

**SUMMONS  
Cross-Complaint  
(CITACION JUDICIAL-CONTRADEMANDA)**

FOR COURT USE ONLY  
(SOLO PARA USO DE LA CORTE)

**NOTICE TO CROSS-DEFENDANT:**

**(AVISO AL CONTRA-DEMANDADO):**

CITY OF WHITTIER; CITY COUNCIL OF THE CITY OF WHITTIER  
(Additional Parties Attachment Form is attached)

**YOU ARE BEING SUED BY CROSS-COMPLAINANT:**

**(LO ESTÁ DEMANDANDO EL CONTRADEMANDANTE):**

LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT; COUNTY  
OF LOS ANGELES; LOS ANGELES COUNTY BOARD OF SUPERVISORS

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the cross-complainant. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al contrademandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)), o ondiéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:

(El nombre y dirección de la corte es):

LOS ANGELES SUPERIOR COURT - CENTRAL DISTRICT  
111 NORTH HILL STREET  
LOS ANGELES, CALIFORNIA 90012

SHORT NAME OF CASE (from Complaint): (Nombre de Caso):

MRCA v. City of Whittier, et al.

CASE NUMBER: (Número del Caso):

BS136211

The name, address, and telephone number of cross-complainant's attorney, or cross-complainant without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del contrademandante, o del contrademandante que no tiene abogado, es):

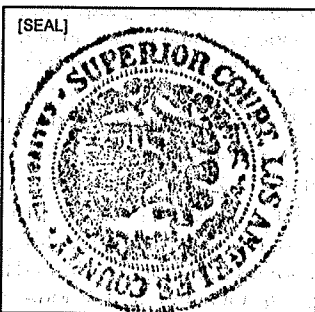
J. SCOTT KUHN, Senior Deputy SBN: 190517 Tel: (213) 974-1852 Fax: (213) 613-4751  
OFFICE OF THE COUNTY COUNSEL, Hall of Administration, 6th Floor  
500 West Temple Street, Los Angeles, California 90012

DATE: **OCT 22 5 2012**  
(Fecha)

Clerk, by  Deputy  
(Secretario) (Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons (POS-010).)



**NOTICE TO THE PERSON SERVED: You are served**

1.  as an individual cross-defendant.
2.  as the person sued under the fictitious name of (specify):
3.  on behalf of (specify):  
under:  CCP 416.10 (corporation)  CCP 416.60 (minor)  
 CCP 416.20 (defunct corporation)  CCP 416.70 (conservatee)  
 CCP 416.40 (association or partnership)  CCP 416.90 (authorized person)  
 other (specify):
4.  by personal delivery on (date):

|   |                          |
|---|--------------------------|
| SHORT TITLE: MRCA v. City of Whittier, et al. | CASE NUMBER:<br>BS136211 |
|---|--------------------------|

**INSTRUCTIONS FOR USE**

- ➔ This form may be used as an attachment to any summons if space does not permit the listing of all parties on the summons.
- ➔ If this attachment is used, insert the following statement in the plaintiff or defendant box on the summons: "Additional Parties Attachment form is attached."

List additional parties (Check only one box. Use a separate page for each type of party.):

Plaintiff   
 Defendant   
 Cross-Complainant   
 Cross-Defendant

**CROSS-REAL-PARTIES IN INTEREST**

**MATRIX OIL CORPORATION;**  
**CLAYTON WILLIAMS ENERGY, INC.;**  
**PUENTE HILLS HABITAT PRESERVATION AUTHORITY;**  
**SANTA MONICA MOUNTAINS CONSERVANCY;**  
**CHEVRON U.S.A., INC.**

COPY

1 JOHN F. KRATTLI, County Counsel  
LAWRENCE L. HAFETZ, Assistant County Counsel  
2 SCOTT KUHN, Senior Deputy County Counsel  
(SBN 190517) • skuhn@counsel.lacounty.gov  
3 500 West Temple Street, Suite 648  
Los Angeles, California 90012-2713  
4 Telephone: (213) 974-1852 • Fax: (213) 613-4751

5 Attorneys for LOS ANGELES COUNTY  
REGIONAL PARK AND OPEN SPACE DISTRICT;  
6 COUNTY OF LOS ANGELES; LOS ANGELES  
COUNTY BOARD OF SUPERVISORS

**ORIGINAL FILED**  
OCT 25 2012  
**LOS ANGELES  
SUPERIOR COURT**

7  
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **FOR THE COUNTY OF LOS ANGELES, CENTRAL DISTRICT**

10 MOUNTAINS RECREATION AND  
CONSERVATION AUTHORITY,

11 Petitioner/Plaintiff,

12 v.

