

ORDINANCE NO. 1589

AN ORDINANCE APPROVING AND ADOPTING A FIRST AMENDMENT TO DEVELOPMENT AGREEMENT NO. 11-02, TO AMEND THE PHASING AND TO ASSIGN CERTAIN IMPROVEMENTS AND MITIGATION MEASURES TO THE APPROPRIATE PHASES.

The City Council of the City of El Segundo does ordain as follows:

SECTION 1: The City Council finds and declares as follows:

- A. On June 10, 2019, the Raytheon Corporation filed a request for an amendment to the El Segundo South Campus Specific Plan (ESSCSP) (Environmental Assessment No. EA-905) to amend Development Agreement No. DA 11-02 and amend the Conditions of Approval for the 142-acre Project site located at 2000-2100 East El Segundo Boulevard; and
- B. The ESSCPS (EA-905) Development Agreement (DA 11-02) and Conditions of Approval were originally approved by the City Council on December 1, 2015. and
- C. The project request was reviewed by the City's Planning and Building Safety Department for, in part, consistency with the General Plan, El Segundo South Campus Specific Plan and conformity with the ESMC; and
- D. The Planning Commission of the City of El Segundo held a noticed public hearing on August 1, 2019, to review and consider the staff report prepared for the Project, receive public testimony, and review all correspondence received on the Project; and,
- E. On August 1, 2019, the Planning Commission reviewed and considered the proposed amendments, and adopted PC Resolution No. 2865 recommending the City Council approve this ordinance amending Environmental Assessment No. EA-905, El Segundo South Campus Specific Plan and Development Agreement No. 11-02; and
- F. On August 20, 2019, the City Council conducted a public hearing to receive public testimony and other evidence regarding the applications including information provided to the City Council by City staff and public testimony, and from the applicant; and,
- G. This Ordinance and its findings are made based upon the testimony and evidence presented to the City Council at its August 20, 2019, hearing including the staff report submitted by the Planning and Building Safety Department.

SECTION 2: An Environmental Impact Report was prepared for the ESSCSP (EA-905) pursuant to 14 California Code of Regulations, Section 15063 (“CEQA Guidelines”). The proposed amendments to the Development Agreement will have no possible significant effects and, therefore, no further CEQA analysis is required.

SECTION 3: *General Plan and Specific Plan Findings.* After considering the above facts, the City Council finds as follows:

- A. The approved ESSCSP was found to be consistent with the General Plan per Resolution 2765. The proposed amendments do not alter any of the General Plan findings made in the original project approval.

SECTION 4: *Amendment to Development Agreement Findings.* Pursuant to City Council Resolution No. 3268 and Government Code §§ 65857.5 and 65858, the City Council finds that:

- A. The proposed amendment to the Development Agreement is consistent with the objectives, policies, general land uses, and programs specified in the General Plan as described above and the El Segundo South Campus Specific Plan, as amended by this ordinance.
- B. The proposed amendment to the Development Agreement is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is located.
- C. The proposed amendment to the Development Agreement will not be detrimental to the public health, safety and general welfare.
- D. The proposed amendment to the Development Agreement will not adversely affect the orderly development of property or the preservation of property values.

SECTION 5: *Approvals and Authorization.* The City Council hereby approves and adopts the First Amendment to Development Agreement No. 11-02, attached to this ordinance as Exhibit “A”. Upon the effective date of this Ordinance, the Mayor is authorized to execute the amendment on behalf of the City. The City Manager is hereby authorized and directed to perform all acts and execute all documents needed to effectuate this Ordinance.

SECTION 6: *Reliance on Record.* Each and every one of the findings and determinations in this Ordinance are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the project. The findings and determinations constitute the independent findings and determinations of the City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 7: *Limitations.* The City Council’s analysis and evaluation of the Project is based on the best information currently available. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of

the project will not exist. One of the major limitations on analysis of the project is the City Council's knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the City's ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 8: Summaries of Information. All summaries of information in the findings which precede this section, are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding, is not based in part on that fact.


SECTION 9: Effectiveness of ESMC. Repeal or amendment of any provision of the ESMC will not affect any penalty, forfeiture, or liability incurred before or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 10: Recordation. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of El Segundo's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within 15 days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 11: Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the city council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 12: Effective Date. This Ordinance will go into effect and be in full force and effect on the 30th day after its passage and adoption.

PASSED AND ADOPTED this 3rd day of September, 2019.




