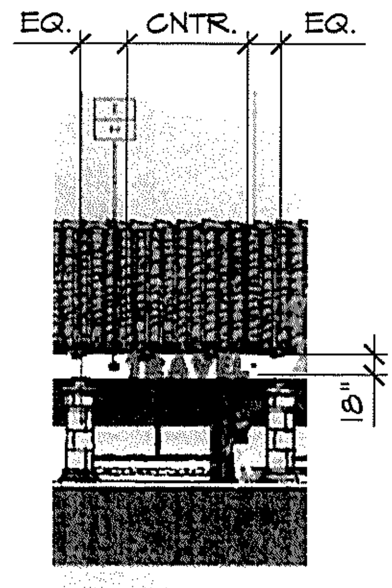
COSTA MESA, CA 92626
T.714.540.5000 F.714.755.3013
WWW.NADELARC.COM

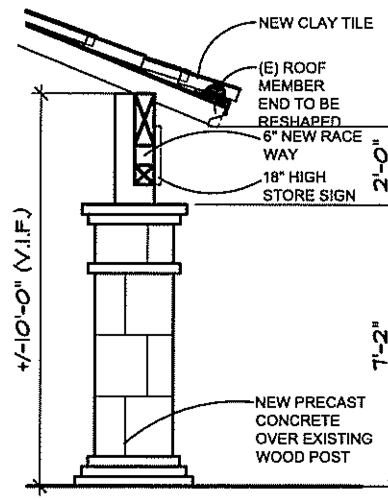
11/13/2012 ITEM NO. 6.3.1

TOWER



INLINE SHOP





SECTION

SIGN ELEVATIONS - BLDG. H EXHIBIT "E"

DATE: 10-25-2012
NADEL JOB#: 11044

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
(949) 723-7100

NADEL STUDIO ONE, INC.
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T.714.540.5000 F.714.755.3013
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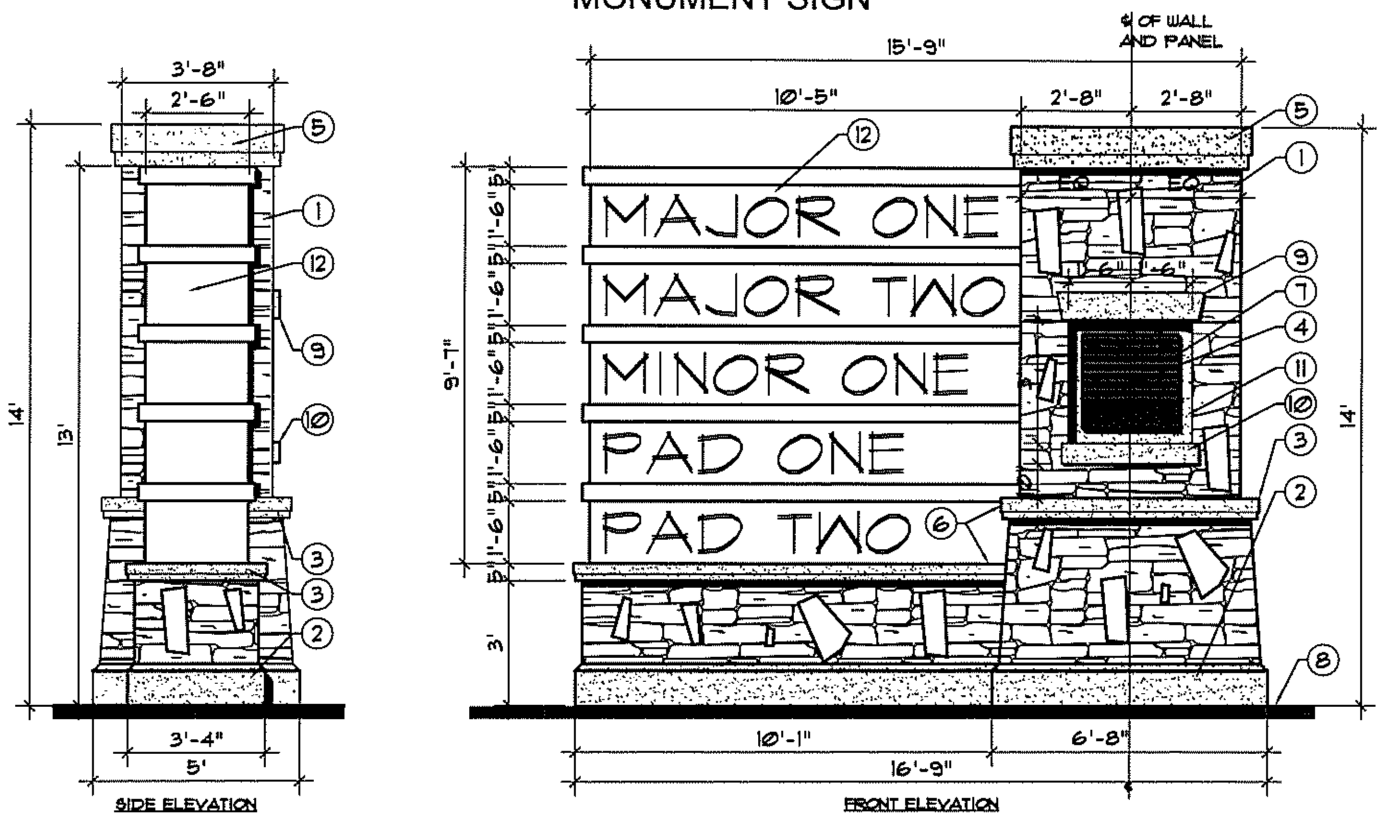
MONUMENT SIGN



