

## **BORDER ISSUES STATUS REPORT**

**Revised June 16, 2020**

*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 16, 2020*

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](http://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.

Following community open houses on CalWater's Palos Verdes Peninsula Water Reliability Project (PVPWRP) in May and June of 2018 in order to educate Peninsula residents about the benefits and construction impacts of this project, the 1-month closure of the eastbound lane of Palos Verdes Dr. N. between the Dapplegray Elementary School driveway and Dapplegray Ln. started on July 9, 2018. Eastbound through traffic was detoured at Rolling Hills Rd. Construction work within the closure

area was completed by the time classes resumed at Dapplegray Elementary School on August 22, 2018.

The next segment of pipeline work in Palos Verdes Dr. N. has been between Dapplegray Ln. and Montecillo Ln., which has resulted in periodic lane closures, turning restrictions at Palos Verdes Dr. E., and some overnight construction activity. Outside of the public right-of-way of Palos Verdes Dr. N., pipeline construction has been proceeding in nearby equestrian trail easements in Rolling Hills Estates and along the southerly boundary of the South Coast Botanic Garden.

As of early December 2018, construction for the new pump station on Crenshaw Blvd. near Silver Spur Rd. has begun and is expected to continue through the end of 2019. Motorists and Rancho Palos Verdes residents living adjacent to the pump station site will start to see crews clearing the area around the location as part of preparatory site work.

According to California Water Service, most of the pipeline installation in the Palos Verdes Peninsula Water Reliability Project will be complete by the end of 2019, with some additional work connecting the pipeline to the existing system continuing into 2020. Construction on the new pump station on Crenshaw Boulevard near Silver Spur Road continues.

The next leg of the project is on Crenshaw Boulevard and is scheduled to begin at the end of June or in early July 2019 in Rancho Palos Verdes. Crews will work in small segments starting at Crest Road and moving toward the new pump station site north of Silver Spur Road, working from 9 a.m. to 7 p.m. on weekdays.

Construction from Crest Road to the pump station location is expected to last approximately five months, but could change depending on unforeseen circumstances. Preparatory work includes surveying and equipment staging and is expected to last approximately two weeks before pipeline installation begins. The estimated duration for all work on Crenshaw Boulevard (from Crest Road to the South Coast Botanic Garden) is approximately seven months.

Crews plan to work in the following stages on Crenshaw Boulevard:

- Crest Road to Crestridge Road
- Crestridge Road to Indian Peak Road
- Indian Peak Road to Silver Spur Road
- The intersection of Silver Spur Road and Crenshaw Boulevard
- Silver Spur Road to the new pump station site
- Pump station site to Chadwick Lane
- Chadwick Lane to the South Coast Botanic Garden (Nightwork from 8 p.m. to 6 a.m.)

At least one lane of traffic will be open in each direction at all times and all lanes will be open during non-work hours.

- From Crest Road to Silver Spur Road, the southbound lanes of Crenshaw Boulevard will be shut down in stages and all traffic will be shifted across the median to the northbound lanes, with one lane open in each direction.
- From Silver Spur Road to the pump station site, the northbound lanes of Crenshaw Boulevard will be shut down and all traffic will be shifted across the median to the southbound lanes, with one lane open in each direction.
- From the pump station to about 2,300 feet south of Palos Verdes Drive North, the northbound lanes will be closed and all traffic will be shifted to the southbound lanes, with one lane open in each direction.
- From that point to Palos Verdes Drive North, only one southbound lane will be closed, with all northbound lanes open.

Cal Water has [produced a handout](#) showing what traffic control will look like along each of these stages.

Drivers are advised to expect traffic delays, drive slowly and with caution, and to take alternate routes, such as Hawthorne Boulevard, when possible.

Please note that drivers traveling north on Crenshaw Boulevard during working hours will be able to turn left at either Indian Peak Road or Silver Spur Road to head west, meaning one of these roads will be accessible when work reaches this area.

In late June 2019, Cal Water began a major segment of the Palos Verdes Peninsula Water Reliability Project, installing pipeline along Crenshaw Boulevard. Construction began at Crest Road in Rancho Palos Verdes, moving north down Crenshaw Boulevard toward the pump station site near Silver Spur Road. The work included partial lane closures, sending all north and southbound traffic over the median to one side of Crenshaw Boulevard during work hours, with one lane open in each direction.

In October, Cal Water announced it made a change to its project team and would re-evaluate the sequence of construction to ensure timely completion.

Drivers began experiencing significant traffic delays when roadwork reached the intersection of Crenshaw Boulevard and Indian Peak Road in mid-November. Traffic control personnel were stationed in intersections impacted by the work to facilitate traffic movement. Additionally, the City adjusted the timing of signal lights at the intersections of Hawthorne Boulevard and Indian Peak Road as well as Hawthorne Boulevard and Highridge Road to optimize traffic flow. The City of Rolling Hills Estates informed Staff it would make necessary adjustments to the traffic signal light at Hawthorne Boulevard and Silver Spur Road.

In late November, Cal Water announced a new construction sequence for the remainder of work on Crenshaw Boulevard, with two phases of 24/7 traffic control:

## Phase 1

- Boundaries: Indian Peak Road to south of Chadwick Lane
- Traffic control: Single lane of northbound and southbound traffic. Traffic control in place at all times. Permanent (glued down) construction delineators and dual yellow striping will be on the northbound lanes of Crenshaw Boulevard to indicate the new flow of traffic
- Work hours: Monday to Friday, from 7 a.m. to 7 p.m. with intermittent Saturday work
- Completion: Approximately the end of December 2019

After Phase 1 is completed, traffic control between Indian Peak and Silver Spur roads will be taken down and all lanes of traffic will re-open.

## Phase 2

- Boundaries: Silver Spur Road to south of Chadwick Lane
- Traffic control: Single lane of northbound and southbound traffic. Traffic control in place at all times. Permanent (glued down) construction delineators and dual yellow striping will be on the southbound lanes of Crenshaw Boulevard to indicate the new flow of traffic
- Work hours: Monday to Friday, from 7 a.m. to 7 p.m. with intermittent Saturday work
- Completion: Early 2020

Drivers are advised to expect traffic delays, drive slowly and with caution, and to take alternate routes, such as Hawthorne Boulevard, when possible.

These changes are expected to result in significant time savings for the remainder of work on Crenshaw Boulevard. Cal Water has produced a handout showing traffic control for each of these phases, which is viewable at [bit.ly/2reGO9t](http://bit.ly/2reGO9t).

In mid-January 2020, Cal Water crews transitioned to the second phase of 24/7 traffic control on Crenshaw Boulevard from Silver Spur Road to south of Chadwick Lane for the Palos Verdes Peninsula Water Reliability Project. Construction delineators and dual yellow striping were moved from the northbound lanes of Crenshaw Boulevard to the southbound lanes, with one lane open in each direction at all times. Night work restarted on Crenshaw Boulevard, beginning at the Rolling Hills United Methodist Church and continuing down to south of Chadwick Lane, including the intersection of Crenshaw Boulevard and Palos Verdes Drive North.

In late January, crews repaved the southbound lane of Crenshaw Boulevard from Crest Road to Indian Peak Road and performed striping in early February. Crews then began construction at the intersection of Crenshaw Boulevard and Silver Spur Road, with downhill traffic diverted to the southbound lane of Crenshaw Boulevard. Flashing red

signals and traffic control officers were in place to facilitate traffic flow. Work in the intersection was completed by March 9.

A milestone was reached in mid-April, when Cal Water announced that all seven new miles of pipeline was installed, 24/7 traffic control was removed on Crenshaw Boulevard and all lanes were reopened. Crews began conducting finishing work, including welding and grouting, to prepare for the new pipeline to be tied into the existing drinking water system, with smaller, periodic daytime closures along Crenshaw Boulevard.

At the end of April, another milestone was reached when night work was completed on Crenshaw Boulevard from the Rolling Hills United Methodist Church to Chadwick Lane, including the intersection of Palos Verdes Drive North and Crenshaw Boulevard.

As of the writing of this report, tie-in work connecting the new pipeline to the existing water system was scheduled for June 10, which may cause a temporary drop in water pressure for residents and businesses on the Peninsula for approximately 24 hours. Residents were asked to be mindful of water usage and to conserve where possible to prevent further lowering of water pressure or any potential interruptions in water service.

There will continue to be smaller, periodic closures along Crenshaw Boulevard, between Crest Road and the Rolling Hills United Methodist Church, as crews continue finishing work for the new drinking water pipeline.

Once final tie-ins are complete in the next few weeks, residents will see a decrease in heavy construction and traffic control measures as crews transition to completing the remaining, minor finishing work along the water pipeline route.

The new pump station on Crenshaw Boulevard, just north of Silver Spur Road, remains under construction, with work taking place from Monday to Friday, between 7 a.m. and 5 p.m., with some intermittent Saturday work.

In July, Cal Water expects to begin a 30-day acceptance period during which the new water pipeline and pump station will be fully operational.

Cal Water currently anticipates that all activities for the new water pipeline and pump station will be complete by the end of the summer. As a reminder, these currently represent Cal Water's best estimates. Construction timing may change based on several factors, including unforeseeable field circumstances.

For additional information about the Palos Verdes Peninsula Water Reliability Project, visit <http://www.pvpwaterproject.com> or call 310-257-1400 (mention the PVP Water Reliability Project).

Staff will remove this item from future Border Issues Status Reports.

**BUTCHER SOLANA RESIDENTIAL DEVELOPMENT PROJECT (TORRANCE)**

- *Last Update: June 16, 2020*

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.

On June 19, 2019, the City of Torrance released a draft environmental impact report (DEIR) for the proposed Butcher Solana apartment project at the southwest corner of Hawthorne Boulevard and Via Valmonte. The project would consist of 248 one- and two-bedroom apartments in three five-story buildings with 484 parking spaces in a six-story structure. The public comment period for the DEIR was extended from 45 to 60 days.

The DEIR can be viewed at <https://www.torranceca.gov/our-city/community-development/planning/butcher-solana>

In early August, Staff attended a meeting with staff from the cities of Palos Verdes Estates and Rolling Hills Estates to discuss the project and how each city intended to comment. Several concerns were raised, including inconsistencies throughout the document, purportedly outdated information, and erroneous analyses. Staff also

attended a community meeting about the project at the Red Onion restaurant in Rolling Hills Estates.

According to planning staff at the City of Torrance, because the project falls in that city's Hillside Overlay Area, the applicant was required to construct silhouettes showing the structures' visual impacts. Due to heightened interest, Torrance planning staff required the silhouettes go up for a longer-than-usual period of at least 60 days before the development's first hearing at the Planning Commission.

Silhouettes were constructed in late July, but Torrance planning staff was unable to certify them because they were damaged. The project application is therefore considered incomplete.

On August 19, 2019, the City submitted its comments on the DEIR, noting that although several issues the City previously raised were addressed in the analysis, numerous other concerns were not, as well as inaccuracies that the City identified.

According to the City of Torrance, more than 690 comment letters came in, and in mid-September, the project developer notified planning staff it was putting the project on hold while it reviewed them.

The project is not withdrawn and the developer is expected to touch base with the City of Torrance about its next steps in 2020, according to city staff.

As of June 2020, City of Torrance planning staff indicated the project remains on hold.

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

### **DEFENSE FUEL SUPPORT POINT SAN PEDRO (LOS ANGELES (SAN PEDRO))**

- *Last Update: June 16, 2020*

On October 15, 2018, Staff received notice from the Navy that it is beginning the environmental review process to lease a portion of the Defense Fuel Support Point (DFSP) San Pedro for commercial fueling operations. The Navy sought comments on the scope of the proposed Environmental Assessment (EA) for a 35-day period from October 10, 2018, through November 13, 2018.

On October 17, 2018, Staff attended a special meeting of the Northwest San Pedro Neighborhood Council's (NWSPNC) Planning and Land Use Committee at which this proposal was discussed. The Navy has prepared a fact sheet for the proposal but the details remain rather vague. The lease area could include both the main terminal on Gaffey St. and the marine terminal at Pier 12 in the Port of Long Beach, as well as existing pipelines connecting to these facilities. The type(s) of fuel to be stored or transshipped is unknown at this time. It is possible that the three (3) remaining aboveground fuel tanks at DFSP San Pedro—located off Western Ave. just south of Palos Verdes Dr. N.—might be put back into service.

On November 13, 2018, Staff sent the attached comments on the scope of the draft EA to the Navy. The Navy reportedly expects to release the draft EA for public review and comment in Spring 2019. Staff has asked for the standard 15-day public comment period to be expanded to forty-five (45) days.

On April 17, 2019, Staff received notice from the Navy of the release of a [draft environmental assessment \(EA\)](#) of a proposal to renew fueling operations under a commercial lease at Defense Fuel Support Point San Pedro (DFSP), the sprawling, inactive Navy fuel tank farm on North Gaffey Street (which borders the City on a stretch of Western Avenue), and an 8-acre marine terminal about five miles southeast in the Port of Long Beach.