13 CITY OF WHITTIER, et al.,

14 Respondents/Defendants.

15 MATRIX OIL CORPORATION, et al.,

16 Real-Parties-in-Interest.

17 LOS ANGELES COUNTY REGIONAL  
18 PARK AND OPEN SPACE DISTRICT;  
COUNTY OF LOS ANGELES;  
19 LOS ANGELES COUNTY BOARD OF  
SUPERVISORS,

20 Cross-Complainants/Petitioners,

21 v.

22 CITY OF WHITTIER; CITY COUNCIL OF  
THE CITY OF WHITTIER, and DOES 1-25,

23 Cross-Defendants/Respondents,

24 MATRIX OIL CORPORATION; CLAYTON  
25 WILLIAMS ENERGY, INC; PUENTE  
HILLS HABITAT PRESERVATION  
26 AUTHORITY; SANTA MONICA  
MOUNTAINS CONSERVANCY;  
27 CHEVRON U.S.A. INC, and ROES 1-25,

28 Cross-Real-Parties-in-Interest.

CASE NO. BS136211  
[Related Cases BS128995; BS135187; and  
BS138796]

**CROSS-COMPLAINT AND PETITION  
FOR WRIT OF MANDATE OF THE  
LOS ANGELES COUNTY REGIONAL  
PARK AND OPEN SPACE DISTRICT,  
COUNTY OF LOS ANGELES, AND  
LOS ANGELES COUNTY BOARD OF  
SUPERVISORS**

1. Violation of County Proposition A and the Public Trust Doctrine
2. Breach of Contract and Specific Performance
3. Violation of the California Environmental Quality Act (CEQA)
4. Declaratory Relief and Injunctive Relief

Assigned for all purposes to the Honorable  
Ann I. Jones, Department 86

1 Cross-Complainants/Petitioners and Respondents/Defendants Los Angeles County  
2 Regional Park and Open Space District ("District"), County of Los Angeles ("County"), and  
3 Los Angeles County Board of Supervisors ("Board of Supervisors") (collectively "County Cross-  
4 Complainants") allege as follows:

5 **INTRODUCTION**

6 1. The County Cross-Complainants seek by this action to require Cross-  
7 Defendants/Respondents the City of Whittier and the Whittier City Council (collectively  
8 "Whittier") to comply with the requirements of Los Angeles County Proposition A, Safe  
9 Neighborhood Parks, Gang Prevention, Tree-Planting, Senior and Youth Recreation, Beaches and  
10 Wildlife Protection ("Proposition A") enacted by County voters in 1992, and to comply with the  
11 terms of a Project Agreement between the District and Whittier ("Project Agreement"), pursuant to  
12 which Whittier received Proposition A funds to acquire and to preserve natural lands and open  
13 space in the Whittier Hills. Whittier used Proposition A taxpayer-funded bonds and assessments,  
14 including Proposition A funds allocated to the Santa Monica Mountains Conservancy, to acquire  
15 approximately 1,280 acres of open space in the Whittier Hills (the "Whittier Hills Property").  
16 Without the District's prior approval, Whittier has taken a series of actions in violation of  
17 Proposition A and the Project Agreement in furtherance of a private oil and gas exploration,  
18 drilling, and production project (the "Oil Drilling Project") on the Whittier Hills Property. The Oil  
19 Drilling Project is fundamentally inconsistent with, and in violation of, Proposition A. Whittier's  
20 approvals of the Oil Drilling Project should be voided. Alternatively, Whittier should be ordered  
21 to comply with Proposition A and the Project Agreement before taking any further action on the  
22 Oil Drilling Project. Whittier has also violated the California Environmental Quality Act  
23 ("CEQA") by amending the Lease for the Oil Drilling Project and seeking to eliminate the  
24 requirement that Whittier obtain the District's prior consent as required by Proposition A and the  
25 Project Agreement. Actions taken by Whittier demonstrate that it is seeking to gain a  
26 disproportionate financial windfall from the Oil Drilling Project in violation of Proposition A, the  
27 Project Agreement, and the Public Trust Doctrine to the detriment of all County taxpayers who are  
28 paying the assessment that enabled Whittier to acquire the Whittier Hills Property.