1. 'BEAR CANYON' STONE VENEER, DRY STACK, MORTAR & TIE INTO PLACE.
2. PRECAST BASE MOLDING
3. PRECAST MOLDING
4. 13" DIAMETER FLOOD LIGHT FIXTURE BEHIND STEEL PLATE.
5. PRECAST MOLDING
6. PRECAST PAVER
7. 3/8" THICK GALVANIZED STEEL PLATE WITH LASER-CUT LOGO.
8. FINISHED GRADE.
9. PRECAST MOLDING
10. PRECAST MOLDING
11. 1/2" THICK STUCCO VENEER.
12. DOUBLE-FACE INTERNALLY ILLUMINATED SIGN. SATIN FINISH ALUMINUM CONSTRUCTION FRAME AND FACES W/ PUSH THRU 1" THK. CLEAR PLEX W/ SURFACE APPLIED VINYL 12" HIGH LETTERS

PERIMETER ENTRY SIGN EXHIBIT "F"

DATE: 10-25-2012
NADEL JOB#: 11044

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
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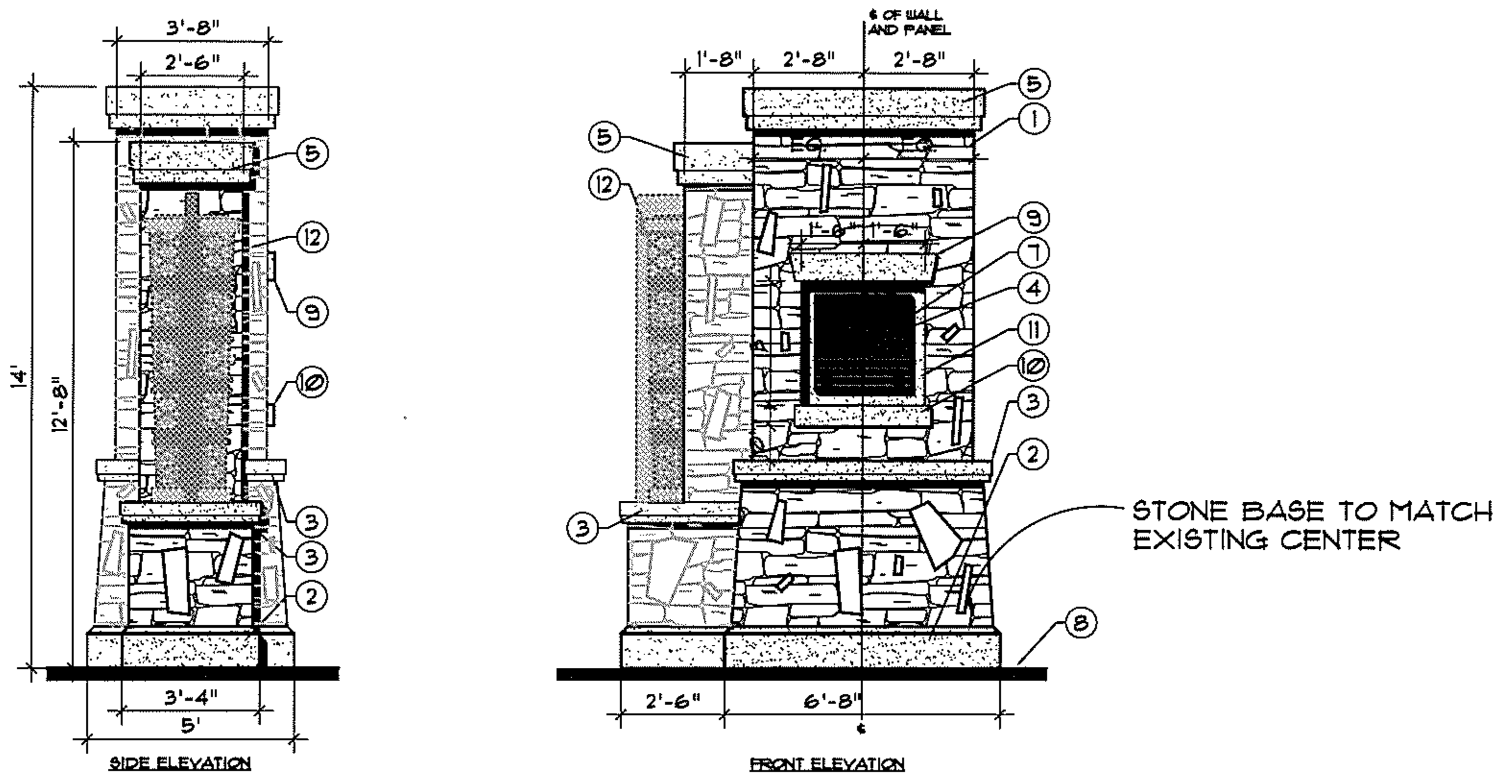