Drew Boyles, Mayor

ATTEST:



Tracy Weaver, City Clerk

APPROVED AS TO FORM:

 FOR

Mark D. Hensley, City Attorney

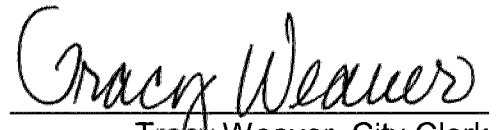
CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF EL SEGUNDO)

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. 1589 was duly introduced by said City Council at a regular meeting held on the 20th day of August, 2019, and was duly passed, and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the 3rd day of September, 2019, and the same was so passed and adopted by the following vote:

- AYES: Mayor Boyles, Council Member Pimentel, and Council Member Nicol
- NOES: Mayor Pro Tem Pirsztuk and Council Member Brann
- ABSENT: None
- ABSTAIN: None

WITNESS MY HAND THE OFFICIAL SEAL OF SAID CITY this 16th day of September, 2019.



Tracy Weaver, City Clerk
of the City of El Segundo,
California

EXHIBIT A

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
CITY CLERK
CITY OF EL SEGUNDO
350 Main Street
El Segundo, California 90245

EXEMPT FROM RECORDER'S FEES
Pursuant to Government Code § 6103

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF EL SEGUNDO
AND
RAYTHEON COMPANY

THIS AGREEMENT MUST BE RECORDED WITHIN TEN DAYS OF EXECUTION BY
ALL PARTIES HERETO PURSUANT TO THE REQUIREMENTS OF GOVERNMENT
CODE § 65868.5

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

This First Amendment to Development Agreement (“First Amendment”) is made and entered into by and between the CITY OF EL SEGUNDO (“City”), a general law city and municipal corporation, and RAYTHEON COMPANY (“Developer”), a Delaware corporation, as of this 20 day of AUGUST, 2019. City and Developer are also individually referred to as “Party” and collectively as “Parties.”

RECITALS

WHEREAS, the Parties entered into a Development Agreement (“Agreement”) on or about the 24th day of March, 2016 with respect to the real property identified on Exhibit A hereto; and

WHEREAS, the Parties now desire to amend the Agreement with this First Amendment to further specify phasing of the Project and the timing of certain Project improvements and/or conditions;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, City and Developer agree as follows:

1. Section 1 of the Agreement (“Definitions”) shall be amended to include the following definitions:

“Phase I” means the development of any new structure or improvement on any portion of either Lot 15 or 16 which are depicted on Exhibit F hereto.

“Phase II” means the development of any new structure or improvement on any portion of Lot 7, 8, 13, 14, 19, 20, 22, 23, or 24 which are depicted on Exhibit F hereto.

“Phase III” means the development of new structure or improvement on any portion of Lot: 1, 2, 3, 4, 25, or 26 which are depicted on Exhibit F hereto.

“Phase IV” means the development of any structure or improvement on any portion of Lot 5, 6, 9, 10, 11, 12, 17, 18, or 21 which are depicted on Exhibit F hereto.

2. Section 4.10.2 (“Infrastructure Phasing Flexibility”) is hereby deleted.

3. Section 4.10.3 (“Infrastructure Completion”) is amended to read as follows:

“No building permit or final inspection will be unreasonably withheld, conditioned, or delayed by City. However, no certificate of occupancy shall be issued for any building until all public or private infrastructure that will serve it or is required to be constructed pursuant to this Agreement is constructed by or caused to be constructed by the Developer and inspected, approved and/or accepted by the Public Works Director and Building Official, or their designees.”

4. The first sentence of Section 4.11 (“Term”) is hereby amended to read as follows:

“The term of this Agreement is fifteen (15) years from the Effective Date (the “Term”).”

5. Section 7.1.2 (“Nash Street”) is hereby amended to read as follows:

“The Nash Street extension must be constructed, inspected, approved and/or accepted by the Public Works Director and Building Official, and/or their designees prior to the issuance of any certificate of occupancy for any new structure or improvement within Phase II, III or IV or for any new structure or improvement which would cause the Phase I Development trip cap of 89 a.m. peak hour, 225 p.m. peak hour trips, or 3,775 daily trips to be exceeded.”

6. Section 7.1.4 (“Nash Street) is hereby amended to read as follows:

“When the Nash Street extension is complete Developer must offer for dedication the street and public improvements associated with the street to City (collectively, “Nash Street Improvements”). The City will accept the dedication of the Nash Street improvements if it is constructed in accordance with City standards and as noted in 7.1.2.”

