MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF LOS ANGELES AND THE COUNTY OF LOS ANGELES CONCERNING COOPERATIVE EFFORTS TO PROCESS NBC UNIVERSAL VISION PLAN ENVIRONMENTAL DOCUMENTS AND ENTITLEMENTS

This MEMORANDUM OF UNDERSTANDING ("MOU") is made and entered into as of ~~October~~ March 4, 2008 by and between the CITY OF LOS ANGELES ("City") and the COUNTY OF LOS ANGELES ("County"), also individually referred to as "a Party" and collectively referred to as "the Parties."

RECITALS

A. WHEREAS, NBC Universal ("NBCU") has proposed to develop a mixed-use development within the City and the County, including, but not limited to, residential uses, neighborhood serving commercial uses, studio-related uses, parking facilities, open space and related amenities, expansion and enhancement of television and motion picture production and post-production facilities, entertainment retail and dining venues (including CityWalk), entertainment venues (including Universal Studios theme park), hotel, warehousing and office uses (the "Project");

B. WHEREAS, pursuant to the California Environmental Quality Act ("CEQA"), the Project will require the preparation of an Environmental Impact Report ("EIR") to address potential environmental impacts of the Project;

C. WHEREAS, the Project will require a number of discretionary approvals from the City and the County with respect to portions of the Project located in each respective jurisdiction with the City and County both acting as the primary land use authority for the entitlements granted within their respective boundaries;

D. WHEREAS, it is proposed that a portion of the Project currently located in the County be pre-zoned by the City and annexed to the City and a portion of the Project located in the City be pre-zoned by the County and detached to the County;

E. WHEREAS, CEQA envisions that where more than one agency is involved in the review, approval and implementation of a Project, one agency shall be designated as the lead agency, and the remaining agencies shall be designated as responsible agencies;

F. WHEREAS, CEQA directs that where more than one public agency equally meet the criteria for lead agency, the agency which will act first on the project shall be the lead agency, a timing that can in some instances be controlled by the project applicant;

G. WHEREAS, the City and County each have made substantial claims to be the lead agency under CEQA;

H. WHEREAS, CEQA also allows two or more public agencies to designate the lead agency by agreement and to provide for cooperative efforts between the agencies by contract or a joint exercise of power;

I. WHEREAS, it is in the beneficial interest of the Parties to share in the task of preparation of the EIR for the Project to avoid duplication in staff efforts, to share staff expertise and information already existing, to promote intergovernmental coordination, and to serve the public interest by producing a more efficient, open, honest and thorough environmental review process;

J. WHEREAS, the Parties desire to coordinate their efforts in full cooperation with each other in the preparation and processing of the Project EIR and other entitlement approvals.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the benefits that will accrue to each of the Parties in carrying out the objectives of this agreement in a cooperative manner, the Parties agree as follows:

1. Lead Agency. The City is expected to act first on entitlements requested and thus shall be designated as the "Lead Agency" pursuant to CEQA for the environmental review of the Project. Although CEQA envisions the designation of one Lead Agency, the City and the County shall work jointly and cooperate in the preparation of the EIR for the Project. Notwithstanding the designation of Lead Agency, the City and County shall each be involved in preparation and evaluation of the EIR, as set forth in this MOU.

2. Responsible Agency. The County shall be designated as a "Responsible Agency" for the Project, and shall cooperate with the City in the preparation and evaluation of the EIR, as set forth in this MOU and shall have all of the rights and responsibilities as set forth herein.

