



Project Description and Plans

Prepared for

CITY OF LOS ALAMITOS

Steven Mendoza, Community Development Director

Prepared by

Malkoff and Associates
1828 N. Woodside Street
Orange, CA 92865
(714) 288-6200

June 13, 2014



TABLE OF CONTENTS

List of Figures	iii
List of Tables	iii
Executive Summary	iv
1.0 INTRODUCTION	1
2.0 SETTING	
Location	3
Land Use and Compatibility	3
Existing Infrastructure	5
3.0 PROJECT ELEMENTS	
Structural Components	9
Programs and Activities	11
4.0 PROJECT IMPLEMENTATION	
Architecture	12
Landscaping	13
Light and Glare	13
Signage	14
Noise	14
Geotechnical Considerations	15
Traffic and Parking	15

5.0 APPENDICES

- A. Legal Description
- B. Project Plans (reduced to 11"x17")
- C. Project Plans (full-sized) *(under separate cover)*
- D. Geotechnical Investigation *(under separate cover)*
- E. Traffic Impact Analyses *(under separate cover)*
- F. Community Outreach
- G. Project Contact List

LIST OF FIGURES

<i>Figure</i>		<i>page</i>
1	Vicinity Map	1
2	Site Location	3
3	Site Photographs	6-8

LIST OF TABLES

<i>Table</i>		<i>follows page</i>
1	Peak Season – Projected Usage	11
2	Non-Peak Season – Projected Usage	11

EXECUTIVE SUMMARY

The proposed WaterSafe Swim School will be sited on an approximately one-acre site on Cerritos Avenue in the City of Los Alamitos, California. The site is just about six miles from the Swim School's current location in Seal Beach, at 345 10th Street. This new site is situated in an industrial area of the City, but across Cerritos Avenue from Los Alamitos High School (to the northwest) and a residential neighborhood to the north and northeast.

The project site encompasses about 41,092 square feet. The approximately 2,505 square foot office building will be retained and painted, and two new, in-ground swimming pools will be located behind the building, parallel to the eastern property line. Accessory pool support equipment will be sited between the pools, and new outdoor showers will be placed contiguous to the rear of the office building. On-building signage facing the street, and pole-mounted signage located just behind the front sidewalk, will remain and the text/graphics revised to reflect the new school use, in conformance with City Code. The two existing driveway curb cuts onto Cerritos Avenue will be replaced with a single new driveway cut, and the existing parking lot will be restriped to include three handicapped parking spaces. The rear of the parking lot will be constructed to accommodate an Orange County Fire Authority-required turnaround space.

The Swim School building will include reception, school office and lobby areas, as well as vending machines, changing rooms and direct access to the outdoor showers and pools. The bathroom usage, and all access on-site, will be brought up to current ADA standards. One swimming pool will be covered with an open-sided hard canopy. In addition, a portable lift will be utilized to provide handicapped access to both swimming pools. Some non-public storage areas will be retained in the office building.

The landscaping planned for the site will enhance the almost non-existent softscape present today (only two street trees). A front yard landscaped area, and additional landscaping along the parking lot on both sides and within the pool areas will greatly improve the character of the site, both visually and in terms of available shade. Concrete wheel stops will be included to protect the trees and shrubs planned for the site.

The Project will be implemented in a single phase, and is situated on leased land. Some off-site encroachments by surrounding businesses will be addressed directly with adjacent landowners. A formerly utilized underground wash-rack runoff water tank will likely be removed as part of project implementation. A soil boring next to the tank showed no soil contaminants present.

Considerations were given to the environmental consequences of the project. Soils borings were conducted, and a parking study addressed the relationship of the school activities to potential parking impacts at the site. The visual changes planned on-site will measurably improve the aesthetics and may help to screen some of the industrial uses, notably the high-pile storage, visible at the back of the site. No potential for significant adverse impacts were identified, and hence no specific mitigation measures will be needed for this project design.

Extensive parking lot and building refinements, new landscaped and painting treatments, and the addition of the school use will greatly enhance the property and be of benefit to the surrounding community. The more intangible aspects of water safety and swimming ability will also be of value to the Los Alamitos citizenry.

1.0 INTRODUCTION

WaterSafe Swim School, a successful, family-oriented program that is well established in the City of Seal Beach, is expanding into the City of Los Alamitos (Figure 1). Over the years, its popularity and success have grown, and countless families have been turned away, especially during recent summers, for lack of available time slots of instruction. Under the direction of Founder and Owner Ginny Flahive-Ferguson, and with the support/instructional teaching of the school's Director, Nathanael Najarian, quality and quantity of services provided have continued to grow. Part-time administrative support, along with a long list of well-trained swim instructors, ensures a standardized, proven program of water safety and swim lessons for their clientele.



Figure 1. Vicinity Map

WaterSafe Swim School proposes to redevelop an existing, unused industrial site on Cerritos Avenue, just east of Los Alamitos Boulevard. Its facilities will include remodeling and painting the approximately 2,505-square-foot office building, with a covered outdoor shower area added to the rear, two new in-ground, heated swimming pools (one with an open-sided hard canopy), and a surplus of parking on-site. Both the building and the parking lot will be upgraded to meet

2.0 SETTING

Location

The project site is located at 3686 Cerritos Avenue in the City of Los Alamitos, California (Figure 2). The proposed swim school site, approximately 41,092 square feet, is currently an unoccupied site within the Planned Light Industrial zone. Immediately to the northwest of the site is Los Alamitos High School. Lying northerly and to the northeast is a single family residential tract across Cerritos Avenue. Adjacent to the street on the parcel to the west of the site is a Volcano Burger restaurant and parking lot. The rest of the properties to the west, south and east are typical of the industrial zoning for the area.

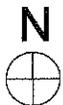
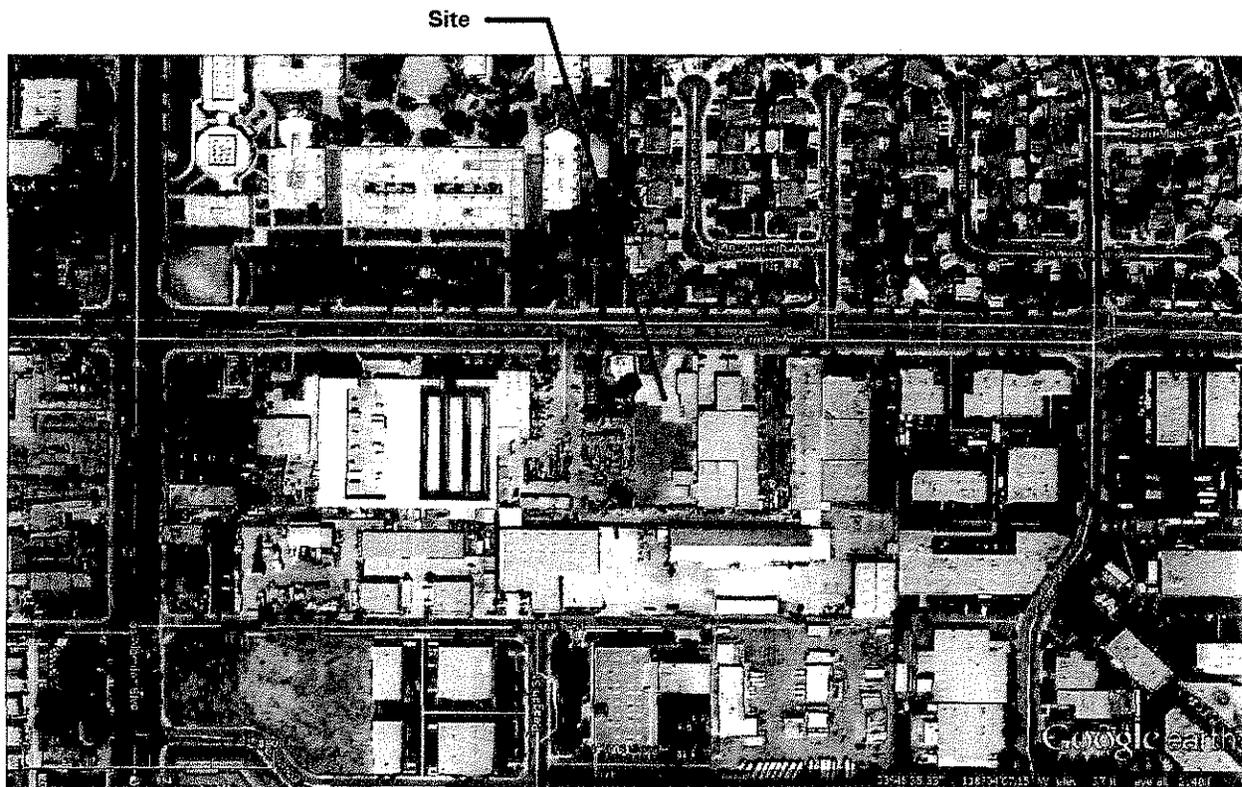


Figure 2. Site Location

Land Use and Compatibility

With this new location, the Swim School looks to expand its ability to serve the public in providing personalized instruction on swimming and water safety for individuals of all ages. WaterSafe Swim School looks forward to continuing its positive presence within Orange County, while maintaining an important, yet low key presence amongst its neighbors. The site

plan, land use, placement of swimming pools, parking lot design and landscaping were specifically engineered to minimize potential impacts to the surrounding neighborhood, particularly with respect to the single-family residences across the street. The re-occupation of the building on-site, with new architectural and landscape treatments, will soften the visual impacts of the development, and offer an improved streetscape when compared to the present, nearly barren site.

Zoning: The project site carries the P-M, Planned Light Industrial, zoning designation. This zoning designation has been in existence at the site for a long time, with former uses including light industrial and commercial storage activities. The swim school, as a commercial, recreational use planned for the site, is allowed with approval of a Conditional Use Permit (CUP). The City's Zoning Ordinance and the conditional use permit process allow the City to ensure land-use compatibility through the imposition of conditions and mitigation measures, prior to the issuance of a CUP. Such conditions may address the physical conditions of development, the manner of operation of the business, or any conditions deemed necessary to ensure that the approved use operates in a manner compatible with surrounding uses, while protecting the public health, safety and general welfare. Various types of potential conditions are set forth in the Zoning Ordinance, and will be considered during the review process for the project's CUP.

Compatibility: WaterSafe Swim School, with its established success in the City of Seal Beach, will blend easily with this area of Los Alamitos, including the adjacent developments. The use is low in traffic generation (see the Traffic and Parking discussion in Section 4). No heavy equipment is utilized on the site, hence improving the acoustic environment. The site generates some employment, and the need for some goods and services. It is also complementary to the adjacent hamburger stand, for the convenience of food service next door to the swim school. Given the annual waiting list for spots in the school's present instruction program, this will be a valuable and compatible use for the community.

Visual Impacts: The addition of extensive landscaped areas, both at the front of the property and along the western and eastern portions of the site, fresh paint on the office building, and revised and improved signage (both on the building and atop an existing pole sign) will enhance the beauty of the property. The change in curb cuts will simplify the appearance of the site from the street while retaining the two established street trees. Photographs of the site, both off-site within the adjacent Cerritos Avenue right-of-way and from various locations on-site, are provided on the pages that follow this "Setting" discussion. Additional photos show the wash rack/shade structure/underground tank that will be removed, and some illustrative images of the current swim program in Seal Beach are included as well.

On-site landscaping will greatly improve the visual appearance of the site. New grass/shrubs/trees will be added to a planted "front yard" next to the office building. Both sides of the parking lot, extending all the way to the rear of the property, will be bordered with new landscaping strips and placement of numerous trees. In addition, the landscaping added to the site will provide visual screening of the high-pile industrial stacked product areas at the southern and southwestern edges of the site. Some additional landscaped area will be included between the two swimming pools.

Traffic: Given that much of the swimming instruction on-site is based on one-on-one lessons, and that the classes are staggered in length throughout the day and early evening, traffic is expected to be light, compared to trip volumes along Cerritos Avenue. Morning and Evening Peak Hour trip traffic for the project is not expected to reach the typically minimal level of 50

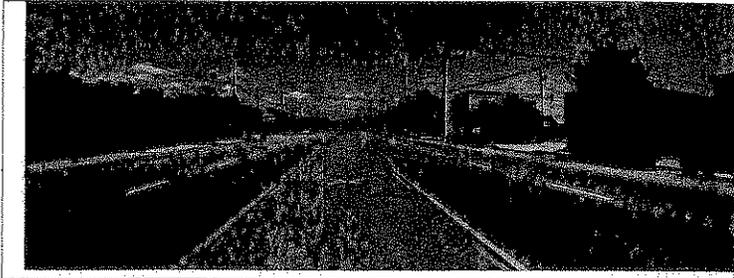
trips per hour, beyond which traffic analysis is sometimes recommended. Nonetheless, the applicant elected to engage Linscott Law and Greenspan, Engineers to review and report on the site design and adequacy of on-site parking to meet parking demand likely to be generated by the project (see Section 4 for a discussion of their findings). In addition, an excess of parking over that required for the site has been provided. This will help facilitate the convenient ingress and egress of vehicular movements. And, as typically required by OCFA for a site of this depth, a hammerhead turn-around area will be red-striped and labeled for that exclusive use at the back of the parking lot. Finally, handicapped parking spaces for van and cars have been provided next to the office and at the gate between the two swimming pools.

A new footpath will be created for access through the site and to the public sidewalk. New paving will surround the pools and ensure a safe, non-slip surface. In addition, a portable lift will provide handicapped access to both pools for instructional purposes.

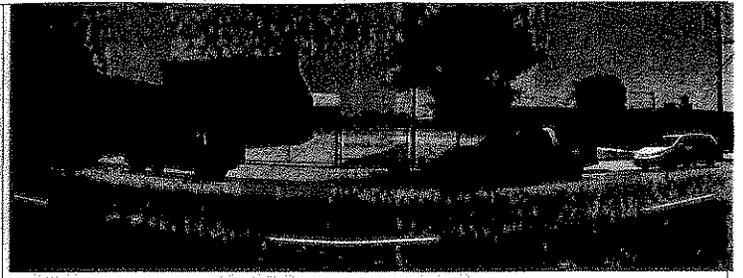
Noise: The positioning of both pools, in line with the existing office building, further shields any potential noise impact from the homes across the street. In addition, the pool closest to the office will have an open-sided hard canopy over it, further shielding noise from that pool as well as the one to the south of it. As noted above, no heavy equipment noises will be generated on-site, and traffic to and from the site is limited. Also, no permanent public address system will be installed in the site, and since actual instruction takes place principally on a one-on-one basis, a very modest amount of noise (mostly from enthusiastic children) will be generated at the pools.

Existing Infrastructure

Due to the fact that the site has been occupied for decades, and despite the fact that it has sat vacant recently, all conventional infrastructure exists at the site. The city's grid system of roadways makes vehicular access easy for local clientele, and the nearby 605 Freeway will help facilitate access for clients drawn from surrounding communities.



Looking East on Cerritos Avenue at Project Site



Looking South from Cerritos Avenue into Project Site

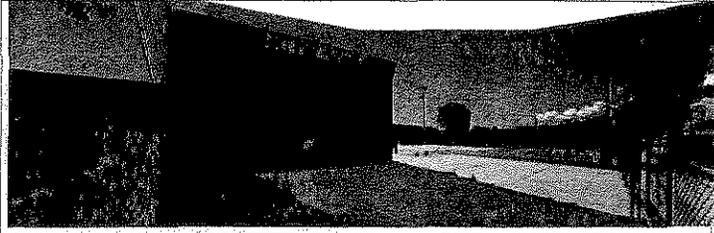


Looking West on Cerritos Avenue at Project Site

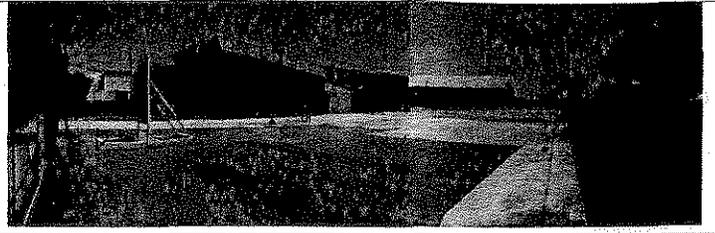


Looking North on Cerritos Avenue across from Project Site

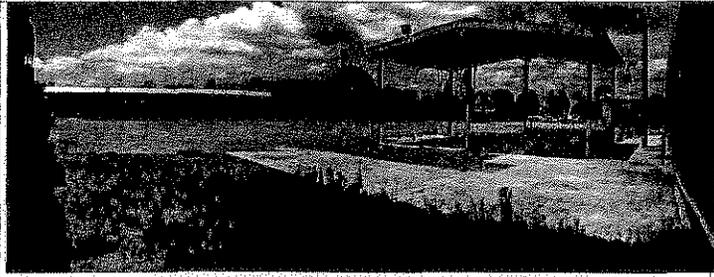
Figure 3a. Site Photographs



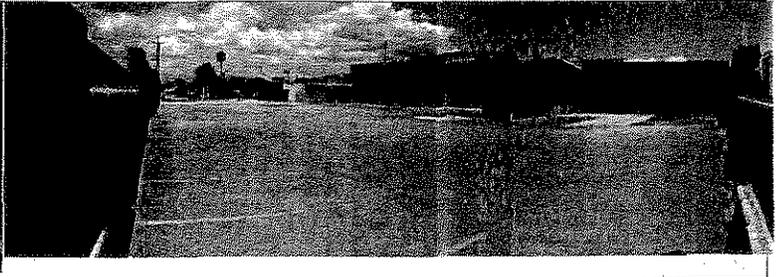
On-site View from the Northeast Property Corner



On-site View from the Northwest Property Corner

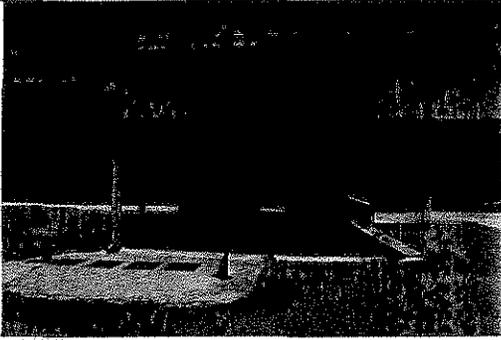


On-site View from the Southeast Property Corner

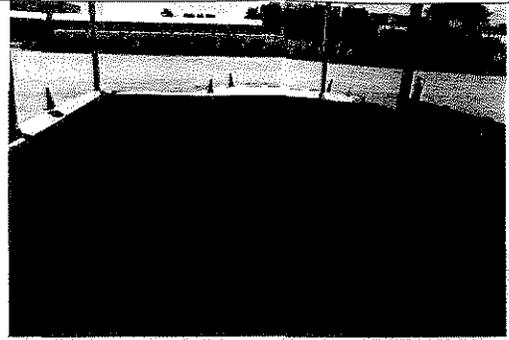


On-site View from the Southwest Property Corner

Figure 3b. Site Photographs



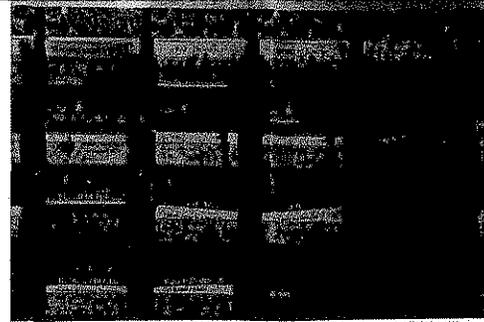
Wash Rack, Shade Structure and Underground Tank



Wash Rack, showing drain to Tank



Sample of One-on-One Teaching at Seal Beach School Site



Sample of Current Swimming Instruction Rewards Program

Figure 3c. Site Photographs

3.0 PROJECT ELEMENTS

The Project Elements section contains a physical description of the site and structures, detailing their design, interior/exterior uses, and operational characteristics. For discussion purposes, an arbitrary distinction is made between the physical attributes of the project (see *Structural Components*) and the programmatic aspects of the swim school. Current and planned activities are described under *Programs and Activities*.

Structural Components

The design of the WaterSafe Swim School is constrained by the existing building on-site, and the fact that this use is being established pursuant to a land lease. The swim school, being low in intensity of use, will blend with the environment of the general community and the specific site, while reflecting an identity unique to its purposes.

Structures

The 41,092 square-foot site easily accommodates the existing storefront glass-clad office building. This structure will be painted, a broken window-glass panel replaced, and utilized as the administrative center for the school. A reception desk, lobby, and school office will occupy the front portion of the building, while changing rooms and restrooms will be located in the back portions of the building. These latter facilities will then open onto new non-slip paving next to a new outdoor, covered shower area illustrated in Appendix B. The wooden patio cover will be attached to, and extend outward from, the rear of the office building.

The building lobby will have vending machines for the convenience of clientele, and the many Rewards Programs bulletin boards utilized by the school will be hung on the walls – especially to encourage and incentivize the children as they progress through the successive levels of instruction. There may even be an added Rewards board, for adult swimmers – the viability and potential success of this, however, is purely speculative at the present time!

An existing wall-mounted sign faces Cerritos on the north building face. This sign will be utilized for the swim school, and verbiage/design will conform to City standards.

The office building will be reviewed, and modified as needed, to comply with ADA requirements. As mentioned earlier, new spaces for van and cars will be striped in the parking lot, next to the office doors and in front of the gate between the swimming pools. New, handicapped accessible paving will extend from the public sidewalk onto the property in order to access the building and pool gate. The handicapped lift will be stored within the enclosed swimming area, for use in either pool.

A portion of the first floor, unavailable to the public, will be used as storage. Within this locked area is an existing stairwell providing access to additional, mezzanine-level enclosed storage space. If not already in place, these and the public areas of the office building will be reviewed and modified, as necessary, to meet fire regulations.

Over the swimming pool closest to the office will be a wood- or steel-framed, plaster-encased shade canopy. This will be a fire-rated structure, per code. The roof area of this canopy will have skylights to enhance the feel of the pool area, and open sides to better accommodate air flow. During winter months, soft-sided fabrics may be utilized under the canopy to conserve the warmth in this first pool, which will be heated to a higher level than the second, uncovered swimming pool.

A new 6-foot tall CMU wall will be built to surround the swimming pools. It will have periodic “windows” with metal grillwork to provide ventilation, improved sightlines, and to help avoid a ‘closed-in’ feel to the otherwise secure pool area.

A lockable steel cabinet will be located between the two swimming pools, along with the pool equipment (pump and filtration system). The cabinet will allow for secure storage, in quantities and/or volumes approved by the Fire Authority, for the chemicals necessary to maintain a clear and healthy water system.

From a prior use, there is a free-standing, pole-mounted sign just behind the public sidewalk along Cerritos mid-property. The structure will be retained, painted, and new conforming verbiage added for the benefit of the Swim School. There are also a couple of electrical utility poles on-site, which will be protected from vehicular movements to ensure their continued use.

The parking lot will accommodate 62 striped spaces. Wheel stops will be provided throughout. In addition, the lot will be lighted with pole-mounted light fixtures that will have shielded light sources, thus preventing potential light/glare intrusion into the nearby homes.

A new trash enclosure will be built along the westerly property line. It will be placed opposite the handicapped parking spaces next to the office building, to better allow room for the truck to maneuver.

Also from previous user(s), there was an underground tank placed on the property, 3/4 of the way back from Cerritos. Next to this tank is an above-ground shade structure and two low block walls (discontinuous) which surround the drained washing area on three sides. All of these above-ground and underground structures will be removed from the site.