The Navy deactivated DFSP in late 2015, filling its underground tanks with foamcrete for permanent closure, and began exploring how the site could be used in the future. The Navy determined DFSP is desirable for fueling needs for the growing Pacific Fleet. According to the Navy, leasing the property to a commercial operator is optimal because it would enable the Navy to use the site for fueling operations, but have the lessee cover the costs of rehabilitation and maintenance of facilities.

The draft EA studied two alternatives: Alternative 1 proposed renewing fueling operations for a mix of commercial and Navy use on 311 acres at the San Pedro site, the marine terminal and about 14 miles of underground pipelines; and Alternative 2 proposed renewing operations at the marine terminal and pipelines only. A No Action Alternative was also studied, but the Navy determined this would not meet its needs.

The analysis assumed a maximum of 30 million barrels of fuel a year being transported for commercial and Navy use, noting the historical use by the Navy of 4 million to 12 million barrels per year. The assessment found that, with mitigation, there would be no significant impacts across 13 resource areas. Development would be limited to previously disturbed areas and biological resources that support sensitive species, including the Palos Verdes blue butterfly population, would not be disturbed. Three aboveground storage tanks near Western Avenue and Palos Verdes Drive North could be reactivated and additional facilities, including new tanks, could be constructed.

On May 16, 2019, Staff submitted a comment letter to the Navy raising serious concerns with the proposal, including the unknowns of potential commercial uses and the construction of new facilities at the San Pedro site, public safety hazards, increased traffic, and biological and visual impacts.

Los Angeles City Councilman Joe Buscaino, who represents the Harbor Area, sent a letter to the Navy opposing reactivating the San Pedro site, saying multiple existing liquid bulk facilities in the twin ports of Los Angeles and Long Beach are capable of meeting the Navy's needs.

In response to requests from the community, the Navy extended the public comment deadline for the draft EA from May 20, 2019 to June 3, 2019.

On May 29, 2019, Staff attended a meeting of the Northwest San Pedro Neighborhood Council Community Issues Committee, where the panel heard an overview of the proposal from Gregg Smith, a public affairs officer for Naval Weapons Station Seal Beach. Smith took questions and clarified that the Navy would not collect rent from the lessee, saying the arrangement would be for in-kind services (improvements and maintenance). Smith also said that since announcing plans to potentially reactivate DFSP, the Navy has been approached by several local oil industries that expressed interest in the potential outlease.

The committee members raised various public safety concerns about renewing and significantly increasing fueling operations at the depot site in San Pedro, given its proximity to homes, populated areas, the nearby Rancho LPG storage tanks and the Phillips 66 oil refinery. Smith said that under Alternative 2, one possibility could be for a nearby oil refinery with existing pipelines capable of connecting to the marine terminal to enter an outlease, meaning, the use of the site near homes could be avoided.

The Navy granted the Northwest San Pedro Neighborhood Council an extension to submit comments on the draft EA after June 3, 2019 so they could be discussed at the council's next board meeting after the deadline. On June 10, 2019 the board voted unanimously to send a letter opposing Alternative 1 over various environmental and public safety concerns, expressing strong opposition to the construction of new storage tanks, and calling for additional alternatives to be studied before making a decision on Alternative 2.

According to the Navy, a final EA should be released by the end of 2019. The Navy would then put out a request for proposals and make a final decision on its next steps soon after. Any potential development not studied in the EA would require additional analysis.

On November 4, 2019, the U.S. Navy released a request for proposals (RFP) for a proposed outlease of Defense Fuel Support Point San Pedro (DFSP), the sprawling, inactive Navy fuel tank farm on North Gaffey Street (which borders the City on a stretch of Western Avenue), and an 8-acre marine terminal about five miles southeast in the Port of Long Beach.

The RFP can be viewed online at

[https://beta.sam.gov/opp/5154a49bfb9b09f33f91a9eb276e3a03/view?index=opp&page=1&sort=-relevance&keywords=defense%20fuel%20support&date\\_filter\\_index=0&inactive\\_filter\\_values=false](https://beta.sam.gov/opp/5154a49bfb9b09f33f91a9eb276e3a03/view?index=opp&page=1&sort=-relevance&keywords=defense%20fuel%20support&date_filter_index=0&inactive_filter_values=false)

Proposals are due January 17, 2020. Prior to the release of the RFP, the Navy indicated it had been approached by several local oil industries that expressed interest in the potential outlease.

The RFP states that the Navy's target lease execution date is August 31, 2020. All federal, state and local permits and licenses required to meet the Navy's fueling requirement would need to be obtained by the end of August 2022, and the operator would need to be capable of delivering fuel to the Navy via pipeline at the fuel pier by the end of August 2023.

The solicitation period for the RFP closed on February 14, 2020, with no proposals received. However, the Navy still has a requirement for contingency ship fueling that must be provided in a safe, secure and cost-effective manner. After receiving feedback from the industry, it was determined that there was commercial interest in the release of a modified solicitation offering more flexible alternatives (including the ability to take only portions of the DFSP property rather than the entire property) and more information to proposers. The Navy released a Request for Qualifications (RFQ) on May 1, 2020, with a re-structured RFP scheduled to be available in July 2020. The RFQ was updated to extend the deadline for Statements of Qualification to June 11, 2020.

A copy of the RFQ can be viewed online at [https://beta.sam.gov/opp/e70b882837da49ea9a67ce7403c2738f/view?keywords=defense%20fuel%20support%20point&sort=-relevance&index=opp&is\\_active=true&page=1](https://beta.sam.gov/opp/e70b882837da49ea9a67ce7403c2738f/view?keywords=defense%20fuel%20support%20point&sort=-relevance&index=opp&is_active=true&page=1)

It is Staff's understanding that the final EA will not be released until after proposals come in so the assessment can fully analyze the most likely scenarios for future use of the site.

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

### **PONTE VISTA PROJECT AT FORMER SAN PEDRO NAVY HOUSING SITE (CITY OF LOS ANGELES/SAN PEDRO)**

- *Last Update: June 16, 2020*

There was no new information presented at the August 28, 2002 San Pedro Facility Restoration Advisory Board (RAB) meeting regarding the status of the transfer of the San Pedro and Palos Verdes housing sites to the various agencies identified by the San Pedro Reuse Committee in 1999. A portion of the housing along Taper Avenue was transferred to the Archdiocese of Los Angeles in 2001 for the possible future expansion of Mary Star of the Sea High School.

On September 13, 2002, Staff spoke with Navy personnel regarding the transfer of the housing sites. According to the Minutes of the August 2001 RAB meeting, the transfer of these properties was being held up by the issue of Palos Verdes blue butterfly habitat on and adjacent to the housing sites. Consultations between the Navy and the US Fish and Wildlife Service (USFWS) over the Navy's proposed habitat plan reached an

impasse in early 2002, which was only broken when the Navy agreed that it would retain ownership of a critical habitat area adjacent to the Palos Verdes housing site. Under this scenario, the various proposed recipients of the properties—including Marymount College—would be responsible for dealing individually with USFWS if any critical habitat issues arose on their respective properties as a result of their proposed reuse and/or redevelopment. However, the City of Los Angeles apparently objects to this scenario and has asked the Department of Housing and Urban Development (HUD)—which is the last Federal agency that needs to approve the transfer of the properties—to withhold any action on the San Pedro Reuse Plan until its concerns are addressed. Navy personnel indicated that HUD could unilaterally approve the Reuse Plan over the City of Los Angeles' objections but has been understandably reluctant to do so. Nevertheless, the Navy believed that the transfer of the housing sites could be finalized by early 2003.

On October 28, 2002, the *Daily Breeze* reported that the impasse regarding the transfer of the former Navy housing sites had been broken, largely due to the efforts of Congresswoman Jane Harman and Los Angeles City Councilwoman Janice Hahn. The transfer of the property to the City of Los Angeles was expected to be complete by the end of 2002. As a part of the property transfer, the Navy will set aside a 10-acre fenced preserve for the Palos Verdes blue butterfly, to be maintained and monitored by the a land conservancy group. The housing sites will ultimately be transferred to Marymount College, Rolling Hills Preparatory School, South Bay Crossings and the Kenny Nickelson Memorial Foundation for Homeless Veterans, all of whom were identified in the 1999 base reuse plan. However, the Harbor-UCLA Research and Education Institute (REI), which was slated to redevelop approximately 46.5 acres of the Western Avenue housing site, withdrew its plans for the site. With the withdrawal of REI, its portion of the San Pedro housing site will be put up for bid sale by the Navy in early 2003. The former REI portion—which is zoned R-1 and contains approximately 190 dwelling units—is expected to generate interest from the residential development community.

On January 18, 2003, the Los Angeles *Times* reported that HUD was slated to make a final decision on the 1999 reuse plan in late January 2003, pending resolution of a revived dispute between the City of Los Angeles and Volunteers of America (VOA), a homeless advocacy group. VOA was one of the original applicants for the reuse of the former Navy housing, but was not one of the final recipients identified in the 1999 plan. VOA had been trying to increase the number of dwelling units set aside for low-income families and the homeless, particularly since the units formerly allocated to REI are now “up for grabs” with the withdrawal of REI’s proposal for the San Pedro housing site. The South Bay *Daily Breeze* subsequently reported on February 5, 2003, that the City of Los Angeles and VOA failed to reach a compromise, and the 1999 reuse plan was forwarded to HUD as originally approved.

On March 8 and 9, 2003, the *Times* and the *Daily Breeze*, respectively, reported that HUD had rejected the 1999 reuse plan for the former Navy housing sites. In a letter to the City of Los Angeles, HUD stated that the 1999 reuse plan did not adequately

balance economic development and the needs of the community's homeless. HUD further suggested that at least seventy-six (76) additional dwelling units be set aside for low-income housing, possibly within the San Pedro housing site on Western Avenue. HUD has given the City of Los Angeles ninety (90) days to develop a revised plan to address its concerns.

On May 6, 2003, Staff in the office of Los Angeles City Councilwoman Janice Hahn advised the City that neither Councilwoman Hahn nor Los Angeles Mayor James Hahn proposed or supported any alteration to the 1999 reuse plan. The Councilwoman's Staff indicated that the City of Los Angeles was working on a response to HUD's concerns, which was scheduled to be transmitted to HUD. Ultimately, the City of Los Angeles did not respond to HUD's concerns by the June 7, 2003 deadline, effectively reiterating its endorsement of the original 1999 reuse plan.

On June 20, 2003, Staff contacted Navy personnel regarding the next steps in the property transfer process. Based upon the City of Los Angeles response (or lack thereof) to HUD's comments about the 1999 reuse plan, HUD has sixty (60) days to issue a final determination regarding the disposal of the property. If HUD stands by its previous position that at least seventy-six (76) additional units be set aside for low-income housing, then HUD has the authority to decide what agency or entity will receive those units. Pending HUD's final determination, the Navy has made no decision regarding the disposition of the housing sites. However, once a final determination is issued, the Navy will transfer the property based upon the allocation program outlined in the 1999 reuse plan (as modified by HUD). Any unallocated portions of the property (i.e., the former Harbor-UCLA Research and Education Institute portion) will be put up for public sale to the highest bidder.

HUD rejected the 1999 reuse plan for the former Navy housing sites in San Pedro on August 13, 2003. According to Los Angeles City Councilwoman Janice Hahn's office, the Navy now plans to auction off the Western Avenue portion of the property to the highest bidder. As mentioned previously, the property is zoned R-1 and would be expected to be developed with market-rate single-family homes.

On September 8, 2003, a representative of Councilwoman Hahn's office made a presentation to the Northwest San Pedro Neighborhood Council regarding the disposition of the former Navy housing sites in light of HUD's rejection of the 1999 reuse plan. Also present at the meeting were representatives of Marymount College, Rolling Hills Preparatory School and Volunteers of America (VOA).

Councilwoman Hahn's representative made it clear that HUD's request for seventy-six (76) additional units for the homeless was only a recommendation to the Navy, which has the final authority to determine the allocation of the property. She further stated that the Navy has indicated that it intends to comply with "spirit" of the 1999 reuse plan and the "intent" of HUD's recommendation. To this end, the Navy expects to transfer all of the property on the Palos Verdes site in general accordance with the 1999 reuse plan. However, with the exception of one acre and two structures allocated to the Kenny

Nickelson Memorial Foundation for Homeless Veterans, the balance of the San Pedro/John Montgomery site—containing two hundred forty-five (245) dwelling units—will be put up for Internet bid auction, and potential bidders will be advised of their obligation to provide for seventy-six (76) units of homeless housing. This obligation can be satisfied by 1) buying out the homeless services providers (i.e., VOA and San Pedro Enterprise Community (SPEC)) for the value of the units; 2) agreeing to provide the units on-site as a part of a future development project; or 3) some combination of both of these alternatives. The Navy now hopes to dispose of all of its former housing by the end of 2003.