1. 'BEAR CANYON' STONE VENEER DRY STACK, MORTAR & TIE INTO PLACE.
2. PRECAST BASE MOLDING
3. PRECAST MOLDING
4. 13" DIAMETER FLOOD LIGHT FIXTURE BEHIND STEEL PLATE.
5. PRECAST MOLDING
6. PRECAST PAVER
7. ⅜" THICK GALVANIZED STEEL PLATE WITH LASER-CUT LOGO.
8. FINISHED GRADE.
9. PRECAST MOLDING
10. PRECAST MOLDING
11. ½" THICK STUCCO VENEER.
12. LIGHT FIXTURE SCONCE.

SECONDARY ENTRY SIGN

EXHIBIT "G"

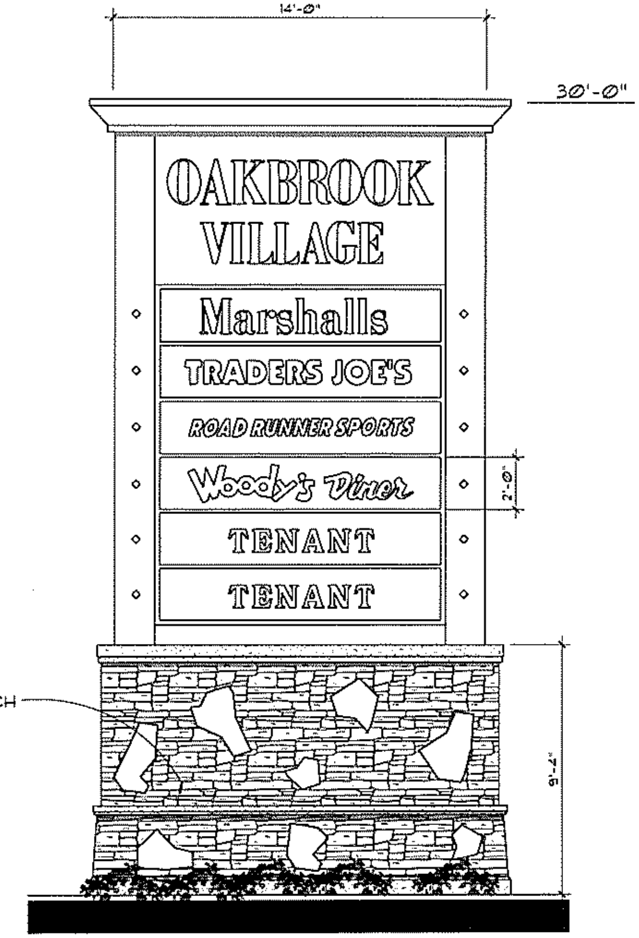
OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

DATE: 10-25-2012
NADEL JOB#: 11044

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
(949) 723-7100

NADEL STUDIO ONE, INC.
3050 PULLMAN STREET
COSTA MESA, CA 92626
T.714.540.5000 F.714.755.3013
WWW.NADELARC.COM

EXISTING SIGN



PROPOSED SIGN

PYLON SIGN OPTIONS

EXHIBIT "H"

OAKBROOK VILLAGE
LAGUNA HILLS, CALIFORNIA

FRITZ DUDA COMPANY
3425 Via Lido Suite 250
Newport Beach, California 92663
(949) 723-7100

DATE: 10-25-2012
NADEL JOB#: 11044

NADEL STUDIO ONE, INC.
3050 PULLMAN STREET
COSTA MESA, CA 92626
T 714.540.5000 F 714.755.3013
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NADEL