Outdoor Amenities

The swim school site will be landscaped with a diverse mix of deciduous and evergreen trees, which will add variety and functionality, in terms of shade and verticality. Landscaping materials will be selected for their heat- and drought-tolerance, and low-water demanding species will be used where practicable.

The site elevations, curbs, boundaries and topography were surveyed (see Appendix B). In general, the current, fully-paved site drains to the front of the property. Best Management Practices will be utilized on-site, including the controlled, minimal use of fertilizers and/or pesticides in landscaped areas, and the parking area will be cleaned/swept regularly.

Programs and Activities

The site has been designed to create a distinctive, relaxed environment within the pool area, separate from the parking lot where one first encounters the school. Students will be checked in at the reception desk, may wait for their lessons in the lobby, and then utilize the changing and rest rooms as needed. From the office building, they walk under the patio cover to the pools.

Swimming and water safety is taught at all age levels. Principally, an emphasis is placed on close contact between instructor and student(s). Most classes are individual ones, but there are group classes as well. The tables that follow show the projected Student Usage for both Peak season, defined as the period from March through September (Table 1), and for Non-Peak times, generally extending from October through February (Table 2). However, the use of a hard canopy over the first pool may, perhaps with the use of soft-sided panels, extend the prime teaching season, depending on the weather.

Teaching is conducted in each pool, although the temperature regimes are different. The warmer pool is easier for learn-to-swim type instruction, where there is a lot of standing around and less active swimming. By contrast, the cooler pool is better for advanced teaching, and lap-swim periods, where the level of activity and warm muscles can compensate for the pool's coolness.

Water aerobics are also offered, along with Parent/Tot programs. None of these activities require the use of a public address system. Similarly, for such activities as scuba training, amplified sound is not important.

For the occasional swim meets that may take place, these are scheduled for daytime hours on Saturdays, when they have the least potential to impact either traffic on Cerritos (no peak periods on weekends), and occur late enough in the mornings so as to not disturb the neighbors in the area – even if a hand-held megaphone (acoustic or powered) is used. In a similar fashion, any special staff- or other rental-events will be scheduled midday on weekends, in order to be least impactful.

WaterSafe Swim School, Los Alamitos Occupancy Estimates (3686 Cerritos Ave.)
Peak Season (March to September)

Hours of operation: M-F 7:00 am - 9:00 pm; Sat, 7:00 am - 7:00 pm; Sunday 9:00 am - 5:00 pm

Programs Offered	Duration
Private Lessons	15 minutes
Group Lessons	30 minutes
Adult Aquatics	60 minutes
Parent/Tot	30 minutes

Pool #1 (warm water learn-to-swim) 1,680 sq. ft.

Monday - Friday 7:00 am - 9:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	5	-	-	-	-	-	-	2	7
8:00 am - 12:00 pm	-	5	9	-	5	3	-	1	23
12:00 pm - 3:30 pm	-	3	3	6	3	1	1	1	17
3:30 pm - 6:00 pm	-	6	6	-	6	2	-	1	19
6:00 pm - 8:00 pm	-	6	6	-	6	2	-	1	19
8:00 pm - 9:00 pm	5	-	-	-	-	-	-	2	7

Saturday 7:00 am - 7:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	5	-	-	-	-	-	-	2	7
8:00 am - 12:00 pm	-	6	6	-	6	2	-	1	21
12:00 pm - 3:30 pm	-	3	3	6	3	1	1	1	17
3:30 pm - 6:00 pm	-	3	3	-	3	1	-	1	11
6:00 pm - 7:00 pm	-	-	-	-	-	-	-	-	-

Sunday 9:00 am - 5:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
9:00 am - 12:00 pm	-	3	3	-	3	1	-	1	11
12:00 pm - 3:30 pm	-	3	3	-	3	1	-	1	11
3:30 pm - 5:00 pm	-	3	3	-	3	1	-	1	11

Pool #2 (cool water) 2,100 sq. ft.

Monday - Friday 7:00 am - 9:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	5	-	-	-	-	-	-	-	5
8:00 am - 12:00 pm	2	-	6	-	-	2	-	-	10
12:00 pm - 3:30 pm	4	-	6	-	-	2	-	-	12
3:30 pm - 6:00 pm	-	-	15	-	-	2	-	-	17
6:00 pm - 8:00 pm	-	-	15	-	-	3	-	-	18
8:00 pm - 9:00 pm	5	-	-	-	-	-	-	-	5

Table 1. Peak Season - Projected Usage

Pool #2 (cool water) 2,100 sq. ft.

Saturday 7:00 am - 7:00 pm

Hours	Adult Aquatics (aerobics, lap swim)	# of Students			# of Teachers			Admin/Staff	Total Attendance
		Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	5	-	-	-	-	-	-	5	
8:00 am - 12:00 pm	-	-	15	-	-	3	-	18	
12:00 pm - 3:30 pm	-	-	-	-	-	-	-	-	
3:30 pm - 6:00 pm	-	-	-	-	-	-	-	-	
6:00 pm - 7:00 pm	-	-	-	-	-	-	-	-	

Sunday 9:00 am - 5:00 pm

Hours	Adult Aquatics (aerobics, lap swim)	# of Students			# of Teachers			Admin/Staff	Total Attendance
		Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
9:00 am - 12:00 pm	-	3	6	-	3	2	1	15	
12:00 pm - 3:30 pm	-	-	10	-	-	2	1	13	
3:30 pm - 5:00 pm	-	-	10	-	-	2	1	13	

**WaterSafe Swim School, Los Alamitos Occupancy Estimates (3686 Carritos Ave.)
Peak Season (March to September) - Summary**

Total Attendance (Pool #1 & Pool #2)

Day of the Week	Pool #1	Pool #2	Total	Projected Cars On-site
Monday - Friday 7:00 am - 8:00 am	7	5	12	12
Monday - Friday 8:00 am - 12:00 pm	23	10	33	41
Monday - Friday 12:00 pm - 3:30 pm	17	12	29	36
Monday - Friday 3:30 pm - 6:00 pm	19	17	36	45
Monday - Friday 6:00 pm - 8:00 pm	19	18	37	46
Monday - Friday 8:00 pm - 9:00 pm	7	5	12	12
Saturday 7:00 am - 8:00 am	7	5	12	12
Saturday 8:00 am - 12:00 pm	21	18	39	49
Saturday 12:00 pm - 3:30 pm	17	-	17	21
Saturday 3:30 pm - 6:00 pm	11	-	11	14
Saturday 6:00 pm - 7:00 pm	-	-	-	-
Sunday 9:00 am - 12:00 pm	11	15	26	33
Sunday 12:00 pm - 3:30 pm	11	13	24	30
Sunday 3:30 pm - 5:00 pm	11	13	24	30

Programs Offered	Duration
Private Lessons	15 minutes
Group Lessons	30 minutes
Adult Aquatics	60 minutes
Parent/Tot	30 minutes

Special Events	Time	Attendance	Cars On-Site
Swim Meets (Saturday every other month in lieu of lessons in pool #2)	10:00 am - 12:00 pm	25	25
Special staff/Rental Events (Saturdays when scheduled pool #2)	12:00 pm - 3:00 pm	25	25

Table 1. Peak Season - Projected Usage

WaterSafe Swim School, Los Alamitos Occupancy Estimates (3686 Cerritos Ave.)
 Non- Peak Season (October to February)

Hours of operation: M-F 7:00 am - 9:00 pm; Sat. 7:00 am - 7:00 pm; Sunday 9:00 am - 5:00 pm

Programs Offered	Duration
Private Lessons	15 minutes
Group Lessons	30 minutes
Adult Aquatics	60 minutes
Parent/Tot	30 minutes

Pool #1 (warm water learn-to-swim) 1,680 sq. ft.

Monday - Friday 7:00 am - 9:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	3	-	-	-	-	-	-	2	5
8:00 am - 12:00 pm	-	4	6	-	4	2	-	1	17
12:00 pm - 3:30 pm	-	2	3	5	2	1	1	1	15
3:30 pm - 6:00 pm	-	4	3	-	4	1	-	1	13
6:00 pm - 8:00 pm	-	4	3	-	4	1	-	1	13
8:00 pm - 9:00 pm	3	-	-	-	-	-	-	2	5

Saturday 7:00 am - 7:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	3	-	-	-	-	-	-	2	5
8:00 am - 12:00 pm	-	6	6	-	6	2	-	1	19
12:00 pm - 3:30 pm	-	2	3	5	2	1	1	1	15
3:30 pm - 6:00 pm	-	2	3	-	2	1	-	1	9
6:00 pm - 7:00 pm	-	-	-	-	-	-	-	-	-

Sunday 9:00 am - 5:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
9:00 am - 12:00 pm	-	2	3	-	2	1	-	1	5
12:00 pm - 3:30 pm	-	2	3	-	2	1	-	1	5
3:30 pm - 5:00 pm	-	2	3	-	2	1	-	1	5

Pool #2 (cool water) 2,100 sq. ft.

Monday - Friday 7:00 am - 9:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	5	-	-	-	-	-	-	-	5
8:00 am - 12:00 pm	2	-	6	-	-	2	-	-	10
12:00 pm - 3:30 pm	4	-	6	-	-	2	-	-	12
3:30 pm - 6:00 pm	-	-	10	-	-	2	-	-	12
6:00 pm - 8:00 pm	-	-	10	-	-	2	-	-	12
8:00 pm - 9:00 pm	5	-	-	-	-	-	-	-	5

Table 2. Non-Peak Season - Projected Usage

Pool #2 (cool water) 2,100 sq. ft.

Saturday 7:00 am - 7:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
7:00 am - 8:00 am	5	-	-	-	-	-	-	5	
8:00 am - 12:00 pm	-	-	10	-	-	2	-	12	
12:00 pm - 3:30 pm	-	-	-	-	-	-	-	-	
3:30 pm - 6:00 pm	-	-	-	-	-	-	-	-	
6:00 pm - 7:00 pm	-	-	-	-	-	-	-	-	

Sunday 9:00 am - 5:00 pm		# of Students			# of Teachers			Admin. Staff	Total Attendance
Hours	Adult Aquatics (aerobics, lap swim)	Private Lessons	Group Lessons	Parent/Tot	Private Lessons	Group Lessons	Parent/Tot		
9:00 am - 12:00 pm	-	3	6	-	3	2	-	15	
12:00 pm - 3:30 pm	-	-	5	-	-	1	-	7	
3:30 pm - 5:00 pm	-	-	5	-	-	1	-	7	

WaterSafe Swim School, Los Alamitos Occupancy Estimates (3686 Cerritos Ave.)
Non-Peak Season (October to February) - Summary

Total Attendance (Pool #1 & Pool #2)

Day of the Week	Pool #1	Pool #2	Total	Projected Cars On-site
Monday - Friday 7:00 am - 8:00 am	5	5	10	12
Monday - Friday 8:00 am - 12:00 pm	17	10	27	34
Monday - Friday 12:00 pm - 3:30 pm	15	12	27	34
Monday - Friday 3:30 pm - 6:00 pm	13	12	25	31
Monday - Friday 6:00 pm - 8:00 pm	13	12	25	31
Monday - Friday 8:00 pm - 9:00 pm	5	5	10	12
Saturday 7:00 am - 8:00 am	5	5	10	12
Saturday 8:00 am - 12:00 pm	19	12	31	39
Saturday 12:00 pm - 3:30 pm	15	-	15	19
Saturday 3:30 pm - 6:00 pm	9	-	9	11
Saturday 6:00 pm - 7:00 pm	-	-	-	-
Sunday 9:00 am - 12:00 pm	9	15	24	30
Sunday 12:00 pm - 3:30 pm	9	7	16	20
Sunday 3:30 pm - 5:00 pm	9	7	16	20

Programs Offered	Duration
Private Lessons	15 minutes
Group Lessons	30 minutes
Adult Aquatics	60 minutes
Parent/Tot	30 minutes

Special Events	Time	Attendance	Cars On-Site
Swim Meets (Saturday every other month in lieu of lessons in pool #2)	10:00 am - 12:00 pm	25	25
Special staff/Rental events (Saturdays when scheduled pool #2)	12:00 pm - 3:00 pm	25	25

Table 2. Non-Peak Season - Projected Usage

4.0 PROJECT IMPLEMENTATION

Careful evaluation of the project area, site requirements and limitations, and factors affecting compatibility with surrounding uses by the swim school's consultant team has led to the planning of this WaterSafe Swim School Project. In the applicant's opinion, the proposed project incorporates a number of mitigating features into the design of the building and structures, their placement, landscaping, lighting, signage, outdoor use (noise), site preparation and infrastructure, and pedestrian access and vehicular parking on-site. In addition, the scheduling of swim programs and other activities has been set to be least impactful of weekday and weekend conditions in the area.

During the design process for this proposed project, discussions with City of Santee staff and nearby residents helped to identify a number of design considerations. The swim school believes the changes made to early layouts of the pools and other site amenities have addressed most of those concerns.

The Swim School understands that throughout the CUP process, modifications to the proposed project may be suggested or recommended, in an effort to ensure a "good fit" with the surrounding community and conformance with City guidelines. The design and environmental considerations that are discussed in the sections that follow represent the applicant's, and its consultant team's, opinions and understanding of the project and its potential effects.

Architecture

The Swim School will utilize the present office building. It is in need of some remedial repairs, and painting. The interior configuration will be altered, both in terms of the applicant's use, as well as conformance with ADA requirements. Access/exiting will be reviewed, as well as life-safety and related building code requirements.

The wooden patio cover attached to the rear of the building will be separated, per code, from the hard canopy over the first swimming pool. The construction of the pool canopy will conform to the required fire rating. No other exterior modifications to the office building are contemplated, aside from doorway changes for ADA-compliance, especially since this use will be conducted under a long-term lease arrangement. The addition of color to the building will also add some visual interest and relief to the viewshed on-site (*see* Appendix B and the colored building model images included on the Site Plan, Sheet A1.3).

The proposed project is planned for long-term use. The lease contains provisions for renewal. Nonetheless, at some future date if/when the swim school may no longer be present on-site, the two swimming pools will be removed and the area back-filled, compacted and paved over with a lift of asphalt, in order to restore the site to its present paved-flat condition.

Landscaping

The landscaping for the site has been added to the architect's Site Plan (Sheet A1.3). It reflects the use of horizontal and vertical plantings, along with a mix of evergreen and deciduous trees. The addition of the new landscaping will dramatically improve the rather barren appearance of the paved over site as it exists today (see site photographs in the preceding section). The new trees will soften and screen the office building. In addition, the rather unattractive high-pile storage at the rear and southwest corners of the site will largely be screened out of site, both by the number of trees and the intervening distances involved.

Wheel stops will be used to protect the trees along the parking fields on both sides of the site. Additionally, landscaping will be used to soften and improve the street/curb appeal of the project site (the new "front yard"), as well as within the swimming area between the pools. Light-weight, movable outdoor furniture will be used around the pool areas. The two existing street trees, with some maturity, will be preserved on-site.

Water-conserving designs and plantings will be utilized to minimize the use of this valuable resource. Plantings will be grouped, where possible, by similar water demand and sun exposure requirements. Automated sprinklers, tensiometers and rain sensors will help minimize waste, and drip systems, or equal, will ensure efficient delivery of irrigation. Care will be exercised to avoid risk of irrigation overspray wherever walkways are located. Similarly, tight control on pesticides and fertilizers will be exercised.

Light and Glare

The industrial setting of the site and the presence of a major arterial backing up to single family residences suggest that light levels and potential for glare already exist in the neighborhood of the proposed project. Site lighting for the project will be principally limited to security lighting around the building and pools, and the parking lot.

Low-level security lighting at night will be only bright enough to accomplish the purpose, without an excess of glare potentially spilling over to properties off-site. Care in the selection of such fixtures will be exercised to ensure that bright light sources are shielded from residential areas, and that the glare from on-site lighting is kept to minimum levels. Some wall wash, low-level night walkway/security lighting (e.g., using bollard-borne and/or wall lighting), signage lighting, and limited area lighting may be used after dark.

Parking lot light standards will be of a sufficient height to minimize the number of poles required. The lights will be fully shielded and provided with cut-off hoods directing light downward within the parking area, thus minimizing light spillage and glare onto surrounding properties and precluding light sources from being adversely exposed. Compliance with applicable City requirements will further mitigate potential light and glare issues.

Signage

Two signs already exist on-site. One is mounted on the north-facing office building wall, above the windows. The second sign is a free-standing pole sign, situated mid-property and just behind the public sidewalk. New verbiage and/or graphics will be applied to these signs, in conformance with the City's sign ordinance. One or both signs may be internally or externally lit for night-time use. Interior and exterior signage in the building and around the pools will provide guidance to specific use areas, as well as postings required for compliance with ADA.

Parking lot striping will conform to the City standards. ADA-required step-off areas and signage will be implemented as well. To help minimize guest usage of the Fire Authority-required hammerhead turn-around area, red striping and appropriate labeling of this area will be applied (illustrated in some of the site model images contained in Appendix B).

Noise

The potential exists for increased noise arising from the project's traffic, and other project-related activities, including construction-phase work. In addition, the pool equipment situated outdoors provides another source of potential noise.

Noise generated on the property, in parking lots and around the pools, is anticipated to be generally at the level of casual conversations. The placement of the pools behind the office building will further diminish the potential for off-site noise, as will the hard canopy over the first swimming pool. Sound levels generated from the swim school, which are expected to be 10 dB or lower than noise measured from the adjacent arterial traffic, likely won't even register on a noise meter on the north side of Cerritos when compared with sound pressure levels of traffic right behind the homes across Cerritos Avenue.

The design and acoustic treatment of the building's interiors will be conventional, inasmuch as there are no unusual noise generators in the project environment. Any HVAC units will be placed, per City code, to minimize noise. Other exterior noise arising from pool equipment is of a very negligible level, even when close to the pump motors. Given that this equipment is behind a building and across an arterial thoroughfare suggests that no significant noise potential arises from it to impact nearby homes, or any of the surrounding industrial users.

Non-structural noise mitigations incorporated in the project relate to limiting the times for swim school use. No late-night activities are planned; the last lessons will end at 9:00 p.m., and thus the site will be effectively quiet by 9:30 or 10 p.m. Any swim meets that would be scheduled will occur during daytime hours, on weekends. By contrast, the noise environment of the nearby high school, and its associated sports fields and outdoor programs, may well outweigh noise levels associated with the swim school project.

The only, short-term noise that may be louder than typically projected for actual use of the site once implemented will occur during construction of the two pools, and perhaps the delivery and erection of the CMU walls and shade structures. Construction activities and their hours of operations will conform to city standards.

Geotechnical Considerations

Soil and geologic conditions at the project site have been evaluated by Albus-Keefe and Associates, of Anaheim, California (Appendix D). Included in their studies were types of geologic formations and soils, as well as an evaluation of the potential risk of impact arising from groundwater conditions and geologic hazards.

The site is underlain by artificial fill and alluvial soils to a maximum depth tested (21 feet). The fill materials generally consist of silty sand/sandy silt to a depth of about 2.5 feet, below which lay silty clay and clayey silt. The geotechnical report provides conventional recommendations to mitigate potential impacts for the soils conditions found. The report did note that the soils have “very low” expansion potential.

Groundwater was not encountered in either of the two soil borings. Historic records suggest high groundwater was approximately 14 feet in the vicinity. Given the soil gradation analysis results and the historic high groundwater reported, it was concluded that the site could not feasibly be used for disposal of storm water through on-site percolation. Accordingly, no percolation test was performed. The potential for settlement was not considered an issue for the swimming pools on-site. Based on CDMG documents and current practice, the soils report concludes that requirements to mitigate adverse effects of liquefaction may be waived by the city.

Traffic and Parking

After preliminary discussions with City staff, the applicant decided to, on a voluntary basis, request a parking study in order to evaluate potential impacts of its project. Linscott, Law & Greenspan, Engineers (“LL&G”) was retained to evaluate the adequacy of on-site parking for the project (Appendix E). From subsequent discussions with two traffic engineers, it was anticipated that no traffic analysis was needed, as the project would be below the commonly-used 50-trips threshold for impact to weekday A.M. or P.M. peak traffic flows.

The project will have 62 parking spaces on-site. Of these, 59 are standard parking spaces and 3 are for handicapped van and car use. The parking lot layout was reviewed to ensure that no adverse impacts while entering or exiting the site would occur. The parking aisle provides adequate capacity for projected entering and exiting traffic.

Using the applicant’s projected teaching schedules for peak season and off-peak season levels of future use for the new swim school, LL&G determined that there is always sufficient parking available (Appendix E). This analysis even allowed for overlapping of the number of people on-site, such that people arrived just before their lesson, and left a few minutes after, whereas the people in the previous or follow-on time-slots would do the same. The LL&G analysis, on a conservative basis, accounted for these overlapping parking demands.

In keeping with Traffic Congestion Management strategies for southern California, there will be an opportunity, however limited, to encourage alternative forms of transportation in reaching the swim school site for swimming and other class activities. Two OCTA bus routes (numbers 42 and 46) serve the site. In addition, a bike rack may be added to facilitate the use of yet another form of transportation in order to access the swim school site.

5.0 APPENDICES

APPENDIX A

Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION NINETEEN, TOWNSHIP FOUR SOUTH, RANGE ELEVEN WEST, S. B. B. & M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION NINETEEN, DISTANT SOUTH 89° 48' 10" EAST 980.13 FEET FROM THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION NINETEEN; THENCE SOUTH 89° 48' 10" EAST 121.99 FEET TO THE NORTHWEST CORNER OF LAND DESCRIBED IN DEED TO NAT ROSENBAUM AND OTHERS, RECORDED OCTOBER 21, 1954 IN BOOK 2848, PAGE 191 OF OFFICIAL RECORDS; THENCE SOUTH 0° 12' 40" WEST 386.85 FEET ALONG THE WEST LINE OF SAID LAND OF NAT ROSENBAUM TO THE NORTH LINE OF LAND DESCRIBED AS PARCEL 2 IN DEED TO SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED JANUARY 13, 1897 IN BOOK 29, PAGE 32 OF DEEDS; THENCE NORTH 89° 48' 10" WEST ALONG SAID NORTH LINE TO AN INTERSECTION WITH A LINE WHICH BEARS NORTH 0° 12' 40" EAST AND PASSES THROUGH THE POINT OF BEGINNING; THENCE NORTH 0° 12' 40" EAST 386.85 FEET TO THE POINT OF BEGINNING.

