

BORDER ISSUES STATUS REPORT

Revised October 4, 2016

The following is a listing of the history and most recent status of all of the Border Issues that are currently being monitored by the City.

CALWATER PALOS VERDES PIPELINE PROJECT IN PALOS VERDES DRIVE NORTH (CITIES OF ROLLING HILLS ESTATES AND RANCHO PALOS VERDES AND UNINCORPORATED LOS ANGELES COUNTY)

- *Last Update: October 4, 2016*

California Water Service Company (CWSC) made a presentation to the City Council regarding its master plan for the Palos Verdes District on February 17, 2004. Part of this plan envisioned placing two (2) new water mains under Palos Verdes Drive North to replace an existing line serving the westerly Peninsula (the so-called "D-500 System"); and to supplement existing supply lines to the existing reservoirs at the top of the Peninsula (the so-called "Ridge System"). Another previous Border Issue upon which the City commented in 2003 was the Harbor-South Bay Water Recycling Project, proposed jointly by the Army Corps of Engineers (ACOE) and the West Basin Municipal Water District (WBMWD) to provide reclaimed water for irrigation purposes. One of the proposed lines for this project (Lateral 6B) would be placed under Palos Verdes Drive North to serve existing and proposed golf courses and parks in Rolling Hills Estates, Palos Verdes Estates and County territory, as well as Green Hills Memorial Park in Rancho Palos Verdes. Adding to these water line projects is a plan by Southern California Edison (SCE) to underground existing utility lines along Palos Verdes Drive North between Rolling Hills Road and Montecillo Drive. All of these projects would require construction within the public right-of-way of Palos Verdes Drive North, which is already severely impacted by traffic during peak-hour periods.

On February 22, 2005, the Rolling Hills Estates City Council heard a joint presentation by CWSC, WBMWD and SCE representatives of plans to coordinate these three infrastructure projects as a single, large project. The traffic control measures proposed to accomplish these combined projects would involve phased closures of segments of Palos Verdes Drive North over a period of at least fifteen (15) months, assuming 2-shift, 16-hour workdays. Although controlled local access to residences, businesses and schools along Palos Verdes Drive North would be maintained throughout the project, both local and through traffic would be detoured at various times onto Hawthorne Boulevard, Crenshaw Boulevard, Rolling Hills Road, Palos Verdes Drive East/Narbonne Avenue and Pacific Coast Highway.

Both the RHE City Council and members of the public had significant concerns about the proposed project. Of primary concern were the justification for elements of the project; and the number and scope of possible alternatives considered. At the conclusion of the workshop, it was the City Council's consensus that additional public workshops were necessary, as was the preparation of a formal Initial Study (IS) to

identify all of the environmental effects of the proposed project. Staff intended to continue to monitor this project, and to review and comment upon the IS once it is completed.

Previously, Staff has monitored and reported on this project under the title “Joint CalWater-West Basin MWD-Edison Infrastructure Project.” However, it came to Staff’s attention in late 2011 that the scope of the project has changed in that it has reduced the amount of construction activity within Palos Verdes Drive North, and no longer involves reclaimed water or electrical lines.

The primary purposes of the CalWater Palos Verdes Pipeline Project are to “increase water system reliability, improve fire-fighting capability, and reduce the risk of property loss or damage on the Palos Verdes Peninsula.” The two-phase project proposes to replace an existing pipeline that currently traverses multiple private properties within the City of Rolling Hills Estates with two (2) new pipelines to be located primarily within street and bridle trail rights-of-way. One of the new pipelines (the so-called “Crenshaw/Ridge Supply Project”) would extend southward along Crenshaw Boulevard (mainly through unincorporated County territory) to a new reservoir and pump station to be constructed at the northwest corner of Crenshaw Boulevard and Silver Spur Road in the City of Rolling Hills Estates. This pipeline would then continue southward along Crenshaw Boulevard through the City of Rancho Palos Verdes to tie into an existing pipeline in Crest Road that supplies CalWater’s reservoir near the intersection of Crest and Highridge roads.

