

Recorded at the request of and mail to:

TRACT NUMBER: 41661

Headland Properties Associates
(Name)

P.O. Box 705
(Address)

Pacific Palisades, CA 90272

Attn: Brett La Shelle, Vice President

COUNCIL FILE NUMBER 43-0656
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LOS ANGELES COUNTY REGISTRAR - RECORDER

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AGREEMENT NUMBER 68451 OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
HEADLAND PROPERTIES ASSOCIATES
RELATING TO A
HOUSING PURCHASE COVENANT AND AGREEMENT
FOR AFFORDABLE HOUSING

This AGREEMENT is entered into by and between the City of Los Angeles, a municipal corporation, acting by and through the Community Development Department ("DEPARTMENT") of the City of Los Angeles, and Headland Properties Associates (OWNER), the fee owner of that certain real property ("REAL PROPERTY") located in Los Angeles County, California legally described as Lot 1, Tract 41661, as per map filed in Book 1088, pages 26 and 27 inclusive of maps in the office of the Los Angeles County Recorder, State of California.

WHEREAS, OWNER has improved or intends to improve the REAL PROPERTY by constructing improvements on it containing 100 dwelling units, in accordance with a map Number 41661 on file with the City of Los Angeles, California ("CITY"); and

WHEREAS, pursuant to Condition Number 13 of the Tentative Tract Number 41661 attached hereto as Exhibit A, that prior to the sale of the Units the subdivider shall provide proof to the City of Los Angeles that the affordable housing units for sale condition imposed by the Coastal Commission has been guaranteed for the life of both residential projects (Tentative Tract Nos. 41661 and 41662);

WHEREAS, the California Coastal Commission pursuant to permit A-381-78 requires that the affordable housing units shall be priced so that an equal number of units is available to each of the following income ranges of low and moderate income persons: 50%, 60%, 70%, 80%, 90%, 100%, 110%, 120% of median income for Los Angeles County as published by the U.S. Department of Housing and Urban Development at the time of issuance of a Public Report by the California Department of Real Estate; and that up to two thirds of all of the units may be sold to elderly families, and that at least one-third having more than one bedroom shall be sold to families with one or more dependent, children or parents.

WHEREAS, the purpose of this AGREEMENT is to assure that the OWNER complies with the requirements of the subject condition; and

ARTICLE I. DEFINITIONS

1.1 "ADVISORY AGENCY" means the Director of Planning of the City of Los Angeles as described in §17.03 of the Los Angeles Municipal Code.

1.2 "DEPARTMENT" means the General Manager of the Community Development Department of the City of Los Angeles.

1.3 "BUYER" means the member or members of an Eligible Household who purchase one of the Designated Units.

1.4 "DECISION-MAKING BODY" means the administrative agency, official, or board, including the City Council, which gave final approval to the Condition attached as Exhibit A.

1.5 "ELIGIBLE HOUSEHOLD" means a household whose income falls within the range of 50% to 120% of median income, for Los Angeles County, as determined at the time of issuance of a Public Report for sales by the California Department of Real Estate multiplied by a family size adjustment factor as defined hereafter. "For purposes of such calculation, the "family size adjustment" shall be equal to 80% (.8) for a one bedroom; 95% (.95) for a two bedroom unit; and 108.5% (1.085) for a three bedroom unit". For family units, households shall consist of 2 or more members. At least one family member must be a dependent child or parent. The dependent may also be a grandparent, brother, sister, grandchild, stepparent or stepchild, or mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law. The dependent must meet the definition of such as established by the Internal Revenue Service. For senior units, households shall consist of an elderly family as defined in Section 1.6.

1.6 "ELDERLY FAMILY" means a family whose head or spouse or whose sole member is at least sixty-two (62) years of age, but may not include a family where there is one or more dependent child or parent.

1.7 "HOUSEHOLD INCOME" means the current adjusted gross income, as calculated for Federal income tax purposes, of the BUYER and includes the amount of the adjusted gross income similarly calculated of all other persons 21 years of age or older who intend to reside with BUYER in the Designated Units.

1.8 "OWNER" means each person or entity holding a record ownership interest in the Real Property, their successors and assignees, transferees, heirs, executors or administrators. This term includes Buyer and except as expressly provided for in this Agreement to the contrary, Buyer shall fulfill all the duties and obligations of Owner for as long as Buyer has an interest in the Unit. Owner shall not include persons or entities who hold an interest merely as security for the performance of obligation. Owner shall not include persons or entities after they have ceased to hold a record ownership interest in the Real Property.

1.9 "INITIAL SALES PRICE" for the affordable housing units constructed pursuant to this Agreement for each income range between 50% and 120% of median income shall be as shown on attached Exhibit B.

1.10 "RESALE PRICE" for the affordable housing units means the lowest of:

- (a) The purchase price as agreed between the buyer and seller;
- (b) The appraised value of the property;
- (c) The Base Purchase Price paid by the selling owner plus an amount, if any, equal to (i) the Base Price multiplied by (ii) the percentage increase in the median income, published by the U.S. Department of Housing and Urban Development (HUD) for Los Angeles County, from that published for the date nearest the close of escrow of Owner's purchase of the subject property over that published nearest the execution of the Owner's Intent to Offer for Sale. In the event that HUD no longer establishes median income levels at the time of execution of Owner's Notice of Intent to Offer for Sale, the Department may use any other reasonable methods of computing median for computing the percentage increase. In no event shall such adju reduce the purchase price below the Base Price.

The Resale Price as determined above shall then be adjusted as follows

(1) Increased by (aa) any prepayment charge incurred on original first trust deed, (bb) the Administrative Fee as provided in Section and (cc) the actual cost, evidenced by receipts, of individual improvements, each of which costs in excess of 1% of the base price of the subject property made since Owner's acquisition of the Property, and which has a useful life of greater than five years subsequent to the conveyance by the Owner and which were made with all required building and government approvals and with approval of the relevant condominium or homeowner's association, if such approvals are required, excluding wall coverings; and

(2) Decreased by the amount necessary to repair any damages and to put the unit into saleable condition as reasonably determined by the Departments, including, but not limited to, cleaning, painting, or replacing worn carpeting and draperies, and making needed structural, mechanical, electrical, plumbing and fixed appliances repairs.

Notwithstanding the forgoing, improvements to the common areas of a condominium made by mandatory assessment by the homeowner's association will be considered the same as an improvement made directly by the owner.

ARTICLE 2. SALES RESTRICTION

2.1 Except as expressly provided for in Paragraph 2.3 of this AGREEMENT, OWNER agrees to sell the Units only at the Initial Sales Price or Resale Price and only to an ELIGIBLE HOUSEHOLD. All of the following paragraphs in this Article apply to both the initial sale and subsequent resale of the Designated Units.

2.2 OWNER agrees to notify the DEPARTMENT, in writing, of OWNER'S intent to offer the Unit(s) for sale at least five days prior to offering the Unit(s) for sale to the public.

2.3 Except for Initial Sales, OWNER hereby grants the DEPARTMENT the right of first refusal to purchase the Unit(s) at the Resale Price as defined in Section 1.10. If it intends to exercise its right of first refusal, then the DEPARTMENT shall so notify OWNER within five days of the receipt of OWNER'S notice of intent to offer for sale.

2.4 If the DEPARTMENT does not exercise its right of first refusal, then OWNER shall offer the Unit(s) for sale at the resale price to ELIGIBLE HOUSEHOLDS.

2.5 OWNER may sell the Designated Unit(s) to any ELIGIBLE HOUSEHOLD of the OWNER'S choosing, subject to certification of eligibility by the DEPARTMENT.

2.6 In accordance with such procedures to be agreed upon between OWNER and the DEPARTMENT, OWNER shall request the DEPARTMENT to certify the eligibility for any prospective purchaser. Accompanying any request for certification shall be the declaration of the prospective purchaser declaring his or her intent a) to comply with the restrictions set forth in Section 3.5, b) to occupy the Unit as his or her principal place of residence within 60 days after the close of escrow, and thereafter, c) to maintain the Unit purchased by such prospective purchaser as his or her principal place of residence for at least two years.

2.7 Within ten days of the submission of any request to the DEPARTMENT, or submission of additional information required by the DEPARTMENT, the DEPARTMENT shall furnish OWNER with:

- (1) a determination that the prospective purchaser is an ELIGIBLE HOUSEHOLD; or
- (2) a determination that the prospective purchaser is not an ELIGIBLE HOUSEHOLD; or
- (3) a statement that specified additional information is required to enable the DEPARTMENT to make its determination.