[Title Report submitted under separate cover]

-- also known as --

3686 Cerritos Avenue, Los Alamitos, California 90720

Orange County Assessor's Parcel Number 242-241-11

APPENDIX B

Project Plans

Full-sized, folded plan sets have been submitted as part of the Conditional Use Permit application. For the reviewer's convenience, reductions of the project plans to 11" x 17" are presented in the order noted below, on the following pages:

- A1.3 Architectural Site Plan & Renderings (*incl. landscaping*)
 - A1.4 Floor Plan
 - A1.7 Building Elevations and Cross-Sections
 - C-1 Boundary and Topographic Survey
 - C-2 Site Plan (Civil)
-

APPENDIX C

Project Plans (*full-sized*)

Full-sized plan sets, in the number prescribed in the CUP application, have been submitted under separate cover in support of the requested CUP. The plan sets are the same as enumerated in Appendix B. In addition, three copies of this "Project Description and Plans" booklet have been submitted to facilitate staff reviews. An additional seven copies of this booklet will be made available, in case there are further revisions requested, prior to the Planning Commission hearing

don lee

ARCHITECT
2601 N. HARTMAN ST.
ORANGE, CA 92665
714 . 998 . 1948

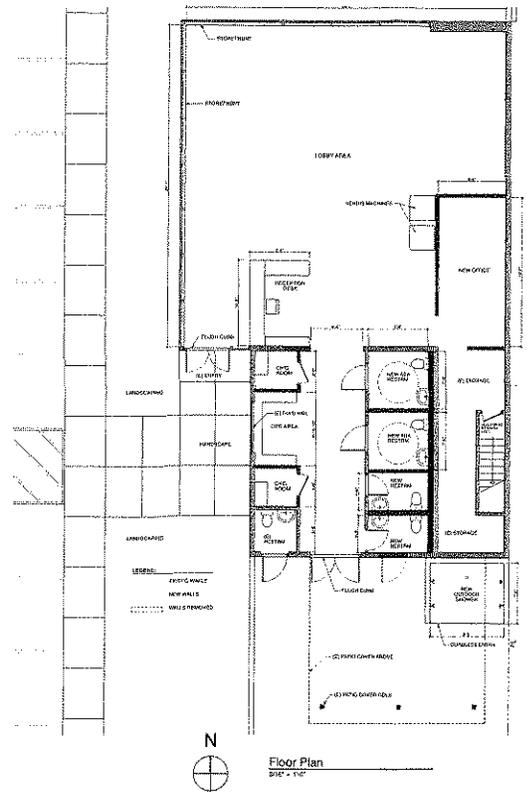
Watersafe Swim School
3686 Carrillos Ave.
Los Alamitos CA

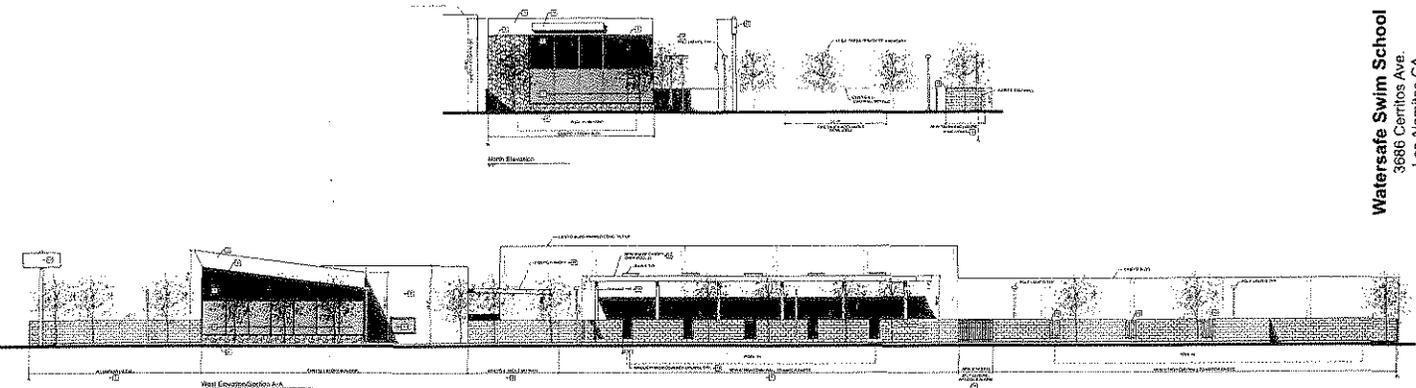


Floor Plan

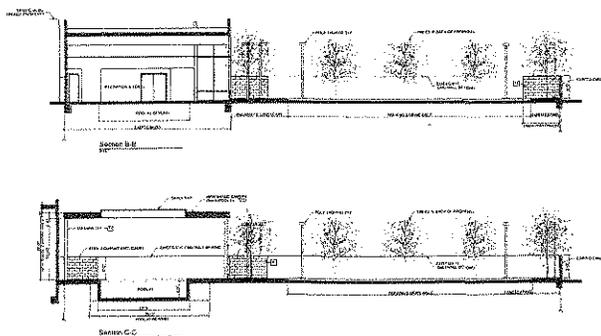
- △ 5-27-14
- △ 5-28-14
- △ 5-29-14
- △

A1.4



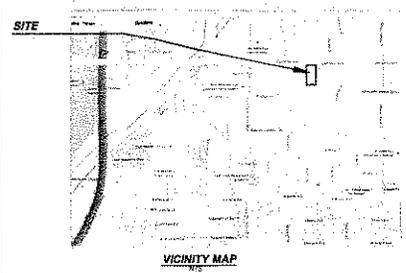
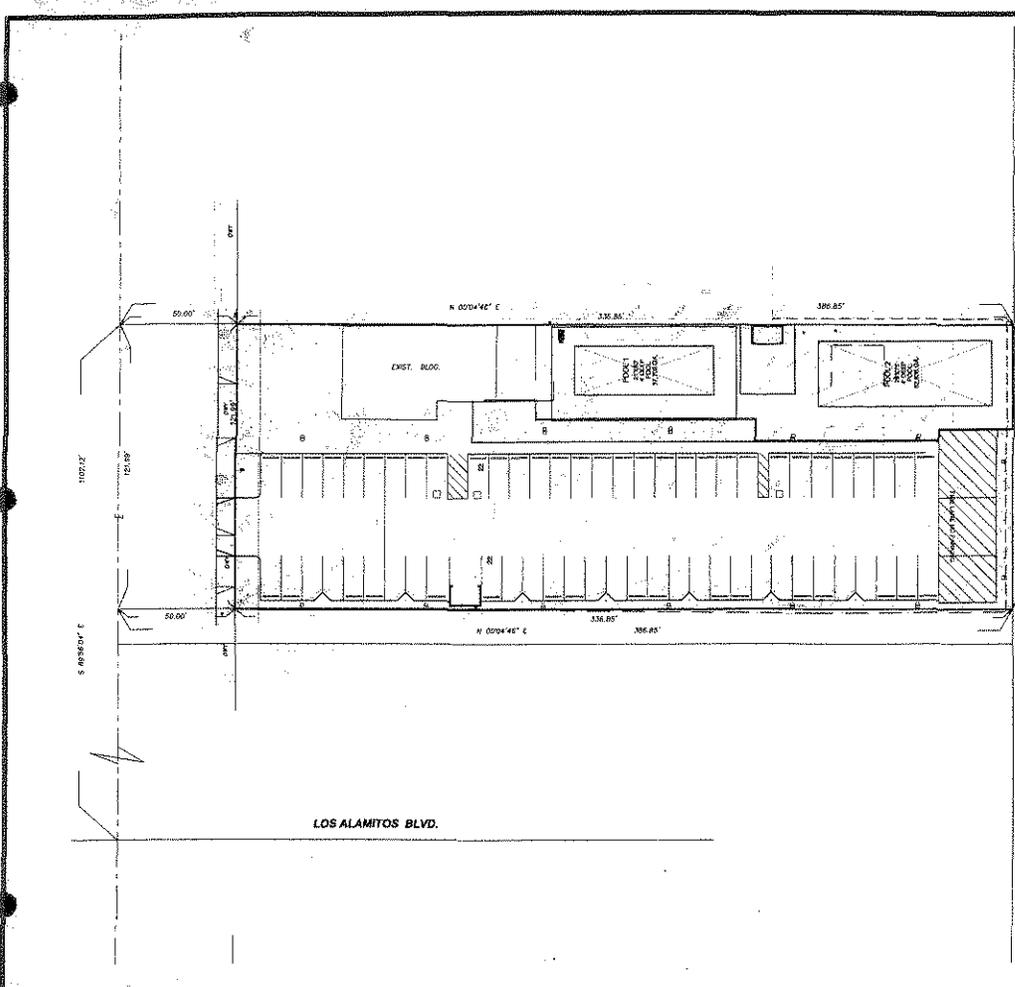


- Color & Materials:**
- 1. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 2. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 3. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 4. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 5. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 6. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 7. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 8. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 9. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 10. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 11. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 12. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 13. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 14. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 15. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 16. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 17. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 18. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 19. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 20. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 21. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 22. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 23. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 24. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 25. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 26. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 27. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 28. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 29. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 30. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 31. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 32. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 33. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 34. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 35. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 36. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 37. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 38. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 39. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 40. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 41. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 42. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 43. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 44. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 45. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 46. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 47. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 48. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 49. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 50. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 51. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 52. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 53. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 54. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 55. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 56. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 57. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 58. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 59. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 60. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 61. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 62. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 63. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 64. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 65. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 66. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 67. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 68. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 69. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 70. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 71. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 72. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 73. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 74. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 75. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 76. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 77. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 78. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 79. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 80. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 81. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 82. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 83. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 84. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 85. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 86. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 87. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 88. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 89. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 90. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 91. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 92. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 93. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 94. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 95. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 96. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 97. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 98. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 99. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)
 - 100. PLASTER PLASTER FINISHED WITH PLASTER AT 1/2" (11)



Building Elevations

△	5-26-14
△	5-27-14
△	5-28-14
△	5-29-14
△	



LEGEND

1.0	ANNULAR FINISH	10	TOP OF FINISH ELEVATION
2.0	ASPH. FINISH	11	TOP OF GRADE ELEVATION
3.0	CONCRETE	12	TOP OF SLAB
4.0	CONCRETE	13	TOP OF WALL FINISH
5.0	CONCRETE	14	TOP OF WALL ELEVATION
6.0	CONCRETE	15	WATER TABLE
7.0	CONCRETE	16	INDICATOR MARK
8.0	CONCRETE	17	LANDMARK
9.0	CONCRETE	18	DOUBLE DETECTOR CHECK ASSEMBLY
10.0	CONCRETE	19	CONCRETE
11.0	CONCRETE	20	CONCRETE
12.0	CONCRETE	21	CONCRETE
13.0	CONCRETE	22	CONCRETE
14.0	CONCRETE	23	CONCRETE
15.0	CONCRETE	24	CONCRETE
16.0	CONCRETE	25	CONCRETE
17.0	CONCRETE	26	CONCRETE
18.0	CONCRETE	27	CONCRETE
19.0	CONCRETE	28	CONCRETE
20.0	CONCRETE	29	CONCRETE
21.0	CONCRETE	30	CONCRETE
22.0	CONCRETE	31	CONCRETE
23.0	CONCRETE	32	CONCRETE
24.0	CONCRETE	33	CONCRETE
25.0	CONCRETE	34	CONCRETE
26.0	CONCRETE	35	CONCRETE
27.0	CONCRETE	36	CONCRETE
28.0	CONCRETE	37	CONCRETE
29.0	CONCRETE	38	CONCRETE
30.0	CONCRETE	39	CONCRETE
31.0	CONCRETE	40	CONCRETE
32.0	CONCRETE	41	CONCRETE
33.0	CONCRETE	42	CONCRETE
34.0	CONCRETE	43	CONCRETE
35.0	CONCRETE	44	CONCRETE
36.0	CONCRETE	45	CONCRETE
37.0	CONCRETE	46	CONCRETE
38.0	CONCRETE	47	CONCRETE
39.0	CONCRETE	48	CONCRETE
40.0	CONCRETE	49	CONCRETE
41.0	CONCRETE	50	CONCRETE
42.0	CONCRETE	51	CONCRETE
43.0	CONCRETE	52	CONCRETE
44.0	CONCRETE	53	CONCRETE
45.0	CONCRETE	54	CONCRETE
46.0	CONCRETE	55	CONCRETE
47.0	CONCRETE	56	CONCRETE
48.0	CONCRETE	57	CONCRETE
49.0	CONCRETE	58	CONCRETE
50.0	CONCRETE	59	CONCRETE
51.0	CONCRETE	60	CONCRETE
52.0	CONCRETE	61	CONCRETE
53.0	CONCRETE	62	CONCRETE
54.0	CONCRETE	63	CONCRETE
55.0	CONCRETE	64	CONCRETE
56.0	CONCRETE	65	CONCRETE
57.0	CONCRETE	66	CONCRETE
58.0	CONCRETE	67	CONCRETE
59.0	CONCRETE	68	CONCRETE
60.0	CONCRETE	69	CONCRETE
61.0	CONCRETE	70	CONCRETE
62.0	CONCRETE	71	CONCRETE
63.0	CONCRETE	72	CONCRETE
64.0	CONCRETE	73	CONCRETE
65.0	CONCRETE	74	CONCRETE
66.0	CONCRETE	75	CONCRETE
67.0	CONCRETE	76	CONCRETE
68.0	CONCRETE	77	CONCRETE
69.0	CONCRETE	78	CONCRETE
70.0	CONCRETE	79	CONCRETE
71.0	CONCRETE	80	CONCRETE
72.0	CONCRETE	81	CONCRETE
73.0	CONCRETE	82	CONCRETE
74.0	CONCRETE	83	CONCRETE
75.0	CONCRETE	84	CONCRETE
76.0	CONCRETE	85	CONCRETE
77.0	CONCRETE	86	CONCRETE
78.0	CONCRETE	87	CONCRETE
79.0	CONCRETE	88	CONCRETE
80.0	CONCRETE	89	CONCRETE
81.0	CONCRETE	90	CONCRETE
82.0	CONCRETE	91	CONCRETE
83.0	CONCRETE	92	CONCRETE
84.0	CONCRETE	93	CONCRETE
85.0	CONCRETE	94	CONCRETE
86.0	CONCRETE	95	CONCRETE
87.0	CONCRETE	96	CONCRETE
88.0	CONCRETE	97	CONCRETE
89.0	CONCRETE	98	CONCRETE
90.0	CONCRETE	99	CONCRETE
91.0	CONCRETE	100	CONCRETE

LEGAL DESCRIPTION

ALL THAT REAL PROPERTY SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION NINETEEN, TOWNSHIP FOUR SOUTH, RANGE ELEVEN WEST, S. 18, E. 11, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION NINETEEN, DISTANT SOUTH 89° 01' 10" EAST 380.13 FEET FROM THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION NINETEEN; THENCE SOUTH BY 40° 30' EAST 133.99 FEET TO THE NORTHWEST CORNER OF LAND DESCRIBED IN THE DEED TO MRS. STEPHENSON AND OTHERS, RECORDED OCTOBER 21, 1954 IN BOOK 2848, PAGE 197 OF OFFICIAL RECORDS; THENCE SOUTH 12° 40' WEST 386.83 FEET ALONG THE WEST LINE OF SAID LAND ON WAY DESCRIBED TO NORTH LINE OF LAND DESCRIBED AS PARCEL 2 IN DEED TO SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED JANUARY 19, 1897 IN BOOK 25, PAGE 224 OF OFFICIAL RECORDS; THENCE NORTH 85° 48' 30" WEST ALONG SAID NORTH LINE TO AN INTERSECTION WITH A LINE WHICH BEARS NORTH 0° 17' 40" EAST AND PASSES THROUGH THE POINT OF BEGINNING; THENCE NORTH 0° 17' 40" EAST 386.83 FEET TO THE POINT OF BEGINNING.

BASES OF ELEVATIONS

CORNER LINE OF CERRITOS AVE. BEING DISTANCE AS SHOWN ON RECORDS OF DEEDS 88-1508 IN THE CITY OF LOS ALAMITOS, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 172, PAGE 23, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

SHEET 03

SITE PLAN
JANE CERRITOS AVENUE
LOS ALAMITOS, CA

PREPARED BY:
ITF & ASSOCIATES, INC.
11298 LOS ALAMITOS BLVD., #105
LOS ALAMITOS, CA 90720
(909) 791-9482

DESIGNED FOR:
WATERGATE PARK HIGH SCHOOL
11298 LOS ALAMITOS BLVD., #105
LOS ALAMITOS, CA 90720

BENCHMARK
C.C. 11298 LOS ALAMITOS BLVD., #105
LOS ALAMITOS, CA 90720
ELEVATION: 100.00

SCALE 3/8" = 1'-0"

DATE 10/15/08

DRAWN BY J. L. GARDNER

CHECKED BY J. L. GARDNER

DATE 10/15/08

APPENDIX D

Geotechnical Investigation

Report entitled "Preliminary Geotechnical Investigation and Percolation Study for Proposed Swim School, 3686 Cerritos Ave., Los Alamitos, California," Prepared by Albus-Keefe and Associates, Inc., dated June 10, 2014. (Submitted under separate cover.)

APPENDIX E

Traffic Impact Study

Report entitled "Parking Demand Analysis for Watersafe Swim School, Los Alamitos, California," prepared by Linscott, Law & Greenspan, Engineers, dated June 9, 2014. (Submitted under separate cover.)

APPENDIX F

Community Outreach

Direct meetings and discussions have been held with various neighbors adjacent to, and nearby of, the Project site. Discussions are on-going and will continue until just prior to the Planning Commission hearing.

APPENDIX F

Project Contact List

The Team Directory is included on the following page.

WATERSAFE SWIM SCHOOL TEAM DIRECTORY

CLIENTS

Ginny Flahive-Ferguson
WaterSafe Swim School
343 10th Street
Seal Beach, CA 90740

(855) 977-7946 School
(714) 803-6682 cell
smartfishmethod@gmail.com

Nathanael Najarian, Director
WaterSafe Swim School

(562) 229-2484 cell
nathanael.najarian@gmail.com

ARCHITECT/LANDSCAPE

Don Lee, Architect
Don Lee Architect
2501 North Hartman Street
Orange, CA 92865

(714) 998-1549 office
(714) 290-3496 cell
(714) 998-5171 fax
drleearch@aol.com

TRAFFIC

Rich Barretto, Principal
Linscott, Law & Greenspan
2 Executive Circle, Suite 250,
Irvine, CA 92614

(949) 825-6175 x244
(714) 308-1584 cell
barretto@llgengineers.com

PROJECT FACILITATOR (AGENT)

Mel Malkoff, President
Malkoff and Associates
1828 N. Woodside Street
Orange, CA 92865

(714) 357-7333 cell
(714) 288-6200 office
mel@malkoff.com

CIVIL ENGINEER/SURVEYING

Yefim ("Jeff") Tsalyuk
ITF and Associates
11278 Los Alamitos Blvd., #354
Los Alamitos, CA 90720

(562) 597-4483 office
(949) 468-9840 cell
itfeng@verizon.net

GEOTECH ENGINEER

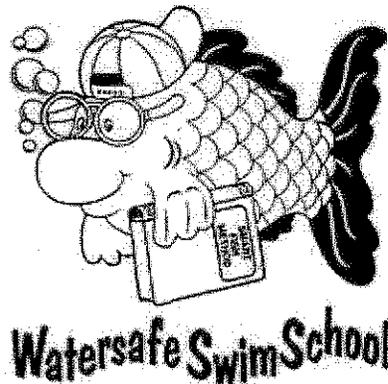
David Albus, Principal
Albus-Keefe and Associates, Inc.
1011 N. Armando Street
Anaheim, CA 92806-2606

(714) 630-1626 x 450
(714) 313-8219 cell
(714) 630-1916 fax
dalbus@albus-keefe.net

=====

SITE INFO

APN # 242-241-11
3686 Cerritos Avenue
Los Alamitos, CA 9072



Supplemental Project Information
for the
WaterSafe Swim School

Prepared for

CITY OF LOS ALAMITOS

Steven Mendoza, Community Development Director

Prepared by

Malkoff and Associates
1828 N. Woodside Street
Orange, CA 92865
(714) 288-6200

July 21, 2014



TABLE OF CONTENTS

EXECUTIVE SUMMARY	iii
1.0 INDUSTRIAL vs. NON-INDUSTRIAL USES	
Existing Conditions	1
Balancing Land Uses and Economics	2
Flexibility in the Decision-making Process	3
Project Compatibility with the Surrounding Uses	4
2.0 COMMUNITY OUTREACH	
Awareness	5
Involvement	5
Interactions	5
3.0 COMMUNITY LETTERS	
Community Outreach Letters	7

EXECUTIVE SUMMARY

The proposed WaterSafe Swim School will be sited on an approximately one-acre site, at 3686 Cerritos Avenue in the City of Los Alamitos, California. The General Plan designates this site as Planned Industrial, and the underlying zoning is P-M (Planned Light Industrial).

This Supplemental Project Information addresses the siting of this project in the P-M zone. The following are the major points of this submittal:

- The site is on the NW edge of the industrial zone, away from the grittier, traditional industrial core area;
- Crosswalks, curbs, street lights and crosswalks here make for good pedestrian safety;
- There are restaurants and building supplies to the west, office buildings to the east, and the High School is NW across Cerritos, as are single family residences north and NE;
- This site has periodically sat vacant, with no income to the owner, and has only been used for rental equipment storage over 30 years of current ownership, with very few employees providing very little income and employment benefits to the City;
- The Planning Commission suggested that Cerritos and Katella may be considered for more retail and commercial uses;
- An excess of parking is planned on-site, removing stacking risk on Cerritos;
- Besides company employees and trainers, significant numbers of people will come to the site, raising the possibility of additional retail sales at nearby restaurants and stores;
- The WaterSafe School also sells swim merchandise, proving new sales tax revenues;
- There are opportunities for synergistic relations between the school and the High School, and a therapy business down the street, as well as a place for local residents to have their children (and themselves, if they missed out) taught to be water-safe swimmers; and,
- The applicant has directly met with its potential neighbors, including the immediately adjacent businesses, and had tremendous positive feedback in support of the Project.

1.0 INDUSTRIAL vs. NON-INDUSTRIAL USES

The WaterSafe Swim School Project is proposed to be situated within the outer edge of the industrial-zoned (P-M) area of Los Alamitos. The discussions that follow reflect several factors to be considered during Project review: the existing conditions within the City's industrial area; the need for balancing land use and economic considerations; developing flexibility in the decision-making process for projects within the industrial zone; and, the compatibility of the proposed project in the area. These four factors are discussed in the sections that follow.

Existing Conditions

The City of Los Alamitos Planned Industrial area, under the General Plan, is located generally in the northwestern portion of the City. It extends southeastward from the City's jurisdictional limits along Coyote Creek (part of the San Gabriel River watershed), to the intersection of Los Alamitos Boulevard and Cerritos Avenue. From this intersection, the industrial areas generally extend eastward to Lexington and southerly to Katella Avenue.

The industrial area is not uniform. The Specific Plan, for example, around the hospital, has its own zoning. Retail and commercial uses (with pertinent general plan zones) are intermixed in various areas adjacent to the Industrial Zone, particularly along Katella, Los Alamitos, and Cerritos. The core, "grittier" areas of industrial use, where sidewalks, crosswalks, curb-and-gutter, and street lights tend to be lacking, are located generally north of Catalina Street and east of Kyle Street.

Along Katella and Cerritos, however, are numerous examples of non-industrial uses, such as fast food, office parks, and retail and service businesses. As a result of this situation, coupled with successive applicants proposing non-industrial uses within the industrial area (such as the recent application by Preston Rawlings, PARperformance), City staff has previously raised the need for guidance from the Planning Commission. Clearly, staff is working hard to preserve a traditional industrial zone, where heavy industry users can be attracted and retained, without the added pressures often associated with adjacent or nearby, non-industrial users.

The staff analysis and discussion in its Staff Report on the Preston Rawlings application sets forth the concerns. Compounding the non-industrial applications (more about that in the following section), is the City's Zoning Code which does allow for other types of use, almost always subject to a Conditional Use Permit (CUP). And, as staff points out, the challenge is a perceived increased expectation that since there is allowance of these alternative uses with a CUP, then simply applying for such use and gaining CUP approval should be expected (by such applicants).

Balancing Land Uses and Economics

Every city seeks to have a balance of land uses, such that there is potential for a diversity of activities, from residential, to commercial, retail, institutional/open space, and industrial ones that can occur in a manner that does not conflict with, nor preclude, the others. This ideal is sometimes achieved, but not always. As such, exceptions need to be made.