3. Cooperative Efforts. The City and the County agree in good faith to undertake cooperative actions in connection with the preparation of the EIR and in the processing of entitlements for the Project, which include, but are not limited to, the following efforts:

a) Process . The City and the County shall use reasonable good faith efforts to consult, review, provide comments, and perform the other tasks set forth herein as expeditiously as possible, to facilitate the timely processing of the EIR and entitlements for the Project.

b) Coordinated Staffing. The City and the County each shall provide coordinated staffing in their respective departments. The Parties' respective department staffs shall coordinate with each other to prepare and process the EIR and entitlements. The City shall designate a planner ("Designated City Planner"), who shall have

responsibility for overseeing the EIR and City entitlements processing, on behalf of the City, pursuant to this MOU. The County shall designate a planner ("Designated County Planner"), who shall have responsibility for overseeing the EIR and County entitlements processing, on behalf of the County, pursuant to this MOU. The Designated County Planner and Designated City Planner shall be collectively referred to as the Designated Representatives.

c) EIR Scoping. For any prospective EIR scoping, the City and the County shall hold a joint City/County EIR scoping session ("EIR Scoping Session"), at a time, location, and with the amount and manner of advanced notice agreed upon by the City and the County, in order to receive comments on the proposed scope of information to be covered in the EIR. Such Scoping Session shall be held in a timely manner in a location that is convenient and accessible to interested members of the community. Any final decisions regarding the scope of EIR analysis and assessment will be made jointly by the Designated Representatives.

d) Joint Direction of Process. The City and County shall be entitled to participate in all work sessions with the EIR consultant, Chris A. Joseph & Associates, its successors, if any, and all EIR subconsultants (collectively, the "EIR Consultant"). The City and County agree that they will jointly direct the work of the EIR Consultant and further agree that they will not provide independent direction to or confer or meet with the EIR Consultant without the notification of the other Party. The City and County shall be entitled to participate in all work sessions with NBCU regarding preparation of the DEIR.

e) Preparation of Draft EIR. The City and the County shall confer and agree on the framework for the Draft EIR ("DEIR"), including, but not limited to, the overall structure of the DEIR, appropriate baseline(s), and significance thresholds. On the latter, if the thresholds typically used by the City and County differ, the Parties agree to use the threshold that would result in the most conservative assessment, that being the one that would result in the least impact to the environment. The City and County shall each consult with their appropriate departments in the preparation of the DEIR. The EIR Consultant shall provide to the City and County at the same time a copy of all working drafts (screenchecks) of the DEIR and sections of the DEIR for review. The City and the County agree to review and provide comments on the DEIR or portions thereof generated by the EIR Consultant within a reasonable period of time following their receipt of the document and no later than 45 days thereafter or such other time frame agreed to by the Designated Representatives, which agreement shall not be unreasonably withheld. After consideration of the comments prepared by both the City and the County, the Designated Representatives shall jointly direct the EIR Consultant to make any revisions jointly agreed to by the Designated Representatives. The City and County's review of subsequent submittals by the EIR Consultant shall be subject to the same process and review period referenced above. Subject only to the provisions of subparagraph 3(g)(ii), below, only after both the City and County Designated Representatives respectively agree that all matters to be included in the DEIR have been adequately addressed and that it is ready for circulation, shall the DEIR be circulated for public review.

f) Final EIR. The City and County shall consult regarding preparation of the Final EIR ("FEIR"), including Responses to Comments, any Corrections and Additions and the Mitigation Monitoring Program and shall jointly direct the preparation of the FEIR. The EIR Consultant shall provide to the City and County at the same time a copy of all working drafts of the FEIR, sections of the FEIR, Corrections and Additions and Responses to Comments and the Mitigation Monitoring Program for review. The City and County shall be entitled to participate in all work sessions with the EIR Consultant and work sessions with NBCU regarding preparation of the FEIR, Responses to Comments and Corrections and Additions. The City and the County agree to review and provide comments on the proposed Responses to Comments, FEIR, and the Mitigation Monitoring Program or portions of these documents generated by the EIR Consultant within a reasonable period of time following their receipt of the document and no later than 45 days thereafter or such other time frame agreed to by the Designated Representatives, which agreement shall not be unreasonably withheld. After consideration of the comments prepared by both the City and County, the Designated Representatives shall jointly direct the EIR Consultant to make any revisions jointly agreed to by the Designated Representatives. The City and County's review of subsequent submittals by the EIR Consultant shall be subject to the same process and review period referenced above. Subject only to the provisions of subparagraph 3(g)(ii), below, only after both the City and County Designated Representatives respectively agree that all matters to be included in the FEIR, including Responses to Comments, any Corrections and Additions, and the Mitigation Monitoring Program have been adequately completed and are ready for certification/approval, shall they be released to the public and other agencies.

g) Dispute Resolution.