2.8 In the event the owner sells the unit(s) at a purchase price above those specified in Section 1.10, the Department, shall have the right to recover from the owner, the difference between the actual sales price and the Resale Price specified in Section 1.10.

2.9 OWNER shall not discriminate against any person on the grounds of age, color, creed, religion, sex, ancestry, sexual preference, physical handicap, or national origin in the selection or approval of families, in the provision of services, or in any other manner.

2.10 The DEPARTMENT may refer ELIGIBLE HOUSEHOLDS interested in purchasing any unit offered for sale to the OWNER. If the DEPARTMENT makes such referrals to OWNER, and OWNER refuses to sell to such ELIGIBLE HOUSEHOLD without good reason, in the judgment of the DEPARTMENT, then any time beginning six months after the date of the notice described in paragraph 2.2 herein, the DEPARTMENT may exercise its right of first refusal to purchase such Unit at the Resale Price on behalf of an ELIGIBLE HOUSEHOLD.

2.11 Prior to the close of escrow for the sale of a Designated Unit, a copy of this AGREEMENT shall be given to the prospective purchaser and the OWNER shall pay, at the sole discretion of the DEPARTMENT and upon the Department's request, through escrow to the DEPARTMENT or its designee, an Administrative Fee of one percent (1%) of the Purchase Price, or the actual cost incurred in administering Paragraphs 2.1 to 2.10 herein, whichever is less.

2.12 OWNER agrees to incorporate the provisions of this AGREEMENT in the grant deeds or other documents transferring the Designated Unit, including the Declaration of Covenants, Conditions and Restrictions for the Unit.

ARTICLE 3. GENERAL OBLIGATIONS

3.1 OWNER agrees to maintain and operate the Units so as to provide decent, safe, and sanitary housing.

3.2 OWNER agrees to allow the DEPARTMENT, at least 10 days prior to close of escrow, for the sale of the Unit(s), to inspect the unit(s) or cause it to be inspected to determine whether the unit(s) are in decent, safe, and sanitary condition. OWNER may not close escrow on the sale of the Unit(s) if the DEPARTMENT determines that the unit(s) are not decent, safe and sanitary.

3.3 OWNER agrees to cause to be filed for record in the Office of the Recorder of the County of Los Angeles a request for a copy of any notice of default and of any notice of sale under any deed of trust or mortgage with power of sale encumbering the Unit(s). Such request shall specify that any such notice shall be mailed to the DEPARTMENT.

3.4 Except as provided by the terms herein, the provisions of this AGREEMENT shall constitute covenants which will run with the land and shall be binding upon OWNER, OWNER'S heirs, executors, administrators, successors, transferees, assignees, and all parties having or acquiring any right, title, or interest in or to any part of the Unit(s). Any attempt to transfer title or any interest in the Unit(s) in violation of this AGREEMENT shall be void.

3.5 OWNER may not lease, rent, assign, mortgage or otherwise transfer an interest in a Unit(s) without the certification or written permission of the DEPARTMENT. Any transfer made in violation of this paragraph shall be null and void. Such permission shall be granted only if consistent with the goal of creating, preserving, or protecting affordable housing. However, the following transfers of title shall not require prior DEPARTMENT Permission: Transfer by gift to OWNER's spouse, or involuntary transfers such as transfer by demise, or inheritance, taking of title by surviving joint tenant, transfer of title to a spouse as party of divorce or dissolution proceedings, acquisition of title or interest therein in conjunction with marriage, by intestate succession, or foreclosure sale (whether judicial or nonjudicial). In addition, DEPARTMENT'S permission need not be obtained prior to encumbering the Unit(s) in order to secure financing to purchase the Unit(s), or pay off indebtedness incurred to purchase the Designated Unit(s).

3.6 Except as expressly prohibited by the holder of a first Deed of Trust against the Property, if the Unit(s) are acquired at a foreclosure sale as a result of an involuntary transfer such as those described in paragraph 3.5 herein, then the transferee, as OWNER, shall be subject to all the conditions, limitations, and restrictions provided for in this AGREEMENT.

3.7 The DEPARTMENT may charge and OWNER agrees to pay such fees as the DEPARTMENT deems reasonable to offset the administrative cost of performing the duties and responsibilities described in this article; provided however, that any owner who has paid or agreed to pay the administrative fee pursuant to paragraph 2.11 herein above shall not be obligated to pay any fees pursuant to this paragraph 3.7.

3.8 Where applicable the OWNER shall comply with the nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Owner shall not discriminate in its employment practices against any employee, or applicant for employment because of such person's race, religion, ancestry, color, national or sex, sexual preference, age or physical handicap. Any subcontract entered into by OWNER relating to this Agreement, to the extent allowed herein, shall be subject to provisions of this paragraph.

3.9 BUYER as OWNER is subject to all the covenants, conditions, limitations and restrictions provided for in this AGREEMENT.

ARTICLE 4. REMEDIES

4.1 OWNER, the DEPARTMENT, its successors and/or the City may enforce any of the terms, covenants or conditions contained in this AGREEMENT through any proceedings at law or in equity. They may commence and maintain actions for damages, to restrain and enjoin any actual or threatened breach of any provision of this AGREEMENT, or to invalidate any sale or other transaction constituting such a breach.

4.2 Any remedy provided for herein shall not be exclusive or preclude OWNER, DEPARTMENT and/or the City from exercising any other remedy available under this AGREEMENT, or under provisions of law, nor shall any action taken in the exercise of any remedy be deemed a waiver of any other rights or remedies available to such parties.

4.3 It is understood and agreed that no waiver of a breach of any of the provisions of this AGREEMENT shall be construed as a waiver of any other breach; nor shall failure to enforce any portion of this AGREEMENT be construed as a waiver of any of the conditions of this AGREEMENT.

4.4 Except as otherwise provided herein, any dispute concerning the interpretation of this AGREEMENT, which is not disposed of by agreement of the DEPARTMENT and OWNER, may be submitted by either party to the Advisory Agency. The Advisory Agency shall make a decision and mail or otherwise furnish a written copy of the decision to the OWNER and DEPARTMENT. The decision of the Advisory Agency shall be final and conclusive, unless within 10 days of receipt of such copy, either party files a written appeal with the Decision-making Body.

4.5 The decision of the Decision-making Body on an appeal shall be final and conclusive, unless determined by a court of competent jurisdiction not to be supported by substantial evidence. Pending final decision of a dispute hereunder, both parties shall proceed diligently with performance of the undisputed provisions of this AGREEMENT.

4.6 This AGREEMENT may be amended or modified by the Decision-making Body. The OWNER and/or the DEPARTMENT may submit a request to amend or modify this AGREEMENT in writing to the Decision-making Body, which may modify or amend this AGREEMENT only after notice to interested persons and a public hearing.

ARTICLE 5. GENERAL PROVISIONS

5.1 Headings used in this AGREEMENT are for convenience only and are not to be used to interpret the meaning of any of the provisions of this AGREEMENT.

5.2 The provisions of this AGREEMENT are independent and severable, and the invalidity or partial invalidity, or unenforceability of any provision or provisions shall not invalidate any other provision.

5.3 The provisions of this AGREEMENT shall be liberally construed to effectuate its purpose.

5.4 The singular shall include the plural and the plural the singular, unless the context requires the contrary. The masculine, feminine and neuter shall each include the genders not used.

5.5 The DEPARTMENT may inspect the Designated Unit(s) and any documents or records relating thereto, at any reasonable time to determine OWNER'S compliance with this AGREEMENT.

5.6 The DEPARTMENT does not in any manner warrant that the Unit(s) meets requirement of the Los Angeles Municipal Code.

5.7 This AGREEMENT shall run with the land and shall continue in full force and effect for the life of the residential project and from the date on which this AGREEMENT is executed.

5.8 The General Manager of the DEPARTMENT or the General Manager's designee shall have the authority to act on behalf of the DEPARTMENT, in carrying out the DEPARTMENT'S obligations under this AGREEMENT.

5.9 All notices that OWNER is required to give the DEPARTMENT shall be mailed or delivered to the DEPARTMENT at the following address:

Director of Housing
Community Development Department
City of Los Angeles
215 West 6th Street, 7th Floor
Los Angeles, CA 90014

5.10 Unless OWNER otherwise advises the DEPARTMENT, all notices that the DEPARTMENT is required to give the OWNER shall be marked or delivered to the OWNER at the following address:

Headland Properties Associates
P.O. Box 705
Pacific Palisades, CA 90272
Brett La Shelle, Vice President

5.11 In the event of an inconsistency between any of the provisions of this AGREEMENT and any exhibits hereto, the inconsistency shall be resolved by giving precedence to this AGREEMENT, except that the provisions of the Tentative Tract Map No. 41661 shall control over the provisions of this agreement.