For instance, the city can attract a major hospital, and the consequence of its presence will ripple through adjoining properties. A desire for hospital-adjacent, secondary medical arts type users will want to take advantage of the hospital as a business attractor. In Los Alamitos, it was mentioned that in addition to the hospital's Specific Plan, there is contemplation of (or in fact a planned) Medical Overlay for properties near the hospital but not governed by its Specific Plan. This is exactly the kind of land use conflict that can undermine the desire to have a purely industrial area. Recent comments by the Planning Commission, even as to the path of travel most likely for to be used by ambulances inbound to the hospital, acknowledged the potential for conflicts by less than direct access [from Katella] by potentially sending them up roads that also serve the industrial zone.

Landowners in this economy are having a challenging time keeping tenants. As a consequence, they look for other potential users, ones that may not conform to the underlying General Plan and Zoning, but that can get approved, sign a lease, and help them retain their properties with renewed revenues streams. Many buildings have sat vacant in the City, and the drive for economic help puts pressure on city staff to consider, and for the Planning Commission to approve, such alternative, though admittedly not industrial-character, uses. However, that absence of pure industrial use is already recognized, and potentially contemplated by, the ability to seek CUP's for such uses in the industrial zone.

What makes good industrial use areas are ease of access by rail, truck, and employee vehicles, as well as the expansiveness for work areas, buildings and sheds, and layout areas. In addition, the purity of such areas can help avoid the sometimes conflicting uses which engender excess pedestrian or personal car traffic in the area. The need for sidewalks and curbs is also less desired in industrial zones, as they "improvements" often take a fair amount of abuse by truck traffic, fork lifts, stacked materials, and so on. They also can constrain truck movements and impede work flow – particularly for loading and offloading trucks. Similarly, some other users may be more sensitive to light, glare, dust, noise and trucking – all essential to industrial zones.

The City benefits from taxable uses, and from the creation and sales of products within its boundaries. But smaller cities, particularly in more urbanized areas like Los Alamitos, have a harder time attracting such uses as transfer facilities, warehousing, and materials development (steel, wood-product, etc.). Hence the desire for a purely "industrial" land use base must be balanced by revenue projections on the part of the city, rentals and productivity on the part of landowners, and potential for direct and indirect benefits for the city. Employment helps, as does enhanced tax base. In addition, secondary benefits can accrue through the purchase of [other] goods and services in the city. Industrial users/employees need places to eat, and perhaps shop, when convenient to their place of business.

The property on which the WaterSafe Swim School Project is proposed, lies on the edge of, and not particularly close to, the core industrial area for the City. This property had been sitting vacant when the applicant entered negotiations for a long-term lease to implement the planned project, but only subject to a city approval. This applicant was informed of the potential land use issue, but also understood the potential for, and possible challenge of, efforts to secure a CUP; hence no guaranteed long-term lease was entered into, until the question of the CUP could be answered. The property in question, used for the past two decades simply as a rental storage facility, never had significant employee base, not sold manufactured goods, for which enhanced revenue to the city was possible/likely. The last three users during that period were rental companies that simply stored materials, and/or bleachers (most recently for the Long Beach Grand Prix). Lastly, the landowner actively was seeking a replacement revenue stream, so as not to risk losing its property.

Flexibility in the Decision-making Process

The City staff, as well as the Planning Commission, in their recent discussions of what is appropriate, what is desired, and what is possible for the future of Los Alamitos' industrial zone, acknowledged that conditions and economics are changing. While a large industrial area would be nice, the pattern of [approved, non-industrial] land use in recent years has been significantly impacting the area. The fact that a recreational core is now being discussed, as well as the potential desirability of a medical arts overlay zone, demonstrates such changing conditions.

Market conditions may one day suggest a change in direction, and the potential for new industrial uses, but technological changes are also affecting the needs of manufacturers – both up and down in scale. For example, Arrowhead Products makes space-related products, and has a huge empty field behind them, but for many years has not shown a need for expansion there. Consequently, such vacant land may lead others to push for using the land for perhaps some other industrial use, but perhaps more likely, an alternative, non-industrial use.

The CUP process embedded in the Zoning Code gives the City the ability to accommodate, and to be flexible with, such changing market conditions. Planning Commissioners recently acknowledged that along both Cerritos and Katella Avenues, there may appropriately need to be more retail/commercial use, and perhaps a lowering of City expectations about gaining hardcore industrial users along these major city streets.

The ability to allow more retail and commercial use along these streets may also benefit the city, both in terms of revenue streams and tax base. Further, there is clear synergy that occurs when the City's mix of land use can encourage residents and even employees to eat and shop locally. The El Pollo Loco, Subway Sandwiches and the Volcano Burgers food establishments on Cerritos, and the McDonalds and other restaurants on and near Katella, certainly benefit from the nearby High School and the hospital. Yet they also serve as a source for convenience for adjacent businesses, like the tenants of industrial buildings along these thoroughfares (many of whom are clearly not industrial in nature).

Project Compatibility with the Surrounding Uses

The WaterSafe Swim School is a non-industrial land use that is knocking on the City's door. However, it is in a location on one of the more retail/commercial oriented streets, as identified by the Planning Commission. There are building supplies next door and behind this site, and multi-tenant industrial/office spaces to the east. At the same time, there are adjacent and nearby restaurants, along with personal storage facilities both east and west of the project site. There are beauty supply and other product vendors, as well as a therapy and outcall home care services business in the area as well.

More importantly, the proposed project has an excess of on-site parking, thus avoiding the potential for on-street stacking. In addition, the crosswalks, traffic signals, street lights, and curbs make this a well-developed urban setting, markedly different than a traditional industrial location.

The Project Site will provide sales tax revenue and other economic benefits to the city via employment, as well as sales of goods and services. The WaterSafe facility will, incidental to swim instruction, also offer a wide variety of products for sale that tend to be manufactured for, and are generally particular to, swim schools. These include goggles, fins, kickboards, and dive rings. In addition, swim team gear is also available, such as swim suits, and sweat suit outfits. Further, there are branded logo products for this school that include towels, water bottles, and swim caps. These sales will help bring additional sales tax revenues to the City.

At the same time, nearby businesses may well benefit in a number of ways. The Volcano Burger restaurant is excited at the prospect of the numerous potential clients that may be drawn from the swim school's clientele. There are discussions with the High School regarding the possibility of mutually beneficial programs for its students. Similarly, dialogue has been initiated with the therapy folks at We Care, since the swimming pools in our project will have hydraulic lifts to accommodate handicapped access to both pools, an important consideration for therapeutic opportunities.

2.0 COMMUNITY OUTREACH

Community outreach is an important facet of developing a new project. It gives neighboring homes and businesses a chance to be alerted to a development proposal. Sometimes there is a lot of information disseminated ahead of time, and at other times, much less – occasionally requiring interested parties to come to City Hall to review the file.

The WaterSafe Swim School applicant and its representative have voluntarily initiated a supplemental community outreach effort. It has involved visiting nearby businesses, making direct telephone calls, and even knocking on doors. Doing so serves several purposes, including community awareness, involvement, and interaction.

Awareness

The city-issued hearing notice is but one way to reach landowners and/or occupants of businesses and homes within a 500-foot radius of the proposed project. In addition, we have provided additional information to make people aware of the project, and to give them the opportunity to consider its potential for its effects on their lives and business activities. Through our outreach efforts, we have provided a copy of the Executive Summary of the overall project, and a copy of the site plan which has some colored, graphic illustrations of the finished project.

Involvement

Drowning in residential swimming pools, and to a lesser extent at public pools and at the beach, is an on-going potential nightmare for parents. It is difficult to do an adequate job of making and keeping people safe around the water. This point was recently addressed in a nearby community, and the newspaper article is included here.

Accordingly, swim schools and private instruction has become critical in many communities in southern California. Swim schools like the one proposed here can be found in the cities of Seal Beach, Orange, Irvine, Mission Viejo and Laguna Hills, to name just a few. They also provide water-based training and support under proper supervision for such activities as swim teams, lap swimming, and SCUBA training.

Interactions

There is also a potential for a variety of cooperative programs that can be created between local institutions, businesses and residents. We have reached out to the High School directly across the street to see if they would like to participate in such an effort. In addition, local restaurants like Volcano Burgers, right next door, and El Pollo Loco, a few doors further to the west, will benefit from the increased activity of the project site and likely beneficial interactions between their service and hungry clients.

Besides some of the previously discussed benefits to the City in terms of employment, sales tax and goods-and-services revenues from this project, interactions with nearby businesses may further enhance city revenues. For example, the therapy/home care business nearby may be able to expand their offering of services by arranging with the Swim School to utilize the often hard-to-find hydraulic lifts which are so needed for handicapped access into and out of swimming pools. As an added plus, the smaller of the school's pools will be heated to a higher temperature, making ingress easier and time spent in the water more comfortable because of the added warmth of the water.



By Andie Mills

July 8, 2014

A beautiful, hot summer day, three moms and their kids at the pool. One mom, busy chatting, reminds her five-year-old daughter not to interrupt while she is talking. The little girl keeps poking at her. Finally, annoyed, she turns to see what is so important, and THE BABY IS IN THE POOL. The baby, who had been quietly playing on the coping, had crawled and fallen, noiselessly, into the pool and was floundering just inches behind her.

Fortunately, this story ended well. A tragedy was averted. But drownings occur much too frequently. So far, in 2014 there have been eight documented drowning deaths in Orange County, and nine near-drownings reported. The numbers for this time last year were 10 and nine. Drowning is the leading cause of death of children under five. Most incidents occur during the summer months in residential pools.

"Drowning is so preventable," says Jim Flahive of Swim Safe Swim School. Jim has a bucketful of near-miss stories: the toddler who, months after taking only eight lessons, was discovered safely floating on his back in a friend's pool, on top of the pool cover that had loosened. Or, the inquisitive two-year-old who followed his older siblings to the neighbor's house and fell into their pool. His four-year-old brother saw him in the pool, but did not react. Luckily, the child's nine-year-old sister had the presence of mind to pull him out. Flahive whole-heartedly believes in swim lessons to help keep children safe. Children as young as five months may be taught to flip onto their back and float for those crucial few moments until help arrives.

Learn to float

Teach your children how to be water wise. Blow-up floatation devices do not guarantee water safety, as they may provide a false sense of safety. Top-heavy toddlers may tip and actually be trapped underwater. Children should be taught to backfloat and how to hold their breath underwater. They need to learn basic swim strokes, and know how to swim out of water that is too deep. Children and adults need to feel comfortable in the water so that they don't panic.

Always supervise the pool or spa. Children can drown in less than two inches of water. Do not leave the area or let your attention wander, not even for "just a second." If you are having a gathering, designate a pool watcher. Or, better yet, hire someone who will not be socializing and easily distracted; an off-duty lifeguard who knows CPR is optimal. (Check with local swim teams.)

Take a CPR training course – your sitters and older family members, too. CPR poolside may make the difference between death and survival. Without CPR, there is only a five percent chance of resuscitation without neurological damage.

Keep the tempting water out of reach with locked gates and latched spa covers. The California Swimming Pool Safety Act requires an enclosure a minimum of 60 inches in height around any permanent or portable pool, spa or hot tub that contains water over 18 inches deep and, since 2007, any new pool or spa must have at least one of seven drowning prevention safety features, as delineated in Health and Safety Code 115920-115929.

Pets, too, need to be kept safe. Not all canines know how to dog-paddle. Show children and pets where the steps are, and practice getting out safely.

Youth and adults, too, are in danger of drowning, particularly when drugs or alcohol are involved. Don't be afraid to embarrass anyone by monitoring their actions. You could save a life. ♦

3.0 COMMUNITY LETTERS

The Project Applicant has voluntarily initiated extensive community outreach. We have met with our neighbors, near and far. We have talked to the business owners, and residents living just across the street. We believe that a more-informed community can provide good input to the land use approval process.

Letters of Support

Individuals and businesses were asked if they would provide letters of support. We have concentrated our letter requests to those identified and publically noticed businesses, landowners, and/or occupants within 500-foot radius of the project. Not all have been willing or available to meet at mutually convenient times.

During these summer months, it is difficult to schedule meetings and obtain letters. Nevertheless, the letters that we have received will be delivered to city staff prior to the Planning Commission hearing on August 11, 2014. We are still working (as of this writing) to contact a number of additional residents and businesses. However, the letters we have received are significantly supportive of the services WaterSafe Swim School can provide to the Los Alamitos community.



MALKOFF AND ASSOCIATES

1828 N. Woodside Street • Orange, CA 92865 • Fax 714-400-9020 • 714-288-6200

August 28, 2014

Steven Mendoza, Director
Community Development Department
City of Los Alamitos
3191 Katella Avenue
Los Alamitos, CA 90720

Subject: Conditional Use Permit Application CUP 14-07, SPR 14-02; Second Supplemental Submittal for the WaterSafe Swim School Project

Dear Mr. Mendoza:

On behalf of WaterSafe Swim School, I am very pleased to transmit this additional supplemental information in support of the requested Conditional Use Permit for the WaterSafe Swim School Project on Cerritos Avenue. This information illustrates our voluntary community and business outreach regarding the proposed project.

This community effort clearly reflects our concerns for compatibility of our project with our immediate industrial and non-industrial business neighbors, as well as our concerns for citizens living just across the street from our proposed project. In addition, we have heard from, and gathered support by residents living within 500 feet of the property, as well as the community at large, living within or near the city limits of Los Alamitos.

We have a file of original signatures that can be made available, if desired. For convenience, we are attaching three files herewith, and they include the following:

- Letters of Support from the Los Alamitos Business community – along Cerritos Avenue which are located within the same Industrial Zone as our proposed project;
- Letters of Support from the immediately close community of neighbors who reside within the 500-foot radius around the project site; and,
- Letters of Support from Los Alamitos residents, as well as others familiar with our program at Seal Beach, and others who value the programs we offer.

Thank you for reviewing the attached materials, and adding them to our Project submittals, hopefully to be shared with the Planning Commission prior to its deliberations. If other letters come in prior to the hearing, we will bring sufficient copies for you, staff, clerk, and each Commissioner when our hearing item is called.

Respectfully submitted,
MALKOFF AND ASSOCIATES

Mel Malkoff

Mel Malkoff, President

cc: Ginny Flahive-Ferguson, Founder/Owner
WaterSafe Swim School

Volcano Burgers, 3652 Cerritos Avenue

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

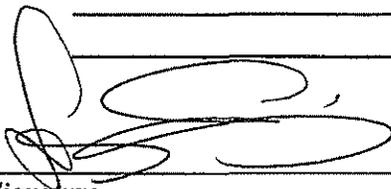
Honorable Chairman and Members of the Planning Commission:

I have a **business** in Los Alamitos and am located near the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

FONDA ELIOPOULOS
Print name

3652 Cerritos Ave.
Address

562-430-6004
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I have a **business** in Los Alamitos and am located near the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:

Alex Kefallinos

Signature

Alex Kefallinos

Print name

3752 Cerritos Ave Los Alamitos CA 90720

Address

562 799-8885

Phone number

Good Woods, 3652 Cerritos Avenue

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I have a **business** in Los Alamitos and am located near the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:


Signature

J. M. PLECNIK
Print name

3562 Cerrito Ave
Address

562 900 3118
Phone number

FAX 114 400-722

South Coast Supply, 3626 Cerritos Avenue

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

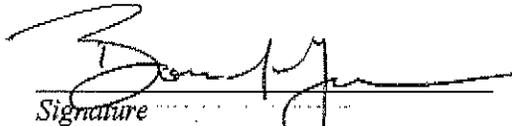
Honorable Chairman and Members of the Planning Commission:

I have a **business** in Los Alamitos and am located near the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

Bonnie Stark-Zimmerman

Print name

3626 Cerritos Ave, Los Alamitos

Address

562 596-6666

Phone number

Kitchen Supply, 3732 Cerritos Avenue #A

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

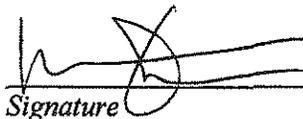
Honorable Chairman and Members of the Planning Commission:

I have a **business** in Los Alamitos and am located near the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:


Signature

MICHAEL TARRAS
Print name

3732 CERRITOS AVE #A
Address

(714) 271-4743
Phone number

Vernon Jensen, CMDS, Inc., 3788 Cerritos Avenue

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I have a **business** in Los Alamitos and am located near the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:

Vernon L. Jensen
Signature

Vernon L. Jensen
Print name

3788 Cerritos Ave
Address

714-713-8735
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

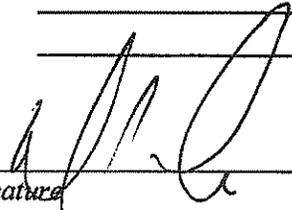
Honorable Chairman and Members of the Planning Commission:

neighboring
I am a resident of Los Alamitos and live in the residential tract situated across Cerritos Avenue from the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

DAVID ARWHEITER

Print name

10462 DEL NORTE

Address

562-430-9663

Phone number

Directly across Cerritos from WaterSafe Swim School Project

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

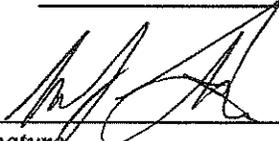
I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

no parking in neighborhood.

I am opposed to the plan as proposed for the following reasons:



Signature

Michael J. Squardelle
Print name

3652 SAN JOAQUIN - Los Alamitos, CA.
Address 90720

562-594-9798
Phone number

directly across street

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

no parking in neighborhood
avoiding high school traffic.

I am opposed to the plan as proposed for the following reasons:



Signature

ROBERT M. BARKER

Print name

10442 DEL NORTE WAY

Address

(562) 430-1604

Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

Richard A. Malley

Print name

10452 El Dorado Way

Address

(562) 594-6601

Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

- concern about traffic morning and
afternoon conflicting with school.
- Grand-daughter age 3 - at Seal Beach

I am opposed to the plan as proposed for the following reasons:

Karen Avery
Signature

KAREN AVERY
Print name

10442 EL DORADO WY
Address

562-598-8201
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

Allison Seedorf

Print name

10451 El Dorado Way, 90720

Address

562) 881-9262

Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

as long as no parking in my neighborhood

I am opposed to the plan as proposed for the following reasons:


Signature

Matt Dredy
Print name

10431 Eldorado Way 90720
Address

Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

NO parking in residential track

I am opposed to the plan as proposed for the following reasons:

Kari Bateman-Morales
Signature

Kari Bateman-Morales
Print name

10441 El Dorado Way
Address

(562) 431-3503
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

project should not make traffic worse

I am opposed to the plan as proposed for the following reasons:

Betty Binder
Signature

Betty Binder
Print name

10461 El Morado Wy
Address

562-431-4076
Phone number

Directly across Cerritos from WaterSafe Swim School Project

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:

Craig Pollock
Signature

CRAIG POLLOCK
Print name

3632 SAN JOAQUIN
Address

562-430-9502
Phone number

Directly ~~to~~ across street

Directly across Cerritos from WaterSafe Swim School Project

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

KIRON ROY

Print name

10481 EL DORADO WAY, LOS ALAMITOS
90720

Address

562.224.3248

Phone number

Directly across Cerritos from WaterSafe Swim School Project

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:


Signature

STEPHEN C ROCKENBACH
Print name

10491 EL DONADO WAY
Address

562-598-2911
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I have a **business** in Los Alamitos and am located near the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:


Signature

Bryce Turner
Print name

148 Main St. Ste. F Seal Beach CA 90740
Address

(562) 508-1807
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

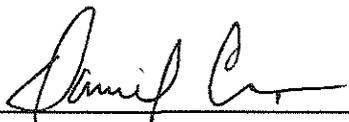
Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

DANIEL CANO

Print name

3622 SAN JOAQUIN AVE.

Address

(562) 594-4406

Phone number

directly across street

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **resident** of Los Alamitos and live in the residential tract situated across Cerritos Avenue from the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

Add "senior" swim classes ?

I am opposed to the plan as proposed for the following reasons:

Richard & Patricia
Signature Malley

Richard & Patricia Malley
Print name

10452 El Dorado Way
Address Los Alamitos CA
90720

562-431-0735
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:

Cindy Majdecki
Signature

Cindy Majdecki
Print name

3881 Green Ave
Address

562 235 3612
Phone number

8/27/14

~~September 8, 2014~~

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

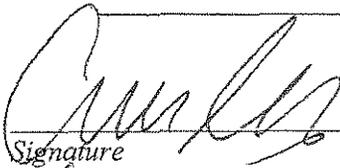
Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in ~~Los Alamitos~~ ^{Lakewood} and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:


Signature

Cindy Morales
Print name

6145 Elsa St. Lakewood, CA 90713
Address

562-496-4097
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

GREAT LOCATION, CLOSER TO HOME

I am opposed to the plan as proposed for the following reasons:



Signature

Daniel Hall

Print name

3652 LOMINA, L.B. 90808

Address

562-425-4722

Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

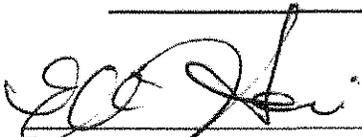
Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:


Signature

Ellen Haraki
Print name

12042 Davenport Rd
Address Los Alamitos CA 90720

562) 430-
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

We are nearby residents and have children that have attended the WaterSafe Swim School in Seal Beach for the past year. We have recently learned of the proposed WaterSafe Swim School project in Los Alamitos and we have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. We have also had the opportunity to discuss any project-related concerns I may have regarding the project.

Having taken our kids there for a little over a year now, we would like to express that this family of employees are highly respected and well regarded as a reflection of the type of employers for which they work. Currently the community of Seal Beach embraces their presence and are very accommodating to their patrons. As a result of our family frequenting their establishment, we have also started to visit the local shops and restaurants. We have found that although it is quite congested in the Seal Beach area, WaterSafe makes a considerable effort to provide parking for their swimmers while ensuring the local residents are impacted as minimal as possible.

We believe that Los Alamitos is a very impressive city, not only by their schools and shops, but their neighborhoods and surrounding neighborhoods as well. We feel that WaterSafe would complement and enhance your city with the type of clientele to which they attract. WaterSafe Los Alamitos is certainly a location we would be proud (as well as feel safe) to continue to have our children attend if the new location were to be approved. We are in favor of the plan as proposed.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Gregory Lane". The signature is written in a cursive style with a large, stylized "G" and "L".

Mr. and Mrs. Gregory Lane
1837 N Britton Dr
Long Beach, CA 90815
562-881-1709

Honorable Chairman and members of the planning committee,

Watersafe CUP 14-07

I am writing this letter in support of the proposed Watersafe swim school at 3686 Cerritos Ave in Los Alamitos. I believe that the approval of this project will greatly benefit families and residents in and around the Los Alamitos area, who are fortunate enough to experience the Watersafe method. I have seen first hand the incredible results of young children who have been taught water safety and swim technique by the Watersafe Swim School and their instructors and it is truly nothing short of remarkable. In addition, the renderings of the proposed facility design are beautifully & tastefully done and would fit in very well from a building design perspective.

I give the highest endorsement for the proposed location of the Watersafe Swim School in the great city of Los Alamitos and I hope that you do too.