CalWater is currently conducting engineering and technical studies to identify the environmental impacts of the proposed project, as required pursuant to CEQA. Public Works Staff is aware of this proposal and will be working with CalWater on those portions of the project that are located within our jurisdiction.

Recently, CalWater advised Staff that the preliminary pipeline alignment and conceptual project planning are complete, and that the public environmental review process should begin. After a delay of several years to address concerns about the pipeline alignment in the Palos Verdes Dr. N. right-of-way, CalWater is now ramping up design and construction of this project. The revised alignment will take the buried water pipe along bridle trails in Rolling Hills Estates, between (roughly) the intersection of Palos Verdes Dr. E. and Palos Verdes Dr. N. and the intersection of Crenshaw Blvd. and Palos Verdes Dr. N. The pipe will then turn south and be installed under Crenshaw Blvd. from Palos Verdes Dr. N. to Crest Rd., where it will join an existing water main. CalWater has acquired a small property along Crenshaw Blvd. to build a small pump booster station, so the previous concept of a storage tank near Crenshaw Blvd. and Silver Spur Rd. has been abandoned. The project is about 30% designed and now is being advertised for further development under a design-build project delivery method, with construction expected to begin in early 2018. CalWater will be reaching out to Rancho Palos Verdes with more-frequent updates as the project nears its final design phase.

On September 13, 2016, the Rolling Hills Estates City Council considered a contract with an environmental consulting firm to prepare the environmental impact analysis for this project. For the purposes of the California Environmental Quality Act (CEQA), Rolling Hills Estates will be the lead agency, while Rancho Palos Verdes and the County will be responsible agencies. The Rolling Hills Estates City Council was expected to approve the contract on September 27, 2016. Rolling Hills Estates Planning Staff will be working with the responsible agencies on the CEQA analysis for this project, and a draft Initial Study may be ready for public review and comment during the first quarter of 2017.

SAN PEDRO COMMUNITY PLAN UPDATE (CITY OF LOS ANGELES)

- *Last Update: October 4, 2016*

On February 4, 2008, the City received the Notice of Preparation (NOP) for the Draft EIR for the San Pedro Community Plan update. The proposed project would guide development in the San Pedro area through 2030; amend the Mobility (Transportation) Element of the General Plan with respect to policies pertinent to San Pedro; and implement Plan Amendments, Zone Changes and Overlay Districts as needed to accomplish the goals and objectives of the Community Plan. A public scoping meeting on the Draft EIR was held on February 20, 2008, and the 30-day public comment period for the NOP was set to end on March 3, 2008. Staff submitted comments to the City of Los Angeles on February 12, 2008, which included a request to extend the public comment period to forty-five (45) days. We will also continue to monitor this project as the Draft EIR is prepared and circulated for additional public review and comment.

On December 8, 2011, Staff of the City of Los Angeles Planning Department met jointly with the Planning and Land Use committees of the Northwest, Central and Coastal San Pedro neighborhood councils to present a status report on the San Pedro Community Plan Update. We had previously commented upon this project in February 2008, requesting that:

- The community plan update should include focused attention on the Western Avenue commercial corridor shared by Rancho Palos Verdes and Los Angeles;
- The community plan update should include the “annexation” of the *Ponte Vista* site and three (3) adjacent condominium projects from the Wilmington/Harbor City Community Plan Area; and,
- The community plan update could provide an opportunity to correct certain “anomalies” in the city boundary between Rancho Palos Verdes and Los Angeles.

As presented at the December 8, 2011, meeting, the City of Los Angeles is proposing changes to a variety of existing zoning and land use regulations throughout San Pedro. In the areas that immediately abut Rancho Palos Verdes, most of these are proposed nomenclature changes, meaning that the names of the zones and land use areas would change, but the existing development standards and permitted uses would not change.

