

CALIFORNIA COASTAL COMMISSION

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Commission Action:

**T 8f****STAFF REPORT: REGULAR CALENDER**

APPLICATION NUMBER: 5-06-040

APPLICANT: AVP Pro Beach Volleyball Tour, Inc.

PROJECT LOCATION: Beach area north of the Hermosa Beach Pier (between the 1200 and 1300 blocks of The Strand), Hermosa Beach, Los Angeles County.

PROJECT DESCRIPTION: 3-day (June 9-11, 2006) beach volleyball tournament, concession booths, 15 courts (including 3,135-seat Stadium Court) all in an approximately 300,000 square-foot fenced area, charging admission to the Stadium Court and Feature Court 1 on Saturday and Sunday (free all day Friday), with set up beginning 6/1/06.

SUMMARY OF STAFF RECOMMENDATION

The proposed temporary event is a professional volleyball tournament. The applicant AVP Pro Beach Volleyball Tour (AVP) is requesting a coastal development permit to occupy for 14 days (June 1-14, 2006) an approximately 300,000 square-foot portion of one of the most popular beaches in Southern California. The size of the event is comparable in size to more recent AVP events in the Hermosa Beach and Manhattan Beach. Seating capacity for the event is approximately 10,065, which includes a 3,135-seat Stadium Court (includes 300 VIP seats), an 800-seat Feature Court 1, a 490-seat Feature Court 2, and twelve 470-seat outer courts. The number of matches that will be played per day include 133 matches on Friday, 104 matches on Saturday and 18 matches on Sunday. The applicant proposes that all courts on Friday be free to the general public. For Saturday and Sunday they are proposing that admission be charged to the Stadium Court and Feature Court 1 and all remaining courts remain free to the general public the entire time. Therefore, admission would be charged to 16 of the 255 matches. The proposed fee, when there is a charge will be \$15.00 per person. Based on past years' events, attendance to the event is expected to reach approximately 7,000 persons a day.

Finding a parking space in Hermosa Beach during the summer is always a challenge. It will be even more challenging during the proposed event because of the increased demand for parking and the reduction in the parking supply resulting from the AVP's occupation of part of the public beach parking supply. In order to mitigate the adverse impacts to public access caused by the proposed event and its exclusive use of public beach parking, the AVP is proposing to provide remote parking at the Mira Costa High

School parking lot, a few blocks inland of Pacific Coast Highway and approximately 1 mile from the beach and to operate a free beach shuttle bus on Saturday and Sunday.

While the event will occupy approximately 300,000 square feet of beach area, the area set aside for the event will be located at least 50 feet from the water and will not interfere with access for swimming or jogging on the wet sand. The applicant proposes to fence the entire area for the tournament, including some existing public volleyball courts, but shall leave the gates open until the time comes to charge admission when the applicant proposes to vacate the area and begin to require ticket for (re)entry. The applicant also indicated that as the tournament progresses; the area fenced for the tournament will diminish in size. The event will not interfere with the public's access to and use of the Hermosa Beach Pier and the public walkway and bicycle path (The Strand). The Hermosa Beach Pier and The Strand will remain open and unobstructed at all times during the event.

The staff recommends that the Commission, after public hearing, **approve** a coastal development permit for the proposed event and the associated development **with conditions**. The recommended special conditions would change the applicant's proposal for charging for admission, requiring that no more than 24 percent of the bleachers, seats or viewing areas be reserved for paid or otherwise restricted admission at any one time, and that the majority of bleachers, seats or viewing areas (no fewer than 76%) be offered free of charge to the general public on a first come first served basis at all times. In addition, the recommended special conditions would limit the amount of public parking reserved for the AVP to 40 parking stalls located in Lot B, which is located west of Hermosa Avenue and approximately 200 feet inland of the beach. In order to replace the public parking spaces utilized by the AVP, and to offset the additional parking demands generated by the proposed event, the special conditions require the AVP to secure a remote public parking supply and provide free public shuttle bus service to the beach as proposed.

Special conditions also ensure public access around the event area, requiring a fifty-foot setback from the water, protect public access on the pier, bike path and The Strand, and requiring the removal of all trash, debris and temporary improvements from the beach by 6:00 p.m. on Wednesday, June 14, 2006. **See Page Two for the motion and resolution** necessary to carry out the staff recommendation.

STAFF NOTE: The proposed event is located in the City of Hermosa Beach, which cannot issue local coastal development permits because it does not have a certified Local Coastal Program (LCP). Therefore, The standard of review for this coastal development permit are the Chapter 3 policies of the Coastal Act.

SUBSTANTIVE FILE DOCUMENTS:

1. Coastal Commission Guidelines for the Exclusion of Temporary Events from Coastal Development Permit Requirements, Adopted 5/12/93 (Exhibit #4).
2. Coastal Development Permit No. 5-96-082 (1996 AVP Beach Volleyball Tournament), 5/21/96.
3. Coastal Development Permit No. 5-97-062 (1997 AVP Beach Volleyball Tournament), Revised Findings 4/28/97.

4. City of Manhattan Beach LCP Amendment Request No. 1A-97, Rejected 5/13/97.
5. City of Manhattan Beach LCP Amendment Request No. 3-97, Not Certified.
6. Appeal/Permit No. A-5-MNB-97-84 (1997 Manhattan Beach Open), 5/13/97.
7. Appeal No. A-5-MNB-99-111 (1999 Manhattan Beach Open), NSI 6/11/99.
8. Appeal No. A-5-MNB-01-343 (2001 Manhattan Beach Open), NSI 10/8/01.
9. Appeal/Permit No. A-5-MNB-03-075 (2003 Manhattan Beach Open), 6/11/03.
10. City of Manhattan Beach Local Coastal Development Permit No. CA 03-42 (2004 Manhattan Beach Open).
11. Coastal Commission Substantial Issue Determination for Appeal No. A-5-MNB-04-108 (2004 Manhattan Beach Open), Staff Report dated 3/25/04.
12. Appeal/Permit No. A-5-MNB-04-108 (2004 Manhattan Beach Open), 5/14/04.
13. City of Hermosa Beach Agreement with the AVP to Co-sponsor the 2006 Hermosa Beach Open (Exhibit #5).

STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution to **APPROVE** the coastal development permit application with special conditions:

MOTION: *"I move that the Commission approve Coastal Development Permit 5-06-040 pursuant to the staff recommendation."*

Staff recommends a **YES** vote. Passage of this motion will result in approval of the permit as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

I. Resolution: Approval with Conditions

The Commission hereby approves, subject to the conditions below, a coastal development permit on the grounds that the development as conditioned will be in conformity with the certified Manhattan Beach Local Coastal Program and the public access and recreation policies of the Coastal Act, and will not have any significant adverse effects on the environment within the meaning of the California Environmental Quality Act.

II. Standard Conditions

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.

3. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
4. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. Special Conditions

1. Permit Compliance

Coastal Development Permit 5-06-040 permits the 2006 Hermosa Beach Open Volleyball Tournament on June 9-11, 2006, and associated development, with set-up commencing no sooner than Thursday, June 1, 2006. Any proposed change in the approved event, site plan, parking plan, shuttle bus plan, or any other deviation from the approved development as conditioned, shall be submitted for review by the Executive Director to determine whether an amendment to this coastal development permit is necessary pursuant to the requirements of the Coastal Act and the California Code of Regulations. If the Executive Director determines that an amendment is necessary, no changes shall be made until the Commission amends the permit issued by the Executive Director.

2. Fees for Preferred Seating

No general admission fee shall be charged to attend the 2006 Hermosa Beach Open Volleyball Tournament. The general public shall be provided with free public access to viewing and seating areas within the event area. At least 76% of the total seating capacity at each court (including bleachers, sand areas and viewing platforms/risers surrounding each court) shall be available to the general public for free on a first-come, first-served basis. The remaining 24% (or less) of the total seating capacity at each court (including bleachers, sand areas and viewing platforms/risers surrounding each court) may be reserved for preferred seating and/or access. The applicant is permitted to collect fees to access the preferred seating areas. On Saturday and Sunday (June 10 & 11, 2006), the applicant shall count and record the number of persons in preferred seating within the event area, and shall provide the Commission with the data by July 7, 2006.

3. Parking and Traffic Management and Beach Shuttle Bus Plan

The applicant shall implement a traffic and parking management plan and free beach shuttle bus plan consistent with the terms of this condition and as proposed and described in the applicant's agreement with the City of Hermosa Beach, dated October 25, 2005 and attached as Exhibit #5 of this staff report. In the event of any conflict between the applicant's proposed plans and the terms of this condition, the terms of this condition shall prevail. The applicant shall implement the traffic and parking plan and shuttle bus plan as follows:

- a) **Handicapped Parking.** All of the existing handicapped (HC) parking spaces in the public beach parking lots, and along Pier Avenue and Hermosa Avenue, are reserved for use by persons with vehicles displaying valid handicapped placards. Vehicles associated with the applicant or the event shall not reserve or occupy any handicapped parking spaces unless such vehicle displays a valid handicapped placard.
- b) **Public Beach Parking Lots.** Commencing on Thursday, June 1, 2006, and continuing through Wednesday, June 14, 2006, the applicant shall be permitted exclusive use of only 40 stalls; not including HC stalls, in Lot B. All other public parking spaces located in the public beach parking lots, and along Pier Avenue and Hermosa Avenue shall be reserved for the general public on a first-come, first served basis.
- c) **Remote Parking Supply.** On Saturday and Sunday (June 10 & 11, 2006), the applicant shall provide the free remote parking supply at the Mira Costa High School parking lot for the general public (i.e., beachgoers, event spectators and AVP guests). The applicant shall monitor and record the number of persons and cars using the remote parking lot on each day and provide the City and the Commission with the data by July 7, 2006.
- d) **Free Shuttle Bus Service.** On Saturday and Sunday (June 10 & 11, 2006), the applicant shall provide a free shuttle bus service to transport people (i.e., beachgoers, event spectators and AVP guests) between the remote parking lot (Mira Costa High School parking lot) and the downtown drop-off point (14th Street Circle at Beach Drive). This service shall provide a minimum of three buses (holding at least thirty persons) running at no less than fifteen-minute intervals to and from the event, continuously between the drop-off point and the remote parking lot each day, one hour prior to the event's starting time and ending on hour after the completion of the last daily match. Shuttle buses shall accommodate wheelchairs and handicapped persons.
- e) **Signage.** Commencing on Tuesday, June 6, 2006, the applicant shall provide conspicuously posted on-street informational signs and banners to direct visitors to the free remote parking lot and inform them of the free beach shuttle bus stops. The signs and banners shall also inform the public of the availability of a free bus shuttle for both event spectators and the general public. No fewer than ten informational signs shall be placed along major intersections leading into the City (i.e., I-405 Crenshaw exit, 190th Street, Hermosa Avenue, Highland Avenue, Valley Drive, Ardmore Avenue, and Aviation Boulevard). The signs and banners

shall be no smaller than 2' x 3'. All signage shall be retrieved and properly disposed on Monday, June 12, 2006.

- f) **Advertisements.** Commencing on Tuesday, June 6, 2006, the applicant shall provide no fewer than eight radio announcements and three newspaper advertisement within the Los Angeles County area informing the public of the availability of the free remote parking supply and the free beach shuttle bus service. These stations shall represent all diverse ethnic and cultural Los Angeles radio markets and shall include Spanish language, youth and news stations. The applicant shall provide copies of each print advertisement to the City and the Commission by July 7, 2006.

4. Hermosa Beach Pier

The event shall not interfere with the public's access to and use of the Hermosa Beach Pier. Pedestrian access to and from the pier shall remain open and unobstructed at all times. No tents, vehicles (except for emergency vehicles), fences, barriers or other similar structures shall be placed on the pier. The applicant shall monitor the pier in order to prevent any unpermitted encroachments by event sponsors and vendors.