IN WITNESS WHEREOF, the City and the Owner have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

JAMES K. HAHN, City Attorney

By: [Signature]
Deputy City Attorney

Date: August 19, 1988

Executed this 19th day of
August, 1988

For: THE CITY OF LOS ANGELES

HARRELD S. ADAMS
General Manager
Community Development Department

By: [Signature]

ELIAS MARTINEZ, City Clerk

By: [Signature]
Deputy City Clerk

Date: 8/22/88

(City Seal)

Executed this 19th day of
August, 1988

For: HEADLAND PROPERTIES ASSOCIATES, A
CALIFORNIA LIMITED PARTNERSHIP

By: Westgroup Construction, A
California Limited Partnership,
its authorized representative

By: Westgroup Construction Partner, Inc.,
General Partner

By: [Signature]
BRETT LA SHELLE, Vice President

Council File Number : 83-0656 ; Date Council Adopted: June 1, 1983

Said Agreement is Number 68451 of City Contracts.

(Owner's Notarization)

On this 11th day of August, 19 88, before me

Alice Alice Pearson
the undersigned Notary Public in and for said State, personally

appeared BRETT LA STELLE
 personally known to me or proved to me on the
basis of satisfactory evidence, to be the person(s) whose
name (is) ~~(are)~~ subscribed to the within instrument, and
acknowledged that (he) ~~(she)~~ (they) executed the same **WITNESS**
my hand and official seal

Notary's Signature: Alice Alice Pearson

State of California
County of Los Angeles
SS.

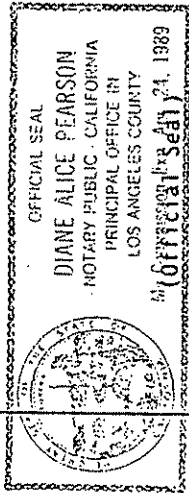


EXHIBIT A; (Page 1 of 1)

Agreement Number: 68451 of City Contracts

TENTATIVE TRACT NO. 41661
(401 Palisades Drive)

Department of City Planning Decision Dated July 11, 1983

RE: Tentative Tract No. 41661

Agreement Establishing Affordable Housing Restrictions on the Palisades
Highlands Project in Los Angeles, CA

(SEE ATTACHED)



TOM BRADLEY
MAYOR

DEPARTMENT OF
CITY PLANNING
561 CITY HALL
LOS ANGELES CA 90012

CALVIN S. HAMILTON
DIRECTOR

EXHIBIT A

CITY PLANNING
COMMISSION
DANIEL P. GARCIA
PRESIDENT
J. E. KRUEGER
VICE-PRESIDENT
STEVE HARRINGTON
CARL MASTON
SUZETTE NEIMAN
RAYMOND I. NORMAN
SECRETARY

DECISION DATE: July 11, 1983

Palisades Resources, Inc.
1919 Palisades Drive
Los Angeles, CA 90272

VTN - Los Angeles
5919 Van Nuys Boulevard
Van Nuys, CA 91401

Re: Tentative Tract No. 41661
Council District: 11
Existing Zone: RE15-1-H
City Plan Case No. 83-016
District Plan: Brentwood-
Pacific Palisades

In accordance with provisions of Section 17.03 of the Los Angeles Municipal Code, the Advisory Agency approved Tentative Tract No. 41661 composed of one lot, located at 401 Palisades Drive, north of Sunset Boulevard for a maximum new 100-unit condominium. This unit density is based on the RD1.5 Zone. Verification should be obtained from the Department of Building and Safety which will legally interpret the Zoning Code as it applies to this particular property. The Advisory Agency's approval is subject to the following conditions:

1. That recordation of the tract map be required to effectuate the rezoning proposed under City Plan Case No. 83-016.
2. That the retention and debris basin required under Tract No. 31070 be completed to the satisfaction of the City Engineer prior to the recordation of the first parcel or tract map.
3. That the tract be restricted by the final map, against vehicular access from Sunset Boulevard, except for one driveway to each development for right-turn egress and ingress movements only.
4. *Prior to issuance of building permits*
That prior to recordation of the final map, two copies of a parking area and driveway plan be submitted to the appropriate district office of the Bureau of Engineering, and two copies be submitted to the Department of Transportation for approval, or that a covenant and agreement be recorded agreeing to do the same.
5. That the following requirements in connection with grading and construction in and adjacent to public rights-of-way be complied with in a manner satisfactory to the City Engineer:
 - a. Cut or fill slopes shall be no steeper than 2 to 1; steeper slopes may be allowed if calculations are submitted justifying these slopes. In no case shall slopes exceed 1 1/2 to 1.

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- b. The toes and crests of all slopes shall be located on private property and shall be set back 2 and 3 feet, respectively, from the property line.
- c. All streets shall be founded upon firm, natural materials or properly compacted fill. Any existing loose fill, loose colluvial or alluvial soils, organics or landslide material shall be removed prior to placement of engineered fill.
- d. Fill material shall be compacted to a minimum of 90 percent relative compaction as defined in Bureau of Engineering Standard Plan S-610. Fill shall be benched into competent material.
- e. All slopes shall be planted and a sprinkling system installed as soon as possible after grading to alleviate erosion.
- f. Slopes which daylight adversely dipping bedding shall be supported by either a retaining wall or designed buttress fill.
- g. Where not in conflict with the above, the recommendations contained in the report, dated March 3, 1981, by the consulting geologist, James E. Slosson (CEG 22) of Slosson and Associates, and in the reports, dated January 26, 1981 and November 22, 1982, by soils engineers Delmar D. Yoakum (RCE 16496) and William A. Ciridon (RCE 30313) of GeoSoils, Incorporated, shall be implemented.

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6.

6. Prior to the recordation of the final map, the subdivider will prepare and execute four copies of a covenant and agreement (General Form) in a manner satisfactory to the Department of Building and Safety and the Planning Department, binding the subdivider and all successors to the following:

- a. Limit the proposed development to a maximum of 100 dwelling units.
- b. For the non-senior citizen units, provide a minimum of two covered off-street parking spaces per dwelling unit, plus one-half guest parking space per dwelling unit, which shall be readily accessible, conveniently located and specifically reserved for guest parking.
- c. For each unit restricted to the sale of affordable senior citizens, provide a minimum of two covered off-street parking spaces per dwelling unit.
- d. Construct all exterior walls, floor-ceiling assemblies (unless within a unit) and windows having a line of sight (30 degrees as measured from the horizontal plane) of Sunset Boulevard and Palisades Drive (and are within 100 feet and 50 feet respectively, as measured from the outermost traffic lane of Sunset Boulevard and Palisades Drive) with double-pane glass or an equivalent and in a manner to provide an airborne sound insulation system achieving a Sound Transmission Class of 50 (40 if field tested) as defined in UBC Standard No. 35-1, 1979 edition. Advisory Agency sign-off will be required prior to obtaining a building permit.

OR

The subdivider, as an alternative, may retain an engineer registered in the State of California with expertise in acoustical engineering, who shall submit a signed report for any alternative means of sound insulation satisfactory to the Advisory Agency which achieves a maximum interior noise of CNEL 40 (Residential).

- e. That a solar access report shall be submitted to the satisfaction of the Advisory Agency prior to obtaining a building permit.
- f. That a summary of the solar report approved by the Advisory Agency be submitted to the State Department of Real Estate (will be submitted by the Advisory Agency).
- g. That a summary of the solar report will be provided to purchasers of the proposed subdivision.
- h. That all roof coverings be constructed of noncombustible materials. (no woods of any type) to the satisfaction of the Fire Department.
- i. That all units be constructed with an interior heat sensitive sprinkler system to the satisfaction of the Fire Department.
- j. That a 150-foot-wide fire buffer easement, along the west boundaries, except where consent of adjoining property owners is required, be maintained by a property owners association. Said easement is to be measured on a horizontal plane from the level graded portion of the outermost lots. Said easement shall be irrigated and planted with fire resistant plants to the satisfaction of the Fire Department and the Department of Building and Safety.
- k. That all structures shall have boxed-in eaves.
- l. The subdivider shall consult the City Police Department's Crime Prevention Unit for crime prevention features that could be incorporated into the project design.
- m. That prior to the recordation, covenants, conditions and restrictions be developed requiring that all heated swimming pools and jacuzzis have an active solar collection system to conserve energy.
7. That the Quimby fee be based on the RD1.5 Zone.
8. That no oak trees (Valley Oak - *Quercus lobata*, California Live Oak - *Quercus agrifolia*, or any other tree of the oak genus native to California, except Scrub Oak - *Quercus dumosa*) measured 8 inches or more in diameter, 4 1/2 feet above the ground level at the base of the tree, be removed.
9. That provisions be made for the preservation of oak trees during the construction process by fencing the tree drip line and that only hand tools be used under the drip line for the protection of the oak trees. Oak trees shall be clearly delineated on the grading plan with notes restricting grading.

