

City of Industry offers \$100 million for Tres Hermanos' 2,500 acres of near pristine land



Tres Hermanos Ranch, a 2,450-acre preserve between Diamond Bar and Chino Hills on Monday, Nov. 7, 2016, is up for sale. Most of the area is used as a cattle ranch. (Photo by Watchara Phomicinda, San Gabriel Valley Tribune/ SCNG)

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Gonzalez, director of administrative services for City of Industry, opens the gate from Tonner Canyon to Tres Hermanos Ranch, a 2,450-acre preserve owned between Diamond Bar and Chino Hills on Monday, Nov. 7, 2016, is up for sale. (Photo by Watchara Phomicinda, San Gabriel Valley Tribune/ SCNG)

The City of Industry plans to offer \$100 million for 2,500 acres of rolling hills and sprawling pastures between Diamond Bar and Chino Hills, with officials saying they want to protect the land from developers while providing few details about their own plans for the property.

The massive offer to buy the [Tres Hermanos Ranch](#) would be impossible for other municipalities in Southern California.

With \$100 million, the neighboring city of West Covina, which has 107,000 residents, could pay for a year of operations. That amount could pay for nearly two years of costs for Diamond Bar and Chino Hills combined.

But it's not a surprise to those who know Industry, a manufacturing-friendly city with roughly 200 residents.

"The City of Industry is a very different city," said Chino Hills Mayor Ray Marquez.

The money will come directly from Industry's general fund, according to Industry City Manager Paul Philips. Industry plans to spend \$264 million across all of its funds next year, but still end the fiscal year with \$800 million left in the bank, according to the city's 2016-17 adopted budget.

An oversight board made up of appointees by Los Angeles County, school districts and the city itself has to approve Industry's proposed purchase of Tres Hermanos at its Jan. 23 meeting. The board [rejected](#) Industry's last offer of \$41.7 million in September after it said Industry's appraisal was flawed, pricing the land based on cattle grazing, not on current zoning.

Philips said in a statement the City Council wants the land preserved for open space, public uses and public facilities. He declined to provide specifics in a follow-up interview, saying the city's plans were not appropriate to share at this time.

"It is a work in progress," he said.

[GH America](#), a developer based in Orange County, offered \$101 million in 2015 to buy the land to build thousands of homes before a new Industry council elected in June 2015 reversed course and voted to retain the property instead.

Industry has owned Tres Hermanos through its redevelopment agency since the 1970s, but state changes to redevelopment put the property's future in limbo. To keep the land, Industry needs to buy it back from the redevelopment agency, or risk losing at auction to the [throngs of developers](#) desperately waiting to turn the land into housing.

Tres Hermanos abuts Los Angeles, San Bernardino and Orange counties and is one of the largest swaths of open space in the metropolitan area. Industry has proposed building [reservoirs](#) on the property in some form in nearly every decade since the 1970s, but no project has ever materialized. The most recent plan in 2000 proposed flooding Tres Hermanos and the larger Tonner Canyon to create a reservoir about one-third the size of Diamond Valley Lake in Hemet.

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Industry has spent tens of millions buying up adjacent properties to Tres Hermanos where pipelines from the Metropolitan Water District already exist.

Today, the land is used by the Los Angeles County Sheriff's Department and the Boy Scouts of America for youth retreats and is home to hundreds of grazing cattle hired by the city to keep the land in check.

Marquez wasn't notified of Industry's offer, but he said citizens in Chino Hills do not want high-density housing and would welcome more open space, if that's truly Industry's plan.

Industry hasn't shared any details with Chino Hills, where Marquez and the council oversee the zoning for 1,700 acres of Tres Hermanos.

"If they're going to spend \$100 million, there is a reason for it," Marquez said. "I don't know what the reason is, to be honest with you. What value is it to them?"

Marquez said he hopes to establish a better relationship with Industry, as they will be partners if the purchase is approved.

The current zoning for Tres Hermanos would allow a little more than 1,000 homes between the Diamond Bar and Chino Hills portions of the property. High density is allowed closest to Diamond Ranch High School, but most of the zoning puts the density at one home per 5 acres.

Industry's City Council voted to buy the land in a special meeting Friday afternoon, which came as a surprise because the council met Thursday to talk about Tres Hermanos in closed session and announced following the meeting it would not meet again until Jan. 26.

Hours later, the city posted Friday's agenda on its website.

City Attorney Jamie Casso said the city followed the Brown Act by posting the agenda at least 24 hours in advance of its 3 p.m. meeting Friday. He said the council had to meet Friday because it was required to vote to purchase the land from the former redevelopment agency 10 days before the oversight board next meets.

"It's now out there for 10 days, for the oversight board to consider the pros and cons of the city's interest in purchasing the property," Casso said.

The city did not notify Marquez, who attended Thursday's meeting to learn about Industry's plans, about the special meeting, nor did they notify William Lockyer, the city's [independent reform monitor](#).

Industry, under pressure from state Sen. Ed Hernandez, hired Lockyer last year to help it fix a slew of problems uncovered by a scathing [state controller's audit](#).

Lockyer said Friday he learned of the meeting late Thursday from an unofficial source.

"It's not helpful," Lockyer said of the lack of notification.

He said he has been notified of every other meeting since his hiring.

Staff writer Steve Scauzillo contributed to this article.