5. The Strand

The event shall not interfere with the public's use of The Strand, a public walkway and bicycle path that parallels the beach. The Strand shall remain open and unobstructed. No fences, vehicles, materials or structures shall be parked or placed on The Strand. The applicant shall monitor The Strand in order to prevent any encroachments by event sponsors and vendors.

6. Public Access to and Along the Water

The proposed event, and all associated development, shall not encroach any closer to the shoreline than fifty feet (50'), measured from the highest water mark.

7. Removal of Temporary Improvements

All temporary improvements permitted herein shall be removed in their entirety and the site restored to its pre-existing condition by no later than 6:00 p.m. Wednesday, June 14, 2006.

8. Protection of Water Quality

By acceptance of this coastal development permit, the applicant agrees to remove and legally dispose of all trash, waste, oil, grease, and other materials that may be deposited on-site incidental to the volleyball tournament, associated activities, and the general public's use of the event site, pier and adjacent parking facilities. Such clean-up and disposal shall be completed at the end of each day's activities, with a final clean-up and inspection on Wednesday, June 14, 2006.

IV. Findings and Declarations

The Commission hereby finds and declares:

A. Project Description and Event History

The applicant, AVP Pro Beach Volleyball Tour, Inc. (AVP) proposes to conduct the 2006 Hermosa Beach Open Volleyball Tournament on the public beach area situated on the north side of the Hermosa Beach Pier (Exhibits #1 & #2). The applicant is also requesting approval to reserve and use a portion of the public beach parking facilities that are situated at Lot B, approximately 200 feet inland of the beach, for parking by AVP staff and its sponsors (Exhibit #1). The applicant originally proposed to charge admission to 24% of the matches (free all day Friday, part of Saturday and admission charged for part of Saturday and all day Sunday). The applicant has since modified their proposal and now proposes that all courts on Friday be free to the general public. For Saturday and Sunday they are proposing that admission be charged to all matches at the 3,135-seat Stadium Court and 800-seat Feature Court 1 and all remaining courts (6,130 seats total) remain free to the general public for all matches. The total number of matches to be played at the 2006 Hermosa Beach Open includes 133 matches on Friday, 104 matches on Saturday and 18 matches on Sunday. The applicant claims that admission would only be charged to 16 of the 255 total matches for the event. The proposed tournament would be held on Friday, June 9 through Sunday, June 11, 2006, with set-up starting on Thursday, June 1st.

The site of the 2006 Hermosa Beach Open Volleyball Tournament is an approximately 300,000 square-foot sandy beach area, located on the north side of the Hermosa Beach Pier (Exhibit #2). There will be a fence installed around the perimeter of the event area, and the proposed development and activities would not block public access to the pier or to the shoreline. The proposed site plan includes restrooms and interactive areas for the public, tents for the competitors, event sponsors and vendors.

The City of Hermosa Beach and the AVP have a written agreement (City Agreement) that includes the terms, obligations and restrictions for each to co-sponsor and operate the proposed 2006 tournament. [See Exhibit #5: *Agreement Between the City of Hermosa Beach and Association of Volleyball Professionals AVP Hermosa Beach Open.*] The City Agreement states that, "Admission shall be charged as set by the California Coastal Commission." The City Agreement requires that the AVP provide a shuttle bus service on Saturday and Sunday of the event, and to complete all take-down activities and remove all equipment from the beach before by 6 p.m. Wednesday, June 14, 2006. The City agreement also lists the City's responsibilities, including the reservation of certain public beach parking facilities for the event.

In a letter dated March 22, 2006, the AVP provides additional information regarding its plans for the proposed event (Exhibit #3). The AVP letter states that the Stadium Court would have seating capacity of 3,135 persons (includes 300 VIP Suites) on bleachers and risers as shown on the site plan (attached to this staff report as Exhibit #2). Additional bleachers would be installed to accommodate 800 persons around Feature Court 1.

According to the applicant, all day on Friday and most of the day on Saturday, all courts are used simultaneously. Depending on the number of matches completed by the end of the day on Saturday, the number of courts needed for Sunday fluctuates. However, it is always less than the 15 courts the event starts with.

With the cooperation of the City, the AVP is proposing to implement a traffic and parking management plan and a free shuttle bus service. The Mira Costa High School parking lot is proposed to be the event's main parking supply (approximately 600 parking spaces according to the applicant) and the free shuttle bus pick-up point (Exhibit #1). As proposed, 40 public beach parking stalls located approximately 200 feet inland of the beach would be reserved for television and AVP trucks, event staff, sponsors' parking and valet parking for VIPs (Exhibit #1). The shuttle bus drop-off point would be located approximately 300 feet north of the pier and approximately 100 feet inland of the beach at the 14th Street Circle at Beach Drive (Exhibit #2). Three shuttle buses, each with a capacity for at least thirty people, are proposed to run continuously on Saturday and Sunday of the proposed tournament.

B. Exclusive Use of the Beach

The exclusive use of a segment of public beaches by special events, and the associated limitations on public access and recreation, has always been an issue of prime importance to the Commission. The following Coastal Act policies protect the public's right to public access and recreation opportunities:

Section 30210 of the Coastal Act states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211 of the Coastal Act states:

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212 of the Coastal Act states, in part:

(a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects...

Section 30213 of the Coastal Act states:

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

Section 30220 of the Coastal Act states:

Coastal areas suited for water-oriented recreational activities that cannot be readily provided at inland water areas shall be protected for such uses.

Section 30221 of the Coastal Act states:

Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

The proposed project is a temporary sporting event that will affect part of the public beach and its public parking supply. For 14 days, from set-up to take-down (June 1-14, 2006), the general public will be excluded from using the sandy beach area and public volleyball courts on the event site, except to watch the proposed volleyball tournament and participate in the proposed event's interactive activities. The proposed event will occupy an approximately 300-foot wide, approximately 1,000-foot long portion of the beach area that exists between The Strand and mean high tide line (MHTL). In order to preserve lateral public access along the shoreline, the applicant will maintain a fifty-foot wide corridor on the beach between the sea and the event site. This fifty-foot wide corridor must be kept clear of structures and other obstructions. Direct unobstructed vertical access to the shoreline will be maintained at the northern end of the event site and on the beach area along both sides of the Hermosa Beach Pier.