7. Section 7.2.1 (“Continental Boulevard Public Access”) is hereby amended to read as follows:

“Prior to the issuance of any Certificate of Occupancy for new structures within Phase III, Developer must build that portion of the extension of Continental Boulevard roadway that is to be located on Parcel 25 in a manner consistent with the Secondary Arterial and Collector roadway classifications, as well as the transition between them, as shown on Vesting Map No. 71551. Prior to the issuance of any Certificate of Occupancy for any new construction or improvements that result in a net increase in square footage or a change in use within Phase IV, the Developer must build the extension of Continental Boulevard roadway that is to be located on Parcel 21 in a manner consistent with the Collector roadway classification as shown on Vesting Map No. 71551. Parcel 25 must be built prior to, or concurrent with Parcel 21.”

8. The following Section 7.9 is hereby added to the Agreement:

“7.9 Transportation and Traffic Mitigation Measures “Fair Share”. When noted in the Mitigation, Monitoring, and Reporting Program’s Mitigation Measures TRA-1 through 9 inclusive, the term “fair share” shall be determined by dividing the number of PM peak hour trips produced by the individual development seeking a Certificate of Occupancy by the total Project PM peak hour trips Ceiling as noted in City Council Ordinance No. 1516, Exhibit D “Conditions of Approval” (3,120); multiplied by the total construction value of the TRA-1 through 9 improvements that permit “fair share” contributions as opposed to actual construction, as submitted by a State-licensed Civil Engineer and accepted and approved by the City Engineer.”

9. Section 9 (“Recreational Access”) is hereby amended to read as follows:

“9.1 The Specific Plan provides for 7.54 acres of land to be used for Open Space and Recreational purposes. This land must remain private and only available to Raytheon employees. However, should Developer sell more than twenty percent (20%) of ESSCSP Campus Area (i.e., at least 28.44 acres and not including parcels for which an irrevocable offer of dedication has made to the City which are located in Phases I through IV), to a user other than Raytheon or a Raytheon affiliate, Developer must provide non-Raytheon or Raytheon affiliated employees within the ESSCSP area with permanent access to the 7.54-acre recreational area within the Campus. The

access must be formalized through agreements between Raytheon and the purchaser(s) of the property.

9.2 Within 30 days of approval of a land transfer of the recreational/open space area to an alternative parcel and before a building permit may be issued on Parcel 11, the Developer must record a 20-year irrevocable offer of dedication of a 7.54 acre recreational/open space area to the City of El Segundo, in a form approved by the City Attorney, for future potential park purposes if located on any of the lots (Parcels 1, 2, 3, 4, 7, 8, 13 or 14 of Vesting Map No. 71551) and outside the Raytheon security fenced perimeter.

9.3 The Developer acknowledges that under Sections 9.1 and 9.2, the City's strong preference is that the 7.54 acre recreational / open space be located outside Developer's security fence perimeter, so that the recreational / open space area may be accessed by the public, and that the land be developed by the Developer before the offer of dedication is recorded. However, as an alternative to the requirements of Sections 9.1 and 9.2, prior to development of Phase III, the City and Developer may agree to explore other means of addressing the requirement for the 7.54 acre recreational / open space being located within the ESSCSP. Such alternatives may include funding for offsite recreational / open space within the City as opposed to an on-site reservation of such space. If terms and conditions of an alternative solution are mutually agreed upon by City and Developer in their respective sole discretion, the parties shall amend the Agreement and supporting documentation appropriately."

10. The following addresses shall be used for Section 23 ("Notices") and may be changed from time to time as provided for in the Agreement:

If to City: City of El Segundo
350 Main Street
El Segundo, California 90245
Attention: City Manager
Phone: 310 524-2301
Fax: 310 322-7137
E-Mail: smitnick@elsegundo.org

With a Copy to: City of El Segundo
350 Main Street
El Segundo, California 90245
Attn: City Clerk

With a Copy to: City of El Segundo
350 Main Street
El Segundo, California 90245
Attention: Director of Planning and Building Safety
Phone: 310 524-2346
Fax: 310 322-4167
E-mail: slee@elsegundo.org

With a Copy to: City of El Segundo
350 Main Street
El Segundo, California 90245
Attention: Planning Manager
Phone: 310 524-2340
Fax: 310 322-4167
E-Mail: gmcclain@elsegundo.org

With a Copy to: Hensley Law Group
2600 W. Olive Avenue, Suite 500
Burbank, California 91505
Attention: Mark D. Hensley, Esq.
Phone: 818/333-5120
Fax: 818/333-5121
E-Mail: mhensley@hensleylawgroup.com

If to Developer: Raytheon Company
2000 El Segundo Boulevard
Mail Station S158
El Segundo, California 90245
Attention: Director of Facilities and Real Estate
Phone: 310/647-8880
Fax: 310/647-9348
E-Mail: scott_pozza@raytheon.com

With a Copy to: Raytheon Company
2000 El Segundo Boulevard
Mail Station S175
El Segundo, California 90245
Attention: Senior Manager of Real Estate
Phone: 310/647-2567
Fax: 310/647-9348
E-Mail: aadams1@raytheon.commailto:aadams1@raytheon.com

With a Copy to: Raytheon Company
870 Winter Street
Waltham, MA 02451
Attention: Real Estate Department
Phone: 781/522-3062
Fax: 781/522-6465
Email: jerry_a_cellucci@raytheon.com

11. Exhibit "D" is hereby deleted as it was a summary of requirements that are set forth elsewhere in this Agreement and the Project Approvals.

