



DEPARTMENT OF CITY PLANNING

RECOMMENDATION REPORT

City Planning Commission

Date: April 14, 2022
Time: After 8:30 a.m.
Place: In conformity with the Governor's Executive Order N-29-20 (March 17, 2020) and due to concerns over COVID-19, the CPC meeting will be conducted entirely telephonically by Zoom [<https://zoom.us/>]. The meeting's telephone number and access code access number will be provided no later than 72 hours before the meeting on the meeting agenda published at <https://planning.lacity.org/about/commissionsboards-hearings> and/or by contacting cpc@lacity.org

Public Hearing: March 8, 2022

Appeal Status: Appealable only by the applicant to City Council if disapproved in whole or in part.

Expiration Date: May 19, 2022

Multiple Approval: No

Case No.: CPC-1990-439-DA-M3

CEQA No.: EIR No. 1988-0026(SP)(ZC)(PA) (SCH No. 88050420)

Related Cases: CPC-1990-439-DA-M2
CPC-1990-439-DA-M1
CPC-1990-439-DA

Council No.: 12

Plan Area: Chatsworth-Porter Ranch

Specific Plan: Porter Ranch Land Use/Transportation

Certified NC: Porter Ranch

Zone: OS-1XL, A1-1, A1-2D, [T]RE-1, [T]RE11-1, [T]RE20-1, [T]RZ4-1, RE-1, RE20-1-H-K, RZ4-1, C2-2D, C4-2D, (T)C4-2D, [T]C2-2D, [T]C4-2D, and PF-1XL

General Plan Land Use: Neighborhood Office Commercial, Community Commercial, Very Low Residential (I, II), Low Medium Residential (I, II), Minimum Density Residential, and Open Space

Applicant: Porter Ranch Development Company

Representative: Nicholas Norvilas

PROJECT LOCATION: Multiple addresses within the area covered by the Porter Ranch Land Use/Transportation Specific Plan

PROPOSED AMENDMENT: Third Amendment to the 2008 Amended and Restated Development Agreement between the City of Los Angeles and the Porter Ranch Development Company to extend the term of the Development Agreement to December 31, 2026.

REQUESTED ACTION:

1. Pursuant to CEQA Guidelines Sections 15162 and 15164, in consideration of the whole of the administrative record, that the Project was assessed in the previously certified Environmental Impact Report No. ENV. No. 1988-0026(SP)(ZC)(PA), certified on July 10, 1990, as modified by Addenda dated July 1990, April 2000, September 2000, October 2006, and April 2016, and no subsequent EIR, negative declaration, or addendum is required for approval of the Project; and

2. Pursuant California Government Code Sections 65865-68869.5, an amendment to an existing Development Agreement by and between the City of Los Angeles and Porter Ranch Development Company.

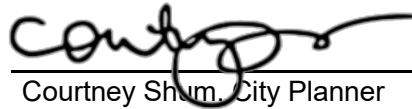
RECOMMENDED ACTIONS:

1. **Find**, based on the independent judgment of the decision-maker, after consideration of the whole of the administrative record, the project was assessed in EIR No. 1988-0026(SP)(ZC)(PA) (SCH No. 88050420), certified on July 10, 1990, as modified by Addenda dated July 2000, September 2000, October 2006, and April 2016; and pursuant to CEQA Guidelines, Sections 15162 and 15164, no subsequent EIR, negative declaration, or addendum is required for approval of the project;
2. **Approve** and Recommend that the City Council approve the Third Amendment to the 2008 Amended and Restated Development Agreement between Porter Ranch Development Company and the City of Los Angeles adopted by Ordinance Nos. 166,068 and 167,523 as well as per Amendments as approved by Ordinance Nos. 171,568, 173,873, 180,084, 183,579, and 185,253; and
3. **Adopt** the attached Findings;

VINCENT P. BERTONI, AICP
Director of Planning



Milena Zasadzien, Senior City Planner



Courtney Shum, City Planner



Henry Phipps, Planning Assistant
Telephone: (213) 847-3655

ADVICE TO PUBLIC: *The exact time this report will be considered during the meeting is uncertain since there may be several other items on the agenda. Written communications may be mailed to the Commission Secretariat, Room 272, City Hall, 200 North Spring Street, Los Angeles, CA 90012 (Phone No. 213-978-1300). While all written communications are given to the Commission for consideration, the initial packets are sent the week prior to the Commission's meeting date. If you challenge these agenda items in court, you may be limited to raising only those issues you or someone else raised at the public hearing agendized herein, or in written correspondence on these matters delivered to this agency at or prior to the public hearing. As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability, and upon request, will provide reasonable accommodation to ensure equal access to these programs, services and activities. Sign language interpreters may be provided upon request. To ensure availability of services, please make your request not later than three working days (72 hours) prior to the meeting by calling the Commission Secretariat at (213) 978-1300.

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PROJECT ANALYSIS

Project Summary

The requested action is for an amendment to an existing Development Agreement between the City of Los Angeles and the Porter Ranch Development Company (Development Agreement) to extend the term of the Development Agreement to December 31, 2026.

Background

The Development Agreement covers the entirety of the approximately 1,300-acre Porter Ranch Land Use/Transportation Specific Plan (Specific Plan) area, which was first established in 1990 and is located in the northwest San Fernando Valley. Following the adoption of the Specific Plan, the original Development Agreement became effective in February 1992 and granted the Applicant, the Porter Ranch Development Company, a vested right to construct development authorized by the Specific Plan over a period of 20 years in exchange for public benefits intended to fulfill goals set forth in the General Plan of increasing access to open space, educational facilities, housing, transportation infrastructure, cultural resources, and utilities. Such benefits include the development of two parks (one 14-acres and the other 50-acres), expanding the region's access to public open space and facilities, constructing a new school and library to further expand educational resources for residents, and providing designated senior housing and assisted living units.

The Specific Plan and Development Agreement have been amended multiple times since 1990 (see *Table A. Timeline of Development Agreement & Subsequent Amendments*). In 2017, the Development Agreement was last amended to extend the term by four years until December 31, 2021. Pursuant to Section VII.F of the Development Agreement, due to an enforced delay, Developer's time for performance was extended for an additional six (6) months past the Development Agreement's original termination date of December 31, 2021 (see Exhibit E).

Approximately 75 percent of the Specific Plan area has been developed over the past 30 years, including the completion of single-family homes, townhouses, attached and detached condominiums, retail, shopping centers, office space, senior housing, religious grounds, parks, public facilities, and equestrian and bike trails, as contemplated and permitted in the Specific Plan. The remaining required development is comprised of single-family homes. Most benefits stipulated in the Development Agreement have also been satisfied. To date, this includes transportation improvements, the creation of a Transportation Management Association, a 14-acre park, a community school, a public art trust fund, underground power lines, a municipal office and library building, the provision of recycling facilities, community meeting space, childcare facilities, and senior housing. These benefits were stipulated in the original agreement and amended over time. (See Exhibit C for a full list of benefits, their requirements, and status.) No changes to the benefit provisions is being considered in this amendment.

Remaining development within the Specific Plan area includes the construction and completion of approximately 577 single-family homes, located in tracts 50505 and 50506 (within Subarea B) of the Specific Plan area (see Exhibit D for a map of Subareas) and representing approximately one-quarter of the total planned units. 301 of the 577 units are currently under construction. According to the Applicant, the units are anticipated to be completed by 2026 with grading to be completed in all parts of the Project site in 2025. There are two primary public benefits that remain, including the completion of the 50-acre park adjacent to Subarea E and the equestrian trail system.

Table A. Timeline of Development Agreement & Subsequent Amendments		
Effective Date	Adopted Action	Action
August 27, 1990	Ordinance No. 166068	Ordinance establishing the Porter Ranch Land Use/Transportation Specific Plan became effective. The Specific Plan was divided into two major areas: the Regional Center Area and the Single-Family Area. Each of these areas were further divided into subareas. This ordinance also set up the opportunity for one or more Development Agreement(s) with the City of Los Angeles as part of the Specific Plan.
February 15, 1992	Ordinance No. 167523	Ordinance authorizing the execution of the Development Agreement between the City of Los Angeles and Porter Ranch Development Company became effective. The Development Agreement approved the development of approximately 1,300 acres of land with assurances for benefits provided.
May 26, 1997	Ordinance No. 171568	The first passed amendment to the Development Agreement. The amendment was to reflect an adjustment in the amount of unused nonresidential floor area that would be developed by approximately 1,375,000 square feet and for the funding of a cooperative planning process to review development entitlements permitted in the Regional Center of the Specific Plan area.
May 17, 2001	Ordinance No. 173873	Following the cooperative planning process, the City adopted this ordinance to implement what is named the First Amended and Restated Development Agreement (though not the first recognized amendment of the Development Agreement). This ordinance included reduced non-residential development space. The regional center of the Specific Plan was reduced from 6 million to approximately 3 million square feet of floor area. The 15 Community Center subareas were combined to five subareas. Residential and commercial development were allowed in Subarea II.
March 9, 2003	Ordinance No. 175070	Amendment to the Specific Plan to allow the construction of drive-through businesses within commercial areas.
September 9, 2008	Ordinance No. 180084	The 2008 Amended and Restated Development Agreement reduced floor area for the Community Center area. The stipulated school benefit was amended to create a singular K-8 school. The ordinance increased the permitted number of single-family dwelling units in single-family subareas as well as the size of K-8 school site. The ordinance required senior housing.
July 18, 2015	Ordinance No. 183579	Ordinance amending and extending the term of the Development Agreement by two years, until December 31, 2017, became effective in conjunction with Case No. CPC-1990-438-DA-M1.
December 25, 2017	Ordinance No. 185253	Ordinance amending and extending the term of the Development Agreement by an additional four years, from December 31, 2017 to December 31, 2021, became effective in conjunction with Case No. CPC-1990-438-DA-M2. The amendment also included the provision of an Equestrian Staging Area as provided by the applicant as a benefit.
Ongoing since April 2020	N/A	Enforced Delay/Extension of Time for Performance under the Porter Ranch Development Agreement extended Developer's time for performance for six months past the original termination date of December 31, 2021.

Requested Action

As part of the subject application, the Applicant is requesting an extension to fulfill the terms of the Development Agreement to complete construction on the planned development and fulfill the remainder of required public benefits. Beyond that, there will be no changes to the development proposal already approved under the original Development Agreement and subsequent amendments.

As originally filed, the Applicant requested to extend the term of the Development Agreement to June 30, 2025. However, the Applicant clarified on record at the public hearing and in the administrative file that they intend to commence construction and fulfill the terms of the Development Agreement in 2026. Therefore, the Development Agreement extension request for a “three-year extension” has been updated to reflect the Applicant’s intended extension end date of December 31, 2026.

Public Hearing and Communications

A public hearing on this matter was held by the Hearing Officer on March 8, 2022. In conformity with the Governor’s Executive Order N-29-20 (March 17, 2020) and due to concerns over COVID-19, the hearing was conducted entirely telephonically. The purpose of the hearing was to obtain public testimony from affected and/or interested persons regarding the application. Interested parties were also invited to submit written comments regarding the request. Although City Planning staff received multiple inquiries about the project, the majority of stakeholders requested additional information on the subject request and development currently underway in the Specific Plan area. No substantive issues were raised prior to, during, or after the public hearing (see Public Hearing and Communications, Page P-1, for an expanded summary).

Conclusion

Planning staff recommends approval of the amendment to the Development Agreement in order to provide additional time through 2026 for the completion of the Project. The Project is consistent with the standards and expectations of a Development Agreement. Development Agreements are tools to create collaborative agreements between developers and the City to provide an advantageous set of expectations for both parties. The Project has provided numerous benefits for the Porter Ranch community such as a park, school, and library. This extension would not alter or reduce the requirements and benefits set forth in the Development Agreement.

FINDINGS

Pursuant to State Government Code Section 65868 et seq., a development agreement may be amended by mutual consent of the parties.

The City of Los Angeles ("City") has adopted rules and regulations establishing procedures and requirements for consideration of development agreements under Citywide Development Agreement Procedures (CF 85-2313-S3). In addition, on November 19, 1992, the City Planning Commission adopted new guidelines for the processing of development agreement applications (CPC No. 86-404 MSC).

In accordance with Section 12.32 of the LAMC and California Government Code Section 65867, notification within a 300-foot radius of the Project Site, were mailed out on February 8, 2022 to all occupants and property owners, neighborhood council and others as identified in the mailing affidavit located in the administrative record. Further, notice of the public hearing was also published in the Daily Journal on February 11, 2022; verification of which is provided in the administrative record.

Pursuant to Section 65867.5 of the Government Code, the proposed Third Amendment to Development Agreement is consistent with the objectives, policies, and programs specified in the City of Los Angeles General Plan, including the Chatsworth-Porter Ranch Community Plan adopted by City Council on September 4, 1993 (CF 91-1045-43). Orderly development of the Project Site is further governed by the Porter Ranch Land Use/Transportation Specific Plan adopted by City Council of July 10, 1990 (CF 86-2001-S2). The Project provides a wide array of benefits to the neighborhood and surrounding area, including new parkland, expansion of the region's access to public open space and facilities, a new school and library to further expand educational resources for residents, and senior housing and assisted living units. These provisions help create more amenities to help further the goals set forth in the General Plan by further increasing access to open space, educational facilities, housing, transportation infrastructure, cultural resources, and utilities.

The Transportation Element of the General Plan (adopted by City Council on January 16, 2016) will not be affected by the recommended action herein. This amendment is administrative and technical in nature and will have no impact on the previously approved project under Environmental Impact Report EIR No. 1988-0026(SP)(ZC)(PA) (SCH No. 88050420) certified by the City Council on July 10, 1990 or the Transportation Element of the General Plan. The scope of the project has not changed. The proposed Third Amendment to the Development Agreement will not be detrimental to the public health, safety and general welfare. Approval of the Third Amendment to the Development Agreement will promote the expeditious and guaranteed delivery of transportation public benefits, including the development of a Transportation Management Association and roadway expansions on major thoroughfares, and is therefore consistent with the Transportation Element.

The proposed Third Amendment to Development Agreement complies in form and substance with all applicable City and State regulations governing development agreements.

Based upon the above Findings, the proposed Third Amendment to Development Agreement is deemed consistent with public necessity, convenience, general welfare, and good zoning practice given the fulfillment of multiple benefits on behalf of the applicant. The extension will give additional time to provide units of housing, open space, and equestrian trails for the region.

CEQA Findings

CEQA and the State CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3, Sections 15000-15387) allow the City to rely on the previously certified EIR unless a Subsequent or Supplemental EIR is required. Specifically, CEQA Guidelines Sections 15162 and 15163 require preparation of a Subsequent or Supplemental EIR when an EIR has been previously certified or a negative declaration has previously been adopted and one or more of the following circumstances exist:

- 1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- 2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- 3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:
 - A. The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
 - B. Significant effects previously examined will be substantially more severe than shown in the previous EIR;
 - C. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

None of the above changes or factors has arisen since the approval of the Project. There are no substantial changes to the Project, and it is substantially the same as the approved project. No substantial changes have been identified to the surrounding circumstances, and no new information of substantial importance has been identified since the approval of the Project. There is no evidence of new or more severe significant impacts, and no new mitigation measures are required for the project.

Accordingly, there is no basis for changing any of the impact conclusions referenced in the certified EIR's CEQA Findings. Similarly, there is no basis for changing any of the mitigation measures referenced in the certified EIR's CEQA Findings, all of which have been implemented as part of the conditions of approval. There is no basis for finding that mitigation measures or alternatives previously rejected as infeasible are instead feasible. There is also no reason to change the determination that the overriding considerations referenced in the certified EIR's CEQA Findings, and each of them considered independently, continue to override the significant and unavoidable impacts of the Project.

Therefore, as the Project was assessed in the previously certified EIR and subsequent addenda, and pursuant to CEQA Guidelines Section 15162, no supplement or subsequent EIR or

subsequent mitigated negative declaration is required, as the whole of the administrative record demonstrates that no major revisions to the EIR are necessary due to the involvement of new significant environmental effects or a substantial increase in the severity of a previously identified significant effect resulting from changes to the project, changes to circumstances, or the existence of new information. In addition, no addendum is required, as no changes or additions to the EIR are necessary pursuant to CEQA Guidelines Section 15164.

RECORD OF PROCEEDINGS

The record of proceedings for the decision includes the Record of Proceedings for the original CEQA Findings, including all items included in the case files, as well as all written and oral information submitted at the hearings on this matter. The documents and other materials that constitute the record of proceedings on which the City of Los Angeles' CEQA Findings are based are located at the Department of City Planning, 221 N. Figueroa Street, Suite 1350, Los Angeles, CA 90021. This information is provided in compliance with CEQA Section 21081.6(a)(2).

In addition, copies of the Draft EIR, Final EIR, and Errata, are available for viewing. Due to government facility closures as a result of the COVID-19 crisis, the Draft and Final EIR documents could not be made available at a public library. However, consistent with state emergency orders, the public was notified of an ability to call or email the City for alternative modes to access the documents or to schedule an appointment to review the documents at the City of Los Angeles, Department of City Planning, 221 North Figueroa Street, Suite 1450, Los Angeles, CA 90012, during office hours Monday - Friday, 9:00 a.m. - 4:00 p.m.

PUBLIC HEARING AND COMMUNICATIONS

Public Hearing

Summary

A public hearing for case number CPC-1990-439-DA-M3 was held on March 8, 2022. There were approximately eight members of the public in attendance and the Applicant's representative. The purpose of the hearing was to inform the public on the project extension as well as gather any public comments or answer questions related to the proposal. The Applicant's representative did not give a presentation but was available to answer questions.

Public Testimony

There were no statements in support of or against the project, but rather one question from a member of the public about how to access information on development within the Porter Ranch Land Use/Transportation Specific Plan area.

Hearing Officer Questions

The Hearing Officer asked the Applicant's representative to provide more information on project completion. The representative noted that there are approximately 577 units not completed, with 301 units currently being constructed of "well over 2,000" originally planned homes. In response to a question about project timeline, the representative replied that site grading will be completed in 2025 and the projected project completion date is in 2026.

The Hearing Officer asked about public benefits needing to be completed. The representative noted that the park is still not completed and is awaiting plan approval from the City' Board of Recreation and Parks Commissioners. Furthermore, the equestrian staging center is not yet completed, but the applicant is currently working with the City to fund its construction. Lastly, there are two off-site roadwork locations that are yet to be completed.

Written Testimony

City Planning staff has not received any written testimony in support of or against the proposed extension. Only one question by email was received and answered. The question was related to how to access information relating to the Community Plan and Specific Plan relevant to the project, as well as how to identify specific tracts that are not completed within the project area.

EXHIBIT A

**PROPOSED AMENDED DEVELOPMENT
AGREEMENT**

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Porter Ranch Development Co.
11280 Corbin Avenue
Porter Ranch, CA 91326

Space Above This Line for Recorder's Use

THIRD AMENDMENT TO
2008 AMENDED AND RESTATED
DEVELOPMENT AGREEMENT

This Third Amendment to the 2008 Amended and Restated Development Agreement (the "Amendment") is entered into as of the _ day of _____, 2022 by and between the CITY OF LOS ANGELES, a municipal corporation (the "City") and PORTER RANCH DEVELOPMENT COMPANY, a joint venture ("Porter Ranch").

RECITALS

A. The City and Porter Ranch entered into that certain 2008 Amended and Restated Development Agreement by and between the City and Porter Ranch dated October 7, 2008, and recorded on October 10, 2008, in the Official Records of Los Angeles County, California as Instrument No. 2008-1821875, after adoption by the City Council of Ordinance No. 180084 on July 25, 2008, as amended by that certain Amendment to Development Agreement dated as of November 30, 2015 and recorded in the Official Records of Los Angeles County on December 7, 2015, as Instrument No. 20151531116 after adoption by the City Council of Ordinance No. 183579 on May 20, 2015, as further amended by that certain Second Amendment to 2008 Amended and Restated Development Agreement dated as of December 28, 2017 and recorded in the Official Records of Los Angeles County on December 29, 2017, as Instrument No. 201715206634 after adoption by the City Council of Ordinance No. 185253 (the Development Agreement).

B. Pursuant to Section VII.F of the Development Agreement, due to an enforced delay, Developer's time for performance was extended for an additional six (6) months past the Development Agreement's original termination date of December 31, 2021.

C. The City and Porter Ranch wish to amend Section VII.K of the Development Agreement to modify the provisions regarding the term of the Development Agreement to extend the term to December 31, 2026.

NOW, THEREFORE, the City and Porter Ranch hereby agree to amend the Development Agreement as follows:

1. Section VII.J is hereby deleted and replaced in its entirety as follows:

VII.J. Term.

The term of this Amended Agreement (“Term”) shall commence on the Effective Date and shall expire on December 31, 2026 unless said Term is otherwise terminated, modified or extended by circumstances set forth in this Amended Agreement or by mutual consent of the parties hereto. Following the expiration of this Term, this Amended Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Project Site approved concurrently with, or subsequent to, the Effective Date of this Amended Agreement. The Term of this Amended Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments pursuant to Sections IV.B.1 and IV.B.2 as well as moratoria pursuant to Section VI.C.

2. If any provision of this Amendment should be determined by a court to be invalid or unenforceable, the remaining provisions of this Amendment shall remain in full force and effect and continue to be binding on both parties.