ATTACHMENT 5- SIGN COMPARISON MATRIX

Oakbrook Village Sign Program

	Sign Type	Proposed	Development Code	Specific Plan
1)	**Wall sign** (**In-line shop bldgs. & mutli-tenant pads** with leased premises under 3,500 sq. ft.)	One primary sign per tenant; max. letter height is 18"; length limited to 70% of storefront width.	1 sq. ft. per lin. ft. of building frontage; length limited to 70% of building face; max. aggregate of 150 sq. ft. (per business).	Refers to Development Code
2)	**Wall sign** (**Tenant with a tower leased premises** of at least 3,500 sq. ft.)	Stacked sign with the primary sign max. letter height of 24" & secondary sign max. letter height of 24"; length limited to 70% of storefront width.	1 sq. ft. per lin. ft. of building frontage; length limited to 70% of building face; max. aggregate of 150 sq. ft. (per business).	Refers to Development Code
3)	**Wall sign** (free-standing pad bldgs.)	Max. letter height is 36"; length limited to 70% of width of building frontage; max area is 1 sq. ft. per lineal foot of frontage.	1 sq. ft. per lin. ft. of building frontage; length limited to 70% of building face; 150 sq. ft. (per business)	Refers to Development Code
4)	**Wall sign (Major Anchor Retailer**-over 10,000 sq. ft.)	Max. size of 1 sq. ft. per lin. ft. of building frontage; length limited to 70% of the frontage; height of sign limited to 80% of height of architectural element the sign is located upon.	1 sq. ft. per lin. ft. of building frontage; length limited to 70% of building face; 150 sq. ft. (per business).	Refers to Development Code
5)	**Under-canopy blade signs**	One for each tenant; max. 12 sq. ft.	Sign which project from wall more than 12" are prohibited.	Projecting signs are permitted to encourage creativity in sign design and to foster a pedestrian atmosphere.
6)	**Center Identification-Perimeter Entry Sign**	3 signs (2 along Carlota and 1 along entrance at Mall property line); max. sign width is 10 ft. 5 in.; max. 100 sq. ft. of sign area on each side of sign for tenant signs; max. 25 sq. ft. of sign area for Center name; five tenants panels each sign.	1 sq. ft. per lin. ft. of street frontage; max. 400 sq. ft.; max. two anchor tenant panels; name of center shall constitute at least ½ of total sign area.	4 shown along Ave. de la Carlota
7)	**Center Identification-Secondary Entry Signs**	2 signs; max. 25 sq. ft. of sign area for Center name;	None	2 shown along Ave. de la Carlota
8)	**Freeway sign**	1 existing sign to be remodeled. Includes Center name & 5 tenant panels to be remodeled to include 1 more tenant panel; 12' wide x 18' height; 216 sq. ft.	None but Code allows up to 400 sq. ft. for Center ID sign.	Freeway oriented signs are permitted.
9)	**Monument sign** (El Torito)	1 existing sign to remain.	1 per driveway apron, with a min. separation of 75' between signs; max. size is 40 sq. ft.; max. height is 4 ft.	Refers to Development Code
10)	**Directional/Wayfinding Signs** (Vehicular & pedestrian)	5 directory signs. Vehicular max. is 50 sq. ft.; max height is 9' and width is 7'	4 sq. ft. max size & 3 ft. max. height.	Refers to Development Code

Item no. 1 - Staff agrees with addition of 150 sq. ft. maximum area.

Item no. 2 - Staff suggests that for a stacked sign, the maximum letter height of the secondary sign should be 12 inches. Sign area should not exceed 150 sq. ft. for each elevation.

Item no. 3 - Staff suggests the maximum letter height for pad building signs should be 18 inches since fascia on the building is only 18 inches *(see Sign Elevations- Bldg. B)*. Sign area should not exceed 150 sq. ft. for each elevation.

Item no. 4 - Staff agrees with the Development Code regulation and suggests that the wall signs should not exceed 150 square feet.

Item no. 5 - Staff agrees.

Item no. 6 - Staff suggests that the number of tenant panels should be reduced to three panels and the maximum sign width should be six feet. Staff also suggests that the sign along the Mall property line should only be installed if and when a street is constructed.

Item no. 7 - Staff suggests that the maximum sign area for the Center name be 15 square feet.

Item no. 8 - Staff suggests the tenant panels on the freeway sign be reduced to five panels to match the existing condition.

Item no. 9 - Staff agrees.

Item no. 10 - Staff suggests that directional/wayfinding signs be limited to a maximum height of 8 feet and a maximum width of 4 feet. Maximum letter height should be limited to 3 inches.