(i) All of the above-referenced decisions regarding the CEQA environmental review process including the scope of work, analysis and conclusions contained in the DEIR, Responses to Comments, and Mitigation Monitoring Program, including the time and scope of public review of any environmental documents, will be made jointly by the City and County's Designated Representatives. In the event there are any disagreements between the Parties regarding any joint decision to be made pursuant to this MOU which cannot in good faith be resolved by the Designated Representatives, the following dispute resolution procedure shall be followed. Either party may initiate this procedure.

A. Each Party may discuss any apparent dispute or disagreement between the Parties and initiate this procedure. Each Designated Representative may contact his or her counterpart of the other Party to identify any apparent disagreement which they cannot resolve and request that the disagreement be referred to management. For the County, the person

designated to resolve the disagreement shall be the County Director of Planning Bruce McClendon. For the City the person designated to resolve the disagreement shall be Planning Director Gail Goldberg. Within 3 business days of a referral to management, the designated persons shall discuss and in good faith attempt to resolve the disagreement.

1. Urgent Matter. If the initiating Party designates the matter in dispute as "urgent", the other Party shall make its final response known within one business day (defined as Monday through Thursday) of the discussion.
2. Non-urgent Matter. Unless a matter is designated "urgent" by the initiating Party, the other Party shall make its final response known within three business days of the discussion.
3. Alternative Dispute Resolution. If the dispute is not resolved by management, either Director of Planning may refer the dispute to non-binding mediation by serving a written notice by messenger to the other Party and the mediator within three business days of receiving a final response. This written notice shall include a statement of the issue in dispute and the justification for its position. The Parties agree that the mediator shall be a person mutually agreed to by the Parties. Once a matter is referred to the mediator by a Party, the other Party may respond in writing within 3 business days of receiving the written notice and shall serve the response by messenger. The Parties and the mediator shall convene to discuss the matter within 10 business days of the initial referral either in person or by conference call and shall in good faith attempt to resolve the disagreement.

B In the event that the Parties do not resolve the matter, the Parties shall retain the right to pursue any administrative or judicial remedy available to address the unresolved dispute.

ii) Notwithstanding the above, in the event the Designated Representatives have a disagreement with respect to an issue or issues involving the DEIR or FEIR, and the DEIR or FEIR cannot, therefore, be circulated or released in accordance with the provisions of subparagraphs 3(e) and 3(f), above, and any person or entity commences legal proceedings under any legal theory to require the City, as Lead Agency, to circulate the DEIR, release the FEIR to the decision makers for consideration, or otherwise take action on the EIR, or on the Project in the absence of an EIR, then the Designated Representatives shall submit the issue or issues constituting their disagreement to dispute resolution. Such dispute resolution shall be binding upon City's and County's staff and Designated Representatives. The dispute shall be resolved by an arbitrator who is mutually agreed to by the Designated Representatives, and shall be conducted in accordance with the time periods set for in subparagraph 3(g), unless otherwise agreed to by the Parties. The arbitrator shall select the position of one of the Parties with respect to a particular issue. Notwithstanding this provision, the City and County decision makers (e.g., advisory agency, planning commission, City Council, Board of Supervisors) must still undertake independent analysis and conclude that the FEIR reflects its independent judgment prior to certification/approval of the FEIR, as applicable, and may modify or reject such determination of the arbitrator in the City and/or County's sole and absolute discretion.

h) Hearing Officers. The City and County shall each assign a Hearing Officer to conduct a joint Hearing Officer hearing for the Project. The Designated City Planner and the Designated County Planner may serve as the Hearing Officer for each respective jurisdiction.