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10.

The Fire Department requires the submission and approval of a plot plan prior to the recordation of the final map or the recordation of an agreement satisfactory to the Fire Department to the effect that said plan will be submitted prior to issuance of building permits for the tract. Forms may be obtained at the Bureau of Engineering counter.

All access roads to be paved to City Engineer's requirements with a minimum width of 28 feet.

A Fire Department permit is required on all private fire hydrant systems.

The making of financial arrangements with the Department of Water and Power will indicate concurrence with the installation location of public fire hydrants.

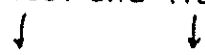
All hydrant installations and enlargements to be completed prior to any street paving required for this project.

11. That the haul route utilized for the exporting of materials under this tract approval observe the following conditions:
- a. If approved by CAL-TRANS, the streets to be used are limited to Pacific Coast Highway, Sunset Boulevard and Palisades Drive.
 - b. Hours of operation shall be from 9 a.m. to 3 p.m.
 - c. Days of the week shall be Monday through Friday.
 - d. Flagmen shall be used at Palisades Drive and Sunset Boulevard and the project access points.
 - e. Trucks shall be restricted to 10-wheel dump trucks or smaller, unless otherwise approved by the Department of Transportation.
 - f. The Traffic Bureau of the Los Angeles Police Department shall be notified prior to the start of hauling (485-3108).
 - g. Streets shall be cleaned of spilled materials at the termination of each work day.
 - h. The final approved haul routes and all the conditions of approval shall be available on the job site at all times.
 - i. A surety bond be posted in an amount satisfactory to the City Engineer for maintenance of haul route streets.

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12.

12. That prior to recordation, covenants, conditions and restrictions be developed informing all buyers and future buyers of any unit within the tract map of the seismic discussion on pages III-11 to 15 of the draft EIR 70-81-ZC(CUZ)(SUB).

13. That prior to recordation the subdivider provide proof to the City of Los Angeles that the low- and moderate-income housing units for sale condition imposed by the Coastal Commission has been guaranteed for the life of both residential projects (Tentative Tract Nos. 41661 and 41662).



14. That in the event the tentative map is not in compliance with the zoning in effect prior to recordation, a modification of conditions/map will be required.

15. That prior to recordation, the subdivider either show proof to the Advisory Agency that the "not-a part" areas under the same ownership have been dedicated to the State or have been made part of the final maps.

16. That prior to obtaining any building or grading permits the developer submit to the Deputy Advisory Agency for his approval development plans and grading plans outlining the protection of the Scenic Highway, taking into account its access to the Topanga State Park. The subdivider should develop an entrance theme for the sites and covenants, conditions and restrictions that deal with:

- limited location and size of signs

- uniform colors and building materials

- limited height to protect the view from the Scenic Highway (Sunset Boulevard)

- building orientation

- landscaping

- lighting, including street lights - rustic and non-glare/non-reflective (type of lights, amount of fixtures and the level of foot candles).

- architectural harmony, i.e., red tile roofs, etc.

This condition will require submittal of grading plans and schematic architectural plans.

17. That in order to provide assurance that the proposed common drainage facilities, catch basin, slopes and sumps for the project, not maintained by the City, are properly and adequately maintained, the subdivider shall record with the County Recorder, prior to the recordation of the final map, a Declaration of Covenants, Conditions and Restrictions to run with the land a requirement that Tentative Tract No. 41661 be a part of the Master Association for all of the Headlands properties, with the understanding that the Master Association will do what is required below but not require the residences of Tentative Tract No. 41661 to pay for similar concerns for this and other tracts in the Master Association providing for the following:

- a. The Master property owners association for Headlands properties shall cause a yearly inspection to be made by a private engineer of all slope areas and drainage devices. Any necessary maintenance and corrective measures will be undertaken by the Master association. Each future property owner of the Master Association shall automatically become a member of the association or organization required above and is automatically subject to a proportionate share of the cost.

- b. The Master Association shall be informed of their responsibility for the maintenance of the devices on Tentative Tract No. 41661. The Master Association will be presented with a copy of the drainage maintenance program for Tentative Tract No. 41661. Any amendment or modification that would defeat the obligation of said association as required hereinabove must be approved in writing by the Advisory Agency after consultation with the City Engineer and the City Attorney's Office.

18. That satisfactory arrangements be made with the cable television franchise holder for this area in accordance with policies adopted by the Department of Transportation to assure that cable television facilities will be installed in the same manner as other required improvements. Refer to the Los Angeles Municipal Code Section 17.05N. Evidence of the arrangements must be submitted to the Department of Transportation before the condition can be cleared by the Department.

The current cable television holder for this area is:

Group W Cable
2939 Nebraska Avenue
Santa Monica, CA 90404
Telephone: 829-2676

19. That the requirements of the Department of Building and Safety shall include, but not necessarily be limited to, the following:
- a. Satisfactory arrangements shall be made with the Department of Building and Safety with respect to grading in conformance with the Grading Ordinance of the Los Angeles Building Code prior to the recordation of the final map.
 - b. The consultant geologist and the soils engineer shall review and approve the detailed 40-scale grading plans prior to the issuance of the grading permits by the Department. This approval may be by signature on the plans or by direct letter which clearly indicates that the geologist and soils engineer have reviewed the plans prepared by the design engineer and that the plans include the recommendations contained in their reports.
 - c. All graded slopes shall be no steeper than two to one.
 - d. The proposed "stabilization" fills shall be provided with backslope drainage in accordance with Section 91.3010 of the Los Angeles Municipal Code.
 - e. All on-site landslides shall be removed or supported.
 - f. Slough wall and channel drains shall be provided, as recommended.
 - g. The channel flow within the upper interceptor drain shall be revised to flow north and south of the location of cross-section 5-5 (geologic map).
 - h. The depth of landslide shown on the buttress fill calculations shall be further verified during grading.

- i. All of the recommendations of the geologic reports, dated February 18, 1983, January 24, 1983, August 4, 1981 and April 22, 1977 by Slosson and Associates and soil engineering reports, dated February 22, 1983, January 25, 1983, January 11, 1983, July 6, 1981, March 22, 1977 and March 29, 1983, by GeoSoils, Inc., shall be incorporated into the plans.
- j. All buttress fills and other slope stabilization devices shall be shown on the grading plans, as well as all subdrainage devices required.
- k. Prior to the issuance of a grading permit, it may be determined that the project is subject to the requirements of the California Environmental Quality Act.
- l. Approval shall be obtained from the appropriate public agency with regard to proposed construction within or adjacent to the City street.
- m. Periodic inspection reports shall be submitted by the consultants during the course of the grading at approximate 30-day intervals with final reports to be submitted at the completion of the project and prior to issuance of building permits.
- n. Any recommendations prepared by the consulting geologist and/or the soils engineer for correction of geological hazards found during grading shall be submitted to the Department for approval prior to utilization in the field.
- o. A grading permit shall be secured and a grading bond posted.
- p. Any unsupported shale planes, either existing or exposed by grading shall be supported by a designed retaining wall or buttress fill.
- q. All existing fill shall be removed and recompacted at an angle no steeper than the permitted slope angle, or supported by a designed retaining wall.
- r. Both the geologist and the soils engineer shall inspect and approve all fill and subdrain placement areas prior to placing fill. Both consultants shall include in their final reports a certification of the adequacy of the foundation material to support the fill without undue settlement and/or consolidation.
- s. All graded slopes are subject to erosion and shall be planted and an irrigation system installed conforming to Section 91.3007.
- t. All roof and pad drainage shall be conducted to the street in an acceptable manner.
- u. All retaining walls shall be provided with a standard surface backdrain system and all drainage shall be conducted to the street in an acceptable manner.