ATTACHMENT 6- PHOTOS FROM OTHER SARES-REGIS GROUP PROJECTS

Common Area Amenities
The Crossing – Anaheim, CA

Sares-Regis Group

Sares-Regis Group

Sares-Regis Group

Sares-Regis Group

Sares-Regis Group

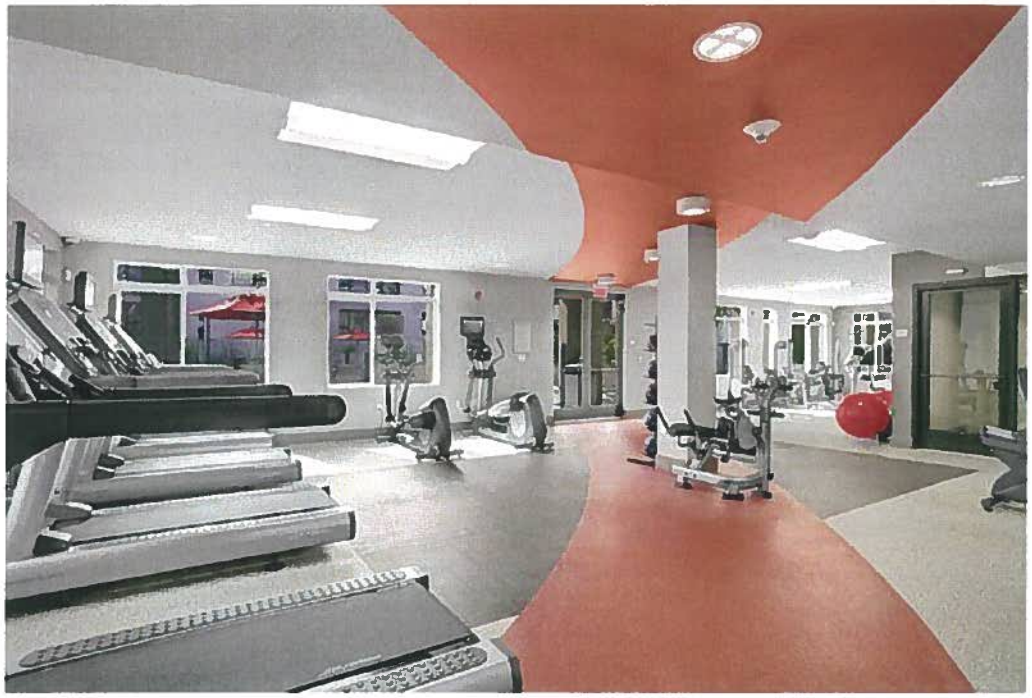
Sares-Regis Group

Common Area Amenities
Westgate – Pasadena, CA

Sares-Regis Group

Sares-Regis Group

Sares-Regis Group



Sares-Regis Group

Sares-Regis Group

Sares-Regis Group

ATTACHMENT 7- FRITZ DUDA COMPANY GREEN BUILDING STRATEGY LETTER

October 23, 2012

City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Re: Green Building Strategy

Dear ________:

The following highlight the areas identified to implement "Green" building technics:

- The apartment units will feature:
    - Dual Pane Low E Vinyl windows
    - Low flow toilets
    - Low flow showerheads
    - Low flow faucets
    - Energy Star appliances
    - Energy efficient lighting
    - Reflective white PVC "cool" roof membrane
    - Programmable thermostats
    - High efficiency HVAC condensing units.
- Project irrigation will utilize Smart Irrigation technology
- Implementation of "green" 2010 Cal Green Building Code into building design
- Individual identification of gas, electricity, and water consumption to give residents' awareness of consumption.

Sincerely,

Ryan Jones
Vice President

ATTACHMENT 8- INTERSECTION STUDY AREA

Intersections Analyzed by the Oakbrook Village Traffic Impact Analysis

11/13/2012 ITEM NO. 6.3.1

ATTACHMENT 9- SHARED PARKING TABLE

OAKBROOK VILLAGE SHARED PARKING ANALYSIS - TCA site plan -8/13/12 Site Plan with podium with 132 K retail, 493 units, restaurants

WEEKDAYS

Land Use	Retail		Fine/Casual Dining		Family Restaurant		Medical/Dental		TOTAL PARKING REQUIRED RETAIL	SURPLUS (DEFICIT)
Parking Ratio	4.5		12		12		6.67			
Total SF	89,219		32,097		8,668		2,216			
Parking Required for Land Use	401.5		385.2		104.0		14.8			734
Time Period										
6:00 AM	1%	4.0	0%	0.0	10%	10.4	21%	3.1	18	716
7:00 AM	5%	20.1	0%	0.0	25%	26.0	53%	7.8	54	680
8:00 AM	10%	40.1	0%	0.0	45%	46.8	77%	11.4	98	636
9:00 AM	30%	120.4	0%	0.0	70%	72.8	94%	13.9	207	527
10:00 AM	50%	200.7	0%	0.0	90%	93.6	99%	14.6	309	425
11:00 AM	67%	267.0	15%	57.8	90%	93.6	100%	14.8	433	301
12:00 AM	80%	321.2	50%	192.6	100%	104.0	97%	14.3	632	102
1:00 PM	90%	361.3	55%	211.8	85%	88.4	95%	14.0	676	58
2:00 PM	100%	401.5	45%	173.3	65%	67.6	97%	14.3	657	77
3:00 PM	100%	401.5	45%	162.4	40%	41.6	97%	14.3	620	114
4:00 PM	95%	381.4	45%	162.4	45%	46.8	88%	13.0	604	130
5:00 PM	90%	361.3	60%	216.6	60%	62.4	77%	11.4	652	82
6:00 PM	80%	321.2	90%	324.8	70%	72.8	58%	8.6	727	7
7:00 PM	75%	301.1	95%	342.9	70%	72.8	53%	7.8	725	9
8:00 PM	65%	261.0	100%	360.9	65%	67.6	47%	6.9	696	38
9:00 PM	50%	200.7	90%	324.8	30%	31.2	32%	4.7	562	172
10:00 PM	35%	140.5	90%	324.8	25%	26.0	26%	3.8	495	239
11:00 PM	15%	60.2	90%	324.8	15%	15.6	24%	3.5	404	330
12:00 AM	0%	0.0	50%	180.5	10%	10.4	17%	2.5	193	541

