

**AGENDA ITEM NO.     10A**

**CASE TYPE AND NUMBER:**     Zone Change, ZON14-00003  
General Plan Amendment, GPA14-00003  
Vesting Tentative Tract Map, DIV14-00008

**NAME:** Chandler Ranch Properties, LLC

**PURPOSE OF APPLICATION:**     Request for a “City Boundary Modification” between Torrance and Rolling Hills Estates to allow the annexation/deannexation of 41 acres, a Zone Change and General Plan Amendment to designate the annexed land to P-1 Zone; Public/Quasi-Public/Open Space Land Use Designation in conjunction with a Vesting Tentative Tract Map as it relates to land located in Torrance and notice of intent to consider adoption of a Development Agreement.

**LOCATION:**     26311 Palos Verdes Boulevard (Rolling Hills Estates)  
Assessor Parcel Numbers: 7536-028-010, 7551-013-007, 7551-013-014,  
7551-013-016, 7551-013-20, 7551-013-021, 7551-013-022, 7551-013-023,  
7551-013-025, 7551-013-038, 7551-013-081, 7551-013-082, 7551-013-083,  
7551-013-084, 7551-013-085, 7551-014-006, 7551-014-007, 7551-026-010,  
7551-026-011, 7551-026-012, 7551-026-014, 7536-028-007, 7536-028-009,  
7536-028-012

**ZONING:**     A-1: Light Agricultural District (Hillside)  
R-1: Single Family Residence (Hillside)

**ADJACENT ZONING AND LAND USE:**

NORTH:	R1-PP (Hillside)	Mobile Home Park
SOUTH:	City of Rolling Hills Estates	Golf Course/Single Family Residential
EAST:	City of Rolling Hills Estates	Golf Course/Chandler Sand and Gravel
WEST:	R-1 (Hillside)/P-U (Hillside)	Single Family Residences/Alta Loma Park

**GENERAL PLAN DESIGNATION:**     Public / Quasi-Public / Open Space

**COMPLIANCE WITH GENERAL PLAN:**

The proposed General Plan Amendment to pre-designate the General Plan land use of the annexed land to Torrance from Rolling Hills Estates to Public/Quasi-Public/Open Space is appropriate for the portion of the proposed golf course that will be within Torrance city limits. The proposed P-1 Zone is consistent with the proposed Public/ Quasi-Public/Open Space land use designation.

**EXISTING IMPROVEMENTS AND/OR NATURAL FEATURES:**

The project area currently consists of multiple parcels. The area that is currently within the City of Torrance is developed as open space, golf course, and a sand and gravel pit.

**ENVIRONMENTAL FINDINGS:**

The environmental clearance for this project has been completed by the Lead Agency, Rolling Hills Estates, which certified a 2011 Final Environmental Impact Report (SCH#2008011027) for the project and later adopted a 2014 Addendum pursuant to Public Resources Code Section 21166, determining that none of the triggers that would have required further environmental review had occurred. The City of Torrance is acting as a responsible agency pursuant to CEQA Guidelines Section 15096.

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& DIV14-00008

**BACKGROUND AND ANALYSIS:**

The applicant is requesting approval of a series of entitlements to allow for a City Boundary Modification between Torrance and Rolling Hills Estates which involves the annexation and deannexation of 41 acres of land. A Zone Change and General Plan Amendment are required to pre-designate the annexed land to the P-1 Zone and Public/Quasi-Public/Open Space land use designation. Vesting Tentative Tract Map 61287, processed by the City of Torrance under a Division of Lot(s) record type, is also required as it relates to subdivision activity for land that is proposed to be annexed by the City of Torrance.

In July 2011, the City of Rolling Hills Estates approved a series of entitlements to allow the development of a 114 single-family home subdivision, reconfigure/relocate an existing 18-hole golf course, and a new clubhouse complex at Rolling Hills Country Club and Chandler Sand and Gravel located at 26311 & 27000 Palos Verdes Drive East.

In December 2007, the City Council approved a Boundary Adjustment Agreement with Rolling Hills Estates as well as a Contribution Agreement between Chandler and the City of Torrance. The City Council approved amendments to these agreements earlier in February 2014 to conform the boundary adjustment with the current proposal to comply with a request from LAFCO, as discussed below.

The area proposed to be deannexed from Torrance is currently a portion of the golf course at Rolling Hills Country Club located to the east of the homes on Delos Drive and Alta Loma Park. A portion of the existing sand and gravel operation located to the east of Alta Loma Park and behind the mobile home park is also part of the deannexation area. The area proposed to be annexed by Torrance is currently utilized as part of the sand and gravel operation.

The project originally proposed an area approximately 32 acres but was recently revised to 40.78 acres as requested by staff at the Los Angeles Local Area Formation Commission (LAFCO). The purpose of the boundary modification is to allow for the residential development to be located within Rolling Hills Estates and portions of the reconfigured golf course to be located in Torrance. Furthermore, the existing golf course provides more compacted earth for the construction of the residential uses while the golf course use is more appropriate at the sand and gravel operation.

The existing sand and gravel operation has also been utilized as an inert landfill since the 1970s and as a concrete batch plant. Based on the project's Certified EIR, a Phase I and Phase II Environmental Site Assessment (ESA) were prepared and did not detect contaminants present in the soil. Furthermore, the landfill will be decommissioned under the oversight of California Regional Water Quality Control Board and Southwestern Local Enforcement Agency (LEA) of the California Department of Resources Recycling and Recovery, also known as CalRecycle.

The project proposes to pre-designate the annexed area to the Public/Quasi-Public/Open Space Land Use Designation which is the current land use designation of the deannexed area. Staff notes that there are two areas which are part of the project area will remain in Torrance and are currently designated as Public/Quasi-Public/Open Space. This designation provides for open space, land owned by public agencies and jurisdictions, and land owned by private entities for uses which serve the community, such as utilities.

The project area which is located in Torrance is currently zoned A-1 (Hillside) with a small portion zoned R-1 (Hillside). The annexed area is proposed to be pre-zoned P-1: Open Area - Planting - Parking. The application proposes a P-1 Zone designation which allows for

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landscaping, parks and recreation, and parking. The project areas which are not part of the deannexation/annexation are also proposed to be zoned P-1. Staff recommends that Planning Commission also consider classifying the area to also be located within the Hillside Overlay District to be consistent with surrounding areas to the west and north. Staff notes that a P-1 (Hillside Overlay District) zoning remains consistent with the Public/Quasi-Public/Open Space Land Use Designation.

Vesting Tentative Tract Map 61287 encompasses the total project area which totals approximately 221 acres, within Torrance and Rolling Hills Estates. As previously mentioned, the project proposes 114 residential lots to be located within Rolling Hills Estates and a portion of the reconfigured golf course in Torrance. Lot No. 116 is the lot which will be located in Torrance and measures 42.85 acres. Staff notes that the total area of the lot also includes the two areas which will remain in Torrance after the annexation/deannexation.

The project also involves a Development Agreement between the City of Torrance and the Developer. The Development Agreement sets terms and conditions between parties for the project such as timing of subsequent approvals, obligations from the Developer and the City, how disputes are handled, etc. The agreement is included for your review as Attachment #4.

Staff received correspondence regarding changing of school district boundaries (Attachment #5). Staff notes that previous discussions in the EIR included having the Palos Verdes Unified School District be the public school provider for the new homes. The applicant has indicated that this is no longer being pursued by the applicant as indicated on pages 8.0-1 and 8.0-2 of the Errata to the Final EIR (Attachment #6) prepared by the City of Rolling Hills Estates and that the proposed homes within the existing Torrance Unified School District boundary will remain a part of that school district. The requested actions from the City of Torrance do not include any proposed modification of School District boundaries. All staff reports and attachments from Rolling Hills Estates have been included in the provided CD.

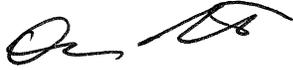
Staff recommends that DIV14-00008 be approved, as conditioned, and that the Planning Commission recommend approval of the annexation/deannexation, Zone Change and General Plan Amendment to pre-designate the annexed land to the P-1 (Hillside Overlay District) and Public/Quasi-Public/Open Space land use designation, and Development Agreement to the City Council. The annexation/deannexation allows for the golf course use to be continued in Torrance and the residential uses to be located in Rolling Hills Estates.

**PROJECT RECOMMENDATION: APPROVAL**

**FINDINGS OF FACT IN SUPPORT OF APPROVAL OF THE REQUEST:**

Findings of fact in support of approval for the Tentative Tract Map are set forth in the attached Resolution.

Prepared by,



Oscar Martinez  
Planning Associate

Respectfully Submitted,



for: Gregg Lodan, AICP  
Planning Manager

Attachments:

1. Resolution
2. Location and Zoning Map
3. Description of Project Provided by Applicant
4. Development Agreement
5. Correspondence
6. Final EIR Errata Sheet - Excerpt (Attachment #4 of Rolling Hills Estates Staff Report dated 7/26/11)
7. Addendum to the Chandler Ranch/Rolling Hills Country Club Project EIR (Limited Distribution)
8. Environmental Documentation (CD; Limited Distribution)
9. Site Plans

**PLANNING COMMISSION RESOLUTION NO. 14-037**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF TORRANCE, CALIFORNIA, APPROVING A VESTING TENTATIVE TRACT MAP AS PROVIDED FOR IN DIVISION 9, CHAPTER 2, ARTICLE 29 OF THE TORRANCE MUNICIPAL CODE FOR LOT CONSOLIDATION AND SUBDIVISION PURPOSES FOR LAND LOCATED IN TORRANCE AND ROLLING HILLS ESTATES AT 26311 PALOS VERDES DRIVE.

**DIV14-00008 (VTTM61287): CHANDLER RANCH PROPERTIES, LLC**

**WHEREAS**, the environmental clearance for this project has been completed by the Lead Agency, Rolling Hills Estates, which certified a 2011 Final Environmental Impact Report (SCH#2008011027) for the project and later adopted a 2014 Addendum pursuant to Public Resources Code Section 21166, determining that none of the triggers that would have required further environmental review had occurred. The City of Torrance is acting as a responsible agency pursuant to CEQA Guidelines Section 15096; and

**WHEREAS**, due and legal publication of notice was given to owners of property within a 500 foot radius and due and legal hearings have been held, all in accordance with the provisions of Division 9, Chapter 6, Article 2 of the Torrance Municipal Code; and

**WHEREAS**, the Planning Commission of the City of Torrance at its meeting of August 6, 2014, conducted a duly noticed public hearing to consider an application for DIV14-00008 filed by Chandler Ranch Properties, LLC for VTTM61287 for lot consolidation and subdivision purposes for land located in Torrance and Rolling Hills Estates at 26311 Palos Verdes Drive; and

**WHEREAS**, the Planning Commission of the City of Torrance at its meeting of August 6, 2014 continued the matter to August 20, 2014 to properly notice the project; and

**WHEREAS**, the Planning Commission of the City of Torrance at its meeting of August 20, 2014, conducted a duly noticed public hearing to consider an application for DIV14-00008 filed by Chandler Ranch Properties, LLC for VTTM61287 for lot consolidation and subdivision purposes for land located in Torrance and Rolling Hills Estates at 26311 Palos Verdes Drive; and

**WHEREAS**, the Planning Commission of the City of Torrance does hereby find and determine as follows:

- a) That the properties under consideration are located at 26311 Palos Verdes Drive;
- b) That the properties are described as Assessor Parcel Numbers 7536-028-010, 7551-013-007, 7551-013-014, 7551-013-016, 7551-013-20, 7551-013-021,

7551-013-022, 7551-013-023, 7551-013-025, 7551-013-038, 7551-013-081, 7551-013-082, 7551-013-083, 7551-013-084, 7551-013-085, 7551-014-006, 7551-014-007, 7551-026-010, 7551-026-011, 7551-026-012, 7551-026-014, 7536-028-007, 7536-028-009, 7536-028-012; and

- c) The proposed reconfigured golf course, as conditioned, is permitted within the proposed P-1 Zone, and complies with all of the applicable provisions of this Division;
- d) The subdivision will not interfere with the orderly development of the City as a Boundary Modification proposes to annex/deannex 40.78 acres between Torrance and Rolling Hills Estates which will develop a portion of a reconfigured golf course in Torrance and 114 single-family lots in Rolling Hills Estates;
- e) That the proposed subdivision, together with the provisions for its design and improvement, is consistent with the City's General Plan as a General Plan Amendment has been filed to pre-designate the annexed land into Torrance as Public/Quasi-Public/Open Space Land Use Designation;
- f) That the City, in its capacity as Responsible Agency, has independently reviewed the EIR and Addendum prepared by the Lead Agency and found them to be adequate for the project, and does hereby adopt the findings and statement of overriding considerations adopted by the Lead Agency as its own;

**WHEREAS**, the Planning Commission by the following roll call vote APPROVED DIV14-00008, subject to conditions:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

**NOW, THEREFORE, BE IT RESOLVED** that DIV14-00008, filed by Chandler Ranch Properties, LLC for subdivision and consolidation purposes for land located in Torrance and Rolling Hills Estates at 26311 Palos Verdes Drive, is hereby APPROVED, subject to the following conditions:

1. That the use of the subject property for a reconfigured golf course shall be subject to all conditions imposed in DIV14-00008 and any amendments thereto or modifications thereof as may be approved from time to time pursuant to Section 92.28.1 et seq. of the Torrance Municipal Code on file in the office of the Community Development Director of the City of Torrance; and further, that the said use shall be established or constructed and shall be maintained in conformance with such maps,

plans, specifications, drawings, applications or other documents presented by the applicant to the Community Development Department and upon which the Planning Commission relied in granting approval;

2. That if this Tentative Tract is not used within two years after granting of the permit, or as otherwise provided in a Development Agreement approved by the City, it shall expire and become null and void unless extended by the Community Development Director for an additional period as provided for in Section 92.29.13;
3. That Tract Map No. 61287 must be submitted and approved by the City of Torrance and said Tract Map must be recorded by the County prior to the granting of occupancy; (Engineering)

Introduced, approved and adopted this 20<sup>th</sup> day of August, 2014.