Although the proposed event will not physically prevent pedestrian access to the water, it will affect the public's ability to access and use the coast by restricting the use of a portion of the sandy beach to a specific group of people: the organizers, participants and spectators of the proposed volleyball tournament. However, the Commission has primarily found that temporary events, and specifically volleyball tournaments that are open (with limited paid seating) to the general public, can be held in a manner that is consistent with the public access and recreation policies of the Coastal Act, even though such events typically involve the exclusive use of sandy beach area. In fact, after several public hearings and a public workshop for temporary events on the beach, the Commission adopted specific guidelines to exclude temporary events similar from coastal development permit requirements (Exhibit #4).

C. Free Admission vs. Paid Admission

In response to several commercial events that were to take place on the beach in a number of coastal communities, the Commission requested the Executive Director to investigate the number of possible events, and ways to assure that a proliferation of commercial and other special events would not displace the general public from the use of the public beach. On May 12, 1993, the Commission adopted guidelines to balance the use of the beach for short-term events, such as filming activities and sporting events and the general public's use of the beach.

The Commission's *Guidelines for the Exclusion of Temporary Events from Coastal Development Permit Requirements* allow the Executive Director to exclude most temporary events from coastal development permit requirements, except for those that meet all of the following criteria:

- a. The event is held between Memorial Day weekend and Labor Day; and,
- b. The event occupies all or a portion of a sandy beach area; and,
- c. The event involves a charge for general public admission or seating where no fee is currently charged for use of the same area (not including booth or entry fees).

The guidelines also allow the Executive Director to exclude from permit requirements temporary events meeting all of the above criteria when:

- d. The fee is for preferred seating only and more than 75% of the provided seating capacity is available free of charge for general public use; or...[see *Exhibit #4 for full text of Guidelines*].

The provision in the Guidelines that allows temporary events to be excluded from permit requirements if more than 75% of the seating is available free of charge for general public use is applied in this case as a limit on the amount of the seating that may be reserved for VIPs, members of the AVP Beach Club and the general public. The applicant states that it would be preferable from its point of view, as a business, to interpret the Guidelines to mean 75% of all seating during throughout the duration of the event, which, it argues, would allow it to charge for admission to all of the matches being played on the Stadium Court and Feature Court 1 on the last two days of the event. This is due to their proposal that 133 of the 255 matches are played on the first day (Friday) and 3,935 of the 10,065 seats are at these two courts. The applicant claims that admission would only be charged to 16 of the 255 total matches for the event, but have not provided evidence that supports this claim. However, this proposal does not appear to be consistent with either 76% of the matches being free or 76% of the seats. Such a practice would make the event more economically viable to the applicant. The applicant points out that there are numerous games leading up to the championship games that the public would enjoy, but from its point of view the system of admission that would make the event more profitable would be to charge admission to the matches being played on the Stadium Court and Feature Court 1, when the championship games occur and when the public would be most likely to be willing to pay.

While it is understandable that the applicant would prefer a system that would assure that the event would operate at maximum profit, the standard of review is the Chapter 3 policies of the Coastal Act that are cited above. The project site is a heavily used public beach and the event is being held during the peak beach use period. Over the years, the Commission has reviewed and approved these events requiring either 100% free admission or limiting admission fees. The applicants have not provided a detailed plan which assures that 76% of the seating for all matches is free, especially with simultaneous play on up to 15 courts and with decreasing the number of courts each day. The

applicant's proposal does not protect public access and is not consistent with the Guidelines.

As conditioned to prohibit general admission fees by protecting at least 76% of the total seating capacity for free general public use at each match and preferred seating of no more than 24% of seating at each match, the Commission finds that the proposed project can be found to be consistent with the public access and recreation policies of the Coastal Act.

D. Public Access to the Pier

Special Condition No. 4 protects public access to the pier and requires that the event shall not interfere with the public's access to and use of the Hermosa Pier, that access shall remain open and unobstructed at all times, that no tents, vehicles, fences or other similar structures shall be placed on the pier and the applicant shall monitor the pier to prevent any unpermitted encroachments by event sponsors and vendors. Only as conditioned can the proposed event be consistent with the public access and recreation policies of the Coastal Act.

E. Traffic and Parking

In regards to the public beach parking supply, the crowds generated by the proposed event, in association with the event's reserved use of public parking areas, will negatively affect beach goers' ability to find a parking space near the beach. The Commission has consistently found that a direct relationship exists between the provision of adequate parking and availability of public access to the coast. The proposed event is expected to attract approximately 7,000 persons a day to an already crowded beach area. The additional visitors drawn by the proposed event will overburden the limited beach parking supply. There is simply not enough public parking available in the downtown area to accommodate all of the people who attempt to visit Hermosa Beach during summer weekends. Add to this the AVP's proposal to reserve 40 parking spaces close to the pier and the ability to find public parking near the pier will be nearly impossible.

The City's agreement with the AVP has authorized the AVP's reservation and exclusive use of 40 public parking spaces in Lot B for television and AVP trucks, event staff, sponsors' parking and valet parking for VIPs (Exhibit #1). Nearby public beach parking is available directly adjacent to Lot B in a three-story parking structure which has approximately 200 parking spaces, Lot A, which is located directly adjacent and south of the pier has approximately 50 parking spaces. Public beach parking is also available up and down Hermosa Avenue, which runs parallel to the beach.

Therefore, the Commission finds that the reservation of 40 spaces for the temporary exclusive use of the event is consistent with the public access and recreation policies of the Coastal Act.

