

BORDER ISSUES STATUS REPORT

Revised June 5, 2018

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.

PALOS VERDES PENINSULA WATER RELIABILITY PROJECT (ROLLING HILLS ESTATES, RANCHO PALOS VERDES AND UNINCORPORATED LOS ANGELES COUNTY)

- *Last Update: June 5, 2018*

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.

On May 22, 2017, Staff from the Community Development and Public Works departments met with Staff from Rolling Hills Estates and their environmental consultant to discuss the CEQA process for this project. The direct impacts of the project will be limited to the public right-of-way of Crenshaw Boulevard between Silver Spur Road and Crest Road. Indirect impacts are expected in terms of construction effects (e.g., noise, air quality, traffic, etc.) upon neighborhoods adjacent to the route of the pipeline, as well as upon motorists in general. There was mutual agreement for a presentation of the project's CEQA review to the City Council either just before or during the 30-day public review period for the project, which was expected to occur early the summer of 2017.

On September 19, 2017, CalWater made a presentation of the re-named "[Palos Verdes Peninsula Water Reliability Project](#)" to the City Council. At that time, the City awaited the release of the CEQA document for this project for public review and comment.

On January 8, 2018, Staff submitted the comments on the proposed Mitigated Negative Declaration (MND) for the Palos Verdes Peninsula Water Reliability Project (PVPWRP) to the City of Rolling Hills Estates (RHE). RHE is acting as the lead agency for this project since most of the proposed pipeline will be located within its jurisdiction.

The PVPWRP was presented to the RHE Planning Commission at its meeting on February 5, 2018. As proposed, construction of the new pipeline will result in the 1-month closure of a segment of eastbound Palos Verdes Dr. N. (between the Dapplegray Elementary School driveway and Dapplegray Ln.) during Summer 2018. Much of the pipeline construction along Palos Verdes Dr. N. is proposed to occur during overnight hours, while construction along Crenshaw Blvd. is expected to occur during daylight hours. The proposed pump station on Crenshaw Blvd. will be located below homes on Beechgate Dr. in the City's Peninsula Rim neighborhood. Residents and other interested parties expressed concern to the Planning Commission about the traffic impacts of the project during construction. Ultimately, the RHE Planning Commission adopted a resolution forwarding a recommendation of approval for the project to the RHE City Council, with direction to explore the feasibility of shifting construction on Crenshaw Blvd. to overnight hours.

In order to assess the issue of modified construction hours on Crenshaw Blvd., RHE Planning Staff convened a meeting with our City Staff, CalWater and County Public Works on February 20, 2018. CalWater stated that it had recently met with Rancho

Palos Verdes residents on Beechgate Dr., who strongly opposed overnight construction hours. City Staff shared our concern that overnight construction on Crenshaw Blvd. would expose the Beechgate Dr. residents to nearly round-the-clock construction noise from the project's pump station and the installation of the new pipeline in Crenshaw Blvd. Recognizing the desire to minimize both construction noise impacts on nearby residents and peak-hour traffic impacts on a large percentage of Peninsula residents, all parties agreed that the best approach would be to shift the construction hours on Crenshaw Blvd. to 9:00 AM to 7:00 PM. This solution would avoid overnight construction noise and reduce traffic congestion during the morning commute.

On March 27, 2018, the RHE City Council conducted a public hearing to consider the PVPWRP. Staff attended the public hearing to express the City Council's support for the project itself and its opposition to any proposal for overnight construction along Crenshaw Blvd. Several nearby residents from Rancho Palos Verdes and the unincorporated Westfield neighborhood expressed their concerns about the appearance, noise impacts and geological impacts of the proposed pump station on Crenshaw Blvd. just north of Silver Spur Rd. CalWater confirmed that there would be no overnight construction on Crenshaw Blvd. RHE Planning Staff stated that additional acoustical analysis of the pump station building was being conducted to address residents' concerns, and recommending continuing this matter (after receiving public testimony) to the April 10, 2018, RHE City Council meeting.

On April 10, 2018, the RHE City Council concluded its deliberations regarding the PVPWRP. RHE Planning Staff provided additional about the acoustical shielding and aesthetics of the proposed pump station on Crenshaw Blvd. just north of Silver Spur Rd. The RHE City Council then unanimously approved the project. Construction is expected to begin this summer, and Staff is keeping the City Council and residents informed about lane closures and other construction impacts as the project moves forward. Additional information about the project is also available on a dedicated CalWater webpage at www.pvpwaterproject.com.

CalWater is hosting community open houses for the PVPWRP in order to educate Peninsula residents about the benefits and construction impacts of this project. The first open house was held at Dapplegray Elementary School in Rolling Hills Estates on May 9, 2018, and a second open house will be held at Palos Verdes High School in Palos Verdes Estates on June 21, 2018 from 10:00 AM to noon. The 1-month closure of the eastbound lane of Palos Verdes Dr. N. between the Dapplegray Elementary School driveway and Dapplegray Ln. is scheduled to start on July 9, 2018.