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Chairman, Torrance Planning Commission

ATTEST:

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Secretary, Torrance Planning Commission

STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES) ss  
CITY OF TORRANCE            )

I, GREGG LODAN, Secretary to the Planning Commission of the City of Torrance, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the Planning Commission of the City of Torrance at a regular meeting of said Commission held on the 20<sup>th</sup> day of August, 2014, by the following roll call vote:

- AYES:                COMMISSIONERS:
- NOES:               COMMISSIONERS:
- ABSENT:             COMMISSIONERS:
- ABSTAIN:            COMMISSIONERS:

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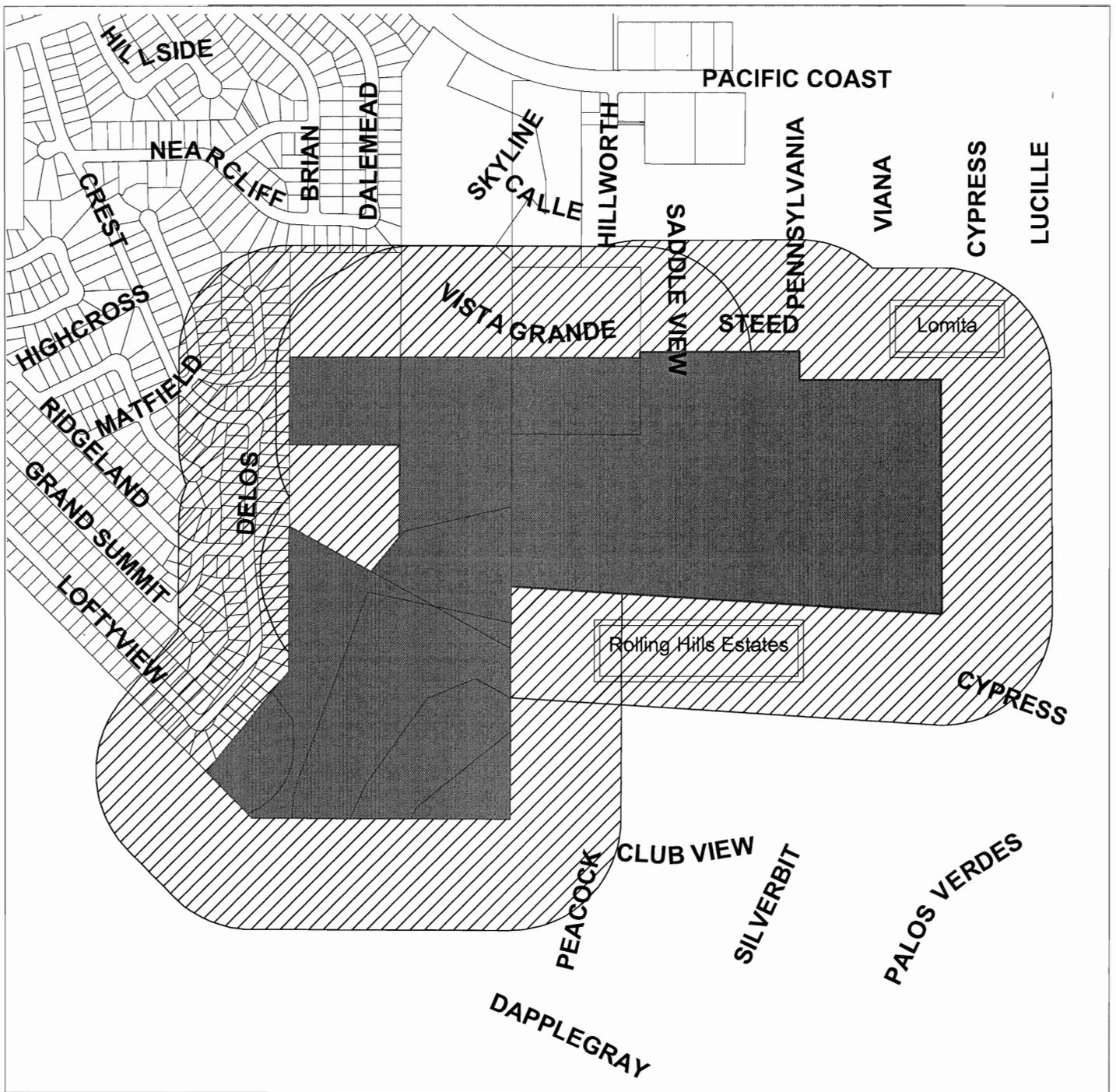
Secretary, Torrance Planning Commission

## **CODE REQUIREMENTS**

The following is a partial list of code requirements applicable to the proposed project. All possible code requirements are not provided here and the applicant is strongly advised to contact each individual department for further clarification. The Planning Commission may not waive or alter the code requirements. They are provided for information purposes only.

### **Engineering:**

- Note: North boundary of Tract Map 61287 has slight discrepancy with proposed Parcel Map to the north. Developer to coordinate this property boundary.
- Show existing oil pipeline easement near north property line on Final Tract Map.



# LOCATION AND ZONING MAP

CHANDLER RANCH PROPERTIES, LLC /  
 BRI, LLC / CHANDLER PERRIS, LLC  
 ZON14-00003, GPA14-00003 & DIV14-00008



## LEGEND

- Project Area
- 500ft Notification Area





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2049 Century Park East, Suite 2800  
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Andrew K. Fogg  
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File No. 69209

June 27, 2014

Mr. Jeffery W. Gibson  
City of Torrance  
3031 Torrance Blvd.  
Torrance, CA 90503

Re: Chandler Ranch/Rolling Hills Country Club Project

Dear Mr. Gibson:

Enclosed please find the application of the Rolling Hills Country Club, Chandler Ranch Properties, LLC and BRI LLC (collectively, the "Applicants") for the following entitlements relating to the Chandler Ranch/Rolling Hills Country Club Project (the "Project"): (i) approval of Vesting Tentative Tract Map Number 61287; (ii) a resolution authorizing submission of an application to the Los Angeles County Local Area Formation Commission ("LAFCO") related to the detachment of approximately 40.78 acres of land from the City of Torrance ("City of Torrance") to be annexed into the City of Rolling Hills Estates ("Rolling Hills Estates") and annexation into the City of Torrance approximately 40.78 acres of land to be detached from Rolling Hills Estates; (iii) approval of an ordinance rezoning of the approximately 40.78 acres of land to be annexed into the City of Torrance following LAFCO approval; and (iv) approval of a development agreement.

The City of Torrance has approved previously two preplanning agreements related to the Project – a Cooperation Agreement with Rolling Hills Estates and a Property Dedication and Contribution Agreement with Chandler Ranch Properties, LLC and BRI LLC. The entitlements that are the subject of this application are made in furtherance of these agreements and are necessary in order to implement the Project. Rolling Hills Estates, in its capacity as lead agency under CEQA, has previously reviewed and approved the Project, including the certification of an EIR for the Project that contemplated all of the entitlements that are the subject of this application. The Applicants hereby request that the City of Torrance, in its capacity as a responsible agency under CEQA, review and consider the application, including the EIR and any related documents.

Mr. Jeffery W. Gibson  
June 27, 2014  
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Please do not hesitate to let me know if you have any questions or need any additional information. Thank you in advance for your consideration of this application. The Applicants look forward to working with you other members of the City's staff in reviewing these materials.

Sincerely,



Andrew K. Fogg

AKF/AKF

Enclosures

cc: Mr. Paul Loubet  
Mr. Jeff Baran  
Mr. Michael Cope  
Mr. Greg Sullivan  
Mr. Bruce Steckel

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

Cox, Castle & Nicholson, LLP  
2049 Century Park East, 28th Floor  
Los Angeles, CA 90067  
Attn: Andrew K. Fogg, Esq.

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(Space Above This Line Reserved For Recorder's Use)

**DEVELOPMENT AGREEMENT**

**BY AND BETWEEN**

**THE CITY OF TORRANCE**

**AND**

**CHANDLER RANCH PROPERTIES LLC, BRI LLC,  
AND THE ROLLING HILLS COUNTRY CLUB**

## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the “Agreement”) is entered into as of \_\_\_\_\_, 2014, by and among the City of Torrance (the “City”), a California charter the City, and Chandler Ranch Properties LLC, a Delaware limited liability company (“CRP”), BRI LLC, a Delaware limited liability company (“BRI”), and Rolling Hills Country Club, a California non-profit mutual benefit corporation (“RHCC”) (collectively, CRP, BRI, and RHCC are referred to herein as “Developer”), pursuant to California Government Code Section 65864 *et seq.*

### RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California enacted California Government Code Section 65864 *et seq.* (the “Development Agreement Statute”), which authorizes the City to enter into an agreement with any person having a legal or equitable interest in real property regarding the development of such property.

B. Pursuant to California Government Code Section 65865, the City has adopted procedures and requirements for the consideration of development agreements. This Development Agreement has been processed, considered and executed in accordance with such procedures and requirements.

C. The City and the City of Rolling Hills Estates (“Rolling Hills Estates”) have entered into that certain Boundary Modification and Annexation Agreement dated as of January 8, 2008, as amended by that certain First Amendment to Boundary Modification and Annexation Agreement dated as of \_\_\_\_\_, 2014 (collectively, as amended, the “Annexation Agreement”). The Annexation Agreement contemplates that the City and Rolling Hills Estates will jointly submit to the Local Area Formation Commission to cause approximately forty-one (41) acres of land to be detached from the City and annexed into Rolling Hills Estates and another approximately forty-one (41) acres of land to be detached from Rolling Hills Estates and annexed into the City (the “Annexation Proceedings”). The City and Developer contemplate that the Annexation Proceedings will be completed during the Term (as defined below).

D. Developer has a legal and/or equitable interest in certain real property consisting of approximately two hundred twenty-one (221) acres of land (the “Project Site”). The Project Site is depicted on Exhibit A attached hereto. Following completion of the Annexation Proceedings, a portion of the Project Site will be located within the City (the “Torrance Land”), as also depicted on Exhibit A, and the balance of the Project Site will be located in Rolling Hills Estates. The portions of the Torrance Land located in the City prior to completion of the Annexations Proceedings are legally described in Exhibit B-1, attached hereto. The portions of the Torrance Land that are expected to be annexed by the City upon completion of the Annexation Proceedings are legally described in Exhibit B-2, attached hereto.

E. Developer intends to develop the Project Site as a residential community of one hundred fourteen (114) dwelling units and ancillary uses (the “Residential Community”) and a country club, including a golf course, clubhouse, and tennis facilities, together with certain related and ancillary uses (the “Country Club”) (collectively, the Residential Community and the Country Club comprise the “Project”). A site plan depicting the Project, including the portions thereof to be developed as the Residential Community and the portions thereof to be developed as the Country Club, is included within Exhibit A. The Parties contemplate that (i) the Residential Community will be developed by CRP and/or BRI, or their respective successors in interest, and (ii) the Country Club will be developed and operated by RHCC or its successors in interest. All of the Residential Community will be located in Rolling Hills Estates. Portions of the Country Club are intended to be located in the City and portions are intended to be located in Rolling Hills Estates. In addition, a portion of land in the City will be set aside as permanent open space. The portions of the Project that are to be developed in the City are referred to herein as the “Torrance Project.”

F. The City has taken several actions to review and plan for the future development of the Torrance Project. These include, without limitation, the following:

1. Environmental Impact Report. The environmental impacts of the Project, including the Project Approvals (defined below) and the Subsequent Approvals (defined below), and numerous alternatives to the Project and its location, have been reviewed and assessed by Rolling Hills Estates, acting as Lead Agency, pursuant to the California Environmental Quality Act, Public Resources Code Section 21000 et seq. and California Code of Regulations Title 14, Section 15000 et seq. (hereinafter collectively referred to as “CEQA”). On July 26, 2011, pursuant to CEQA the Rolling Hills Estates City Council certified a final environmental impact report covering the Project and, on \_\_\_\_\_, 2014, adopted an addendum to the EIR (collectively, the certified EIR and the adopted addendum are referred to herein as the “EIR”). As required by CEQA, Rolling Hills Estates adopted written findings and a mitigation monitoring program (the “Mitigation Monitoring Program”). The City, acting as Responsible Agency, participated in the CEQA proceedings and, consistent with CEQA, the City has considered the environmental effects of the portion of the Project subject to approval by the City and the City has found that the EIR is adequate for the City’s use under CEQA.

2. Rezoning. Following certification of the EIR and City Planning Commission review and recommendation at a duly noticed public hearing, the City Council adopted City Ordinance No. \_\_\_\_, rezoning the Torrance Land to the City’s Open Area – Planting – Parking (P-1) zoning district, as depicted in such ordinance.

3. Vesting Tentative Tract Map. Following certification of the EIR and City Planning Commission review and recommendation and rezoning at a duly noticed public hearing, the City Council approved Vesting Tentative Tract Map No. 61287, as it applies to the Torrance Land, which subdivides the Torrance Land into multiple parcels.

The approvals and development policies described in this Recital are collectively referred to herein as the “Project Approvals.”

G. The City has determined that the Torrance Project presents certain public benefits and opportunities which are advanced by the City and Developer entering into this Agreement. This Agreement will, among other things, (1) reduce uncertainties in planning and provide for the orderly development of the Torrance Project; (2) mitigate many significant environmental impacts; (3) provide for the redevelopment of land currently used for land fill purposes; (4) provide for and generate substantial revenues for the City as set forth in that certain Property and Dedication and Contribution Agreement dated as of December 11, 2007 by and between The City and CRP and BRI, as amended by that certain First Amendment to Property and Dedication and Contribution Agreement dated as of \_\_\_\_\_, 2014 (collectively, as amended, the “Contribution Agreement”); (5) provide for permanent open space in the City as set forth in the Contribution Agreement; and (6) otherwise achieve the goals and purposes for which the Development Agreement Statute was enacted.