Except as amended herein, the Development Agreement remains in full force and effect.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

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IN WITNESS WHEREOF, the parties have each executed this Amendment as of the date first above written,

Approved as to Form and Legality:

_____, 2022
Michael Feuer, City Attorney

By: _____
Senior Assistant City Attorney

Attest: _____, City
Clerk

By: _____

By: _____
Eric Garcetti, Mayor

PORTER RANCH DEVELOPMENT CO., a
California joint venture

By: Shapell Industries, Inc.
a Delaware corporation
General Partner

By: _____
Name:
Title:

By: PRD Investors, Inc.
a Delaware corporation
General Partner

By: _____
Name:
Title:

By: PRD Investors, LLC
a Delaware limited liability company
General Partner

By: _____
Name:
Title:

EXHIBIT B

PROPOSED ORDINANCE

ORDINANCE No. _____

An ordinance authorizing the execution of a Third Amendment to that certain 2008 Amended and Restated Development Agreement by and between the City of Los Angeles (City) and Porter Ranch Development Company (Developer) relating to real property in the Chatsworth-Porter Ranch Community Plan area within the area covered by the Porter Ranch Specific Plan, adopted by Ordinance No. 166,068, as amended.

WHEREAS, the 2008 Amended and Restated Development Agreement between the City and Developer was entered into dated October 7, 2008, and recorded on August 10, 2008, in the Official Records of Los Angeles County, California as Instrument No. 2008-1821875 (the Development Agreement) after adoption by the City Council of Ordinance No. 180084 on July 25, 2008, which included a termination date of December 31, 2015;

WHEREAS, the City and Porter Ranch entered into that certain Amendment to Development Agreement dated November 30, 2015, and recorded on December 7, 2015, in the Official Records of Los Angeles County, California as Instrument No. 2015- 1531116 after adoption by the City Council of Ordinance No. 183,579 on May 20, 2015, which extended the termination date from December 31, 2015 to December 31, 2017;

WHEREAS, the City and Porter Ranch entered into that certain Second Amendment to Development Agreement dated November 30, 2015, and recorded on December 7, 2015, in the Official Records of Los Angeles County, California as Instrument No. 2017- 1520634 after adoption by the City Council of Ordinance No. 185,253 on November 21, 2017, which extended the termination date from December 31, 2017 to December 31, 2021;

WHEREAS, pursuant to Section VII.F of the Development Agreement, due to an enforced delay, Developer's time for performance was extended for an additional six (6) months past the Development Agreement's original termination date of December 31, 2021;

WHEREAS, City and Developer wish to amend Section VII.J of the Development Agreement to extend its term to December 31, 2026 (the Amendment); which Amendment is hereby incorporated by reference into the provisions of this ordinance;

WHEREAS, after due notice, the City Planning Commission and the City Council did conduct public hearings on this matter;

WHEREAS, pursuant to California Government Code Sections 65864, et seq., the City Planning Commission has transmitted its findings and recommendations;

WHEREAS, the Amendment is in the public interest and is consistent with the City's General Plan, including the Chatsworth-Porter Ranch Community Plan;

WHEREAS, the Amendment is hereby incorporated by reference into the provisions of this ordinance; and

WHEREAS, the City Council has reviewed and considered the Amendment and the findings and recommendations of the City Planning Commission.

NOW, THEREFORE,

THE PEOPLE OF THE CITY OF LOS ANGELES

DO ORDAIN AS FOLLOWS:

Section 1. The City Council finds, with respect to the Amendment, that:

(a) It is consistent with the objectives, policies and programs specified in the General Plan, including the Chatsworth-Porter Ranch Community Plan, and is compatible with the uses authorized in, and the regulations prescribed for, the specific plan and zone in which the real property is located;

(b) It will not be detrimental to the public health, safety and general welfare because it does not propose the construction of, or intensification of, uses beyond those which are already permitted and covered by the Specific Plan and the Development Agreement. Furthermore, the Amendment does not modify those provisions of the Development Agreement that specifically permit application to the project of rules and regulations under Los Angeles Municipal Code Sections 57.01.01 and 91.0101 relating to public health and safety;

(c) It is desirable and beneficial to the public;

(d) It complies with all applicable City and State regulations governing development agreements;

(e) It is necessary to strengthen the public planning process and to reduce the public and private costs of development uncertainty.

Sec. 2. The City Council hereby approves the Amendment and authorizes and directs the Mayor to execute the Amendment in the name of the City of Los Angeles.

Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

I hereby certify that the foregoing ordinance was introduced at the meeting of the Council of the City of Los Angeles _____, _____, and was passed at its meeting of _____, _____.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____

EXHIBIT C

PUBLIC BENEFITS MATRIX

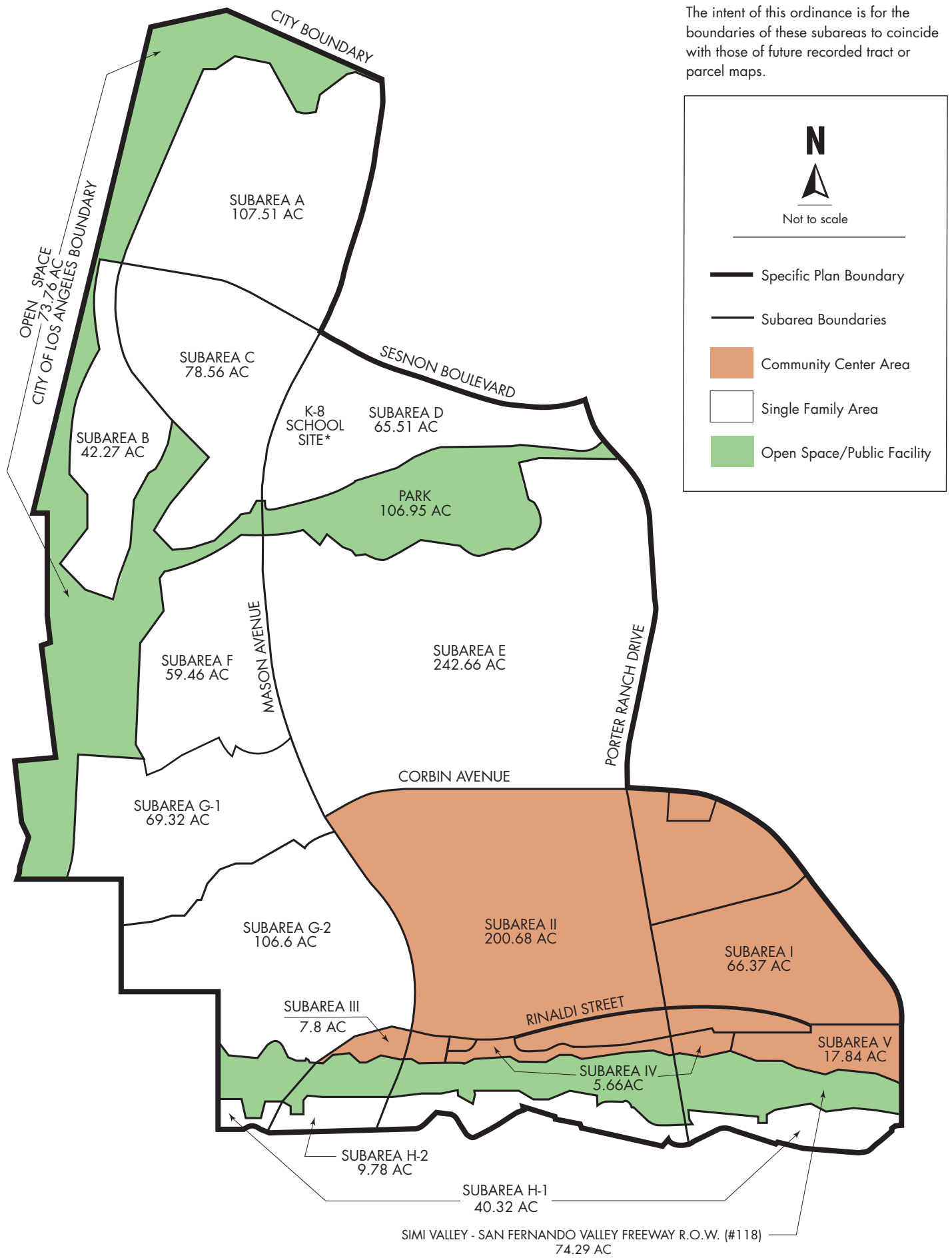
DA Sec.	Benefit	Status (shortened)
III.A	A Mason Avenue At-Grade Crossing. Accelerated funding for the Mason Avenue At-Grade Crossing Improvement Project with respect to the existing Southern Pacific right-of-way	The Mason Avenue At-Grade Crossing has been constructed and this obligation has been satisfied.
III.B	Extension Of Mason Avenue. Early extension of Mason Avenue from Rinaldi Street to Corbin Avenue	Construction of Mason Avenue between Rinaldi and Corbin Avenue has been completed and this obligation has been satisfied.
III.C	Extension of Rinaldi Street. Early extension of Rinaldi Street from its existing terminus to Mason Avenue	Porter Ranch has satisfied this obligation by extending Rinaldi Street to Mason Avenue, and this obligation has been satisfied.
III.D	ATSAC/ATCS System. Accelerated funding for the operation of an Automated Traffic Surveillance and Control/Adaptive Traffic Control System (ATSAC/ATCS) as set forth in the List of Transportation Improvements in Appendix "B" to the Specific Plan	Irrevocable Letters Of Credit For Automated Traffic Surveillance And Control/Adaptive Traffic Control System (ATSAC/ATCS) in City's Ronald Reagan Freeway Corridor Phase I and II Improvement Projects (Section V.B.1.e.i. - V.B.1.e.vi) are Completed. This letter of credit is still being maintained. Cash Payment For ATSAC/ATCS Intersection in San Diego Freeway Corridor (Section V.B.1.e.vii) is completed
III.E	Transportation Management Association. Funding for an area-wide Transportation Management Association ("TMA") for the Chatsworth, Northridge and Granada Hills communities not otherwise required by the Specific Plan	Transportation Management Association for the Chatsworth, Northridge And Granada Hills Communities (Section V.B.1.f.). Payment has been made and this obligation has been satisfied.
III.F	<i>14-acre and 50-acre Park. Early development of a 14-acre park site adjacent to the Specific Plan Area not otherwise required by the Specific Plan upon subsequent acquisition by the City. The applicant shall also dedicate 50 acres for a community park in Subarea E and improve to the extent required in the Quimby Act.</i>	<i>The obligation relating to the 14-acre park has been satisfied.</i> <i>Porter Ranch has also dedicated to the City an approximately fifty (50)-acre park north of Subarea E as shown on the map in Section 1 of the Specific Plan. The threshold for the improvement of this 50-acre park area has not been reached, as all residential units in Subareas D and E have not been completed. This obligation has not been satisfied.</i>
III.G	Public Art. Monetary contribution for the use, purchase or display of public art in the Specific Plan Area not otherwise required by the Specific Plan	Public art fees have been paid by Porter Ranch at the time building permits have been issued and the City Council adopted Ordinance No. 185830 establishing the Porter Ranch Art Trust Fund for the deposit of such fees.
III.H	Underground Power lines. Undergrounding of the existing power transmission line and related facilities	The undergrounding of the transmission line has been staged with the grading and installation of the streets within these residential tracts along the westerly portion of Porter Ranch and within public streets, and the undergrounding of the overhead lines is now completed and this obligation has been satisfied.
III.I	School Sites. Reservation of a seven (7) acre school site and a fifteen (15) acre school site per the terms and conditions of the 1991 School Agreement, or the conveyance of a thirteen (13) acre New School Site, in lieu of these sites, per the terms and conditions of an Amended School Agreement and provision for additional benefits to schools	Elementary School (Section V.A.2.h. and Section 7.B.5): An Amended School Agreement was entered into by Porter Ranch and the LAUSD on June 4, 2009 which amended the 1991 School Agreement condensing the schools to one site. Construction of the new K-8 Span school was completed and the school (called the Porter Ranch Community School) opened in August, 2012. The obligation has been satisfied. Junior High School (Section V.A.1.h.): See above.

III.J	Municipal Office Building/Public Library Facility. The dedication of a two-acre site for government offices or other municipal buildings and uses, including a public library facility, within Subareas I, II, III or IV (or at another location as may be permitted under the provisions of this Amended Agreement), after the construction and occupancy of a specific amount of non-residential floor area in the Community Center Area	Library And Other Municipal Facilities (Section V.A.2.i and Section V.B.6): This obligation has been satisfied.
III.K	Community Meeting Facility. The construction of a community meeting facility after the construction and occupancy of a specific amount of non-residential floor area in the Community Center Area	A joint use agreement that provides for the Community Meeting Facility to be constructed on the New School Site was negotiated between the City and the LAUSD and was approved by the City Council under Council File No. 10-0980 on July 6, 2010 and thereafter executed by the parties. The Joint Use Agreement is dated September 3, 2010 and provides for the construction of additional facilities on the New School Site consisting of a multi-purpose room, a gymnasium, and a sports field. This obligation has been satisfied.
III.L	Child Care Facilities. Constructing or providing for an operational child care facility within the Community Center Area prior to or concurrent with the issuance of a building permit for the 800th home within the Specific Plan area that will have an initial capacity of 100 children, with provision for increased capacity, up to a maximum of 250 children, based on demand for additional capacity as demonstrated by the number of children on the waiting list for admission to the facility	Porter Ranch gave notice to the City in June, 2010, that it would be assigning the child care obligations set forth in Section V.A.2.k of the 2008 Development Agreement and Section 9.K of the Specific Plan to Shepherd of the Hills/Hillcrest Christian Church in connection with the transfer to Shepherd of Lot 26, Tract 52154 to Shepherd, in order to provide additional land area for a possible expansion of the existing childcare facilities to accommodate 250 children. This obligation has been satisfied.
III.M	Senior Housing. The development of 400 senior dwelling units (which may include a maximum of 200 senior assisted living units)	VTTM No. 53783-02 was approved for the development of a senior housing facility for 312 senior units on Lot 2 to satisfy this obligation and construction of this facility has been completed. Porter Ranch is in the design stage for an additional 88 senior unit housing facility has been constructed at 20455 and 20435 W. Sorrento Lane, on a portion of Tract 54153. This obligation has been satisfied.
III.N	Affordable Housing. The development of a minimum of 200 senior dwelling units which are affordable to seniors of low and/or moderate income	See above Section III.M
III.O	Recycling Program. Participation in City-established refuse separation and recycling programs for commercial and residential buildings	Facilities have been provided in the Commercial Center area.
III.P	<i>Accelerated Improvements. The accelerated completion of the construction of Rinaldi Street from the 118 Freeway to DeSoto Avenue; dedication and improvement of an equestrian trail along the southern boundary of the Specific Plan; and improvement of an equestrian staging area in a location south of the 118 Freeway</i>	<i>Rinaldi Avenue (Section V.A.2.o.i.): This obligation has been satisfied. Equestrian Trail (Section V.A.2.o.ii.): This obligation remains to be completed. Equestrian Staging Area (Section V.A.2.o.iii.): This obligation remains to be completed.</i>

EXHIBIT D

SUBAREAS MAP

The intent of this ordinance is for the boundaries of these subareas to coincide with those of future recorded tract or parcel maps.



*Final location within subarea D to be determined by LAUSD (rev. 12/11/2007)

EXHIBIT II - PORTER RANCH SPECIFIC PLAN - SUBAREA BOUNDARIES

EXHIBIT E

**PREVIOUS DEVELOPMENT
AGREEMENT, AMENDMENTS, AND
EXTENSIONS**

EXHIBIT E.1

2008 AMENDED AND RESTATED DEVELOPMENT AGREEMENT

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Pages:
155



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California

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Other: 0.00

Total: 0.00

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2366627 200810100070024 Counter

TITLE(S) :



L E A D S H E E T

Assessor's Identification Number (AIN)

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Number of AIN's Shown

RECORDING REQUEST BY

CITY OF LOS ANGELES

WHEN RECORDED MAIL TO

NAME Rockard J. Delgadillo, City Attorney
 Andrew J. Nocas, Deputy City Attorney

MAILING ADDRESS 200 North Main Street
 700 City Hall East
 Los Angeles, CA

CITY, STATE ZIP CODE 90012

10/10/08



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2008 AMENDED AND RESTATED DEVELOPMENT AGREEMENT
 BY AND BETWEEN THE CITY OF LOS ANGELES
 AND THE PORTER RANCH DEVELOPMENT COMPANY

3

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Andrew J. Nocas, Deputy City Attorney
Los Angeles City Attorney's Office
Real Property Division
700 City Hall East
200 N. Main Street
Los Angeles, California 90012

Exempt from Fees Per Gov. Code § 6103

Space above this line for Recorder's Use Only

<p align="center"> 2008 AMENDED AND RESTATED DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF LOS ANGELES AND THE PORTER RANCH DEVELOPMENT COMPANY </p>

Original Effective Date: FEBRUARY 14, 1992

Effective Date for First Amended and Restated Agreement:

May 29, 2001

Effective Date for 2008 Amended and Restated Agreement:

October 7th, 2008

COUNCIL FILE NOS: 91-2400; 99-0892-S3; 07-3660

1

**2008 AMENDED AND RESTATED
 DEVELOPMENT AGREEMENT BY AND BETWEEN
 THE CITY OF LOS ANGELES AND
 THE PORTER RANCH DEVELOPMENT COMPANY**

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Exhibit "C" Map of the Specific Plan Area

Exhibit "D" List of Transportation Improvements (Appendix "B" of the Specific Plan)

Exhibit "E" Agreement Regarding Porter Ranch Fire Station

Exhibit "F" Agreement Between Porter Ranch and Los Angeles Unified School District

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**2008 AMENDED AND RESTATED
DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF LOS ANGELES
AND
THE PORTER RANCH DEVELOPMENT COMPANY**

1 This 2008 Amended and Restated Development Agreement ("**Amended**
2 **Agreement**") is executed this _____ day of _____, 2008, by and between
3 the CITY OF LOS ANGELES, a municipal corporation ("**City**") and the PORTER
4 RANCH DEVELOPMENT COMPANY, a California joint venture comprised of Shapell
5 Industries, Inc., a Delaware corporation and Liberty Building Company, a California
6 corporation ("**Porter Ranch**") , pursuant to California Government Code Section 65864,
7 *et seq.*, and implementing procedures of the City with respect to the following:

8 **RECITALS**

9 A. Following the adoption of Ordinance No. 167,523 on January 3, 1992, the
10 City and Porter Ranch entered into a Development Agreement dated February 18, 1992
11 ("**Original Development Agreement**"), recorded in the official records of Los Angeles
12 County as Document No. 92-290980, concerning the development of the Property
13 (defined below) pursuant to the requirements of the Porter Ranch Specific Plan,
14 Ordinance No. 166,068. Subsequently, the City adopted Ordinance No. 171,568, which
15 approved an amendment to the Original Development Agreement ("**First Amendment**")
16 which was executed by the parties and recorded in the official records of Los Angeles
17 County as Document No. 97-960500. The First Amendment provided for an adjustment
18 in the development authorized by the Original Development Agreement within a portion
19 of the Property covered by Tract No. 52154, to reflect a reduction in the amount of
20 unused permitted nonresidential floor area that could be developed in such area by
21 approximately 1,375,000 square feet, and for the funding of a cooperative planning
22 process to review development entitlements permitted in the Regional Center area of
23 the Porter Ranch Specific Plan and corresponding reductions in the infrastructure and
24 improvement obligations related thereto.

25 B. The cooperative planning process contemplated by the First Amendment
26 was completed by the City and resulted in certain actions and amendments to the

1 General Plan, Community Plan, the Porter Ranch Specific Plan, and the zoning of the
2 Property which were approved by the City on November 21, 2000 and March 21, 2001
3 in Council File No. 99-0892-S3 and have now become effective. The City adopted
4 Ordinance No. 173,871 changing the zoning within the Specific Plan area, Ordinance
5 No. 173,872 amending the Specific Plan, and Ordinance No. 173,873 approving the
6 First Amended and Restated Development Agreement.

7 C. In 2006, Porter Ranch filed an application under Case No. CPC-2006-
8 8999-GPA-ZC-SP to amend the Specific Plan to provide for the potential of a new K-8
9 public school site within the Specific Plan area, if agreed to by the Los Angeles Unified
10 School District, in lieu of the school sites and provisions set forth in the agreement
11 between Porter Ranch and the Los Angeles Unified School District dated October 22,
12 1991, and to provide additional changes to the development regulations of the Specific
13 Plan. The City has approved changes to the Specific Plan to address the proposed new
14 school site and amend other development regulations and the Parties desire to enter
15 into this Amended Agreement to amend the First Amended and Restated Development
16 Agreement in order to implement the Specific Plan changes, provide for the anticipated
17 Amended School Agreement (defined below) regarding the New School Site (defined
18 below) and make appropriate and/or corresponding adjustments to the development
19 rights and obligations of the First Amended and Restated Development Agreement.

20 I. **DEFINITIONS**

21 For all purposes of this Amended Agreement, except as otherwise expressly
22 provided or unless the context requires:

23 I.A. **"Amended School Agreement"** means an amendment to that certain
24 agreement between Porter Ranch and the Los Angeles Unified School District dated
25 October 22, 1991 ("**1991 School Agreement**"), a copy of which is attached hereto as
26 Exhibit "F," which would provide the terms and conditions for Porter Ranch to convey to
27 the School District the New School Site in lieu of the 7 acre elementary school site and
28 the 15 acre middle school site that were provided for in the 1991 School Agreement,
29 provided that no provisions of an Amended School Agreement shall be binding on the

1 City except as expressly set forth in this Amended Agreement or otherwise agreed to by
2 the City in accordance with its established procedures.