Sincerely,
Jennifer Cox (35 year Long Beach resident) now in Bend, OR

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

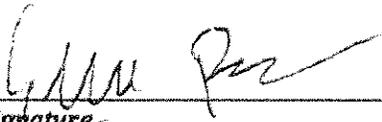
Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

Jesse Beaver

Print name

3436 Snowden Ave.

Address

562 453-5053

Phone number

August 25, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a neighboring resident who lives in Long Beach and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

✓ I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:

Kelly Shonedling
Signature

Kelly Shonedling
Print name

5810 e garford st, long beach, CA 90815
Address

714.225.8223
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

RE: WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in **Cypress** and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

Although I don't live in Los Alamitos, I live just 2 blocks away (Ball and Denni) from the proposed site. My son goes to WaterSafe and in just 2 lessons, he loves learning how to swim. He's 4 years old and before going to WaterSafe, he would never put his face in the water and would even scream if we got his face wet but now, we can't get him to stop jumping in the water and swimming underwater. WaterSafe is the first time he has ever had lessons. It was highly recommended to us from friends that live in Cypress, Huntington Beach, Los Alamitos and Stanton. This place is SO amazing. After my son's first lesson, my husband and I were shocked at how well the lesson was taught, how my son did and how the place was run. It's very hard to impress my husband and he really wanted to have private lessons at our home but I insisted to try WaterSafe even though it wasn't the closest swim school. The Los Alamitos location would not only be extremely convenient to us but a great asset to the community and the nearby communities. I think all kids should learn to swim and this IS the place. Thank you for your reading.

I am opposed to the plan as proposed for the following reasons:

Pamela Louie Jung

Signature

Pamela Louie Jung

Print name

4582 Victoria Court, Cypress 90630

Address

714-655-2621

Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:

Tammy Huie
Signature

Tammy Huie
Print name

3782 Combs Ave.
Address

714 335-0971
Phone number

Los Alamitos 90720

Zack,

August 26, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

Water Safe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am not writing as a resident of the City of Los Alamitos or as a business owner in the City either. I am writing as a PRODUCT of Water Safe Swim School. 30+ years ago my mother enrolled me in the school and to this day I believe it has been the foundation of my love for the water. Over the years I have been involved in numerous aquatic activities, both recreationally (water polo, swimming, surfing, scuba diving, etc.) and professionally (ocean lifeguard, high school water polo coach, scuba instructor). I have seen how important not just learning to swim is, but having the proper foundation and fundamentals of swimming taught to you at a young age are.

I no longer work as a lifeguard but currently am employed as a firefighter in one of your neighboring cities. In both careers I have seen the unfortunate outcomes of both adults and children that were never taught to swim. By approving this new Water Safe Swim School facility you are not only instilling a **LOVE** for the water into young children but more importantly a **RESPECT** for it. After all Sothern California is the aquatic Capital of the World and what better place to teach young ones to swim than here.

Needless to say I am in favor of the proposed plan and I believe that you should approve it without hesitation.

Sincerely,

Water Safe Swim School Graduate

Zack Walter
2276 Fanwood Ave
Long Beach, CA
90815
562)233-6534



MALKOFF AND ASSOCIATES

1828 N. Woodside Street • Orange, CA 92865 • Fax 714-400-9020 • 714-288-6200

September 8, 2014

Steven Mendoza, Director
Community Development Department
City of Los Alamitos
3191 Katella Avenue
Los Alamitos, CA 90720

**Subject: Conditional Use Permit Application CUP 14-07, SPR 14-02;
Third Supplemental Submittal for the WaterSafe Swim School Project**

Dear Mr. Mendoza:

On behalf of WaterSafe Swim School, I am very pleased to transmit this additional supplemental information in support of the requested Conditional Use Permit for the WaterSafe Swim School Project on Cerritos Avenue. There are three items of note.

First, this information supplements our previous (Second) submittal regarding voluntary community outreach regarding the proposed project. We have attached three additional letters of comment.

Second, we have prepared a revised Site Exhibit that appears on Page 5 of the Staff Report, but which shows our site to be larger, and shifted to the west, than it is. This is provided for clarification, should questions arise at the Planning Commission hearing.

Third, we want to clarify that the Ground Lease expressly requires restoration of the owner's property to its original conditions at the end of the Swim School use. The Lease, at Condition #57, requires removal of both swimming pools and replacement with either asphalt or concrete, restoring the site to the level conditions. This clause is shown in the attachment to this letter – we have highlighted Condition #57 in yellow on the Addendum page (which is part of the executed lease). In addition, I have attached both a copy of my July 25th email transmitting the lease to the City, along with the full text of the Lease, in case Commissioners wish to review the lease in more detail.

Thank you for considering this Third Supplemental Submittal. Please let me know if you have questions about the attachments.

Respectfully submitted,
MALKOFF AND ASSOCIATES

Mel Malkoff

Mel Malkoff, President

cc: Ginny Flahive-Ferguson, Founder/Owner
WaterSafe Swim School

Attachments: Community letters
Corrected Site Map
Ground Lease

Honorable Chairman and Members of the planning commission,

Watersafe CUP 14-07

I am writing this letter in support of the proposed Watersafe Swim School at 3686 Cerritos Ave. in Los Alamitos. I strongly believe the approval of this project will greatly benefit the community of Los Alamitos, the families, and residents both in Los Alamitos and around the area, who will be fortunate enough to experience the incredible Watersafe Method. Our home has a pool and our number one priority was to teach our daughter the proper skills to surviving in the water. Without any hesitation we enrolled her at Watersafe Swim School in Seal Beach as we felt their method of teaching superseded any other seasonal recreational and local swim program.

Watersafe Swim School focuses on the development of teaching a child to survive first in the water then focuses on the other swim skills such as particular strokes, breathing, kicking etc. When we enrolled her at 18 months old it was to **"Waterproof"** her and help her comprehend how to operate her mind and body in the water. We wanted her to realize that if she ever fell into our pool; she would know what to do with her body, how to breathe correctly, and how to be confident while doing so in a life-threatening situation. We completely understood from the beginning that teaching a child to swim is not a seasonal activity, its **"All Year Around"**.

Our daughter is now 4 years old and is a confident little swimmer, who understands how her body works in the water, and she is learning further skills to enhance her water experiences. We were so impressed with the Watersafe Swim School Method that we enrolled our son at 15 months old and now he too is on his way to absorbing the proper skills to survive while also embracing a love and adoration for the water.

As parents and homeowners with a pool in our backyard we feel confident that if our children; 4 years old and 2 years old, ever fell into a pool they would have the proper skills needed to survive. To have this **"Peace of Mind"** and confidence is why we **100% support** the Watersafe Swim School addition to the City of Los Alamitos. We want to share our positive experiences and confidence with other parents, families, and pool owners.

Sincerely

Anne Marie Ashley & Richard Ashley
Seal Beach Residents & Local Firefighter

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

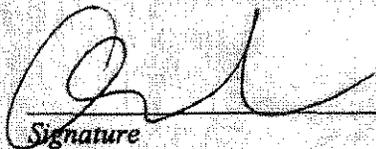
I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

The watersafe swim school is such an awesome place for kids & adults. This will be a great asset for Los Alamitos!

I am opposed to the plan as proposed for the following reasons:


Signature

Amanda Berkes
Print name

11741 Reagan St. Los Alamitos, CA 90720
Address

562.673.4455
Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

Honorable Chairman and Members of the Planning Commission:

I am a **neighboring resident** who lives in Los Alamitos and recently learned of the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:

*there is already too much traffic
on Carritos*

Carol L. Wall
Signature

CAROL L. WALL
Print name

10453 Del Norte Way
Address

Phone number

September 8, 2014

City of Los Alamitos
Planning Commission
3191 Katella Avenue
Los Alamitos, CA 90720

WaterSafe Swim School Project, CUP 14-07

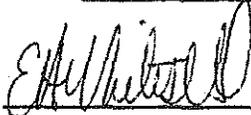
Honorable Chairman and Members of the Planning Commission:

I am a resident of Los Alamitos and live in the residential tract situated across Cerritos Avenue from the proposed WaterSafe Swim School project. I have been personally contacted regarding the project and had the opportunity to view the site plan, landscaping, and colored images modeled for the school. I have also had the opportunity to discuss any project-related concerns I may have regarding the project.

I am in favor of the plan as proposed.

I approve of the project as proposed, with the following comments:

I am opposed to the plan as proposed for the following reasons:



Signature

Elizabeth Whitesell

Print name

10849 Chestnut St.

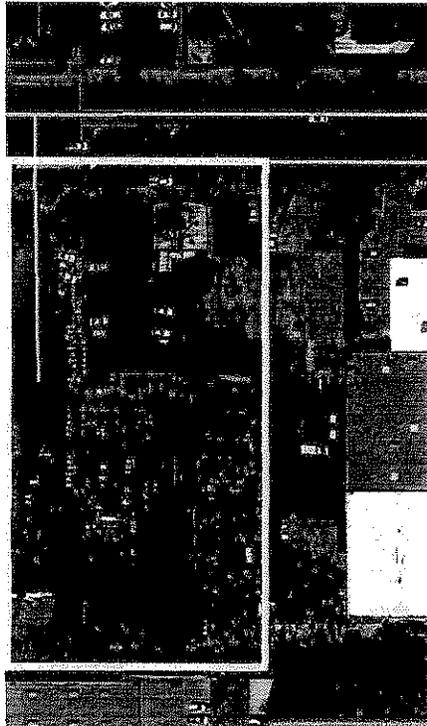
Address

562-234-6314

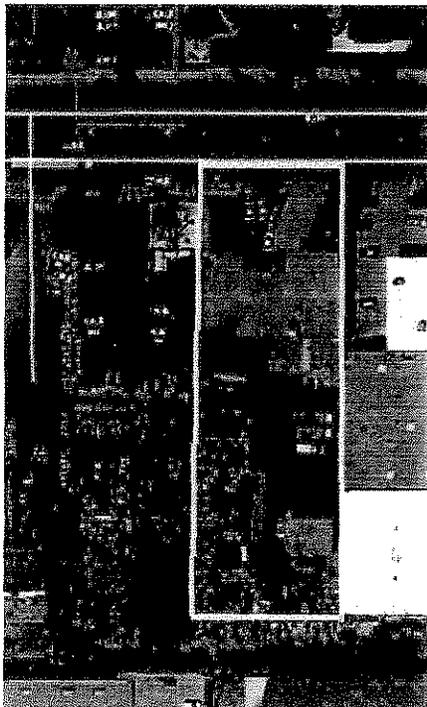
Phone number

WaterSafe Swim School Project

Staff Report Map



Corrected Site Map



ADDENDUM TO STANDARD INDUSTRIAL/COMMERCIAL
SINGLE-TENANT LEASE -- NET
DATED MAY 19, 2014
BY AND BETWEEN
WILLIAM H. MOBLEY TRUST AS LESSOR AND
WATERSAFE SWIM SCHOOL, INC., A CALIFORNIA CORPORATION AS LESSEE

51. RENT ADJUSTMENT: Rent schedule shall be as follows.

06/1/14 – 06/30/14	\$0.00 per month NNN
07/1/14 – 09/30/14	\$5,000.00 per month NNN
10/1/14 – 05/31/15	\$10,000.00 per month NNN
06/1/15 – 05/31/16	\$10,300.00 per month NNN
06/1/16 – 05/31/17	\$10,609.00 per month NNN
06/1/17 – 05/31/18	\$10,627.27 per month NNN
06/1/18 – 05/31/19	\$11,255.09 per month NNN
06/1/19 – 05/31/20	\$11,592.74 per month NNN
06/1/20 – 05/31/21	\$11,940.52 per month NNN
06/1/21 – 05/31/22	\$12,298.74 per month NNN
06/1/22 – 05/31/23	\$12,667.70 per month NNN
06/1/23 – 05/31/24	\$13,047.73 per month NNN

52. OCCUPANCY AND PERMITS: Lessor hereby makes no representation or warranties that Lessee's use complies with applicable laws and regulations with the City of Los Alamitos. Lessee's execution of the Lease shall be evidence of Lessee's satisfaction of these issues.

53. CONDITIONAL USE PERMIT APPLICATION: Lessee shall submit a fully completed application and fee's to all applicable government, city agencies/departments prior to June 13, 2014. Lessee shall provide a copy of submittal to Lessor. If Lessee does not submit the completed application by June 13, 2014, the Lease shall be considered null and void with no further obligation to Lessee.

54. TERMINATION OPTION: Lessor acknowledges that Lessee's use requires a Conditional Use Permit (C.U.P.). It is the Lessee's sole and absolute responsibility to acquire any type of occupancy permit from the applicable regulatory agency. Lessor shall cooperate with Lessee through the process of applying for and obtaining the necessary C.U.P. at no cost or expense to Lessor. If the C.U.P. is not granted to the Lessee by October 19, 2014, the Lessee shall have a one (1) time right to terminate the Lease prior to October 19, 2014. As consideration for the Lessor taking the building off the market and if Lessee elects to the exercise the termination option due to failure of obtaining a Conditional Use Permit, Lessee shall forfeit any rent previously paid. However, the security deposit of \$16,000.00 shall be returned to the Lessee.

55. PROPERTY TAXES AND INSURANCE: Lessee shall pay Lessor for all Property Taxes and Insurance on a monthly basis.

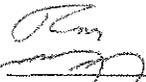
56. ADA/HANDICAP PARKING: Lessor makes no representations regarding the accessibility or handicap parking required by the ADA or the State or Federal codes within or outside the subject property. Lessor shall not be responsible for any improvements or handicap parking spaces required on the premises, and Lessee indemnifies Lessor herein with any obligation thereto.

57. Lessee shall be required to remove all improvements including but not limited to swimming pools, and restore the property back to the original condition at the expiration of the Lease Term and any extensions thereto. After the Lessee removes the swimming pools, Lessee shall fill in these locations and add new pavement / concrete to properly restore the premises.





Initials





Initials



mel@malkoff.com

Swim School - Land Lease

2 messages

Mel Malkoff <mel@malkoff.com>
To: City_Los_Alamitos <TOliver@cityoflosalamitos.org>

Fri, Jul 25, 2014 at 3:25 PM

I found an error message back at my office. so, just in case, here (again?) is the lease! [It is signed by Mark Miller... I believe he manages a lot of the family's business interests, according to my broker.]

I have recopied the pdf to a smaller file -- from 11+Mbytes to 3.9Mbytes! that was why it wouldn't go by phone...

Best regards,
Mel Malkoff, President
Malkoff and Associates
1828 N. Woodside Street
Orange, CA 92865

(714) 357-7333 cell
(714) 288-6200 office

"Life begins at the end of your comfort zone"
-- Neale Donald Walsch

 **3404 RE - Fully Executed Lease - 7-23-14lr.pdf**
3978K

Tom Oliver <TOliver@cityoflosalamitos.org>
To: Mel Malkoff <mel@malkoff.com>

Fri, Jul 25, 2014 at 3:57 PM

No problem. Thanks, Mel.

Thanks,

Tom Oliver
Associate Planner
Community Development Department
City of Los Alamitos
562-431-3538 x303



From: Mel Malkoff [mailto:mel@malkoff.com]
Sent: Friday, July 25, 2014 3:25 PM
To: Tom Oliver
Subject: Swim School - Land Lease

[Quoted text hidden]



REAL ESTATE SERVICES

2400 E Katella Avenue, Suite 750
Anaheim, CA 92806
714.978.7680 TEL
714.978.3471 FAX
www.voitco.com

Hayden H. Socci, CCIM

July 23, 2014

Paul Root
Madison Street Partners
8105 Irvine Center Drive, Ste. 730
Irvine, CA 92618

**RE: 3686 CERRITOS AVE., LOS ALAMITOS, CA
FULLY EXECUTED LEASE**

Dear Paul:

Please find enclosed the fully executed Lease Agreement for your client for the property at 3686 Cerritos Ave., Los Alamitos, CA.

It has been a pleasure working with you.

Sincerely,

VOIT REAL ESTATE SERVICES

Hayden Socci, CCIM
Vice President
(714) 935-2379 Direct
hsocci@voitco.com

Encl.

cc: Rob Socci



**AIR COMMERCIAL REAL ESTATE ASSOCIATION
STANDARD INDUSTRIAL/COMMERCIAL SINGLE-TENANT LEASE – NET
(DO NOT USE THIS FORM FOR MULTI-TENANT BUILDINGS)**

1. **Basic Provisions ("Basic Provisions")**
 1.1 **Parties:** This Lease ("Lease"), dated for reference purposes only May 19, 2014
 is made by and between William H. Nobley Trust ("Lessor")
 and WaterSafe Swim School, Inc., a California corporation ("Lessee"),
 (collectively the "Parties," or individually a "Party").

1.2 **Premises:** That certain real property, including all improvements therein or to be provided by Lessor under the terms of this Lease, and commonly known as 3686 Cerritos Ave., Los Alamitos located in the County of Orange State of California and generally described as (describe briefly the nature of the property and, if applicable, the "Project", if the property is located within a Project) an approximate 2,472 square foot building situated on approximately 41,092 square feet of land. ("Premises"). (See also Paragraph 2)

1.3 **Term:** 10 years and 0 months ("Original Term") commencing June 1, 2014 ("Commencement Date") and ending May 31, 2024 ("Expiration Date"). (See also Paragraph 3)

1.4 **Early Possession:** If the Premises are available Lessee may have non-exclusive possession of the Premises commencing Upon receipt of fully executed Lease, all monies due per this Lease and Insurance Binder ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3)

1.5 **Base Rent:** \$10,000.00 per month ("Base Rent"), payable on the 1st day of each month commencing June 1, 2014. (See also Paragraph 4)

If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 51

1.6 **Base Rent and Other Monies Paid Upon Execution:**
 (a) **Base Rent:** \$10,000.00 for the period July 1, 2014 through August 31, 2014
 (b) **Security Deposit:** \$16,000.00 ("Security Deposit"). (See also Paragraph 5)
 (c) **Association Fees:** N/A for the period N/A
 (d) **Other:** \$1,207.98 for property taxes and property insurance July 1, 2014 through August 31, 2014
 (e) **Total Due Upon Execution of this Lease:** \$27,207.98

1.7 **Agreed Use:** General office and related uses for a swim school and swim training facility and for no other purpose. (See also Paragraph 6)

1.8 **Insuring Party:** Lessor is the "Insuring Party" unless otherwise stated herein. (See also Paragraph 8)

1.9 **Real Estate Brokers:** (See also Paragraph 15 and 25)

(a) **Representation:** The following real estate brokers (the "Brokers") and brokerage relationships exist in this transaction (check applicable boxes):

Voit Real Estate Services (Robert and Hayden Socci) represents Lessor exclusively ("Lessor's Broker");
 Madison Street Partners (Paul Root) represents Lessee exclusively ("Lessee's Broker"), or represents both Lessor and Lessee ("Dual Agency");

(b) **Payment to Brokers:** Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of per separate agreement or N/A % of the total Base Rent payable for the Original Term, the sum of per separate agreement or N/A of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of per separate agreement or N/A % of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.10 **Guarantor:** The obligations of the Lessee under this Lease are to be guaranteed by Ginny B. Ferguson ("Guarantor"). (See also Paragraph 37)

1.11 **Attachments:** Attached hereto are the following, all of which constitute a part of this Lease:

- an Addendum consisting of Paragraphs 51 through 57;
- a plot plan depicting the Premises;
- a current set of the Rules and Regulations;
- a Work Letter;
- other (specify): Addendum; Personal Guaranty; Option to Extend #58

HS
INITIALS

[Signature]
INITIALS

2. Premises.

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **Note:** Lessee is advised to verify the actual size prior to executing this Lease.

2.2 **Condition.** Lessor shall deliver the Premises to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and, so long as the required service contracts described in Paragraph 7.1(b) below are obtained by Lessee and in effect within thirty days following the Start Date, warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), loading doors, sump pumps, if any, and all other such elements in the Premises, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of any buildings on the Premises (the "Building") shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. If a non-compliance with said warranty exists as of the Start Date, or if one of such systems or elements should malfunction or fail within the appropriate warranty period, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, malfunction or failure, rectify same at Lessor's expense. The warranty periods shall be as follows: (i) 6 months as to the HVAC systems, and (ii) 30 days as to the remaining systems and other elements of the Building. If Lessee does not give Lessor the required notice within the appropriate warranty period, correction of any such non-compliance, malfunction or failure shall be the obligation of Lessee at Lessee's sole cost and expense.

2.3 **Compliance.** Lessor warrants that to the best of its knowledge the improvements on the Premises comply with the building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") that were in effect at the time that each improvement, or portion thereof, was constructed. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 50), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE:** Lessee is responsible for determining whether or not the Applicable Requirements, and especially the zoning, are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Unit, Premises and/or Building ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and an amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not, however, have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental, aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant.** The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately


INITIALS


INITIALS

prior to the Start Date Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

3. Term.

3.1 Term. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 Early Possession. Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Real Property Taxes and insurance premiums and to maintain the Premises) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 Delay in Possession. Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 Lessee Compliance. Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. Rent.

4.1 Rent Defined. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 Payment. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent, Insurance and Real Property Taxes, and any remaining amount to any other outstanding charges or costs.

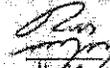
4.3 Association Fees. In addition to the Base Rent, Lessee shall pay to Lessor each month an amount equal to any owner's association or condominium fees levied or assessed against the Premises. Said monies shall be paid at the same time and in the same manner as the Base Rent.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. Use.

6.1 Use. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements on the Premises or


INITIALS


INITIALS

the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Premises. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2. Hazardous Substances.

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank; (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority; and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies (copier, toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from adjacent properties not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Except as otherwise provided in paragraph 6.7, Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect; or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance


INITIALS


INITIALS

thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 Lessee's Compliance with Applicable Requirements. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the such Requirements, without regard to whether such Requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 Inspection; Compliance. Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of a written request therefor.

7. Maintenance; Repairs, Utility Installations; Trade Fixtures and Alterations

7.1 Lessee's Obligations.

(a) **In General.** Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to: all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fire protection system, fixtures, walls (interior and exterior), foundations, ceilings, roofs, roof drainage systems, floors, windows, doors, plate glass, skylights, landscaping, driveways, parking lots, fences, retaining walls, signs, sidewalks and parkways located in, on, or adjacent to the Premises. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair. Lessee shall, during the term of this Lease, keep the exterior appearance of the Building in a first-class condition (including, e.g. graffiti removal) consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity, including, when necessary, the exterior repainting of the Building.

(b) **Service Contracts.** Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler, and pressure vessels, (iii) fire extinguishing systems, including fire alarm and/or smoke detection, (iv) landscaping and irrigation systems, (v) roof covering and drains, and (vi) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) **Failure to Perform.** If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly pay to Lessor a sum equal to 115% of the cost thereof.

(d) **Replacement.** Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (i.e. 1/144th of the cost per month). Lessee shall pay interest on the unamortized balance, but may prepay its obligation at any time.

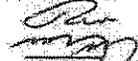
7.2 Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 9 (Damage or Destruction) and 14 (Condemnation), it is intended by the Parties hereto that Lessor have no obligation, in any manner whatsoever, to repair and maintain the Premises, or the equipment therein, all of which obligations are intended to be that of the Lessee. It is the intention of the Parties that the terms of this Lease govern the respective obligations of the Parties as to maintenance and repair of the Premises; and they expressly waive the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 Utility Installations; Trade Fixtures; Alterations.

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but


INITIALS


INITIALS

upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month's Base Rent in the aggregate or a sum equal to one month's Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 Ownership; Removal; Surrender; and Restoration.

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

B. Insurance; Indemnity.

8.1 **Payment For Insurance.** Lessee shall pay for all insurance required under Paragraph B except to the extent of the cost attributable to liability insurance carried by Lessor under Paragraph 8.2(b) in excess of \$2,000,000 per occurrence. Premiums for policy periods commencing prior to or extending beyond the Lease term shall be prorated to correspond to the Lease term. Payment shall be made by Lessee to Lessor within 10 days following receipt of an invoice.