H. In exchange for the benefits to the City described in the preceding Recital, together with the other public benefits that will result from the development of the Torrance Project, Developer will receive by this Agreement assurance that it may proceed with the Torrance Project in accordance with the “Applicable Law” (defined below), and therefore desires to enter into this Agreement.

I. The City Council, after conducting a duly noticed public hearing, has found that this Agreement is consistent with the General Plan and has conducted all necessary proceedings in accordance with the City’s rules and regulations for the approval of this Agreement.

J. On \_\_\_\_\_, 2014, the Planning Commission conducted a duly noticed public hearing regarding this Agreement. Following certification of the EIR, adoption or approval of the Rezoning and the Vesting Tentative Tract Map, the City Council at a duly noticed public hearing adopted Ordinance No. [\_\_\_\_], approving and authorizing the execution of this Agreement.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the promises, covenants and provisions set forth herein, the receipt and adequacy of which is hereby acknowledged, the Parties (defined below) agree as follows:

### **1.0 DEFINITIONS**

For all purposes of this Agreement, except as otherwise expressly provided or unless the context requires:

1.1 “Developer” means Chandler Ranch Properties LLC, BRI LLC, and Rolling Hills Country Club and any of their respective subsequent transferees or assignees.

1.2 “Parties” means Developer and the City, each of which may be referred to herein individually as a “Party.”

1.3 “Subsequent Approvals” means those certain other land use approvals, entitlements, and permits other than the Project Approvals that are necessary or desirable for the Torrance Project. The Subsequent Approvals may include, without limitation, the following: amendments of the Project Approvals, design review approvals, improvement agreements, use permits, conditional use permits, grading permits, building permits, lot line adjustments, sewer and water connection permits, certificates of occupancy, subdivision maps, preliminary and final development plans, rezonings, development agreements, permits, resubdivisions, final tract maps, neighborhood compatibility permits, and any amendments to, or repealing of, any of the foregoing.

## 2.0 EFFECTIVE DATE AND TERM

2.1 Effective Date. With regard to portions of the Torrance Land currently located within the City, this Agreement shall become effective upon the date the ordinance approving this Agreement becomes effective (the “Effective Date”). With regard to portions of the Torrance Land that will be annexed into the City in conjunction with the Annexation Proceedings, this Agreement shall become effective on such portions of the Torrance Land upon the date that the Annexation Proceedings are complete.

2.2 Term. The term of this Agreement (the “Term”) shall commence upon the Effective Date and continue for a period of twenty (20) years.

## 3.0 OBLIGATIONS OF DEVELOPER

3.1 Obligations of Developer Generally. The Parties acknowledge and agree that the City’s agreement to perform and abide by the covenants and obligations of The City set forth in this Agreement is a material consideration for Developer’s agreement to perform and abide by its long term covenants and obligations, as set forth herein. The Parties acknowledge that many of Developer’s long term obligations set forth in this Agreement are in addition to Developer’s agreement to perform all the mitigation measures identified in the Mitigation Monitoring Program.

## 4.0 OBLIGATIONS OF THE CITY

4.1 Obligations of the City Generally. The Parties acknowledge and agree that Developer’s agreement to perform and abide by its covenants and obligations set forth in this Agreement is a material consideration for the City’s agreement to perform and abide by the long term covenants and obligations of the City, as set forth herein.

4.2 Protection of Vested Rights. To the maximum extent permitted by law, the City shall take any and all actions as may be necessary or appropriate to ensure that the vested rights provided by this Agreement can be enjoyed by Developer and to prevent any City Law, as defined below, from invalidating or prevailing over all or any part of this Agreement. The City shall cooperate with Developer and shall undertake such actions as may be necessary to ensure this Agreement remains in full force and effect. The City shall not support, adopt, or enact any City Law, or take any other action which would violate the express provisions or intent of the Project Approvals or the Subsequent Approvals.

4.3 Availability of Public Services. To the maximum extent permitted by law and consistent with its authority, the City shall assist and otherwise cooperate with Developer in reserving such capacity for sewer and water services as may be necessary to serve the Torrance Project.

4.4 Developer's Right to Rebuild. The City agrees that Developer may renovate or rebuild the Torrance Project within the Term should it become necessary due to natural disaster, changes in seismic requirements, or should the buildings located within the Torrance Project become functionally outdated, within Developer's sole discretion, due to changes in technology. Any such renovation or rebuilding shall be subject to the square footage and height limitations vested by this Agreement, and shall comply with the Project Approvals, the building codes existing at the time of such rebuilding or reconstruction, the neighborhood compatibility permit, and the requirements of CEQA.

## 5.0 COOPERATION - IMPLEMENTATION

5.1 Processing Application for Subsequent Approvals. By approving the Project Approvals, the City has made a final policy decision that the Torrance Project is in the best interests of the public health, safety and general welfare. Accordingly, the City shall not use its discretionary authority in considering any application for a Subsequent Approval to change the policy decisions reflected by the Project Approvals or otherwise to prevent or delay development of the Torrance Project as set forth in the Project Approvals. Instead, the Subsequent Approvals shall be deemed to be tools to implement those final policy decisions and shall be issued by the City so long as they comply with this Agreement and Applicable Law and are not inconsistent with the Project Approvals as set forth above.

5.2 Subsequent Submittals By Developer. Developer acknowledges that the City cannot expedite processing Subsequent Approvals until Developer submits complete applications. Developer shall (i) provide to the City any and all documents, applications, plans, and other information necessary for the City to carry out its obligations hereunder; and (ii) cause Developer's planners, engineers, and all other consultants to provide to the City all such documents, applications, plans and other necessary required materials as set forth in the Applicable Law. It is the express intent of Developer and the City to cooperate and diligently work to obtain any and all Subsequent Approvals following submittal by Developer.

5.3 Timely Processing By the City. Upon submission by Developer of all appropriate applications and processing fees for any Subsequent Approval, the City shall promptly and diligently commence and complete all steps necessary to act on the Subsequent Approval application including, without limitation, (i) providing at Developer's expense and subject to Developer's request and prior approval, reasonable overtime staff assistance and/or staff consultants for planning and processing of each Subsequent Approval application; (ii) if legally required, providing notice and holding public hearings; and (iii) acting on any such Subsequent Approval application. The City shall ensure that adequate staff is available, and shall authorize overtime staff assistance as may be necessary, to timely process such Subsequent Approval application.

5.4 Review of Subsequent Approvals. The City may deny an application for a Subsequent Approval only if such application does not comply with this Agreement or Applicable Law, defined below, or does not substantially comply with the Project Approvals (provided, however, that inconsistency with the Project Approvals shall not constitute grounds for denial of a Subsequent Approval which is requested by Developer as an amendment to that Project Approval). The City may approve an application for such a Subsequent Approval subject to any conditions necessary to bring the Subsequent Approval into compliance with this Agreement or Applicable Law, or is necessary to make this Subsequent Approval consistent with the Project Approvals. If the City denies any application for a Subsequent Approval, the City must specify in writing the reasons for such denial and may suggest a modification which would be approved. Any such specified modifications must be consistent with this Agreement, Applicable Law and the Project Approvals, and the City shall approve the application if it is subsequently resubmitted for review and addresses the reason for the denial in a manner that is consistent with this Agreement, Applicable Law and the Project Approvals.

5.5 Other Government Permits. At Developer's sole discretion and in accordance with Developer's construction schedule, Developer shall apply for such other permits and approvals as may be required by other governmental or quasi-governmental entities in connection with the development of, or the provision of services to, the Project. The City shall cooperate with Developer in its efforts to obtain such permits and approvals and shall, from time to time at the request of Developer, use its best efforts to enter into binding agreements with any such entity as may be necessary to ensure the timely availability of such permits and approvals.

5.6 Assessment Districts or Other Funding Mechanisms.

(a) The City is unaware of any pending efforts to initiate, or consider applications for new or increased assessments covering the Project Site, or any portion thereof.

(b) The City understands that long term assurances by the City concerning fees, taxes and assessments were a material consideration for Developer agreeing to process the siting of the Torrance Project in its present location and to pay long term fees, taxes and assessments described in this Agreement. The City shall retain the ability to initiate or process applications for the formation of new assessment districts covering all or any portion of the Torrance Land. Notwithstanding the foregoing, Developer retains all its rights to oppose the formation or proposed assessment of any new assessment district or increased assessment. In the event an assessment district is lawfully formed to provide funding for services, improvements, maintenance or facilities which are substantially the same as those services, improvements, maintenance or facilities being funded by the fees or assessments to be paid by Developer under the Project Approvals or this Agreement, such fees or assessments to be paid by Developer shall be subject to reduction/credit in an amount equal to Developer's new or increased assessment under the assessment district. Alternatively, the new assessment district shall reduce/credit Developer's new assessment in an amount equal to such fees or assessments to be paid by Developer under the Project Approvals or this Agreement.

(c) At the request of Developer, the City shall cooperate in the formation of assessment districts, community facilities districts, tax-exempt financing mechanisms, or other funding mechanisms related to traffic, sewer, water or other infrastructure improvements

(including, without limitation, design, acquisition and construction costs) within the Torrance Land. The City shall diligently and expeditiously process applications by Developer necessary to establish funding mechanisms so long as (i) the application complies with law, (ii) is consistent with the City's standards, and (iii) provides for a lien to value ratio and other financial terms that are reasonably acceptable to the City, and which will result in no commitment of City funds. The City shall diligently seek to sell any bonds to be issued and secured by such assessments upon the best terms reasonably available in the marketplace. Developer may initiate improvement and assessment proceedings utilizing assessment mechanisms authorized under the law of the State of California where the property subject to assessment (the "Assessed Property") provides primary security for payment of the assessments. Developer may initiate such assessment proceedings with respect to a portion of the Assessed Property to provide financing for design or construction of improvements for such portion. The City shall allocate shortfalls or cost overruns in the same manner as the special taxes or assessments for construction of improvements (as opposed to assessments for maintenance) are allocated in the community facilities district or other financing mechanism so that each lot and/or parcel within the benefited area shall bear its appropriate share of the burden thereof as determined by the City and construction or acquisition of needed improvements shall not be prevented or delayed.

5.7 Annexation Proceedings. In the event that the Annexation Proceedings result in annexation of land into the City that differs from that described in Exhibit B-2 hereof, the Parties shall cooperate in amending this Agreement consistent with the intent of the Agreement to provide Developer a vested right to develop the Torrance Project on the Torrance Land in accordance with the terms and conditions of this Agreement and the Project Approvals.

## 6.0 STANDARDS, LAWS AND PROCEDURES GOVERNING THE PROJECT

6.1 Vested Right to Develop. Developer shall have a vested right to develop the Torrance Project on the Torrance Land in accordance with the terms and conditions of this Agreement and the Project Approvals. Nothing in this section shall be deemed to eliminate or diminish the requirement of Developer to obtain any required Subsequent Approvals.

6.2 Permitted Uses Vested by This Agreement. The permitted uses of the Torrance Land; the density and intensity of use of the Torrance Land; the maximum height, bulk and size of proposed buildings; provisions for reservation or dedication of land for public purposes and the location of public improvements; the general location of public utilities; and other terms and conditions of development applicable to the Torrance Project, shall be as set forth in the Applicable Law (defined below), Project Approvals, and, as and when they are issued (but not in limitation of any right to develop as set forth in the Project Approvals), the Subsequent Approvals. Permitted uses shall include, without limitation, residential uses, country club and golf course uses, and related activities.

6.3 Applicable Law. The rules, regulations, official policies, standards and specifications applicable to the Torrance Project (the "Applicable Law") shall be those set forth in this Agreement and the Project Approvals, and, with respect to matters not addressed by this Agreement or the Project Approvals, those rules, regulations, official policies, standards and specifications (including City ordinances and resolutions) governing permitted uses, building

locations, timing of construction, densities, design, heights, fees, exactions, and taxes in force and effect on the Effective Date of this Agreement.

6.4 Uniform Codes. The City may apply to the Torrance Land, at any time during the Term, then current Uniform Building Code and other uniform construction codes, and the City's then current design and construction standards for road and storm drain facilities, provided any such uniform code or standard has been adopted and uniformly applied by the City on a citywide basis and provided that no such code or standard is adopted for the purpose of preventing or otherwise limiting construction of all or any part of the Torrance Project.

6.5 No Conflicting Enactments. The City shall not impose on the Torrance Project (whether by action of the City Council or by initiative, referendum or other means) any ordinance, resolution, rule, regulation, standard, directive, condition or other measure (each individually, a "City Law") that is in conflict with Applicable Law or this Agreement or that reduces the development rights or assurances provided by this Agreement. Without limiting the generality of the foregoing, any City Law shall be deemed to conflict with Applicable Law or this Agreement or reduce the development rights provided hereby if it would accomplish any of the following results, either by specific reference to the Project or as part of a general enactment which applies to or affects the Project:

- (a) Change any land use designation or permitted use of the Torrance Land;
- (b) Limit or control the availability of public utilities, services or facilities or any privileges or rights to public utilities, services, or facilities (for example, water rights, water connections or sewage capacity rights, sewer connections, etc.) for the Torrance Project;
- (c) Limit or control the location of buildings, structures, grading, or other improvements of the Torrance Project in a manner that is inconsistent with or more restrictive than the limitations included in the Project Approvals or the Subsequent Approvals (as and when they are issued);
- (d) Limit or control the rate, timing, phasing or sequencing of the approval, development or construction of all or any part of the Torrance Project in any manner;
- (e) Apply to the Torrance Project any City Law otherwise allowed by this Agreement that is not uniformly applied on a citywide basis to all substantially similar types of development projects and project sites;
- (f) Result in Developer having to substantially delay construction of the Torrance Project or require the issuance of additional permits or approvals by the City other than those required by Applicable Law;
- (g) Substantially increase the cost of constructing or developing the Torrance Project or any portion thereof;
- (h) Establish, enact, increase, or impose against the Torrance Project or Torrance Land any fees, taxes (including without limitation general, special and excise taxes), assessments, liens or other monetary obligations (including generating demolition permit fees,

encroachment permit and grading permit fees) other than those specifically permitted by this Agreement or other connection fees imposed by third party utilities;

(i) Impose against the Torrance Project any condition, dedication or other exaction not specifically authorized by Applicable Law; or

(j) Limit the processing or procuring of applications and approvals of Subsequent Approvals.