3 I.B. **"Applicable Rules"** means the General Plan (defined below), the
4 Community Plan (defined below), the Specific Plan (defined below), and the zoning
5 classification of the Property as adopted and in effect on the Effective Date of this
6 Amended Agreement. In addition, to the extent that they are not inconsistent with the
7 General Plan, Community Plan, and Specific Plan in effect on the Effective Date of this
8 Amended agreement, the Applicable Rules include the rules, regulations, ordinances,
9 the officially adopted policies, standards and conditions of approval of the City
10 governing permitted uses of the Property, governing density and intensity of the
11 Property, and governing design, improvement, and construction and grading standards
12 and specifications applicable to development of the Property in force at the time of the
13 effective date of the Original Development Agreement, February 18, 1992 (the **"Original
14 Effective Date,"** as defined below)." Applicable Rules also include the Agreement
15 Regarding Porter Ranch Fire Station between the City and Porter Ranch, dated
16 September 20, 1990, a true copy of which is attached as Exhibit "E" to this Amended
17 Agreement, provided, however, that such agreement may be modified by mutual
18 consent of the parties to that agreement.

19 I.C. **"Community Center Area"** means that portion of the Specific Plan Area
20 outlined on the map contained in Section 1 of the Specific Plan and divided into
21 Subareas I through V.

22 I.D. **"Community Plan"** means the Chatsworth-Porter Ranch Community Plan
23 as adopted and in effect on the Effective Date of this Amended Agreement.

24 I.E. **"Development Agreement Act"** means California Government Code
25 Section 65864, *et seq.*

26 I.F. **"Discretionary Action"** or **"Discretionary Approval"** means an action
27 which requires the exercise of judgment, deliberation, or a decision on the part of the
28 City, including any board, commission, or department, and any officer or employee

1 thereof, in the process of approving or disapproving a particular activity, as
2 distinguished from any activity which merely requires the City, including any board,
3 commission, or department, and any officer or employee thereof, to determine whether
4 there has been compliance with the Applicable Rules.

5 I.G. **“Effective Date”** means for this Amended Agreement, the date on which
6 this Amended Agreement is attested by the City Clerk of the City of Los Angeles after
7 execution by Porter Ranch and the Mayor of the City of Los Angeles. (See Section
8 VII.A.)

9 I.H. **“Final Environmental Impact Report” (“FEIR”)** means Environmental
10 Impact Report No. 88-0026 (SP)(ZC)(PA), certified by the City Council on July 10, 1990,
11 together with the April 2000 Addendum, the September 2000 Finalizing Addendum, the
12 addendum dated February 21, 2001, and the October 2006 Addendum.

13 I.I. **“First Amended and Restated Development Agreement”** means the
14 First Amended and Restated Development Agreement By And Between The City of Los
15 Angeles And The Porter Ranch Development Company, approved by Ordinance No.
16 173,873 and having an effective date of May 29, 2001.

17 I.J. **“General Plan”** means the General Plan of the City of Los Angeles, as of
18 the Effective Date of this Amended Agreement.

19 I.K. **“Health and Safety”** as used herein, shall exclude any action based on
20 aesthetics or slope density which results in reduction in use, intensity of use, or density,
21 or which would otherwise preclude development of the Project substantially in
22 accordance with the Project Approvals.

23 I.L. **“New School Site”** means the approximately 13-acre public school site for
24 a proposed new K-8 school within Subarea D of the Single Family Area of the Specific
25 Plan to be conveyed by Porter Ranch to the School District per the terms and conditions
26 of an Amended School Agreement.

1 I.M. "Original Development Agreement" means the Development Agreement
2 By And Between The City of Los Angeles And The Porter Ranch Development
3 Company, approved by Ordinance No. 167,523 and having an effective date of
4 February 18, 1992.

5 I.N. "Original Effective Date" means February 18, 1992 for the Original
6 Development Agreement.

7 I.O. "Processing Fees" means all fees required by the City of Los Angeles,
8 including, but not limited to, fees for land use applications, project permits, building
9 applications, building permits, grading permits, parcel maps, tentative tract maps, final
10 subdivision maps, lot line adjustments, and certificates of occupancy which are
11 necessary to accomplish the intent and purpose of this Amended Agreement and the
12 Specific Plan. Expressly exempted from Processing Fees are all impact fees, linkage
13 fees, or exactions which may be imposed by the City on development projects pursuant
14 to laws enacted after the Effective Date of the Original Development Agreement, except
15 as specifically provided in this Amended Agreement and in the Specific Plan. The
16 amount of the Processing Fees to be applied in connection with the development of the
17 Project shall be the amount which is in effect on a City-wide basis at the time an
18 application is made. Notwithstanding the language of this Section or any other
19 language in this Amended Agreement, Porter Ranch shall not be exempt from the
20 payment of affordable housing mitigation fees, if any, imposed pursuant to Ordinance
21 No. 165,530 (see Los Angeles Municipal Code Section 91.304(k)) or imposed pursuant
22 to any subsequently enacted ordinance. Notwithstanding the language of this Section
23 I.O. or any other language in this Amended Agreement, Porter Ranch shall not be
24 exempt from the payment of fees, if any, imposed on a City-wide basis as part of the
25 City's program for storm water pollution abatement mandated by the Federal Water
26 Pollution Control Act of 1972 and subsequent amendments thereto.

27 I.P. "Porter Ranch" means the Porter Ranch Development Company, a
28 California joint venture comprised of Shapell Industries, Inc., a Delaware corporation

1 and Liberty Building Company, a California corporation, and/or its successors,
2 transferees and/or assignees except as otherwise specifically indicated.

3 I.Q. "Project" means the total aggregate development authorized by the Porter
4 Ranch Land Use/Transportation Specific Plan, and related General Plan Amendments,
5 Zone and Height District Changes, governing the maximum height of buildings, which
6 includes up to two thousand, four hundred and thirty-seven (2,437) single-family
7 dwelling units, one thousand, four hundred (1,400) residential dwelling units (which
8 includes four hundred (400) senior dwelling units, 200 of which may be developed as
9 senior assisted living units), two million seven hundred fifty-five thousand (2,755,000)
10 square feet of floor area for office, hotel, and retail space and other uses in Subareas I,
11 II and III of the Specific Plan, two hundred ninety-three thousand (293,000) square feet
12 of open space, quasi public, public uses, religious institutions and schools in Subareas
13 IV and V, and a parkland exchange.

14 The Specific Plan, including its zoning, provides for the permitted uses on the
15 Project Site, the density and intensity of use, the maximum height and size of buildings
16 and provisions for reservation or dedication of land for public purposes through
17 limitation of uses and specific development limitations for subareas within the Specific
18 Plan. There are five (5) subareas within the Community Center Area of the Specific
19 Plan, the use and development of which are limited as set forth in Section 6 of the
20 Specific Plan and Section V of this Amended Agreement. There are ten (10) subareas
21 within the Single-Family Area of the Specific Plan, the use and development of which
22 are limited as set forth in Section 7 of the Specific Plan and Section V of this Amended
23 Agreement. As used in this Amended Agreement, the word "Project" is defined
24 differently from "Project" and "Project Permit Compliance" as defined in the Specific
25 Plan, Section 3.

26 I.R. "Project Approvals" means the Porter Ranch Land Use/Transportation
27 Specific Plan (Ordinance No. 166,068 as amended by Ordinance Nos. 173,216,
28 173,872, 175,050, 175,641 and 180,083); Zone and Height District Change Ordinance
29 No. 166,066 (as amended by Ordinance Nos. 172,469 and 173,871); and the

1 amendments to the General Plan of the City of Los Angeles, including the Chatsworth-
2 Porter Ranch Community Plan, as originally adopted by the City Council under Council
3 File No. 86-2001-S2-S3 and amended by the City Council in Council File Nos. 99-0892
4 and 99-0892-S3, adopted by resolution on November 21, 2000.

5 I.S. "Property" or "Project Site" means that certain real property owned by
6 Porter Ranch, or in which Porter Ranch has an equitable interest, consisting of
7 approximately 1,118.33 acres in the northwest San Fernando Valley located in the City
8 as defined in the Specific Plan. A map showing the general boundaries of the Property
9 is set forth in Exhibit "A" and a legal description of the Property is set forth in Exhibit "B",
10 which are incorporated by this reference. As used in this Amended Agreement, the
11 word "Property" does not include other real property owned by Porter Ranch outside the
12 Specific Plan boundaries.

13 I.T. "School District" or "LAUSD" means the Los Angeles Unified School
14 District.

15 I.U. "Specific Plan" means the Porter Ranch Land Use/Transportation
16 Specific Plan, Ordinance No. 166,068, as amended by Ordinance Nos. 173,216 and
17 173,872, 175,050, 175,641, and 180,083, which authorizes up to two thousand, four
18 hundred thirty-seven (2,437) single-family dwelling units in the Single-Family Area, one
19 thousand, four hundred (1,400) residential dwelling units (which includes four hundred
20 (400) senior dwelling units, 200 of which may be developed as senior assisted living
21 units), two million seven hundred fifty-five thousand (2,755,000) square feet of floor area
22 for office, hotel, and retail space and other uses in Subareas I, II and III of the Specific
23 Plan, and two hundred ninety-three thousand (293,000) square feet of open space,
24 quasi public, public uses, religious institutions and schools in Subareas IV and V in the
25 Community Center Area. A map of the Specific Plan area is set forth in Exhibit "C" and
26 is incorporated by this reference.

27 II. RECITALS OF PREMISES, PURPOSES, AND INTENT

1 **II.A. State Enabling Statute.**

2 To strengthen the public planning process, encourage private participation
3 in comprehensive planning and reduce the economic risk of development, the
4 Legislature of the State of California adopted the Development Agreement Act which
5 authorizes any city to enter into binding development agreements establishing certain
6 development rights in real property with persons having legal or equitable interests in
7 such property. The Development Agreement Act, at Government Code Section 65864,
8 expressly provides:

9 The Legislature finds and declares that:

10 (a) The lack of certainty in the approval of development
11 projects can result in a waste of resources, escalate the cost of
12 housing and other development to the consumer, and discourage
13 investment in and a commitment to comprehensive planning which
14 would make maximum efficient utilization of resources at the least
15 economic cost to the public.

16 (b) Assurance to the applicant for a development project
17 that upon approval of the project, the applicant may proceed with
18 the project in accordance with existing policies, rules and
19 regulations, and subject to conditions of approval, will strengthen
20 the public planning process, encourage private participation in
21 comprehensive planning, and reduce the economic costs of
22 development.

23 By a resolution dated August 18, 1987, the City Council of the City
24 adopted certain development agreement procedures with which this Amended
25 Agreement complies.

26 **II.B. City Procedures And Actions.**

27 **II.B.1. Planning Commission Hearing.** Government Code Section
28 65867 and the City's implementing procedures for development agreements require that
29 a public hearing be held by the City Planning Commission on a proposed development
30 agreement prior to its consideration by the City Council. On July 26, 2007, the City

1 Planning Commission, after conducting a public hearing and appropriate environmental
2 review, recommended approval of this Amended Agreement.

3 **II.B.2. City Council Action.** The City Council on January 3, 1992, after
4 conducting a duly-noticed public hearing, adopted Ordinance No. 167,523, which
5 become effective on February 14, 1992, approving the Original Development
6 Agreement, found that its provisions were consistent with the City's General Plan, and
7 authorized the execution of the Original Development Agreement, which was later
8 amended by Ordinance No. 171,568. Thereafter, on July 22, 2008, after conducting a
9 duly-noticed public hearing, the City Council adopted Ordinance No. 180,084, to
10 become effective on Sept. 9, 2008, approving this Amended Agreement, found that
11 its provisions were consistent with the City's General Plan, and authorized the execution
12 of this Amended Agreement.

13 **II.C. Project Description.**

14 The Project is a large scale mixed-use phased development requiring
15 major investment in public facilities and substantial front-end investment in on-site and
16 off-site improvements to make the Project feasible. The Project represents a master
17 planned project, analyzed and reviewed by the City through the Project Approvals in
18 light of the land use standards and policies contained in the City's Applicable Rules.

19 **II.D. Porter Ranch Objectives.**

20 In accordance with the legislative findings set forth in Government Code
21 Section 65864 of the Development Agreement Act, Porter Ranch wishes to obtain
22 assurances that Porter Ranch can develop the Project in accordance with the Project
23 Approvals, the Applicable Rules and the provisions of this Amended Agreement. In the
24 absence of this Amended Agreement, Porter Ranch would have no present assurance
25 that it could complete the Project. For any number of currently foreseeable and
26 unforeseeable reasons, including, without limitation, traffic and related impacts (e.g.,
27 impact on air quality) resulting from development off-site or outside the jurisdiction of the
28 City, pressures on the City could be created to, among other things, (i) halt the Project

1 at a point short of total build-out, (ii) reduce the density of the Project, (iii) defer or delay
2 completion of the Project, or (iv) apply new rules, regulations, standards or official
3 policies to the Project in such a manner as to significantly increase the cost of the
4 Project. The absolute inability to anticipate these changes, as well as the potential loss
5 of anticipated revenue associated with these development risks and uncertainties
6 would, in the absence of this Amended Agreement, deter and discourage Porter Ranch
7 from making a commitment to the implementation of the Project. Accordingly, Porter
8 Ranch cannot prudently commence the development of the Project without the
9 assurance that it will be able to complete the Project.

10 **II.E. Applicability Of The Amended Agreement.**

11 This Amended Agreement does not: (i) grant density or intensity of use in
12 excess of that otherwise permitted in accordance with the existing zoning (Ord. No.
13 166,066, as amended by Ordinance Nos. 172,469 and 173,871) or the existing
14 Community or Specific Plans; (ii) eliminate future Discretionary Actions or Discretionary
15 Approvals relating to the Property; (iii) guarantee that Porter Ranch will receive any
16 profits from the Project; (iv) prohibit the Property's participation in any benefit
17 assessment district which is generally applicable to properties located adjacent to, or
18 near the Property, as provided in Section V.D; (v) amend the City's General Plan; or (vi)
19 guarantee that Porter Ranch will be allowed to develop the Property to the maximums
20 allowed under the Specific Plan or imply that Porter Ranch will not be allowed such
21 development. This Amended Agreement is subject to modification as provided in
22 Section IV.C.3, amendment as provided in Section VII.K, and is for a set term as
23 provided in Section VII.J.

24 **II.F. Environmental Certification.**

25 The City Council on July 22, 2008, after making appropriate findings,
26 certified that it had reviewed and considered the FEIR for the Project under the
27 provisions of the California Environmental Quality Act (Public Resources Code Section
28 21000, *et seq.*, "CEQA") and the City's procedures for implementing CEQA (the "**Los**
29 **Angeles City CEQA Guidelines**").

1 **II.G. Mutual Objectives.**

2 Development of the Project in accordance with a development agreement
3 will provide for the orderly development of the Property in accordance with the
4 objectives set forth in the currently adopted General Plan, Community Plan and the
5 Specific Plan. Moreover, a development agreement for the Project will eliminate
6 uncertainty in planning for, and securing orderly development of, the Project, assure
7 progressive installation of necessary improvements, provide for public services
8 appropriate to each stage of development of the Project, insure attainment of the
9 maximum efficient utilization of resources within the City at the least economic cost to
10 its citizens, and otherwise achieve the goals and purposes for which the Development
11 Agreement Act was enacted. The City believes that such orderly development of the
12 Project will provide many public benefits to the City through the imposition of
13 development standards and requirements under the provisions and conditions of this
14 Amended Agreement, including, without limitation: (i) increased tax revenues resulting
15 in fiscal benefits to the City; (ii) installation of on-site and off-site public improvements;
16 (iii) construction of beneficial urban development at a location served by major local
17 thoroughfares and regional transportation systems; (iv) provision of a balance between
18 jobs and residential needs within the City and the region; and (v) the creation of job
19 opportunities through the construction and development of the Project, and the location
20 of businesses within the Project Site.

21 These benefits include the street and roadway improvements described in
22 Sections III, V.A and V.B and set forth in Exhibit "D" of this Amended Agreement, which
23 is incorporated by this reference and the public facilities to be provided or financed
24 which are described in greater detail in Sections III, V.A and V.B.

25 **III. PUBLIC BENEFITS**

26 This Amended Agreement confirms the benefits provided for in the
27 Specific Plan as set forth in Sections V.A and V.B herein, and additional public benefits
28 not required in the Specific Plan, as follows:

1 **III.A. Mason Avenue At-Grade Crossing.** Accelerated funding for the Mason
2 Avenue At-Grade Crossing Improvement Project with respect to the existing Southern
3 Pacific right-of-way;

4 **III.B. Extension Of Mason Avenue.** Early extension of Mason Avenue from
5 Rinaldi Street to Corbin Avenue;

6 **III.C. Extension of Rinaldi Street.** Early extension of Rinaldi Street from its
7 existing terminus to Mason Avenue;

8 **III.D. ATSAC/ATCS System.** Accelerated funding for the operation of an
9 Automated Traffic Surveillance and Control/Adaptive Traffic Control System
10 (ATSAC/ATCS) as set forth in the List of Transportation Improvements in Appendix "B"
11 to the Specific Plan;

12 **III.E. Transportation Management Association.** Funding for an area-wide
13 Transportation Management Association ("TMA") for the Chatsworth, Northridge and
14 Granada Hills communities not otherwise required by the Specific Plan;

15 **III.F. Fourteen (14)-Acre Park.** Early development of a fourteen (14)-acre park
16 site adjacent to the Specific Plan Area not otherwise required by the Specific Plan upon
17 subsequent acquisition by the City;

18 **III.G. Public Art.** Monetary contribution for the use, purchase or display of
19 public art in the Specific Plan Area not otherwise required by the Specific Plan;

20 **III.H. Underground Power Lines.** Undergrounding of the existing power
21 transmission line and related facilities;

22 **III.I. School Sites.** Reservation of a seven (7) acre school site and a fifteen
23 (15) acre school site per the terms and conditions of the 1991 School Agreement, or the
24 conveyance of a thirteen (13) acre New School Site, in lieu of these sites, per the terms
25 and conditions of an Amended School Agreement and provision for additional benefits
26 to schools;

1 **III.J. Municipal Office Building/Public Library Facility.** The dedication of a
2 two-acre site for government offices or other municipal buildings and uses, including a
3 public library facility, within Subareas I, II, III or IV (or at another location as may be
4 permitted under the provisions of this Amended Agreement), after the construction and
5 occupancy of a specific amount of non-residential floor area in the Community Center
6 Area;

7 **III.K. Community Meeting Facility.** The construction of a community meeting
8 facility after the construction and occupancy of a specific amount of non-residential floor
9 area in the Community Center Area;

10 **III.L. Child Care Facilities.** Constructing or providing for an operational child
11 care facility within the Community Center Area prior to or concurrent with the issuance
12 of a building permit for the 800th home within the Specific Plan area that will have an
13 initial capacity of 100 children, with provision for increased capacity, up to a maximum
14 of 250 children, based on demand for additional capacity as demonstrated by the
15 number of children on the waiting list for admission to the facility;

16 **III.M. Senior Housing.** The development of 400 senior dwelling units (which
17 may include a maximum of 200 senior assisted living units).

18 **III.N. Affordable Housing.** The development of a minimum of 200 senior
19 dwelling units which are affordable to seniors of low and/or moderate income.

20 **III.O. Recycling Program.** Participation in City-established refuse separation
21 and recycling programs for commercial and residential buildings.

22 **III.P. Accelerated Improvements.** The accelerated completion of the
23 construction of Rinaldi Street from the 118 Freeway to DeSoto Avenue; dedication and
24 improvement of an equestrian trail along the southern boundary of the Specific Plan;
25 and improvement of an equestrian staging area in a location south of the 118 Freeway.

26 **IV. DEVELOPMENT OF THE PROPERTY**

1 **IV.A. Project Development.**

2 Development of the Project will be governed by this Amended Agreement
3 and by the General Plan, as implemented through the Community and Specific Plans,
4 as of the Effective Date of this Amended Agreement, which allows development of up to
5 two thousand, four hundred thirty-seven (2,437) single-family dwelling units, one
6 thousand, four hundred (1,400) residential dwelling units (which includes four hundred
7 (400) senior dwelling units, 200 of which may be developed as senior assisted living
8 units), and two million seven hundred fifty-five thousand (2,755,000) square feet of floor
9 area for office, hotel, and retail space and other uses in Subareas I, II and III of the
10 Specific Plan, two hundred ninety-three thousand (293,000) square feet of open space,
11 quasi public, public uses, religious institutions and schools in Subareas IV and V in the
12 Community Center Area.

13 **IV.B. Changes In Applicable Rules.**

14 **IV.B.1. Nonapplication By City Of Changes in Applicable Rules.**

15 Any change in the Applicable Rules, including, without limitation, any change in any
16 applicable general plan element, specific plan element, or zoning or subdivision
17 regulation, adopted or becoming effective after the Original Effective Date of the
18 Original Development Agreement (February 18, 1992) or the Effective Date of this
19 Amended Agreement, including, without limitation, any such change by means of an
20 ordinance, City Charter amendment, initiative, resolution, policy, order or moratorium,
21 initiated or instituted for any reason whatsoever and adopted by the Mayor, City
22 Council, Planning Commission or any other Board, Commission or Department of the
23 City, or any officer or employee thereof, or by the electorate, as the case may be, which
24 would, absent this Amended Agreement, otherwise be applicable to the Project and
25 which would conflict in any way with or be more restrictive than the Applicable Rules,
26 shall not be applied by the City to the Project or development within the Project unless
27 such changes do not reduce the use, density, or intensity of use as embodied in the
28 Project Approvals and: (i) are found by the City to be necessary to the Health and
29 Safety of the residents of the City, (ii) are generally applicable on a City-wide basis

1 (except in the event of natural disasters as found by the Mayor or the City Council such
 2 as floods, earthquakes and similar acts of God), and (iii) do not prevent or unreasonably
 3 delay issuance of permits, or other authorizations, necessary for the implementation
 4 and development of the Project in accordance with this Amended Agreement. Porter
 5 Ranch acknowledges that any delay in the issuance of permits or other authorizations
 6 necessary for the implementation and development of the Project in accordance with
 7 this Amended Agreement which result from City-wide Health and Safety enactments
 8 related to critical and urgent situations such as lack of water availability, sewer capacity,
 9 or landfill capacity, shall not constitute unreasonable delays. Porter Ranch and City
 10 acknowledge that nothing in this provision (iii) is meant to imply that there might be or
 11 might not be other critical and urgent situations within the meaning of this provision.