These parking lots (Lot A, Lot B and the 3-story parking structure) can provide only part of the total amount of parking that is needed to meet the parking demand of the event and the beach-going public. Therefore, other parking supplies must be identified as part of the

required parking and traffic management plan. The applicant has worked with the City to develop a parking and traffic management plan that involves a remote parking supply (over 600 parking spaces) at an inland parking lot, and a free shuttle bus service to provide public transportation between the remote parking supply and the event area (Exhibit #1). This parking supply and shuttle bus service has been adequate in past years.

In order to replace the public parking reserved by the AVP in the pier parking lots and to provide public parking to meet the increased demands generated during the tournament, Special Condition No. 3 requires the applicant to provide the proposed remote parking supply (approximately 600 parking spaces according to the applicant) and to operate the proposed free beach shuttle bus for AVP guests and the general public as proposed and described in the applicant's agreement with the City of Hermosa Beach, dated October 25, 2005 and attached as Exhibit #5 of this staff report. The remote parking supply and free shuttle bus service is necessary to mitigate the increase in vehicle congestion, parking demand and vehicular pollution caused by the large numbers of persons who will drive to the area to attend the annual volleyball tournament on the busiest days of Saturday and Sunday.

Special Condition No. 3 also protects the parking spaces normally reserved for handicapped persons, and requires signage and newspaper and radio advertisements to inform the public of the free remote parking and shuttle bus service. The signs must be posted and advertising campaign must commence prior to the start of the tournament in order to adequately inform the public of their parking options prior to arriving at the beach during the days of the tournament. Only as conditioned to mitigate the effects of the exclusive use of public parking on public beach access can the proposed event be found to be consistent with the public access and recreation policies of the Coastal Act.

F. Visual Resources and Noise

The temporary structures and advertising associated with temporary events like the Hermosa Beach Open are highly visible and block public views of the shoreline, but they do not conflict with the Coastal Act policies because they exist on a temporary basis for only a few days. After the event, the structures are quickly removed from the beach (within a few days) and the public's view of the shoreline is restored. Therefore, the scenic resources of the coastal zone are protected from any long-term or permanent negative impacts. The City Agreement requires that "Amplified sound speakers will be placed facing the west." Therefore, the City has addressed noise-control as an issue.

Special Condition No. 7 requires that all temporary improvements permitted herein shall be removed in their entirety and the site restored to its pre-existing condition by no later than 6:00 p.m. Wednesday, June 14, 2006. As conditioned, the Commission finds that the development conforms with the Coastal Act.

G. Water Quality

The following Coastal Act policies protect marine resources from the effects of polluted runoff.

Section 30230 of the Coastal Act states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231 of the Coastal Act states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams

The proposed event poses a potential source of pollution due to trash generation, spillage from portable restroom facilities, and vehicles driving on the beach. The discharge of polluted runoff onto the sand and into to coastal waters can cause cumulative adverse impacts to water quality.

Therefore, Special Condition No. 8 requires the applicant to (each day) remove and legally dispose of all trash, waste, oil, grease, and other materials that may be deposited on-site incidental to the volleyball tournament, all associated activities, and the general public's use of the event site, pier and adjacent parking facilities. As conditioned, the Commission finds that the development conforms with Sections 30230 and 32031 of the Coastal Act.

H. Local Coastal Program

Coastal Act section 30604(a) states that, prior to certification of a local coastal program ("LCP"), a coastal development permit can only be issued upon a finding that the proposed development is in conformity with Chapter 3 of the Act and that the permitted development will not prejudice the ability of the local government to prepare an LCP that is in conformity with Chapter 3.

The Commission conditionally certified the City of Hermosa Beach Land Use Plan on August 19, 1981. The Land Use Plan (LUP) was effectively certified with suggested modifications on April 21, 1982. The modifications were accepted and the LUP is certified. The City submitted a final draft of its zoning and implementation ordinances (LIP) and a revision to their LUP in 2000. The amendment and Implementation ordinance was scheduled for public hearing and Commission action at the October 8, 2001 meeting, but the City withdrew. Therefore, these have not been certified and the standard of review for development in Hermosa Beach is still the Coastal Act.

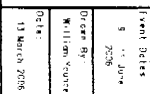
As conditioned, the proposed development is consistent with Chapter 3 of the Coastal Act and with the certified Land Use Plan for the area. Approval of the project, as conditioned, will not prejudice the ability of the local government to prepare an LCP that is in conformity with the provisions of Chapter 3 of the Coastal Act.

I. California Environmental Quality Act

Section 13096 Title 14 of the California Code of Regulations requires Commission approval of a coastal development permit application to be supported by a finding showing the application, as conditioned by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment.

All adverse impacts have been minimized by the recommended conditions of approval and there are no feasible alternatives or additional feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the Commission finds that the proposed project can be found consistent with the requirements of the Coastal Act to conform to CEQA.

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AVP PRO BEACH VOLLEYBALL TOUR

March 22, 2006

VIA FACSIMILE AND MAIL

Mr. Ryan C. Todaro
Coastal Program Analyst
California Coastal Commission
South Coast Area Office
200 Occangate
Suite 1000
Long Beach, CA 90802-4302

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5-06-040

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PAGE 1 OF 2

RE: 2006 Hermosa Beach Open

Dear Mr. Todaro,

The purpose of this letter is to give final clarification regarding the 2006 AVP 2006 AVP Hermosa Beach Open application. As we discussed in our meeting, we believe that our proposed plan will be in full compliance with the current Coastal Commission guideline that provides that at least 76% of the seating and viewing capacity for any event that takes place on public beaches remain available to the public free of charge. Here is a summary of the Hermosa Beach Open seating/viewing capacity and our plan:

Seating/Viewing Capacity Per Day: Our set up for the Hermosa Beach Open has the following seating/viewing capacity:

Stadium Court: 2835
VIP Suites: 300
Feature Court 1: 800
Feature Court 2: 490
Outer Courts 3 - 14: 470 per court (5640 total)

Total Hermosa Beach Open Seating/Viewing Capacity: 10,065

Competition Schedule Number of Matches Per Day: Our competition schedule and total number of matches that will be played per day at the 2006 Hermosa Beach Open is as follows:

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Friday - 133 matches (52% of total matches)
Saturday - 104 matches (41% of total matches)
Sunday - 18 matches (7% of total matches)

Ticketing Admission Plan: We are proposing that all courts on Friday be free to the public. For Saturday and Sunday, we are proposing that **only** the Stadium Court and Feature Court 1 will be gated the entire time, and all remaining courts will remain free to the public the entire time. The result will be that no more than 16 of the 255 matches will be paid viewing.

