For Immediate Release

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FivePoint Unveils Groundbreaking Proposal for Newhall Ranch
That Achieves Zero Net Greenhouse Gas Emissions

Pioneering “Net Zero Newhall” initiative incorporates sweeping sustainability measures to fight climate change and protect natural resources, while delivering a major economic boost to the Santa Clarita Valley and Southern California.

SANTA CLARITA, Calif. (November 3, 2016) – In a major step to advance the State of California’s ambitious fight against climate change, FivePoint today announced an unprecedented initiative to develop the Newhall Ranch planned community that will result in no net emissions of greenhouse gases. By implementing a comprehensive array of green innovations onsite and within L.A. County, as well as funding direct emissions reduction activities in California and around the world, “Net Zero Newhall” will achieve net zero emissions of greenhouse gases from both construction and operations – a first for a community of its scale in the United States.

“FivePoint is proud to introduce this vision for Newhall Ranch, designed to create a new paradigm for responsible community-building and a model for living and working sustainably in California,” said Emile Haddad, Chairman and CEO of FivePoint. “By harnessing innovation and collaborating with leading environmental organizations, we will create a new standard of environmental sustainability and a lasting investment in our future.”

By reducing to zero all net greenhouse gas emissions from both construction and operations, the Net Zero Newhall initiative will support the State of California’s leadership against global climate change, furthering the goals of newly enacted climate change legislation by the state. Additional sustainability features include the permanent, funded protection of 10,000 acres of open space and extensive measures to conserve water.

Building on the success and quality of Valencia, the revised proposal reflects guidance provided by the California Supreme Court in November 2015 concerning greenhouse gas emissions and avoiding an endangered fish species when constructing project bridges.

“Rather than merely meet the narrow terms of the court’s guidance, FivePoint viewed the ruling as an opportunity to accomplish something truly momentous,” said FivePoint CEO Haddad. “We took a hard look at our proposal and saw an opportunity to rethink what’s possible and use forward-looking community planning to create a true legacy project for California, and even the nation.”

California state officials released a Draft Additional Environmental Analysis today of the Newhall Ranch plan to address the two issues raised by the California Supreme Court. The analysis recognized that Newhall Ranch will result in no net increase in greenhouse gas (GHG) emissions with the adoption of greenhouse gas mitigation measures. The State’s leading agency on climate issues – the California Air Resources Board – reviewed the technical analysis and concluded that Newhall Ranch “would not result in any net additional GHG emissions after the mitigation measures are fully implemented.”

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The State also concluded: “Because the project would result in no net increase of GHG emissions after implementation of mitigation measures, there would be no contribution of GHG emissions to cumulative GHG emissions influencing global climate change.” The State’s analysis also concluded that the Newhall Ranch program would avoid impacts to the endangered unarmored threespine stickleback fish.

To achieve the commitment to zero net greenhouse gas emissions, FivePoint will invest hundreds of millions of dollars in a variety of sustainability measures onsite, within L.A. County, elsewhere in California and around the world.

Onsite greenhouse gas mitigation measures will include:

- Designing homes, commercial buildings and public facilities to meet Zero Net Energy standards within Newhall Ranch – creating as much energy as is used over the course of a year, thanks to enhanced energy-efficient design and renewable energy generation, such as solar panels
- Electric vehicle charging stations in every home (up to 21,500) as well as 2,000 onsite charging stations in commercial and community areas, and subsidies for electric vehicle purchases
- Electric school bus and neighborhood electric vehicle programs, transit subsidies, tech-enabled mobility features, bike-share and car-share programs, and more

Measures to be implemented within L.A. County will include:

- Energy efficient upgrades for schools and public buildings in disadvantaged communities
- Two thousand electric vehicle charging stations in strategic locations countywide

Climate Resolve, one of California’s leading nonprofit groups dedicated to combating climate change, will aid in the goal of the Net Zero Newhall initiative by managing energy efficiency upgrade projects in low-income communities in Los Angeles County. In addition to aiding local communities, these projects will help Newhall Ranch reach its goal of net zero greenhouse gas emissions.

“Bringing greenhouse gas emissions to zero is a landmark moment for development in the United States. Climate Resolve appreciates this opportunity to create climate solutions that benefit the low-income communities most at risk from climate impacts,” said Jonathan Parfrey, Executive Director of Climate Resolve. “The best way to address the climate crisis right now is with local projects that reduce our dependence on fossil fuels and prepare Los Angeles to be more climate-resilient in the future.”