12 IV.B.2. **Changes In Building and Fire Codes.** Notwithstanding
 13 Section IV.B.1 above, development of the Project shall be subject to changes occurring
 14 from time to time in the Uniform Building Code and other uniform construction codes. In
 15 addition, development of the Project shall be subject to changes occurring from time to
 16 time in Chapters V and IX of the Los Angeles Municipal Code applicable to private
 17 improvements to be constructed on the Property and in construction, engineering and
 18 design standards applicable to public improvements to be constructed on the Property,
 19 provided that such changes do not reduce the use, density, or intensity of use as
 20 embodied in the Project Approvals and: (i) are found by the City to be necessary to the
 21 Health and Safety of the residents of the City, and (ii) are generally applicable on a City-
 22 wide basis (except in the event of natural disasters as found by the Mayor or the City
 23 Council such as floods, earthquakes and similar acts of God). Nothing in this Section
 24 IV.B.2 is meant to revise, amend, or modify the definition of "Health and Safety" as
 25 defined in Section I of this Amended Agreement.

26 IV.B.3. **Effect Of Changes In Applicable Rules Or Reductions In**
 27 **the Use, Intensity Of Use, Or Density Of The Project After The Effective Date Of**
 28 **The Amended Agreement.** Should, subsequent to the Effective Date of the Amended
 29 Agreement, the Applicable Rules be modified and applied to the Project by the City, or
 30 should reductions in the use, intensity of use, or density of the Project occur as an effect

1 of litigation or otherwise, then there shall be a proportionate reduction, or elimination, of
2 the obligations set forth in Section V. The extent to which such obligations shall be
3 reduced shall be determined by the Planning Commission in conjunction with the
4 Section VII.B Periodic Review of the Amended Agreement, and shall be appealable by
5 Porter Ranch to the City Council pursuant to Section VII.E.

6 **IV.C. Subsequent Discretionary Action Or Discretionary Approval**

7 **IV.C.1. No Change In Entitlements.** Any subsequent Discretionary
8 Action initiated by Porter Ranch, which does not change the uses, density, intensity of
9 use, floor area, building height, lot area, setbacks, yards, parking, or other entitlement,
10 including transfers of density and floor area, as permitted on the Property by the Project
11 Approvals shall be governed by the Applicable Rules.

12 **IV.C.2. Change In Entitlements.** Any subsequent Discretionary
13 Action initiated by Porter Ranch, which increases the uses, density, intensity of use,
14 floor area, building height, or decreases the lot area, setbacks, yards, parking, or other
15 entitlements permitted on the Property beyond that established in the Project Approvals
16 shall be subject to the rules, regulations and official policies of the City then in effect
17 regarding said increases or decreases; provided, however, that no such subsequent
18 Discretionary Action, when approved or disapproved, will constitute grounds for the
19 termination of this Amended Agreement or otherwise affect the enforceability of this
20 Amended Agreement with respect to the development of the Property hereunder.
21 Unless amended to provide otherwise, this Amended Agreement shall not apply to any
22 such subsequently approved Discretionary Action.

23 **IV.C.3. Changes Mandated And Required By Federal/State Law.**
24 This Amended Agreement shall not preclude the application to the Project of changes in
25 the Applicable Rules, including City ordinances, rules, regulations and official policies,
26 to the extent that such changes are mandated and required to be applied to
27 developments such as this Project by state or federal laws or regulations. As provided
28 in Government Code Section 65869.5 of the Development Agreement Act, in the event
29 that state or federal laws or regulations prevent or preclude compliance with one or

1 more provisions in this Amended Agreement, such provisions shall be modified or
2 suspended as may be necessary to comply with such state or federal laws or
3 regulations.

4 IV.C.4. **Action By City.** The City agrees to timely consider and act
5 upon subsequent Discretionary Actions or Discretionary Approvals reasonably
6 necessary or desirable to accomplish the intent, purpose and understanding of both the
7 City and Porter Ranch in entering into this Amended Agreement, and expressed in this
8 Amended Agreement. So long as Porter Ranch complies with the standards and
9 mitigation requirements of the Applicable Rules, as of the Effective Date of this
10 Amended Agreement, the City agrees that it will not unreasonably withhold from Porter
11 Ranch, or unreasonably condition, any Discretionary Action or Discretionary Approval
12 which must be issued by the City in order for the Project to proceed to construction,
13 completion and occupancy. The City hereby agrees that land uses, density, intensity of
14 use, floor area, building height, lot area, setbacks, yards, parking and other entitlements
15 permitted on the Property by the Project Approvals are approved or will be approved
16 pursuant to the provisions of this Amended Agreement, provided that Porter Ranch
17 satisfactorily complies with all preliminary procedures, actions, payments of Processing
18 Fees and criteria generally required of developers by the City for processing
19 applications for development and consistent with this Amended Agreement. The City is
20 bound to permit the uses, intensity of use, and density on the Property which are
21 permitted in this Amended Agreement only insofar as this Amended Agreement and the
22 Project Approvals provide.

23 Except as specifically provided in this Amended Agreement and in the
24 Specific Plan, or as mandated and required pursuant to Section IV.C.3, in the
25 development of the Project, Porter Ranch shall not be required to pay any impact fees,
26 linkage fees, or exactions which may be imposed by the City on development projects
27 pursuant to laws enacted after the Effective Date. Notwithstanding the language of this
28 Section, Porter Ranch shall not be exempt from the payment of affordable housing
29 mitigation fees, if any, imposed pursuant to Ordinance No. 165,530 (see Los Angeles

1 Municipal Code Section 91.304(k) or imposed pursuant to any subsequently enacted
2 ordinance.

3 **IV.D. Subdivision Maps.**

4 **IV.D.1. Extension Of Tentative And Parcel Maps.** To the extent
5 allowed by the Subdivision Map Act (Government Code Sections 66410, *et seq.*), the
6 terms of:

7 **IV.D.1.a.** Any tentative map, including, without limitation, any
8 tentative tract map or vesting tentative map which may be adopted for the
9 Project;

10 **IV.D.1.b.** Any amendment (or reconfiguration) of any such map
11 (including any lot line adjustment or merger of lots within such a map); or

12 **IV.D.1.c.** Any other map relating to a subdivision of any part of the
13 Property filed prior to the termination of this Amended Agreement, shall
14 automatically be extended for the duration of this Amended Agreement (Section
15 VII.J).

16 **IV.D.2. Conditions And Mitigation Measures.** Porter Ranch shall
17 be responsible for complying with all conditions and mitigation measures required for
18 tentative map approvals consistent with the provisions of this Amended Agreement.

19 **IV.E. Justifiable Reliance.**

20 The City acknowledges that, in investing money and planning effort in and
21 to the Project and in undertaking commencement of the Project, Porter Ranch will be
22 doing so in reliance upon the City's covenants contained in this Amended Agreement
23 and upon the enforceability of this Amended Agreement, and the City agrees that it will
24 be reasonable and justifiable for Porter Ranch to so rely.

1 **IV.F. Consistency With Applicable Rules.**

2 The City finds that the Project, the required traffic and circulation and other
3 improvements, and the proposed public facilities, located both on the Property and
4 outside the Property boundaries, are consistent with the General Plan, including the
5 Community Plan, the Specific Plan, and the applicable zoning regulations. The City
6 further finds, based upon all information made available to the City prior to or
7 concurrently with the execution of this Amended Agreement, that there are no
8 Applicable Rules that would prohibit or prevent full completion and occupancy of the
9 Project in accordance with the uses, densities, intensities, and heights permitted by the
10 General Plan or Specific Plan.

11 **IV.G. Interim Uses.**

12 The City agrees that Porter Ranch may use the Property during the Term
13 of this Amended Agreement for any use which is otherwise permitted by the applicable
14 zoning regulations, the Specific Plan, the Community Plan and the General Plan in
15 effect at the time of the interim use.

16 **IV.H. Phasing Of Development.**

17 The parties acknowledge that Porter Ranch cannot at this time predict
18 when or the rate at which phases of the Property would be developed. Such decisions
19 depend upon numerous factors which are not all within the control of Porter Ranch,
20 such as market orientation and demand, interest rates, competition and other factors.
21 Because the California Supreme Court held in *Pardee Construction Co. v. City of*
22 *Camarillo*, 37 Cal.3d 465 (1984), that the failure of the parties therein to provide for the
23 timing of development resulted in a later adopted initiative restricting the timing of
24 development controlling the parties' agreement, it is the intent of the City and Porter
25 Ranch to hereby acknowledge and provide for the right of Porter Ranch to develop the
26 Project in such order and at such rate and times as Porter Ranch deems appropriate
27 within the exercise of its sole and subjective business judgment. The City
28 acknowledges that such a right is consistent with the intent, purpose and understanding

1 of the parties to this Amended Agreement, and that without such a right, Porter Ranch's
2 development of the Project would be subject to the uncertainties sought to be avoided
3 by the Development Agreement Act and this Amended Agreement. Porter Ranch will
4 use its best efforts, in accordance with its own business judgment and taking into
5 consideration market conditions and other economic factors influencing Porter Ranch's
6 business decision, to commence or to continue development, and to develop the Project
7 in accordance with the provisions and conditions of this Amended Agreement and with
8 the Applicable Rules.

9 Inasmuch as portions of the Project Site are not presently subdivided into
10 parcels consistent with the density and intensity of use authorized by the Specific Plan,
11 that division will be effected through the subdivision process of the City Advisory
12 Agency as set forth in Section 8 of the Specific Plan. Any subdivision approvals will
13 provide for the timely construction of such improvements, and other exactions, as may
14 be attributable to the specific subdivision approval and as required by the Specific Plan
15 and this Amended Agreement.

16 **IV.I. Right-Of-Way Acquisition.**

17 **IV.I.1. Acquisition Of Right-Of-Way For Road Ways Or Street**
18 **Improvements**. With respect to any and all necessary right-of-way acquisitions for the
19 roadway or street improvements provided for in this Amended Agreement, Porter Ranch
20 shall be afforded the right to use its best efforts to negotiate such acquisitions with
21 concerned third parties. If such efforts by Porter Ranch are unsuccessful it shall notify
22 the City. Upon notification, the City agrees to exercise, in a timely manner, its best
23 efforts to cooperate in connection with the implementation of such improvements and
24 agrees to follow all procedures required to acquire any necessary rights-of-way at fair
25 market value by private negotiations, of which it shall give notice to Porter Ranch. The
26 City further agrees that if, despite such negotiations, it is unable to acquire such land, it
27 shall conduct hearings and exercise its discretion with respect to acquiring required
28 rights-of-way in accordance with the provisions of California Code of Civil Procedure
29 section 1240.010, et seq. The parties hereby agree that as a condition to the City's

1 acquiring any required rights-of-way, Porter Ranch shall be responsible and shall
2 reimburse the City for the fair market value of any and all rights-of-way acquired by the
3 City for the roadways and street improvements described in this Amended Agreement
4 and shall reimburse City for all additional costs of the City made necessary in the
5 exercise of eminent domain with respect to such acquisitions.

6 **IV.I.2. Third Party Exactions.** If concerned third parties apply for, or are
7 granted, entitlements to use by the City for real property adjacent to roadways or street
8 improvements provided for in this Amended Agreement, City shall require such
9 concerned third parties to dedicate and improve, at a minimum, such necessary rights-
10 of-way as required for such third parties' developments.

11 **IV.J. Additional Assurances.** In consideration of the premises, purposes,
12 intentions, public benefits, and additional consideration set forth in this Amended
13 Agreement and in consideration of the requirements imposed upon City in this
14 Amended Agreement, Porter Ranch hereby agrees to (1) satisfy each of the
15 requirements of the Discretionary Approvals, and (2) use its commercially reasonable
16 efforts, in accordance with its own good faith subjective business judgment and taking
17 into consideration market conditions and other economic factors influencing Porter
18 Ranch's business decisions, to continue to develop the Project in accordance with the
19 terms and conditions of this Amended Agreement and with the Applicable Rules.

20 **V. OBLIGATIONS OF PORTER RANCH.**

21 In consideration of the City entering into this Amended Agreement, Porter
22 Ranch agrees to perform certain obligations in connection with the development of the
23 Project on the Project Site, as set forth in the Specific Plan (references to portions of
24 which are italicized and generally summarized herein) and in this Amended Agreement,
25 which the City contemplates will benefit both the Project Site and the geographic area
26 adjacent to and surrounding the Project Site. These obligations include:

1 **V.A. Specific Plan Requirements.**

2 Sections V.A.1 through V.A.2, inclusive, are intended to recite and
3 summarize Specific Plan requirements, and are not intended to modify, amend, or
4 revise the Specific Plan requirements in any way.

5 **V.A.1. Advisory Agency Approvals (Sec. 8).** Any reference to tentative
6 parcel or tract map or final map (whether vesting or not) or private street approvals
7 means a final decision of the Advisory Agency, or if the decision of the Advisory Agency
8 is appealed, the final decision of the Planning Commission, or if the decision of the
9 Planning Commission is appealed, the final decision of the City Council. In connection
10 with any subdivision approval, only those improvements or exactions attributable to the
11 development authorized by that subdivision approval will be required, or suitably
12 guaranteed, unless otherwise set forth in the obligations of Porter Ranch in Section V.B
13 of this Amended Agreement.

14 **V.A.1.a. General Procedure (Sec. 8.B).** Development in the
15 Specific Plan Area is to be accomplished under Chapter I, Article 7 of the Los
16 Angeles Municipal Code. Except for Subareas G-1 and G-2, no subdivision may
17 be approved unless each lot created by the subdivision is located wholly within a
18 Subarea. In reviewing the environmental impact of any subdivision, the Advisory
19 Agency shall utilize the mitigation measures listed in Appendix B to the Specific
20 Plan.

21 **V.A.1.b. Subdivision Requirement Within the Community**
22 **Center Area (Sec. 8.C).** No building permit shall be issued for any Project within
23 the Community Center Area until a subdivision that includes the Project site has
24 been approved by the Advisory Agency which provides for the dedication and
25 improvement, or suitable guarantee, of the public streets, including public
26 infrastructure, adjoining the subdivision and any offsite dedication and
27 improvement attributable to the subdivision and determined necessary for
28 adequate access and circulation by the Department of Transportation and the
29 Advisory Agency, in compliance with the standards set forth in Section 9 of the

1 Specific Plan. The Advisory Agency shall also require that the developer obtain
2 from the Director of Planning an allocation of the total maximum permitted floor
3 area for each lot if the subdivision is located in Subareas I, III, IV or V, or the
4 Base Permitted Floor Area or Base Permitted Dwelling Units for each lot if the
5 subdivision is located in Subarea II.

6 V.A.1.c. **Single-Family Subdivision Grading Requirements**
7 (Sec. 8.D). The Advisory Agency in approving a tract or parcel map must find
8 that its design reduces potentially adverse impacts of grading in hillside areas so
9 as to control erosion, reduce potential visual impacts and recreate a natural
10 looking terrain. The grading techniques which may be utilized to achieve these
11 goals include the techniques set forth in Section 8.D.1 of the Specific Plan.
12 Porter Ranch will utilize grading techniques to ensure that no building or structure
13 in Subarea E of the Single-Family Area exceeds the height of the major ridgeline
14 located in the community park by limiting the building pad elevations to 45 feet
15 below the maximum height of the ridge.

16 V.A.1.d. **Pedestrian Movement Requirements** (Sec. 8.E).
17 The Advisory Agency in approving a tract or parcel map within the Community
18 Center Area shall find, to the extent feasible, that there will be a separation of
19 vehicular and pedestrian traffic.

20 V.A.1.e. **Automated Traffic Surveillance And**
21 **Control/Adaptive Traffic Control System (ATSAC/ATCS)** (Sec. 8.F). In
22 approving any tract or parcel map, the Advisory Agency must find that the
23 Applicant has made or assured payment to fund the design and construction cost
24 of including the intersections impacted by the tract or parcel map, which are
25 listed in the List of Transportation Improvements contained in Appendix B of the
26 Specific Plan, in the Ronald Reagan Freeway Corridor Phase I and Phase II
27 ATSAC/ATCS System, as determined by the Department of Transportation,
28 unless prior arrangements for funding have been made satisfactory to the

1 Department of Transportation. See Sections V.A.2.d and V.B.1.e for additional
2 obligations of Porter Ranch.

3 V.A.1.f. **Public Facility Requirements** (Sec. 8.G). In
4 approving any subdivision of the Property, the Advisory Agency shall find that all
5 utilities shall be undergrounded, where physically feasible.

6 In approving any subdivision of the Property in
7 Subareas G-1 or G-2, the Advisory Agency shall find that Porter Ranch will set aside in
8 Subareas G-1 and G-2 at least one common recreation area to be developed with
9 specific recreational facilities such as swimming pools or tennis courts for use by the
10 residents of those Subareas.

11 The Advisory Agency may approve lot sizes less than
12 what the RE-11 Zone would otherwise require, if certain commitments are made to open
13 space in association with other development regulation as specified in Section 8.G.2.(b)
14 of the Specific Plan. The remaining open space, not required for streets or other public
15 improvements, shall be an open space lot or lots maintained by the property owners'
16 association. This open space may be utilized for active and passive recreation as well
17 as for drainage ways.

18 In approving any subdivision of the Property in
19 Subareas A or B, the Advisory Agency must find that Porter Ranch will set aside as
20 recreation area the area identified as public open space in the Community Plan land
21 use map within the Specific Plan area which is attributable to that subdivision approval.

22 All open space areas, with the exception of real
23 property owned, or subsequently acquired by, or dedicated to and accepted by the City,
24 will be maintained by a property owners' association or homeowners' association which
25 shall have ownership or a maintenance easement.

26 Any residential subdivision which will adjoin park land
27 will provide appropriate landscaping, including shrubs and trees on the residential

1 property abutting the park land, to provide a buffer between the park land and the
2 residential areas.

3 V.A.1.g. Additional Development Improvement
4 Requirements (Sec. 8.H). The Advisory Agency in approving a subdivision shall
5 find that Porter Ranch has guaranteed completion of the following improvements
6 attributable to that subdivision:

7 (i) sidewalks in both the Single-Family and
8 Community Center Areas;

9 (ii) landscape medians in the Community Center
10 Area on all major and secondary highways;

11 (iii) bike lanes and bicycle storage facilities at
12 locations designated in Section 8.H.3 of the Specific Plan; and

13 (iv) equestrian and hiking trails as generally shown
14 on the Chatsworth-Porter Ranch Community Plan and as specified in
15 Section 8.H.4 of the Specific Plan.

16 V.A.1.h. Junior High School Site (Sec. 8.I). Unless an
17 Amended School Agreement is entered into by Porter Ranch and the School
18 District, in connection with any subdivision proceeding in the Specific Plan Area,
19 the School District may reserve a fifteen (15) acre site for construction of a junior
20 high school consistent with the provisions of Section 2 of the October 22, 1991,
21 agreement between the Porter Ranch Development Company and the School
22 District, a copy of which is attached as Exhibit "F" to this Amended Agreement.
23 See Sections V.A.2.h and V.B.5 and Exhibit F regarding the obligations of Porter
24 Ranch.

25 V.A.1.i. Compost Program Requirements (Sec. 8.J). In
26 approving any subdivision, the Advisory Agency shall find that Porter Ranch has
27 either agreed to participate in a composting program established by the City to

1 collect and process yard waste and other suitable organic waste from
2 landscaped areas or suitably guaranteed development of its own composting
3 program, in which case, the Advisory Agency may require that one or more sites
4 be set aside for the composting, processing, and storing of these materials, not
5 to exceed an area of three acres total within the Specific Plan area.

6 **V.A.2. Developments And Improvements To Be Assured By**
7 **Development Agreement(s)** (Sec. 9). Section 9 of the Specific Plan provides for the
8 City to enter into one or more development agreements, as indicated in Section 5 of the
9 Specific Plan. Absent these development agreements, Projects, as defined in the
10 Specific Plan, will require Project Permit Compliance, as defined in the Specific Plan
11 (See Sections 1 and 11 of the Specific Plan). Section 9 of the Specific Plan sets forth
12 the following which must be included in development agreements with the City unless
13 otherwise provided or assured by others:

14 **V.A.2.a. New Streets** (Sec. 9.A). The Specific Plan requires
15 development of the street system within the Specific Plan Area and outside the
16 Specific Plan Area in accordance with the design standards adopted by the
17 Planning Commission, pursuant to Los Angeles Municipal Code Section 17.05,
18 which were in effect on the effective date of Ordinance No. 166,068. The
19 Specific Plan also requires completion of the transportation improvements set
20 forth in Appendix "B" to the Specific Plan. In connection with the approval of any
21 subdivision tract or parcel map, Porter Ranch will construct or suitably guarantee,
22 prior to final recordation, the completion of the transportation improvements in
23 Exhibit "D" to this Amended Agreement (Appendix "B" to the Specific Plan), as
24 may be adopted by the Advisory Agency, or the Planning Commission or the City
25 Council, on appeal.

26 **V.A.2.b. Improvements At Or Near The Intersections Of**
27 **The 118 Freeway With The Following Streets** (Sec. 9.B). Porter Ranch will
28 construct and dedicate or suitably guarantee the intersection improvements that

1 are set forth in Exhibit "D" to this Amended Agreement (Appendix "B" to the
2 Specific Plan).

