CHATTEN-BROWN & CARSTENS

TELEPHONE:(310) 314-8040 FACSIMILE: (310) 314-8050 2601 OCEAN PARK BOULEVARD SUITE 205 SANTA MONICA, CALIFORNIA 90405 www.cbcearthlaw.com

E-MAIL: CBC@CBCEARTHLAW.CO M

September 23, 2009

OPEN LETTER TO THE RESIDENTS OF WALNUT

Why a Settlement Was in Walnut Residents' Best Interests

I know that some Walnut residents may be disappointed that the City Council authorized a settlement in the case against the City of Industry and Majestic Realty regarding the proposed NFL Stadium and entertainment complex. This action was not taken lightly and up until two weeks ago, the City was fully committed to pursing its legal challenge. The community has a right to a project specific Environmental Impact Report that fully addresses and mitigates the impacts of the project on Walnut to the fullest extent possible.

However, with two days left in the legislative session, Assembly Bill AB 3X 81 (Hall) was introduced. One day later, September 10, 2009, the State Assembly passed AB 3X 81 (Hall) by a vote of 54 to 18 to exempt the proposed project from the California Environmental Quality Act, the City of Industry General Plan and retroactively eliminate the pending lawsuit. On the next day, Senate Pro Tem Darrell Steinberg held over the legislation in the Senate and requested that Walnut and Industry engage in a mediation process, but further indicating that "if negotiations prove unsuccessful, the California Senate will consider AB 3X 81 before the end of September."

It is extremely disappointing that so many members of the Legislature are willing to waive compliance with the California Environmental Quality Act and State Planning Laws in order to further the project. Unfortunately, the high unemployment figures and misunderstandings in the Legislature about Walnut's position made it clear that the exemption bill would likely be passed. Passage of the exemption legislation would not only throw out the City's law suit and leave Walnut completely unprotected, it would also establish a dangerous precedent for exempting other large projects up and down the State, undermining the vitality of California's most important environmental law.

The City engaged in good faith discussions to address legitimate issues that impact the community as requested by Senate Pro Tem Steinberg. Former State Attorney, General John Van de Kamp served as the mediator for the discussions that ultimately led to the Agreement. Like most settlements, there is give and take, and each of us will draw our own conclusions as to what it accomplishes. From the City's perspective, the Agreement provides some additional and important protections and assurances to Walnut that would not have otherwise been achieved. Some of the key features of the Agreement include additional traffic mitigation and safety measures with the flexibility of Walnut to choose how best to protect the community;

Citizens of Walnut September 23, 2009 Page 2

establishment of noise monitoring programs and procedures; creation of citizen and business working groups to focus on on-going traffic and safety concerns, as well as reimbursement of the City's legal and consulting fees. Further, the cities of Industry and Walnut, along with Majestic, will collaborate in efforts to secure public transportation funds for event-day Metrolink service, as well as, for a new station platform on the stadium site. The Agreement also includes tough enforcement provisions, and will prevent Industry from weakening mitigation measures it adopted in a way that could adversely impact Walnut.

Given this recent set of unforeseen and disturbing circumstances, the City Council needed to take a pro-active role in protecting the quality of life for Walnut and obtain as much protection and mitigation as possible to ensure the long-term quality of life within the City. If built, the project will be a far better one than the one that was originally approved.

It has been a pleasure to serve as Walnut's Special Counsel in this matter, and our firm wishes the City and its residents the best.

Sincerely,

POH-R_

Jan Chatten-Brown