Without limiting the generality of any of the foregoing, no moratorium or other limitation (whether relating to the rate, timing, phasing or sequencing of development) affecting subdivision maps, building permits or other entitlements to use that are approved or to be approved, issued or granted within the City, or portions of the City, shall apply to the Torrance Project.

To the maximum extent permitted by law, the City shall prevent any City Law from invalidating or prevailing over all or any part of this Agreement, and the City shall cooperate with Developer and shall undertake such actions as may be necessary to ensure this Agreement remains in full force and effect.

The City shall not support, adopt or enact any City Law, or take any other action which would violate the express provisions or spirit and intent of this Agreement, the Project Approvals or the Subsequent Approvals.

Developer reserves the right to challenge in court any City Law that would conflict with Applicable Law or this Agreement or reduce the development rights provided by this Agreement.

Notwithstanding anything herein to the contrary a City Law that conflicts with Applicable Law shall be applied to the Torrance Project only if consented to in writing by Developer, which such consent may be withheld in Developer's sole and absolute discretion.

6.6 Initiatives and Referenda. If any City Law is enacted or imposed by initiative or referendum, or by the City Council directly or indirectly in connection with any proposed initiative or referendum, which City Law would conflict with Applicable Law or this Agreement or reduce the development rights provided by this Agreement, such City Law shall not apply to the Torrance Project.

6.7 Environmental Mitigation. The Parties understand that the EIR was intended to be used in connection with each of the Project Approvals and Subsequent Approvals needed for the Project. Consistent with the CEQA policies and requirements applicable to the EIR, the City agrees to use the EIR in connection with the processing of any Subsequent Approval to the maximum extent allowed by law and not to impose on the Torrance Project any mitigation measures or other conditions of approval other than those specifically imposed by the Project Approvals and the Mitigation Monitoring Program or specifically required by Applicable Law.

6.8 Life of Subdivision Maps, Development Approvals, and Permits. The term of any subdivision map or any other map, permit, conditional use permit, rezoning or other land use

entitlement approved as a Project Approval or Subsequent Approval shall automatically be extended for the longer of the duration of this Agreement (including any extensions) or the term otherwise applicable to such Project Approval or Subsequent Approval if this Agreement is no longer in effect. The term of this Agreement and any subdivision map or other Project Approval or Subsequent Approval shall not include any period of time during which a development moratorium (including, but not limited to, a water or sewer moratorium or water and sewer moratorium) or the actions of other public agencies that regulate land use, development or the provision of services to the land, prevents, prohibits or delays the construction of the Project, or a portion thereof, or a lawsuit involving any such development approvals or permits is pending.

6.9 State and Federal Law. As provided in California Government Code § 65869.5, this Agreement shall not preclude the application to the Torrance Project of changes in laws, regulations, plans or policies, to the extent that such changes are specifically mandated and required by changes in state or federal laws or regulations (“Changes in the Law”). In the event Changes in the Law prevent or preclude compliance with one or more provisions of this Agreement, such provisions of the Agreement shall be modified or suspended, or performance thereof delayed, as may be necessary to comply with Changes in the Law, and the City and Developer shall take such action as may be required pursuant to this Agreement. Not in limitation of the foregoing, nothing in this Agreement shall preclude the City from imposing on Developer any fee specifically mandated and required by state or federal laws and regulations.

6.10 Timing of Project Construction and Completion.

(a) The City and Developer expressly agree that there is no requirement that Developer initiate or complete development of the Project or any particular phase of the Project within any particular period of time, and the City shall not impose such a requirement on any Project Approval. The Parties acknowledge that Developer cannot at this time predict when or the rate at which or the order in which phases will be developed. Such decisions depend upon numerous factors which are not within the control of Developer, such as market orientation and demand, interest rates, competition and other similar factors.

(b) In light of the foregoing and except as set forth in subsection (c) below, the Parties agree that Developer shall be able to develop in accordance with Developer’s own time schedule as such schedule may exist from time to time, and Developer shall determine which part of the Project Site to develop first, and at Developer’s chosen schedule. In particular, and not in limitation of any of the foregoing, since the California Supreme Court held in *Pardee Construction Co. v. County of Camarillo*, 37 Cal.3d 465 (1984), that the failure of the parties therein to consider and expressly provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over such parties’ agreement, it is the Parties’ desire to avoid that result by acknowledging that Developer shall have the right to develop the Project in such order and at such rate and at such times as Developer deems appropriate within the exercise of its subjective business judgment.

(c) Nothing in this Agreement shall exempt Developer from completing work required by a subdivision agreement, road improvement agreement or similar agreement in accordance with the terms thereof.

6.11 Water Assessment. Pursuant to Government Code Section 65867.5, Developer and the City agree that any tentative subdivision map approved for the Torrance Project shall comply with the provisions of Government Code Section 66473.7, if, and to the extent, required by Government Code Section 66473.7.

## 7.0 AMENDMENT

7.1 Amendments Generally. This Agreement may be amended from time to time by mutual consent in writing of the Parties in accordance with Government Code Section 65868; provided, however, that any amendment which does not relate to the term, permitted uses, density or intensity of use, height or size of buildings, provisions for reservation and dedication of land, or monetary contributions by Developer, shall not, except to the extent otherwise required by law, require notice or public hearing before the Parties may execute an amendment hereto. Such amendment may be approved by City Resolution.

7.2 Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between the City and Developer and the refinements and further development of the Torrance Project may demonstrate that clarifications are appropriate with respect to the details of performance of the City and Developer. If and when, from time to time, during the term of this Agreement, the City and Developer agree that such clarifications are necessary or appropriate, they shall effectuate such clarifications through operating memoranda approved by the City and Developer. No such operating memoranda shall constitute an amendment to this Agreement requiring public notice or hearing. The City Attorney shall be authorized to make the determination whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such a character to constitute an amendment hereof pursuant to Section 7.1. The City Manager is hereby authorized to execute any operating memoranda hereunder without City Council or Planning Commission action.

## 8.0 ASSIGNMENT, TRANSFER, AND ENCUMBRANCES

8.1 Assignment of Interests, Rights and Obligations. Developer may transfer or assign all or any portion of its interests, rights or obligations under this Agreement, the Project Approvals or Subsequent Approvals to third parties acquiring an interest or estate in the Torrance Project or any portion thereof including, without limitation, purchasers or ground lessees of lots, parcels or facilities.

### 8.2 Transfer Agreements.

(a) In connection with the transfer or assignment by Developer of all or any portion of the Project (other than a transfer or assignment by Developer to an affiliated party, a Mortgagee (defined below), or a Non-Assuming Transferee (as defined below)), Developer and the transferee (an "Assuming Transferee") shall enter into a written agreement (a "Transfer Agreement") regarding the respective interests, rights and obligations of Developer and the transferee in and under the Agreement, the Project Approvals, and the Subsequent Approvals. Such Transfer Agreement shall (i) release Developer from obligations under the Agreement, the Project Approvals, or the Subsequent Approvals that pertain to that portion of the Torrance Project being transferred, as described in the Transfer Agreement, provided that the Assuming

Transferee expressly assumes such obligations and (ii) transfer to the Assuming Transferee vested rights to improve that portion of the Torrance Project being transferred, and may address any other matter deemed by Developer to be necessary or appropriate in connection with the transfer or assignment.

(b) Developer shall seek the City's prior written consent to any Transfer Agreement, which consent shall not be unreasonably withheld or delayed. Failure by the City to respond within forty-five (45) days to any request made by Developer for such consent shall be deemed to be the City's approval of such Transfer Agreement. The City may refuse to give its consent only if, in light of the proposed Assuming Transferee's reputation and financial resources, such Assuming Transferee would not in the City's reasonable opinion be able to perform the obligations proposed to be assumed by such Assuming Transferee. Such determination shall be made by the City Manager, and is appealable by Developer to the City Council.

(c) Any Transfer Agreement shall be binding on Developer, the City and the Assuming Transferee. Upon recordation of any Transfer Agreement in the Official Records of Los Angeles County, Developer shall automatically be released from those obligations assumed by the Assuming Transferee therein.

(d) Developer shall be free from any and all liabilities accruing on or after the date of any assignment or transfer with respect to those obligations assumed by an Assuming Transferee pursuant to a Transfer Agreement. No breach or default hereunder by any person succeeding to any portion of Developer's obligations under this Agreement shall be attributed to Developer, nor may Developer's rights hereunder be canceled or diminished in any way by any breach or default by any such person.

8.3 Nonassuming Transferees. Except as otherwise required by Developer in Developer's sole discretion, the burdens, obligations and duties of Developer under this Agreement shall terminate with respect to, and neither a Transfer Agreement nor the City's consent shall be required, in connection with the transfer of any single parcel or multiple parcels in the Torrance Land to a third party that Developer elects will not assume Developer's obligations under this Agreement. The transferee in such a transaction and its successors ("Non-Assuming Transferees") shall be deemed to have no obligations under this Agreement, but shall continue to benefit from the vested rights provided by this Agreement for the duration of the Term. Nothing in this section shall exempt any property transferred to a Non-Assuming Transferee from payment of applicable fees and assessments or compliance with applicable conditions of approval.

#### 8.4 Encumbrances.

(a) This Agreement shall not prevent or limit Developer in any manner, at its sole discretion, from encumbering the Torrance Land or any portion of the Torrance Land or any improvement on the Torrance Land by any mortgage, deed of trust or other security device securing financing with respect to the property or its improvements.

(b) Either (i) the mortgagee of a mortgage or beneficiary of a deed of trust (“Mortgagee”) encumbering the Torrance Land, or any part thereof, and their successors and assigns or (ii) an equity investor of any Developer or Assuming Transferee, as the case may be (an “Investor”), shall, upon written request to the City, be entitled to receive from the City written notification of any default by Developer of the performance of Developer’s obligations under this Agreement which has not been cured within sixty (60) days following the date of default. The Mortgagee or Investor shall have the right, but not the obligation, to cure the default for a period of thirty (30) days after receipt of such notice of default, or any longer period as is reasonably necessary to remedy the default(s), provided that Mortgagee or Investor shall continuously and diligently pursue the remedy at all times until the default(s) is cured. Notwithstanding the foregoing, if such default shall be a default which can only be remedied by such Mortgagee or Investor obtaining possession of the Torrance Land, or any portion thereof, and such Mortgagee or Investor seeks to obtain possession, such Mortgagee or Investor shall have until thirty (30) days after the date of obtaining such possession to cure such default, or any longer period as is reasonably necessary to remedy the default(s), provided that Mortgagee or Investor shall continuously and diligently pursue the remedy at all times until the default(s) is cured. Any Mortgagee or Investor who takes title to all of the Torrance Land, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or a deed in lieu of foreclosure, shall succeed to the rights and obligations of the Developer under this Agreement as to the Torrance Land or portion thereof so acquired; provided, however, in no event shall such Mortgagee or Investor be liable for any defaults or monetary obligations of the Developer arising prior to acquisition of title to the Torrance Land by such Mortgagee or Investor, except that the Mortgagee or Investor shall not be entitled to a building permit or occupancy certificate until all delinquent and current fees and other monetary or non-monetary obligations due under this Agreement for the portion of the Torrance Land acquired by such Mortgagee or Investor, have been satisfied.

8.5 Notices of Compliance. Within thirty (30) days following any written request which Developer may make from time to time, the City shall execute and deliver to Developer (or to any party requested by Developer) a written “Notice of Compliance,” in recordable form, duly executed and acknowledged by the City, that certifies:

- (a) This Agreement is unmodified and in full force and effect, or if there have been modifications hereto, that this Agreement is in full force and effect as modified and stating the date and nature of such modifications;
- (b) There are no current uncured defaults under this Agreement or specifying the dates and nature of any such default; and
- (c) Any other information reasonably requested by Developer.

The failure to deliver such a statement within such time shall constitute a conclusive presumption against the City that this Agreement is in full force and effect without modification except as may be represented by the Developer and that there are no uncured defaults in the performance of the Developer, except as may be represented by the Developer. Developer shall have the right at Developer’s sole discretion, to record the Notice of Compliance.

## 9.0 COOPERATION IN THE EVENT OF LEGAL CHALLENGE

### 9.1 Cooperation.

(a) In the event of any administrative, legal or equitable action or other proceeding instituted by any person not a party to this Agreement challenging the validity of any provision of the Agreement or any Project Approval or Subsequent Approval, the Parties shall cooperate in defending such action or proceeding. The Parties shall use best efforts to select mutually agreeable legal counsel to defend such action, and Developer shall pay compensation for such legal counsel; provided, however, that such compensation shall include only compensation paid to counsel not otherwise employed as City Staff and shall exclude, without limitation, the City Attorney time and overhead costs and other City Staff overhead costs and normal day-to-day business expenses incurred by the City. Developer's obligation to pay for legal counsel shall not extend to fees incurred on appeal unless otherwise authorized by Developer. In the event the City and Developer are unable to select mutually agreeable legal counsel to defend such action or proceeding, each Party may select its own legal counsel at its own expense.

(b) The Parties agree that this Section 9.1 shall constitute a separate agreement entered into concurrently, and that if any other provision of this Agreement, or the Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this section, which shall survive such invalidation, nullification or setting aside.