12. Except with respect to the specific changes made in this First Amendment, the entire Agreement shall remain in full force and effect and not be amended or superseded by this First Amendment. Furthermore, each party represents and warrants that to its knowledge that the other party has fulfilled those obligations that have matured as of the date of this First Amendment. The individuals and parties executing the Agreement below, respectively warrant and represent that they have the authority to execute this Agreement.

IN WITNESS WHEREOF, Developer and City of El Segundo have executed this Development Agreement on the date first above written.


CITY:

DEVELOPER:

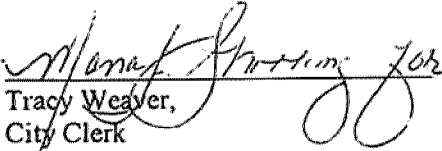
CITY OF EL SEGUNDO,
a municipal corporation

RAYTHEON COMPANY


Drew Boyles, Mayor


By: Jerry A. Cellucci
Its: Senior Director,
Corporate Real Estate

ATTEST:


Tracy Weaver,
City Clerk

APPROVED AS TO FORM:



Mark Hensley,
City Attorney

EXHIBIT A

CAMPUS DESCRIPTION

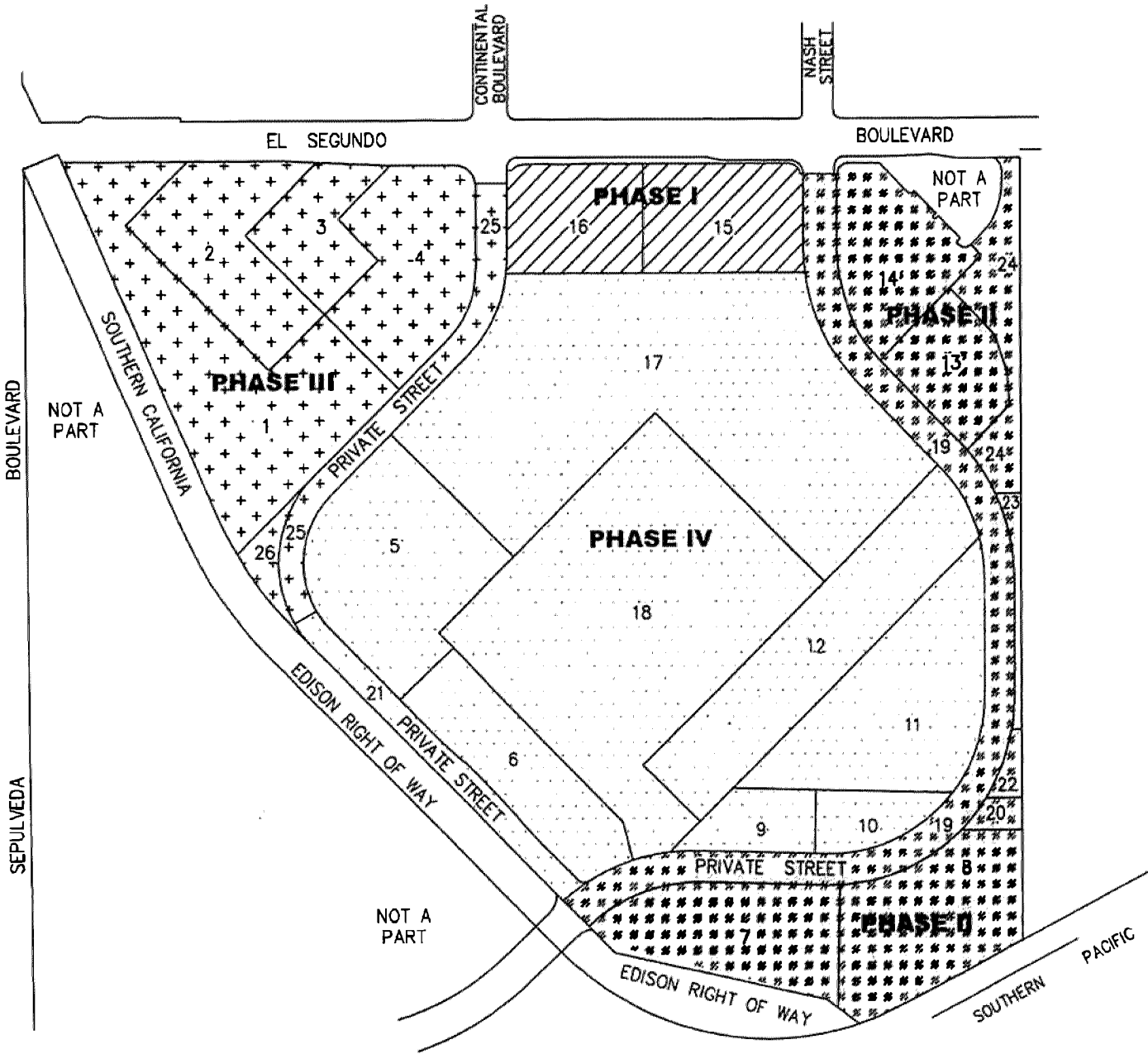
THAT PORTION OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 14 WEST, IN THE RANCHO SAUSAL REDONDO, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN CASE NO. 11629, SUPERIOR COURT OF SAID COUNTY ON JUNE 21, 1890, IN THE OFFICE OF THE COUNTY CLERK OF SAID COUNTY, A COPY OF SAID MAP APPEARING IN THE FILES OF THE COUNTY SURVEYOR OF SAID COUNTY AS CLERK'S FILED MAP NO. 218, BOUNDED AS FOLLOWS:

BOUNDED ON THE NORTH BY THE NORTH LINE OF SAID SECTION 18; BOUNDED ON THE EAST BY THE WESTERLY LINE AND THE NORTHERLY PROLONGATION THEREOF OF TRACT NO. 26556, AS SHOWN ON MAP RECORDED IN BOOK 675 PAGES 93 TO 94 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; BOUNDED ON THE SOUTHEAST BY THE NORTHWESTERLY LINE OF THE 80 FOOT STRIP OF LAND DESCRIBED IN THE DEED TO PACIFIC ELECTRIC RAILWAY CO., RECORDED MAY 27, 1913 AS INSTRUMENT NO. 210 IN BOOK 5750 PAGE 43 OF DEEDS, RECORDS OF SAID COUNTY AND BOUNDED ON THE SOUTHWEST BY THE NORTHEASTERLY LINE OF THE LAND DESCRIBED AS PARCEL 2 IN THE DEED TO SOUTHERN CALIFORNIA EDISON COMPANY, RECORDED MARCH 6, 1930 AS INSTRUMENT NO. 535 IN BOOK 9840 PAGE 33, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT THEREFROM, ALL OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES AS DEFINED IN SECTION 6903 OF THE CALIFORNIA PUBLIC RESOURCES CODE AND ALL OTHER MINERALS, WHETHER SIMILAR TO THOSE HEREIN SPECIFIED OR NOT, WITHIN OR THAT MAY BE PRODUCED FROM THE PROPERTY BELOW A DEPTH OF FIVE HUNDRED (500) FEET, AS RESERVED BY DEED EXECUTED BY CHEVRON U.S.A. INC., A CORPORATION, RECORDED ON NOVEMBER 28, 1978 AS INSTRUMENT NO. 78-1317577, WHICH ALSO RECITES, "PROVIDED, HOWEVER, THAT ALL RIGHTS AND INTEREST IN THE SURFACE OF THE PROPERTY AND THE LAND MASS OF THE PROPERTY TO A DEPTH OF FIVE HUNDRED (500) FEET ARE HEREBY CONVEYED TO GRANTEE, NO RIGHT OR INTEREST OF ANY KIND THEREIN, EXPRESS OR IMPLIED, BEING EXCEPTED OR RESERVED TO GRANTOR EXCEPT AS HEREINAFTER EXPRESSLY SET FORTH."

ASSESSOR'S PARCEL NOS. 4138-014-047 AND 4138-014-013


EXHIBIT F



-  PHASE I
-  PHASE II
-  PHASE III
-  PHASE IV

COMMONWEALTH OF MASSACHUSETTS

On September 25, 2019 before me, the undersigned Notary Public, personally appeared the above-named Jerry A. Cellucci, proved to me by satisfactory evidence of identification being a driver's license, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him voluntarily for its stated purpose, as the duly-authorized Senior Director of Corporate Real Estate for Raytheon Company.



Thomas A. Voltero, Jr., Notary Public
My Commission Expires: November 16, 2023