8.2 Liability Insurance.

(a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than ~~\$2,000,000~~ \$4,000,000 per occurrence with an annual aggregate of not less than ~~\$4,000,000~~ \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor.** Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) **Building and Improvements.** The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event


INITIALS


INITIALS

more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence, and Lessee shall be liable for such deductible amount in the event of an Insured Loss.

(b) **Rental Value.** The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period. Lessee shall be liable for any deductible amount in the event of such loss.

(c) **Adjacent Premises.** If the Premises are part of a larger building, or of a group of buildings owned by Lessor which are adjacent to the Premises, the Lessee shall pay for any increase in the premiums for the property insurance of such building or buildings if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

8.4 Lessee's Property, Business Interruption Insurance; Worker's Compensation Insurance.

(a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations.

(b) **Business Interruption.** Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) **Worker's Compensation Insurance.** Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements. Such policy shall include a 'Waiver of Subrogation' endorsement. Lessee shall provide Lessor with a copy of such endorsement along with the certificate of insurance or copy of the policy required by paragraph 8.5.

(d) **No Representation of Adequate Coverage.** Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A- VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor and its Agents from Liability. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the building of which the Premises are a part, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to


INITIALS


INITIALS

maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) "Premises Partial Damage" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 6 months or less from the date of the damage or destruction. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) "Premises Total Destruction" shall mean damage or destruction to the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 6 months or less from the date of the damage or destruction. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) "Insured Loss" shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) "Replacement Cost" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires remediation.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$10,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds (except as to the deductible which is Lessee's responsibility) as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by: (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) Abatement. In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.


INITIALS


INITIALS

(b) Remedies. If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 30 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 Definition. As used herein, the term "Real Property Taxes" shall include any form of assessment, real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Premises or the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Building address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Premises are located. Real Property Taxes shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Premises, and (ii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 Payment of Taxes. In addition to Base Rent, Lessee shall pay to Lessor an amount equal to the Real Property Tax installment due at least 20 days prior to the applicable delinquency date. If any such installment shall cover any period of time prior to or after the expiration or termination of this Lease, Lessee's share of such installment shall be prorated. In the event Lessee incurs a late charge on any Rent payment, Lessor may estimate the current Real Property Taxes, and require that such taxes be paid in advance to Lessor by Lessee monthly in advance with the payment of the Base Rent. Such monthly payments shall be an amount equal to the amount of the estimated installment of taxes divided by the number of months remaining before the month in which said installment becomes delinquent. When the actual amount of the applicable tax bill is known, the amount of such equal monthly advance payments shall be adjusted as required to provide the funds needed to pay the applicable taxes. If the amount collected by Lessor is insufficient to pay such Real Property Taxes when due, Lessee shall pay Lessor, upon demand, such additional sum as is necessary. Advance payments may be intermingled with other moneys of Lessor and shall not bear interest. In the event of a Breach by Lessee in the performance of its obligations under this Lease, then any such advance payments may be treated by Lessor as an additional Security Deposit.

10.3 Joint Assessment. If the Premises are not separately assessed, Lessee's liability shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be conclusively determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available.

10.4 Personal Property Taxes. Lessee shall pay, prior to delinquency, all taxes assessed against and levied upon Lessee Owned Alterations, Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services. Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered or billed to Lessee, Lessee shall pay a reasonable proportion, to be determined by Lessor, of all charges jointly metered or billed. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to not, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.


INITIALS


INITIALS

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$600 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to affirm to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements; (ii) the service contracts; (iii) the rescission of an unauthorized assignment or subletting; (iv) an Estoppel Certificate or financial statements; (v) a requested subordination; (vi) evidence concerning any guaranty and/or Guarantor; (vii) any document requested under Paragraph 42; (viii) material safety data sheets (MSDS); or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph


INITIALS


INITIALS

40 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above, where such Default continues for a period of 30 days after written notice, provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. §101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to, the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (ii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions," shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due shall bear


INITIALS


INITIALS

interest from the 31st day after it was due. The interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided, however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation: If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the Building, or more than 25% of that portion of the Premises not occupied by any building, is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. In addition to the payments owed pursuant to Paragraph 1.9 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires any rights to the Premises or other premises owned by Lessor and located within the same Project, if any, within which the Premises is located, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the fee schedule of the Brokers in effect at the time the Lease was executed.

15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.9, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days


INITIALS


INITIALS

after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Definition of Lessor.** The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. **Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Days.** Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. **Limitation on Liability.** The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. **Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. **No Prior or Other Agreements; Broker Disclaimer.** This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. **Notices.**

23.1 **Notice Requirements.** All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 **Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: To the Lessor: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations: To the Lessee: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A


INITIALS


INITIALS

duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor; (c) be bound by prepayment of more than one month's rent; or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents, provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereinafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of


INITIALS


INITIALS

Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect to Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. **Signs.** Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Except for ordinary "for sublease" signs, Lessee shall not place any sign upon the Premises without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. **Consents.** Except as otherwise provided herein, whenever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. **Guarantor.**

37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association, and each such Guarantor shall have the same obligations as Lessee under this Lease.

37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. **Options.** If Lessee is granted any Option, as defined below, then the following provisions shall apply:

39.1 **Definition.** "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options.**

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase: (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. **Multiple Buildings.** If the Premises are a part of a group of buildings controlled by Lessor, Lessee agrees that it will abide by and conform to all reasonable rules and regulations which Lessor may make from time to time for the management, safety, and care of said properties, including the care and cleanliness of the grounds and including the parking, loading and unloading of vehicles, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessee also agrees to pay its fair share of common expenses incurred in connection with such rules and regulations.

41. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.


INITIALS


INITIALS

42. **Reservations.** Lessor reserves to itself the right, from time to time, to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate any such easement rights, dedication, map or restrictions.

43. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

44. **Authority; Multiple Parties; Execution.**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

45. **Conflict.** Any conflict between the printed provisions of this Lease and typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

46. **Offer.** Preparation of this Lease by either Party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

47. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

48. **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

49. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease.

is is not attached to this Lease.

50. **Accessibility; Americans with Disabilities Act.**

(a) The Premises: have not undergone an inspection by a Certified Access Specialist (CASp). have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq.

(b) Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

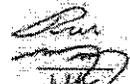
LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES IS LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES IS LOCATED.


INITIALS


INITIALS

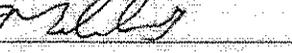
The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: _____ Executed at: _____
On: _____ On: _____

By LESSOR: _____ By LESSEE: _____
William H. Mobley Trust WaterSafe Swim School, Inc., a California
corporation

By:  By: 
Name Printed: Mary Miller Name Printed: Ginny E. Ferguson
Title: Trustee Title: President

By:  By: 
Name Printed: William H. Mobley Name Printed: Nathanael Najarian
Title: Son of William H. Mobley Title: Vice President

By:  Address: 345 10th Street, Seal Beach, CA
Name Printed: Ron Mobley 90740
Title: Son of William H. Mobley Telephone: (562) 596-8608 Nathanael
Facsimile: ()
Email: nathan@watersafe.com

Address: _____
Telephone: (760) 831-1414 Mark
Facsimile: ()
Email: _____
Federal ID No. _____
Federal ID No. 33-0985604

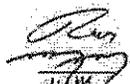
BROKER: _____ BROKER: _____
Voit Real Estate Services Madison Street Partners

Attn: Robert Socci / Hayden Socci Attn: Paul Root
Title: _____ Title: _____
Address: 2400 E. Katella Ave., Ste. 750 Address: 8105 Irvine Center Drive, Ste. 730
Anaheim, CA 92806 Irvine, CA 92618
Telephone: (714) 978-7880 Telephone: (949) 468-2243
Facsimile: (714) 978-3471 Facsimile: ()
Email: rsocci@voitco.com / hsocci@voitco.com Email: paul@madisonstreetpartners.net
Federal ID No. 27-3322483 Federal ID No. _____
Broker/Agent DRE License #: 01705038 Broker/Agent DRE License #: 01250765

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 500 N Brand Blvd, Suite 900, Glendale, CA 91203. Telephone No. (213) 687-8777, Fax No.: (213) 687-8616.

© Copyright 2001 - By AIR Commercial Real Estate Association. All rights reserved.
No part of these works may be reproduced in any form without permission in writing.
3686 Cerritos Ave., Los Alamitos/Lease 5-19-14/ss


INITIALS


INITIALS

ADDENDUM TO STANDARD INDUSTRIAL/COMMERCIAL
SINGLE-TENANT LEASE -- NET
DATED MAY 19, 2014

BY AND BETWEEN
WILLIAM H. MOBLEY TRUST AS LESSOR AND
WATERSAFE SWIM SCHOOL, INC., A CALIFORNIA CORPORATION AS LESSEE

51. RENT ADJUSTMENT: Rent schedule shall be as follows.

06/1/14 - 06/30/14	\$0.00 per month NNN
07/1/14 - 09/30/14	\$5,000.00 per month NNN
10/1/14 - 05/31/15	\$10,000.00 per month NNN
06/1/15 - 05/31/16	\$10,300.00 per month NNN
06/1/16 - 05/31/17	\$10,609.00 per month NNN
06/1/17 - 05/31/18	\$10,627.27 per month NNN
06/1/18 - 05/31/19	\$11,255.09 per month NNN
06/1/19 - 05/31/20	\$11,592.74 per month NNN
06/1/20 - 05/31/21	\$11,940.52 per month NNN
06/1/21 - 05/31/22	\$12,298.74 per month NNN
06/1/22 - 05/31/23	\$12,667.70 per month NNN
06/1/23 - 05/31/24	\$13,047.73 per month NNN

52. OCCUPANCY AND PERMITS: Lessor hereby makes no representation or warranties that Lessee's use complies with applicable laws and regulations with the City of Los Alamitos. Lessee's execution of the Lease shall be evidence of Lessee's satisfaction of these issues.

53. CONDITIONAL USE PERMIT APPLICATION: Lessee shall submit a fully completed application and fee's to all applicable government, city agencies/departments prior to June 13, 2014. Lessee shall provide a copy of submittal to Lessor. If Lessee does not submit the completed application by June 13, 2014, the Lease shall be considered null and void with no further obligation to Lessee.

54. TERMINATION OPTION: Lessor acknowledges that Lessee's use requires a Conditional Use Permit (C.U.P.). It is the Lessee's sole and absolute responsibility to acquire any type of occupancy permit from the applicable regulatory agency. Lessor shall cooperate with Lessee through the process of applying for and obtaining the necessary C.U.P. at no cost or expense to Lessor. If the C.U.P. is not granted to the Lessee by October 19, 2014, the Lessee shall have a one (1) time right to terminate the Lease prior to October 19, 2014. As consideration for the Lessor taking the building off the market and if Lessee elects to exercise the termination option due to failure of obtaining a Conditional Use Permit, Lessee shall forfeit any rent previously paid. However, the security deposit of \$16,000.00 shall be returned to the Lessee.

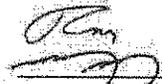
55. PROPERTY TAXES AND INSURANCE: Lessee shall pay Lessor for all Property Taxes and Insurance on a monthly basis.

56. ADA/HANDICAP PARKING: Lessor makes no representations regarding the accessibility or handicap parking required by the ADA or the State or Federal codes within or outside the subject property. Lessor shall not be responsible for any improvements or handicap parking spaces required on the premises, and Lessee indemnifies Lessor herein with any obligation thereto.

57. Lessee shall be required to remove all improvements including but not limited to swimming pools, and restore the property back to the original condition at the expiration of the Lease Term and any extensions thereto. After the Lessee removes the swimming pools, Lessee shall fill in these locations and add new pavement / concrete to properly restore the premises.



Initials



Initials



**OPTION(S) TO EXTEND
STANDARD LEASE ADDENDUM**

Dated May 18, 2014

By and Between (Lessor) William H. Wobley Trust

By and Between (Lessee) WaterSafe Swim School, a California
corporation

Address of Premises: 3686 Cerritos Ave.
Los Alamitos, CA 92720

Paragraph 58

A. OPTION(S) TO EXTEND:

Lessor hereby grants to Lessee the option to extend the term of this Lease for Two (2) additional Sixty (60) month period(s) commencing when the prior term expires upon each and all of the following terms and conditions:

(i) In order to exercise an option to extend, Lessee must give written notice of such election to Lessor and Lessor must receive the same at least 6 but not more than 9 months prior to the date that the option period would commence, time being of the essence. If proper notification of the exercise of an option is not given and/or received, such option shall automatically expire. Options (if there are more than one) may only be exercised consecutively.

(ii) The provisions of paragraph 39, including those relating to Lessee's Default set forth in paragraph 39.4 of this Lease, are conditions of this Option.

(iii) Except for the provisions of this Lease granting an option or options to extend the term, all of the terms and conditions of this Lease except where specifically modified by this option shall apply.

(iv) This Option is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and without the intention of thereafter assigning or subletting.

(v) The monthly rent for each month of the option period shall be calculated as follows, using the method(s) indicated below:
(Check Method(s) to be Used and Fill in Appropriately)

I. Cost of Living Adjustment(s) (COLA)
a. On (Fill in COLA Date(s)) _____

the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): CPI-W (Urban Wage Earners and Clerical Workers) or CPI-U (All Urban Consumers); for (Fill in Urban Area) _____

All Items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.0 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or (Fill in Other "Base Month") _____

The sum so calculated shall constitute the new monthly rent hereunder, but in no event shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

II. Market Rental Value Adjustment(s) (MRV)

a. On (Fill in MRV Adjustment Date(s)) June 1, 2024 and June 1, 2029

The Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached, within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in

HW
NW
INITIALS

[Signature]
[Signature]
INITIALS



AIR COMMERCIAL REAL ESTATE ASSOCIATION
GUARANTY OF LEASE

WHEREAS William H. Mobley Trust, hereinafter "Lessor" and WaterSafe Swim School, Inc., a California corporation, hereinafter "Lessee", are about to execute a document entitled "Lease" dated May 19, 2014 concerning the premises commonly known as 3686 Cerritos Ave., Los Alamitos, CA 92720 wherein Lessor will lease the premises to Lessee; and

WHEREAS, Ginny B. Ferguson hereinafter "Guarantors" have a financial interest in Lessee, and

WHEREAS, Lessor would not execute the Lease if Guarantors did not execute and deliver to Lessor this Guaranty of Lease.

NOW THEREFORE, in consideration of the execution of said Lease by Lessor and as a material inducement to Lessor to execute said Lease, Guarantors hereby jointly, severally, unconditionally and irrevocably guarantee the prompt payment by Lessee of all rents and all other sums payable by Lessee under said Lease and the faithful and prompt performance by Lessee of each and every one of the terms, conditions and covenants of said Lease to be kept and performed by Lessee.

It is specifically agreed by Lessor and Guarantors that: (i) the terms of the foregoing Lease may be modified by agreement between Lessor and Lessee, or by a course of conduct, and (ii) said Lease may be assigned by Lessor or any assignee of Lessor without consent or notice to Guarantors and that this Guaranty shall guarantee the performance of said Lease as so modified.

This Guaranty shall not be released, modified or affected by the failure or delay on the part of Lessor to enforce any of the rights or remedies of the Lessor under said Lease.

No notice of default by Lessee under the Lease need be given by Lessor to Guarantors, it being specifically agreed that the guarantee of the undersigned is a continuing guarantee under which Lessor may proceed immediately against Lessee and/or against Guarantors following any breach or default by Lessee or for the enforcement of any rights which Lessor may have as against Lessee under the terms of the Lease or at law or in equity.

Lessor shall have the right to proceed against Guarantors following any breach or default by Lessee under the Lease without first proceeding against Lessee and without previous notice to or demand upon either Lessee or Guarantors.

Guarantors hereby waive (a) notice of acceptance of this Guaranty, (b) demand of payment, presentation and protest, (c) all right to assert or plead any statute of limitations relating to this Guaranty or the Lease, (d) any right to require the Lessor to proceed against the Lessee or any other Guarantor or any other person or entity liable to Lessor, (e) any right to require Lessor to apply to any default any security deposit or other security it may hold under the Lease, (f) any right to require Lessor to proceed under any other remedy Lessor may have before proceeding against Guarantors, (g) any right of subrogation that Guarantors may have against Lessee.

Guarantors do hereby subordinate all existing or future indebtedness of Lessee to Guarantors to the obligations owed to Lessor under the Lease and this Guaranty.

If a Guarantor is married, such Guarantor expressly agrees that recourse may be had against his or her separate property for all of the obligations hereunder.

The obligations of Lessee under the Lease to execute and deliver stoppage statements and financial statements, as therein provided, shall be deemed to also require the Guarantors to do and provide the same to Lessor. The failure of the Guarantors to provide the same to Lessor shall constitute a default under the Lease.

The term "Lessor" refers to and means the Lessor named in the Lease and also Lessor's successors and assigns. So long as Lessor's interest in the Lease, the leased premises or the rents, issues and profits therefrom, are subject to any mortgage or deed of trust or assignment for security, no acquisition by Guarantors of the Lessor's interest shall affect the continuing obligation of Guarantors under this Guaranty which shall nevertheless continue in full force and effect for the benefit of the mortgagee, beneficiary, trustee or assignee under such mortgage, deed of trust or assignment and their successors and assigns.

The term "Lessee" refers to and means the Lessee named in the Lease and also Lessee's successors and assigns.

Any recovery by Lessor from any other guarantor or insurer shall first be credited to the portion of Lessee's indebtedness to Lessor which exceeds the maximum liability of Guarantors under this Guaranty.

No provision of this Guaranty or right of the Lessor can be waived, nor can the Guarantors be released from their obligations except in writing signed by the Lessor.

Any litigation concerning this Guaranty shall be initiated in a state court of competent jurisdiction in the county in which the leased premises are located and the Guarantors consent to the jurisdiction of such court. This Guaranty shall be governed by the laws of the State in which the leased premises are located and for the purposes of any rules regarding conflicts of law the parties shall be treated as if they were all residents or domiciles of such State.

In the event any action be brought by said Lessor against Guarantors hereunder to enforce the obligation of Guarantors hereunder, the unsuccessful party in such action shall pay to the prevailing party herein a reasonable attorney's fee. The attorney's fee award shall not be computed in accordance with any court fee schedule, but shall be such as to full reimburse all attorney's fees reasonably incurred.

If any Guarantor is a corporation, partnership, or limited liability company, each individual executing this Guaranty on said entity's behalf represents and warrants that he or she is duly authorized to execute this Guaranty on behalf of such entity.

If this Form has been filled in, it has been prepared for submission to your attorney for his approval. No representation or recommendation is made by the AIR Commercial Real Estate Association, the real estate broker or its agents or employees as to the legal sufficiency, legal effect, or tax consequences of this Form or the transaction relating thereto.

Executed at: WaterSafe Swim School
On: June 6, 2014
Address: 3686 Cerritos Ave., Los Alamitos, CA 92740

Ginny B. Ferguson
Ginny B. Ferguson

"GUARANTORS"

3686 Cerritos Ave., Los Alamitos, CA 92740



**Response to Planning Commission Questions
Regarding the Potential Issue of Dust**

Prepared for

CITY OF LOS ALAMITOS

Steven Mendoza, Community Development Director

Prepared by

Malkoff and Associates
1828 N. Woodside Street
Orange, CA 92865
(714) 288-6200



Industrial Area Dust

The WaterSafe Swim School principals, brokers and consultant team have conducted field visits to the proposed school site at 3686 Cerritos Avenue numerous times over the past seven months. During that time, these visits required time to be spent on-site, and occurred at different hours of the workday, weekends, and into evening hours as well.

There have been no reports of dusty conditions by any of the School's team members, either on the ground or windborne. Even on a few windy afternoons, there did not appear to be any noticeable windborne dust in the air on the project site. Also, the earliest site visits, which occurred during lease negotiations, found little or no accumulated dust on outdoor posts, handrails, block walls, exterior-door thresholds, nor within the existing building.

We have, additionally, walked several stretches of Cerritos Avenue, Briggeman Drive, and Humbolt Street, looking to see if there is evidence of accumulated dust, particularly during the current long, dry summer season (since virtually no rainfall has occurred to wash it away). We have also checked the High School parking lot and planter areas, as well as the single family residential neighborhood right across the street from the planned swim school. The conclusions reached by the consultant team, after considering the past months' conditions and by looking around the nearby developed areas, suggest that dust does not appear to be a major factor in this portion of the City's P-M (Planned Light Industrial) Zone. Even with a commercial landscaping materials business right next door, with its containers of stone and block, and piles of loose, landscape materials, there is little or no evidence of dust issues at that commercial site (the owners keep it swept clean) or on the contiguous Volcano Burgers property.

Current and Potential Future Remedies

There will be two swimming pools on-site. A "warm" pool and a "cool" pool. The use of a 90-degree "warm" pool for aquatic instruction means that it takes extra energy during the winter months to maintain that temperature. Already built into the submitted design for the canopy over the warm pool on-site is a side-panel system which helps retain heat during the cooler, and any windy, periods (see Figures 1 and 2 on the following page). These panels, which extend from the canopy downward to the adjacent walls, will also be available for use if there are any changes in the present site conditions; in particular, if dust is found to be an issue around the pools and outdoor shower area, they can be used to address that situation.

The "cool" pool is better suited to adult training and lap swimming, and for young students who have already mastered the rudiments of [active] swimming. It is currently planned to be open to the sky (see Figure 1). However, if at some future time, it is determined that dust in the area becomes an issue for the school, the easiest solution (though not an inexpensive one), would be to add a similarly designed, second canopy and side-panel system at the swim school. Figure 3, which follows, shows in Plan View how such a canopy may appear. Lastly, Figures 4 and 5 illustrate the appearance of the canopy systems with the side panels open, and closed, respectively.

The goal of the current design is to not be a burden, in any fashion, on adjacent residences and businesses. The potential dust-abatement solutions presented here also demonstrate the school's commitment to not jeopardize the operational characteristics of any of our industrial neighbors in the future.