**PARTIES**

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2. Cross-Complainant/Petitioner County is and was at all times herein mentioned a political subdivision of the State of California and a charter county organized and existing under the constitution and laws of the State of California.

3. Cross-Complainant/Petitioner District was created as a result of County voters passing Proposition A, with a 64% yes vote, in 1992. Proposition A puts the District in charge of administering Proposition A and the funds generated and distributed pursuant to it.

4. Cross-Complainant/Petitioner Los Angeles County Board of Supervisors ("Board of Supervisors") is, and at all relevant times herein was, the legislative body charged with the formation of the District pursuant to Proposition A. Proposition A vests all powers and authority of the District in the Board of Supervisors in its capacity as the governing body of the District.

5. Cross-Defendant/Respondent City of Whittier is, and at all relevant times herein was, a California Charter City located in the County of Los Angeles.

6. Cross-Defendant/Respondent City Council of Whittier is, and at all relevant times herein was, the legislative body, the governing board, and the highest administrative body of the City of Whittier. The City of Whittier and the City Council of Whittier shall collectively be referred to herein as "Whittier."

7. Real Party in Interest Matrix Oil Corporation ("Matrix") is, and at all relevant times herein was, a private, for profit, oil and natural gas production California corporation doing business in the State of California, County of Los Angeles.

8. Real Party in Interest Clayton Williams Energy, Inc. ("CWEI") is, and at all relevant times herein was, a Delaware Corporation doing business in the State of California, County of Los Angeles.

9. Real Party in Interest Puente Hills Habitat Preservation Authority ("Habitat Authority") is, and at all relevant times herein was, a public agency joint powers authority with a membership consisting of the City of Whittier, the County of Los Angeles, and the Los Angeles County Sanitation District No. 2, and participation by a representative of the Hacienda Heights Improvement Association. The Habitat Authority manages wilderness land in the hills for the City

1 of Whittier.

2 10. Real Party in Interest the Santa Monica Mountains Conservancy (the  
3 "Conservancy") is a political subdivision of the State of California that supports the acquisition  
4 and preservation of public open space and the protection of natural resources. The Conservancy is  
5 one of the members of the Mountains Recreation and Conservation Authority ("MRCA"), a joint  
6 powers authority of the State of California.

7 11. Real Party in Interest Chevron U.S.A. INC. ("Chevron") is, and at all relevant times  
8 herein was, a Pennsylvania corporation doing business in the State of California, County of Los  
9 Angeles.

10 12. The true names and capacities of Cross-Respondents/Defendants DOES 1 through  
11 25, inclusive, are presently unknown to Cross-Complainants, and are therefore sued under such  
12 fictitious names. County Cross-Complainants are informed and believe, and based thereon allege  
13 that Cross-Respondents/Defendants DOES 1 through 25 participated in the acts and conduct  
14 which are the subject of this petition and complaint. County Cross-Complainants will amend this  
15 Cross-Complaint to show the true names and capacities of such fictitious Cross-  
16 Respondents/Defendants DOES when the same have been ascertained.

17 13. The true names and capacities of Cross-Real Parties in Interest ROES 1 through 25,  
18 inclusive, are presently unknown to County Cross-Complainants and therefore are sued herein  
19 under such fictitious names. County Cross-Complainants will amend this Cross-Complaint to  
20 show the true names and capacities of such fictitious ROES when the same have been ascertained.

### 21 GENERAL ALLEGATIONS

22 14. On November 3, 1992, Los Angeles County voters approved Proposition A which  
23 authorized an annual assessment on nearly all of the 2.25 million parcels of real property in the  
24 County. Pursuant to Proposition A, the County also issued bonds, to be repaid by taxpayers,  
25 enabling Proposition A to provide over \$500 million for the acquisition, restoration, or  
26 rehabilitation of real property for parks and park safety, senior recreation facilities, gang  
27 prevention, beaches, recreation, community or cultural facilities, trails, wildlife habitats, or natural  
28 lands, and maintenance and servicing of those projects.

1           15.     Proposition A created the District to administer Proposition A and its funding and  
2 provides that the Board of Supervisors shall act as the governing body of the District. Proposition  
3 A further provides that the District shall take all actions necessary and desirable to carry out the  
4 purposes of Proposition A.