### 9.2 Cure; Reapproval.

(a) If, as a result of any administrative, legal or equitable action or other proceeding as described in Section 9.1, all or any portion of this Agreement, Project Approvals, or Subsequent Approvals are set aside or otherwise made ineffective by any judgment (a "Judgment") in such action or proceeding (based on procedural, substantive or other deficiencies, hereinafter "Deficiencies"), the Parties agree to use their respective best efforts to sustain and reenact or readopt this Agreement, Project Approvals, and/or Subsequent Approvals that the Deficiencies related to, as follows, unless the Parties mutually agree in writing to act otherwise:

(i) If any Judgment requires reconsideration or consideration by the City of this Agreement, Project Approval, or Subsequent Approval, then the City shall consider or reconsider that matter in a manner consistent with the intent of this Agreement. If any such Judgment invalidates or otherwise makes ineffective all or any portion of this Agreement, Project Approval, or Subsequent Approval, then the Parties shall cooperate and shall cure any Deficiencies identified in the Judgment or upon which the Judgment is based in a manner consistent with the intent of this Agreement. the City shall then readopt or reenact this Agreement, Project Approval, Subsequent Approval, or any portion thereof, to which the Deficiencies related.

(ii) Acting in a manner consistent with the intent of this Agreement includes, but is not limited to, recognizing that the Parties intend that Developer may develop on the Torrance Land a country club including a golf course and tennis facilities together with

certain related and ancillary uses, and adopting such ordinances, resolutions, and other enactments as are necessary to readopt or reenact all or any portion of this Agreement, Project Approvals, and/or Subsequent Approvals without contravening the Judgment.

(b) The Parties agree that this Section 9.2 shall constitute a separate agreement entered into concurrently, and that if any other provision of this Agreement, or the Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the Parties agree to be bound by the terms of this section, which shall survive such invalidation, nullification or setting aside.

## 10.0 **DEFAULT; REMEDIES; TERMINATION**

### 10.1 Defaults.

(a) Any failure by either Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other Party (unless such period is extended by mutual written consent), shall constitute a default under this Agreement. Any notice given pursuant to the preceding sentence ("Default Notice") shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure satisfactorily may be cured. If the nature of the alleged failure is such that it cannot reasonably be cured within such thirty (30)-day period, then the commencement of the cure within such time period, and the diligent prosecution to completion of the cure thereafter, shall be deemed to be a cure within such thirty (30)-day period. Upon the occurrence of a default under this Agreement, the non-defaulting Party may institute legal proceedings to enforce the terms of this Agreement or, in the event of a material default, terminate this Agreement. If the default is cured, then no default shall exist and the noticing Party shall take no further action.

(b) The Parties contemplate that (i) the Residential Community will be developed by CRP and/or BRI, or their respective successors in interest, and (ii) the Country Club will be developed and operated by RHCC or its successors in interest. No breach or default hereunder by CRP and/or BRI, or their respective successors in interest, under this Agreement shall be attributed to RHCC, nor may RHCC's rights hereunder be canceled or diminished in any way by any breach or default by CRP and/or BRI, or their respective successors in interest. No breach or default hereunder by RHCC, or its successors in interest, under this Agreement shall be attributed to CRP or BRI, nor may CRP's or BRI's rights hereunder be canceled or diminished in any way by any breach or default by RHCC, or its successors in interest.

10.2 Termination. If the City elects to consider terminating this Agreement due to a material default of Developer, then the City shall give a notice of intent to terminate this Agreement and the matter shall be scheduled for consideration and review by the City Council at a duly noticed and conducted public hearing. Developer shall have the right to offer written and oral evidence prior to or at the time of said public hearings. If the City Council determines that a material default has occurred and is continuing, and elects to terminate this Agreement, the City shall give written notice of termination of this Agreement to Developer by certified mail and this Agreement shall thereby be terminated sixty (60) days thereafter; provided, however, that if Developer files an action to challenge the City's termination of this Agreement within such

sixty (60)-day period, then this Agreement shall remain in full force and effect until a trial court has affirmed the City's termination of this Agreement and all appeals have been exhausted (or the time for requesting any and all appellate review has expired).

### 10.3 Periodic Review.

(a) Conducting the Periodic Review. Annually throughout the Term, the City shall review the extent of Developer's good faith compliance with the terms of this Agreement. This review (the "Periodic Review") shall be conducted by the City Manager or his/her designee and shall be limited in scope to compliance with the terms of this Agreement pursuant to California Government Code Section 65865.1.

(b) Notice. At least ten (10) days prior to the Periodic Review, and in the manner prescribed in Section 12.11 of this Agreement, the City shall deposit in the mail to Developer a copy of any staff reports and documents to be used or relied upon in conducting the review and, to the extent practical, related exhibits concerning Developer's performance hereunder. Developer shall be permitted an opportunity to respond to the City's evaluation of Developer's performance, either orally at a public hearing or in a written statement, at Developer's election. Such response shall be made to the City Manager.

(c) Good Faith Compliance. During the Periodic Review, the City Manager shall review Developer's good faith compliance with the terms of this Agreement. At the conclusion of the Periodic Review, the City Manager shall make written findings and determinations, on the basis of substantial evidence, as to whether or not Developer has complied in good faith with the terms and conditions of this Agreement. The decision of the City Manager shall be appealable by Developer to the City Council. If the City Manager finds and determines that Developer has not complied with such terms and conditions, the City Manager may recommend to the City Council that it terminate or modify this Agreement by giving notice of its intention to do so, in the manner set forth in California Government Code Sections 65867 and 65868. The costs incurred by the City in connection with the Periodic Review process described herein shall be shared equally by Developer and the City.

(d) Failure to Properly Conduct Periodic Review. If the City fails, during any calendar year, to either (i) conduct the Periodic Review or (ii) notify Developer in writing of the City's determination, pursuant to a Periodic Review, as to Developer's compliance with the terms of this Agreement and such failure remains uncured as of December 31 of any year during the term of this Agreement, such failure shall be conclusively deemed an approval by the City of Developer's compliance with the terms of this Agreement.

(e) Written Notice of Compliance. With respect to any year for which Developer has been determined or deemed to have complied with this Agreement, the City shall, within thirty (30) days following request by Developer, provide Developer with a written notice of compliance, in recordable form, duly executed and acknowledged by the City. Developer shall have the right, in Developer's sole discretion, to record such notice of compliance.

10.4 Default by the City or Developer. In the event the City or Developer defaults under the terms of this Agreement, the City or Developer shall have all rights and remedies provided herein or under law.

10.5 Enforced Delay; Extension of Time of Performance. In addition to specific provisions of this Agreement, neither Party shall be deemed to be in default where delays in performance or failures to perform are due to, and a necessary outcome of, war, insurrection, strikes or other labor disturbances, walk-outs, riots, floods, earthquakes, fires, casualties, acts of God, restrictions imposed or mandated by other governmental entities (including new or supplemental environmental regulations), enactment of conflicting state or federal laws or regulations, judicial decisions, or similar basis for excused performance which is not within the reasonable control of the Party to be excused. Litigation attacking the validity of this Agreement or any of the Project Approvals or Subsequent Approvals, or any permit, ordinance, entitlement or other action of a governmental agency other than the City necessary for the development of the Project pursuant to this Agreement, or Developer's inability to obtain materials, power or public facilities (such as water or sewer service) to the Project, shall be deemed to create an excusable delay as to Developer. Upon the request of either Party, an extension of time for the performance of any obligation whose performance has been so prevented or delayed will be memorialized in writing. The term of any such extension shall be equal to the period of the excusable delay, or longer, as may be mutually agreed upon.

10.6 Legal Action. Either Party may, in addition to any other rights or remedies, institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation thereof, recover damages for any default, enforce by specific performance the obligations and rights of the Parties, or to obtain any remedies consistent with the purpose of this Agreement.

10.7 California Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

10.8 Resolution of Disputes. With regard to any dispute involving development of the Torrance Project, the resolution of which is not provided for by this Agreement or Applicable Law, Developer shall, at the City's request, meet with the City. The parties to any such meetings shall attempt in good faith to resolve any such disputes. Nothing in this Section 10.8 shall in any way be interpreted as requiring that Developer and the City and/or the City's designee reach agreement with regard to those matters being addressed, nor shall the outcome of these meetings be binding in any way on the City or Developer unless expressly agreed to by the parties to such meetings.

10.9 Attorneys' Fees. In any legal action or other proceeding brought by either Party to enforce or interpret a provision of this Agreement, the prevailing Party is entitled to reasonable attorneys' fees and any other costs incurred in that proceeding in addition to any other relief to which it is entitled.

## 11.0 NO AGENCY, JOINT VENTURE OR PARTNERSHIP

It is specifically understood and agreed to by and between the Parties that: (i) the Project is a private development; (ii) the City has no interest or responsibilities for, or duty to, third parties concerning any improvements until such time, and only until such time, that the City accepts the same pursuant to the provisions of this Agreement or in connection with the various Project Approvals or Subsequent Approvals; (iii) Developer shall have full power over and exclusive control of the Project herein described, subject only to the limitations and obligations of Developer under this Agreement, the Project Approvals, Subsequent Approvals, and Applicable Law; and (iv) the City and Developer hereby renounce the existence of any form of agency relationship, joint venture or partnership between the City and Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between the City and Developer.

## 12.0 MISCELLANEOUS

12.1 Incorporation of Recitals and Introductory Paragraph. The Recitals contained in this Agreement, and the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as if fully set forth herein.

12.2 Enforceability. The City and Developer agree that unless this Agreement is amended or terminated pursuant to the provisions of this Agreement, this Agreement shall be enforceable by any Party notwithstanding any change hereafter enacted or adopted (whether by ordinance, resolution, initiative, or any other means) in any applicable general plan, specific plan, zoning ordinance, subdivision ordinance, or any other land use ordinance or building ordinance, resolution or other rule, regulation or policy adopted by the City that changes, alters or amends the rules, regulations and policies applicable to the development of the Torrance Land at the time of the approval of this Agreement as provided by California Government Code Section 65866.

12.3 Findings. The City hereby finds and determines that execution of this Agreement furthers public health, safety and general welfare and that the provisions of this Agreement are consistent with the General Plan.

12.4 Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual consent of the Parties. Notwithstanding the foregoing, if any material provision of this Agreement, or the application of such provision to a particular situation, is held to be invalid, void or unenforceable, either the City or Developer may (in their sole and absolute discretion) terminate this Agreement by providing written notice of such termination to the other Party.

12.5 Other Necessary Acts. Each Party shall execute and deliver to the other all such other further instruments and documents as may be reasonably necessary to carry out the Project

Approvals, Subsequent Approvals and this Agreement and to provide and secure to the other Party the full and complete enjoyment of its rights and privileges hereunder.

12.6 Construction. Each reference in this Agreement to this Agreement or any of the Project Approvals or Subsequent Approvals shall be deemed to refer to the Agreement, Project Approval or Subsequent Approval as it may be amended from time to time, whether or not the particular reference refers to such possible amendment. This Agreement has been reviewed and revised by legal counsel for both the City and Developer, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement.

12.7 Other Miscellaneous Terms. The singular shall include the plural; the masculine gender shall include the feminine; “shall” is mandatory; “may” is permissive.

12.8 Covenants Running with the Land. All of the provisions contained in this Agreement shall be binding upon the Parties and their respective heirs, successors and assigns, representatives, lessees, and all other persons acquiring all or a portion of the Torrance Land, or any interest therein, whether by operation of law or in any manner whatsoever. All of the provisions contained in this Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to California law including, without limitation, Civil Code Section 1468. Each covenant herein to act or refrain from acting is for the benefit of or a burden upon the Torrance Project, as appropriate, runs with the Torrance Land and is binding upon the owner of all or a portion of the Torrance Land and each successive owner during its ownership of such property.

12.9 Authority. Each person executing this Agreement represents and warrants that he or she has the authority to bind his or her respective Party to the performance of its obligations hereunder and that all necessary board of directors’, shareholders’, partners’ and other approvals have been obtained.

12.10 No Third Party Beneficiaries. The only Parties to this Agreement are the City and Developer and their successors-in-interest. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person whatsoever.

12.11 Notices. Any notice or communication required hereunder between the City or Developer must be in writing, and may be given either personally, by telefacsimile (with original forwarded by regular U.S. Mail) by registered or certified mail (return receipt requested), or by Federal or other similar courier promising overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving Party’s facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (ii) five (5) days

after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party may at any time, by giving ten (10) days written notice to the other Party, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to the City, to:           City of Torrance  
                                  City Hall  
                                  3031 Torrance Blvd.  
                                  Torrance, CA 90503  
                                  Attn: City Manager

With Copies to:

If to CRP, to:               Chandler Ranch Properties LLC  
                                  Address

With Copies to:

If to BRI, to:               BRI LLC  
                                  Address

With Copies to:

If to RHCC, to:             Rolling Hills Country Club  
                                  Address

With Copies to:           Cox, Castle & Nicholson LLP  
                                  2049 Century Park East, 28th Floor  
                                  Los Angeles, CA 90067  
                                  Attn: Andrew K. Fogg, Esq.

12.12 Entire Agreement, Counterparts And Exhibits. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement consists of [ ] pages and [ ] exhibits which constitute in full, the final and exclusive understanding and agreement of the Parties and supersedes all negotiations or previous agreements of the Parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement shall be in writing and signed by the appropriate authorities of the City and the Developer. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

Exhibit A:     Depiction of Project Site and Proposed Development

Exhibit B-1: Description of Torrance Land in the City Prior to Completion of Annexation Proceedings

Exhibit B-2: Description of Torrance Land to be Annexed by the City Upon Completion of Annexation Proceedings

12.13 Recordation of Agreement. Pursuant to California Government Code § 65868.5, no later than ten (10) days after the City enters into this Agreement, the City Clerk shall record an executed copy of this Agreement in the Official Records of the County of Los Angeles.

IN WITNESS WHEREOF, this Agreement has been entered into by and between Developer and the City as of the day and year first above written.