At a couple of locations along Western Avenue (i.e., the *Garden Village* shopping center and the condominiums next to the *Harbor Cove* shopping center), existing inconsistencies between the actual land use and the designated zoning would be resolved by making the zoning consistent with the existing development at each location. Staff does not anticipate that these nomenclature changes or the resolution of land use/zoning inconsistencies will have an adverse effect upon Rancho Palos Verdes and its residents.

Some of the proposed changes to the community plan include the designation of so-called “opportunity areas,” which are generally seen as “under-utilized” areas of the San Pedro community that may deserve special, focused attention. One of these opportunity areas is identified as the commercial district surrounding the intersection of Western Avenue and West 25th Street, which is located along a major path of travel for residents and visitors entering and leaving Rancho Palos Verdes. As currently envisioned, the development standards in this area would be revised to increase both the density/intensity of development and the maximum height of buildings to create a sub-regional commercial and residential center for the southwesterly portion of San Pedro. Staff has some initial concerns about this proposal and will continue to monitor it in future iterations of the community plan update. We also note that the City of Los Angeles does not intend to “shift” the *Ponte Vista* site into the San Pedro Community Plan Area, even though most people seem to associate that property much more with San Pedro than with Wilmington or Harbor City.

On April 26, 2012, Staff of the City of Los Angeles Planning Department met again jointly with the Planning and Land Use committees of the Northwest, Central and Coastal San Pedro neighborhood councils to present a status report on the San Pedro Community Plan Update. City Planning Staff presented an updated version of the draft community plan that included more detail about the proposed revisions to the existing plan. An issue of concern to many meeting attendees with the revised plan was revised policy language regarding the *Ponte Vista* project that seemed to support a higher density of development than had been discussed at the previous meeting in December 2011. Attendees also had many questions about the reclassification of roadways in the proposed “Mobility” chapter of the revised plan.

City Planning Staff indicated that the “Implementation” chapter of the revised plan was still forthcoming, as was the associated draft Environmental Impact Report (DEIR). The complete draft community plan and DEIR are expected to be released for public review and comment by late spring/early summer of this year, with the goal of presenting the updated community plan to the Los Angeles City Council for adoption by the end of 2012.

On April 30, 2012, Staff forwarded comments on the draft community plan to the City of Los Angeles. Staff awaits the release of the DEIR.

On August 9, 2012, the City of Los Angeles released the Draft Environmental Impact Report (DEIR) for the San Pedro Community Plan Update, along with the Draft

Community Plan itself. This began a 45-day public comment period that was set to end on September 24, 2012.

On September 5, 2012, Staff of the City of Los Angeles Planning Department met again jointly with the Planning and Land Use committees of the Northwest, Central and Coastal San Pedro neighborhood councils to present the Draft Community Plan and DEIR. We expressed our concerns about proposed increases in the density/intensity of development that could occur surrounding the intersection of Western Avenue and 25th Street under the updated plan, as well as how the updated plan would affect the continued operation of the Rancho LPG butane storage facility on Gaffey Street. We noted that the City's traffic engineer was still reviewing the proposed Mobility Element of the plan and Transportation Improvement Mitigation Program (TIMP), particularly as they relate to roadways and bikeways that link and/or intersect with those in Rancho Palos Verdes.

Following this meeting, we formally asked for a 15-day extension of the public comment period for the DEIR. As of the date that this report was completed, we had not yet received a response to this request. If an extension is not granted, Staff intends to at least submit comments on the DEIR by the September 24, 2012, deadline.

In response to requests from the Northwest San Pedro Neighborhood Council (NWSPNC) and other interested parties (including Staff), the City of Los Angeles granted a 15-day extension of the public comment period on the Draft Environmental Impact Report (DEIR) for the San Pedro Community Plan Update to October 9, 2012. On that date, Staff transmitted the comments to the City of Los Angeles. Staff's comments focus upon issues related to two (2) subareas, encompassing the Rancho LPG facility and the commercial area surrounding the intersection of Western Avenue and 25th Street. Staff also noted concerns regarding proposed modifications to 25th Street that could adversely impact traffic on Palos Verdes Drive South.