5           16.     Proposition A, section 8(b)(2) provides \$204,850,000 in funding to the District for  
6 grants to public agencies for the acquisition, development, improvement, rehabilitation, or  
7 restoration of real property for parks and park safety, senior recreation facilities, beaches,  
8 recreation, wildlife habitat or natural lands in accordance with a list of projects that includes  
9 subsection QQ allocating \$9,300,000 to the City of Whittier for the acquisition of natural lands  
10 and development of related facilities in the Whittier Hills.

11           17.     Proposition A requires a recipient of Proposition A section 8(b)(2) funds to  
12 maintain and operate in perpetuity the property acquired, developed, improved, rehabilitated, or  
13 restored with the funds.

14           18.     Proposition A section 16 provides:

15           (a)     No funds authorized under Section 8 may be disbursed to any recipient  
16 unless the recipient agrees:

17                   (1)     To maintain and operate in perpetuity the property acquired,  
18 developed, improved, rehabilitated or restored with the funds. With  
19 the approval of the granting agency, the recipient or its successors in  
20 interest in the property may transfer the responsibility to maintain  
21 and operate the property in accordance with this Section.

22                   (2)     To use the property only for the purposes of this order and to  
23 make no other use, sale, or disposition of the property, except as  
24 provided in subdivision (b) of this Section 16.

25                   (3)     Any beach, park or other public facility acquired, developed,  
26 rehabilitated or restored with funds from this act shall be open and  
27 accessible to the public without discrimination as to race, color, sex,  
28 sexual orientation, age, religions belief, national origin, marital  
status, physical or medical handicap, medical condition or place of  
residence, to the extent consistent with the provisions of subdivision  
(a) of Section 18.

                  (4)     In order to maintain the exclusion from gross income for  
federal income tax purposes of the interest on any bonds, notes or  
other evidences of indebtedness issued for purposes of this order,  
each recipient of funds pursuant to this order covenants to comply  
with each applicable requirement of Section 103 and Sections 141  
through 150 of the Internal Revenue Code of 1986, as amended.

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Each recipient of funds disbursed pursuant to Section 8 shall agree in writing to the conditions specified in paragraphs (1), (2), (3) and (4) of this Section 16 (a).

The conditions specified in paragraphs (1), (2), (3) and (4) of this section shall not prevent the transfer of property acquired, developed, improved, rehabilitated or restored with funds authorized pursuant to Section 8 of this order from the recipient to another Public Agency, to a Nonprofit Organization authorized to acquire, develop, improve or restore real property for park, wildlife, recreation, open space or gang prevention and intervention purposes, or to the National Park Service, provided that any such successor to the recipient assumes the obligations imposed by such conditions.

(b) If the use of the property acquired through grants pursuant to this order is changed to one other than a use permitted under the category from which the funds were provided, or the property is sold or otherwise disposed of, an amount equal to the (1) amount of the grant, (2) the fair market value of the real property, or (3) the proceeds from the portion of such property acquired, developed, improved, rehabilitated or restored with the grant, whichever is greater, shall be used by the recipient, subject to subdivision a of this Section, for a purpose authorized in that category or shall be reimbursed to the Parks Fund and be available for appropriation only for a use authorized in that category.

If the property sold or otherwise disposed of is less than the entire interest in the property originally acquired, developed, improved, rehabilitated or restored with the grant, an amount equal to the proceeds or the fair market value of the property interest sold or otherwise disposed of, whichever is greater, shall be used by the grantee, subject to subdivision (a) of this Section, for a purpose authorized in that category or shall be reimbursed to the Parks Fund and be available for appropriation only for a use authorized in that category. Nothing in this Section 16 shall limit a Public Agency from transferring property acquired pursuant to this order to the National Park Service or the State Park System, with or without consideration.

19. Proposition A requires applicants for all projects listed in section 8(b)(2) to submit an application to the District for prior approval in order to receive funding for their project.

20. On July 6, 1993, Whittier adopted Resolution No. 6416 approving the filing of an application with the District for funds under section 8(b)(2) QQ of Proposition A, which stated that Whittier certifies that it "understands the assurances and certifications in the application form[.]" The assurances in the Proposition A application state that an applicant will "use the property only for the purposes of the Proposition and will make no other use, sale, or other disposition of the property except as authorized by specific act of the Board of Supervisors as the governing body of the District."