CITY OF LOS ANGELES COMMERCIAL MARIJUANA REGULATIONS (LOS ANGELES (SAN PEDRO))

- *Last Update: June 5, 2018*

On June 8, 2017, the Northwest San Pedro Neighborhood Council passed along information about the City of Los Angeles' proposed marijuana regulations. Our City

Council adopted Ordinance No. 590U on November 1, 2016, to proactively ban commercial marijuana sales and personal outdoor marijuana cultivation, and to establish a permit process for personal indoor marijuana cultivation in Rancho Palos Verdes. These actions were prompted by the expected passage of Proposition 64 (The Adult Use of Marijuana Act) on the November 8, 2016, statewide ballot.

The City of Los Angeles' proposed regulations propose a regulatory and revenue-generation framework for commercial marijuana sales, cultivation and distribution. Given the commercial district that our cities share along Western Avenue, Staff carefully reviewed the proposed regulations to determine their potential effect upon the *Eastview* neighborhoods and businesses along Western Avenue. Public comments on these regulations were sought until August 7, 2017. There was also a public hearing to receive testimony regarding the regulations on June 29, 2017.

On June 26, 2017, Staff sent comments on the proposed Commercial Cannabis Location Restriction (CCLR) Ordinance to the City of Los Angeles. In reviewing the CCLR Ordinance, Staff identified several issues of concern regarding so-called "eligible locations" on Western Ave. A hearing to receive public testimony was conducted in downtown Los Angeles this June 29, 2017, but review of the proposed CCLR Ordinance before the Los Angeles City Planning Commission (CPC) was not expected until later in 2017.

On October 14, 2017, the Los Angeles City Planning Commission (CPC) was scheduled to consider the proposed Commercial Cannabis Location Restriction (CCLR) ordinance. In a letter on September 11, 2017, Staff expressed the City's concerns that 1) maps accompanying the CCLR ordinance incorrectly depict parcels near the new public park in the *Highpark* (formerly *Ponte Vista*) project as "eligible" for retail cannabis sales; and 2) fragments of several parcels near Western Ave. and Trudie Dr. that are identified as "eligible" for retail cannabis sales might be used for such purposes from temporary or mobile facilities.

On November 20, 2017, the Rules, Elections and Intergovernmental Relations Committee of the Los Angeles City Council was scheduled to consider the CCLR ordinance approved by the CPC in October. Also, the Los Angeles CPC is expected to review the proposed [Commercial Cannabis Signage Ordinance](#) at an upcoming meeting on December 14, 2017. According to the [fact sheet](#) for the signage ordinance, it is intended "to limit children's exposure to advertising of cannabis and cannabis products, to reduce the illegal purchase and consumption of cannabis by children, and to reduce the likelihood of children suffering potential negative impacts as a result of consuming cannabis at an early age."

On May 23, 2018, the Rules, Elections and Intergovernmental Relations Committee of the Los Angeles City Council was scheduled to consider the proposed Commercial Cannabis Signage Ordinance that was introduced in late 2017. The signage ordinance it is intended "to limit children's exposure to advertising of cannabis and cannabis products, to reduce the illegal purchase and consumption of cannabis by children, and

to reduce the likelihood of children suffering potential negative impacts as a result of consuming cannabis at an early age.” The final vote on adoption of the proposed ordinance will not take place at this meeting. Several steps remain before the proposed ordinance becomes adopted, including:

- Consideration of the proposed ordinance by the Rules Committee;
- Consideration of the proposed ordinance by the full Council; and
- Approval of the proposed ordinance by the Mayor.

Staff will continue to monitor this issue in future Border Issues Status Reports.

BUTCHER SOLANA RESIDENTIAL DEVELOPMENT PROJECT (TORRANCE)

- *Last Update: December 5, 2017*

On July 27, 2017, the City of Torrance released the Notice of Preparation (NOP) of an Environmental Impact Report (EIR) for the Butcher-Solana Residential Development Project. The project proposes a 248-unit apartment complex on a 5.71-acre portion of a 24.68-acre former quarry site located at the southwesterly corner of Hawthorne Blvd. and Via Valmonte in the City of Torrance. The project site abuts city-owned parkland in Palos Verdes Estates and Ernie Howlett Park in Rolling Hills Estates. The 30-day public comment period was set to end on August 28, 2017 and a public scoping meeting was scheduled at Torrance City Hall on August 10, 2017. Click [here](#) for additional information on the City of Torrance’s website.

On August 10, 2017, the City of Torrance held a scoping meeting for the proposed 248-unit Butcher-Solana Residential Development Project. The meeting was well-attended by residents from Torrance, Palos Verdes Estates and other nearby neighborhoods and cities. Speakers were universally opposed to the proposed project, citing issues related to traffic and parking, neighborhood compatibility, general plan consistency, geology and landslides, noise, air quality, cultural resources and other issues. During the latter half of August 2017, City Staff planned to meet with our colleagues at Palos Verdes Estates and Rolling Hills Estates to coordinate our written comments on the scope of the project’s EIR. Comments on the scope of the EIR were due to the City of Torrance by 5:00 PM on August 28, 2017.

On August 23, 2017, Staff members from all four (4) Peninsula cities met to discuss our responses to the request for comments on the scope of the Environmental Impact Report (EIR) for the proposed 248-unit Butcher-Solana apartment project in the *Walteria* neighborhood of the City of Torrance. Issues of concern to the Peninsula cities included construction impacts, traffic/parking impacts, noise and open space. Each of the cities submitted comments to Torrance by the August 28, 2017 comment deadline. However, Torrance indicated that it would continue to “informally” accept comments on the scope and content of the EIR until September 18, 2017.