PARKING AVAILABLE

Assigned Residential		293
Unassigned Residential		212
Joint use		58
Retail		734
Total		1297
Residential Parking Requirement		
Unassigned	# Assign	# Unassign
1 bd	162	81
2bd	131	131
3bd	0	0
TOTAL	293	212

RESTAURANT SQUARE FOOTAGES

Family Restaurants	
Woody's	5,053
Nani Fl's	3,615
TOTAL	8,668
Fine/Casual Dining	
Lone Star	7,800
El Torito	9,500
Mandarin Terrace	3,000
Kotobuki	2,177
Break of Dawn	2,020
New restaurant	7,600
TOTAL	32,097

Retail 91,435

Total SF 132,200

Note Break of Dawn Closes
@ 3:00 pm parking credit of 24 spaces

Based on Shared Parking
Second Edition
Mary S. Smith. 2005
A joint study between ULI and ICSC

Table 2.5/2.6 - Recommended Time of Day Factors
for Weekdays/Weekends page 18-21

ATTACHMENT 10 – PLANS & EXHIBITS

SDPM-12-11-2137 24371 Avenida de la Carlota 620-491-08

TWO-PHASE MIXED USE RE-DEVELOPMENT PROJECT

Date Submitted: 12/16/2011 **Applicant:** Fritz Duda Company

Planner: Julie Molloy **Public Hearing Scheduled for:** 11/13/2012

Phase 1 + 2 Concept Site Plan *Plans Part 1* *Plans Part 2* *Plans Part 3* *Plans Part 4* *Landscape Plans*

Concept Elevations - Bldg A *Concept Elevations - Bldg H* *Retail Elevations*

Preliminary Grading & Drainage Plan *Preliminary Wet Utility Plan* *Vesting Tentative Tract Map*

Addendum to EIR *Air Quality Analysis* *Exterior Noise Analysis* *Traffic Impact Analysis* *Preliminary Hydo Study*

Fiscal Impact Analysis

The documents listed above may be accessed on the City's website at:

http://www.ci.laguna-hills.ca.us/depts/commdev/projects.asp

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: DAVID REYNOLDS
DEPUTY CITY MANAGER/COMMUNITY SERVICES

ISSUE: WEBSITE COMMUNITY BULLETIN BOARD

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE STAFF TO DEVELOP A COMMUNITY BULLETIN BOARD PRESENCE ON THE CITY'S WEBSITE FOR THE POSTING OF NONCOMMERCIAL MESSAGES TO PROMOTE LOCAL COMMUNITY EVENTS AND ACTIVITIES IN ACCORDANCE WITH THE DRAFT ADMINISTRATIVE POLICY.

SUMMARY:

The City Council directed staff, at its August 28, 2012 meeting, to bring a report to the City Council on establishing links on the City’s website to promote local school events and activities as well as other community events. Staff is proposing the development of a “Community Bulletin Board” webpage for the posting of noncommercial messages that promote educational, philanthropic, civic, charitable, cultural, or recreational activities, events or fundraisers. Before this City webpage can be used, a policy must be enacted that establishes this tool as a limited public forum. The suggested policy for the website tool is attached to this report and is similar to the Community Center Bulletin Board Policy, Administrative Order No. 20, which was established after the City Council approved the installation of a Community Bulletin Board at the Community Center on February 14, 2012.

BACKGROUND:

At its August 28, 2012 meeting, the City Council directed staff to bring a report back to the City Council on establishing a presence on the City’s website to promote events and activities of the City’s local schools and other community events. To accomplish this, staff is proposing to introduce a “Community Bulletin Board” tool on the City’s website as described below.

The proposed “Community Bulletin Board” website concept is similar to the Saddleback Unified School District’s (SVUSD) “Community Flyers” website application for posting of community flyers. SVUSD's "Community Flyers" tool can be accessed on SVUSD's website homepage (http://www.svusd.k12.ca.us/) under "Hot Links." This tool is available to non-profit organizations for the posting of event flyers based on staff approval. Individuals can access links to approved flyers by checking the appropriate school checkboxes on the district's website. Like the SVUSD example, City staff would approve a posting request submitted by email based on City policy. If approved, then staff would post the information to the City's "Community Bulletin Board" webpage for public access. Clicking on the posting title link on this page, a resident or member of the public would be able to open a PDF file with more information about the community event, announcement, or activity. A mockup of the City's website "Community Bulletin Board" concept is attached to this report for the City Council's review.