- S-1 (a) That the sewerage facilities charge be deposited prior to recordation of the final map over all of the tract in conformance with Section 64.11.2 of the Municipal Code.
- (b) That survey boundary monuments be established in the field in a manner satisfactory to the City Engineer and located within the California Coordinate System prior to recordation of the final map. Any alternative measure approved by the City Engineer would require prior submission of complete field notes in support of the boundary survey.
- (c) That satisfactory arrangements be made with both the Water System and the Power System of the Department of Water and Power with respect to water mains, fire hydrants, service connections and public utility easements.
- (d) That any necessary sewer, street, drainage and street lighting easements be dedicated. In the event it is necessary to obtain off-site easements by separate instruments, records of the Bureau of Right-of-Way and Land shall verify that such easements have been obtained. The above requirements do not apply to easements of off-site sewers to be provided by the City.
- (e) That drainage matters be taken care of satisfactory to the City Engineer.
- (f) That satisfactory street, sewer and drainage plans and profiles as required, together with a lot grading plan of the tract and any necessary topography of adjoining areas be submitted to the City Engineer.
- (g) That any required slope easements be dedicated by the final map.
- (h) That each lot in the tract comply with the width and area requirements of the Zoning Ordinance.
- (i) That 1-foot future streets and/or alleys be shown along the outside of incomplete public dedications and across the termini of all dedications abutting unsubdivided property. The 1-foot dedications on the map shall include a restriction against their use for access purposes until such time as they are accepted for public use.
- (j) That any 1-foot future street and/or alley adjoining the tract be dedicated for public use by the tract, or that a suitable resolution of acceptancy be transmitted to the City Council with the final map.
- (k) That no public street grade exceed 15%.

- v. In order to best inform future owners of the potential for sloughing and erosion, and the need for periodic maintenance of the slough protection devices, this letter and the consultant's reports shall be recorded with the Office of the County Recorder. (Note: The standard agreement form must be approved by the Grading Division prior to being recorded.)
- w. All existing uncertified fill and/or creep prone soils shall be removed and recompacted under the geotechnical supervision of the soils engineer.
- x. All grading construction shall be scheduled for completion prior to the start of the rainy season.
- y. All concentrated drainage shall be conducted in an approved device and disposed of in a manner approved by the Department.
- z. The geologist and soils engineer shall inspect the excavations for the footings to determine that they are founded in the recommended strata before calling the Department for footing inspection.
- aa. If import soils are used, no footings shall be poured until the foundation engineer has submitted a compaction report containing in-place shear test data and settlement data to the Department and obtained approval.
- bb. Secure the written consent from all owners upon whose property the proposed grading is to extend.
- cc. The dwelling shall be connected to the public sewer system.

S-2 That the following provisions be accomplished in conformity with the improvements constructed herein:

- (a) Survey monuments shall be placed and permanently referenced to the satisfaction of the City Engineer. A set of approved field notes shall be furnished, or such work shall be suitably guaranteed, except where the setting of boundary monuments requires that other procedures be followed.
- (b) Make satisfactory arrangements with the Department of Traffic with respect to street name, warning, regulatory and guide signs.
- (c) All grading done on private property outside the tract boundaries in connection with public improvements shall be performed within dedicated slope easements or by grants of satisfactory rights of entry by the affected property owners.
- (d) All improvements within public streets, private street, alleys and easements shall be constructed under permit in conformity with plans and specifications approved by the Bureau of Engineering.
- (e) Any required bonded sewer fees shall be paid prior to recordation of the final map.

S-3 That the following improvements be either constructed prior to the recording of the map or that such construction be suitably guaranteed:

- (a) Construct on-site sewers to serve the tract as determined by the City Engineer.
- (b) Construct any necessary drainage facilities.
- (c) Install street lighting facilities to serve the tract as required by the Bureau of Street Lighting.
- (d) Plant street trees and remove any existing trees within dedicated streets or proposed dedicated streets as required by the Street Tree Division of the Bureau of Street Maintenance. When the City has previously been paid for tree planting, the subdivider or contractor shall notify the Street Tree Division (485-5675) upon completion of construction to expedite tree planting.
- (e) Repair or replace any off-grade or broken curb, gutter and sidewalk satisfactory to the City Engineer.
- (f) Construct access ramps for the handicapped as required by the City Engineer.
- (g) Close any unused driveways satisfactory to the City Engineer.

- (h) Grade the median islands in Palisades Drive adjoining the tract as required.
- (i) Reconstruct the median islands in Palisades Drive adjoining the tract to provide for left-turn movements, and landscape the median island satisfactory to the City Engineer.

NOTES:

The Advisory Agency approval is the maximum number of units permitted under the tract action. However the existing or proposed zoning may not permit this number of units.

The subdivider is hereby advised that compliance with all of the "Q" (qualified zone) conditions imposed by the City Council under City Plan Case No. 83-016 will be required.

All of the conditions imposed by the California Coastal Commission under Coastal Development Permit No. A-381-78 be complied with.

Satisfactory arrangements shall be made with the Los Angeles Department of Water and Power, Power System, to pay for removal, relocation, replacement or adjustment of power facilities due to this development. The subdivider must make arrangements for the underground installation of all new utility lines in conformance with Section 17.05N of the Los Angeles Municipal Code.

The subdivider is hereby advised that the final map must record within 36 months of the date of approval, unless an extension of time has been granted prior to the expiration of this 36-month period.

The Advisory Agency hereby finds that this tract conforms to the California Water Code, as required by the Subdivision Map Act.

No building permit will be issued until application has been made to the Housing Authority and it has certified that such development complies with the requirements for low- and moderate-income housing, in accordance with Section 12.39A of the Los Angeles Municipal Code.

The affected City agencies are hereby advised that a change of zone from RE15-1-H to RD1.5-1-H under City Plan Case No. 83-016 is being processed under the Dual Process requirement of Section 12.32 F of the Los Angeles Municipal Code.

The subdivider should consult the Department of Water and Power to obtain energy-saving design features which can be incorporated into the final building plans for the subject development. As part of the Total Energy Management Program of the Department of Water and Power, this no-cost consultation service will be provided to the subdivider upon his request. (No CC's).

FINDINGS OF FACT (FULL EIR)

In making the decision to approve Tentative Tract No. 41661, the Advisory Agency of the City of Los Angeles certifies that it has reviewed and considered the information contained in EIR 70-81-ZC(CUZ)(SUB), together with all written communications and oral testimony regarding this subdivision. As part of this approval, the Advisory Agency, pursuant to Sections 66474.60, .61 and .63 of the State of California Government Code (the Subdivision Map Act), makes the prescribed findings as follows:

- (a) THE PROPOSED MAP IS CONSISTENT WITH APPLICABLE GENERAL AND SPECIFIC PLANS.
- (b) THE DESIGN AND IMPROVEMENT OF THE PROPOSED SUBDIVISION ARE CONSISTENT WITH APPLICABLE GENERAL AND SPECIFIC PLANS.

The proposed Gateway project must be considered an integral part of a much larger total development with a total of 1,722 acres of land. The Brentwood-Pacific Palisades District Plan would allow 2,900 dwelling units on this 1,722 acres. The 322.8 acres of Gateway comprises only 18.7 percent of the total 1,722 acres. The overall project, commonly referred to as "Headlands", has been through a very complicated series of planning actions. The overall residential and commercial capacity of the 1,722 acres has been significantly reduced through these planning actions over the past 20 years.

Slightly more than 1,300 acres of the Headlands properties has been reduced to 1,892 dwelling units by the adopted District Plan. Coastal Permit No. A-381-78, as amended, reduces a like area to 740 dwelling units, with 175 in the Gateway portion.

Careful analysis of the entire text of the Plan, finds 24 items which directly relate to the proposed development. Each is discussed in the Draft EIR page A1-A11. These text provisions, together with the map provisions, led the Community Planning Division to the conclusion that the proposed Gateway project fully conforms to the adopted District Plan.

The site is located in the Flood Plain Management Specific Plan area (hillside area).

The project conforms with both the specific provisions and the intent of the Flood Plain Management Specific Plan (Section 5.B.4 of Ordinance 154,405).

Therefore, as conditioned, the proposed tract map is (substantially) consistent with the intent and purpose of the applicable General and Specific Plans.

- (c) THE SITE IS PHYSICALLY SUITABLE FOR THE PROPOSED TYPE OF DEVELOPMENT.
- (d) THE SITE IS PHYSICALLY SUITABLE FOR THE PROPOSED DENSITY OF DEVELOPMENT.

The Department of Building and Safety, Grading Division, has conditionally approved the tract map in accordance with the Grading Regulations, Section 91.3000 of the Los Angeles Municipal Code.

The soils and geology reports for the proposed subdivision were found to be adequate by the Grading Division of the Department of Building and Safety.

- (e) THE DESIGN OF THE SUBDIVISION AND THE PROPOSED IMPROVEMENTS ARE NOT LIKELY TO CAUSE SUBSTANTIAL ENVIRONMENTAL DAMAGE OR SUBSTANTIALLY AND AVOIDABLY INJURE FISH OR WILDLIFE OR THEIR HABITAT.

See CEQA Findings.