21. Whittier's Proposition A funding application described the project to be funded as the acquisition of land that includes acreage designated Significant Ecological Areas by the



1 County and the preservation of portions of the last remaining chaparral, native oak woodlands and  
2 coastal scrub ecosystem within eastern Los Angeles County that includes numerous native plant  
3 and animal life.

4 22. Whittier and the District entered into a Project Agreement for Grant No. 58L1-94-  
5 0034 governing the award of Proposition A grant funds to Whittier pursuant to section 8(b)(2) QQ  
6 of Proposition A that was signed by the mayor of Whittier in November 1994.

7 23. The Project Agreement contained the following terms and requirements agreed to  
8 in writing by Whittier:

9 a. Whittier agrees to perform all aspects of the Project in accordance with the  
10 terms of this Agreement (Special Provisions, B);

11 b. Any modification or alteration in the Project, as set forth in the Application  
12 on file with the District, must be submitted in writing to the District for prior approval. No  
13 modification shall be effective until and unless the modification is executed by both Applicant and  
14 District. (Project Execution, B.10);

15 c. Whittier agrees that any gross income from non-recreational uses of a  
16 Project shall be used for recreational development, additional acquisition, operation, or  
17 maintenance at the Project site, unless the District approves otherwise in writing. (Project  
18 Administration, D.4);

19 d. Whittier agrees to submit for prior District review and approval any and all  
20 existing or proposed operating agreements, leases, concession agreements, management contracts,  
21 or similar arrangements with non-governmental entities, and any existing or proposed  
22 amendments or modifications thereto, as they relate to the Project or the Project site. (Project  
23 Administration, D.5);

24 e. In order to maintain the exclusion from gross income for federal income tax  
25 purposes of the interest on the taxpayer-funded bonds issued to raise the funds for Proposition A,  
26 Whittier covenants to comply with each applicable requirement of the Internal Revenue Code and  
27 agrees that it will not, without the prior written consent of the District, permit the use of any  
28 portion of the Project by any private person or entity, other than on such terms as may apply to the

1 public generally or enter into any contract with a private entity for the management or operation of  
2 the Project or any portion thereof. (Project Administration, D.9);

3 f. Whittier agrees to use the property acquired or developed with grant monies  
4 under this Agreement only for the purpose for which it requested District grant monies and will  
5 not permit any other use of the area, except as allowed by specific act of the Board of Supervisors  
6 as the governing body of the District. (Uses of Facilities, J.1);

7 g. Whittier agrees to maintain and operate in perpetuity the property acquired,  
8 developed, rehabilitated or restored with grant monies, subject to the provisions of the Proposition.  
9 (Uses of Facilities, J.2);

10 h. If Whittier sells or otherwise disposes of property acquired or developed  
11 with grant monies provided under this Agreement, Whittier shall reimburse the District in an  
12 amount equal to the greater of (1) amount of the grant monies provided under this Agreement,  
13 (2) the fair market value of the real property, or (3) the proceeds from the portion of the property  
14 acquired, developed, improved, rehabilitated or restored with grant monies;

15 i. If the property sold or otherwise disposed of is less than the entire interest  
16 in the property originally acquired, developed, improved, rehabilitated or restored with the grant  
17 monies, then Whittier shall reimburse the District an amount equal to the greater of: 1) an amount  
18 equal to the proceeds, or 2) the fair market value. (Project Administration, D.10);

19 j. Whittier agrees to maintain satisfactory financial accounts, documents and  
20 records for the Project and to make them available to the District for auditing at reasonable times.  
21 (Financial Records, I.1.);

22 k. Whittier's full compliance with the terms of the Agreement will have  
23 significant benefits to the District and to the property and quality of life of those living in the  
24 County and said benefits exceed, to an immeasurable and un-ascertainable extent, the amount of  
25 grant monies that the District furnishes under this Agreement. Whittier agrees that payment to the  
26 District of an amount equal to the amount of grant monies disbursed under this Agreement would  
27 be inadequate compensation to the District for any breach by Whittier of this Agreement. Whittier  
28 further agrees that the appropriate remedy in the event Whittier breaches this Agreement shall be

1 specific performance unless otherwise agreed to by the District. (Project Termination, E, 4.);

2 l. Whittier's application is incorporated into the Agreement; and

3 m. No provision of this Agreement, or the application thereof, is waived by the  
4 failure of the District to enforce said provisions or application thereof. (Severability, M).