On December 12, 2012, an open house and public hearing were held for the San Pedro Community Plan Update. Unfortunately, Staff was not able to attend. However, the following day Los Angeles City Councilman Joe Buscaino sent a letter to the Department of City Planning, asking for the proposed land use changes surrounding the intersection of Western Avenue and 25th Street to be removed from consideration in the plan update. Staff has repeatedly raised concerns about the proposed changes to the density and intensity of future development surrounding this intersection that would be allowed and encouraged under the proposed update to San Pedro Community Plan.

On March 5, 2013, the Harbor Area Planning Commission (HAPC) received a presentation of the proposed San Pedro Community Plan Update. This was presented as an information-only item since the HAPC has no formal role in the review of the plan.

The following week, however, the Los Angeles City Planning Commission (CPC) met in special session on March 14, 2013, at the Boys' and Girls' Club in San Pedro to consider the proposed San Pedro Community Plan Update. Much of the public

comment and Planning Commissioner discussion focused on a few issues and plan subareas, including Subarea 10 (Rancho LPG) and Subarea 260 (25th Street and Western Avenue). In Subarea 10, the CPC directed Staff to develop programs to study the future use and expansion potential of the Rancho LPG facility under the proposed land use and zoning. In Subarea 260, the previous proposal for taller and higher-density commercial and mixed-use development around 25th Street and Western Avenue was abandoned.

The San Pedro Community Plan Update next requires review by the Los Angeles City Council's Planning and Land Use Management (PLUM) Committee, and the full City Council and Mayor. The final EIR will also be completed. These reviews are expected to occur later this year.

On September 14, 2016, the City of Los Angeles Planning Department made a presentation on the status of the San Pedro Community Plan Update to a joint meeting of the Planning and Land Use Committees of the Northwest, Central and Coastal San Pedro Neighborhood Councils. Planning Staff provided updates about the plan since it had been last presented to the City Planning Commission (CPC) on October 2013. Plan updates incorporated since that time include:

- Elimination of a previous proposal for taller and higher-density commercial and mixed-use development in the neighborhood surrounding around 25th Street and Western Avenue; and,
- Incorporation of the recommendations of the Western Avenue Corridor Street Enhancement Strategy.

The updated plan is expected to return to CPC on October 13, 2016, before being presented to the City Council Planning and Land Use Management (PLUM) Committee and the full Los Angeles City Council. Adoption of the final plan is expected in 2017.

5883 CREST ROAD CONDOMINIUM PROJECT (CITY OF ROLLING HILLS ESTATES)

- *Last Update: October 4, 2016*

In 2004, the City of Rolling Hills Estates granted development entitlements for a small retail/office building on the site of a former gasoline service station and commercial plant nursery at 5883 Crest Road (located at the northeast corner with Highridge Road). At the time, Staff monitored this proposal in the Border Issues Status Report. In the past decade, the property owner has been unsuccessful in developing the approved project.

In July 2013, the Rolling Hills Estates City Council and Planning Commission jointly conducted a "first look" review at a proposal to subdivide this 0.52-acre parcel and allow the development of four (4) residences (i.e., "patio homes"). Staff reported on this "first look" review in the Weekly Administrative Report of October 9, 2013, when temporary

framework “silhouettes” had been erected on the property. The property owner subsequently filed the necessary applications with the City of Rolling Hills Estates for the proposed project, including a General Plan Amendment, Zone Change, Zone Text Amendment, Tentative Parcel Map, Conditional Use Permit, Grading Permit, Neighborhood Compatibility Determination and Minor Deviation.