- (f) THE DESIGN OF THE SUBDIVISION AND THE PROPOSED IMPROVEMENTS ARE NOT LIKELY TO CAUSE SERIOUS PUBLIC HEALTH PROBLEMS.

There appear to be no potential public health problems caused by the design or improvement of the proposed subdivision.

The development is required to be connected to the City's sanitary sewer system, where the sewage will be directed to the LA Hyperion Treatment Plant, which is currently being upgraded to meet Statewide ocean discharge standards. The Bureau of Engineering has reported that the proposed subdivision does not violate the existing California Water Code because the subdivision will be connected to the public sewer system and will have only a minor incremental impact on the quality of the effluent from the Hyperion Treatment Plant.

- (g) THE DESIGN OF THE SUBDIVISION AND THE PROPOSED IMPROVEMENTS WILL NOT CONFLICT WITH EASEMENTS ACQUIRED BY THE PUBLIC AT LARGE FOR ACCESS THROUGH OR USE OF PROPERTY WITHIN THE PROPOSED SUBDIVISION.

Needed public access for roads and utilities will be acquired by the City prior to recordation of the proposed tract.

- (h) THE DESIGN OF THE PROPOSED SUBDIVISION WILL PROVIDE, TO THE EXTENT FEASIBLE, FOR FUTURE PASSIVE OR NATURAL HEATING OR COOLING OPPORTUNITIES IN THE SUBDIVISION. (REF. SECTION 66473.1)

a. In assessing the feasibility of passive or natural heating or cooling opportunities in the proposed subdivision design, the applicant has prepared and submitted materials which consider the local climate, contours, configuration of the parcels to be subdivided and other design and improvement requirements.

b. Providing for passive or natural heating or cooling opportunities will not result in reducing allowable densities or the percentage of a lot which may be occupied by a building or structure under applicable planning and zoning in effect at the time the tentative map was filed.

c. In addition, prior to obtaining a building permit, the subdivider will prepare and submit a report which considers building construction techniques, such as overhanging eaves, location of windows, insulation, exhaust fans; planting of trees for shade purposes and the height of the buildings on the site in relation to adjacent development.

CEQA FINDINGS

Findings made pursuant to and in accordance with Section 21081 of the Public Resources Code are as follows:

IMPACTS:

The Environmental Impact Reports identify potential adverse impacts resulting from implementation of the project in the following areas: Major Landforms, Hydrology, Geologic Hazard (Seismic and Landslides), Plant Life, Animal Life, Land Use (Zoning and Density), Circulation, Air, Noise, Solid Waste, Water, Energy, Sewers, Public Facilities (Police and Fire) and Aesthetics.

21081 Findings

Changes, alterations or original design features are incorporated into the project which will enable the mitigation or avoidance of the potentially significant environmental impacts identified in the Final EIR. These features have been required as conditions of approval of tract map.

MITIGATION MEASURES FEASIBLE

Major Landforms

All grading will be in accordance with the City's existing grading ordinances. A haul route permit will be required for the transportation of materials to the Gateway area. The conditions of approval require that grading will be in compliance with the recommendations by the soils and geologic consultants, the conditions of the Bureau of Engineering and the Department of Building and Safety.

Hydrology (Surface Water Runoff and Flood Hazard)

Within the Gateway area, only a minimal increase in runoff would result since only 27 acres of 322 acres would be subject to new grading. This project, when combined with other existing and proposed projects, will not increase clean water runoff at Sunset Boulevard beyond the peak flow which the storm drain system can accommodate.

Tract map conditions require that the off-site retention and debris basins required under Tract Map No. 31070 be completed to the satisfaction of the City Engineer. The construction of the required drainage facilities, including on-site storm drains, retention basins and debris basins as required by conditions herein will permit the development to meet the intent of the Flood Hazard Management Specific Plan for hillside areas. Further, all graded slopes are required to be planted and an irrigation system installed conforming to Section 91.3007 of the Building Code to minimize erosion.

Geologic Hazards (Seismic and Landslides)

There are no known active faults within the project area. Landslide and slump features are noted on the subject site and adjacent properties.

The project will be constructed in conformance with the Seismic Safety Element and the requirements of the Building Code.

Landslide mitigation measures will be in accordance with the grading conditions herein, the City's grading regulations and the recommendations of the geology and soils reports. All buyers will be given a copy of the seismic discussion in EIR 70-81-CUZ(ZC)(SUB), which explains the stability of the area.

Plant Life

Development of the approximate 33 acres of the Gateway area would have a minimal effect on plant life inasmuch as the area has been altered previously. Several oak trees exist within the Gateway area, but would not be affected. No other species of plant life currently designated as rare, threatened or endangered were observed on the site.

Animal Life

All wildlife will be disturbed within the Gateway area involving construction activities. Wildlife of low mobility and those refusing to emigrate will be eliminated by the site preparation. The site does not possess any biotic features that are exclusive to the region nor does it serve a critical role in the survival of any native or migrant species of wildlife.

Approximately 281 acres will remain in open space, which will facilitate the relocation of existing animal life.

Land Use (Zoning and Plan)

City Plan Case No. 83-016 is under concurrent processing to change the RE15-1-H property to the RD1.5-1 Zone.

The adopted Brentwood-Pacific Palisades District Plan designates the subject property to Minimum density (0.5 to 1 DU's/GA). The application of the slope density formula and desirable open space, the textual provisions, together with map provisions, conclude that the proposed project is in conformance with the Plan. The adopted Plan incorporates the coastal open space plans, therefore, there will be no further impacts on these plans.

Circulation

The combined Gateway and Headlands proposed projects would generate an estimated 5,704 vehicle trips per day at the rate of 467 and 556 vehicles per hour during the a.m. and p.m. peak hour traffic periods, respectively. The traffic generated by the proposed project, together with related projects, will significantly aggravate the existing undesirable level of service during peak hours at the intersection of Sunset Boulevard and Pacific Coast Highway.

The streets serving the site are or will be dedicated and improved to the satisfaction of the City Engineer, the Department of Transportation and the Advisory Agency. Provision to install a traffic signal at the intersection of Sunset Boulevard and Palisades Drive will reduce the impacts at that intersection to an acceptable level.

Noise

Short-term increases in local noise levels will be generated by the construction activities during the construction period. Long-term noise generation will be caused by air conditioning equipment, swimming pool motors and trash collection. Pool motors and air conditioning equipment will be in enclosed areas. Noise insulation standards of the State of California and the Municipal Code will be met for all structures.

Construction equipment noise is regulated by local ordinances. Compliance with the City's Noise Ordinance for equipment will be assured by complaints.

Solid Waste

The proposed project will generate approximately 3,430 pounds of solid waste per day requiring landfill disposal. This project and related projects would generate approximately 40 tons of solid waste per week.

Tract map conditions requires the installation of individual trash compactors throughout the market-rate residential complex to reduce the volume of solid waste.

Water

The project will increase water consumption. Low volume water fixtures shall be provided in compliance with the energy conservation standards of the State of California.

Energy

The project, together with the related projects, will have a cumulative impact on regional energy supplies.

The subdivider should consult with the Department of Water and Power and the Southern California Gas Company to determine feasible energy conservation features that may be incorporated into the project design.

Police

An additional four new police officers would be required due to the project and the related projects.

The project will comply with the residential security provisions of the Municipal Code. Compliance will include provisions for adequate lighting along streets, walkways and parking areas. The tract condition requires the subdivider to incorporate design fixtures suggested by the City Police Department's Crime Prevention Unit.

Fire

Existing fire station locations and response distance to the proposed project indicate that fire protection would be considered inadequate. Development of this project, together with the related projects, may result in the need for additional fire protection facilities, staffing and/or relocation of present facilities.

The project will comply with the City of Los Angeles Fire and Mountain Fire Codes. Tract map conditions have been imposed to reduce the fire protection impacts to an acceptable level.

Aesthetics

Within the Gateway portion, previously graded areas will be developed. Adjacent residential areas would view residential/commercial and institutional development.

Tract map conditions and "Q" conditions of zone change have been imposed to minimize the visual impacts.

MITIGATION MEASURES NOT FEASIBLE

Air

The total project will generate approximately 2,000 pounds per day of mobile source air pollutants which will cause cumulative reductions in already poor local and regional air quality. Dust and vehicle emissions will also be generated during site preparation and construction activities.

Short-term construction impacts will be decreased by compliance with the City standards for dust control. The cumulative impact on local and regional air quality will not be mitigated, unless increasingly stringent State and Federal air quality controls are implemented.