3 V.A.2.c. **Off-Site Surface Street Improvements** (Sec. 9.C).

4 The Specific Plan requires that Porter Ranch will construct or suitably guarantee
5 the off-site street improvements attributable to the approval of any subdivision
6 tract or parcel map, unless otherwise set forth in the obligations of Porter Ranch
7 in Section V.B of this Amended Agreement, that are set forth in Exhibit "D" to this
8 Amended Agreement (Appendix "B" to the Specific Plan), and any
9 recommended changes made pursuant to Section 11.D of the Specific Plan
10 attributable to the respective subdivision, unless otherwise set forth in the
11 obligations of Porter Ranch in Section V.B of this Amended Agreement, as may
12 be adopted by the Advisory Agency, or the Planning Commission or the City
13 Council, on appeal.

14 V.A.2.d. **Automated Traffic Surveillance And**
15 **Control/Adaptive Traffic Control System (ATSAC/ATCS)** (Sec. 9.D). The

16 Specific Plan requires that Porter Ranch make or assure its proportionate fair
17 share payment into a fund created for the operation of an Automated Traffic
18 Surveillance and Control/Adaptive Traffic Control System (ATSAC/ATCS), as set
19 forth in the List of Transportation Improvements in Appendix B of the Specific
20 Plan, for the key intersections listed in Section 9.D of the Specific Plan and set
21 forth in the List of Transportation Improvements in Appendix "B" to the Specific
22 Plan, unless prior arrangements for funding have been made satisfactory to the
23 Department of Transportation. See Sections V.A.1.e and V.B.1.e for additional
24 obligations of Porter Ranch.

25 V.A.2.e. **Circulation** (Sec. 9.E). Porter Ranch will design and

26 construct the circulation system within the Specific Plan Area in accordance with
27 the design standards adopted by the Planning Commission, pursuant to Los
28 Angeles Municipal Code Section 17.05, which were in effect on the effective date
29 of Ordinance No. 166,068. Porter Ranch will also construct or suitably guarantee

1 the new street improvements set forth in the List of Transportation
2 Improvements, Appendix B of the Specific Plan, including the following
3 improvements as specified by the Advisory Agency, or the Planning Commission
4 or City Council, on appeal:

5 V.A.2.e.i **Major And Secondary Highways.** Design,
6 dedicate and improve the major and secondary highways within the
7 Specific Plan Area in accordance with the design standards adopted by
8 the Planning Commission, pursuant to Los Angeles Municipal Code
9 Section 17.05, which were in effect on the effective date of Ordinance No.
10 166,068, except as follows:

11 (A) Porter Ranch Drive from the 118
12 Freeway north to Corbin Avenue shall have a minimum dedicated width of
13 110 feet and a minimum roadway width of 90 feet; and

14 (B) Mason Avenue from the 118 Freeway
15 north to Sesnon Boulevard shall have a minimum dedicated width of 100
16 feet and a minimum roadway width of 80 feet.

17 V.A.2.e.ii **Other Roadways**

18 (A) Develop the vehicular circulation system
19 within the Single-Family Area in accordance with the following guidelines:

20 (1) Roadway design shall have
21 alignments which preserve the natural topography or significant
22 natural features, whenever feasible; and

23 (2) Roadways in sloping areas
24 should blend with the natural topography, whenever feasible.
25 Manufactured slopes shall be landscaped.

26 (B) Design the street system within the
27 Single-Family Area to keep the majority of the traffic on major and

1 secondary highways and collector streets, rather than on the local streets.
2 Design and improve all roadways to the following standards:

3 (1) **Hillside Collector Streets.** A
4 54-foot right-of-way shall be provided with a 44-foot roadway and
5 the remainder of the right-of-way shall be improved with parkways
6 and sidewalks.

7 (2) **Hillside Local Streets.** A 44-
8 foot right-of-way with a 36-foot roadway and the remainder of the
9 right-of-way shall be improved with parkways and sidewalks.

10 (3) **Single Loaded Streets.** As
11 determined by the Advisory Agency, a 36-foot right-of-way may be
12 provided with a 28-foot roadway and the remainder of the right-of-
13 way shall be improved with parkways and sidewalks on one side of
14 the street only.

15 (4) **Private Drives.** As determined
16 by the Advisory Agency, a 28-foot private driveway may be
17 provided with a 20-foot roadway.

18 The ultimate alignment of such streets and others in the Specific Plan Area will be
19 determined by the Advisory Agency, or the Planning Commission or City Council, on
20 appeal, through the subdivision process.

21 V.A.2.f. **Transportation Management Organization And**
22 **Shared Ride Transportation System** (Sec. 9.F). To ensure the effectiveness
23 and implementation of Transportation Demand Management ("TDM") and
24 Transportation Systems Management ("TSM") programs, the Specific Plan
25 requires establishment and funding of a Transportation Management
26 Organization ("TMO") for the Community Center Area with mandatory
27 membership for all commercial property owners to implement the TDM program.
28 The TMO will develop and implement innovative and effective ridesharing related

1 programs with the objective of achieving the South Coast Air Quality
 2 Management District's ("SCAQMD") goal of an Average Vehicle Ridership
 3 ("AVR") of 1.5 and conduct annual monitoring. Porter Ranch shall assure that
 4 the TMO is in operation six months prior to the occupancy of any commercial
 5 building in the Specific Plan Area with initial funding provided by Porter Ranch.
 6 The TMO will assist employers within the Specific Plan Area in complying with
 7 the requirements of Regulation XV, or any successor rule, of the SCAQMD. The
 8 TMO shall be modeled on other successful TMOs and shall include a funding
 9 mechanism and an annual monitoring program. All of the major elements of the
 10 TMO shall be included in recorded covenants, conditions and restrictions for all
 11 lots within the Community Center Area. See Section V.B.1.f for additional
 12 obligations of Porter Ranch.

13 V.A.2.g. **Community Park** (Sec. 9.G). The Specific Plan
 14 requires that Porter Ranch fully develop, in accordance with a plan approved by
 15 the City Board of Recreation and Parks Commissioners, and dedicate an
 16 approximately fifty (50)-acre park to the City north of Subarea E as shown on the
 17 map in Section 1 of the Specific Plan. Improvement to the park shall be limited to
 18 the amount that may be accomplished with Quimby Act fees required for
 19 recordation of residential subdivisions within the Specific Plan area.

20 V.A.2.h. **Elementary School Site** (Sec. 9.H). Unless an
 21 Amended School Agreement is entered into by Porter Ranch and the School
 22 District, Porter Ranch will reserve, in Subarea D of the Single-Family Area, a
 23 seven (7)-acre level parcel at the southeast corner of Sesnon Boulevard and
 24 Mason Avenue for the School District, or its successors, for a site for the
 25 construction of an elementary school and instructional facilities for Kindergarten
 26 and Grades 1 through 6 and for no other purpose, consistent with the provisions
 27 of Section I of the October 22, 1991 agreement between Porter Ranch and the
 28 School District, a copy of which is attached as Exhibit "F" to this Amended
 29 Agreement. See Section V.B.5 and Exhibit F regarding the obligations of Porter
 30 Ranch.

1 V.A.2.i. **Library And Other Municipal Facilities** (Sec. 9.I).
2 Porter Ranch will provide and dedicate to the City of Los Angeles a two (2)-acre
3 site for government offices or other municipal buildings and uses, including a
4 public library facility, as determined by the City Council, within Subareas I, II, III
5 or IV, or as part of the New School Site. This requirement can be satisfied on the
6 New School Site if the School District and the City Council have entered into a
7 joint use agreement regarding such site. If no such agreement has been
8 reached prior to the School District breaking ground on the New School Site,
9 then Porter Ranch shall provide this site within Subareas I, II, III or IV as provided
10 above. See Section V.B.6 for additional obligations of Porter Ranch.

11 V.A.2.j. **Community Meeting Facility** (Sec. 9.J). In
12 Subareas I, II, III or IV of the Community Center Area, Porter Ranch will construct
13 a Community Meeting Facility to seat no fewer than three hundred (300) people,
14 which facility can be divided into four separate meeting areas of seventy-five (75)
15 seats each, or as part of the New School Site. This requirement can be satisfied
16 on the New School Site if the School District and the City Council have entered
17 into a joint use agreement regarding such facility. If no such agreement has
18 been reached prior to the School District's breaking ground on the New School
19 Site, then Porter Ranch shall provide this facility within Subareas I, II, III or IV as
20 provided above. See Section V.B.7 for additional obligations of Porter Ranch.

21 V.A.2.k. **Child Care** (Sec. 9.K). Porter Ranch will construct or
22 provide for an operational child care facility, as defined under applicable state
23 laws and regulations, within the Community Center Area, or as part of the New
24 School Site. This requirement can be satisfied on the New School Site if the
25 School District and Porter Ranch have entered into a joint use agreement
26 regarding such facility. If no such agreement has been reached prior to the
27 School District's breaking ground on the New School Site, then Porter Ranch
28 shall provide the child care facility within the Community Center Area as provided
29 herein. The physical location of the child care facility shall be consistent with the
30 requirements of applicable state laws and regulations for such facilities. The

1 child care facility shall be constructed prior to or concurrent with the issuance of a
 2 building permit for the 800th home within the Specific Plan area, and shall have
 3 an initial capacity of 100 children. After the facility becomes operational, the City
 4 Planning Commission, as part of its annual review of the Porter Ranch
 5 Development Agreement, may require that the capacity be increased, up to a
 6 maximum of 250 children, based on demand for additional capacity as
 7 demonstrated by the number of children on the waiting list for admission to the
 8 facility. Porter Ranch shall provide the waiting list information each year as part
 9 of its development agreement compliance report. Floor area provided as part of
 10 the child care facility shall not count against the floor area limitations for non-
 11 residential space as set forth in Section 6 C 2 of the Specific Plan.

12 V.A.2.I. **Community Center Area Senior Housing** (Sec.
 13 9.L).

14 V.A.2.I.i **Low and/or Moderate Income Housing for**
 15 **Senior Citizens**. Except as provided in the following subsection, Porter
 16 Ranch shall provide (construct or have constructed) and set aside for at
 17 least 30 years, a minimum of 400 dwelling units, located either within the
 18 Community Center Area or immediately adjacent to that Area, in which at
 19 least one person is a senior citizen as defined by State Law and of low
 20 and/or moderate income. Any low and/or moderate income senior
 21 housing for which guarantees have been made to maintain affordable rent
 22 levels or sale prices consistent with the regulations promulgated by the
 23 State Department of Housing and Community Development for low and
 24 moderate income households may, if eligible, be used as a credit toward
 25 any housing linkage fees or exactions the developer would otherwise have
 26 to pay under City ordinances which may be enacted prior to the
 27 construction and occupancy of these dwelling units.

28 V.A.2.I.ii **Senior Assisted Living Units**. Porter Ranch
 29 may set aside a maximum of 200 of the 400 senior units required by

1 Section 9 L 1 of the Specific Plan (and the preceding subsection) in the
 2 form of senior assisted living units for senior citizens as defined by State
 3 Law and without any income restriction, if a Project Permit Compliance is
 4 obtained for the senior assisted living units pursuant to Section 11 of the
 5 Specific Plan. These units must also be reserved for at least 30 years and
 6 be located either within Subarea II of the Community Center Area or
 7 immediately adjacent to that Area. For purposes of the Specific Plan,
 8 senior assisted living units are guest rooms or suites of rooms located in a
 9 residential building that may also contain dwelling units, where some or all
 10 of the following services are provided on-site and only for residents, all of
 11 whom must be senior citizens as defined by State Law: group dining,
 12 cleaning similar to hotels, recreational facilities, medical clinic, medical
 13 assistance or medical help, medication by medical or non-medical staff,
 14 regular nurse supervision, weekly/daily doctor visits, and counseling and
 15 referral facilities.

16 Prior to or concurrent with the issuance of a
 17 building permit for the 500th dwelling unit within the Community Center
 18 Area, the Director of Planning must find that at least 100 of the required
 19 minimum 200 low and moderate income senior dwelling units have been
 20 constructed or assured by Porter Ranch. Prior to or concurrent with the
 21 issuance of a building permit for the 1,000th dwelling unit within the
 22 Community Center Area, the Director of Planning must find that the
 23 remaining required low or moderate income senior dwelling units have
 24 been constructed or assured by Porter Ranch.

25 Porter Ranch shall record a covenant which
 26 restricts the rental or sale of the senior dwelling units (or senior assisted
 27 living units) to senior citizens as defined by State Law. The covenant shall
 28 run with the land and be binding on any subsequent owners, heirs,
 29 successors or assigns. The covenant shall be approved by the Director of
 30 Planning, and executed and recorded by the owners of the property to be

1 developed. After recordation, a copy bearing the Recorder's number and
2 date shall be furnished to the City Planning Department for its records.

3 V.A.2.m. **Additional Improvements** (Sec. 9.M). In connection
4 with the approval of any subdivision tract or parcel map for development, Porter
5 Ranch shall assure the completion of the improvements listed in Section 8.G of
6 the Specific Plan attributable to the subdivision, as specified by the Advisory
7 Agency or the Planning Commission or City Council on appeal.

8 V.A.2.n. **Refuse Separation And Recycling Program** (Sec.
9 9.N). The Specific Plan requires that Porter Ranch shall participate in any refuse
10 separation and recycling program, approved by the Department of Public Works
11 and established within the City for the separation of refuse and recyclable
12 materials. The Specific Plan further requires that all commercial buildings shall
13 include adequate loading and storage areas to accommodate refuse separation
14 and separation of recyclable materials, including areas for multiple dumpsters
15 and other facilities as needed; that materials shall be collected, processed and
16 reused as specified by the Department of Public Works; and that no materials
17 collected through this recycling program may be disposed of as refuse unless no
18 other feasible alternative is available.

19 V.A.2.o. **Accelerated Improvements** (Sec. 9.O). The Specific
20 Plan requires that Porter Ranch provide the following improvements within the
21 time frames specified:

22 V.A.2.o.i **Rinaldi Avenue**. Porter Ranch shall complete
23 the construction of Rinaldi Street from the 118 Freeway to DeSoto Avenue
24 prior to or concurrent with the issuance of a building permit for non-
25 residential development that exceeds 1.1 million square feet of floor area
26 within Subarea II of the Community Center Area. Should the City
27 determine to exercise its power of eminent domain and commence
28 proceedings under CCP Section 1240.010 et seq. pursuant to Section
29 4.I.1 of this Amended Agreement, the obligation of Porter Ranch to

1 commence and complete construction pursuant to this section may be
2 delayed only until all necessary right-of-way acquisitions are completed by
3 the City;

4 V.A.2.o.ii **Equestrian Trail**. Prior to or concurrent with
5 the issuance of a building permit to Porter Ranch for a project located
6 south of the 118 Freeway, Porter Ranch shall dedicate and improve or
7 satisfactorily guarantee the improvement of an equestrian trail on all
8 property over which it has control within Subareas H-1 and H-2 or within
9 other City-controlled property adjacent to those areas, on an alignment
10 and to standards approved by the Bureau of Engineering, in consultation
11 with the affected Council offices(s), unless a permanent equestrian trail
12 already exists within or adjacent to the Subareas; and

13 V.A.2.o.iii **Equestrian Staging Area**. Prior to or
14 concurrent with the issuance of a certificate of occupancy for a building
15 permit for a Project located south of the 118 Freeway, Porter Ranch shall
16 provide for the improvement of an equestrian staging area south of the
17 118 Freeway, at a location identified and provided by the City of Los
18 Angeles, in consultation with the affected Council office(s). The
19 improvement of property as an equestrian staging area may be used as a
20 set-off against the requirements of Section 17.12 of the Los Angeles
21 Municipal Code for dedication of real property for park and recreational
22 purposes, or for payment of an in lieu fee, in connection with the
23 construction of any and all dwelling units within the Specific Plan Area.

24 **V.B. Additional Obligations Of Porter Ranch As Consideration For**
25 **Agreement.**

26 V.B.1. **Traffic And Circulation Improvements**. Porter Ranch will
27 accelerate the design, financing, and construction of certain roadway improvements
28 both on, and off, the Property to facilitate traffic circulation within the development and
29 region, which will include:

1 V.B.1.a. **Mason Avenue At-Grade Crossing.** The Specific
2 Plan requires that supplemental traffic studies shall also monitor traffic in the
3 area bounded by and including Devonshire Street, De Soto Avenue, Nordhoff
4 Street and Corbin Avenue to determine if Mason Avenue should be continued
5 over the Southern Pacific Railroad tracks on an at-grade crossing. The
6 Department of Transportation has determined that an at-grade crossing of Mason
7 Avenue over the railroad tracks is more appropriate in-lieu of a grade separation
8 improvement and has obtained a Metropolitan Transportation Authority grant to
9 construct this improvement. Porter Ranch shall be responsible for the City's local
10 match contribution towards this improvement in the sum of \$500,000.00.
11 Consequently, the existing Letter of Credit in the sum of \$500,000.00 required by
12 Section V.B.1.b of the Original Development Agreement for a grade-separated
13 improvement shall be cancelled on the Effective Date of this Amended
14 Agreement and replaced with a new Letter of Credit as set forth below in Section
15 V.B 1.c. In addition, the existing Letter of Credit for the Aliso Canyon Bridge
16 Funding in the sum of \$2,000,000.00, required by Section V.B.1.a of the Original
17 Development Agreement, shall be cancelled on the Effective Date of this
18 Amended Agreement.

19 V.B.1.b. **Mason Avenue Extension.** As a condition to the
20 issuance of the building permit for the five hundredth (500th) single-family unit or
21 as a condition to the issuance of the first building permit for a commercial
22 building fronting on Mason Avenue, north of Rinaldi Street, in the Community
23 Center Area, Porter Ranch will extend Mason Avenue consistent with its
24 alignment and City standards from Rinaldi Street to Corbin Avenue, as shown on
25 the Community Plan. City shall not issue building permits for the five hundredth
26 (500th) single-family unit, or for a commercial building fronting on Mason Avenue,
27 north of Rinaldi Street, in the Community Center Area, until the extension of the
28 easterly one-half the roadway width of Mason Avenue has been commenced
29 north of Sorrento Lane by Porter Ranch and/or its successors, transferees or
30 assigns.

V.B.1.c. **Mason Avenue At-Grade Crossing Improvement.**

V.B.1.c.i **Irrevocable Letter Of Credit.** Within ninety-one (91) calendar days after the Effective Date, Porter Ranch shall provide to the City an irrevocable Letter of Credit in the face amount of five hundred thousand dollars (\$500,000) payable at a principal or branch office located in the City of Los Angeles and issued by a bank which is reasonably satisfactory to the Office of the City Attorney of Los Angeles. The bank must be chartered in the United States, have a rating of B or above or a number rating of 40 or above in the Bank Watch Thomas Ratings, or such equivalent rating service as may be mutually agreed upon between the City and Porter Ranch, maintain an office in the State of California, maintain an agent for service of process in the State of California, and otherwise do business in the State of California.

The Letter of Credit shall name the City as beneficiary, and shall be renewed on an annual basis for the Term of the Amended Agreement, except upon written instructions executed by both Porter Ranch and the City. The Letter of Credit shall provide that sixty (60) days' prior written notice shall be given by the bank to the Department of Transportation of the City of Los Angeles with a copy to the Real Property Division of the Office of the Los Angeles City Attorney (or such other person as the City may from time to time designate in writing to receive such notice) of the pending non-renewal, if any, of the Letter of Credit. In the event Porter Ranch has not provided the Department of Transportation and the City Attorney with proof of the renewal of such irrevocable Letter of Credit or its replacement with an irrevocable Letter of Credit meeting all of the requirements of this Section on or before the thirtieth (30th) calendar day before the scheduled lapse of the non-renewed Letter of Credit, City may draw down the entire balance of the Letter of Credit. If Porter Ranch is unable to, or does not intend to, renew the Letter of Credit, on or before the thirtieth (30th) calendar day before the scheduled

1 lapse of the non-renewed Letter of Credit, Porter Ranch shall deposit the
 2 sum of five hundred thousand dollars (\$500,000), less any funds
 3 previously drawn by the City on the Letter of Credit and any payments
 4 previously made by Porter Ranch in lieu of draw pursuant to Section
 5 V.B.1.c.iii below, in the Porter Ranch Trust Account or any similarly
 6 segregated City account identified in Section V.B.1.c.iv, below, and the
 7 amounts drawn and/or used by the City therefrom shall be restricted as
 8 set forth in this Section V.B.1.c.i and Sections V.B.1.c.ii and V.B.1.c.iv,
 9 below. Within five (5) business days of the deposit of such funds in such
 10 account, the City shall return the Letter of Credit to the issuing bank for
 11 cancellation.

12 The Letter of Credit shall provide that no draws shall be
 13 permitted on the Letter of Credit if the bank issuing the Letter of Credit is
 14 presented with a certified copy of a judgment which invalidates this
 15 Amended Agreement in its entirety. The Letter of Credit shall
 16 automatically expire and the City shall return the Letter of Credit to the
 17 issuing bank for cancellation thirty (30) days after the expiration of all
 18 appeal periods, with no appeal having been taken or other relief having
 19 been sought, from a final judgment invalidating this Amended Agreement
 20 in its entirety.

21 The delivery of the Letter of Credit to the City under this
 22 Section shall not obligate the City to perform or complete any work in
 23 connection with the construction of the Mason Avenue At-Grade Crossing
 24 over Southern Pacific Railroad Tracks Improvement Project.