On October 10, 2014, the City received notification that a Mitigated Negative Declaration (MND) has been prepared for the proposed project. The complete MND may be reviewed on-line at the following link:

<http://www.ci.rolling-hills-estates.ca.us/Modules/ShowDocument.aspx?documentid=12297>

The public comment period for the MND ended on Monday, November 24, 2014, and a public hearing before the Rolling Hills Estates Planning Commission was scheduled for 7:00 PM on Monday, December 1, 2014. On November 17, 2014, Staff submitted comments on the MND to the City of Rolling Hills Estates.

On December 1, 2014, the Rolling Hills Estates Planning Commission conducted a public hearing to review the proposed 4-unit residential project at 5883 Crest Road, located at the northeast corner with Highridge Road. The Planning Commission expressed a number of serious concerns with the proposed project, including the size, number and design of the proposed homes; the proposed site grading; and the justification for the requested General Plan Amendment, Zone Change and Zone Text Amendment. A representative of the nearby *Seabreeze* homeowners’ association in Rancho Palos Verdes expressed a number of objections to the project. Staff was also provided with a formal response to our comments on the project’s Mitigated Negative Declaration.

At the conclusion of the meeting, the project proponent agreed to continue the matter to a future date uncertain in order to work with Rolling Hills Estates Staff to address the issues raised by the Planning Commission.

On June 1, 2015, the Rolling Hills Estates Planning Commission conducted another public hearing to review a slightly-revised version of the proposed 4-unit detached condominium project at 5883 Crest Road, located at the northeast corner with Highridge Road. In December 2014, the Planning Commission had expressed a number of serious concerns with the proposed project, including the size, number and design of the proposed homes; the proposed site grading; and the justification for the requested General Plan Amendment, Zone Change and Zone Text Amendment. The Planning Commission acknowledged the modifications that had been recently made to the project, and appeared to be supportive of the requested land use and zoning changes from commercial to residential. However, the majority of the commissioners also supported directing the applicant to explore further revisions to the project, with (possibly) fewer units in a single, townhouse-style building (similar to the adjacent *Seaview Villas* neighborhood).

After an initial Planning Commission motion to continue the matter to allow for further

redesign, the applicant indicated that she preferred for the commissioners to reject the project as currently proposed, and to forward that recommendation to the Rolling Hills Estates City Council for its consideration. The Planning Commission adopted a resolution recommending denial of the proposed project to the City Council on July 6, 2015. The City Council is then expected to consider this recommendation sometime later this summer.

The Rolling Hills Estates City Council reviewed this 4-unit, detached condominium project at the northeast corner of Crest and Highridge roads on August 11, 2015. At its meeting on July 6, 2015, the Rolling Hills Estates Planning Commission had adopted a resolution recommending denial of the project to the City Council. However, the City Council remanded the project back to the Planning Commission, with direction to the applicant to address the Planning Commission's concerns about the project's density, bulk and mass.

On May 9, 2016, the Rolling Hills Estates Planning Commission considered a further-revised version of this 4-unit, detached condominium project at the northeast corner of Crest and Highridge roads. The major revisions included reducing the square footage of all four (4) proposed units and reducing the height of the unit closest to the intersection to a single story. However, the Planning Commission again found the revised project to be unacceptable, and directed the applicant to consider several alternative development schemes, including:

- Three (3) detached condominium units (as opposed to the four (4) units currently proposed);
- A single, 3- to 4-unit townhouse-style building (similar to the adjacent *Seaview Villas* complex); or,
- A lot split with two (2) detached single-family homes (similar to the lot split recently approved at the southeast corner of Whitley Collins Drive and Crest Road in Rancho Palos Verdes).

The applicant was scheduled to return to the Planning Commission with a revised proposal on June 6, 2016. At that meeting, it was announced that the applicant had decided to pursue a 2-lot parcel map and development of two (2) detached, single-family homes, rather than the 4-unit, detached condominium project previously proposed.