At the annual San Pedro Facility RAB meeting on October 1, 2003, Navy personnel stated that the Navy had issued a Finding of Suitability to Transfer (FOST) for the San Pedro/John Montgomery housing site, thereby clearing the way for its sale. However, a FOST had not yet been issued for the Palos Verdes site.

In response to Councilman Clark's comments at the October 7, 2003 City Council meeting, Staff contacted Los Angeles City Councilwoman Janice Hahn's office regarding any further action by the City regarding the transfer of the housing sites. According to Staff in the Councilwoman's office, the transfer of the housing sites is proceeding and the City of Los Angeles is not taking any further action to delay it or to re-open the process to another reuse committee. On November 5, 2003, Staff prepared a draft letter to the Navy expressing the City Council's position that the reuse plan should be implemented and the housing sites transferred as approved by the reuse committee and the Los Angeles City Council in 1999. This letter was finalized and sent to the Navy on November 6, 2003.

On March 10, 2004, Staff and Councilman Wolowicz attended a meeting with Navy representatives to discuss the status of the transfer of the former Navy housing site with 25 to 30 concerned residents in the area, including Rancho Palos Verdes residents from the *Rolling Hills Riviera* and *Palo de Encino* neighborhoods. The meeting featured Elise Swanson of Los Angeles Councilwoman Janice Hahn's office, John Hill and Kimberly Kessler with the Navy and Chad Molnar of U.S. Congresswoman Jane Harman's office.

Mr. Hill briefly recapped the history of the 1999 reuse plan and its rejection by the U.S. Department of Housing and Urban Development (HUD) in August 2003. He reported that the educational conveyances of portions of the Palos Verdes site to Marymount College and Rolling Hills Preparatory School were moving forward. He noted that the conveyance of 76 units of the Palos Verdes site to South Bay Crossings for homeless housing was still held up with HUD, which is assessing South Bay Crossings' ability (financial and otherwise) to implement their proposed project. He also reconfirmed that the San Pedro site would be put up for public bid auction this summer, with the winning bidder obligated to provide 76 units of homeless housing for Volunteers of America (VOA). This obligation could be met by providing these units on site, or negotiating to "buy out" VOA for the value of all or a part of these units. Mr. Hill also stated that, in the event that HUD does not "sign off" South Bay Crossings' proposal, the 76 units on the Palos Verdes site would also be awarded to VOA.

In response to many attendees' concerns about VOA's intentions regarding the San Pedro site, Ms. Swanson stated Councilwoman Hahn has been working actively with VOA to find an alternative off-site location for these 76 units of homeless housing. She said that the Councilwoman has met with VOA and representatives of a church in Watts to discuss such an alternative, and that VOA has expressed interest in other site options for these units.

Many attendees questioned HUD's determination rejecting the 1999 reuse plan, and asked what (if anything) could be done now to change this determination. It was the consensus of Mr. Hill, Ms. Kessler and Ms. Swanson that there was little or no chance of changing HUD's determination. Mr. Hill stated that the Navy would not question or challenge HUD's determination regarding the additional 76 homeless units because the Federal statute regulating the procedures for base closures gave this authority to HUD, while the Navy has no expertise in homeless housing matters. He also stated that this was the only case of which he was aware where HUD rejected the reuse plan for former Navy property, and that there were no provisions in the Federal statute to allow the community to formally "step back into" the process if a reuse plan is rejected. In response to questions from attendees, Mr. Molnar stated that he would try to find out the basis for HUD's selection of 76 as the number of additional homeless units needed, which appeared to be an arbitrary number to many people.

Marymount College's acquisition of an 11.3-acre portion of the former Navy housing site on Palos Verdes Drive North on May 10, 2004 was reported in the *Daily Breeze* and *Palos Verdes Peninsula News* on May 11<sup>th</sup> and May 13<sup>th</sup>, respectively. The 86 townhouse units had been leased from the Navy for student and faculty housing since 1998.

Staff understands that the Navy has been pre-qualifying bidders for the auction of the San Pedro housing site. One of the potential bidders is the Westgate Group, who is proposing to construct a 140-unit condominium project on adjacent property in the City of Los Angeles (see discussion below). The website for the auction of the Navy housing site (<http://www.PonteVista.com>) was up and running by the end of July 2004. The property is being marketed as *Ponte Vista* to homebuilders through Colliers Seeley, a major international commercial real estate brokerage. According to the *Ponte Vista* website, an Invitation for Bid (IFB) is expected to be released this fall, with the bidding period to be open for a 30- to 45-day period after release of the IFB.

At the annual San Pedro Facility RAB meeting on August 18, 2004, Navy personnel stated that portions of the Palos Verdes housing site had been quitclaimed to Marymount College and Rolling Hills Preparatory School in April 2004 and August 2004, respectively. It was also announced that the seventy-six (76) units of homeless housing on the Palos Verdes site would be granted to Volunteers of America (VOA) since South Bay Crossings failed to demonstrate its ability to fulfill its obligations under the 1999 reuse plan. Navy personnel also discussed the upcoming Internet auction of the San Pedro/John Montgomery housing site.

As of late-October 2004, the Navy had not yet issued the IFB to begin the on-line auction of the *Ponte Vista* property. However, the auction website had been updated to include additional, detailed information about the portions of the property to be conveyed to VOA and the Kenny Nickelson Memorial Foundation (KNMF) for homeless housing and related services. At the end of the auction and prior to close of escrow, the winning bidder will have the opportunity to negotiate an alternative agreement with VOA and/or KNMF to “buy out” their interests, which total approximately twenty (20) acres of the 62-acre site and include seventy-six (76) existing residences and two (2) non-residential buildings. The Navy shall have final authority to approve any alternative agreement reached by winning bidder and the homeless services providers. In the event that an alternative agreement is not approved and/or executed, the Navy shall quitclaim the designated portions of the site to VOA and/or KNMF.

On November 1, 2004, the Navy issued the IFB to begin the on-line auction process for the *Ponte Vista* property. The auction itself was scheduled to begin on December 1, 2004, with a minimum opening bid of twenty-five million dollars (\$25,000,000) for the 61.53-acre site. Prospective bidders were required to post a registration deposit of one million two hundred fifty thousand dollars (\$1,250,000). The IFB also advised bidders of the obligation to provide for the designated homeless service providers (HSPs), either through an alternative agreement between the HSPs and the high bidder or through direct conveyance of nearly twenty (20) acres of the site to the HSPs. The auction is expected to continue until at least mid- to late-December 2004.

The on-line auction for the *Ponte Vista* property began on December 1, 2004, but got off to a slow start, with only one bid submitted after nearly three weeks. On December 16, 2004, the Navy issued an amendment to the Invitation for Bids (IFB) for a revised easement description related to the homeless services providers’ (HSPs’) parcels. Due to the amended IFB, the auction is not expected to end until early January 2005. Once the auction ends and during the 60-day escrow period, the final high bidder will have the opportunity to negotiate alternate agreements with the designated HSPs to possibly acquire their respective interests in the *Ponte Vista* site, which encompass seventy-six (76) units and two (2) non-residential buildings on a 19.58-acre portion of the site. The Navy retains the authority to approve or disapprove any alternate agreement(s) between the high bidder and the HSPs.

The 72-hour “Call for Final Bids” in the on-line auction for the *Ponte Vista* property was issued on January 3, 2005. The number of bidders then increased to at least four (4), and the pace of bidding suddenly picked up at this point. The Navy issued an amendment to the IFB on February 17, 2005, to increase the minimum bid increment to \$500,000, presumably to speed up the conclusion of the auction. The Navy issued another IFB amendment on February 25, 2005, to increase the minimum bid increment to \$1,000,000. Shortly thereafter, the on-line auction ended on March 7, 2005. The high bid of \$88,000,000—which equates to nearly \$2,100,000 per acre—was submitted by “guildmortge” and the second highest bidder was “richmar.” The high bidder is only guaranteed to receive a 41.95-acre portion of the 61.53-acre property, with the

remaining balance of the property to be conveyed to the designated HSPs unless alternate agreements are reached between the high bidder and the HSPs. The actual identities of the two highest bidders had not been revealed by the time this report was completed. Also, in a *Daily Breeze* article on March 9, 2005, Los Angeles City Councilwoman Janice Hahn—in whose district the *Ponte Vista* property is located—was quoted as supporting the inclusion of Little League fields in the future residential development project. Staff continued to monitor the progress of the sale through the end of the auction and the 60-day escrow period, including the status of any alternate agreements that may be reached between the final high bidder and the HSPs.

In a *Daily Breeze* article on April 6, 2005, the high bidder in the *Ponte Vista* auction (“guildmortge”) identified himself as Bob Bisno of Century City-based Bisno Development Company. Based upon comments attributed to Mr. Bisno, it appears that he intends to develop the site with high-density multi-family units, and to construct substantially more units than the two hundred forty-five (245) homes that currently exist on the site. The property is currently zoned R-1 by the City of Los Angeles, so it is expected that a change in zoning will be required to implement the developer’s proposal. However, Mr. Bisno has expressed confidence that he will reach agreements with the designated HSPs to buy out their interests in a 19.58-acre portion of the 61.53-acre site.

A *Daily Breeze* article on July 13, 2005, reported that Bisno Development was preparing to submit an application to develop the former Navy housing site with 2,300 townhouses and condominiums. As part of the project, a portion of the development would be dedicated for senior housing and a senior recreation center. Additionally, it was reported that the developer proposed to set aside forty percent (40%) of the project site as open space, and to construct four (4) baseball diamonds for San Pedro’s Eastview Little League. Plans were expected to be submitted to the City of Los Angeles during the week of July 18<sup>th</sup>. The *Daily Breeze* article noted the concerns of neighboring homeowners’ associations and Councilwoman Janice Hahn’s office regarding the scale of the project and the potential impacts it would have on the environment and surrounding neighborhoods.

On August 22, 2005, City Staff met with the developer’s representatives on the project site. At that meeting, City Staff was informed that project plans had been submitted to the City of Los Angeles and were being reviewed for completeness. The developer’s representatives confirmed that the project proposed 1,725 multi-family housing units and 575 senior housing units for a total of 2,300 housing units on a site that previously accommodated 245 housing units. City Staff was also informed that the 76-unit transitional homeless housing facility was no longer a part of the project.

After hearing the developer’s presentation, City Staff raised brief concerns regarding impacts to Western Avenue, specifically regarding traffic volumes related to the high density of the project and the design of the street entry points to the project site. The developer’s representatives informed City Staff that an advisory board, consisting of the project team and community members, would be formed to address public concerns.

When asked if a community representative from the City was on the advisory board, the developer's representatives said that there was but they could not recall the individual's name. To date, it is still unknown who (if anyone) has been asked to serve on the advisory board on the City's behalf. It should also be noted that the developer's representatives intend to participate in the Western Avenue Task Force process.

On September 15, 2005, the City received a Notice of Preparation (NOP) from the City of Los Angeles notifying interested parties that an EIR would be prepared for the *Ponte Vista* project and that a public scoping meeting would be held on October 6, 2005. The public comment period was scheduled to end on October 14, 2005. Staff intended to attend the scoping meeting and report back to the Council.

At the October 6<sup>th</sup> scoping meeting, many Rancho Palos Verdes, San Pedro and Harbor City residents expressed their concerns about the project. These concerns included (but were not limited to): traffic impacts related to existing and proposed development surrounding the project site; proposed residential density that is nearly ten (10) times the number of existing units on the project site; impacts upon local schools and other public services and infrastructure; the gating of the community and limiting public access to the project's recreational amenities; the close proximity of the proposed Little League fields to the adjoining condominiums and other issues related to the design of the site; air quality impacts to surrounding residences during and after project construction; and hazardous materials issues and the close proximity of the site to the adjoining Navy fuel depot. The City of Los Angeles also announced that the public comment period for the Notice of Preparation (NOP) would be extended to November 30, 2005 (it was originally scheduled to end on October 14, 2005). Staff prepared draft comments on the NOP for the City Council's review at the November 1, 2005, meeting, prior to their submittal to Los Angeles City Planning staff.

On November 9, 2005, a second community meeting was held for the *Ponte Vista* project. No new project information was presented at this meeting, which served primarily to give the developer's project team an opportunity to present information to the public about the project. It was also interesting to note that the developer was actively soliciting public opposition (in the form a petition) to the selection of the *Ponte Vista* site as the preferred site for a new public high school, and that the *Ponte Vista* Community Advisory Board was characterized to Staff by the community outreach coordinator as "friends of *Ponte Vista*." Staff asked to be provided with the names of the Rancho Palos Verdes representatives to the Advisory Board, but the developer had not done so by the date that this report was completed. Therefore, in response to the City Council's direction on November 1, 2005, the final comments on the scope of the Environmental Impact Report (EIR) for the *Ponte Vista* project were forwarded to the City of Los Angeles on November 14, 2005. The public comment period on the scope of the EIR ended on November 30, 2005. Staff expects that a draft EIR for the project may be available for public review and comment by the second quarter of 2006.