25 V.B.1.c.ii **Drawing Drafts On Letter Of Credit.** The City
 26 shall be entitled to draw drafts for funds to be used in the construction of
 27 all or a portion of the Mason Avenue At-Grade Improvement Project with
 28 respect to the existing Southern Pacific right-of-way and for the balance
 29 pursuant to this Section V.B.1.c.ii and Section V.B.1.c.iv, below. Such

1 funds may be drawn under any one of the following conditions, as
2 specifically provided below:

3 (A) **Construction.** Upon submission to the
4 bank of a draft to which is attached a written statement from the City, in
5 the form attached hereto as Exhibit "G-1" and executed by an authorized
6 representative of the City, averring that it has let a contract or received
7 notification that its local match funds are due for the construction of all or a
8 portion of the Mason Avenue At-Grade Improvement Project, setting forth
9 the amount of funds required for the intended construction, and identifying
10 the construction activities for which the contract has been let and the
11 funds are being withdrawn. Upon submission of such a written statement,
12 the City shall be entitled to draw only those amounts set forth in the
13 statement as being required for the construction activities to be
14 undertaken in connection with the contract which has been let. The City
15 may draw funds pursuant to this Subsection (A) up to the face amount of
16 the Letter of Credit, less any funds previously drawn by the City on the
17 Letter of Credit, and, to the extent that the Letter of Credit has not been
18 amended pursuant to Section V.B.1.c.iii to reduce its face amount to
19 reflect any cash payments made by Porter Ranch, less any payments
20 previously made by Porter Ranch in lieu of draw pursuant to Section
21 V.B.1.c.iii.

22 (B) **Specified Building Permits.** Upon
23 submission to the bank of a draft to which is attached a written statement
24 from the City, in the form attached hereto as Exhibit "G-2" and executed
25 by an authorized representative of the City, averring that Porter Ranch has
26 requested a building permit for the five hundredth (500th) single-family unit
27 or for the structure containing the one million, five hundred thousandth
28 (1,500,000th) square foot of commercial floor area in the Community
29 Center Area. Upon submission of such a written statement, the City shall
30 be entitled to draw down the entire balance of the face amount of the

1 Letter of Credit, less any funds previously drawn by the City on the Letter
 2 of Credit, and, to the extent that the Letter of Credit has not been
 3 amended pursuant to Section V.B.1.c.iii to reduce its face amount to
 4 reflect any cash payments made by Porter Ranch, less any payments
 5 previously made by Porter Ranch in lieu of draw pursuant to Section
 6 V.B.1.c.iii. The funds drawn pursuant to this Subsection (B) shall be
 7 deposited and used as set forth in Section V.B.1.c.iv, below;

8 (C) **Termination Of Amended Agreement.**

9 Upon submission to the bank of a draft to which is attached a written
 10 statement from the City, in the form attached hereto as Exhibit "G-3" and
 11 executed by an authorized representative of the City, averring that the
 12 Amended Agreement has terminated, pursuant either: (1) to the
 13 expiration of the Term; (2) to mutual agreement of the parties; or (3) to the
 14 periodic review or default procedures due to a material default of Porter
 15 Ranch as set forth in Sections VII.B.7 and VII.D.3 of this Amended
 16 Agreement. With respect to termination due to a material default of Porter
 17 Ranch, no such statement shall be submitted by the City until there has
 18 been a determination made by the Planning Commission that the breach
 19 by Porter Ranch which resulted in termination of the Amended Agreement
 20 was a material breach and any appeal has been denied or the appeal
 21 period has expired. Upon submission of a draft to which is attached such
 22 a written statement, the City shall be entitled to draw down the entire
 23 balance of the face amount of the Letter of Credit, less any funds
 24 previously drawn by the City on the Letter of Credit, and, to the extent that
 25 the Letter of Credit has not been amended pursuant to Section V.B.1.c.iii
 26 to reduce its face amount to reflect any cash payments made by Porter
 27 Ranch, less any payments previously made by Porter Ranch in lieu of
 28 draw pursuant to Section V.B.1.c.iii. The funds drawn pursuant to this
 29 Subsection (C) shall be deposited and used as set forth in Section
 30 V.B.1.c.iv, below. Porter Ranch shall be entitled to appeal the Planning
 31 Commission's finding and determination of material breach to the City

1 Council in accordance with Section VII.E. In the event of a finding and
2 determination of lack of material breach, there shall be no appeal by any
3 person or entity. Nothing in this Section or this Amended Agreement shall
4 be construed as modifying or abrogating Los Angeles City Charter Section
5 245 (City Council Veto of Board Actions);

6 (D) **Non-Renewal Of Letter Of Credit.**

7 Upon submission to the bank of a draft to which is attached a written
8 statement from the City executed by an authorized representative of the
9 City averring that the Letter of Credit has not been renewed or replaced as
10 required under Section V.B.1.c.i; or

11 (E) **Request Of Porter Ranch.** Upon

12 submission to the bank of a draft to which is attached a written request of
13 Porter Ranch for the release of such funds to the City.

14 V.B.1.c.iii **Notice Of Intent To Draw Funds.** Ten (10)

15 calendar days prior to the time the City intends to draw any funds on the
16 Letter of Credit, including the entire balance of the Letter of Credit
17 pursuant to Section V.B.1.c.iv, the City shall give notice to Porter Ranch of
18 its intention to do so by sending to Porter Ranch, in the manner specified
19 in Section VII.T, a copy of the written statement to be submitted to the
20 bank. Within said ten (10) day period, Porter Ranch shall have the option
21 to provide the City a cash payment equal to the amount of the City's
22 intended draw, and the City shall accept said cash payment in lieu of the
23 intended draw from the Letter of Credit. The City shall cooperate with
24 Porter Ranch, and execute such documents as are reasonably necessary,
25 to amend the Letter of Credit to reduce its face amount to reflect any cash
26 payments made by Porter Ranch pursuant to this Section V.B.1.c.iv.

27 V.B.1.c.iv **Cash Deposit.** This Section applies to funds

28 drawn on the Letter of Credit, or paid by Porter Ranch, pursuant to
29 Subsections V.B.1.c.ii(B) and V.B.1.c.ii(C), above. As provided in

1 Subsection V.B.1.c.ii(B), above, immediately prior to the issuance of the
 2 building permit for the five hundredth (500th) single-family unit or
 3 immediately prior to the issuance of a building permit for the structure
 4 which contains the one million, five hundred thousandth (1,500,000th)
 5 square foot of commercial floor area in the Community Center Area,
 6 whichever occurs first, or at any time thereafter, the City may draw down
 7 the entire balance of the face amount of the Letter of Credit required under
 8 Section V.B.1.c.i, less any funds previously drawn by the City on the Letter
 9 of Credit, and, to the extent that the Letter of Credit has not been
 10 amended pursuant to Section V.B.1.c.iii to reduce its face amount to
 11 reflect any cash payments made by Porter Ranch, less any payments
 12 previously made by Porter Ranch in lieu of draw pursuant to Section
 13 V.B.1.c.iii. The City shall deposit the funds received in cash from Porter
 14 Ranch or by draw from the Letter of Credit pursuant to Subsections
 15 V.B.1.c.ii(B) and V.B.1.c.ii(C), above, into an interest bearing Porter
 16 Ranch Trust Account or similarly segregated City account which shall be
 17 exclusively restricted for use by the City for the construction of the Mason
 18 Avenue At-Grade Improvement. The restrictions on use of the money
 19 contained in the preceding sentence shall lapse upon the earlier of the
 20 following: (A) the expiration of the Term of this Amended Agreement; (B)
 21 the determination by the City that the Mason Avenue At-Grade
 22 Improvement Project will not be constructed during the Term of this
 23 Amended Agreement; or (C) the completion of the Mason Avenue At-
 24 Grade Improvement Project. After the first to occur of (A), (B), or (C) of
 25 the preceding sentence, any amount of principal and interest, if any,
 26 remaining in the referenced account shall be restricted to construction,
 27 financing, completion, or maintenance of transportation-related
 28 improvements in the study area covered by the Specific Plan, and/or those
 29 alternative transportation-related improvements included in the FEIR. All
 30 restrictions on the expenditure of principal or interest under this Amended
 31 Agreement shall lapse fifty-nine (59) years after the Effective Date.

1 V.B.1.c.v **Elimination Of Further Obligation.** Payment
 2 by or on behalf of Porter Ranch in accordance with Section V.B.1.c.iv shall
 3 eliminate any further obligation of Porter Ranch for the planning,
 4 construction, and/or completion of the Mason Avenue At-Grade
 5 Improvement Project, including any obligation to participate in any benefit
 6 assessment district formed after the Effective Date for such purpose(s) to
 7 the extent of any funds assessed for such purpose(s) (see Section V.D).

8 V.B.1.c.vi **Building Permits.** The City shall not issue a
 9 building permit for the five hundredth (500th) or more single-family unit or
 10 for any structures containing the one million, five hundred thousandth
 11 (1,500,000th) or more square foot of commercial floor area in the
 12 Community Center Area until the funds required under Section V.B.1.c.iv
 13 have been deposited.

14 V.B.1.d. **Rinaldi Street; Interim Extension.** As a condition to
 15 the issuance of the building permit for the five hundredth (500th) single-family
 16 unit or as a condition to the issuance of the first building permit for a commercial
 17 building in the Community Center Area, Porter Ranch will extend Rinaldi Street,
 18 on a permanent and/or interim alignment consistent with City standards, from its
 19 existing terminus at its intersection west of Tampa Avenue to Mason Avenue
 20 consistent with the applicable City standards for such extensions. Any additional
 21 conditions with respect to Rinaldi Street attributable to subdivisions implementing
 22 the Project may be imposed pursuant to any application for said subdivisions.
 23 City shall not issue building permits for the five hundredth (500th) or more single-
 24 family unit, or for a commercial building in the Community Center Area until the
 25 extension of Rinaldi Street has been commenced by Porter Ranch and/or its
 26 successors, transferees or assigns.

27 V.B.1.e. **Automated Traffic Surveillance And**
 28 **Control/Adaptive Traffic Control System (ATSAC/ATCS).** (See also Sections
 29 V.A.1.e and V.A.2.d.)

V.B.1.e.i Irrevocable Letters Of Credit For
ATSAC/ATCS in City's Ronald Reagan Freeway Corridor Phase I and
II Improvement Projects. By June 30, 2001, Porter Ranch shall provide
to the City an irrevocable Letter of Credit in the face amount of ninety-two
thousand dollars (\$92,000), payable at a principal or branch office located
in the City of Los Angeles and issued by a bank which is reasonably
satisfactory to the Office of the City Attorney of Los Angeles. This
\$92,000 Letter of Credit relates to work in connection with the design,
implementation and construction of the ATSAC/ATCS system for the
following intersection in the City's Ronald Reagan Freeway Corridor
Phase I improvement project: 118 Freeway westbound on- and off- ramps
at Topanga Canyon Boulevard. Within ninety-one (91) calendar days after
the Effective Date, Porter Ranch shall provide to the City an additional
irrevocable Letter of Credit in the face amount of five hundred eleven
thousand dollars (\$511,000), payable at a principal or branch office
located in the City of Los Angeles and issued by a bank which is
reasonably satisfactory to the Office of the City Attorney of Los Angeles.
This \$511,000 Letter of Credit relates to work in connection with the
design, implementation and construction of the ATSAC/ATCS system for
the following intersections in the City's Ronald Reagan Freeway Corridor
Phase II improvement project: DeSoto Avenue/Lassen Street; Mason
Avenue/Lassen Street; Corbin Avenue/Lassen Street; Mason
Avenue/Plummer Street; and Mason Avenue/Nordhoff Street. For each
Letter of Credit, the bank must be chartered in the United States, have a
rating of B or above or a number rating of 40 or above in the Bank Watch
Thomas Ratings, or such equivalent rating service as may be mutually
agreed upon between the City and Porter Ranch, maintain an office in the
State of California, maintain an agent for service of process in the State of
California, and otherwise do business in the State of California.

The Letters of Credit shall name the City as beneficiary, and
shall be renewed on an annual basis for the Term of the Amended

1 Agreement, except upon written instructions executed by both Porter
 2 Ranch and the City. The Letters of Credit shall provide that sixty (60)
 3 days' prior written notice shall be given by the bank to the Department of
 4 Transportation of the City of Los Angeles with a copy to the Real Property
 5 Division of the Office of the Los Angeles City Attorney (or such other
 6 person as the City may from time to time designate in writing to receive
 7 such notice) of the pending non-renewal, if any, of the Letters of Credit. In
 8 the event Porter Ranch has not provided the Department of Transportation
 9 and the City Attorney with proof of the renewal of such irrevocable Letters
 10 of Credit or their replacement with two irrevocable Letters of Credit
 11 meeting all of the requirements of this Section on or before the thirtieth
 12 (30th) calendar day before the scheduled lapse of the non-renewed
 13 Letters of Credit, City may draw down the entire balance of the Letters of
 14 Credit. If Porter Ranch is unable to, or does not intend to, renew the
 15 Letters of Credit, on or before the thirtieth (30th) calendar day before the
 16 scheduled lapse of the non-renewed Letters of Credit, Porter Ranch shall
 17 deposit the sum of ninety-two thousand dollars (\$92,000) and five hundred
 18 eleven thousand dollars (\$511,000), for a total of six hundred three
 19 thousand dollars (\$603,000), less any funds previously drawn by the City
 20 on the Letters of Credit and any payments previously made by Porter
 21 Ranch in lieu of draw pursuant to Section V.B.1.e.iii below, in the Porter
 22 Ranch Trust Account or any similarly segregated City account identified in
 23 Section V.B.1.e.iv, below, and the amounts drawn and/or used by the City
 24 therefrom shall be restricted as set forth in this Section V.B.1.e.i and
 25 Sections V.B.1.e.ii and V.B.1.e.iv, below. Within five (5) business days of
 26 the deposit of such funds in such account, the City shall return the Letters
 27 of Credit to the issuing bank for cancellation.

28 The Letters of Credit shall provide that no draws shall be
 29 permitted on the Letters of Credit if the bank issuing the Letters of Credit is
 30 presented with a certified copy of a judgment which invalidates this
 31 Amended Agreement in its entirety. The Letters of Credit shall

1 automatically expire and the City shall return the Letters of Credit to the
2 issuing bank for cancellation thirty (30) days after the expiration of all
3 appeal periods, with no appeal having been taken or other relief having
4 been sought, from a final judgment invalidating this Amended Agreement
5 in its entirety.

6 The delivery of the Letters of Credit to the City under this
7 Section shall not obligate the City to perform or complete any work in
8 connection with the design, implementation and construction of the
9 ATSAC/ATCS system for the City's Ronald Reagan Freeway Corridor
10 Phase I and II improvement projects.

11 V.B.1.e.ii Drawing Drafts On Letters Of Credit. The
12 City shall be entitled to draw drafts for funds to be used in the design,
13 implementation and construction of the ATSAC/ATCS system for the
14 Ronald Reagan Freeway Corridor Phase I and II improvement projects
15 and for the balance pursuant to this Section V.B.1.e.ii and Section
16 V.B.1.e.iv, below. Such funds may be drawn under any one of the
17 following conditions, as specifically provided below:

18 (A) **Construction.** Upon submission to the
19 bank of a draft to which is attached a written statement from the City, in
20 the form attached hereto as Exhibit "G-1" and executed by an authorized
21 representative of the City, averring that it has begun to implement the City
22 procedures to advertise for a bid for construction or received notification
23 that its local match funds are due for the design, implementation and
24 construction of the ATSAC/ATCS system for the intersections specified
25 above in the City's Ronald Reagan Freeway Corridor Phase I and II
26 improvement projects, setting forth the amount of funds required for the
27 intended construction, and identifying the construction activities for which
28 the funds are being withdrawn. Upon submission of such a written
29 statement, the City shall be entitled to draw only those amounts set forth

1 in the statement as being required for the construction activities that have
 2 been identified. The City may draw funds pursuant to this Subsection (A)
 3 up to the face amount of the Letters of Credit, less any funds previously
 4 drawn by the City on the Letters of Credit, and, to the extent that the
 5 Letters of Credit have not been amended pursuant to Section V.B.1.e.iii to
 6 reduce their face amount to reflect any cash payments made by Porter
 7 Ranch, less any payments previously made by Porter Ranch in lieu of
 8 draw pursuant to Section V.B.1.e.iii.

9 **(B) Termination Of Amended Agreement.**

10 Upon submission to the bank of a draft to which is attached a written
 11 statement from the City, in the form attached hereto as Exhibit "G-3" and
 12 executed by an authorized representative of the City, averring that the
 13 Amended Agreement has terminated, pursuant either: (1) to the
 14 expiration of the Term; (2) to mutual agreement of the parties; or (3) to the
 15 periodic review or default procedures due to a material default of Porter
 16 Ranch as set forth in Sections VII.B.7 and VII.D.3 of this Amended
 17 Agreement. With respect to termination due to a material default of Porter
 18 Ranch, no such statement shall be submitted by the City until there has
 19 been a determination made by the Planning Commission that the breach
 20 by Porter Ranch which resulted in termination of the Amended Agreement
 21 was a material breach and any appeal has been denied or the appeal
 22 period has expired. Upon submission of a draft to which is attached such
 23 a written statement, the City shall be entitled to draw down the entire
 24 balance of the face amount of the Letters of Credit, less any funds
 25 previously drawn by the City on the Letters of Credit, and, to the extent
 26 that the Letters of Credit have not been amended pursuant to Section
 27 V.B.1.e.iii to reduce their face amount to reflect any cash payments made
 28 by Porter Ranch, less any payments previously made by Porter Ranch in
 29 lieu of draw pursuant to Section V.B.1.e.iii. The funds drawn pursuant to
 30 this Subsection (B) shall be deposited and used as set forth in Section
 31 V.B.1.e.iv, below. Porter Ranch shall be entitled to appeal the Planning

60

1 Commission's finding and determination of material breach to the City
2 Council in accordance with Section VII.E. In the event of a finding and
3 determination of lack of material breach, there shall be no appeal by any
4 person or entity. Nothing in this Section or this Amended Agreement shall
5 be construed as modifying or abrogating Los Angeles City Charter Section
6 245 (City Council Veto of Board Actions);

7 (C) **Non-Renewal Of Letters Of Credit.**

8 Upon submission to the bank of a draft to which is attached a written
9 statement from the City executed by an authorized representative of the
10 City averring that the Letters of Credit have not been renewed or replaced
11 as required under Section V.B.1.e.i; or

12 (D) **Request Of Porter Ranch.** Upon

13 submission to the bank of a draft to which is attached a written request of
14 Porter Ranch for the release of such funds to the City.

15 V.B.1.e.iii **Notice Of Intent To Draw Funds.** Ten (10)

16 calendar days prior to the time the City intends to draw any funds on the
17 Letters of Credit, including the entire balance of the Letters of Credit
18 pursuant to Section V.B.1.e.iv, the City shall give notice to Porter Ranch of
19 its intention to do so by sending to Porter Ranch, in the manner specified
20 in Section VII.T, a copy of the written statement to be submitted to the
21 bank. Within said ten (10) day period, Porter Ranch shall have the option
22 to provide the City a cash payment equal to the amount of the City's
23 intended draw, and the City shall accept said cash payment in lieu of the
24 intended draw from the Letters of Credit. The City shall cooperate with
25 Porter Ranch, and execute such documents as are reasonably necessary,
26 to amend the Letters of Credit to reduce their face amount to reflect any
27 cash payments made by Porter Ranch pursuant to this Section V.B.1.e.iv.

28 V.B.1.e.iv **Cash Deposit.** This Section applies to funds

29 drawn on the Letters of Credit, or paid by Porter Ranch, pursuant to

1 Subsections V.B.1.e.ii(A) and V.B.1.e.ii(B), above. The City shall deposit
 2 the funds received in cash from Porter Ranch or by draw from the Letters
 3 of Credit pursuant to Subsections V.B.1.e.ii(A) and V.B.1.e.ii(B), above,
 4 into an interest bearing Porter Ranch Trust Account or similarly
 5 segregated City account which shall be exclusively restricted for use by
 6 the City for the design, implementation and construction of the
 7 ATSAC/ATCS system for the six intersections specified above in the City's
 8 Ronald Reagan Freeway Corridor Phase I and II improvement projects.
 9 The restrictions on use of the money contained in the preceding sentence
 10 shall lapse upon the earlier of the following: (A) the expiration of the Term
 11 of this Amended Agreement; (B) the determination by the City that the
 12 design, implementation and construction of the ATSAC/ATCS system for
 13 the six intersections specified above in the City's Ronald Reagan Freeway
 14 Corridor Phase I and II improvement projects will not be constructed
 15 during the Term of this Amended Agreement; or (C) the completion of the
 16 design, implementation and construction of the ATSAC/ATCS system for
 17 the six intersections specified above in the City's Ronald Reagan Freeway
 18 Corridor Phase I and II improvement projects. After the first to occur of
 19 (A), (B), or (C) of the preceding sentence, any amount of principal and
 20 interest, if any, remaining in the referenced account shall be restricted to
 21 construction, financing, completion, or maintenance of transportation-
 22 related improvements in the study area covered by the Specific Plan,
 23 and/or those alternative transportation-related improvements included in
 24 the FEIR. All restrictions on the expenditure of principal or interest under
 25 this Amended Agreement shall lapse fifty-nine (59) years after the
 26 Effective Date.

27 V.B.1.e.v **Elimination Of Further Obligation.** Payment
 28 by or on behalf of Porter Ranch in accordance with Section V.B.1.e.iv shall
 29 eliminate any further obligation of Porter Ranch for the design, planning,
 30 implementation, construction, and/or completion of the ATSAC/ATCS
 31 system for the for the six intersections specified above in the Ronald

1 Reagan Freeway Corridor Phase I and II improvement projects, including
 2 any obligation to participate in any benefit assessment district formed after
 3 the Effective Date for such purpose(s) to the extent of any funds assessed
 4 for such purpose(s) (see Section V.D). Porter Ranch shall remain
 5 responsible for the design and implementation of any geometric striping
 6 changes, traffic signal modifications, or other required intersection
 7 physical improvements required by the Department of Transportation at
 8 the 18 traffic signals included within the Ronald Reagan Freeway Corridor
 9 Phase I boundaries. Any such work or modifications shall be funded by
 10 Porter Ranch through the B-Permit (public works improvement)
 11 procedures of the City.