On August 1, 2016, the Rolling Hills Estates (RHE) Planning Commission was scheduled to review the revised site plan for a lot split and two (2) detached homes on the vacant property at 5883 Crest Road (northeast corner at Highridge Road). If the RHE Planning Commission is supportive of the new site plan, the revised project and environmental analysis will be presented to the RHE Planning Commission and City Council later this year.

On August 1, 2016, the Rolling Hills Estates (RHE) Planning Commission indicated its support for a 2-lot parcel map and development of two (2) detached, single-family

homes, rather than the 4-unit, detached condominium project previously proposed. The revised project will be presented to the RHE Planning Commission at a future meeting, perhaps in October 2016.

FRIENDSHIP PARK OBSERVATION STATIONS (RANCHO PALOS VERDES/LOS ANGELES (SAN PEDRO))

- *Last Update: June 6, 2016*

On October 27, 2015, Staff learned from residents in the *El Prado Estates* neighborhood that the County was constructing an observation station in Friendship Park near homes at the southerly end of Tarapaca Drive. The project is apparently funded by a Proposition 84 grant from the State that the County applied for in July 2010. The County initially met with the neighborhood in 2013 to discuss this project, but no notification was ever provided to the City. Based upon neighborhood concerns, the County halted construction of the observation station and held another meeting with neighbors on October 28, 2015. At this meeting, neighbors expressed their concerns about this project, particularly its close proximity to homes and the likelihood of it becoming an attractive nuisance due to nighttime activities and trespassing. The County agreed to keep the construction on hold, review options for addressing neighborhood concerns, and hold a follow-up meeting with the neighbors. The grant that is funding this project requires it to be completed by July 2016.

The follow-up community meeting was held on November 18, 2015. At the meeting, the County announced that the second observation station would be relocated much further away from nearby homes, which appeared to satisfy most meeting attendees. The County also committed to replacing and installing fences and other barriers to prevent unauthorized nighttime access to the park from 25th Street and from Calle Aventura.

In March 2016, County Staff confirmed that the second observation station is under construction at the new location. On March 29, 2016, the Board of Supervisors was scheduled to consider the reallocation of \$252,000 to the Friendship Park General Improvements Project, which would include the additional fences and barriers. Staff will continue to monitor this project in future Border Issues reports.

THE VILLAGE/MERRILL GARDENS PROJECT (CITY OF ROLLING HILLS ESTATES)

- *Last Update: October 4, 2016*

On July 6, 2016, Staff received the Notice of Intent (NOI) and Initial Study (IS) for the proposed *The Village/Merrill Gardens* project in Rolling Hills Estates. The proposed project would convert a portion of the existing *The Village* shopping center at 601 Silver Spur Road/600 Deep Valley Drive into an 89-unit residential care facility for the elderly (RCFE) called *Merrill Gardens*. Two of the existing shopping center buildings would be retained, and one of the future tenants is expected to be Peninsula Seniors. The right-

of-way of Silver Spur Road northwest of Drybank Drive is in Rancho Palos Verdes, as is the office building diagonally across the street at 580 Silver Spur Road. There are also Rancho Palos Verdes residents overlooking this site from homes on Longhill Drive. The IS is available on-line at:

<http://www.ci.rolling-hills-estates.ca.us/Modules/ShowDocument.aspx?documentid=15196>.

Comments on the IS were due by July 21, 2016, and the Rolling Hills Estates Planning Commission was scheduled to review the project at its meeting on August 1, 2016.

On August 1, 2016, the RHE Planning Commission conducted a public hearing to consider the project entitlements and the associated draft Mitigated Negative Declaration (MND) for this commercial/residential care facility for the elderly project. At the conclusion of the public hearing, the RHE Planning Commission adopted a resolution recommending approval of the project to the RHE City Council, which must review the project since it involves (among other things) a tentative parcel map. The RHE City Council was expected to review and approve the project on September 27, 2016. It should be noted that Peninsula Seniors expect to relocate its facility at Point Vicente Park/Civic Center to the commercial portions of this project by July 2017.