Sewers

The proposed project will generate approximately 76,250 gallons of wastewater per day. Wastewater from the proposed project and related projects will incrementally affect the treatment capacity of the Hyperion Treatment Plant, which currently fails to meet Federal water pollution standards.

No mitigation measures are available to the subdivider. If secondary treatment plans for the Hyperion Treatment Plant are implemented and the Sepulveda Plant is completed, the long-term impacts will be reduced to an acceptable level.

ALTERNATIVES

No Project

Under a "no-project" alternative, virtually all impacts, both positive and negative, which have been projected to result from implementation of the proposed project, would be avoided. This alternative would not provide a solution insofar as the ultimate use of the land, nor would it be practical from the applicant's standpoint. In addition, the land committed for park purposes to the State becomes questionable.

Interchanged Gateway Land Uses

This alternative would interchange the location of the proposed project. The commercial and parking development proposed on the east side of Palisades Drive would be located on land designated for "affordable housing". The affordable housing proposed would be located on the east side of Palisades Drive or be located to the north on land designated for church/school. The entire four proposed developments within the Gateway could be interchanged in several combinations to achieve the differing location of uses. In general, this alternative would have no appreciable difference in impacts when compared to the proposed project. This alternative could possibly have greater transportation and parking impacts since the Lewis parcel of land would not be available for general public use. In addition, site planning and functional arrangement of land use may not be ideal in terms of affordable housing in close proximity to existing bus service, the irregular-shaped Lewis parcel of land use and the previously linear flat area limitation.

Change In Intensity Of Development

Reduced C2-1 Zoning

This alternative would reduce the requested zone designation from C2-1 to C1.5-1 or C1-1 Zones. The remaining zone requests would be the same. The change from C2-1 to C1.5-1 or C1-1 Zones would reduce the range of commercial uses which could be developed on the site. The net effect of this alternative would remain insignificant.

Reduced Density - Gateway

Under this alternative, the application of the slope density formula is utilized to determine the residential density. As calculated, the 322-acre Gateway site would be limited to 42 dwelling units. There are two variations on how the 42 dwelling units could be developed. Under one variation, the 42 dwelling units would be distributed generally along the east and west sides of Palisades Drive on the previously graded areas. Vehicular access would probably be the major problem, although either a frontage street or street along the base of the slopes could possibly be constructed. The remaining acreage could be retained as hillside open space. A variation of this alternative would be to distribute the 42 dwelling units on the entire 322 acres. This variation would involve greater land alteration of the hillside and produce visual/aesthetic impacts. Flora-fauna impacts would increase and land committed for park/open space would be diminished.

Alternative Sites

There are undeveloped land holdings of comparable acreage to the proposed project within the Santa Monica Mountains. However, there are no other uncommitted major land holdings in the Pacific Palisades area which could accommodate a development of this type and magnitude. To develop the proposed project on another site would involve similar environmental issues which could cause more extensive grading impacts, greater impacts on the existing plant and animal life within the Santa Monica Mountains, impacts on the area's view and aesthetics and the land committed to the State for open space would not occur. On undeveloped land within the mountain areas, other impacts could be greater due to the lack of infrastructures to accommodate a development.

Zone Change Consideration

This Environmental Impact Report is intended to cover the range of uses, including and between the existing zoning and the requested zoning, pursuant to Section 12.32-D3 of the Municipal Code. It therefore provides sufficient information for making a decision on any alternative project contained within this range.

STATEMENT OF OVERRIDING CONSIDERATIONS:

The Final EIR's identify the following impacts which essentially cannot be mitigated to an acceptable level:

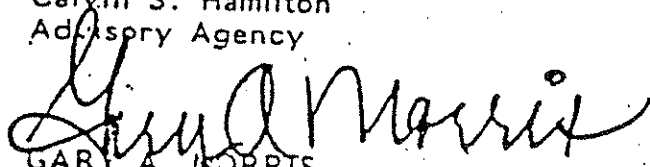
Air Quality
Sewage

Direct and indirect beneficial aspects of the project are:

- Dedication of approximately 280 acres for permanent open space.
- The project will provide 100 units for low- to moderate-income housing.
- The project will provide construction related employment and will thereby generate revenues to the City.

These findings shall apply to both the tentative and final maps for Tract No. 41661.

Calvin S. Hamilton
Advisory Agency


GARY A. MORRIS
Deputy Advisory Agency

GAM:RHS:wb

4064t

CP-6340 (10/82)

NOTE: If you wish to file an appeal, it must be filed within 10 calendar days from the decision date as noted in this letter. For an appeal to be valid to the City Planning Commission, it must be accepted as complete and appeal fees paid at a public office of the Department of City Planning prior to the above 10-day time limit. Such appeal must be submitted in triplicate on Form CP-65(1) and approved by the City Planning Department's Division of Land Section.