Based upon direction from the City Council at the December 6, 2005, meeting, a letter from the Mayor to Los Angeles City Councilwoman Janice Hahn was prepared on

December 22, 2005. Staff continues to monitor this project, and awaits the release of the draft EIR.

On February 13, 2006, the Northwest San Pedro Neighborhood Council (NWSPNC) agendized a motion opposing a proposal by Los Angeles City Councilwoman Janice Hahn for a specific plan for the *Ponte Vista* project. The NWSPNC agreed that the entire site should be master planned, but was concerned that the NWSPNC needed a role in the process and that the Los Angeles Unified School District (LAUSD) should be included as a project stakeholder. In last-minute discussions with Councilwoman Hahn, however, she agreed to a 3-phase Neighborhood Assessment Process for the project. The phases would include an assessment of existing conditions in the northwest San Pedro area, including a proposed subdivision and new Target store at Capitol Drive and Gaffey Street; a series of focus groups in the community; and the preparation of a specific plan for the *Ponte Vista* site. Based upon these changes in Councilwoman Hahn's proposal, the NWSPNC withdrew its opposition. Staff continues to monitor this project, and awaits the release of the draft EIR.

As of late March 2006, the City had yet to receive a formal response to the December 2005 letter from Mayor Wolowicz to Los Angeles City Councilwoman Janice Hahn expressing concern about the role and function of the developer's *Ponte Vista* Advisory Board. In the meantime, on March 22, 2006, the City received a newsletter from the *Ponte Vista* developer, announcing (among other things) the formation of the *Ponte Vista* Advisory Board. The Board members were characterized as "goodwill ambassadors to the community" who "assist in selecting recipients of the *Ponte Vista* community contribution grants."

In addition to the *Ponte Vista* project, Staff has been recently made aware of two other projects in the northwest San Pedro area that may have impacts upon congestion in the Western Avenue corridor. On March 13, 2006, the Northwest San Pedro Neighborhood Council (NWSPNC) received a preliminary presentation regarding the proposed Target store on the former DiCarlo Bakery site at the northwest corner of Capitol Drive and North Gaffey Street. In addition, on March 17, 2006, the City received a public hearing notice for a proposed 134-unit condominium project on the former Kinder-Morgan tank farm site near the southwest corner of Capitol Drive and North Gaffey Street. Staff will continue to monitor these projects in the future.

In April 2006, received another community newsletter from the developer of the *Ponte Vista* project, this one focusing on the senior housing component of the project. Staff also learned that Elise Swanson, the former Director of Community Development in Los Angeles City Councilwoman Janice Hahn's office, had left the Councilwoman's office and been hired by Bisno Development, the *Ponte Vista* developer. Mr. Bisno also recently addressed the Northwest San Pedro Neighborhood Council (NWSPNC), although Staff was unable to attend this meeting.

On May 8, 2006, the Northwest San Pedro Neighborhood Council (NWSPNC) received a brief presentation from Councilwoman Janice Hahn's Staff's regarding the task force

that she is assembling. The 15-member task force will advise the Los Angeles city planner assigned to the *Ponte Vista* project. The task force is expected to begin meeting in June 2006. The Rancho Palos Verdes City Council recently appointed representatives from the *Rolling Hills Riviera*, *Peninsula Verde* and *Mira Vista* neighborhoods to the *Ponte Vista* task force. Also, at the May 8<sup>th</sup> NWSPNC meeting, a representative of Bisno Development stated that the Draft EIR for the project was expected to be released for public review by the end of June 2006.

The City recently received a newsletter regarding the active adult (i.e., senior) housing component of the proposed *Ponte Vista* project.

On August 10, 2006, the Los Angeles Councilwoman Janice Hahn's *Ponte Vista* Advisory Board convened its first meeting. The 13-member Board includes representatives of the *Peninsula Verde*, *Rolling Hills Riviera* and *Mira Verde* homeowners' associations in the City of Rancho Palos Verdes.

In opening remarks by Councilwoman Janice Hahn, she reiterated her position that 2,300 units were too much for the 62-acre site. In response, developer Bob Bisno expressed confidence that, through the specific plan process, he would demonstrate that this density was appropriate for the site. Los Angeles Principal City Planner Betsy Weisman briefly discussed the specific plan process, and its relationship to the city's General Plan and zoning regulations. She also noted that, as reported in the *Daily Breeze* and *Peninsula News* on August 10, 2006, the City of Los Angeles will be hiring a city planner who would be assigned specifically to the processing of the *Ponte Vista* project.

On September 14 and 21, 2006, the *Ponte Vista* Community Advisory Committee (PVCAC) held its second and third meetings, respectively. Staff was not able to attend the September 14<sup>th</sup> meeting, but from the agenda, we understand that it was primarily a "team building" meeting for PVCAC and its facilitator to identify general goals and objectives and work out how future meetings would be conducted.

The September 21<sup>st</sup> PVCAC meeting began with the distribution of a meeting schedule for the PVCAC that was prepared by the developer and the PVCAC chairman and facilitator. The schedule was immediately criticized as too aggressive, calling upon PVCAC to complete its review of the project's specific plan by March 2007. The developer distributed a binder of information submitted to the City of Los Angeles for its proposed general plan amendment, community plan amendment and zone change. Staff obtained one of these binders, and it is available for review during regular Planning Division public counter hours. The developer also stated that this information will be posted on the *Ponte Vista* website (<http://www.pontevista.com>). Los Angeles City Planning Staff also provided a brief overview of the specific plan process, although no specific plan documents have yet been provided to PVCAC. There was also discussion about the availability of the project's traffic study for public review. The developer stated that he was awaiting authorization from the City of Los Angeles Planning Department and Department of Transportation (LADOT) before releasing the study.

The draft environmental impact report (DEIR) for the *Ponte Vista* project was released on November 2, 2006, for a 90-day public comment period. Staff distributed a copy of the executive summary from the DEIR as late correspondence at the November 7, 2006, City Council meeting. The public comment period for the DEIR ends on January 30, 2007. Staff intends to prepare comments for the City Council's review on January 19, 2007. The DEIR is available for review on-line at:

<http://www.pontevista.com/deir/> and <http://cityplanning.lacity.org/>

The *Ponte Vista* Community Advisory Committee (PVCAC) met on November 9, 2006, and November 30, 2006, and began reviewing the DEIR. Much of the discussion focused on the traffic study and project alternatives. PVCAC met again on January 11, 2006, and conducted a public forum to accept input on the project's DEIR on January 18, 2006. Hundreds of people—both in support of and in opposition to the proposed project—were allowed to express their concerns directly to PVCAC. Both Staff and Councilman Wolowicz addressed PVCAC expressing the City's concerns about the project. Los Angeles City Councilwoman Janice Hahn addressed PVCAC and forum attendees, stating that traffic was clearly the number one issue on everyone's list of concerns about the project, and pledging to continue to pressure the Navy to gain access from the project site directly to Gaffey Street. She also stated that she opposed LAUSD's proposal for a 2,025-seat high school on the site, suggesting that the District's needs could be better met with several smaller campuses on property that the District already owns and/or occupies in the Wilmington, Harbor City and San Pedro areas. The public comment period on the DEIR ended on January 30, 2007.

The *Ponte Vista* Community Advisory Committee (PVCAC) met on February 8 and 27, 2007. At the February 8<sup>th</sup> meeting, Chairman John Greenwood a statement regarding PVCAC's concerns about the project's environmental impact analysis. However, the bulk of the meeting was devoted to a presentation by Los Angeles City Planning Staff regarding a proposed schedule of meetings to formulate the specific plan for the project. This process was set to begin at the February 27<sup>th</sup> meeting with a "Planning 101"-type overview of the specific plan process and basic urban design principles.

The PVCAC met on March 8 and 22, 2007. At the March 8<sup>th</sup> meeting, Los Angeles City Planning Staff facilitated the first part of a "visioning" workshop to identify the desired mix of residential, commercial, open space and linkages for the *Ponte Vista* project. PVCAC members broke into three (3) roundtable groups with Los Angeles Urban Planning Staff members. The vision plans bore some similarities to one another in terms of the mix of uses desired for the site, and all of them envisioned that some significant portion of the proposed residential units would be at a higher density than the current R-1 zoning would otherwise permit. At the March 22<sup>nd</sup> meeting, Los Angeles City Planning Staff further refined the site plans developed by the PVCAC members. The Committee reviewed and commented on the refined plans and also received a presentation from Los Angeles City Planning Staff regarding the demographics (i.e., population, housing, income, etc.) of the San Pedro Community Plan Area. During

public comments, representatives of San Pedro Homeowners United and the San Pedro Peninsula Homeowners' Coalition expressed support for retaining the existing R-1 zoning of the *Ponte Vista* site. Rancho Palos Verdes Committee member Mark Wells also announced his resignation from PVCAC due to his appointment to the City's Traffic Safety Commission.

The *Ponte Vista* Community Advisory Committee (PVCAC) met on April 12 and 26, 2007. At the April 12<sup>th</sup> meeting, Los Angeles City Planning Staff presented a composite site plan based upon the three (3) conceptual site plans and input provided by the Committee at the PVCAC meetings in March 2007. The composite site plan depicted higher density development around the perimeter of the project site, but with open space and ball fields along the southerly side. Small-scale mixed-used development was designated for the central portion of the site. The use of small groupings of attached single-family row houses along Western Avenue would preserve view corridors over the site. Accommodation was also made for the possible future site of a school. Members of the Committee were concerned that the composite plans still did not identify specific densities for the site or the location of the seniors-only portion of the project. Several members of the public spoke in favor and in opposition to both the original project proposal and the composite site plan presented at the meeting. On the whole, almost no one was satisfied that the composite site plan was reflective of the direction that the Committee saw for the *Ponte Vista* site. At the April 26<sup>th</sup> meeting, PVCAC was scheduled to discuss traffic issues with Staff from the Los Angeles Department of Transportation (LADOT).

The *Ponte Vista* Community Advisory Committee (PVCAC) met on April 26, May 10 and May 22, 2007. At the April 26<sup>th</sup> meeting, Los Angeles Department of Transportation (LADOT) presented a summary of its additional analysis of the project's traffic study. Since the traffic study from the DEIR used existing traffic counts taken when Western Avenue was impacted by construction related to the sinkholes, new traffic counts were taken in March 2007. LADOT Staff stated that the new counts—which were higher at some locations and lower at others—did not change the basic conclusions of the developer's traffic study. However, LADOT Staff stated that the developer's use of a trip generation rate for a high-rise condominium resulted in much lower trip generation than would the use of a townhouse/condominium rate (such as was used for the *Playa Vista* project in West Los Angeles). The Committee asked LADOT to recalculate the trip generation for the project using more conservative assumptions, and determine if the proposed traffic mitigation would still be adequate to address the project's impacts. The Committee also began to discuss reaching consensus on certain key provisions of the project for its ultimate recommendations to Councilwoman Hahn. The majority of the Committee agreed that the project should include an access road for Mary Star-of-the-Sea High School, and a separate seniors-only component with transportation service for residents. However, several other key issues remained to be addressed.

At the May 10<sup>th</sup> meeting, the Committee received a follow-up report from LADOT. Based upon more conservative trip generation assumptions, LADOT concluded that the number of market-rate condominiums proposed would need to be reduced by more than

one-quarter in order for the developer's currently-proposed mitigation measures to fully address the project's traffic impacts. The Committee also received a presentation from Los Angeles Unified School District (LAUSD) Staff regarding the proposed revisions to South Region High School No. 14 on the *Ponte Vista* site, which has now been scaled back from 2,025 seats to 810 seats. Finally, the Committee received a presentation from PVCAC member Jerry Gaines, based upon traffic data gleaned and studies from his experience with the Western Avenue Task Force.

At the outset of the May 22<sup>nd</sup> meeting, developer Bob Bisno announced that a revised project proposal would be announced publicly at the June 18, 2007, PVCAC meeting. PVCAC member Jerry Gaines then elaborated on his previous presentation regarding various development scenarios for the site, based upon their traffic impacts. These scenarios compared the average daily trips generated by various combinations of unit types and numbers as compared to the "by right" R-1 zoning that would permit four hundred twenty-nine (429) single-family homes. The scenarios also factored in LAUSD's proposed 810-seat high school. The Committee also discussed further refinement of and public input on the issues of traffic mitigation measures and density. Upcoming PVCAC meetings are scheduled for June 7 and 18, 2007. The June 7<sup>th</sup> meeting is scheduled to focus on density and open space, while the June 18<sup>th</sup> meeting is scheduled to focus on the developer's revised proposal.

The *Ponte Vista* Community Advisory Committee (PVCAC) met on June 7, June 18 and June 28, 2007. At the June 7<sup>th</sup> meeting, Committee Member Gerry Gaines discussed a recent meeting between the developer and a subcommittee of PVCAC to discuss additional traffic-related improvement that could be made. In addition to the mitigation measures identified in the draft EIR, these included the recommended intersection improvements from the Western Avenue Task Force, as well as the establishment of a transportation mitigation trust fund and a mitigation monitoring program. The Committee also began to discuss possible recommendations for the density and mix of housing types for the project, but tabled the matter until the developer announces his revised project propose on June 18, 2007.