Plug In America, a leading national advocate for plug-in vehicles, applauded today’s announcement as an important step in accelerating the state’s shift to vehicles powered by clean, domestic electricity. “FivePoint has committed to make this the most EV-friendly development in California history – and a model for future projects,” said Joel Levin, executive director of Plug In America, which is working with FivePoint to implement Net Zero Newhall’s electric vehicle infrastructure and incentives. “As the national consumer voice for electric vehicles, we are excited to work with them to make that a reality.”

In addition to the above measures within the Newhall Ranch site and L.A. County, FivePoint will fund activities that will directly reduce the emissions of greenhouse gases elsewhere in California and throughout the world, such as:

- Conserving ecologically valuable forestland
- Reducing methane emissions from a California dairy farm
- Funding a clean cook stove program in sub-Saharan Africa to reduce greenhouse gas emissions, improve the health of families, and fight deforestation

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To ensure that these activities are undertaken in a rigorous and transparent manner, FivePoint is working with the Climate Action Reserve, which is widely regarded as North America’s largest and most trusted environmental registry, based in Los Angeles. The Climate Action Reserve will oversee a program where independent third parties will confirm the implementation of the emission reduction activities.

"As the fifth largest economy in the world, California has already demonstrated that growing economically while addressing climate change is not only possible, it is a sound ‘win-win’ investment for our future," said Craig Ebert, President of the Climate Action Reserve. "The innovative Net Zero Newhall initiative commits the Newhall Ranch development to be net carbon neutral. We commend FivePoint for pioneering this new greenhouse gas mitigation program and for recognizing that accurate, rigorous and transparent accounting of emissions reductions, which is at the core of the Climate Action Reserve's work, is fundamental to any new development’s success and impact."

Located next to Valencia in the Santa Clarita Valley, west of the 5 Freeway, the Newhall Ranch proposal includes the protection of 10,000 acres of dedicated open space – including a High Country area larger than L.A.’s Griffith Park and New York’s Central Park combined – and a $13 million endowment to protect and maintain the open space, its wildlife and habitats in perpetuity. Additionally, state-of-the-art water conservation measures will be implemented on the property, including a water reclamation plant that will recycle millions of gallons of wastewater each day.

At the same time, Newhall Ranch at buildout will create an estimated 60,000 permanent jobs, hundreds of millions of dollars in new tax revenue, and meaningful relief for Southern California’s acute housing shortage. Newhall Ranch will be built in stages, and at completion will include up to 11.5 million square feet of commercial and industrial space as well as up to 21,500 homes within nine sustainable villages in a variety of sizes and price points, including rental and affordable housing. Other community amenities will include seven new public schools, four fire stations, 11 neighborhood and community parks and a public library.

At buildout, the community is estimated to generate $388 million in annual property tax revenue and $410 million in annual income taxes. As a multi-billion-dollar economic investment, Newhall Ranch has already won praise from business leaders throughout the Santa Clarita Valley.

“Santa Clarita is the third-largest city in Los Angeles County and the centerpiece of a region with 90,000 jobs. Newhall Ranch will accelerate our efforts to continue strengthening the Santa Clarita Valley with good jobs and a high quality of life,” said Holly Schroeder, President and CEO of the Santa Clarita Valley Economic Development Corporation. “Particularly exciting is the prospect of becoming a hub for the innovative clean-tech industries that will be drawn to this development, especially in the renewable energy and electric vehicle fields.”

Hasan Ikhrata, executive director for the Southern California Association of Governments, also welcomed today’s announcement. “Net Zero Newhall is setting a new standard for sustainability in master-planned communities,” said Ikhrata, whose organization represents 191 cities in six California counties. “These innovative transportation programs and energy-neutral homes will not just reduce greenhouse gas emissions, they will also bring greater investment in similar programs to Southern California.”

The proposal will require re-approval by authorities at the State and County levels only on two topics regarding the project’s greenhouse gas emissions and avoiding harm to the endangered unarmored threespine stickleback fish.

About FivePoint

Spanning the state from Southern California to the San Francisco Bay Area, FivePoint is the largest owner and developer of mixed-use, master planned communities in coastal California based on the total number of residential home sites permitted under existing entitled zoning. FivePoint, based in Aliso Viejo, has major real estate holdings and developments in three of the most dynamic and supply-constrained markets along the California coast: Orange County, Los Angeles County and San Francisco County. For additional information, visit www.fivepoint.com.

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