i) Joint Hearing Officer Hearing. After both the City and County staff respectively agree that the EIR is completed and ready for consideration by the decision makers, a joint City and County Hearing Officer hearing shall be held in conjunction with the City's Deputy Advisory Agency consideration of the Tentative Tract Map for the residential portion of the Project. The City may choose to authorize the Designated City Planner to also serve as the City's Deputy Advisory Agency. The purpose of the Hearing Officer Hearing shall be to take public testimony regarding the Project, the FEIR, and the requested entitlements. Following such hearing, the County Hearing Officer shall, as expeditiously as feasible, prepare a report with recommendations to the County Regional Planning Commission regarding the EIR and the requested County entitlements, and the City Hearing Officer shall prepare a report

with recommendations regarding the EIR and the requested City entitlements to the City Planning Commission.

i) The City's Deputy Advisory Agency acting as Lead Agency may, in his or her discretion, certify the EIR as the Lead Agency, which may be appealed to the City's elected decision-making body as provided by City procedures and CEQA.

ii) If the County disagrees that certification of the EIR is appropriate, it shall have the right under applicable law to challenge the EIR and/or to conduct its own further environmental assessment in accordance with CEQA.

j) Joint City Planning Commission and Regional Planning Commission Hearing. The City and the County may elect to hold one or more joint hearings with the City Planning Commission and the County Regional Planning Commission to consider the Project.

k) Local Agency Formation Commission ("LAFCO"). The City and the County agree to coordinate their efforts concerning the processing of all documents related to and necessary for LAFCO's processing and action on any proposed Annexation and de-Annexation.

4. Term. This MOU shall be effective from the date first written above, and shall continue in full force and effect during the City and the County's consideration of the Project.

5. Remedy for Breach. In the event either Party alleges that the other has breached its obligations pursuant to this MOU, that Party's remedy for such breach shall be specific enforcement of the obligations. Nothing in this MOU is intended to waive any other claims or causes of action that either party may have pursuant to CEQA and any other applicable law. The Parties shall abide by their respective obligations under the MOU unless the MOU is modified by amendment of the Parties, or one or both of the Parties are ordered to do otherwise by a court of final adjudication. Nothing herein shall obligate either of the Parties to certify the EIR or approve any entitlements for the Project. The Parties understand and acknowledge that each Party shall exercise its independent judgment in evaluating the EIR and the proposed Project.

6. Notices. Formal notices, demands and communications between the Parties shall be delivered to the respective Planning Directors of the City and County at the addresses listed below:

City: City of Los Angeles
Planning Department
200 North Spring Street, Room 395
Los Angeles, CA 90012

	Attn: Gail Goldberg, Planning Director
County:	County of Los Angeles Department of Regional Planning Hall of Records, 13th Floor 320 West Temple Street Los Angeles, CA 90012 Attn: Bruce w. McClendon, Planning Director

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected Party may from time to time designate by giving notice to the representatives of the Parties listed above.

7. Severability. The invalidity, illegality, or unenforceability of any provision of this MOU shall not render the other provisions unenforceable, invalid, or illegal.

8. No Third Party Rights. The Parties to this MOU do not intend to create rights in, or to grant remedies to, any third party as a beneficiary of this MOU or of any duty, covenant, obligation or undertaking established herein.

9. Governing Law. This MOU shall be interpreted and enforced pursuant to the laws of the State of California. The Parties acknowledge their intent that this MOU be interpreted in a manner consistent with the requirements of CEQA.

10. Modifications. This MOU can only be modified by a written instrument executed by all Parties.

11. Entire Understanding. This MOU contains the entire understanding of the Parties related to their interests, obligations, and rights in connection with the subject matter set forth herein. All prior communications, negotiations, stipulations, and understandings, whether oral or written, are of no force or effect, and are superseded, except as referenced herein.

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the day and year first written above.

City:

City of Los Angeles

By: A. Gail Goldberg
Name
Title Planning Director

Approved as to form.

By: Susan D. Pfann
Name SUSAN D. PFANN
Title Assistant City Attorney

County:

County of Los Angeles

By: Bruce McClendon
Name
Title Planning Director

Approved as to form.

By: Richard Weiss
Name
Title Assistant County Counsel

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