At the June 18<sup>th</sup> meeting, Bob Bisno presented his revised project proposal. The table below summarizes the major project components in the original and revised proposals.

<b>Component</b>	<b>Original Project</b>	<b>Revised Project</b>	<b>Notes</b>
Senior Housing	575 units	850 units	Senior units will remain gated
Multi-family condos and townhomes	1,725 units	1,000 units	Non-senior units no longer gated
Single-family townhomes	N/A	100 units	
Total Dwelling Units	2,300 units	1,950 units	15% reduction
Commercial	10,000 SF (private)	10,000 SF (public)	No change, but now all accessible to the public
Parks/Open Space	6 acres (public) and 6 acres (private)	12 acres (public)	

Access Road	Connecting to Mary Star-of-the-Sea High School	Connecting to Mary Star-of-the-Sea High School	Possible connection to condos on Fitness Drive
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Mr. Bisno stated that the revised project will include a “San Pedro First” program, which will give purchase priority and 5-percent price discounts to local residents and other “preferred buyers” (i.e., seniors, teachers, nurses, firefighters, police officers, port workers, etc.). The senior and non-senior condominium and townhouse units with shared garages are expected to range from 600 square feet to 2,200 square feet in size, with prices from \$330,000 to \$1,100,000. The single-family townhouse units with private garages are expected to range from 2,000 to 2,400 square feet in size, with prices from \$900,000 to \$1,100,000. As noted above, all of the parks and open space would now be open to the public. In addition, Mr. Bisno is exploring the possibility of providing access to the Fitness Drive condominiums from the Mary Star-of-the-Sea High School road. With respect to traffic impacts, Mr. Bisno will fund a \$1,000,000 trust fund for intersection improvement projects on Western Avenue that were identified as priorities by the Western Avenue Task Force. A traffic signal will be added at Western Avenue and Peninsula Verde Drive, and computerized signal controls on Western Avenue will be extended further south from Weymouth Avenue to 25<sup>th</sup> Street. Mr. Bisno also agreed to pay an additional \$1,000,000 in traffic mitigation fees if the actual trip generation rates of the project exceed the projections of the project’s traffic study.

The project’s traffic consultant now estimates that the PM peak-hour trip generation for the revised project will result in fewer trips than a detached single-family project under the current R-1 zoning. However, the Committee and Los Angeles City Planning Staff were skeptical of Mr. Bisno’s assumptions of the maximum number of detached single-family homes possible from the property under R-1 zoning. The Draft EIR for the project estimated that 430 homes could be built, based upon 5,000 square feet of lot area per unit per net acre. However, Mr. Bisno now asserts that 724 homes could be built, based upon 5,000 square feet of lot area per unit per gross acre, plus a 35-percent State-mandated density bonus for providing affordable housing units.

Los Angeles City Councilwoman Janice Hahn attended the meeting. She stated that she was “very disappointed” with the revised proposal, noting that after two (2) years of review and public comment, a 15-percent reduction in the number of units did not seem like much of a compromise on Mr. Bisno’s part.

Following the presentation of the revised proposal, the Committee continued its discussion of recommendations for the project’s specific plan. At this point, the Committee seems divided between a majority who appear to support a project of roughly 1,200 or fewer units, and a minority who support limiting the number of homes to the maximum number permitted under the current R-1 zoning (whatever that number ends up actually being). The division appears to be falling largely along jurisdictional lines, with Rancho Palos Verdes Committee members supporting the R-1 concept.

At the June 28<sup>th</sup> meeting, the Committee met in closed session to discuss the process to develop its recommendations for the specific plan. The next public PVCAC meeting is scheduled for July 24, 2007. Staff will continue to attend and report upon these meetings.

The *Ponte Vista* Community Advisory Committee (PVCAC) met on July 24, 2007. At that meeting, Chairman John Greenwood announced that the Northwest San Pedro Neighborhood Council (NWSPNC) has adopted a resolution supporting the current R-1 zoning of the *Ponte Vista* site. Subsequently, the Committee adopted two (2) resolutions. The first resolution rejected the developer's revised 1,950-unit project, which had been presented to the Committee and the public on June 18, 2007. The second resolution supported limiting the number of dwelling units to the maximum density permitted under the current R-1 zoning (roughly 429 to 535 units), and also recommended that the *Ponte Vista* site be "transferred" from the jurisdiction of the Wilmington-Harbor City Community Plan Area to the San Pedro Community Plan Area. The Committee also briefly reviewed its draft findings and recommendations to Los Angeles City Councilwoman Janice Hahn on the specific plan for the site. The final PVCAC report is scheduled to be presented for the Committee's consideration and approval on August 20, 2007, which will be its final meeting.

As the City Council directed on August 7, 2007, a letter was sent to Los Angeles City Councilwoman Janice Hahn, support the resolutions adopted by the Committee. The *Ponte Vista* Community Advisory Committee (PVCAC) met for the final time on August 20, 2007. At that meeting, the Committee presented its draft final report. There were some minor modifications discussed by the Committee at the meeting that will be incorporated into the final version of the report. It should also be noted that the report included a "minority opinion" signed by five (5) of the thirteen (13) Committee members. On the whole, the Committee expressed dissatisfaction with the support provided by the City of Los Angeles over the year that the Committee deliberated, particularly the Department of Transportation.

The City of Los Angeles Planning Department continues to process Bisno Development's revised 1,950-unit proposal, including the completion of the project EIR. Staff will continue to monitor this project and report on it in future Border Issues reports.

At the invitation of its chairman, Staff attended the monthly meeting of the Planning and Land Use Committee of the Northwest San Pedro Neighborhood Council (NWSPNC) on November 29, 2007. Among the topics discussed—focusing mainly on development projects along the Western Avenue corridor in Rancho Palos Verdes—was a request for the City to formally ask for the Draft EIR for the *Ponte Vista* project to be recirculated. On December 12, 2007, Staff received a similar request from Mark Wells, former member of the *Ponte Vista* Community Advisory Committee and current Rancho Palos Verdes Traffic Safety Commissioner. Although Staff believes that the Draft EIR should probably be recirculated, rather than allowing the developer to simply address these issues in the "Response to Comments" in the Final EIR, at this time the City of Los Angeles (i.e. the lead agency) has not determined whether or not the document will be

recirculated. If the City of Los Angeles decides not to recirculate the Draft EIR, Staff will bring this matter back to the City Council for possible action in the form of a letter to the City of Los Angeles.

On June 2, 2008, the City received notice that a public hearing would be held on the proposed *Ponte Vista* project in the City of Los Angeles. The public hearing was held on June 26, 2008, and was conducted by the City of Los Angeles' local Advisory Agency and Hearing Officer for the purpose of accepting public testimony only. This hearing was a precursor to future public hearings before the Los Angeles City Planning Commission and the Los Angeles City Council. In the past, 15<sup>th</sup> District Los Angeles City Councilmember Janice Hahn has gone on record as opposing the project as currently proposed.

On June 13, 2008, the City received notice for the Final Environmental Impact Report (FEIR) for the *Ponte Vista* project. The FEIR must be certified by the Los Angeles City Council before any final decision is made on the project.

Councilman Wolowicz and Staff attended the *Ponte Vista* public hearing on June 26, 2008, and presented our concerns to the Hearing Officer. Los Angeles City Councilwoman Janice Hahn was also in attendance and reiterated her support of the recommendations of her *Ponte Vista* Community Advisory Committee, rejecting the 1,950-unit project and supporting the current R-1 density on the site. The deadline to submit comments to the Hearing Officer was extended to Friday, July 11, 2008. A letter from the Mayor was sent to the City of Los Angeles. The *Ponte Vista* project is not expected to be heard by the Los Angeles City Planning Commission until October 2008.

On August 18, 2008, Staff received a copy of an e-mail exchange between Rancho Palos Verdes resident April Sandell and Los Angeles City Planner David Olivo regarding our City's authority over *Ponte Vista* traffic mitigation measures within our jurisdiction. In his reply, Mr. Olivo stated that "any mitigation measures that occur within [Rancho Palos Verdes'] boundaries need to be approved by [Rancho Palos Verdes]." However, Staff and the City Attorney have reviewed this issue and believe that the matter is not free from doubt.

As discussed in the Draft EIR, the proposed traffic mitigation measures within the Rancho Palos Verdes segment of Western Avenue are limited to synchronization of all signalized intersections and the addition of (one) 1 northbound lane along the project frontage. There are also modifications proposed to Traffic Study Intersection Nos. 18 (Western Avenue and Avenida Aprenda) and 19 (Western Avenue and Delasonde Drive). These modifications propose restriping on Avenida Aprenda and Delasonde Drive within our City limits to add left-turn lanes. Furthermore, the proposed modifications on Delasonde Drive are expected to result in the loss of three (3) on-street parking spaces on each side of the street. In our comments on the Draft EIR, we expressed concern about the loss of these six (6) on-street parking spaces on Delasonde Drive and its impact upon the *Rolling Hills Riviera* neighborhood. These are

the only mitigation measures within our City limits that were identified in the Draft EIR as being necessary to reduce the project's traffic impacts to less-than-significant levels.

In response to great public skepticism about the project's traffic study, as well as discussion by Councilwoman Hahn's *Ponte Vista* Community Advisory Committee, the developer eventually volunteered to fund the right-of-way improvements that were identified in the report prepared by the Western Avenue Task Force (WATF). This was offered as appeasement to the community, but the WATF-recommended "mitigation" is not necessary to reduce the traffic impacts of the project to less-than-significant levels (based upon the developer's traffic study and the Draft EIR). The developer has also volunteered to install a traffic signal at Western Avenue and Peninsula Verde Drive, which was also not a mitigation measure identified as necessary in the Draft EIR.

Western Avenue is a state highway (State Route 213) and its right-of-way is under the jurisdiction of CalTrans. As such, the City does not have the authority to approve or deny any of the proposed traffic mitigation measures within the Western Avenue right-of-way. CalTrans reviewed and commented upon the Draft EIR, but its comments give no indication that CalTrans would not approve the proposed mitigation measures within its jurisdiction. It should also be noted that, although some of the WATF recommendations include modifying private driveway access points along Western Avenue within the City—over which we would retain jurisdiction—the developer's offer to make these improvements is completely voluntary because they are not proposed as mitigation measures. As such it appears that the only required traffic mitigation measures over which the City has any direct authority are the proposed re-striping projects to create left-turn lanes on Avenida Aprenda and Delasonde Drive. Our City's refusal to allow these modifications to be made could force the developer to find other ways to mitigate traffic impacts to less-than-significant levels, or could force the Los Angeles City Council to consider adopting a "Statement of Overriding Considerations" with respect to traffic impacts for the Final EIR. Given these circumstances, our City's refusal to allow these mitigation measures to be implemented might not be sufficient to prevent the City of Los Angeles' approval of the *Ponte Vista* project. Accordingly, if the City of Los Angeles were to certify the EIR and approve the project, litigation challenging those decisions is an option that the City Council would need to consider in order to prevent the project from proceeding.

The work plan for the Traffic Safety Commission, which the City Council approved at the August 19<sup>th</sup> meeting, included having the Commission conduct a "public forum" regarding the traffic impacts of this project. The City Council could direct the City's Traffic Engineer to review and evaluate the traffic studies that were prepared in connection with the EIR and prepare a report for the Commission to review. If the Traffic Engineer finds that the traffic analysis and proposed mitigation set forth in the EIR are inadequate, that report could be presented to the City of Los Angeles. Although the public comment period on the EIR has been closed (so that the City of Los Angeles could assert that it is too late for the report to be submitted), the report could provide further support for the positions that the City of Rancho Palos Verdes already has asserted, and could be used by the City to buttress its position in a lawsuit challenging the certification of the EIR and approval of the project, if that were to occur.

As a part of the recently-approved work plan for the Traffic Safety Commission, the Commission conducted a “public forum” regarding the potential traffic impacts of the proposed *Ponte Vista* project at its regular meeting on September 22, 2008. The meeting was attended by roughly a dozen concerned citizens, including the representatives of the “R Neighborhoods Are 1” group, the Northwest San Pedro Neighborhood Council and the former *Ponte Vista* Community Advisory Committee. Public comments focused upon the perceived inadequacies of the traffic impact analysis and proposed mitigation measures identified in the *Ponte Vista* EIR. The City’s Traffic Engineer was in attendance at the meeting, but she had not yet completed her review of the traffic impact analysis and proposed mitigation. However, she will be preparing a summary report of her review of the project EIR and the public comments that were received at the Traffic Safety Commission meeting. In addition, there will be minutes of the meeting to memorialize the comments of the public and members of the Traffic Safety Commission.