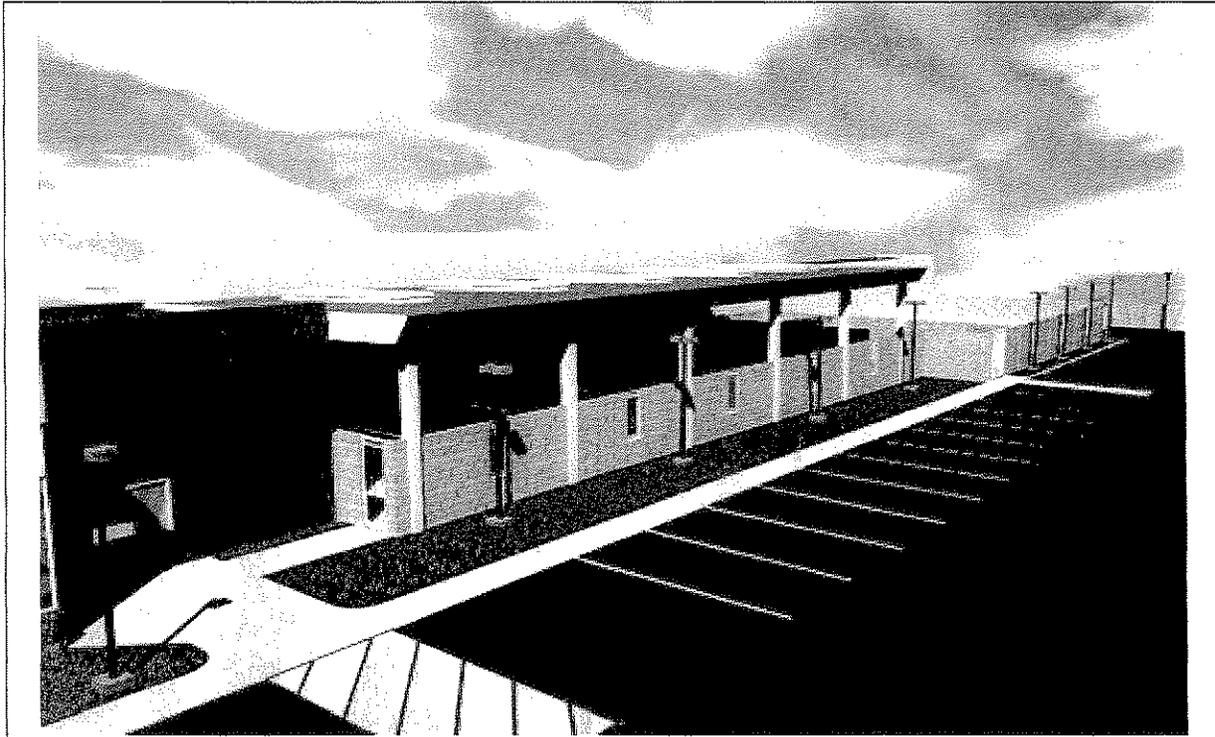
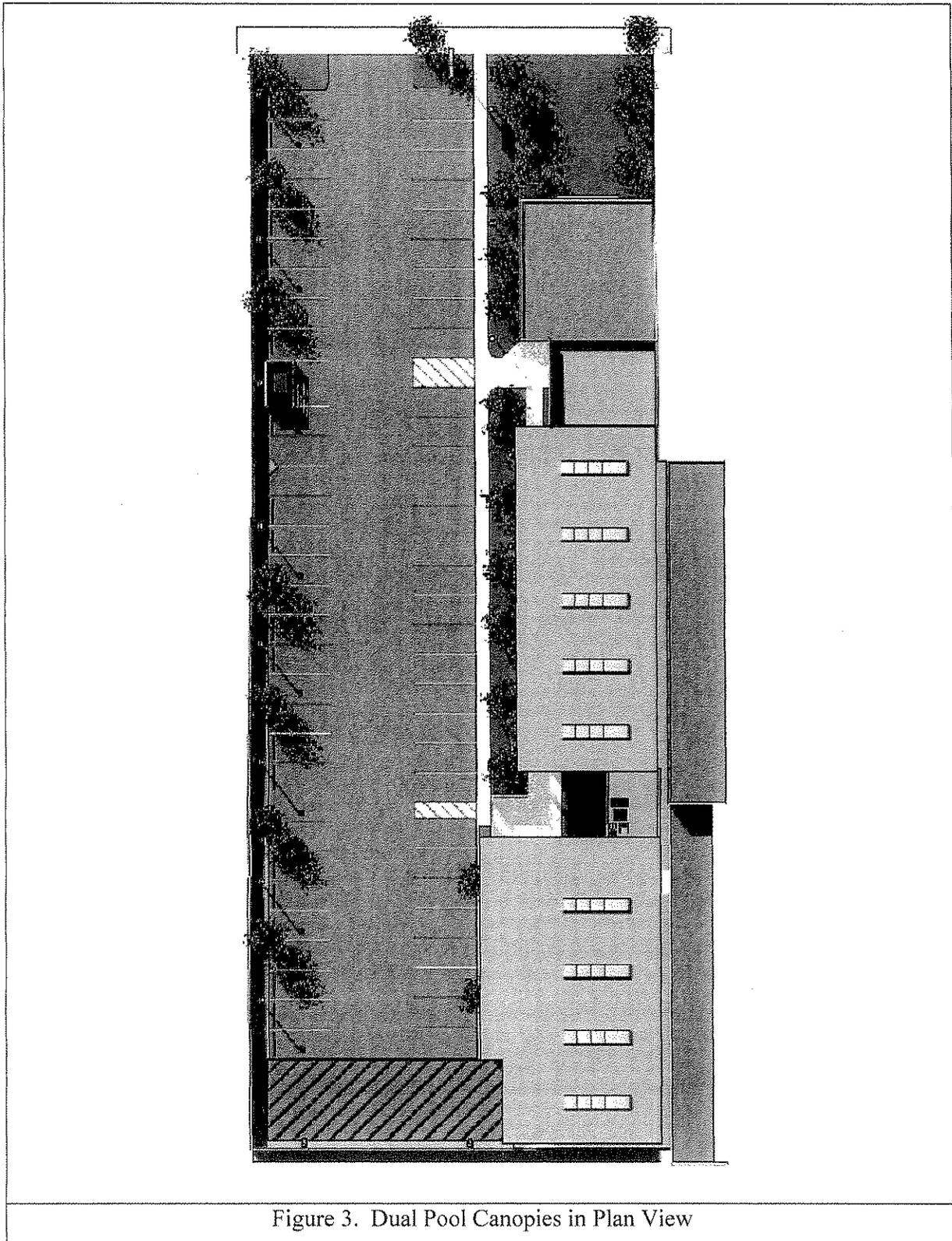


Figure 1. Warm Pool Canopy – with no side-panels



Figure 2. Warm Pool Canopy – with side-panels installed





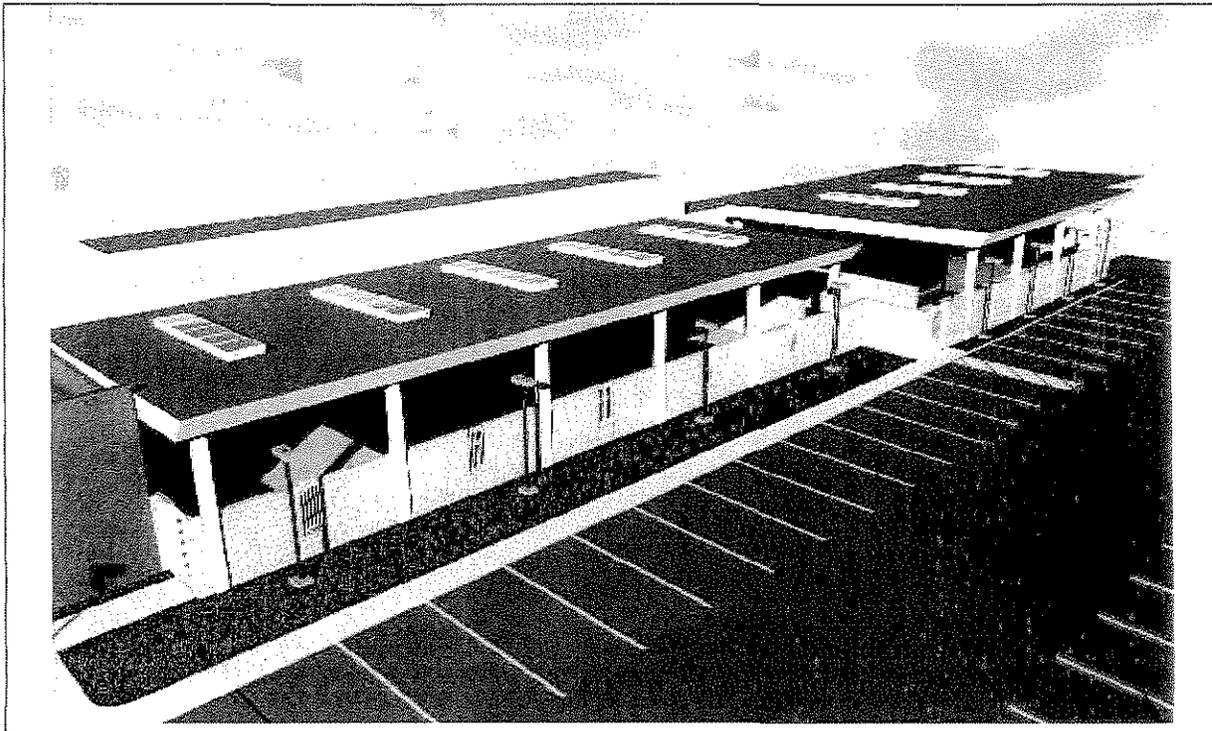


Figure 4. Dual Pool Canopies – with no side-panels

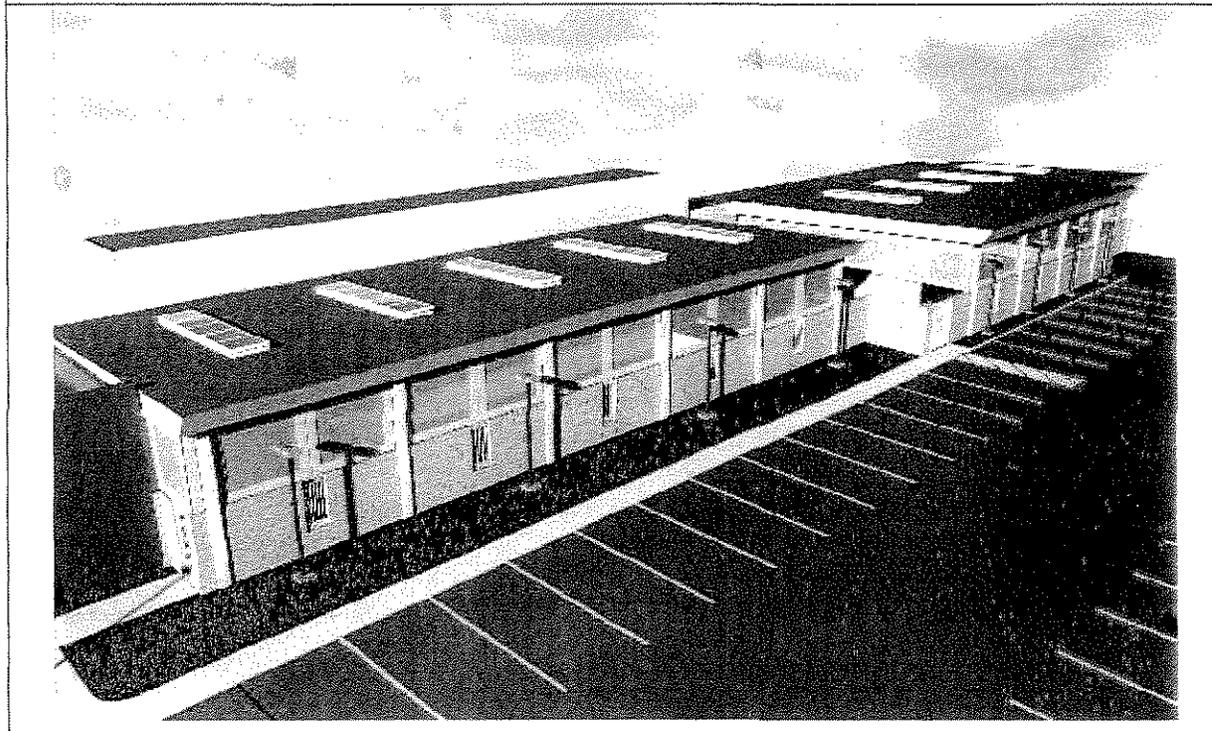


Figure 5. Dual Pool Canopies – with side-panels installed



City of Los Alamitos

Planning Commission

**Agenda Report
Public Hearing**

**September 8, 2014
Item No: 7C**

To: Chair Loe and Members of the Planning Commission

Via: Steven A. Mendoza, Community Development/Public Works Director

From: Tom Oliver, Associate Planner

Subject: Conditional Use Permit (CUP) 14-07
Site Plan Review (SPR) 14-02
Outdoor Commercial Recreation Facility at 3686 Cerritos Avenue in
the Planned Light Industrial (P-M) Zone

Summary: Consideration of a Conditional Use Permit and Site Plan Review to allow a Swim School at 3686 Cerritos Avenue in the Planned Light Industrial (P-M) Zone (Applicant: Ginny Ferguson – Watersafe Swim School). Staff is recommending denial of this application at this particular site.

Recommendation:

1. Open the Public Hearing; and,
2. Adopt Resolution No. 14-30, entitled, "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LOS ALAMITOS, CALIFORNIA, DENYING CONDITIONAL USE PERMIT (CUP) 14-07 AND SITE PLAN REVIEW (SPR) 14-02 TO ALLOW AN OUTDOOR COMMERCIAL RECREATION FACILITY (SWIM SCHOOL) WITH TWO NEW SWIMMING POOLS ON A 41,092 SQUARE FOOT PARCEL WITH AN EXISTING 2,505 SQUARE FOOT STRUCTURE AT 3686 CERRITOS AVENUE IN THE PLANNED LIGHT INDUSTRIAL (P-M) ZONING DISTRICT, APN 242-241-11 (APPLICANT: GINNY FERGUSON WATERSAFE SWIM SCHOOL)."

Applicant: Applicant: Ginny Ferguson – Watersafe Swim School

Location: 3686 Cerritos Avenue, APN 242-241-11 in the
Planned Light Industrial (P-M) Zone

Approval Criteria:

Los Alamitos Municipal Code (LAMC), Section 17.10.020, Table 2-04 (Allowed Uses and Permit Requirements for the Commercial/Industrial Zoning Districts) requires Planning Commission approval of a Conditional Use Permit to allow an outdoor commercial recreation facility use in the P-M Zoning District.

Section 17.50.020 of the Los Alamitos Municipal Code Site Plan Review-Applicability requires that a commercial development, or the addition of square footage to an existing commercial structure, shall be subject to the site plan review process.

Background

Ms. Ginny Ferguson, operator of the Seal Beach Watersafe Swim School, has submitted an application for a Conditional Use Permit (CUP) and a Site Plan Review (SPR) requesting to build and operate a Swim School (Outdoor Commercial Recreation Facility) in the Planned Light Industrial Zone. Her plans include installation of two in-ground swimming pools behind an existing building at 3686 Cerritos Avenue. The proposed business would be named "Watersafe Swim School," which is a spinoff of the original "Watersafe Swim School" business in the City of Seal Beach. It is a popular business that often has to turn customers away so Ms. Ferguson would like to expand into the City of Los Alamitos. The permit decision is, once again, a matter of whether a Conditional Use Permit should be approved, thereby continuing a trend of these types of businesses moving into industrial sites/buildings in the Planned Light Industrial Zone.

The existing building is approximately 2,505 square feet, located on a 41,092 square foot parcel. The facilities will include a remodeled and painted office building, with a covered outdoor shower area added to the rear, two new in-ground, heated swimming pools (one with an open-sided hard canopy), and a surplus of parking on-site. Both the building and the parking lot will be upgraded to meet ADA requirements. Other onsite improvements include extensive landscaping to the site, and updated parking layouts with wheel stops and an OCFA-required turn-around at the rear of the site.

Off-site improvements include the demolition of the existing driveway aprons and installation of a new consolidated driveway apron.

According to the owner of the property, the previous tenants at the site were:

TENANT	TIME PERIOD OF USAGE
Ace rental	1972-1992
Knippers rental	1992-1999
United rentals	1999-2013
-- vacant --	2014

Data Source:

William H. Mobley Trust, Property Owner, July 2014

Property Owner's Note:

These time-frames might be off a year or two. After 42 years it kinda blends together



Discussion

The applicant would like to develop her swimming school (Outdoor Commercial Recreation Facility) at a location in the Planned Light Industrial (P-M) Zone. Here is what the applicant's representative, Mel Malkoff, has said about the use and what it will involve at this location -- taken from the "Project Description and Plans," added as an attachment to this report:

"The proposed WaterSafe Swim School will be sited on an approximately one-acre site on Cerritos Avenue in the City of Los Alamitos, California. The site is just about six miles from the Swim School's current location in Seal Beach, at 345 10th Street. This new site is situated in an industrial area of the City, but across Cerritos Avenue from Los Alamitos High School (to the northwest) and a residential neighborhood to the north and northeast.

The project site encompasses about 41,092 square feet. The approximately 2,505 square foot office building will be retained and painted, and two new, in-ground swimming pools will be located behind the building, parallel to the eastern property line. Accessory pool support equipment will be sited between the pools, and new outdoor showers will be placed contiguous to the rear of the office building. On-building signage facing the street, and pole-mounted signage located just behind the front sidewalk, will remain and the text/graphics revised to reflect the new school use, in conformance with City Code. The two existing driveway curb cuts onto Cerritos Avenue will be replaced with a single new driveway cut, and the existing parking lot will be restriped to include three handicapped parking spaces. The rear of the parking lot will be constructed to accommodate an Orange County Fire Authority-required turnaround space.

The Swim School building will include reception, school office and lobby areas, as well as vending machines, changing rooms and direct access to the outdoor showers and pools. The bathroom usage, and all access on-site, will be brought up to current ADA standards. One swimming pool will be covered with an open-sided hard canopy. In addition, a portable lift will be utilized to provide handicapped access to both swimming pools. Some non-public storage areas will be retained in the office building.

The landscaping planned for the site will enhance the almost non-existent softscape present today (only two street trees). A front yard landscaped area, and additional landscaping along the parking lot on both sides and within the pool areas will greatly improve the character of the site, both visually and in terms of available shade. Concrete wheel stops will be included to protect the trees and shrubs planned for the site.

The Project will be implemented in a single phase, and is situated on leased land. Some off-site encroachments by surrounding businesses will be addressed directly with adjacent landowners. A formerly utilized underground wash-rack runoff water tank will likely be removed as part of project implementation. A soil boring next to the tank showed no soil contaminants present.

Considerations were given to the environmental consequences of the project. Soils borings were conducted, and a parking study addressed the relationship of the school activities to potential parking impacts at the site. The visual changes planned on-site will measurably improve the

aesthetics and may help to screen some of the industrial uses, notably the high-pile storage, visible at the back of the site. No potential for significant adverse impacts were identified, and hence no specific mitigation measures will be needed for this project design.

Extensive parking lot and building refinements, new landscaped and painting treatments, and the addition of the school use will greatly enhance the property and be of benefit to the surrounding community. The more intangible aspects of water safety and swimming ability will also be of value to the Los Alamitos citizenry."

At first inquiry at City Hall, the applicant was advised that the City's Community Development staff may not support such uses in the City's Industrial zone.

Hours of Operation

According to the Applicant, classes currently take place generally between 7:00 a.m. to 9:00 p.m. on weekdays and slightly shorter hours on the weekends. In actuality, twenty-four hour operations are permitted in the Planned Light Industrial (P-M) Zoning District, although the hours could be modified by conditions.

Location



The adjacent properties are developed and zoned as follows:

- North:** Developed across Cerritos with Los Alamitos High School in the Community Facilities (C-F) Zoning District and, a Single Family (R-1) residential neighborhood.
- West:** Developed with Volcano Burger Restaurant and outdoor storage of landscaping material, stacked high for South Coast Supply in the Planned Light Industrial (P-M) Zoning District.
- South:** Developed with a railroad spur, and Grating Pacific beyond that, in the Planned Light Industrial (P-M) Zoning District.
- West:** Developed with an industrial building, housing the business "Claystill," that does marketing and promotion for beauty products, in the Planned Light Industrial (P-M) Zoning District.

Parking

The project proposes to stripe 62 parking spaces. The applicant had an engineering firm perform a parking analysis since a swim is clearly not considered in the City's Zoning Code. The analysis finds that the peak demand for the business would be Saturday, between 9:00 a.m. and 11:00 a.m. with 36 students and teachers present. This would require 60 parking spaces in order for the cars to overlap between classes. This almost appears to be what would often amount to be one car space per student. Staff has studied the findings and finds this study to be a reasonable representation of parking spaces needed.

The Project

The 41,092 square-foot site has an existing storefront glass-clad office building. This structure will be painted and utilized as the administrative center for the school. A reception desk, lobby, and school office will occupy the front portion of the building, while changing rooms and restrooms will be located in the back portions of the building. The building lobby will also have vending machines for customers. The building will open onto new non-slip paving next to a new outdoor, covered shower. A wooden patio cover will be attached to, and extend outward from, the rear of the office building.

Here is how the Applicant describes the rest of the project:

"The office building will be reviewed, and modified as needed, to comply with ADA requirements. As mentioned earlier, new spaces for van and

cars will be striped in the parking lot, next to the office doors and in front of the gate between the swimming pools.

New, handicapped accessible paving will extend from the public sidewalk onto the property in order to access the building and pool gate. The handicapped lift will be stored within the enclosed swimming area, for use in either pool.

A portion of the first floor, unavailable to the public, will be used as storage. Within this locked area is an existing stairwell providing access to additional, mezzanine-level enclosed storage space. If not already in place, these and the public areas of the office building will be reviewed and modified, as necessary, to meet fire regulations.

Over the swimming pool closest to the office will be a wood- or steel-framed, plaster-encased shade canopy. This will be a fire-rated structure, per code. The roof area of this canopy will have skylights to enhance the feel of the pool area, and open sides to better accommodate air flow. During winter months, soft-sided fabrics may be utilized under the canopy to conserve the warmth in this first pool, which will be heated to a higher level than the second, uncovered swimming pool.

A new 6-foot tall CMU wall will be built to surround the swimming pools. It will have periodic "windows" with metal grillwork to provide ventilation, improved sightlines, and to help avoid a 'closed-in' feel to the otherwise secure pool area.

A lockable steel cabinet will be located between the two swimming pools, along with the pool equipment (pump and filtration system). The cabinet will allow for secure storage, in quantities and/or volumes approved by the Fire Authority, for the chemicals necessary to maintain a clear and healthy water system.

From a prior use, there is a free-standing, pole-mounted sign just behind the public sidewalk along Cerritos mid-property. The structure will be retained, painted, and new conforming verbiage added for the benefit of the Swim School. There are also a couple of electrical utility poles on-site, which will be protected from vehicular movements to ensure their continued use.

The parking lot will accommodate 62 striped spaces. Wheel stops will be provided throughout. In addition, the lot will be lighted with pole-mounted light fixtures that will have shielded light sources, thus preventing potential light/glare intrusion into the nearby homes.

A new trash enclosure will be built along the westerly property line. It will be placed opposite the handicapped parking spaces next to the office building, to better allow room for the truck to maneuver.

Also from previous user(s), there was an underground tank placed on the property, 3/4 of the way back from Cerritos. Next to this tank are an above-ground shade structure and two low block walls (discontinuous) which surround the drained washing area on three sides.

All of these above-ground and underground structures will be removed from the site."

Landscaping

LAMC section 17.20.030 (Landscape Area Requirements) speaks to landscaping requirements that non-residential uses shall provide. The Applicant must maintain a minimum 15 percent of the site in landscaped areas. According to the site plan the front setback area, common area, and the yard areas of each home will include landscape areas that total to approximately 18 percent of the total site area, therefore meeting this requirement.

Here is how the Applicant describes the landscaping for the parcel:

"The swim school site will be landscaped with a diverse mix of deciduous and evergreen trees, which will add variety and functionality, in terms of shade and verticality.

Landscaping materials will be selected for their heat- and drought-tolerance, and low-water demanding species will be used where practicable.

The site elevations, curbs, boundaries and topography were surveyed. In general, the current, fully-paved site drains to the front of the property. Best Management Practices will be utilized on-site, including the controlled, minimal use of fertilizers and/or pesticides in landscaped areas and the parking area will be cleaned/swept regularly."

CUP Findings

In order to approve a CUP, certain findings are required under Municipal Code Section 17.42.050 and have been noted in the attached resolution. These findings must be based on substantial evidence.

The first finding is that the use, as an Outdoor Commercial Recreation Facility (swim classes), will not endanger the public health or general welfare if located where proposed and will not allow conditions which tend to generate nuisance conditions, including noise, glare, odor, or vibrations (LAMC Section 17.42.050A.1).