A Community Bulletin Board at the Community Center was enacted by the City Council on February 14, 2012. This board is physically located on a wall at the Community Center and on average three postings are displayed on it per week. An administrative policy (Administrative Order No. 20) was created to establish the board at the Community Center as a limited public forum, and thereby, setting reasonable time, place and manner restrictions on postings. Likewise, a policy will need to be drafted for the website community board to also establish it as a limited public forum. Staff is proposing the same Community Center board's policy postings restrictions for the City's website posting board which is summarized below. The proposed draft "Website Community Bulletin Board" policy is attached to this report.

> <u>Postings permitted</u>: noncommercial messages and advertisements concerning educational, philanthropic, civic, charitable, cultural, or recreational activities, events, or fundraisers; public service public announcements; and City programs, events, or meetings.

All commercial messages and advertisements including personals or religious and political postings are prohibited. Refer to the attached draft policy for a more complete list of the types of postings that will not be allowed.

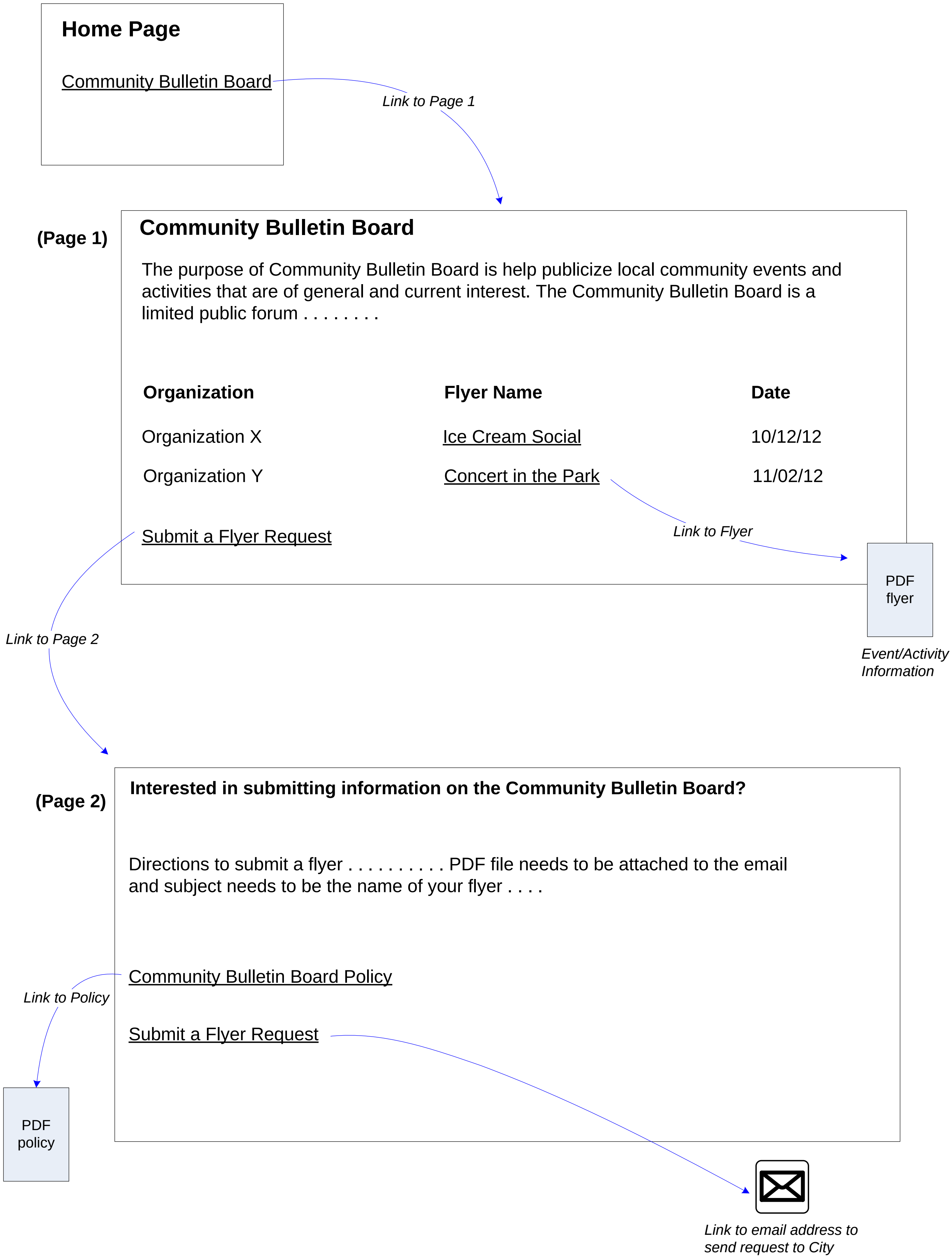
Upon the City Council's approval of this website "Community Bulletin Board" concept, as well as the attached draft Administrative policy, staff will use existing website tools to build the pages required to create this presence on the City's website. It is staff's intention to install a "Community Bulletin Board" link on the City's homepage to provide quick access to this website feature. Staff is suggesting replacing the "City Events" featured link with a "Community Bulletin Board" featured link on the City's homepage.