On a related note, Staff was informed that the City of Los Angeles’ Citywide Planning Commission (CPC) is tentatively scheduled to hold a public hearing on the *Ponte Vista* project on December 11, 2008. A public hearing before the Harbor Area Planning Commission will be held sometime just before the CPC hearing, but the exact date has not yet been set by early October 2008.

The City’s Traffic Engineer completed her review of the traffic impact analysis and proposed mitigation for the *Ponte Vista* project on October 22, 2008. The major conclusions of this review were that:

- The traffic impact analysis is technically adequate and contains “no obvious errors in...methodology or conclusions....”;
- The reduced 1,950-unit project will have less impact on Rancho Palos Verdes residents than the original 2,300-unit proposal, but these impacts will still be significant; and,
- The proposed parking for the Little League baseball fields will not be adequate without additional mitigation measures.

On a related note, Staff received confirmation of two (2) upcoming public hearings on the *Ponte Vista* project. A public hearing before the Harbor Area Planning Commission (HAPC) will be held on Tuesday, November 18, 2008, at 4:30 PM at the Port of Los Angeles administrative offices, 425 S. Palos Verdes St., San Pedro, CA 90731. A public hearing before the City of Los Angeles’ Citywide Planning Commission (CPC) will be held on Thursday, December 11, 2008, at 8:30 AM at Los Angeles City Hall, 200 N. Spring St., Los Angeles, CA 90012. It should be noted that, on October 21, 2008, the Coastal San Pedro Neighborhood Council asked the Los Angeles City Attorney to opine on potential conflicts of interest for three (3) HAPC members. If these Commissioners all recuse themselves, there may not be a quorum present to consider the *Ponte Vista* project at the November 18, 2008 public hearing. Staff planned to attend both public hearings.

On November 6, 2008, the City received notice that the vesting tentative tract map (VTTM 63399) associated with the *Ponte Vista* development entitlements had been denied by the City of Los Angeles Advisory Agency. In denying VTTM 63399, the Hearing Officer for the Advisory Agency found that:

- The proposed subdivision map was inconsistent with the Wilmington-Harbor City Community Plan with respect to the proposed density of the development relative to surrounding neighborhoods;
- The design of the proposed subdivision was inconsistent with the Wilmington-Harbor City Community Plan with respect to its lack of access to major commercial centers and transit routes;
- The project site was not suitable for the type of development proposed, particularly with respect to certain designated open-space lots; and,
- The project site was not suitable for the proposed density of development when compared to surrounding neighborhoods.

The Advisory Agency's decision was appealable to the City of Los Angeles Citywide Planning Commission (CPC). Staff has been advised that the project developer has filed an appeal of the denial of VTTM 63399.

On November 12, 2008, the City was advised that the venue for the upcoming public hearing before the Harbor Area Planning Commission (HAPC) on November 18, 2008, had been changed from the Port of Los Angeles headquarters to the Warner Grand Theatre in San Pedro. However, on November 14, 2008, the City received notice that the HAPC meeting was canceled without explanation. Los Angeles City Planning Staff indicated that the hearing might be rescheduled or might not be held at all, since the function of the hearing is solely to accept testimony and forward comments (but not recommendations) to the CPC. On November 20, 2008, Staff learned that the HAPC hearing has apparently been rescheduled for Tuesday, December 2, 2008, at 4:30 PM at the Boys' and Girls' Club, 100 W. 5<sup>th</sup> St., San Pedro, CA 90731.

On November 21, 2008, the Los Angeles City Planning Department released the draft Staff report for the December 11, 2008, public hearing before the Los Angeles City Planning Commission (CPC). The draft Staff report recommends denial of the *Ponte Vista* project as proposed, on the basis of inconsistency with the Los Angeles General Plan Framework and the Wilmington-Harbor City and San Pedro community plans, as well as the latest and best trends and practices in urban in-fill development. The draft report also recommends denying the developer's appeal of the recent denial of the vesting tentative tract map associated with the project, and recommends not certifying the project's EIR. The report goes on to offer constructive guidelines to revise the *Ponte Vista* project so as to achieve a design that would be more compatible with the surrounding communities in both San Pedro and Rancho Palos Verdes. These guidelines include limiting the density of the project so as to allow between 775 and 886 dwelling units on the site.

Shortly after the release of the draft Staff report recommending denial of the project, the developer asked for the continuance of the December 11, 2008, CPC public hearing. On December 1, 2008, the Los Angeles City Planning Department agreed to reschedule the CPC hearing for February 12, 2009. In the meantime, however, the project was still set for HAPC review on December 2, 2008.

As reported previously, project opponents had challenged the HAPC's authority to conduct a public hearing on the *Ponte Vista* project on the basis that three (3) of the five (5) Commissioners had conflicts of interest. The matter was referred to the Los Angeles City Attorney's office. Ultimately, two (2) Commissioners recused themselves from discussion of the project. In addition, one Commissioner resigned from the HAPC (reportedly for reasons not related to the *Ponte Vista* project) and another was unable to attend the December 2, 2008, meeting. Therefore, the only Commissioner available and eligible was HAPC President Michael Ponce.

On December 2, 2008, HAPC President Ponce conducted a "special meeting," accompanied by HAPC Staff and representatives of the Los Angeles City Planning Department. Planning Staff presented an overview of the draft Staff report and recommendation. The developer's legal counsel appeared briefly but made no presentation. Among the crowd of roughly a hundred (100) people, there appeared to be no project supporters or members of the developer's public outreach team. Of the twenty (20) or so public speakers, only the developer's attorney spoke in favor of the project. The other speakers—including representatives of the Northwest and Coastal San Pedro neighborhood councils, the cities of Rancho Palos Verdes and Lomita, and several homeowners' associations—all voiced support for the draft Staff report. Los Angeles City Councilwoman Janice Hahn was also in attendance, and she encouraged the developer to carefully consider Planning Staff's recommendations and to revise the project accordingly. At the conclusion of public testimony, HAPC President Ponce "discussed" the matter and made a "recommendation" in support of Councilwoman Hahn's comment, although he noted that he believed that the maximum permitted density of the project should be allowed to exceed the current R-1 zoning.

On December 12, 2008, the *Daily Breeze* reported that developer Bob Bisno had been "ousted" by the project's major investor, Credit Suisse. Shortly after the first of the year, the *Ponte Vista* website stated that the developer intended to ask for a continuance of the February 12, 2009 CPC hearing. On January 12, 2009, Staff confirmed that the CPC hearing on *Ponte Vista* had been rescheduled for Thursday, April 9, 2009, at 8:30 AM at Los Angeles City Hall, 200 N. Spring St., Los Angeles, CA 90012. The CPC will consider both the development applications and the appeal of the vesting tentative tract map denial.

On February 3, 2009, Staff was contacted by the head of the developer's public outreach team, Elise Swanson, to set up stakeholder interviews regarding the revised *Ponte Vista* project. Staff and Mayor Pro Tem Wolowicz were scheduled to meet with the interview facilitator on February 25, 2009. As of the date that this report was completed, Mayor Clark was also attempting to schedule a meeting with the facilitator.

An open house to solicit input on the revised project from the general public was scheduled for Thursday, March 12, 2009 from 4:00 PM to 8:00 PM at Peck Park Community Center, 560 N. Western Ave., San Pedro, CA 90732. In addition, as of the date of this report the Los Angeles Citywide Planning Commission (CPC) is still scheduled to consider the *Ponte Vista* project on Thursday, April 9, 2009.

On February 25, 2009, Staff and Mayor Pro Tem Wolowicz met with the developer's interview facilitator, Jim Oswald. We expressed our continued concerns about the traffic impacts and proposed density of the project. We again suggested that the project's Environmental Impact Report (EIR) was flawed and needed to be revised and recirculated by the City of Los Angeles. We recommended that the developer make a more concerted effort to obtain alternate access to the project site from Gaffey Street so as to relieve the traffic burden on Western Avenue. We noted that the previous developer's "threat" of invoking State density bonus law had only served to antagonize the community and introduce greater uncertainty into the project. We expressed skepticism at the developer's ability to respond to stakeholders' comments and revise the project accordingly in time to have the matter heard by the Los Angeles Citywide Planning Commission (CPC) on April 9, 2009. We also expressed our disappointment at the previous developer's disingenuous "public outreach" efforts, and our hope that the new development team would truly take the community's concerns about the project to heart.

An open house to solicit input on the revised project from the general public was held on March 12, 2009, at Peck Park in San Pedro. Staff attended the open house for about an hour. There was no formal presentation; instead the developer set up "stations" around the room to solicit public input on specific topics and issues. The developer did not present a detailed revised plan or project description. However, the developer did state that that the revised "land-use plan" would include the following:

- A total unit count of 1,375 to 1,475 units, consisting of:
  - 625 to 700 townhomes
  - 300 to 450 age-restricted (i.e., senior) condominiums
  - 350 to 425 non-age-restricted condominiums
- A set-aside of twenty percent (20%) of all units as "workforce housing," but no statutorily affordable units or density bonus request
- 8,000 to 10,000 square feet of commercial space available to residents and the general public
- Elimination of youth baseball fields
- Building heights, residential density and number of access points on Western Avenue in excess of the Los Angeles Planning Department's recommendations

A second community open house was scheduled for Saturday, March 28, 2009, at the Boys' and Girls' Club in San Pedro. As of the date that this report was completed, the developer still intended to present the revised project to the Los Angeles Citywide Planning Commission (CPC) on April 9, 2009.

On March 28, 2009, Staff attended the developer's second open house for the revised *Ponte Vista* project. At the developer's previous open house on March 12, 2009, the developer only provided a possible range of units, indicating the project would be reduced from 1,950 units to between 1,375 and 1,475 units. At the March 28<sup>th</sup> open house, the developer confirmed that the revised project now proposes 1,395 units, consisting of 630 townhomes, 385 condominiums and 380 age-restricted (i.e., senior) condominiums.

On April 9, 2009, Staff and Mayor Pro Tem Wolowicz attended the Los Angeles City Planning Commission (CPC) meeting on downtown Los Angeles. Los Angeles City planning Staff presented their recommendation to deny the 1,950-unit proposal and the related appeal of the tentative tract map. The developer presented an overview of the new 1,395-unit proposal to the CPC, asking for "approval in concept" of this revised proposal in spite of the fact that it had not yet been reviewed by Planning Staff. The developer also stated that he was willing to waive his right to request a density bonus pursuant to SB 1818.

Los Angeles City Councilwoman Janice Hahn addressed the CPC, stating that she supports the Planning Staff's recommendation of 775 to 886 units on the *Ponte Vista* property. She acknowledged that the developer's revised proposal was a step in the right direction, but stated that the size of the project had still not been reduced enough. She stated that the traffic study for the project must be re-done. She asked for an opinion from the City Attorney regarding the enforceability of the developer's offer to waive his rights under SB 1818. She also questioned if the ATSAC improvements for Western Avenue were already funded, and if so, could the monies that the developer proposed to expend to implement ATSAC be spent on other traffic mitigation.

Mayor Pro Tem Wolowicz addressed the CPC, providing an overview of our city's past comments and concerns about the *Ponte Vista* project. He stated that the developer's proposal to reduce the size of the project was still not adequate to address the adverse impacts that the project would have upon residents and businesses in both San Pedro and Rancho Palos Verdes. He observed that Western Avenue has no excess capacity to absorb the traffic from the *Ponte Vista* project as currently proposed, and stated that our city supported the Planning Staff's recommendations. A representative of the City of Lomita also addressed the CPC and expressed similar concerns to our own. The CPC then received roughly one-half hour each of public comments from project proponents and opponents.

After closing the public hearing, the CPC questioned Planning Staff and deliberated for another half-hour or so. At the conclusion of its deliberations, the CPC unanimously accepted the Planning Staff recommendation to reject the 1,950-unit proposal and the related appeal of the tentative tract map. Included in the motion, however, was direction for Planning Staff to continue to work with the developer on the revision of the project to implement Planning Staff's recommendations. A status report is expected to be

presented to the CPC at its regular meeting on Thursday, August 13, 2009. Staff intends to attend this meeting.

On June 3, 2009, the *Daily Breeze* reported that the new development team for the *Ponte Vista* project was launching another round of community interviews to solicit public input on the revised 1,395-unit proposal. Staff has not been contacted for additional input, nor is Staff aware that any City officials have been approached by the *Ponte Vista* development team. At this time, the Los Angeles Citywide Planning Commission (CPC) is still scheduled to receive a status report on the revised project on August 13, 2009.

On August 4, 2009, Planning Staff and the City Manager met with the developer's interview facilitator, Jim Oswald. We expressed our continued concerns about the traffic impacts and proposed density of the revised 1,395-unit project. Mr. Oswald indicated that the developer was in discussions with the Department of City Planning on a proposal with fewer units, although no firm number had yet been reached. He also indicated that the project's Environmental Impact Report (EIR) was going to be revised and recirculated by the City of Los Angeles. Mr. Oswald said that the developer hoped to have a revised proposal to present to the public by Fall 2009.