**THE CITY:**

**CITY OF TORRANCE,**  
a municipal corporation of the State of California

By: \_\_\_\_\_  
Frank Scotto, Mayor

Approved as to form:

By: \_\_\_\_\_  
\_\_\_\_\_, City Attorney

Attest:

By: \_\_\_\_\_  
Sue Herbers, City Clerk

*[signatures continue on following page]*

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_ before me, \_\_\_\_\_ (here insert name of the officer), Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

---

Signature of Notary Public

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_ before me, \_\_\_\_\_ (here insert name of the officer), Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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Signature of Notary Public

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

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WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

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WITNESS my hand and official seal.

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Signature of Notary Public

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 ) ss:  
COUNTY OF \_\_\_\_\_ )

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WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

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WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

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I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

**EXHIBIT A**  
**DEPICTION OF PROJECT SITE AND PROPOSED DEVELOPMENT**  
**(Attached)**

**EXHIBIT B-1**

**DESCRIPTION OF TORRANCE LAND WITHIN TORRANCE CITY LIMITS  
PRIOR TO COMPLETION OF ANNEXATION PROCEEDINGS**

**(Attached)**

**EXHIBIT B-2**

**DESCRIPTION OF TORRANCE LAND TO BE ANNEXED BY TORRANCE  
UPON COMPLETION OF ANNEXATION PROCEEDINGS**

**(Attached)**



**Parker  
& Covert** LLP  
ATTORNEYS AT LAW

OFFICE OF THE  
MAYOR & COUNCIL

2014 AUG 14 PM 3:19

17862 East Seventeenth Street  
Suite 204 • East Building  
Tustin, CA 92780-2164

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www.parkercovert.com

\*A Professional Corporation

Ref Our File No.:  
TO-40

Spencer E. Covert  
scovert@parkercovert.com

August 12, 2014

**CERTIFIED MAIL – RETURN RECEIPT  
REQUESTED**

LAFCO  
80 South Lake Avenue, Suite 870  
Pasadena, CA 91101

Attention: Doug Dorado  
Government Analyst

Re: Reorganization Number 2014-10  
Cities of Torrance and Rolling Hills Estates

Dear Mr. Dorado:

Please be advised that this office represents the Torrance Unified School District. The Torrance Unified School District is in receipt of your letter dated July 23, 2014 regarding the above-referenced Reorganization Number 2014-10 requesting comments to the LAFCO office by August 25, 2014.

It does not appear that LAFCO is intending to take any action that would change the current boundaries of the Torrance Unified School District. The District is not aware of any circumstances where LAFCO's approval of the proposed change of city boundaries would change school district boundaries.

It is respectfully requested that if our understanding is not correct in your opinion that you advise the undersigned in writing.

**PARKER & COVERT LLP**

Doug Dorado  
August 12, 2014  
Page 2

The Torrance Unified School District would be opposed to this proposed transfer of territory if the proposed transfer is intended to transfer any portion of the project from the boundaries of the Torrance Unified School District to another school district.

We are also writing to inform LAFCO that the Environmental Impact Report ("EIR") for the project is deficient under the California Environmental Quality Act ("CEQA"). The Torrance Unified School District was not notified of the preparation of the EIR.

The Torrance Unified School District wishes to inform LAFCO that the project's developer has spoken with District representatives several times, as early as 2005. The EIR does not mention that the project includes the boundaries of the Torrance Unified School District.

The Notice of Determination for the EIR was apparently filed July 27, 2011. The EIR misstates at section 3.12 with respect to schools:

The Palos Verdes Peninsula Unified School District provides educational services within the project area. The student capacity of the Palos Verdes Peninsula Unified School District is currently 11,900 students. The district is comprised of one early childhood center, ten elementary schools, three 6-8 intermediate schools, two comprehensive high schools and one continuation school. The project site is within the service area of the Palos Verdes Peninsula High School, the Dapplegray Elementary School and the Ridgecrest Intermediate School.

This statement is incorrect. Even if the change of city boundaries is approved, the Torrance Unified School District will continue to provide the public school educational services (Grades Pre-K through 12) to a significant portion of the project area. For your information the public schools are as follows:

Walteria Elementary School, a California Distinguished School, 24456 Madison Street Torrance, California 90505

Richardson Middle School, a California Distinguished School, 23751 Nancy Lee Lane Torrance, California 90505

South High School, a California Distinguished School, 4801 Pacific Coast Highway Torrance, California 90505

**PARKER & COVERT LLP**

Doug Dorado  
August 12, 2014  
Page 3

We thank you for this opportunity to comment on this matter and the status of public schools within the project boundaries. Should LAFCO have any questions, please do not hesitate to contact our office.

Very truly yours,



Spencer E. Covert

SEC:pl

cc: Pat Fuery, Mayor of Torrance  
LeRoy Jackson, Torrance City Manager  
Judy Mitchell, Rolling Hills Estates Mayor  
Douglas Pritchard, Rolling Hills Estates City Manager  
John Robertson, Chandler Ranch Properties LLC  
Board of Education, Torrance Unified School District  
George W. Mannon, Superintendent, Torrance Unified School District

---

**CHANDLER RANCH/ROLLING HILLS COUNTRY CLUB  
FINAL ENVIRONMENTAL IMPACT REPORT  
(STATE CLEARINGHOUSE NO. 2008011027)  
- ERRATA SHEET -**

---

## INTRODUCTION

This Errata Sheet identifies revisions to the Final Environmental Impact Report (EIR) for the Chandler Ranch/Rolling Hills Country Club Project (State Clearinghouse Number 2008011027), which have been initiated by the Lead Agency (City of Rolling Hills Estates) to clarify certain portions of the EIR. This Errata Sheet is intended to accompany the Final EIR, when the Final EIR is considered for certification by the Lead Agency.

The revisions identified in this Errata Sheet are shown below in excerpts from the Final EIR with underlined text for additions and ~~strike through~~ text for deletions and/or as a narrative description of the revision. The revisions identified below are shown in the order they appear in the EIR and under their corresponding Chapter heading and page number from the Final EIR.

## ERRATA TO THE FINAL EIR

### 3.12 PUBLIC SERVICES

The following revisions clarify the discussion of Impact PS-3 (Schools) on pages 3.12-5 and 3.12-6:

**Impact PS-3: The proposed project would be expected to generate students at the Palos Verdes Peninsula Unified School District ~~and, the Torrance Unified School District, and the Los Angeles Unified School District (Local District 8).~~ Though the school district is not operating above capacity, the The generation of additional students would increase the use of the schools in the districts. This is considered a significant but mitigable impact.**

The proposed project would add ~~61~~ ~~63~~ ~~114~~ new single-family residential units within the Palos Verdes Peninsula Unified School District (PVPUSD) ~~and 51~~, ~~48~~ new single-family residential units within the Torrance Unified School District (TUSD), and ~~5~~ new single-family residential units within the Los Angeles Unified School District (LAUSD) in Local District 8<sup>1</sup>. Based on the ~~respective Districts' District's~~ student generation rates<sup>2</sup> ~~of 0.3318~~

---

<sup>1</sup> This analysis assumes that the school district boundary lines would continue to follow the existing City boundary line after the proposed project is approved and constructed, except where the existing LAUSD Local District 8 boundary exist, which would also remain unchanged. Based on the proposed Tentative Tract Map, 55 of the proposed residential parcels would be entirely within the PVPUSD (based on City boundary lines), 41 would be entirely within the TUSD, 3 would be entirely within the LAUSD, 10 would span the PVPUSD/TUSD boundary; 3 would span the TUSD/LAUSD boundary, 1 would span the PVPUSD/LAUSD boundary, and 1 would span across all 3 districts. This analysis assumes

~~students per household, the project would generate a total of 47 46 38 students, of which 20 21 would be within the PVPUSD and, 24 26 would be within the TUSD, and 3 would be within the LAUSD.~~

~~The Both the PVPUSD and, the TUSD, and the LAUSD all The Palos Verdes Peninsula Unified School District can accommodate the additional students anticipated to be generated by the proposed residential development with existing facilities. In the local school districts, capacity of a school is based upon grade level. If a child cannot be accommodated at their home school (a school located the closest to their residence), the child will be placed in an available school in the district and may be transferred into the home school when the child can be accommodated in the appropriate grade level at that school.~~

The City is strictly limited in the mitigation measures it may impose against developers of residential projects to address school crowding issues. The presumption of State law is that the developer's payment of school impact fees to the local school district, in an amount established by the school district, would address school capacity impacts. Mitigation Measure PS-18 requires that the developer pay the full development fees that may be charged to a developer by the school district to mitigate the effects of the increased enrollment as a result of the project. With implementation of this mitigation measure, impacts to schools are considered less than significant under CEQA.

---

~~that 1/2 and of the proposed residential parcels that span across 2 school districts would be dedicated to each district, and that 1/3 of the proposed residential parcel that span all 3 school district would be dedicated to each district. Based on the proposed Tentative Tract Map, 57 of the proposed residential parcels are within the existing limits of the City of Rolling Hills Estates, 45 are within the existing limits of the City of Torrance, and 12 span across the existing City boundary line. This analysis assumes that 6 (i.e., 50%) of the 12 proposed residential parcels that span across the existing City boundary line would be dedicated to the PVPUSD, with the remaining 6 parcels dedicated to the TUSD.~~

<sup>2</sup>Published student generation rates for the PVPUSD and TUSD are as follows: PVPUSD = 0.3318 total students per household; TUSD = 0.1950 elementary school students per household, 0.1181 middle school students per household, and 0.1773 high school students per household. Student generation rates for the LAUSD for single-family detached homes are as follows: 0.2024 elementary school students per household, 0.0979 middle school students per household, and 0.1119 high school students per household (LAUSD, *School Facilities Needs Analysis*, 2006).

CITY OF ROLLING HILLS ESTATES  
ADDENDUM TO THE CHANDLER RANCH/  
ROLLING HILLS COUNTRY CLUB  
**PROJECT EIR**

SCH No. 2008011027

*Prepared for:*  
CITY OF ROLLING HILLS ESTATES  
4045 PALOS VERDES DRIVE NORTH  
ROLLING HILLS ESTATES, CA 90274

*Prepared by:*

**PMC**<sup>®</sup>

3900 KILROY AIRPORT WAY, #120  
LONG BEACH, CA 90806

**MAY 2014**

CITY OF ROLLING HILLS ESTATES  
ADDENDUM TO THE EIR  
FOR THE  
CHANDLER RANCH/ROLLING HILLS COUNTRY CLUB PROJECT

---

*Prepared for:*

CITY OF ROLLING HILLS ESTATES  
4045 PALOS VERDES DRIVE NORTH  
ROLLING HILLS ESTATES, CA 90274

*Prepared by:*

PMC  
3900 KILROY AIRPORT WAY, #120  
LONG BEACH, CA 90806

**MAY 2014**

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### 1.0 INTRODUCTION

#### 1.1 INTRODUCTION

This document is an Addendum to the EIR for the Chandler Ranch/Rolling Hills Country Club Project, which was certified by the City of Rolling Hills Estates on July 26, 2011. This Addendum has been prepared in accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines (Article 11, Sections 15162 and 15164).

#### 1.2 PROJECT HISTORY AND BACKGROUND

The City of Rolling Hills Estates (City) published the Chandler Ranch/Rolling Hills Country Club Project (project; proposed project) Draft Environmental Impact Report (EIR) (SCH No. 2008011027) on April 30, 2009, and made the document available for public review from April 30 until June 30, 2009. Portions of the EIR were then subsequently recirculated as a result of comments received during the public review period for the Draft EIR. The Recirculated Draft was prepared to (1) identify the portions of the Draft EIR that were modified with notable new information; (2) recirculate/disclose that notable new information to interested persons, organizations, and agencies; and (3) accept comment on the recirculated portions of the Draft EIR. The Recirculated Draft EIR was then made available for public review from June 21 to August 4, 2010. Following the public review period, the Final EIR was prepared. The Final EIR included responses to comments received on the Draft EIR and Recirculated Draft EIR. On July 26, 2011, the City of Rolling Hills Estates City Council adopted Resolution 2258 certifying the EIR and adopting findings, a statement of overriding considerations, and the mitigation monitoring program for the Chandler Ranch/Rolling Hills Country Club Project.

The project consists of redeveloping/reusing the existing Chandler's Palos Verdes Sand and Gravel facility (Chandler's) and the adjacent Rolling Hills Country Club with the following:

- 114 single-family homes, 113 of which would be within a new residential community
- A reconfigured/relocated 18-hole golf course
- A new clubhouse complex that includes a 61,411-square-foot structure
- 3.9 acres set aside as natural open space

As a part of the project, an even swap of 32.71 acres of land was to be annexed/detached between the cities of Rolling Hills Estates and Torrance. This annexation/detachment required the approval of the Local Agency Formation Commission (LAFCO) of Los Angeles County. LAFCO determined that in order to make the boundary changes more consistent with LAFCO policies, an additional 8.07 acres should be added to the land swap area. As such, the land swap was increased to 40.78 acres.

Additionally, originally 3.9 acres of land owned by the project applicant, and previously identified as Lot 124, was to be deeded to the City of Torrance and preserved as open space. Since certification of the EIR, the City of Torrance has determined that this lot should continue to be owned by the project applicant with the condition that the parcel would have an open space easement in perpetuity. The project applicant has agreed with this stipulation. The City of Torrance will make this open space easement requirement a condition of approval for pre-zoning. Additionally, Lot 124 will no longer be a part of the Vesting Tentative Map, which will reduce the project size by 3.9 acres.

## 1.0 INTRODUCTION

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The revised annexation/detachment details and new conditions for Lot 124 are the reasons for this Addendum to the Chandler Ranch/Rolling Hills Country Club EIR. No other components of the Chandler Ranch/Rolling Hills Country Club Project have been changed. **Figure 1** shows the change in boundaries and the location of the formerly proposed Lot 124.

The analysis provided in this Addendum (see Section 3.0 for the technical analysis) provides substantial evidence supporting the City's determination that the proposed change in land swap acreage and revisions to Lot 124 do not meet the criteria for preparing a subsequent or supplemental EIR under CEQA Guidelines Section 15162 and is consistent with the provisions of CEQA Guidelines Section 15164.