12 V.B.1.e.vi **Reduction of Letters of Credit and Refund**
 13 **of Unused Funds.** The City may obtain additional transportation
 14 improvement grant funds from the State of California's Traffic Congestion
 15 Relief Program (TCRP) or other sources of public funding to fund work in
 16 connection with the design, implementation and construction of the
 17 ATSAC/ATCS system for: (a) the 118 Freeway westbound on- and off-
 18 ramps at Topanga Canyon Boulevard intersection in the City's Ronald
 19 Reagan Freeway Corridor Phase I improvement project; and/or (b) the
 20 City's Ronald Reagan Freeway Corridor Phase II improvement project
 21 intersections at DeSoto Avenue/Lassen Street, Mason Avenue/Lassen
 22 Street, Corbin Avenue/Lassen Street, Mason Avenue/Plummer Street, and
 23 Mason Avenue/Nordhoff Street. If the City receives such additional
 24 funding for (a) listed above, then the \$92,000 Letter of Credit required
 25 under Section V.B.1.e.i above shall be reduced to reflect such additional
 26 funding. At the conclusion of the construction of the ATSAC/ATCS system
 27 for the 118 Freeway westbound on- and off- ramps/Topanga Canyon
 28 Boulevard intersection, if any funds from the \$92,000 Letter of Credit
 29 remain unused, then City shall refund the remaining unused funds to
 30 Porter Ranch. If the City receives such additional funding for (b) listed
 31 above which does not require a local match by the funding agency, then

1 the \$511,000 Letter of Credit required under Section V.B.1.e.i above shall
 2 be reduced to reflect such additional funding. At the conclusion of the
 3 construction of the City's Ronald Reagan Freeway Corridor Phase II
 4 improvement project intersections at DeSoto Avenue/Lassen Street,
 5 Mason Avenue/Lassen Street, Corbin Avenue/Lassen Street, Mason
 6 Avenue/Plummer Street, and Mason Avenue/Nordhoff Street, if any funds
 7 from the \$511,000 Letter of Credit remain unused, then City shall refund
 8 the remaining unused funds to Porter Ranch.

9 V.B.1.e.vii **Cash Payment For ATCS/ATSAC**
 10 **Intersection in San Diego Freeway Corridor.** Within ninety-one (91)
 11 calendar days after the Effective Date, Porter Ranch shall make a cash
 12 payment of \$80,200 to the City for implementation of Automated Traffic
 13 Surveillance and Control/Adaptive Traffic Control System (ATSAC/ATCS)
 14 at the Rinaldi Street/Balboa Avenue intersection within the San Diego
 15 Freeway Corridor ATCS/ATSAC System, as specified by the Department
 16 of Transportation.

17 V.B.1.f. **Transportation Management Association For The**
 18 **Chatsworth, Northridge And Granada Hills Communities.** (See also Section
 19 V.A.2.f). In addition to the obligation of the Specific Plan to implement a
 20 Community Center Area TMO, Porter Ranch shall, on the Effective Date of the
 21 Original Development Agreement, deposit to the Twelfth District Transportation
 22 Management Association Account fifty thousand dollars (\$50,000) to be used
 23 exclusively by the Twelfth District Transportation Management Association for
 24 the operation of an area-wide TMA which is an incentive for the coordination of
 25 ride-sharing and other TDM measures of employers within the area adjacent to
 26 or surrounding the Project area, which includes the Chatsworth, Northridge and
 27 Granada Hills communities.

28 V.B.1.g. **Congestion Management Program Compliance.**
 29 Should subsequent to the Effective Date of this Amended Agreement the Project

1 Site be included in a Congestion Management Program, pursuant to Government
 2 Code section 65088, *et seq.*, or any successor statute, which includes a
 3 financing and/or capital improvement plan, then Porter Ranch agrees to
 4 participate on a *pro rata* basis. Any amount allowed as a credit under the
 5 provisions of the Congestion Management Program for the Specific Plan study
 6 area referred to in the FEIR and which is expended by Porter Ranch under
 7 Sections V.A and V.B of this Amended Agreement for any regional
 8 transportation, financing, and/or capital improvements related to such Congestion
 9 Management Program shall be credited against any assessment or financing
 10 mechanism under the Congestion Management Program applicable to the
 11 Project Site. It is not the intent of this Section to require the City to expend any
 12 additional funds as the result of any credits Porter Ranch may receive under this
 13 Section.

14 V.B.1.h. **Trip Fees.** Other than as set forth in Section V.B.1.g,
 15 above, in the event any trip fees are imposed by the City in connection with the
 16 development of any portions of the Property, Porter Ranch shall not be subject to
 17 such fees.

18 V.B.2. **Park Improvement.**

19 V.B.2.a. **Fourteen (14) Acre Park.** If, within five (5) years of
 20 the Effective Date of the Original Development Agreement, the City acquires a
 21 fourteen (14) acre park site, located at the southeast corner of Porter Ranch
 22 Drive and Sesnon Boulevard (which shall be ascertained by survey on or before
 23 December 31, 1992), Porter Ranch shall, within two (2) years of the request by
 24 the City, unless otherwise extended by the City's Board of Recreation and Parks
 25 Commissioners, which request shall not be made prior to acquisition, develop
 26 and improve the park site. In the event of the acquisition of such park site by the
 27 City, the cost of such development and improvement shall constitute a credit for,
 28 but not exceed, any Quimby Fees (Government Code Section 66477, *et seq.*),

1 which may be applicable to Porter Ranch for development within the Community
2 Plan area.

3 V.B.2.b. **Fifty (50) Acre Park.** Concurrently with the
4 recordation of any final tract map in any subdivision in Subarea E of the Single-
5 Family Area, Porter Ranch will dedicate an approximately fifty (50)-acre park to
6 the City north of Subarea E as shown on the map in Section 1 of the Specific
7 Plan. Upon completion of all residential dwelling units in Subareas D and E of
8 the Single-Family Area, Porter Ranch will fully develop, in accordance with a plan
9 approved by the City Board of Recreation and Parks Commissioners, the 50-acre
10 park. Although the cost of such development and improvement shall constitute a
11 credit for, but not exceed any Quimby Fees (Government Code Section 66477, *et*
12 *seq.*), which may be applicable to Porter Ranch for development within the
13 Community Plan area, the dedication of the 50-acre park shall not be used as a
14 set-off against the requirements of Section 17.12 of the Los Angeles Municipal
15 Code for dedication of real property for park and recreational purposes, or for
16 payment of a fee in lieu thereof, in connection with the construction or
17 development of dwelling units within the Specific Plan area.

18 V.B.3. **Contribution For Art.** One percent (1%) of the permit value of all
19 commercial buildings built within Subareas I, II, and III, shall be deposited in an interest-
20 bearing Porter Ranch Art Trust Account at the time of issuance of the building permit for
21 use in purchasing public art and/or for the capital cost and maintenance cost to display
22 any such acquired art within the Specific Plan Area. Porter Ranch and the City shall
23 agree that a third-party entity, to be called the Porter Ranch Arts Council, shall be
24 designated within one year of the Effective Date of this Amended Agreement to
25 administer such account. Compliance with this Section of the Amended Agreement by
26 Porter Ranch shall be deemed to satisfy City Ordinance Nos. 166,724 and 166,725,
27 effective April 18, 1991, requiring contribution to the arts as a condition of development
28 and/or the issuance of building permits.

6/8

1 **V.B.4. Undergrounding Of Existing Utilities.** Porter Ranch shall
2 concurrently with the development authorized in Specific Plan Subareas A, B, F and G-
3 1 and G-2, underground, to the reasonable satisfaction of the City, the existing power
4 line known as the Newhall-San Fernando 66Kv transmission line and related facilities.

5 **V.B.5. Elementary And Junior High School Sites – New School Site.**
6 Porter Ranch and the School District have agreed to certain obligations with respect to
7 benefits to schools as set forth in the 1991 School Agreement between Porter Ranch
8 and the School District that is attached as Exhibit “F” and incorporated herein by this
9 reference. Following the Effective Date of this Amended Agreement, the 1991 School
10 Agreement shall continue to apply unless an Amended School Agreement is thereafter
11 entered into between Porter Ranch and the School District and recorded as provided
12 herein by the parties thereto, which contains provisions for the conveyance of the New
13 School Site by Porter Ranch to the School District in lieu of the elementary and junior
14 high school sites referenced in the 1991 School Agreement, and such Amended School
15 Agreement is consistent with the terms of both this Amended Agreement and the
16 Specific Plan, as amended. If an Amended School Agreement is entered into by Porter
17 Ranch and the School District, then the terms, conditions and provisions of the
18 Amended School Agreement shall supersede and supplant the terms, conditions and
19 provisions of the 1991 School Agreement under this Amended Agreement. Until such
20 time as an Amended School Agreement is entered into by the School District and Porter
21 Ranch, the terms, conditions and provisions of the 1991 School Agreement shall
22 continue to apply. Either the Amended School Agreement or a Memorandum
23 summarizing the terms of any Amended School Agreement shall be recorded in the
24 official records of Los Angeles County and a conformed copy of such recorded
25 Memorandum (or if recorded, a copy of the recorded Amended School Agreement) shall
26 be provided to the Director of Planning for placement in the City Planning Department’s
27 file in this matter. The time period within which an Amended School Agreement shall be
28 entered into by Porter Ranch and the School District shall be the same time period that
29 is specified in Section 1 of the 1991 School Agreement for the School District to acquire
30 the 7-acre elementary school site, which is “the expiration of three (3) years following

1 completion of the sale (close of escrow) of sixty percent (60%) of the single-family
2 residential units authorized by the Specific Plan."

3 **V.B.6. Government Or Municipal Office Building Or Public Library**

4 **Facility.** After the construction of and issuance of certificates of occupancy for seven
5 hundred fifty thousand (750,000) square feet of commercial floor area in the Community
6 Center Area, Porter Ranch shall dedicate a two (2) acre site for government offices or
7 other municipal buildings and uses, including a public library facility, as determined by
8 the City Council, at a location in Subareas I, II, III or IV of the Community Center Area to
9 be determined by Porter Ranch and the City's Department of General Services with the
10 advice of the Porter Ranch Design Review Board and the Councilmember of the
11 District, or as part of the New School Site, in accordance with the following conditions.
12 This requirement can be satisfied on the New School Site if the School District and City
13 Council have entered into a joint use agreement regarding such site. If no such
14 agreement has been reached prior to the School District breaking ground on the New
15 School Site, then Porter Ranch shall provide this site within Subareas I, II, III or IV as
16 provided above. If the threshold of construction and issuance of certificates of
17 occupancy for seven hundred fifty thousand (750,000) square feet of commercial floor
18 area in the Community Center Area is reached prior to the School District breaking
19 ground on the New School Site, then Porter Ranch shall not be required to dedicate the
20 two-acre site until either the School District breaks ground on the New School Site, or
21 the School District formally rejects a joint use agreement, or the School District no
22 longer holds title to the New School Site or has any reservation of the New School Site,
23 whichever is the earlier to occur. In the event that any of the circumstances set forth in
24 the preceding sentence occur, then Porter Ranch shall have one year from the date of
25 such circumstance to submit to the City a plan which locates the two-acre site in
26 Subareas I, II, III or IV of the Community Center Area.

27 **V.B.7. Community Meeting Facility.** After the construction of and

28 issuance of certificates of occupancy for seven hundred fifty thousand (750,000) square
29 feet of commercial office space in the Community Center Area, Porter Ranch will design
30 and construct a community meeting facility, which shall remain a community meeting

1 facility throughout the Term of this Amended Agreement, at a location in Subareas I, II,
 2 III or IV of the Community Center Area to be determined by Porter Ranch with the
 3 advice of the Porter Ranch Design Review Board and the Councilmember of the
 4 District, to seat no fewer than 300 people, which facility can be divided into four
 5 separate meeting areas of 75 seats each, or as part of the New School Site, in
 6 accordance with the following conditions. This requirement can be satisfied on the New
 7 School Site if the School District and the City Council have entered into a joint use
 8 agreement regarding such facility. If no such agreement has been reached prior to the
 9 School District's breaking ground on the New School Site, then Porter Ranch shall
 10 provide this facility within Subareas I, II, III or IV as provided above. If the threshold of
 11 construction and issuance of certificates of occupancy for seven hundred fifty thousand
 12 (750,000) square feet of commercial office space in the Community Center Area is
 13 reached prior to the School District breaking ground on the New School Site, then
 14 Porter Ranch shall not be required to design and construct the community meeting
 15 facility until either the School District breaks ground on the New School Site, or the
 16 School District formally rejects a joint use agreement, or the School District no longer
 17 holds title to the New School Site or has any reservation of the New School Site,
 18 whichever is the earlier to occur. In the event that any of the circumstances set forth in
 19 the preceding sentence occur, then Porter Ranch shall have one year from the date of
 20 such circumstance to file an application with the Porter Ranch Design Review Board for
 21 the community meeting facility in Subareas I, II, III or IV of the Community Center Area,
 22 and, following the final Design Review Board approval of such application, 9 months to
 23 commence construction of the community meeting facility, and thereafter Porter Ranch
 24 shall diligently carry on such construction to completion of such facility.

25 **V.B.8. Refuse Separation And Recycling Program.** Porter Ranch shall,
 26 with the preparation of covenants, conditions and restrictions for the Project Site, assure
 27 that all properties participate in any refuse separation and recycling program, approved
 28 by the Department of Public Works and established within the City for the separation of
 29 refuse and recyclable materials. Porter Ranch shall assure that all commercial
 30 buildings shall include adequate loading and storage areas to accommodate refuse
 31 separation and separation of recyclable materials, including areas for multiple

1 dumpsters and other facilities as needed; materials shall be collected, processed and
2 reused as specified by the Department of Public Works; and that no materials collected
3 through the recycling program may be disposed of as refuse unless no other feasible
4 alternative is available.

5 V.B.9. **Funding Of City Staff.** Pursuant to any City ordinance, including
6 any ordinance enacted subsequent to the Effective Date, uniformly applicable within the
7 City which authorizes standards for the imposition of fees and charges for the
8 administering of development projects, Porter Ranch agrees to be bound by such fees
9 for the remaining Term of the Amended Agreement. Porter Ranch shall receive a credit
10 against such fees and charges for any amounts paid annually by Porter Ranch for the
11 administration by the City of the periodic review of this Amended Agreement under
12 Section VII.B and the Mitigation Monitoring Program adopted for the Project by the City
13 Council.

14 V.B.10. **Fire Station Agreement.** Porter Ranch and the City have
15 agreed to certain obligations with respect to construction of a task force fire station (a
16 copy of the Fire Station Agreement between Porter Ranch and the City is attached as
17 Exhibit "E" and incorporated herein by this reference).

18 V.B.11. **Horse Trail Maintenance Obligations.** Porter Ranch
19 agrees that in connection with any subdivision approval by the Advisory Agency for
20 residential development, which includes requirements for the improvement and
21 maintenance of equestrian trails, it will record a covenant which will impose a continuing
22 maintenance obligation, which runs with the land, on the property owners' association(s)
23 or homeowners' association(s) with respect to such equestrian trails.

24 V.C. **Effect Of Litigation.**

25 In the event that litigation is timely instituted, and a final judgment is
26 obtained, which invalidates in its entirety this Amended Agreement, then Porter Ranch
27 shall have no obligations whatsoever under Section V of this Amended Agreement
28 except to the extent that Porter Ranch has received and utilized the benefits provided

1 under this Amended Agreement or to the extent that such benefits have otherwise
 2 vested. The determination of the extent to which Porter Ranch has received and
 3 utilized the benefits provided under this Amended Agreement and/or the extent to which
 4 such benefits have vested, and the corresponding reductions in the obligations of Porter
 5 Ranch under Section V of this Amended Agreement, shall be made by the Planning
 6 Commission, which determination shall be appealable to the City Council, in
 7 accordance with Section VII.E. In the event that any payment(s) have been made by or
 8 on behalf of Porter Ranch to the City pursuant to the obligations contained in Section
 9 V.B of the Amended Agreement, which payment(s) are eliminated or reduced under this
 10 Section, by the Planning Commission, or by the City Council on appeal from the
 11 Planning Commission, the City shall give to Porter Ranch a refund of the monies
 12 remaining in the Porter Ranch Trust Account or similarly segregated City account into
 13 which such payment(s) were deposited, if any, along with interest which has accrued, if
 14 any, and to the extent the payment(s) made by or on behalf of Porter Ranch were not
 15 deposited, or no longer are, in the Porter Ranch Trust Account or similarly segregated
 16 City account, the City shall give Porter Ranch a credit for the amount of said payment(s)
 17 as determined pursuant to this Section, along with interest, if any, that has accrued,
 18 which credit may be applied by Porter Ranch to any costs or fees imposed by the City
 19 on Porter Ranch in connection with construction or the development of property within
 20 or outside the Specific Plan Area. Porter Ranch shall use all or any portion of the credit
 21 at its own discretion until such time as the credit has been depleted.

22 **V.D. Participation In Subsequently Formed Benefit Assessment Districts.**

23 Except as provided in Section V.B.1.c.v (related to the Mason Avenue At-
 24 Grade Crossing Improvement), Porter Ranch agrees to participate, on a *pro rata* basis,
 25 in any benefit assessment district or other financing program which includes the Project
 26 Site, or any portion thereof, and which is formed subsequent to the Effective Date of this
 27 Amended Agreement. Any conditions on the issuance of building permits pursuant to
 28 the express provisions of this Amended Agreement with respect to any improvements
 29 required by Sections V.A and/or V.B of this Amended Agreement shall not be applicable
 30 to the extent such improvements have been or are in the process of being financed

1 under such benefit assessment district or other financing program; provided that any
 2 conditions on the issuance of building permits shall be reimposed in the event the
 3 Director of Planning reports to the Planning Commission that such improvements will
 4 not be completed as part of such benefit assessment district or other financing program.
 5 The Planning Commission shall then review the Director of Planning's determination
 6 and reasonably determine the appropriate phasing stage to be applied (the original
 7 phasing stage, where appropriate, or, for example, the 750th single-family unit and/or
 8 next building permit for a commercial building in the Community Center Area). The
 9 Planning Commission's determinations shall be appealable by Porter Ranch to the City
 10 Council pursuant to Section VII.E. In addition, where such improvements have been or
 11 are in the process of being financed under such benefit assessment district or other
 12 financing program, Porter Ranch's obligation to finance or construct, as the case may
 13 be, such improvements under Sections V.A and/or V.B of this Amended Agreement
 14 shall be stayed pending the completion of such improvements, at which time such
 15 obligations of Porter Ranch shall be deemed satisfied. Nothing in this Section shall be
 16 construed to prohibit Porter Ranch from applying for or receiving any credits, refunds, or
 17 reimbursements it may be entitled to under state or federal law at the time of such
 18 application.

19 **VI. OBLIGATIONS OF THE CITY**

20 **VI.A. Effective Development Standards.**

21 The City is bound with respect to the uses permitted by this Amended
 22 Agreement, insofar as this Amended Agreement and the Project Approvals so provide
 23 or as otherwise set forth in the Applicable Rules. The City hereby agrees that the land
 24 uses, density and intensity of uses set forth in this Amended Agreement are approved
 25 or will be approved pursuant to the provisions of this Amended Agreement, provided
 26 that Porter Ranch reasonably and satisfactorily complies with all preliminary
 27 procedures, actions, payments of processing fees, and criteria generally required of
 28 developers by the City for processing applications for developments. The City agrees to
 29 timely consider and act upon applications for the necessary land use, zoning, site plan,

1 or subdivision approvals and timely consider and act upon the applications for other
2 approvals and permits that will accomplish development of the Property for the uses,
3 density and intensity of development described and shown in this Amended Agreement,
4 the Specific Plan and the Applicable Rules.

5 **VI.B. Conflicting Enactments.**

6 Any City ordinance, resolution, or other measure enacted or promulgated
7 subsequent to the Effective Date of this Amended Agreement which is in conflict with
8 this Amended Agreement, or which renders non-conforming the uses, intensities of use,
9 or densities allowed by this Amended Agreement, except as provided in Section IV.C.3
10 of this Amended Agreement, shall not apply to the Property or the Project.

11 **VI.C. Moratoria.**

12 In the event an ordinance, resolution or other measure is enacted,
13 whether by action of the City, by initiative, or otherwise, which relates to the rate, timing,
14 sequencing, or phasing of the development or construction on all or any part of the
15 Property, City agrees that such ordinance, resolution or other measure shall not apply to
16 the Property or this Amended Agreement, unless such changes do not reduce the use,
17 density or intensity of use as embodied in the Project Approvals and: (i) are found by
18 the City to be necessary to the Health and Safety of the residents of the City, (ii) are
19 generally applicable on a City-wide basis (except in the event of natural disasters as
20 found by the Mayor or the City Council such as floods, earthquakes and similar acts of
21 God), and (iii) do not prevent or unreasonably delay issuance of permits, or other
22 authorizations, necessary for the implementation and development of the Project in
23 accordance with this Amended Agreement. Porter Ranch acknowledges that any delay
24 in the issuance of permits or other authorizations necessary for the implementation and
25 development of the Project in accordance with this Amended Agreement which result
26 from City-wide Health and Safety enactments related to critical and urgent situations
27 such as lack of water availability, sewer capacity, or landfill capacity, shall not constitute
28 unreasonable delays. Porter Ranch and City acknowledge that nothing in this provision

1 (iii) is meant to imply that there might be or might not be other critical and urgent
2 situations within the meaning of this provision.

3 **VII. GENERAL PROVISIONS**

4 **VII.A. Effective Date.**

5 This Amended Agreement shall be effective upon the date on which it is
6 attested by the City Clerk of the City of Los Angeles after execution by Porter Ranch
7 and the Mayor of the City of Los Angeles.