As we discussed in our meeting, the 1993 guidelines focus on ensuring that at least 76% of the capacity for the entire event are free to the public. Therefore, by providing for free seating and viewing on Friday, and free seating on all but two courts on Saturday and Sunday, we have proposed a ticketing scenario for the 2006 Hermosa Beach Open which ensures that the public has free access and viewing for at least 76% of the entire viewing/seating capacity for the 2006 Hermosa Beach Open.

As we discussed, each California beach volleyball event may have different capacities and may involve different number of days of competition, and each city may have their own views as to how to allow paid seating while still complying with Coastal Commission guidelines (e.g., making all courts free for the first several days until the 76% threshold is reached and then allowing paid seating for all courts for the remainder of the event). Accordingly, the ticketing admission plan set forth in this letter is designed to work specifically for the 2006 Hermosa Beach Open.

Best regards,


Andrew S. Reif
Chief Operating Officer

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cc: Donna Andrews

STATE OF CALIFORNIA—THE RESOURCES AGENCY

PETE WILSON, Governor

CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE AND TDD (415) 904-5200



COASTAL COMMISSION
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TO: Local Governments and Interested Persons

EXHIBIT # 4

FROM: Coastal Commission Staff

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SUBJECT: Guidelines For the Exclusion of Temporary Events from
Coastal Commission Permit Requirements - Adopted 5/12/93

I. Purpose and Authority.

The purpose of these guidelines is to identify the standards the Coastal Commission staff, under the direction of the Executive Director, will use in determining whether a temporary event is excluded from coastal development permit requirements pursuant to Public Resources Code Section 30610 (i) (as amended by SB 1578, Ch. 1088, Stats. 1992). The guidelines are for use in areas where the Coastal Commission retains coastal development permit authority. These guidelines may be utilized by local governments for reference in developing Local Coastal Programs or in processing LCP amendments, if required, to address coastal development permit jurisdiction over temporary events.

II. Criteria for Exclusion from Permit Requirements.

Except as provided in Section III. below, the Executive Director shall exclude from coastal development permit requirements all temporary events except those which meet all of the following criteria:

- a) Are held between Memorial Day weekend and Labor Day; and,
- b) Occupy all or a portion of a sandy beach area; and,
- c) Involve a charge for general public admission or seating where no fee is currently charged for use of the same area (not including booth or entry fees).

Only temporary events meeting all of the above criteria shall require coastal development permit review, however,

The Executive Director may also exclude from permit requirements temporary events meeting all of the above criteria when:

- d) The fee is for preferred seating only and more than 75% of the provided seating capacity is available free of charge for general public use; or,

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e) The event is held on sandy beach area in a remote location with minimal demand for public use, and there is no potential for adverse effect on sensitive coastal resources; or,

f) The event is less than one day in duration; or,

g) The event has previously received a coastal development permit and will be held in the same location, at a similar season, and for the same duration, with operating and environmental conditions substantially the same as those associated with the previously-approved event.

III. Executive Director or Commission Discretion to Require a Permit.

The Executive Director, or the Commission through direction to the Executive Director, may determine that a temporary event shall be subject to Commission coastal development permit review, even if the criteria in Section II. are not met, if the Executive Director or the Commission determines that unique or changing circumstances exist relative to a particular temporary event that have the potential for significant adverse impacts on coastal resources. Such circumstances may include the following:

a) The event, either individually or together with other temporary events scheduled before or after the particular event, precludes the general public from use of a public recreational area for a significant period of time;

b) The event and its associated activities or access requirements will either directly or indirectly impact environmentally sensitive habitat areas, rare or endangered species, significant scenic resources, or other coastal resources as defined in Section V. of these guidelines;

c) The event is scheduled between Memorial Day weekend and Labor Day and would restrict public use of roadways or parking areas or otherwise significantly impact public use or access to coastal waters;

d) The event has historically required a coastal development permit to address and monitor associated impacts to coastal resources.

IV. Modifications to Guidelines by the Commission.

The Commission may amend these guidelines at any time if it is determined such modification is necessary to more effectively implement Section 30610(b) of the Coastal Act, and provide Coastal Commission coastal development permit review of any category of temporary events having the potential for significant impacts to coastal resources; or, eliminate such review of any category of temporary events having no such potential.

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V. Definitions.

For purposes of these guidelines, the following definitions shall apply:

a) "Temporary event(s)" means an activity or use that constitutes development as defined in Section 30106 of the Coastal Act; and is an activity or function of limited duration; and involves the placement of non-permanent structures; and/or involves exclusive use of a sandy beach, parkland, filled tidelands, water, streets or parking area which is otherwise open and available for general public use;

b) "Limited duration" means a period of time which does not exceed a two week period on a continual basis, or does not exceed a consecutive four month period on an intermittent basis;

c) "Non-permanent structures" include, but are not limited to, bleachers, perimeter fencing, vendor tents/canopies, judging stands, trailers, portable toilets, sound/video equipment, stages, platforms, movie/film sets, etc., which do not involve grading or landform alteration for installation.

d) "Exclusive use" means a use that precludes use in the area of the event for public recreation, beach access or access to coastal waters other than for or through the event itself.

e) "Coastal resources" include, but are not limited to, public access opportunities, visitor and recreational facilities, water-oriented activities, marine resources, biological resources, environmentally sensitive habitat areas, agricultural lands, and archaeological or paleontological resources.

f) "Sandy beach area" includes publicly owned and privately owned sandy areas fronting on coastal waters, regardless of the existence of potential prescriptive rights or a public trust interest.