On August 13, 2009, the Los Angeles City Planning Commission (CPC) received a status update on the project from the Department of City Planning. Since there was no formal revised project to be discussed by the CPC, Staff did not attend the meeting. However, we understand that the project planner, David Olivo, told the CPC that Planning Staff has met several times with the developer to go over development concepts in light of the Planning Staff-recommended guidelines and parameters that were presented to the CPC at the previous public hearing in April 2009. Mr. Olivo said that he expects another couple of months of dialogue with the developer before the revised project is finalized and the revised EIR is re-circulated.

On September 8, 2009, the *Daily Breeze* reported that former *Ponte Vista* developer Bob Bisno had filed for bankruptcy.

On April 2, 2010, the *Ponte Vista* development team announced that the ownership of the property had been assumed by iStar Financial, Inc., which has been the primary lender for the project since 2005. The iStar subsidiary "SFI Bridgeview, LLC" will continue to pursue entitlements to redevelop the 62-acre former Navy housing site located at 26900 South Western Avenue in San Pedro. According to a report in the *Daily Breeze* on April 6, 2010, a revised project proposal for the site may be announced by the new developer by this summer.

On September 24, 2010, the *Daily Breeze* reported that iStar Financial, the latest owners of the *Ponte Vista* project, were announcing that the revised project to be presented to the City of Los Angeles would now encompass 1,135 units. Most recently, the previous project owners had stated in June 2009 that the project would include 1,395 units, reduced from previous proposals for 1,950 units in June 2007 and 2,300

units in July 2005. Reportedly, Los Angeles City Councilwoman Janice Hahn received word of the reduced project proposal favorably, stating that it was “much closer to what makes sense in this part of San Pedro.” The developer indicated that a new EIR will be prepared and circulated for this revised proposal. However, only a few days after announcing the revised project, the *Daily Breeze* and other media outlets reported that iStar Financial was considering a bankruptcy filing.

On October 19, 2010, legal counsel for the new owners of the *Ponte Vista* project contacted Staff about meeting with the Mayor to present the revised proposal to him and to Planning Staff. Apparently, there is also a “scoping meeting” scheduled for the new project EIR on November 10, 2010 at Peck Park in San Pedro. As of the date that this report was completed, the City had received no formal notice of this upcoming meeting or any details about the revised project.

Subsequent to the completion of the November 2010 Border Issues Status Report, Staff received the Notice of Preparation (NOP) for the Environmental Impact Report (EIR) for the revised *Ponte Vista* project, which has now been reduced to 1,135 units. Staff also received a copy of the Initial Study (IS) for the revised proposal on November 10, 2010. A public meeting to receive input on the scope of the project EIR was scheduled for November 10, 2010, at Peck Park, with written comments on the scope of the revised project EIR due to the City of Los Angeles by November 29, 2010.

The table below briefly summarizes the differences between the current 1,135-unit proposal by iStar Financial; the previous 1,395-unit proposal by Credit Suisse from 2008; and the original 2,300-unit proposal by Bisno Development from 2005.

<b>Project Component</b>	<b>2003 Proposal</b>	<b>2008 Proposal</b>	<b>Current Proposal</b>
Senior housing	575 units	380 units	N/A
Multi-family condos and townhomes	1,725 units	1,015 units	600 units
Single-family homes	N/A	N/A	143 units
Apartments	N/A	N/A	392 units
Total dwelling units	2,300 units	1,395 units	1,135 units
Residential density	37.4 DU/acre	22.7 DU/acre	18.5 DU/acre
Commercial	10,000 SF	8,000 SF	N/A
Parks/open space	6 acres (public) & 6 acres (private)	12 acres (public)	2.8 acres (public) & 2.0 acres (private)
Access road	Access road to be provided connecting Western Avenue to Mary Star-of-the-Sea High School		

On November 10, 2010, the scoping meeting for the revised 1,135-unit *Ponte Vista* project was held at Peck Park in San Pedro. The “scoping meeting” was conducted as an open house hosted by the developer’s public relations/community outreach team. Key points regarding the revised proposal that Staff noted at this meeting included:

- The developer will be asking the City of Los Angeles for the approval of a General Plan Amendment, a Zone Change, a Specific Plan, a Vesting Tentative Tract Map and a Development Agreement, the environmental effects of which will be analyzed in the revised EIR.
- The developer no longer proposes to voluntarily implement the various recommendations (i.e., turn lanes, acceleration/deceleration lanes, driveway modifications, etc.) of the Western Avenue Task Force as traffic impact mitigation for the project, unless such mitigation measures are identified as necessary in the revised traffic impact analysis.
- As with the previous proposals, no site access from Gaffey Street—vehicular or otherwise—is contemplated.
- The 143 single-family units proposed will probably be detached condominium units rather than “traditional” detached single-family residences.
- For the revised traffic impact analysis, the 392 apartment units proposed will be analyzed assuming higher trip-generation rates than the other 743 for-sale units, even though the apartment units will be identical to condominium units elsewhere in the project.
- Although there are no age-restricted or statutorily affordable housing units proposed in the revised project, the developer is still maintaining that some units will be “accessible” to senior citizens and/or “affordable” as “workforce housing.”
- Based upon current and anticipated future real estate market conditions, the developer expects build-out of the revised project to take seven (7) years.

On November 17, 2010, Staff forwarded comments on the NOP for the revised project to the City of Los Angeles, prior to the close of the public comment period on November 29, 2010. Many of these comments echoed those from 2005 on the NOP for the original 2,300-unit proposal. Based upon conversations with the developer’s representatives at the scoping meeting, Staff does not expect to see the revised Draft EIR for the project released for public review and comment until Spring 2011.

On January 11, 2011, Elise Swanson, most recently a member of the *Ponte Vista* development team, advised Staff that she was returning to Los Angeles City Councilwoman Janice Hahn’s staff as Deputy Chief of Staff. Ms. Swanson was previously on Councilwoman Hahn’s Staff in the early- to mid- 2000s, but left to join the Bisno Development team in about 2005.

On February 24, 2011, the Planning and Land Use Committee of the Northwest San Pedro Neighborhood Council (NWSPNC) received a presentation on the preparation of the new traffic study for the revised, 1,135-unit *Ponte Vista* project. The developer’s traffic consultant reviewed the methodology to be employed in the preparation of the report, including the gathering of new traffic count data in Fall 2010; the new trip-generation assumptions to be used for the project; and the addition of several more study intersections (based upon public comments on the traffic study for the previous proposal), including Western Avenue and Peninsula Verde Drive. A follow-up session

to present preliminary traffic study results to the Planning and Land Use Committee was tentatively scheduled for March 24, 2011.

The City's Public Works Staff was contacted by the *Ponte Vista* developer's engineer to inquire about connecting that development's sewage outfall to Rancho Palos Verdes' sewage collection system as a means to access the Los Angeles County Sanitation Districts' (LACSD) trunk line, pumping station and (ultimately) treatment facility. Doing so would subject Rancho Palos Verdes to liability and responsibility for the consequences of overflows in those lines, including potential clean up costs, system improvements and regulatory fines. Public Works Staff did not believe it would be appropriate for a development outside of Rancho Palos Verdes to use the City's sewage collection system to transmit sewage to LACSD facilities. Community Development Staff concurred with this assessment.

Public Works Staff subsequently contacted the Los Angeles County Department of Public Works (LADPW), who maintains our City's sewer system, as well as LACSD, and has advised them both of the City's position in this matter. LADPW Staff opined that the development's collection system leading to the trunk line should become the responsibility of the City of Los Angeles, in which the development is actually located. As such, Public Works Staff advised the developer's engineer to contact LACSD to pursue a direct connection to the LACSD trunk line in Western Avenue.

On November 17, 2011, the developer's traffic consultant presented preliminary findings from the traffic study for the *Ponte Vista* project to the Planning and Land Use Committee of the Northwest San Pedro Neighborhood Council (NWSPNC). At this time, the City of Los Angeles Department of Transportation (LADOT) has not yet approved the traffic study's assumptions and the Draft Environmental Impact Report (DEIR) is not expected to be released for public review and comment until the first quarter of 2012. Nevertheless, the preliminary findings of the traffic study have identified significant impacts at four (4) Western Avenue intersections that are located (at least partially) within Rancho Palos Verdes: Peninsula Verde Drive, Avenida Aprenda, Delasonde Drive/Westmont Drive and Trudie Drive/Capitol Drive. In order to mitigate these impacts to less-than-significant levels, it is likely that right-of-way modifications (i.e., restriping, narrowing the median, adding/modifying traffic signals, etc.) will be required, some of which could occur within Rancho Palos Verdes' jurisdiction and would require our concurrence prior to implementation. Staff will continue to monitor this project in future Border Issues reports.

On December 13, 2011, Staff was alerted by the Northwest San Pedro Neighborhood Council (NWSPNC) that the release of the Draft Environmental Impact Report (DEIR) for the 1,135-unit *Ponte Vista* project is anticipated for March 2012. If so, Staff expected to have a more detailed report on the DEIR as a part of the April 2012 Border Issues report.

On August 25, 2012, the *Daily Breeze* reported that the release of the Draft Environmental Impact Report (DEIR) for the 1,135-unit *Ponte Vista* project is anticipated

by October 2012. If so, Staff expects to provide a more detailed report on the DEIR as a part of the December 2012 Border Issues report.

On November 8, 2012, the City of Los Angeles released the Draft EIR (DEIR) for the revised, 1,135-unit *Ponte Vista* project at the former Navy housing site on Western Avenue in San Pedro. Among the alternatives analyzed in the DEIR are:

- A 385-unit single-family alternative that is consistent with the current R-1 zoning; and,
- An 830-unit proposal that is consistent with previous Los Angeles Planning Department Staff recommendations.

The public comment period for the DEIR is scheduled to end on Monday, January 7, 2013, at 4:00 PM. City Staff will be reviewing the DEIR and submitting comments prior to the end of the public comment period. The DEIR and appendices may be reviewed on-line at the following link:

<http://planning.lacity.org/eir/PonteVistaProj2/DEIR/DEIR%20Ponte%20Vista%20Project.html>

Staff attended the Northwest San Pedro Neighborhood Council (NWSPNC) Board Meeting on November 12, 2012, to hear a presentation by the project developer. The presentation was somewhat confusing in that the site plan of the developer's 1,135-unit proposal did not match the proposed 1,135-unit project that is depicted and described in the DEIR. Upon further research, Staff found that the plan presented by the developer is actually Alternative D, which is a revised version of the 1,135-unit project that has been modified to avoid an earthquake fault running through the property. Alternative D does not include the 2.8-acre public park and other public amenities that are described in the DEIR as a part of the "proposed" project. There was also a great deal of discussion by the developer regarding Alternative C, which is the revised 830-unit plan that is purportedly consistent with the Los Angeles City Planning Department's previous recommendations for the site. It appears to Staff that it is the developer's preference to obtain entitlements to build either Alternative C or Alternative D rather than the "proposed" project described in the DEIR.

During December 2012, Staff attended several meetings of the Northwest San Pedro Neighborhood Council (NWSPNC) to review the plans and Draft EIR (DEIR) for the *Ponte Vista* project. On Monday, January 7, 2013—the end of the public comment period—Staff submitted comments on the DEIR to the City of Los Angeles.

Our comments begin by pointing out discrepancies between the 1,135-unit "proposed" project and the project Alternatives C and D being promoted by the developer in the media and in public forums. We then cited concerns with respect to the assessment of aesthetics, geology, hazards, land use, noise, housing/population, public services (schools and recreation), transportation/traffic and wastewater.

Staff was provided with copies of DEIR comments from several other stakeholder

groups. They include:

- Northwest San Pedro Neighborhood Council
- “R Neighborhoods R1”
- City of Lomita
- City of Rolling Hills Estates
- Palos Verdes-South Bay Group/Angelen Chapter, Sierra Club
- Barbara and Al Sattler
- Janet Gunter

Shortly after the end of the public comment period, the developer formally announced that it would pursue the 830-unit proposal described as Alternative C in the DEIR. The *Daily Breeze* and *PV News* also reported on this announcement, which came as no surprise to Staff.

Since submitting comments on the Draft EIR (DEIR) for the *Ponte Vista* project in January 2013, the Northwest San Pedro Neighborhood Council (NWSPNC) has been reviewing the draft specific plan for the project. Since most of these recent meetings have been held on weekends, Staff has not been able to participate. However, we understand that NWSPNC is planning to conduct a community workshop of the specific plan sometime in the near future, which Staff will try to attend. On March 24, 2013, the *Daily Breeze* reported on NWSPNC’s concerns about the specific plan.

On June 27, 2013, the City of Los Angeles released the Final Environmental Impact Report (FEIR) for the *Ponte Vista* project on Western Avenue in San Pedro. The FEIR and appendices are available for review on-line at the following link:

<http://planning.lacity.org/eir/PonteVistaProj2/FEIR/FEIR%20Ponte%20Vista%20Project.html>

Staff posted a link to PDFs of the FEIR and appendices under the “Spotlight” feature on the City’s home page, and the FEIR was also made available for review in digital form at the Miraleste Branch Library on Palos Verdes Drive East.