5 24. The District, through its governing body the Board of Supervisors, has adopted a  
6 Procedural Guide for the Specified Project, the Per Parcel Discretionary, and the Excess Funds  
7 Grant Programs established by Proposition A (hereinafter the "Procedural Guide"). The Project  
8 Agreement signed by Whittier specifically incorporates the requirements of the Procedural Guide,  
9 including subsequent changes or additions thereto, into the Project Agreement. Whittier is legally  
10 obligated to comply with the requirements of the Procedural Guide.

11 25. The Procedural Guide provides that Whittier must maintain and operate the  
12 Proposition A-funded property in perpetuity and cannot change its use or ownership without the  
13 prior written consent of the District. The Procedural Guide further requires the District's prior  
14 approval for any proposed operating agreement, lease, or similar arrangement with a non-  
15 governmental entity that relates to the project or project site. The Procedural Guide requires prior  
16 District approval of all non-governmental use, operations, management, or other activity on the  
17 site.

18 26. Proposition A, section 8(c)(6) allocated \$40,000,000 to the Conservancy for the  
19 acquisition of park and open space land, development of related recreational facilities, including  
20 recreational facilities for senior citizens, including not less than \$7,000,000 to be expended in the  
21 Whittier Hills. In 1994, the Conservancy applied to the District to obtain Proposition A funds  
22 pursuant to Section 8(c)(6) and entered into a project agreement with the District (the  
23 "District/Conservancy Project Agreement"). The District/Conservancy Project Agreement  
24 contains terms essentially identical to those in the Project Agreement.

25 27. The Conservancy granted its \$7,000,000 Proposition A allocation in Section 8(c)(6)  
26 to the MRCA, in a transaction that would allow Whittier to purchase approximately 960 acres in  
27 the Whittier Hills from the Trust for Public Lands ("TPL"), which had previously been acquired  
28 by TPL from Chevron, to be preserved and held as open space for habitat conservation and

1 recreation (hereinafter the "960 Acres of Open Space"). A Declaration and Easement of  
2 Restricted Use was recorded upon the 960 Acres of Open Space by TPL and Chevron on  
3 December 26, 1995 in the Recorder's Office, Los Angeles County, document number 95 2043168  
4 (the "TPL Declaration/Easement"). The TPL Declaration/Easement was intended to "preserve,  
5 enhance, and protect in perpetuity the conservation values of" the 960 Acres of Open Space "for  
6 the benefit of this generation and the generations to come."

7 28. The 960 Acres of Open Space was acquired by Whittier through a series of  
8 transactions and agreements between Chevron, TPL, MRCA, and Whittier and was specifically  
9 intended to be preserved in perpetuity in a natural, undeveloped open space condition as reflected  
10 in TPL Declaration/Easement, an agreement between MRCA and Whittier, the  
11 District/Conservancy Project Agreement, and the requirements of Proposition A.

12 29. Other portions of the Whittier Hills Property were acquired by Whittier from TPL  
13 that had previously been owned by Union Oil Company of California, doing business as Unocal  
14 ("Unocal"). On June 10, 1996, Unocal and Whittier recorded a Declaration of Restricted Use in  
15 the Los Angeles County Recorder's Office, document number 96 909633 ("Unocal Declaration of  
16 Restricted Use"), which specifically states that Whittier "intends to restrict the use of the property  
17 in perpetuity exclusively for public open space and recreational purposes so as to benefit this  
18 generation and future generations to come." The purpose of the Unocal Declaration of Restricted  
19 Use is to "restrict use" of the property "in perpetuity exclusively for public open space and  
20 recreational purposes" and to limit use of the property to activities consistent with public open  
21 space and recreational purposes and "in accordance with the requirements and limitations set forth  
22 in County of Los Angeles Proposition A." The Unocal Declaration of Restricted Use provides a  
23 limited list of uses that does not include activities that are part of the Oil Drilling Project.

24 30. Proposition A, the TPL Declaration/Easement, and the Unocal Declaration of  
25 Restricted Use provide that the Whittier Hills Property is to be preserved in perpetuity by Whittier  
26 for the benefit of the public, thereby creating a public trust and making the entire Whittier Hills  
27 Property subject to the Public Trust Doctrine. A public trust is created when property is held by a  
28 public entity for the benefit of the general public. The Whittier Hills Property was purchased by