(8499A)

AGREEMENT BETWEEN THE CITY OF HERMOSA BEACH
AND ASSOCIATION OF VOLLEYBALL PROFESSIONALS
AVP HERMOSA BEACH OPEN

This agreement is made this 25th day of October, 2005, by and between the City of Hermosa Beach (hereinafter called "CITY"), and Association of Volleyball Professional, Inc. (hereinafter called "AVP").

RECITALS

A. CITY desires to have AVP organize, coordinate, produce and oversee an AVP Hermosa Beach Open (the "Event") on an annual basis.

B. AVP manages the top professional beach volleyball players in the United States and manages an annual schedule of events on behalf of said players and desires a commitment from CITY to fix the event schedule for the next three years.

NOW, THEREFORE, the parties agree as follows:

I. THE EVENT.

The agreement shall commence upon the date hereof and shall continue until the completion of the 2008 Event. During the term of this agreement, CITY authorizes the AVP to conduct the annual AVP Hermosa Beach Open, the dates of which shall be selected by AVP in consultation with CITY. Dates to be determined by November 15 of the calendar year preceding event dates in 2006, 2007, and 2008.

a.) The agreed upon tournament format shall consist of men's and/or women's professional beach volleyball tournaments. Each tournament may have a qualifier, which shall take place on the day(s) immediately preceding the main draw or such other dates as determined by AVP and shall be open to members of the public. The playing rules for the Event (including any Qualifier) shall be AVP rules.

b.) The Event may construct bleachers for Center Court, Feature Courts #1 and #2 contingent upon a "no" vote against adopting the ordinance proposal set forth in Ballot Measure E prohibiting construction on the beach.

c.) Admission shall be charged as set by the California Coastal Commission.

d.) Amplified sound speakers will be placed facing to the west.

e.) VIP tent and VIP seating shall be provided by the AVP as follows: (i) There shall be one (1) center court elevated VIP tent and one (1) sand VIP/AVP Beach Club tent; (ii) VIP/AVP Beach Club "riser" seating along one sideline and up to two (2) end zones; (iii) one (1) end zone bleacher reserved for VIP's or corporate sponsors. All other seating shall be available to the public. Any additional center court VIP tents and/or seating will be subject to CITY approval.

f.) Event venue shall not open until fire inspection has passed and CITY Fire Engineer has signed off on inspection sheet each day. AVP is responsible for securing site and disallowing entrance to the public until inspection has passed each tournament day.

g.) AVP shall have the right to have on-site entertainment in connection with the event. Such entertainment may include musical acts provided such entertainment does not increase the sound level of the event or increase the support required by CITY (e.g., additional police, fire, company coverage, etc.). CITY Council must approve any/all requests for bands/concerts prior to Event.

II. AVP RESPONSIBILITIES.

Attachment D

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a.) AVP will provide, at its own expense, all event production equipment. AVP shall set up/tear down between the hours of 8 AM and 9 PM on scheduled days. AVP shall transport the equipment to the site, set up said equipment in cooperative and timely fashion, and at the close of the tournament take down and remove the equipment. All event personnel and construction crewmembers must wear orange safety vests or orange t-shirt at all times during set-up and teardown. Venue site will be closed if this procedure is not adhered to. All vehicles entering and exiting the Strand must have an orange-vested crewmember in front and behind each vehicle while it is in motion. A designated AVP representative must remain on-site during the entire teardown process of the event. Said equipment is to be totally removed from the site by 6 PM on the third day after the tournament, each year. CITY reserves the right to determine limits on the use of said equipment as it pertains to CITY ordinances and shall enforce all for the protection of public health and safety. To ensure compliance with this date and time of removal, AVP shall provide the CITY a \$10,000 security/clean-up deposit described in subsection below. The parties will meet "on site" on the third day after the tournament at 6 PM to determine if the site, to include the beach and parking lots, has been reinstated to its original condition. The parties agree that based on reasonable expectations, the AVP will henceforth rectify any outstanding "clean-up" deficiency. If such deficiency is not rectified by the timelines set forth below, the AVP will forfeit the amount shown.

Fourth Day after Tournament	\$3,000 plus City costs
Fifth Day After Tournament	\$3,000 additional (\$6,000 total) plus City costs
Sixth Day After Tournament	Balance of \$10,000 (\$10,000 maximum)

CITY will return the \$10,000 security/clean-up deposit or amount thereof thirty (30) days after final inspection.

b.) AVP shall provide all necessary funds, staff, equipment, and materials necessary to adequately promote and seek sponsorship for the event at no expense to CITY. Also, AVP shall provide a designated representative to consult as necessary with the Community Resources Director or CITY designee regarding all facets of event operation. Final decisions will be made by CITY regarding compliance with the agreement as well as any issues that directly and/or adversely impact the community.

c.) AVP shall provide for the television broadcast of the AVP Hermosa Beach Open. Within the television broadcast, the AVP shall provide for the CITY to be highlighted and promoted.

d.) AVP shall make payment of estimated direct costs to the CITY 30 days in advance of the Event. Actual City departmental costs shall be itemized and billed to the AVP upon completion of the Event.

e.) AVP shall secure and pay for any permits required from CITY.

f.) AVP shall provide, at their expense, all staff, equipment and materials, to adequately advertise (including radio announcements) and run a shuttle bus service to and from the Event from the Mira Costa parking lot to the 14th Street Circle at Beach Drive. This service shall provide for a minimum of one bus running at no less than fifteen-minute intervals to and from the Event. Starting time should be one hour prior to the event's starting time and ending one hour after the completion of the last daily game. Service shall be for Saturday and Sunday only. CITY shall have approval over such shuttle service, such approval to not be unreasonably withheld.

g.) AVP shall provide no less than six (6) unarmed security officers. Said Officers shall wear identifiable uniforms that indicate a separate identity from other tournament staff. A representative of the security staff shall meet with the Hermosa Beach Police Department Watch Commander prior to the tournament for a pre-event briefing. The private security staff shall be responsible for informing spectators of CITY'S alcohol ordinance.

h.) AVP, at their expense, shall provide for adequate trash removal. AVP shall use Consolidated Waste to provide two (2) 40-yard roll-off trash bins and twelve (12) portable toilets that includes one (1) handicap toilet at the base of the Pier on the south side. CITY staff will determine if additional toilets are needed. AVP shall use a professional maintenance service to clean the following areas each day of the tournament: The Beach and Strand (impacted area); Pier Plaza (impacted area). The maintenance service shall be responsible for hauling the trash outside the CITY following the

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tournament. AVP shall take necessary steps to encourage participants and require sponsors to utilize recycling bins for appropriate materials. AVP shall make arrangements for such bins.

i.) At CITY'S option, AVP is required to display and permit CITY representatives to present a perpetual trophy to tournament winners following the finals.