Although the 1,135-unit plan is still officially the “proposed” project, the FEIR makes it clear that it is the developer’s intention to pursue the reduced-density, 830-unit proposal (Alternative ‘C’). The FEIR includes detailed analysis of two (2) additional alternatives: a 169-unit detached, single-family alternative that complies with the current site zoning (R1-1XL and OS-1XL); and a 477-unit mixed-use alternative that includes commercial and office space, a branch library and a 6-acre public park. However, both of these new alternatives are rejected as financially infeasible. The FEIR also includes a detailed summary and analysis of the project’s relationship to the Rancho LPG facility.

A public hearing on the development entitlements and FEIR before the Deputy Advisory Agency and the City Planning Commission Hearing Officer was initially scheduled for Wednesday, July 24, 2013, at 10:00 AM at Los Angeles City Hall on Downtown Los Angeles. Mayor Brooks contacted Los Angeles City Councilman Joe Buscaino to ask

for a change of venue for the public hearing, as had been done for the previous 2,300-unit *Ponte Vista* proposal in 2008-2009. On July 3, 2013, Staff learned that the *Ponte Vista* hearing had been moved to the Port of Los Angeles Administration Building in Downtown San Pedro at 10:00 AM on Tuesday, July 30, 2013. Staff immediately notified subscribers to our Border Issues listserve group of these changes. However, it should also be noted that the purpose of the public hearing is only to receive public testimony on the development entitlements and FEIR. Based upon public comment submitted at the hearing, a Staff report and recommendation will be prepared for the consideration of the Los Angeles City Planning Commission at a future date. The project will also need to be approved by the Los Angeles City Council.

On July 1, 2013, the Planning and Land Use Committee of the Northwest San Pedro Neighborhood Council (NWSPNC) met to discuss the *Ponte Vista* FEIR. At that meeting, the developer's community outreach representative reported that the 830-unit proposal had been further modified to:

- Provide a 3.5-acre open space/park area along the access roadway to Mary Star-of-the-Sea High School;
- Incorporate a business center into the proposed resident community center;
- Allow for an on-site daycare center within the project site; and,
- Provide an emergency egress driveway from the adjacent Seaport Townhomes condominiums.

Even with these further modifications, the NWSPNC remained concerned about the FEIR and the proposed project and specific plan. However, NWSPNC refrained at that time from expressing formal opposition to the project in the interest of maintaining open lines of communication with the developer.

Shortly after the July 1<sup>st</sup> NWSPNC meeting, the developer's community outreach team contacted Staff about meeting to discuss our City's concerns about the project. Although we were unable to arrange a meeting before the July 30<sup>th</sup> public hearing, we did ask if the developer would be able to make a brief presentation of the project to the City Council at tonight's meeting. As of the date that this report was completed, the developer had yet to confirm whether or not they would be able to attend the August 6<sup>th</sup> City Council meeting. However, it should be noted that Staff has tentatively scheduled a meeting with the developer's community outreach team on August 15, 2013.

Staff has reviewed the FEIR and the City of Los Angeles' responses to our previous comments on the Draft EIR. On July 29, 2013, Staff transmitted comments on the project and FEIR to the City of Los Angeles. We acknowledged that the applicant had responded extensively to all of the comments that we had made about the Draft EIR. However, we also noted that we had lingering concerns with respect to:

- Emergency access along Western Avenue;
- Traffic impacts related to student drop-off/pick-up at Dodson Middle School;
- Increased public demand and wear-and-tear at Eastview Park;

- Traffic mitigation measures along Western Avenue; and,
- The rejection of several project alternatives as financially infeasible.

The public hearing on July 30, 2013, was well attended by members of the surrounding community and included both proponents of and opponents to the project. This included Mayor Pro Tem Duhovic and Councilmen Campbell and Missetich. The developer presented an extensive overview of the history of the site and the proposed project, and the NWSPNC was allotted equal time to express its opposition to the proposed project. Following these presentations, public comments from the audience were accepted, including those of Councilmen Campbell and Missetich and a representative of Los Angeles Councilman Buscaino's office.

At the July 30<sup>th</sup> public hearing, the hearing officer noted that the Los Angeles City Planning Commission (CPC) was tentatively scheduled to consider the *Ponte Vista* project on Thursday, September 12, 2013, at Los Angeles City Hall in Downtown Los Angeles. However, he also noted that it appeared unlikely that the CPC Staff report could be completed in time to make it on that agenda. Based upon our experience with the previous 2,300-unit *Ponte Vista* proposal in 2008-2009, Staff anticipates that it may be October or November before the CPC reviews this project.

At the August 6, 2013, City Council meeting, the City Council adopted Resolution No. 2013-53, expressing its opposition to the 830-unit proposal for the *Ponte Vista* project. At that meeting, the developer's representative submitted oral and written comments discouraging the City Council from taking this action.

On August 15, 2013, Staff met with, and at the request of, representatives of the development team for the *Ponte Vista* project at the former Navy housing complex on Western Avenue in San Pedro. The meeting primarily focused upon issues raised in Resolution No. 2013-53. In some respects, all parties noted that the City and the developer may simply "agree to disagree" on some of the impacts of the project upon the City and its residents. In other respects, the developer offered suggestions to attempt to address issues raised by the City, particularly with respect to impacts upon Eastview Park and school-related traffic circulation issues at Dodson Middle School. The developer also expressed interest and eagerness in becoming involved in the Western Avenue Corridor Vision Plan process. However, the developer stated emphatically that the *Ponte Vista* project will lose money, no matter how many units are built, and that the developer is simply trying to minimize the loss for its investors.

At the conclusion of the July 30, 2013, public hearing before the City of Los Angeles' hearing officer, it was noted that the Los Angeles City Planning Commission (CPC) had been tentatively scheduled to consider the *Ponte Vista* project on September 12, 2013. However, the City has yet to receive any official notification of when this matter will be agendaized for the CPC's review.

On September 10, 2013, the developer's representative again contacted Staff to arrange a meeting to discuss further revisions to the project. This meeting was held on

September 18, 2013. The developer has made several changes to the project that address both the issues raised in Resolution No. 2013-53 and in the comments of the Los Angeles City Planning Department:

- The overall unit count has been reduced from 830 to 676-to-700
- The apartment/condominium buildings along the southerly boundary of the site have been replaced with condominium buildings located more in the south-central portion of the site
- All units will be “for sale” units (i.e., no apartments)
- A 2.4-acre public park located at the southerly project entrance at Avenida Aprenda will be dedicated to the City of Los Angeles
- The developer is interested in installing Western Avenue streetscape improvements along the project frontage and in the median that are consistent with the concepts identified in the Western Avenue Corridor Vision Plan

The developer’s representative informs us that the CPC is now tentatively scheduled to consider the *Ponte Vista* project on Thursday, November 14, 2013, with the possibility of a hearing before the Los Angeles City Council’s Planning and Land Use Management (PLUM) Committee in December 2013, and final action by the Los Angeles City Council in January 2014.

On November 14, 2013, the Los Angeles City Planning Commission (CPC) considered the Final Environmental Impact Report (FEIR) and related land use entitlements for the 676-unit version of the *Ponte Vista* project. There were roughly sixty (60) speakers on the *Ponte Vista* item, with commenters equally split between project proponents (mainly San Pedro residents, local realtors and the San Pedro Chamber of Commerce) and opponents (mainly Rancho Palos Verdes residents, environmental activists and some San Pedro residents). A representative from Los Angeles 15<sup>th</sup> District City Councilman Joe Buscaino’s office attended and read a prepared statement that culminated in the councilman’s endorsement for the project.

The major topics discussed by the Commissioners included:

- The provisions of affordable housing;
- The provision an access easement for the adjacent Sea Port development to gain access to the new traffic signal to be located at the Avenida Aprenda entrance of the development;
- The Mary Star-of-the-Sea High School access roadway and parking;
- The development being a “gated community”;
- The provision of signage along Western and throughout the development to promote the public park/open space and trails; and,
- The height of the retaining walls in the northerly portion of the site.

The CPC ultimately adopted Staff’s recommendation to approve the project, with direction to Staff to address the following issues:

- Required maintenance of the public park (perhaps by the future homeowners association);
- Parking for the park and parking along the street that provides access to Mary -of-the-Sea High School;
- Signage to inform the public of the accessibility of the open space areas;
- Inclusion of an easement for the Sea Port development to the south; and,
- Requiring annual monitoring of the traffic mitigation measures identified in the FEIR.

The project still requires a hearing before the Los Angeles City Council's Planning and Land Use Management (PLUM) Committee and final action by the Los Angeles City Council.

The Planning and Land Use Management (PLUM) Committee of the Los Angeles City Council considered the *Ponte Vista* project at its meeting on Tuesday, December 17, 2013. The Committee received the November 14<sup>th</sup> recommendation of the Planning Department Staff and the City Planning Commission (CPC), and public testimony from the project proponent, several supporters and one (1) opponent. Staff addressed the Committee and asked it to consider:

- Affording our Public Works Department the opportunity to participate in the annual review of the efficacy of the project's traffic mitigation measures; and,
- Obligating the project proponent to resolve any future traffic impacts that are found to be not fully mitigated, as described in the Final EIR.

At the conclusion of the hearing, the Committee directed the City Attorney to finalize the ordinances for the project. These will come back to the PLUM Committee again for review before they are forwarded to the Los Angeles City Council. The full City Council is expected to take final action on the *Ponte Vista* project sometime in the first quarter of 2014.

The Planning and Land Use Management (PLUM) Committee of the Los Angeles City Council met again to consider the *Ponte Vista* project at its meeting on Tuesday, February 25, 2014. The Committee reviewed the draft ordinances prepared for the project by the Los Angeles City Attorney, and forwarded a recommendation of approval to the Los Angeles City Council.

On Tuesday, March 4, 2014, the Los Angeles City Council met to consider the *Ponte Vista* project's specific plan, development entitlements and final environmental impact report. With no public opposition to the project expressed at the hearing, it was unanimously approved by the City Council. At this point, assuming that no legal challenge is filed, the developer is expected to begin demolishing the remaining strictures on the site and preparing it for development later this year.

The *Ponte Vista* project has been a fixture of the Border Issues Status Report for more than a decade. With the Los Angeles City Council's action, Staff will remove this item

from future Border Issues reports. However, Staff will continue to monitor the progress of the project, and to report periodically on its status in the Weekly Administrative Report.

In November 2019, the project's new owner and master developer, Harridge Development Group, applied to the City of Los Angeles for an interpretation of the Ponte Vista at San Pedro Specific Plan to make minor adjustments to internal boundaries between subareas within the development. The interpretation was approved in March 2020.

In mid-January 2020, the City began receiving complaints about traffic congestion from residents off Western Avenue in and around the Rolling Hills Rivera Homeowners Association (generally the streets around Avenida Aprenda). The traffic was the result of roadwork being performed by Caltrans as part of the improvements associated with the Ponte Vista project. The work included:

- the installation of upgraded traffic signals at Avenida Aprenda, Pacific Coast Highway, Palos Verdes Drive North and Capital Drive
- a widening of Western Avenue to create a dedicated right turn-out lane taking motorists into the Ponte Vista property
- the installation of a new signal at Peninsula Verde Drive, just north of Avenida Aprenda, on Western Avenue
- the installation of a left-turn signal for entrance into Mary Star of the Sea High School from Western Avenue
- new medians, landscaping and bus turnout lanes

Staff coordinated with Caltrans and Harridge Development Group to improve public communication about the construction-related delays. The portion of the roadwork that caused the most significant backup was completed in early February, and striping was performed soon after. According to Harridge Development Group, this concluded work in the roadway.

On June 3, Staff attended a virtual meeting of the Northwest San Pedro Neighborhood Council (NWSPNC) Planning and Land Use Committee, which included a presentation on the status of the Ponte Vista project.

It is Staff's understanding that Harridge Development Group will build the recreation, landscaping and common areas of the project, while the residential subareas will be sold to home builders. D.R. Horton will build 66 homes in Subarea 1 on the northwest corner of the project site across from the entrance to Green Hills Memorial Park. These detached single-family homes will be called The Estates at Ponte Vista. D.R. Horton plans to apply for building permits in July 2020 to construct the first model homes, which would be ready to show in October. According to Harridge Development Group, the next homes would be built in Subarea 3 by Kaufman & Broad.

Renderings of entry gates and monument signs along Western Avenue were also presented to the NWSPNC Planning and Land Use Committee. The most publicly visible entrance will be the northern entry gate on Western Avenue, which will include palm trees, steel access gates, stone entry walls and a metal, backlit cutout Ponte Vista community sign. Harridge Development Group is currently seeking approval for these entry gates and monument signs from the City of Los Angeles.

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