### 1.3 ORGANIZATION AND SCOPE

#### **Section 1.0 – Introduction**

Section 1.0 provides an introduction and overview describing the intended use of the EIR Addendum.

#### **Section 2.0 – Project Description**

This section provides a detailed description of the proposed expanded land swap area.

#### **Section 3.0 – Environmental Analysis**

Section 3.0 provides substantial evidence to support the conclusion that none of the circumstances set forth in CEQA Guidelines Section 15162 would result from approval of the proposed project. CEQA Guidelines Section 15162 and the Addendum's consistency with these guidelines are addressed.

2.0 PROJECT DESCRIPTION

2.1 REVISIONS TO PROPOSED PROJECT

As discussed previously, the proposed Chandler Ranch/Rolling Hills Country Club Project EIR was certified by the City on July 26, 2011. At that time, the project consisted of:

- 114 single-family homes, 113 of which would be within a new residential community;
- A reconfigured/relocated 18-hole golf course;
- A new clubhouse complex that includes a 61,411-square-foot structure; and
- 3.9 acres set aside as natural open space

These project attributes remain the same and are not proposed to be physically changed as a part of this EIR Addendum.

The components of the project that are proposed to be changed and are the subject of this EIR Addendum are the proposed "land swap" between the cities of Rolling Hills Estates and Torrance and the ownership of the 3.9-acre open space set aside. The land transfer was previously proposed to be an even swap of 32.71 acres of land that were to be annexed/detached between the cities. This swap would also result in a city boundary adjustment for Rolling Hills Estates and Torrance, which was agreeable to both cities. The annexation/detachment required the approval of the Local Agency Formation Commission (LAFCO) of Los Angeles County. LAFCO determined that in order to make the boundary changes more consistent with LAFCO policies, an additional 8.07 acres should be added to the land swap. As such, the land swap is now proposed to be increased to 40.78 acres. The additional 8.07 acres are contiguous with the original land swap areas. This adjustment would not require any revisions to the proposed Chandler Ranch/Rolling Hills Country Club Project nor would it result in the potential for additional growth, as both areas are to remain part of the existing or future golf course area. The expanded land swap area would not require any additional public services or utilities not already identified in the Chandler Ranch/Rolling Hills Country Club Project EIR. **Table 1** identifies the existing and proposed land use designations and zoning districts. **Figure 1** shows the change in boundaries.

TABLE 1  
EXISTING AND PROPOSED LAND USE AND ZONING

Receiving City	Existing Land Use Designation	Proposed Land Use Designation	Existing Zoning District	Proposed Zoning District
Rolling Hills Estates (part of existing golf course)	Public/Quasi Public/Open Space (Torrance)	Commercial Recreation (Rolling Hills Estates)	P-1 Hillside (Torrance)	Commercial Recreation (C-R)
Torrance (part of future golf course)	Commercial Recreation (Rolling Hills Estates)	Public/Quasi Public/Open Space (Torrance)	Commercial Recreation (C-R) (Rolling Hills Estates)	P-1 Hillside (Torrance)

In addition to the change in land swap, there is a proposed change in the conditions involving the proposed 3.9-acre natural open space set aside. In the certified EIR, this acreage was identified as Lot 124 on the proposed tract map and identified to be deeded to the City of

## **2.0 PROJECT DESCRIPTION**

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Torrance. Since certification of the EIR, the City of Torrance has determined that this lot should continue to be owned by the project applicant with the condition that the parcel would have an open space easement in perpetuity. The project applicant has agreed with this stipulation. The City of Torrance will make this open space easement requirement a condition of approval for pre-zoning. Additionally, Lot 124 will no longer be a part of the Vesting Tentative Map, which will reduce the project size by 3.9 acres.

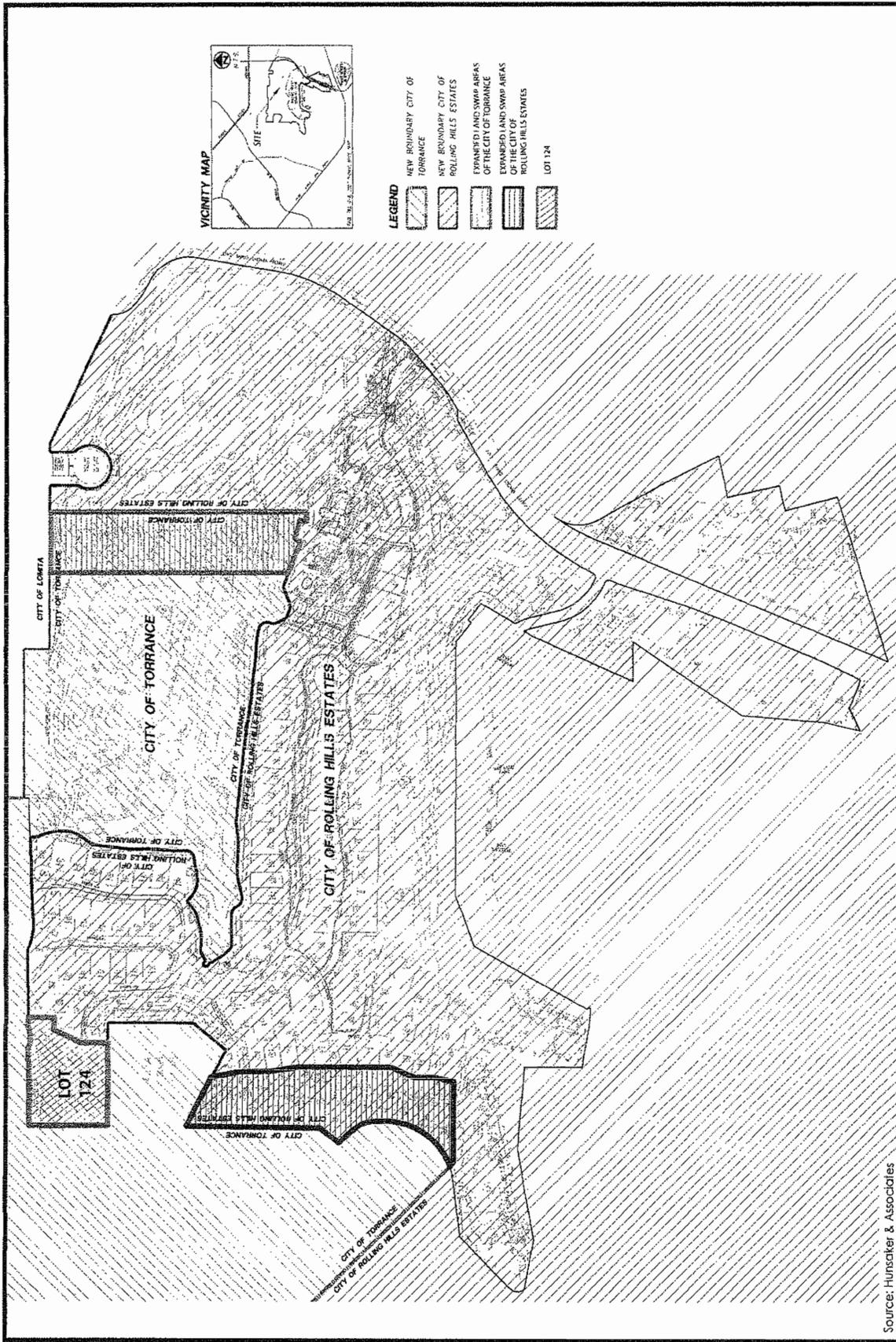
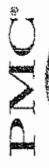


Figure 1

Expanded Land Swap Areas



Source: Humsaker & Associates

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### 3.0 ENVIRONMENTAL ANALYSIS

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### 3.0 ENVIRONMENTAL ANALYSIS

#### 3.1 BASIS FOR DECISION TO PREPARE ADDENDUM

When an environmental impact report (EIR) has been certified for a project, Public Resources Code Section 21166 and CEQA Guidelines Sections 15162 through 15164 set forth the criteria for determining whether a subsequent EIR, subsequent negative declaration, addendum, or no further documentation should be prepared in support of further agency action on the project. In determining whether an addendum is the appropriate document to analyze the modifications to the project and its approval, CEQA Guidelines Section 15164 (Addendum to an EIR or Negative Declaration) states, "The lead agency or a responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred." Under the CEQA Guidelines, a subsequent EIR or negative declaration shall be prepared if any of the following criteria are met. Text in italics is from the CEQA Guidelines, while the text following each quoted subsection provides the substantial evidence supporting the City's decision to prepare an addendum.

*(a) When an EIR has been certified or negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:*

*(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;*

The addition of 8.07 acres to the land swap area and the retention of ownership of Lot 124 by the project applicant does not result in any changes to existing land uses that were not already identified in the project EIR, nor does the addition of 8.07 acres of land swap area result in any changes to impacts or mitigation measures identified in the Draft EIR, Recirculated Draft EIR, certified Final EIR, or adopted EIR Findings. None of the changes result in physical changes to the environment nor raise any new environmental areas of concern and therefore do not affect the impact analysis contained in the Chandler Ranch/Rolling Hills Country Club Project EIR.

*(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or*

The Chandler Ranch/Rolling Hills Country Club Project EIR was certified by the City of Rolling Hills Estates City Council on July 26, 2011. Since that time, neither the project impact area nor the physical project components have changed in any way. The additional 8.07 acres of land swap area were taken from areas that were previously analyzed as a part of the proposed project. The addition of 8.07 acres of land swap area only results in an adjustment of the proposed city boundaries and does not include areas that were not previously analyzed in the certified Chandler Ranch/Rolling Hills Country Club Project EIR. Also, the project applicant's retention of ownership of Lot 124 does not change the fundamental use of the parcel because it would still be reserved as an open space area. The proposed expansion of the land swap area and conditions involving Lot 124 are consistent with the land use assumptions and analysis of the

certified EIR. Additionally, no changes to the environmental conditions or circumstances have occurred that would affect the analysis or conclusions of the certified EIR.

*(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:*

*(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;*

As discussed in this Addendum, the proposed increase in land swap area and ownership of Lot 124 do not increase the level of any environmental impact identified in the certified Chandler Ranch/Rolling Hills Country Club Project EIR. The proposed additional 8.07 acres to the land swap area align with LAFCO policies. The changes in land swap acreage would not affect the existing or future environment, as existing and proposed land uses are not proposed to be changed. Furthermore, the proposed change would not result in significant effects not discussed in the certified EIR.

*(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;*

The proposed increase in land swap area and ownership of Lot 124 do not increase the severity of any of the environmental impacts identified in the certified Chandler Ranch/Rolling Hills Country Club Project EIR, as the proposal does not cause changes to the existing or proposed land uses.

*(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or*

No new mitigation measures are proposed as a result of the increased land swap area or ownership of Lot 124. The changes in city boundaries would not result in infeasible mitigation or new feasible mitigation. Furthermore, no mitigation measures or alternatives previously found to be infeasible are now feasible.

*(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.*

The proposed expanded land swap area and the retention of ownership of Lot 124 do not make any changes to the land uses of the Chandler Ranch/Rolling Hills Country Club Project, and there is no need to modify the mitigation measures contained in the Chandler Ranch/Rolling Hills Country Club Project EIR. No new mitigation measures or alternatives are necessary and none have been identified.

*(b) If changes to a project or its circumstances occur or new information becomes available after adoption of a negative declaration, the lead agency shall prepare a subsequent EIR if required under subdivision (a). Otherwise, the lead agency shall determine whether to prepare a subsequent negative declaration, and addendum, or no further documentation.*

### 3.0 ENVIRONMENTAL ANALYSIS

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As summarized above and further discussed in this Addendum, neither the proposed expanded land swap area nor the retention of ownership of Lot 124 include changes to the proposed project that would require a substantial revision to the EIR. Additionally, circumstances have not changed significantly since certification of the Chandler Ranch/Rolling Hills Country Club Project EIR in July 2011 that would require revision of the EIR.

#### 3.2 DISCUSSION OF FINDINGS

As demonstrated in this Addendum, the addition of 8.07 acres to the land swap area and the retention of ownership of Lot 124 do not meet the criteria for preparing a supplemental or subsequent EIR. First, these revisions do not propose substantial changes to the existing Chandler Ranch/Rolling Hills Country Club Project. The increase in land swap area was suggested by LAFCO of Los Angeles County in order to make the change in city boundaries more consistent with LAFCO policies, and the conditions regarding Lot 124 involve only ownership of the land. None of the proposed changes result in physical changes to the environment and therefore do not affect the impact analysis contained in the certified Chandler Ranch/Rolling Hills Country Club Project EIR. Adoption of the expanded land swap area and conditions involving Lot 124 would not result in an increase in severity of any previously identified significant impact from the certified Chandler Ranch/Rolling Hills Country Club Project EIR that would require major revisions to the EIR (CEQA Guidelines Section 15162[a][1]).

The EIR evaluated the environmental impacts of the Chandler Ranch/Rolling Hills Country Club Project and determined that the majority of impacts from the proposed project could be mitigated to a less than significant level. However, implementation of the Chandler Ranch/Rolling Hills Country Club Project would result in significant and unavoidable impacts on air quality during construction and significant and unavoidable noise impacts related to construction, operations, and traffic. The City of Rolling Hills Estates City Council determined that the benefits of the project outweighed the environmental impacts. The expansion of the land swap area and conditions involving Lot 124 would not increase the impacts nor change this determination.

Second, neither the increase in land swap area nor the conditions involving Lot 124 propose changes in physical circumstances that would cause a new significant impact or substantially increase the severity of a previously identified significant impact, and there have been no other changes in the circumstances that meet this criterion (CEQA Guidelines Section 15162[a][2]). Therefore, there have been no changes in the environmental conditions not contemplated and analyzed in the Chandler Ranch/Rolling Hills Country Club EIR that would result in new or substantially more severe environmental impacts.