III. CITY RESPONSIBILITIES.

a.) CITY shall permit the AVP to conduct Men's and/or Women's professional Beach Volleyball Tournament on the beach on the north side of the Pier and junior beach volleyball tournaments on the south side of the Pier.

b.) CITY shall provide a designated staff person to oversee and monitor the total operation of the event especially in all matters pertaining to event liability and public safety. All decisions of the CITY designee shall be final with respect to any issues that involve compliance with the agreement as well as any issues that directly and/or adversely impact the community. Said CITY designee shall consult with a designated representative of the AVP and it shall be the goal of the parties to reach mutual agreement on matters of event operation.

c.) CITY shall provide to the AVP any CITY services required for the event such as police, fire, building inspection, etc. as deemed necessary by the respective Chief or Department Head. Cost of CITY personnel shall be assumed by AVP.

d.) CITY shall coordinate all necessary CITY permits, as approved by City Council.

e.) CITY shall provide on-site parking spaces for television coverage equipment, AVP equipment trucks and personnel. The number of spaces shall be 40, located in Lot B. AVP shall be required to post temporary "No Parking" signs 24-72 hours in advance of event (as directed by CITY), and be responsible for the removal of signs on final event day. The AVP shall provide adequate access to the event for people with disabilities satisfactorily to the CITY. All parking expenses will be paid by the AVP. CITY shall cause all bike riders to walk their bikes on the Strand between 11th Street and 14th Street.

f.) CITY shall allow sponsors' display booths and shall allow distribution of samples of their products during the Event as long as such sampling does not include alcoholic and tobacco products, stickers, or chewing gum. A fee of \$100 each shall be charged for all co-sponsors; with each co-sponsor permitted one display booth. All co-sponsors must meet with CITY approval prior to Event.

g.) CITY shall make any necessary contacts on behalf of the Event with the Los Angeles County Department of Beaches and Harbors. AVP shall assume all costs for any additional lifeguards each day of tournament if required by Los Angeles County Lifeguards. If AVP desires any County services, they must process their request through CITY. Any costs for County services will be borne by AVP.

IV. INSURANCE.

a.) At least ten (10) days prior to the event, AVP shall provide CITY a Certificate of Insurance providing personal injury and property damage liability insurance naming CITY, and County of Los Angeles, their officers, employees and agents as additional insured with a minimum coverage of \$2 million combined single limit coverage with \$4 million in excess liability. Insurance is to be placed with insurers with a current AM Best's rating of no less than A:VII. Said insurance shall not be canceled or altered without 30 days notice in writing to CITY and County.

b.) AVP insurers shall be primarily responsible for any and all liability resulting or arising from the performance of the contract and CITY and County and their insurers shall not be required to contribute.

c.) For insurance purposes, the event area shall be defined to include any and all areas occupied or affected by the event.

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d.) AVP agrees to defend, indemnify, and hold CITY and County of Los Angeles harmless from and against any and all liability and expense, including defense costs and legal fees, caused by the negligent or wrongful act or omission of AVP, its agents, officers and employees, including, but not limited to, personal injury, bodily injury, death and property damage.

V. ADVERTISING.

a.) All sponsor signs, props, product facsimiles, etc. deemed necessary by AVP to identify the event, shall be approved as to location and content by CITY. CITY will not unnecessarily deny said approval and will not curtail certain constitutional rights of AVP.

b.) CITY shall permit two (2) street banners and thirty-eight (38) light pole banners to be posted for tournament. Cost of installation shall be the responsibility of AVP.

c.) CITY shall permit AVP to display six (6) large replicas of their product. CITY staff shall have final approval of said replicas and determine location. Vehicles parked within the venue for sponsorship display must be limited to nine (9) in number and site location approved by City safety personnel.

VI. CONCESSIONS.

a.) CITY shall allow AVP the opportunity to sell official AVP tournament concession items.

b.) Food and beverage concessions and food sampling booths will be permitted on the beach, per CITY conditions and Health Department approval.

VII. INDEPENDENT CONTRACTOR.

a.) CITY and AVP shall each be and act as independent contractors and under no circumstances shall this agreement be construed as one of agency or partnership between CITY and AVP. Each party acknowledges and agrees that it neither has nor will give the appearance or impression of having any legal authority to bind or commit the other party in any way other than as authorized by this Agreement. Nothing in this Agreement shall be construed to create a joint venture between the parties hereto or to obligate either party for debts or obligations incurred by the other party in the performance of this Agreement.

XVIII. NOTICES.

All notices required or permitted hereunder shall be deemed duly given on the date sent by certified mail, postage prepaid, addressed to the parties as follows:

For AVP: AVP
Attn: Chief Operating Officer
6100 Center Drive, Suite 900
Los Angeles, CA 90045

For CITY: City of Hermosa Beach
Attn: Community Resources Director
1315 Valley Drive
Hermosa Beach, CA 90254

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XXI. COMPLIANCE WITH THE LAW.

Should it be determined that this agreement or any provision hereof violates any federal, state, or local law or regulation, then the parties shall promptly modify this Agreement to the extent necessary to bring about compliance with such law and/or regulation; provided, however, that if such modification would cause this Agreement to fail in its essential purpose or purposes, it shall be deemed cancelled by mutual agreement of the parties and neither party shall have any further obligations or liabilities with respect to this Agreement.