FISCAL IMPACT:

There are no costs, except for nominal staff costs, to create the web pages for the website Community Bulletin Board using the City's existing website tools.

ATTACHMENTS:

- Website Community Bulletin Board Mockup
- Draft Website Community Bulletin Board Policy


Home Page
Community Bulletin Board
Link to Page 1
(Page 1)
Community Bulletin Board
The purpose of Community Bulletin Board is help publicize local community events and activities that are of general and current interest. The Community Bulletin Board is a limited public forum . . . .
Organization
Flyer Name
Date
Organization X
Ice Cream Social
10/12/12
Organization Y
Concert in the Park
11/02/12
Submit a Flyer Request
Link to Flyer
PDF flyer
Event/Activity Information
Link to Page 2
(Page 2)
Interested in submitting information on the Community Bulletin Board?
Directions to submit a flyer . . . . PDF file needs to be attached to the email and subject needs to be the name of your flyer . . . .
Community Bulletin Board Policy
Link to Policy
Submit a Flyer Request
PDF policy
Link to email address to send request to City

CITY OF LAGUNA HILLS

To Be Placed into City of Laguna Hills Administrative Regulation Format.

DRAFT

CITY OF LAGUNA HILLS

WEBSITE COMMUNITY BULLETIN BOARD POLICY

Purpose:

The City desires to develop a "Community Bulletin Board" section of the City's website to help publicize local community events and activities that are of general and current interest.

The purpose of this Administrative Policy is to establish a limited public forum and to set forth viewpoint neutral and reasonable standards for the posting of noncommercial flyers on the Community Bulletin Board City website. All commercial messages and advertisements, regardless of content, shall be prohibited.

Statement of Policy:

Postings Permitted: Local noncommercial messages and advertisements concerning the following may be posted on the Community Bulletin Board website:

a) Educational, philanthropic, civic, charitable, cultural, or recreational activities, events, or fundraisers;

b) Public service announcements; and

c) City programs, events, or meetings.

Postings Prohibited: All commercial messages, solicitations, and advertisements, as well as noncommercial messages concerning the following shall not be posted on the City's Community Bulletin Board website:

a) Job postings/Employment;

b) Personals;

c) Religion;

d) Political/Elections;

e) Profanity or offensive language;

f) Fraud or unlawful actions;

g) Any message that is derogatory in nature to any race, national origin, religion, age, disability, sex and sexual orientation; and

h) Any message that is not appropriate for all age groups.

Procedure:

a) All content intended for posting on the Community Bulletin Board must be emailed to the Community Services Department. The Community Services Director will review and evaluate the posting request consistent with the requirements set forth in this Policy.

b) The Community Services Director shall determine whether the proposed posting complies with this Policy and is appropriate for posting to the Community Bulletin Board. If deemed appropriate for posting, the Community Services Director will cause the notice to be posted on the Community Bulletin Board section of the City's website.

c) Posting material must be a reasonable file size (i.e. 8.5” x 11” or 8.5 x 14” page extent) and must be submitted in PDF file format.

d) Due to limited staff time, the City may not be able to accommodate all requests submitted for posting. Priority will be given in the order received.

e) Postings containing specific dates for events and activities will be removed after the date(s) listed in the posting. Postings with no specific dates will be removed after 60 days.

Interpretation of Policy and Discontinuance of Program:

a) The City Manager is responsible for interpreting and enforcing this Policy, monitoring its implementation, and recommending changes to this Policy.

b) The City Manager may immediately remove or otherwise discontinue use of the City website Community Bulletin Board in its entirety for any reason, and at any time.

City of Laguna Hills
City Council Meeting Agenda
Staff Report

DATE: NOVEMBER 13, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: COUNCIL MEMBER BRESSETTE

ISSUE: DROWNING PREVENTION INFORMATION PROGRAM

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT CITY STAFF TO WORK WITH THE ORANGE COUNTY FIRE AUTHORITY IN DEVELOPING A PILOT PROGRAM THAT WILL ENSURE THAT ALL PROPERTY OWNERS AND RESIDENTS ARE PROVIDED WITH POOL SAFETY AND DROWNING PREVENTION EDUCATIONAL INFORMATION COINCIDENT WITH THE CONSTRUCTION OF A SWIMMING POOL.