Third, as documented in this Addendum, there is no new information of substantial importance (which was not known or could not have been known at the time of Chandler Ranch/Rolling Hills Country Club Project EIR certification by Rolling Hills Estates in 2011) that identifies a new significant impact (condition "A" in CEQA Guidelines Section 15162[a][3]); there would not be a substantial increase in the severity of a previously identified significant impact (condition "B" in CEQA Guidelines Section 15162[a][3]); and there are no mitigation measures or alternatives previously found infeasible that would now be feasible and would substantially reduce one or more significant effects of the proposed project, or mitigation measures or alternatives that are considerably different from those analyzed in the EIR which would substantially reduce one or more significant effects on the environment (conditions "C" and "D" in CEQA Guidelines Section 15162[a][3]). The proposed increase in land swap area and conditions involving Lot 124 do not change any physical components of the Chandler Ranch/Rolling Hills Country Club Project other than reducing the total project area by 3.9 acres because Lot 124 would no longer be a part of

the Vesting Tentative Map. None of the "new information" conditions listed in CEQA Guidelines Section 15162[a][3] would be caused by the proposed change that would require a subsequent or supplemental EIR.

3.0 ENVIRONMENTAL ANALYSIS

TABLE 3.0-1  
CHANDLER RANCH/ROLLING HILLS COUNTRY CLUB PROJECT EIR IMPACT DETERMINATION

Potential Impact	EIR Determination	Impact Determination – Expanded Land Swap Area and Revised Ownership Plan for Lot 124
<b>Aesthetics</b>		
Impact AES-1 Visual Resources Within a City-Designated View Corridor or Visible from Public Viewpoints	Less than significant with mitigation	Does not change the impact
Impact AES-2 Potential to Conflict with Development Standards, Neighborhood Compatibility Standards	Less than significant with mitigation	Does not change the impact
Impact AES-3 Potential to Create Light or Glare	Less than significant with mitigation	Does not change the impact
Impact AES-4 Aboveground Electrical Service Boxes and Utility Lines	Less than significant with mitigation	Does not change the impact
	Less than cumulatively considerable	Does not change the impact
<b>Air Quality (as revised in the Recirculated Draft EIR)</b>		
Impact AQ-1 Potential to Exceed SCAQMD Standards and Cumulative Contribution to Criteria Air Pollutants – Construction: Regional Ambient Air Quality Conditions	Significant and unavoidable	Does not change the impact
Impact AQ-2 Potential to Exceed SCAQMD Standards and Cumulative Contribution to Criteria Air Pollutants – Construction: Localized Air Quality	Significant and unavoidable	Does not change the impact
Impact AQ-3 Potential to Exceed SCAQMD Standards and Cumulative Contribution to Criteria Air Pollutants – Construction: Toxic Air Contaminants	Less than significant	Does not change the impact
Impact AQ-4 Potential to Exceed SCAQMD Standards and Cumulative Contribution to Criteria Air Pollutants – Operational: Regional Ambient Air Quality Conditions	Less than significant	Does not change the impact
Impact AQ-5 Potential to Exceed SCAQMD Standards and Cumulative Contribution to Criteria Air Pollutants – Operational: Localized Air Quality	Less than significant	Does not change the impact
Impact AQ-6 Potential to Exceed SCAQMD Standards and Cumulative Contribution to Criteria Air Pollutants – Operational: Toxic Air Contaminants	Less than significant	Does not change the impact

3.0 ENVIRONMENTAL ANALYSIS

	Potential Impact	EIR Determination	Impact Determination – Expanded Land Swap Area and Revised Ownership Plan for Lot 124
Impact AQ-7	Potential to Create Objectionable Odors Affecting a Substantial Number of People	Less than significant	Does not change the impact
Impact AQ-8	Generation of Greenhouse Gas Emissions	Less than significant with mitigation	Does not change the impact
	Cumulative Impacts to Air Quality and Climate Change	Significant and unavoidable	Does not change the impact
<b>Biological Resources (as revised in the Recirculated Draft EIR)</b>			
Impact BIO-1	Potential to Adversely Affect Candidate, Sensitive, or Special-Status Species, Substantially Reduce the Habitat of a Fish or Wildlife Species, Cause a Fish or Wildlife Population to Drop Below Self-Sustaining Levels, Threaten to Eliminate a Plant or Animal Community, Reduce the Number or Restrict the Range of a Rare or Endangered Plant or Animal	Less than significant with mitigation	Does not change the impact
Impact BIO-2a	Potential to Adversely Affect Sensitive Natural Communities, Riparian Habitat, and Wetlands – Loss of 1.5 Acres of Potential Habitat	Less than significant with mitigation	Does not change the impact
Impact BIO-2b	Potential to Adversely Affect Sensitive Natural Communities, Riparian Habitat, and Wetlands – Impact to 0.3444 Acres of Potentially Jurisdictional Waters	Less than significant with mitigation	Does not change the impact
Impact BIO-3	Potential to Interfere with the Movement of Native Residents, Migratory Fish, or Wildlife Species or to Impede the Use of Wildlife Corridors or Wildlife Nursery Sites	Less than significant with mitigation	Does not change the impact
Impact BIO-4	Potential to Conflict with General Plan Policies for Protecting Biological Resources	Less than significant with mitigation	Does not change the impact
	Cumulative Biological Impacts	Less than cumulatively considerable	Does not change the impact
<b>Cultural Resources (as revised in the Recirculated Draft EIR)</b>			
Impact CULT-1	Potential to Cause a Substantial Adverse Change in the Significance of a Cultural Resource – Cultural Sensitivity	Less than significant with mitigation	Does not change the impact
Impact CULT-2	Potential to Cause a Substantial Adverse Change in the Significance of a Cultural Resource – Archaeological Resources	Less than significant with mitigation	Does not change the impact

**3.0 ENVIRONMENTAL ANALYSIS**

	Potential Impact	EIR Determination	Impact Determination – Expanded Land Swap Area and Revised Ownership Plan for Lot 124
Impact CULT-3	Potential to Cause a Substantial Adverse Change in the Significance of a Paleontological Resource	Less than significant with mitigation	Does not change the impact
Impact CULT-4	Potential to Disturb Human Remains	Less than significant with mitigation	Does not change the impact
	Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Geology/Soils</b>			
Impact GEO-1	Slope Stability, Liquefaction, Landslides	Less than significant with mitigation	Does not change the impact
Impact GEO-2	Soil Erosion	Less than significant	Does not change the impact
Impact GEO-3	Seismic Safety – Palos Verdes Fault	Less than significant	Does not change the impact
Impact GEO-4	Seismic Safety – Ground Shaking	Less than significant	Does not change the impact
	Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Hazards and Hazardous Materials</b>			
Impact HAZ-1	Hazards Management Overlay Zone	Less than significant	Does not change the impact
Impact HAZ-2	Hazardous Materials	Less than significant	Does not change the impact
Impact HAZ-3	Methane Gas Deposits and Surface Water Contamination	Less than significant	Does not change the impact
Impact HAZ-4	Abandoned Oil Wells	Less than significant with mitigation	Does not change the impact
Impact HAZ-5	Wildfire Hazard	Less than significant	Does not change the impact
	Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Hydrology and Water Quality (as revised in the Recirculated Draft EIR)</b>			
Impact HYD-1	Water Quality Standards, Existing Drainage Patterns, and Water Quality Degradation	Less than significant with mitigation	Does not change the impact
Impact HYD-2	Groundwater Supply and Quality	Less than significant with mitigation	Does not change the impact
	Cumulative Impacts	Less than cumulatively considerable	Does not change the impact

3.0 ENVIRONMENTAL ANALYSIS

Potential Impact	EIR Determination	Impact Determination – Expanded Land Swap Area and Revised Ownership Plan for Lot 124
<b>Land Use and Planning</b>		
Impact LU-1 Potential to Conflict with Applicable Land Use Plans, Including the General Plan Land Use Map, Zoning Ordinance, Zoning Map, and Allowable Densities— General Plan Policies	Less than significant	Does not change the impact
Impact LU-2 Potential to Conflict with Applicable Land Use Plans, Including the General Plan Land Use Map, Zoning Ordinance, Zoning Map, and Allowable Densities – Horse Overlay Zone District	Less than significant with mitigation	Does not change the impact
Impact LU-3 Potential to Conflict with Applicable Land Use Plans, Including the General Plan Land Use Map, Zoning Ordinance, Zoning Map, and Allowable Densities – Amendments to Municipal Code Sections 7.22.050(D) and 17.22.050(E)	Less than significant	Does not change the impact
Impact LU-4 Potential for Inconsistencies with Neighborhood Compatibility Requirements and Detracting from the City's Rural Character – Neighborhood Compatibility Ordinance	Less than significant with mitigation	Does not change the impact
Impact LU-5 Potential for Inconsistencies with Neighborhood Compatibility Requirements and Detracting from the City's Rural Character – View Protection Regulations	Less than significant	Does not change the impact
Impact LU-6 City of Torrance – Potential to Conflict with Applicable Land Use Plans	Less than significant	Does not change the impact
Cumulative impacts	Less than cumulatively considerable	Does not change the impact
<b>Mineral Resources</b>		
Impact MIN-1 Loss of Known Valuable Mineral Resources and Loss of Important Mineral Resource Recovery Site	Less than significant	Does not change the impact
Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Noise</b>		
Impact NOI-1 Exposure of Persons to or Generation of Excessive Noise Levels – Construction Noise	Significant and unavoidable	Does not change the impact

### 3.0 ENVIRONMENTAL ANALYSIS

	Potential Impact	EIR Determination	Impact Determination – Expanded Land Swap Area and Revised Ownership Plan for Lot 124
Impact NOI-2	Exposure of Persons to or Generation of Excessive Noise Levels – Traffic Noise Levels	Less than significant	Does not change the impact
Impact NOI-3	Exposure of Persons to or Generation of Excessive Noise Levels – Operational Noise Levels	Significant and unavoidable	Does not change the impact
Impact NOI-4	Exposure of Persons to or Generation of Excessive Noise Levels – Golf Course Maintenance Noise	Significant and unavoidable	Does not change the impact
Impact NOI-5	Exposure of Persons to or Generation of Excessive Noise Levels – Vibration and Groundborne Noise During Construction	Less than significant	Does not change the impact
	Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Population and Housing</b>			
Impact PH-1	Potential to Induce Population Growth	Less than significant	Does not change the impact
	Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Public Services</b>			
Impact PS-1	Fire Protection	Less than significant with mitigation	Does not change the impact
Impact PS-2	Police Protection	Less than significant	Does not change the impact
Impact PS-3	Schools	Less than significant with mitigation	Does not change the impact
Impact PS-4	Other Public Facilities	Less than significant with mitigation	Does not change the impact
	Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Recreation and Open Space</b>			
Impact REC-1	City Designated Areas for Hiking, Bike Riding, and Horse Riding	Less than significant with mitigation	Does not change the impact
Impact REC-2	Potential to Reduce the Resident-to-Parkland Ratio and Increase Usage of Park and Recreational Facilities	Less than significant with mitigation	Does not change the impact
Impact REC-3	Potential to Result in a Loss of Existing Parkland, Open Space, Private or Public Recreational Facilities, and/or the Replacement of Privately Owned Public Recreational Facilities – Chandler Quarry	Less than significant	Does not change the impact

3.0 ENVIRONMENTAL ANALYSIS

Potential Impact	EIR Determination	Impact Determination – Expanded Land Swap Area and Revised Ownership Plan for Lot 124
Impact REC-4 Potential to Result in a Loss of Existing Parkland, Open Space, Private or Public Recreational Facilities, and/or the Replacement of Privately Owned Public Recreational Facilities – Golf Course	Less than significant	Does not change the impact
Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Transportation and Circulation</b>		
Impact TRAF-1 Potential to Result in a Traffic Impact	Less than significant with mitigation	Does not change the impact
Impact TRAF-2 Potential to Trigger One or More Signal Warrants	Less than significant	Does not change the impact
Impact TRAF-3 Potential to Cause Traffic Hazards Due to Design Features, Uses, or Traffic Volumes or Result in an Additional Access Point on an Arterial Street	Less than significant with mitigation	Does not change the impact
Cumulative Impacts	Less than cumulatively considerable	Does not change the impact
<b>Utilities and Service Systems</b>		
Impact USS-1 Solid Waste Statutes/Regulations and Landfill Capacity	Less than significant with mitigation	Does not change the impact
Impact USS-2 Wastewater	Less than significant	Does not change the impact
Impact USS-3 Water Supply	Less than significant	Does not change the impact
Cumulative Impacts	Less than cumulatively considerable	Does not change the impact

#### 3.3 SUMMARY

The proposed expanded land swap area and the project applicant's retention of ownership of Lot 124 would result in land uses and development consistent with those assumed and analyzed in the certified EIR. In addition, the expanded land swap area would not result in development of any additional uses that could contribute to impacts beyond those analyzed in the EIR. The requirement maintaining Lot 124 as open space in perpetuity would not change this aspect of the Chandler Ranch/Rolling Hills Country Club project, as ownership of the parcel, whether it be the City of Torrance or the project applicant, would not remove this requirement. Since the expanded land swap area and revised ownership plan for Lot 124 are consistent with the development identified for the Chandler Ranch/Rolling Hills Country Club Project in the certified EIR, no additional area is proposed for urban development, and no changes are proposed to the project's permitting and approval process, the proposed project revisions would not result in new or more severe impacts beyond those analyzed and mitigated in the Chandler Ranch/Rolling Hills Country Club Project EIR.

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**4.0 REFERENCES**

City of Rolling Hills Estates. 2009. *Chandler Ranch/Rolling Hills Country Club Project Draft Environmental Impact Report* (SCH No. 2008011027).

———. 2010. *Rolling Chandler Ranch/Rolling Hills Country Club Project Recirculated Portions of the Draft Environmental Impact Report* (SCH No. 2008011027).

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## 4.0 REFERENCES

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