The use will foster circumstances that tend to generate a nuisance. While this is a relatively safe business in and of itself, this is an outdoor use in an industrial area. There is no structure separating customers from the impacts of neighboring industrial business other than block walls. Any impacts of nearby industrial businesses will be experienced by the customers of this business in their entirety.

The second finding is that the use, an Outdoor Commercial Recreation Facility, meets the required conditions and specifications set forth in the zoning district where it proposes to locate (LAMC Section 17.42.050A.2).

This is an industrial site surrounded by industrial buildings on all sides. The use is specifically allowed in this zone with a CUP, however, the Swim School is a business that will need to be safe, clean, and danger free which does not exist being surrounded businesses that are not adequately buffered from this parcel. Further, the locating of this school next door may discourage them from conducting their businesses as normal operations of industry require.

Third, the project is in harmony with the location and character of the Light Industrial zone (LAMC 17.42.050A.3) and that the Outdoor Commercial Recreation Facility is in conformity with the Los Alamitos General Plan:

Issue One of the Land Use Element of the City of Los Alamitos' General Plan states, "Compatibility among land uses in proximity to one another is of primary importance." Similarly, Policy 1-4.1 provides that the City should consider fiscal impacts to the City as an integral part of making land use decisions.

Goal 1 of the Economic Element of the General Plan is to enhance the viability of Los Alamitos by promoting the retention and expansion of existing revenue bases and developing new revenue sources. Goal 4 of this Element is to promote a healthy economic mix among retail, office and industrial uses.

The purpose of the P-M zone is to provide appropriate areas for light-industrial uses and related activities, as well as to promote the concentration of such uses in a manner that will foster mutually beneficial relationships with each other, as well as other areas of the city zoned for other development.

Based on the above, the outdoor swim school is not compatible with either the General Plan or the zoning. This property was once home to a high sales tax producer and the property should be preserved for another such use in order to obtain sales tax for the City as well as provide higher paying jobs that would normally inhabit the Industrial area. Although outdoor recreational uses are allowed by CUP in the P-M zone, unlike other businesses which simply occupy existing space, this business would be making permanent improvements through the construction of in-ground pools which would discourage future industrial businesses from locating at the parcel as there would be substantial costs in filling in the pools.

Additionally, the proposed use could impact the ability of neighboring industrial businesses to freely work in an industrial fashion near this business due to the conflict between the land uses. A 6 foot wall may not adequately protect this parcel from nearby industrial uses and the City does not want to encourage business operations which would make other industrial users hesitant to locate nearby.

Staff remains concerned about the proliferation of non-Industrial business in the Industrial zone. The industrial zone is valuable and should be reserved for industrial uses, jobs, and industry – especially when permanent improvements are being proposed to property which would impede future industrial uses.

Site Plan Review Findings

In order to approve a Site Plan Review six findings are required by LAMC 17.50.040, and have been noted in the attached resolution:

The design and layout of the Outdoor Commercial Recreation Facility project at 3686 Cerritos Avenue is consistent with the development and design standards/guidelines of the Planned Light Industrial (P-M) Zoning District; the design and layout does meet all applicable standards (LAMC 17.50.040A).

This use has been proposed with a layout that does meet all applicable development standards of the Planned Light Industrial District.

The design and layout of the Outdoor Commercial Recreation Facility project would not interfere with the use and enjoyment of neighboring existing or future developments and would not create traffic or pedestrian hazards (LAMC 17.50.040B).

Establishing a swimming school would require that businesses such as the landscaping business next door adjust their business practices for safety of the students attending this business. For instance, the landscaping business stacks large items, such as various rock material in tall outdoor shelving high next cars that will park in the proposed parking

area for this business. Additionally, other industrial uses may find that their operations interfere with the swimming school.

The design of the Outdoor Commercial Recreation Facility would maintain and enhance the attractive, harmonious, and orderly development of the property. The design is in harmony with surrounding industrial development and expands upon the existing architecture of the existing building on the parcel (LAMC 17.50.040C).

The proposed design of the project does enhance the parcel in an attractive way. However, it does not expand upon the industrial nature of the Planned Light Industrial (P-M) Zoning District. It is yet another encroachment upon the industrial area that will continue to eat away at the ability of this district to function as intended. This encroachment is especially troubling since unlike other recreational businesses in the P-M zone, it proposes permanent physical changes through the construction of two outdoor pools, making it harder for this property to be reclaimed by an industrial user if the swim school use should cease operations.

The design of the Outdoor Commercial Recreation Facility project would provide a desirable environment for its occupants and its neighbors through use of similar materials, texture, and color of the existing structure. Such changes will not conflict with the existing structure, will remain aesthetically pleasant, and retain an appropriate level of maintenance based on the condition of the existing building (LAMC 17.50.040D).

This project as proposed would be a state of the art example of the type of business that it represents and would meet these requirements.

The Outdoor Commercial Recreation Facility project would not be detrimental to the public health, safety, and welfare of the property or improvements in the vicinity. (LAMC 17.50.040E).

As set forth above, the proposed swimming school could be detrimental to the proposed users of the school due to the nature of the surrounding uses and could be detrimental to the other industrial uses in the area.

The Outdoor Commercial Recreation Facility project would not depreciate property values in the vicinity as this is an allowed use which meets all development standards (LAMC 17.50.040F).

This use would require a substantial change to this part of the industrial zone with the installation of two in-ground pools, which may discourage future industrial tenants from leasing this parcel in the future. The potential incompatibility of this use with other industrial uses could cause a depreciation of other surrounding uses.

Environmental

A mitigated negative declaration (MND) was prepared for this project and was subject to a 20 day public review period. CEQA does not require that action be taken on an environmental document where there is a denial of the project. Given staff's recommendation to deny the project below, no analysis has been made of the MND and staff recommends that no action be taken on the document.

Recommendation

In summary, it is difficult to make a case for allowing another recreation/fitness-type business to be allowed in the P-M zone. Heavier industrial businesses surround this location, although Volcano Burger is one of the neighbors next door and would not present a conflict with this type of business.

Staff feels that it is reasonable to conclude that a swim school can be considered an outdoor commercial recreation facility that is allowed in the P-M zone with a Conditional Use Permit. However, this is a semi-permanent change to an industrial property that will discourage future industrial use of this parcel, and may discourage surrounding businesses from feeling free to conduct business in an industrial fashion. This would be yet another encroachment on the industrial area of a recreational/fitness use that will eventually cause the area to be useless as a Planned Light Industrial Zone of the City. Therefore, Staff recommends that both the CUP and SPR be denied.

Attachments:

- 1) Draft Planning Commission Resolution 14-30 including Site Plan*
- 2) Project Description and Plans*
- 3) Supplemental Project Information*
- 4) Mitigated Negative Declaration*
- 5) Color Map for Industrial Area*
- 6) Letters of Support*

RESOLUTION NO. 14-30

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LOS ALAMITOS, CALIFORNIA, DENYING CONDITIONAL USE PERMIT (CUP) 14-07 AND SITE PLAN REVIEW (SPR) 14-02 TO ALLOW AN OUTDOOR COMMERCIAL RECREATION FACILITY (SWIM SCHOOL) WITH TWO NEW SWIMMING POOLS ON A 41,092 SQUARE FOOT PARCEL WITH AN EXISTING 2,505 SQUARE FOOT STRUCTURE AT 3686 CERRITOS AVENUE IN THE PLANNED LIGHT INDUSTRIAL (P-M) ZONING DISTRICT, APN 242-241-11 (APPLICANT: GINNY FERGUSON WATERSAFE SWIM SCHOOL)

WHEREAS, the application is for a Conditional Use Permit to allow an Outdoor Commercial Recreation Facility consisting of a swim school on a 41,092 square foot parcel at 3686 Cerritos Avenue in the Planned Light Industrial (P-M) Zoning District and for Site Plan Review for a commercial development; and,

WHEREAS, a Mitigated Negative Declaration was prepared for the project which was available for public review between August 6 through August 26, 2014; and,

WHEREAS, the Planning Commission considered the application for the Conditional Use Permit and Site Plan Review at a duly noticed Public Hearing on September 8, 2014, at which time the Commission took into consideration all evidence received, both written and oral;

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF LOS ALAMITOS, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Planning Commission of the City of Los Alamitos, California finds that the above recitals are true and correct.

SECTION 2. The Los Alamitos Municipal Code recognizes that the uses requiring conditional use permits are not appropriate in all circumstances and gives the Planning Commission the discretion to disapprove such proposed uses. Conditional Use Permit (CUP) 14-07 is hereby denied to allow an Outdoor Commercial Recreation Facility for a swim school on a 41,092 square foot parcel at 3686 Cerritos Avenue in the Planned Light Industrial (P-M) Zoning District based upon the following findings, each and every one of which constitutes separate and independent grounds for denial:

- A. The use, as an Outdoor Commercial Recreation Facility (swim classes), will endanger the public health or general welfare if located where proposed and will allow conditions which tend to generate nuisance conditions, including noise, glare, odor, or vibrations (LAMC Section 17.42.050A.1). While this is a relatively safe business in and of itself, this is an outdoor use in an industrial area. There is no structure separating customers from the impacts of neighboring industrial business other than block walls. Any impacts of nearby

industrial businesses will be experienced by the customers of this business in their entirety.

- B. The use, an Outdoor Commercial Recreation Facility, does meet the required conditions and specifications set forth in the zoning district where it proposes to locate (LAMC Section 17.42.050A.2). However, this is an industrial site surrounded by industrial buildings on all sides. The use is specifically allowed in this zone with a CUP, however, the Swim School is a business that will need to be safe, clean, and danger free which does not exist being surrounded businesses that are not adequately buffered from this parcel. Further, the locating of this school next door may discourage them from conducting their businesses as normal operations of industry require.
- C. The project is not in harmony with the location and character of the Light Industrial zone or the Los Alamitos General Plan (LAMC 17.42.050A.3). Issue One of the Land Use Element of the City of Los Alamitos' General Plan states, "Compatibility among land uses in proximity to one another is of primary importance." Similarly, Policy 1-4.1 provides that the City should consider fiscal impacts to the City as an integral part of making land use decisions.

Goal 1 of the Economic Element of the General Plan is to enhance the viability of Los Alamitos by promoting the retention and expansion of existing revenue bases and developing new revenue sources. Goal 4 of this Element is to promote a healthy economic mix among retail, office and industrial uses.

The purpose of the P-M zone is to provide appropriate areas for light-industrial uses and related activities, as well as to promote the concentration of such uses in a manner that will foster mutually beneficial relationships with each other, as well as other areas of the city zoned for other development.

Based on the above, the outdoor swim school is not compatible with either the General Plan or the zoning. This property was once home to a high sales tax producer and the property should be preserved for another such use in order to obtain sales tax for the City as well as provide higher paying jobs that would normally inhabit the Industrial area. Although outdoor recreational uses are allowed by CUP in the P-M zone, unlike other businesses which simply occupy existing space, this business would be making permanent improvements through the construction of in-ground pools which would discourage future industrial businesses from locating at the parcel as there would be substantial costs in filling in the pools.

Additionally, the proposed use could impact the ability of neighboring industrial businesses to freely work in an industrial fashion near this business due to the conflict between the land uses. A 6 foot wall may not adequately protect this parcel from nearby industrial uses and the City does not want to

encourage business operations which would make other industrial users hesitant to locate nearby.

The industrial zone is valuable and should be reserved for industrial uses, jobs, and industry – especially when permanent improvements are being proposed to property which would impede future industrial uses.

SECTION 3. Although positive findings can be made for certain requirements of the Site Plan Review, the Outdoor Commercial Recreation Facility Project at 3686 Cerritos Avenue 14-02 is hereby denied based upon the following findings in accordance with Section 17.50.040, each and every one of which constitutes a separate grounds for denial.

- A. The design and layout of the Outdoor Commercial Recreation Facility project would interfere with the use and enjoyment of neighboring existing and future developments. Establishing an outdoor swimming school would require that businesses such as the landscaping business next door adjust their business practices for safety of the students attending this business. For instance, the landscaping business stacks large items, such as various rock material in tall outdoor shelving high next cars that will park in the proposed parking area for this business. Other industrial uses in the area may find that their operations interfere with the swimming school and the location of the swimming school could discourage other industrial businesses in the near vicinity if they felt that there would be negative impacts on the outdoor swim school. (LAMC § 17.50.040B.)
- B. The design of the Outdoor Commercial Recreation Facility would not maintain and enhance the harmonious and orderly development of the property. The proposed project does not expand upon the industrial nature of the Planned Light Industrial (P-M) Zoning District. It is yet another encroachment upon the industrial area that will continue to eat away at the ability of this district to function as intended. This encroachment is especially troubling since unlike other recreational businesses in the P-M zone, it proposes permanent physical changes through the construction of two outdoor pools, making it harder for this property to be reclaimed by an industrial user if the swim school use should cease operations. (LAMC § 17.50.040C.)
- C. The Outdoor Commercial Recreation Facility project would be detrimental to the public health, safety, and welfare of the property and improvements in the vicinity as it will not continue the orderly development of the Planned Light Industrial (P-M) Zoning District as it was intended under the General Plan or zoning ordinance and will interfere with other existing and possible future industrial operations as set forth above. (LAMC § 17.50.040E).

D. The Outdoor Commercial Recreation Facility project would depreciate property values in the vicinity. Although a conditionally allowed use in this zone, the substantial physical changes to the property and the outdoor nature of the use could discourage industrial businesses in the surrounding properties and on this property if the swim school were to cease operations. (LAMC 17.50.040F).

SECTION 4. The Planning Commission takes no action on the Mitigated Negative Declaration which was prepared for the Project as the Project has been denied.

SECTION 5. The Custodian of Record for this matter is Steven Mendoza, Community Development Director whose office is located at Los Alamitos City Hall, 3191 Katella Avenue, and Los Alamitos.

SECTION 6. The Secretary of the Planning Commission shall forward a copy of this Resolution to the applicant and any person requesting the same.

SECTION 7. The decision of the Planning Commission is subject to a 20 day appeal period, after which such decision becomes final.

PASSED, APPROVED, AND ADOPTED this 8th day of September 2014.

Gary Loe, Chairman

ATTEST:

Steven Mendoza, Secretary

APPROVED AS TO FORM:

Lisa Kranitz, Assistant City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LOS ALAMITOS)

I, Steven Mendoza, Planning Commission Secretary of the City of Los Alamitos, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the Planning Commission held on the 8th day of September 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

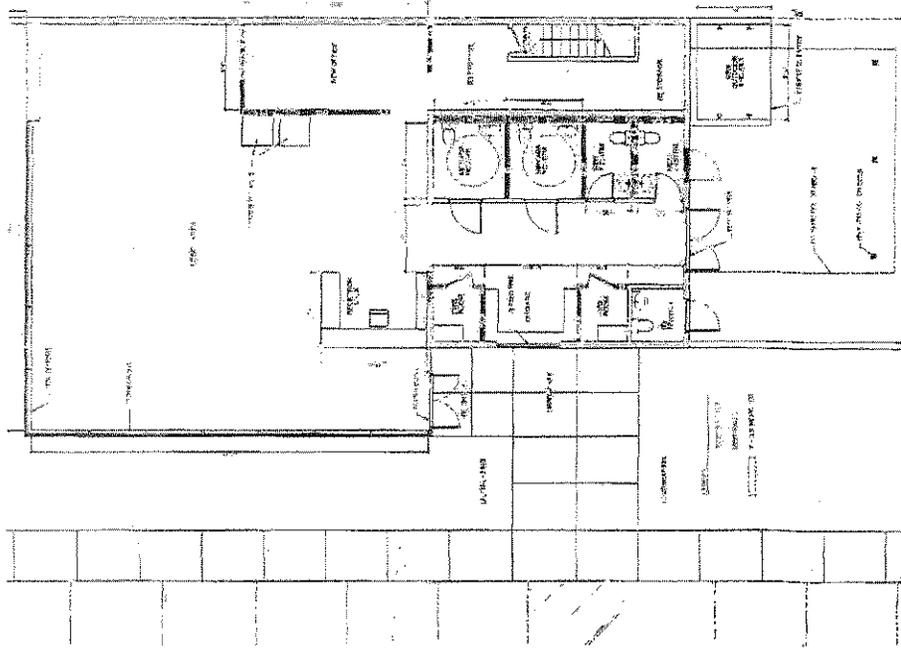
ABSTAIN:

Steven Mendoza, Secretary



Floor Plan

DATE	9-27-14
BY	9-29-14
REVISION	9-29-14



Floor Plan
 1/8" = 1'-0"

City of Los Alamitos

Planning Commission

Agenda Report Public Hearing

October 13, 2014
Item No: 7B

To: Chair Loe and Members of the Planning Commission

Via: Steven A. Mendoza, Community Development/Public Works Director

From: Tom Oliver, Associate Planner

Subject: Continued Consideration of Zoning Ordinance Amendments Relating to Allowable Uses in the Planned Light Industrial Zone (Citywide) (City initiated)

Summary: Continued consideration of a Zoning Ordinance Amendment to allow more flexible uses in the Planned Light Industrial Zone (Citywide) (City initiated).

Recommendation:

1. Continue the Public Hearing; and, if appropriate,
2. Direct Staff to draft an ordinance incorporating amendments that are agreed upon by the Commissioners at the end of tonight's discussion; or alternatively,
3. Resolve to continue or cease continued discussion of this subject.

Applicant: City Initiated

Location: Citywide

Approval Criteria: Section 17.70.020 of the Los Alamitos Municipal Code (LAMC) requires that any proposed amendment be recommended by a resolution to the City Council.

Noticing: Since the number of real property owners exceeds 1,000, notices announcing the Public Hearing were published as a 1/8 page ad in the News Enterprise on May 28, 2014.

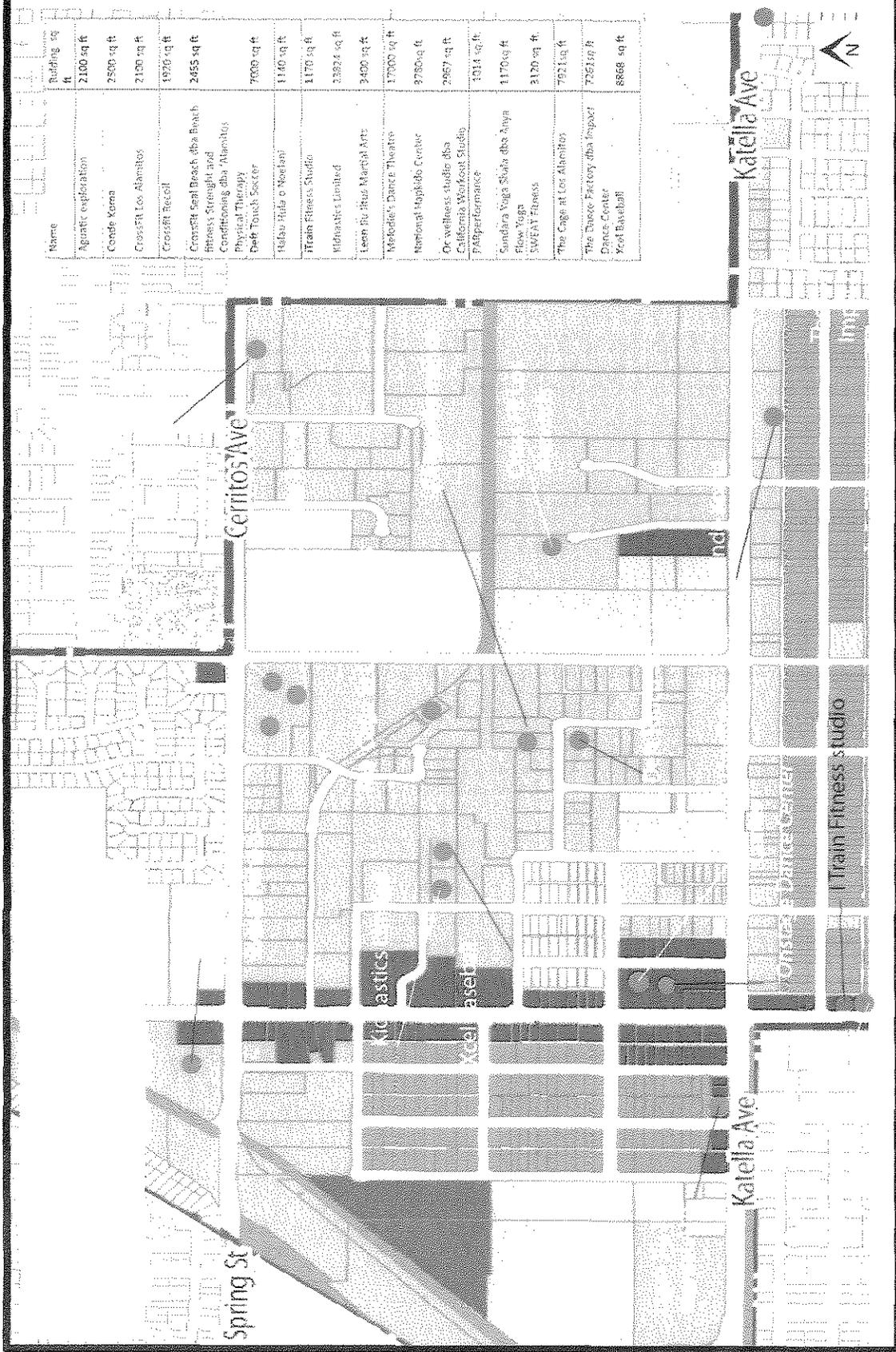
- *The Industrial Zone has been subject to review and consideration in regards to the uses that are traditionally within the Industrial Zones. The industrial area has never been evaluated as a place for children to hang out, explore, and wait for parent pickup.*
- *Truckers do not normally expect to be dodging children or adult joggers in an Industrial area.*

Data

- The City's industrial area is 248 acres (18% of the City).
- As of June 2014 the City had 14 recreational establishments in the Industrial Zone. The total square footage in the industrial area is 2,169,748 sq. ft.
- Total sq. ft. that recreation buildings are using in the industrial area is 87,790 sq. ft.
- Applications have also been filed to consider an outdoor swim school on a 41,092 square foot industrial property.

The Commission would like to discuss this possibility due to the desirability of these industrial buildings for certain types of retail or other commercial operations. The Planning Commission began this process on April 14, 2014, by approving a Resolution of Intention which is required as a first step in evaluating this subject.

Attachment: Map of Industrial Zone



Name	Building sq ft
Aquatic exploration	2100 sq ft
Condo Korea	2500 sq ft
CrossFit Los Alamitos	2100 sq ft
CrossFit Recell	1920 sq ft
CrossFit Seal Beach dba Beach fitness strength and conditioning dba Alambitos Physical Therapy	2455 sq ft
Deft Touch Soccer	7000 sq ft
Hafsa Huda o Nourani	1140 sq ft
Train Fitness Studio	1170 sq ft
Midhaanis Limited	23924 sq ft
Leah R. Bus Martial Arts	3400 sq ft
Melodic Dance Theatre	17000 sq ft
National Hapkido Center	9750 sq ft
Dr wellness studio dba California Workout Studio	2957 sq ft
PAIperformance	1314 sq ft
Sundara Yoga Studio dba Anya Flow Yoga	1170 sq ft
SWEAT Fitness	3120 sq ft
The Cage at Los Alamitos	7921 sq ft
The Dance Factory dba Impact Dance Center	7262 sq ft
Xcel Baseball	8868 sq ft

Katella Ave

Katella Ave

Spring St

Cerritos Ave



Im

Train Fitness Studio

astics

baseball

Katella Ave