STION 2

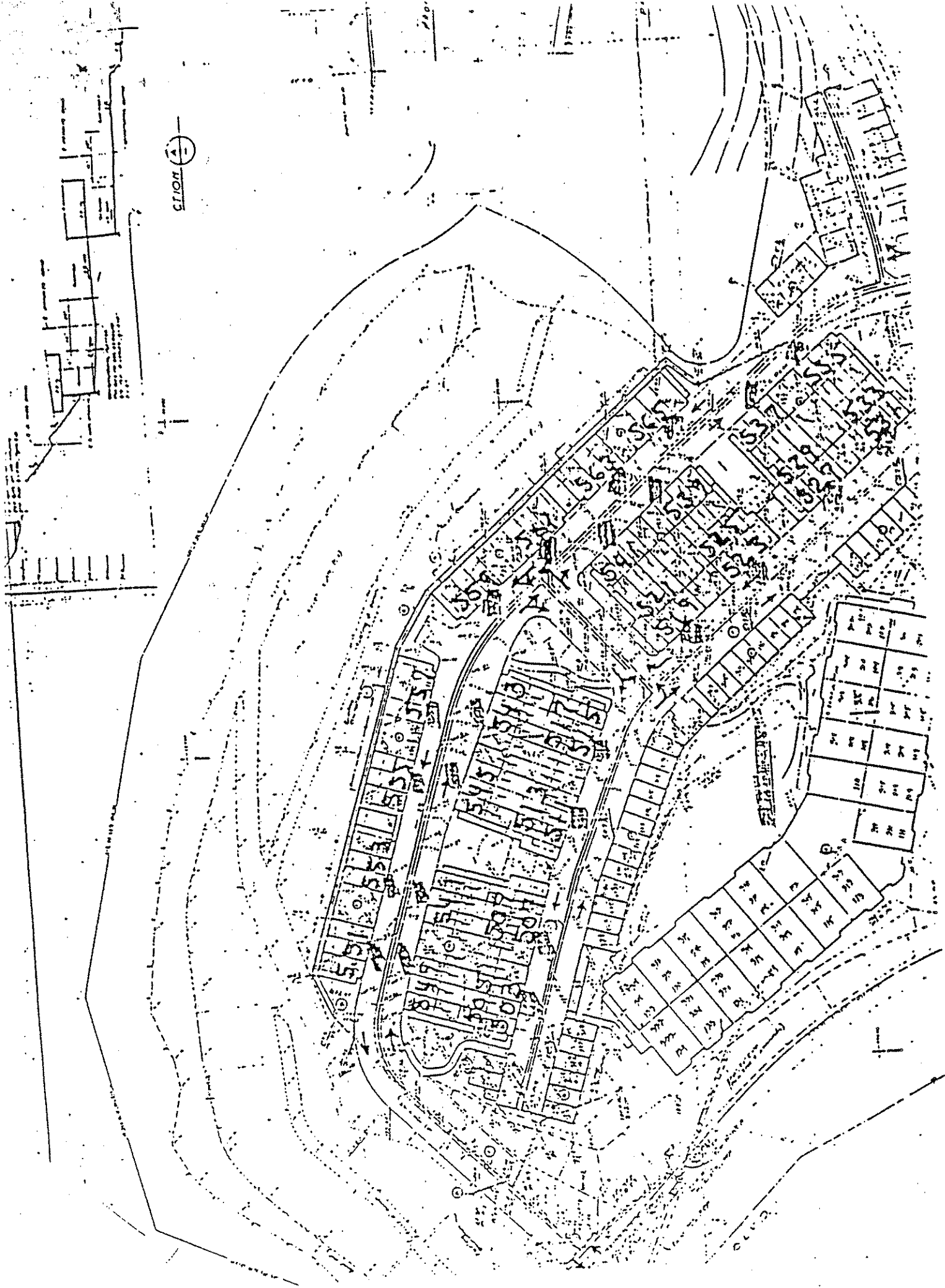


Exhibit B

GATEWAY AFFORDABLE HOUSING

SALES PRICES

SENIORS

1. Income Level 50% - \$14,200 -
Income Range \$0 - \$15,600
Sales Price \$50,700

Units 109
111
113
115
117
119
121
123

2. Income Level 60% - \$17,000
Income Range \$15,600 - \$18,500
Sales Price \$61,100

Units 103
105
107
104
106
108
110
112

3. Income Level 70% - \$19,900
Income Range \$18,500 - \$21,300
Sales Prices 71,500

Units 101
102
114
116
118
120
204
206
208

GATEWAY AFFORDABLE HOUSING
SALES PRICES
page 2

4. Income Level 80% - \$22,700
Income Range \$21,300 - \$24,100
Sales Prices \$82,000

Units 122
124
201
203
205
207
209
211
301

5. Income Level 90% - \$25,550
Income Range \$24,100 - 27,000
Sales Price \$92,400

Units 202
303
305
307
309
311
304
306
308

6. Income Level 100% - \$28,400
Income Range \$27,000 - \$29,800
Sales Price \$102,800

Units 210
212
214
216
302
310
312
314
316

GATEWAY AFFORDABLE HOUSING
SALES PRICES
page 3

7. Income Level 110% - \$31,250
Income Range \$29,800 - \$32,700
Sales Price \$113,200

Units 213
215
217
218
219
220
221
318

8. Income Level 120% - \$34,100
Income Range \$32,700 - \$34,100
Sales Price \$123,700

Units 222
313
315
317
319
320
321
322

FAMILY

1. Income Level 50% - \$19,250
Income Range \$0 - \$21,200
Sales Price \$69,300

Units 519
523
527
531

2. Income Level 60% - \$23,100
Income Range \$21,200 - \$25,000
Sales Price \$83,400

Units 555
557
559
561

*Tracy & Sandra Realty
457-2766
Jan Beckman*

PUBLIC NOTICE GATEWAY AFFORDABLE HOUSING Headlands Properties

We are pleased to inform you that completion of Gateway Affordable Housing is nearing, and the qualification of buyers and the sale of the condominiums is now starting.

There are 100 condominiums, of which 68 are 1 BR/1 BA (approx. 613 sq. ft.) "Senior" condos. The remaining 32 are 3 BR/2 BA (approx. 1032 sq. ft.) "Family" condominiums. The "Senior" condominiums are available for an individual or couple, one of whom is 62 years or older. The "Family" condominiums are available to a household of two members or more, one of whom must be a dependent and meet the definition of such as established by the Internal Revenue Service.

The other major qualification is "Household Income," which means current adjusted gross income as calculated for Federal Income Tax purposes (Federal Form 1040 Tax Return), and includes the adjusted gross income of all persons 21 years of age or older who intend to reside in the condominium.

Initial Sales Prices are related to income. There are 8 income ranges for both "Seniors" and "Family" buyers. The maximum income for "Seniors" is \$34,080, and for "Family" buyers the maximum income is \$46,221. The initial Sales Price for Senior condominiums range from \$50,700 to \$123,700 and for Family condominiums from \$69,300 to \$168,200.

The qualification and sale of these condominiums will be administered by the Community Development Department of the City of Los Angeles.

For more information regarding Gateway Affordable Housing, write Gateway Affordable Housing, P.O. Box 705, Pacific Palisades, CA 90272.

REMODELING SERVICE

JOSEPH BISCO
BUILDING CONTRACTOR

Any construction & additions - Remodelings - References - Call after

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GATEWAY AFFORDABLE HOUSING
SALES PRICES
page 4

3. Income Level 70% - \$26,950
 Income Range \$25,000 - \$28,900
 Sales Price \$97,500
- Units 551
 553
 563
 565
4. Income Level 80% - \$30,800
 Income Range \$28,900 - \$32,700
 Sales Price \$111,700
- Units 539
 541
 543
 545
5. Income Level 90% - \$34,650
 Income Range \$32,700 - \$36,600
 Sales Price \$125,800
- Units 535
 537
 547
 549
6. Income Level 100% - \$38,500
 Income Range \$36,600 - \$40,400
 Sales Price \$139,900
- Units 521
 525
 529
 533
7. Income Level 110% - \$42,350
 Income Range \$40,400 - \$44,300
 Sales Price \$154,100
- Units 503
 505
 511
 513

GATEWAY AFFORDABLE HOUSING
SALES PRICES
page 5

8.	Income Level	120% - \$46,200
	Income Range	\$44,300 - \$46,200
	Sales Price	\$168,200
	Units	507
		509
		515
		517

FIRST AMENDMENT
TO AGREEMENT NUMBER 68451 OF CITY CONTRACTS
BETWEEN
THE CITY OF LOS ANGELES
AND
THE CASA GATEWAY HOMEOWNERS ASSOCIATION
(FORMERLY HEADLAND PROPERTIES ASSOCIATES)
RELATING TO
THE HOUSING PURCHASE COVENANT AND AGREEMENT
FOR AFFORDABLE HOUSING

THIS FIRST AMENDMENT to Agreement Number 68451 of City Contracts is made and entered into by and between the City of Los Angeles, a municipal corporation, hereinafter referred to as the City and the Casa Gateway Homeowners Association, hereinafter referred to as the Contractor.

W I T N E S S E T H

WHEREAS, the City and the Contractor have entered into an agreement wherein the Contractor shall provide, for purchase, 100 affordable housing units said agreement effective August 19, 1988 and subsequently amended, which together with all amendments thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, §4.6 of the Agreement provides for amendments to the Agreement; and

WHEREAS, the City and the Contractor are desirous of amending the Agreement as provided by Section 22.468.a.10.b. of the Los Angeles Administrative Code for the purpose of: (a) changing the name of the owner of the site in order to reflect a change of ownership; (b) allowing for an increase, above the allowable sales price, of up to 6% to cover the costs of sales commissions; and (c) making such other changes as are required in connection with the foregoing, all as detailed elsewhere in this Amendment; and

WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under this Agreement.

NOW, THEREFORE, the City and the Contractor agree that the Agreement be amended effective August 19, 1988 as follows:

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A M E N D M E N T

- §1. Amend the Agreement by amending the title, after words "Between the City of Los Angeles and," by deleting the owner's name "Headland Properties Associates" and replacing it with the words "Casa Gateway Homeowners Association."
- §2. Amend the Agreement by amending page 1, first paragraph, by deleting the owner's name, "Headland Properties Associates" and replacing it with the owner's name "Casa Gateway Homeowners Association."
- §3. Amend the Agreement by amending Section 1.10 by adding to paragraph (c) the following: "(3) Increased by an amount of up to, but no more than, 6% to cover the costs of sales commissions. Proof of such costs shall be provided to the Community Development Department by the seller and/or the seller's real estate agent."
- §4. Amend the Agreement by amending §5.10 by deleting the following name and address, "Headland Properties Associates, P.O. Box 705, Pacific Palisades, CA 90272, Brett La Shelle, Vice President" and replacing it therefore with the following name and address:

"Casa Gateway Homeowners Association
1515 Palisades Drive
Suite B
Pacific Palisades, California 90272-2100"

- §5. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §6. This Amendment is executed in four (4) duplicate originals, each of which is deemed to be an original. This Amendment includes four (4) pages which constitute the entire understanding and agreement of the parties.

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IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

JAMES K. HAHN, City Attorney

By: [Signature]
Deputy City Attorney

Date: June 27, 1990

ATTEST:

ELIAS MARTINEZ, City Clerk

By: [Signature]
Deputy City Clerk

Date: 6-26-90

Executed this 22nd day of

June, 1990
For: THE CITY OF LOS ANGELES

PARKER C. ANDERSON
General Manager
Community Development Department

By: [Signature]

Harold S. Adams
ASSISTANT GENERAL MANAGER

Executed this 13th day of

June, 1990
For: CASA GATEWAY HOMEOWNERS
ASSOCIATION

(Contractor
Corporate Seal)



By: [Signature]
LINDA L. BANKARD
Property Manager

Said Agreement is Amendment Number One of Number 68451 of City Contracts.

(Owner's Notarization)

State of California
County of Los Angeles

SS.

On this 13th day of June, 1990, before me

Janet Sudar

the undersigned Notary Public in and for said State, personally

OFFICIAL SEAL



JANET SUDAR
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires FEB 20, 1993

1515 Palisades Dr., #B, Pacific Palisades, CA 90272
(Official Seal)

appeared Linda L. Bankard

personally known to me or 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 that (he) (she) (they) executed the same **WITNESS** my hand and official seal.

Notary's Signature: Janet Sudar