8 **VII.B. Periodic Review.**

9 **VII.B.1. Annual Review.** During the Term of this Amended
10 Agreement, the City shall review annually Porter Ranch's compliance with this
11 Amended Agreement. Such periodic review shall be limited in scope to good faith
12 compliance with the provisions of this Amended Agreement as provided in the
13 Development Agreement Act (Government Code Section 65865.1) and Porter Ranch
14 shall have the burden of demonstrating such good faith compliance.

15 **VII.B.2. Pre-Report Procedure.** Porter Ranch's submission of
16 compliance with this Amended Agreement shall be made in writing and transmitted to
17 the Director of Planning not later than sixty (60) days prior to the yearly anniversary of
18 the Effective Date. The public shall be afforded an opportunity to submit written
19 comments regarding compliance to the Director of Planning at least sixty (60) days prior
20 to the yearly anniversary of the Effective Date. All such public comments shall, upon
21 receipt by the City, be made available to Porter Ranch.

22 **VII.B.3. Director's Report And Planning Commission Hearing.**
23 On or before the yearly anniversary of the Effective Date of the Amended Agreement,
24 the Director of Planning shall make a report to the Planning Commission regarding
25 whether or not Porter Ranch has complied in good faith with the provisions and
26 conditions of this Amended Agreement. The report shall be made in writing with
27 reasonable specificity, and a copy of the report shall be provided to Porter Ranch in the

1 manner prescribed in Section VII.T. Copies of the report shall also be available to
 2 members of the public. A public hearing before the Planning Commission shall be held
 3 at the first regular meeting of the Planning Commission scheduled for the San Fernando
 4 Valley which is at least thirty days after the issuance of the Director of Planning's report;
 5 provided, however, the Planning Commission may, in its sole discretion, choose to hold
 6 a special meeting for this purpose or choose an alternative venue. The Director of
 7 Planning shall give notice of the public hearing in accordance with the notice and
 8 hearing requirements of Government Code Section 65867. Porter Ranch and members
 9 of the public shall be given an opportunity to be heard at the hearing. After such
 10 hearing, the Planning Commission shall make written findings and determinations, on
 11 the basis of substantial evidence, whether or not Porter Ranch has complied in good
 12 faith with the provisions and conditions of this Amended Agreement.

13 VII.B.4. **Appeal By Porter Ranch.** In the event the Planning
 14 Commission makes a finding and determination of non-compliance, only Porter Ranch
 15 shall be entitled to appeal that determination to the City Council in accordance with
 16 Section VII.E. In the event of a finding and determination of compliance, there shall be
 17 no appeal by any person or entity. Nothing in this Section or this Amended Agreement
 18 shall be construed as modifying or abrogating Los Angeles City Charter Section 245
 19 (City Council Veto of Board Actions).

20 VII.B.5. **Period To Cure Non-Compliance.** If, as a result of this
 21 Annual Review procedure, it is found and determined by the Planning Commission that
 22 Porter Ranch has not complied in good faith with the provisions and conditions of this
 23 Amended Agreement, the City, after denial of any appeal or, where no appeal is taken,
 24 after the expiration of the appeal period described in Section VII.E, shall submit to
 25 Porter Ranch, by registered or certified mail, return receipt requested, a written notice of
 26 default in the manner prescribed in Section VII.T, stating with specificity those
 27 obligations of Porter Ranch which have not been performed. Upon receipt of the notice
 28 of default, Porter Ranch shall promptly commence to cure the identified default(s) at the
 29 earliest reasonable time after receipt of the notice of default and shall complete the cure
 30 of such default(s) not later than one hundred and twenty (120) days after receipt of the

1 notice of default, or such longer period as is reasonably necessary to remedy such
 2 default(s), provided that Porter Ranch shall continuously and diligently pursue such
 3 remedy at all times until such default(s) is cured. In the event of a default by a
 4 successor, transferee, and/or assignee of Porter Ranch, the City shall send a copy of
 5 the notice of default to Porter Ranch as provided in this Section and in Section VII.T,
 6 and Porter Ranch shall have the right, but not the obligation, to cure such default(s) as
 7 provided in this Section.

8 VII.B.6. **Failure To Cure.** If the Director of Planning finds and
 9 determines that Porter Ranch, or its successors, transferees, and/or assignees, as the
 10 case may be, has not cured a default pursuant to this Section, and that the City intends
 11 to terminate or modify this Amended Agreement or those transferred or assigned rights
 12 and obligations, as the case may be, the Director of Planning shall make a report to the
 13 Planning Commission. The Director of Planning shall then set a date for a public
 14 hearing before the Planning Commission in accordance with the notice and hearing
 15 requirements of Government Code Sections 65867 and 65868. If after such public
 16 hearing, the Planning Commission finds and determines, on the basis of substantial
 17 evidence, that Porter Ranch, or its successors, transferees, and/or assignees, as the
 18 case may be, has not cured a default pursuant to this Section, and that the City shall
 19 terminate or modify this Amended Agreement, or those transferred or assigned rights
 20 and obligations, as the case may be, the finding and determination shall be appealable
 21 to the City Council in accordance with Section VII.E. In the event of a finding and
 22 determination of compliance, there shall be no appeal by any person or entity. Nothing
 23 in this Section or this Amended Agreement shall be construed as modifying or
 24 abrogating Los Angeles City Charter Section 245 (City Council Veto of Board Actions).

25 VII.B.7. **Termination Or Modification Of Amended Agreement.**
 26 The City may terminate or modify this Amended Agreement, or those transferred or
 27 assigned rights and obligations, as the case may be, after such final determination of
 28 the City Council or, where no appeal is taken, after the expiration of the appeal periods
 29 described in Section VII.E. There shall be no modifications of this Amended Agreement

1 unless the City Council acts pursuant to Government Code Sections 65867.5 and
2 65868, irrespective of whether an appeal is taken as provided in Section VII.E.

3 VII.B.8. **Reimbursement Of Costs.** Porter Ranch shall reimburse
4 the City for its actual costs, reasonably and necessarily incurred, to accomplish the
5 required annual review.

6 VII.C. **Default By The City.**

7 VII.C.1. **Default.** In the event the City does not accept, process, or
8 render a decision on necessary development permits, entitlements, or other land use or
9 building approvals for use as provided in this Amended Agreement upon compliance
10 with the requirements therefor, or as otherwise agreed to by the parties, or the City
11 otherwise defaults under the provisions of this Amended Agreement, Porter Ranch shall
12 have all rights and remedies provided herein or by applicable law, which shall include
13 compelling the specific performance of the City's obligations under this Amended
14 Agreement provided Porter Ranch has first complied with the procedures in Section
15 VII.C.2. No part of this Amended Agreement shall be deemed to abrogate or limit any
16 immunities or defenses the City may otherwise have with respect to claims for monetary
17 damages.

18 VII.C.2. **Notice of Default.** Porter Ranch shall first submit to the City
19 a written notice of default stating with specificity those obligations which have not been
20 performed. Upon receipt of the notice of default, the City shall promptly commence to
21 cure the identified default(s) at the earliest reasonable time after receipt of the notice of
22 default and shall complete the cure of such default(s) not later than one hundred and
23 twenty (120) days after receipt of the notice of default, or such longer period as is
24 reasonably necessary to remedy such default(s), provided that the City shall
25 continuously and diligently pursue such remedy at all times until such default(s) is
26 cured. In the case of a dispute as to whether the City has cured the default, the parties
27 shall submit the matter to arbitration pursuant to Section VII.G of this Amended
28 Agreement.

1 VII.C.3. **No Monetary Damages**. It is acknowledged by the parties
 2 that the City would not have entered into this Amended Agreement if it were potentially
 3 liable for monetary damages under or with respect to this Amended Agreement or the
 4 application thereof. Both parties agree and recognize that, as a practical matter, it may
 5 not be possible to determine an amount of monetary damages which would adequately
 6 compensate Porter Ranch for its investment of time and financial resources in planning
 7 to arrive at the kind, location, intensity of use, and improvements for the Project, nor to
 8 calculate the consideration the City would require to enter into this Amended Agreement
 9 to justify such exposure. Therefore, notwithstanding the provisions of Section VII.C.1.,
 10 the parties agree that each of the parties may pursue any remedy at law or equity
 11 available for any breach of any provision of this Amended Agreement; except that the
 12 parties shall not be liable in monetary damages and the parties covenant not to sue for
 13 or claim any monetary damages for the breach of any provision of this Amended
 14 Agreement.

15 **VII.D. Default By Porter Ranch.**

16 In the event Porter Ranch does not perform its obligations under the
 17 Amended Agreement in a timely manner, the City shall have all rights and remedies
 18 provided herein or under applicable law, which shall include, but not be limited to,
 19 compelling the specific performance of the obligations of Porter Ranch under this
 20 Amended Agreement, or modification or termination of this Amended Agreement,
 21 provided that the City has first complied with the following procedure:

22 VII.D.1. **Notice Of Default**. The City through the Director of
 23 Planning shall submit to Porter Ranch, by registered or certified mail, return receipt
 24 requested, a written notice of default in the manner prescribed in Section VII.T,
 25 identifying with specificity those obligations of Porter Ranch which have not been
 26 performed. Upon receipt of the notice of default, Porter Ranch shall promptly
 27 commence to cure the identified default(s) at the earliest reasonable time after receipt of
 28 the notice of default and shall complete the cure of such default(s) not later than one
 29 hundred and twenty (120) days after receipt of the notice of default, or such longer

1 period as is reasonably necessary to remedy such default(s), provided that Porter
2 Ranch shall continuously and diligently pursue such remedy at all times until such
3 default(s) is cured. In the event of a default by a successor, transferee, and/or assignee
4 of Porter Ranch, the City shall send a copy of the notice of default to Porter Ranch as
5 provided in this Section and in Section VII.T, and Porter Ranch shall have the right, but
6 not the obligation, to cure such default(s) as provided in this Section.

7 VII.D.2. **Failure To Cure Default Procedure.** If after the cure period
8 has elapsed, the Director of Planning finds and determines that Porter Ranch, or its
9 successors, transferees and/or assignees, as the case may be, remains in default and
10 that the City intends to terminate or modify this Amended Agreement, or those
11 transferred or assigned rights and obligations, as the case may be, the Director shall
12 make a report to the Planning Commission and then set a public hearing before the
13 Commission in accordance with the notice and hearing requirements of Government
14 Code Sections 65867 and 65868. If after public hearing, the Planning Commission
15 finds and determines, on the basis of substantial evidence, that Porter Ranch, or its
16 successors, transferees and/or assigns, as the case may be, has not cured default
17 pursuant to this Section, and that the City shall terminate or modify this Amended
18 Agreement, or those transferred or assigned rights and obligations, as the case may be,
19 Porter Ranch and its successors, transferees and/or assigns, shall be entitled to appeal
20 that finding and determination to the City Council in accordance with Section VII.E. In
21 the event of a finding and determination that all defaults are cured, there shall be no
22 appeal by any person or entity. Nothing in this Section or this Amended Agreement
23 shall be construed as modifying or abrogating Los Angeles City Charter Section 245
24 (City Council Veto of Board Actions).

25 VII.D.3. **Termination Or Modification Of Amended Agreement.**
26 The City may terminate or modify this Amended Agreement, or those transferred or
27 assigned rights and obligations, as the case may be, after such final determination of
28 the City Council or, where no appeal is taken, after the expiration of the appeal periods
29 described in Section VII.E. There shall be no modifications of this Amended Agreement

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1 unless the City Council acts pursuant to Government Code Sections 65867.5 and
2 65868, irrespective of whether an appeal is taken as provided in Section VII.E.

3 **VII.E. Appeals To City Council.** Where an appeal by Porter Ranch to the City
4 Council from a finding and/or determination of the Planning Commission is created by
5 this Amended Agreement pursuant to Sections IV.B.3, V.B.1.c.ii(C), V.B.1.e.ii(B), V.C,
6 V.D, VII.B.4, VII.B.6, and VII.D.2, such appeal shall be taken, if at all, within twenty (20)
7 days after the mailing of such finding and/or determination to Porter Ranch, or its
8 successors, transferees, and/or assignees, as the case may be. The City Council shall
9 act upon the finding and/or determination of the Planning Commission within eighty (80)
10 days after such mailing, or within such additional period as may be agreed upon by the
11 Porter Ranch and the Council. The failure of the City Council to act shall not be
12 deemed to be a denial or an approval of the appeal, which shall remain pending until
13 final City Council action.

14 **VII.F. Enforced Delay; Extension Of Time Of Performance.**

15 In addition to specific provisions of this Amended Agreement, whenever a
16 period of time, including a reasonable period of time, is designated within which either
17 party hereto is required to do or complete any act, matter or thing, the time for the doing
18 or completion thereof shall be extended by a period of time equal to the number of days
19 during which such party is prevented from, or is unreasonably interfered with, the doing
20 or completion of such act, matter or thing because of causes beyond the reasonable
21 control of the party to be excused, including: war; insurrection; strikes; walk-outs; riots;
22 floods; earthquakes; fires; casualties; acts of God; litigation and administrative
23 proceedings against the Project (not including any administrative proceedings
24 contemplated by this Amended Agreement in the normal course of affairs (e.g., the
25 annual review)); the Project Approvals or any approval required by the City thereof (not
26 including any period of time normally expected for the processing of such approvals in
27 the ordinary course of affairs); restrictions imposed or mandated by other governmental
28 entities; enactment of conflicting state or federal laws or regulations; judicial decisions;
29 Health and Safety enactments enacted after the Effective Date as set forth in Sections

1 IV.B.1, IV.B.2 and VI.C; or similar bases for excused performance which is not within
2 the reasonable control of the party to be excused (financial inability excepted). This
3 Section shall not be applicable to any proceedings with respect to bankruptcy or
4 receivership initiated by or on behalf of Porter Ranch or, if not dismissed within ninety
5 (90) days, by any third parties against Porter Ranch. If written notice of such delay is
6 given to either party within thirty (30) days of the commencement of such delay, an
7 extension of time for such cause will be granted in writing for the period of the enforced
8 delay, or longer as may be mutually agreed upon.

1 VII.G. **Dispute Resolution.**

2 VII.G.1. **Dispute Resolution Proceedings.** The parties may agree
3 to dispute resolution proceedings to fairly and expeditiously resolve disputes or
4 questions of interpretation under this Amended Agreement. These dispute resolution
5 proceedings may include: (a) procedures developed by the City for expeditious
6 interpretation of questions arising under development agreements; (b) non-binding
7 arbitration as provided below; or (c) any other manner of dispute resolution which is
8 agreed upon by the parties.

9 VII.G.2. **Arbitration.** Any dispute between the parties that is to be
10 resolved by arbitration shall be settled and decided by arbitration conducted by an
11 arbitrator who must be a former judge of the Los Angeles County Superior Court or
12 Appellate Justice of the Second District Court of Appeals or the California Supreme
13 Court. This arbitrator shall be selected by mutual agreement of the parties.

14 VII.G.3. **Arbitration Procedures.** Upon appointment of the
15 arbitrator, the matter shall be set for arbitration at a time not less than thirty (30) nor
16 more than ninety (90) days from the effective date of the appointment of the arbitrator.
17 The arbitration shall be conducted under the procedures set forth in Code of Civil
18 Procedure Section 638, *et seq.*, or under such other procedures as are agreeable to
19 both parties, except that provisions of the California Code of Civil Procedure pertaining
20 to discovery and the provisions of the California Evidence Code shall be applicable to
21 such proceeding.

22 VII.G.4. **Extension Of Amended Agreement Term.** The Term of
23 this Amended Agreement as set forth in Section VII.J shall automatically be extended
24 for the period of time in which the parties are engaged in dispute resolution to the
25 degree that such extension of the Term is reasonably required because activities which
26 would have been completed prior to the expiration of the Term are delayed beyond the
27 scheduled expiration of the Term as the result of such dispute resolution.

28 VII.H. **Legal Action.**

1 Either party may, in addition to any other rights or remedies, institute legal
2 action to cure, correct, or remedy any default, obtain damages, enforce any covenant or
3 agreement herein, enjoin any threatened or attempted violation, or enforce by specific
4 performance the obligations and rights of the parties hereto.

5 **VII.I. Applicable Law.**

6 This Amended Agreement shall be construed and enforced in accordance
7 with the laws of the State of California, and the venue for any legal actions brought by
8 any party with respect to this Amended Agreement shall be the County of Los Angeles,
9 State of California for state actions and the Central District of California for any federal
10 actions.

11 **VII.J. Term.**

12 The term of this Amended Agreement ("Term") shall commence on the
13 Effective Date and shall expire on December 31, 2015, unless said Term is otherwise
14 terminated, modified or extended by circumstances set forth in this Amended
15 Agreement or by mutual consent of the parties hereto. Following the expiration of this
16 Term, this Amended Agreement shall terminate and be of no further force and effect;
17 provided, however, that this termination shall not affect any right or duty arising from
18 entitlements or approvals, including the Project Approvals on the Project Site approved
19 concurrently with, or subsequent to, the Effective Date of this Amended Agreement.
20 The Term of this Amended Agreement shall automatically be extended for the period of
21 time of any actual delay resulting from any enactments pursuant to Sections IV.B.1 and
22 IV.B.2 and moratoria pursuant to Section VI.C. If development of the public benefits
23 referenced in Section III has not been completed by December 31, 2015, then the term
24 of this Amended Agreement shall also be extended an additional 5 years to December
25 31, 2020, provided that the City Council has reviewed and certified an updated
26 environmental review of the Project, based on the FEIR, pursuant to CEQA and the Los
27 Angeles City CEQA Guidelines. The cost of such updated environmental review shall
28 be paid for by Porter Ranch.

1 **VII.K. Amendments.**

2 This Amended Agreement may be amended from time to time by mutual
3 consent in writing of the parties to this Amended Agreement in accordance with
4 Government Code Section 65868. Any amendment to this Amended Agreement which
5 relates to the Term, permitted uses, density or intensity of use, height, or size of
6 buildings, provisions for reservation and dedication of land; conditions, restrictions, and
7 requirements relating to subsequent discretionary action; monetary contributions by
8 Porter Ranch; or any conditions or covenants relating to the use of the Property shall
9 require notice and public hearing before the parties may execute an amendment
10 thereto.

11 **VII.L. Assignment.**

12 The Property, as well as the rights and obligations of Porter Ranch under
13 this Amended Agreement, may be transferred or assigned in whole by Porter Ranch
14 without the consent of the City. Further, the Property, and the rights and obligations of
15 Porter Ranch under this Amended Agreement, may be transferred or assigned in part
16 by Porter Ranch without the consent of the City so long as Porter Ranch is not in
17 violation of the Subdivision Map Act (Government Code Section 66410, *et seq.*) and
18 recognizing that the Advisory Agency has the authority to condition the subdivisions of
19 the Property with the obligations under Section V.B of this Amended Agreement
20 attributable to that subdivision.

21 If Porter Ranch assigns or transfers any of its Property, rights, and/or
22 obligations under this Amended Agreement, the "Obligations By Porter Ranch" as set
23 forth in Section V which have been assigned or transferred by Porter Ranch shall be
24 binding and of full force and effect on any assignee or transferee. The express
25 assumption of any of Porter Ranch's obligations under this Amended Agreement by its
26 assignee or transferee shall thereby relieve Porter Ranch of those obligations.

27 Porter Ranch, or any successor, shall give prior written notice to the City
28 of its intention to assign or transfer any of its Property, rights and/or obligations under

1 this Amended Agreement and a complete disclosure of the identity of the assignee or
 2 transferee, including copies of the Articles of Incorporation in the case of corporations
 3 and the names of individual partners in the case of partnerships. Any failure by Porter
 4 Ranch to provide said notice shall be curable in accordance with the provisions of
 5 Section VII.D. Porter Ranch's obligation to give written notice under this provision shall
 6 cease as to each particular subdivision of the Property once the conditions and
 7 obligations imposed by the Advisory Agency with respect to each such subdivision have
 8 been met.

9 If any rights and/or obligations of Porter Ranch under this Amended
 10 Agreement are transferred or assigned, and expressly assumed by the transferee or
 11 assignee as provided in this Section, said transferred or assigned rights and/or
 12 obligations shall be severable from the rights and/or obligations remaining in Porter
 13 Ranch, and any default or breach with respect to the transferred or assigned rights
 14 and/or obligations shall not constitute a default or breach with respect to the remaining
 15 rights and/or obligations under the Amended Agreement, all of which shall remain in full
 16 force and effect as to both Porter Ranch and the City.

17 Nothing in this Section shall amend, modify, or revise the authority granted
 18 to the City under this Amended Agreement to delay the issuance of building permits
 19 pursuant to Sections V.B.1.c.vi and V.B.1.e.vi or the last sentence in Sections V.B.1.b
 20 and V.B.1.d.

21 **VII.M. Infrastructure Financing.**

22 The City acknowledges that Porter Ranch may seek to utilize the
 23 establishment of a Mello-Roos Community Facilities District pursuant to Government
 24 Code Section 53311, *et seq.*, consistent with City guidelines applicable at the time of
 25 the proposed establishment and subject to the subsequent discretionary approval of the
 26 City, covering the Property to enable the issuance of bonds for improvements desired
 27 by the City in accordance with this Amended Agreement.

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1 **VII.N. Covenants.**

2 The provisions of this Amended Agreement shall constitute covenants
3 which shall run with the land comprising the Property for the benefit thereof, and the
4 burdens and benefits hereof shall bind and inure to the benefit of all assignees,
5 transferees, and successors to the parties hereto.

6 **VII.O. Cooperation And Implementation.**

7 **VII.O.1. Processing.** Upon satisfactory completion by Porter Ranch
8 of all required preliminary actions and payment of appropriate processing fees, if any,
9 the City shall commence and diligently process all required steps necessary for the
10 implementation of this Amended Agreement and development of the Project by Porter
11 Ranch on the Property.

12 **VII.O.2. Other Governmental Permits.** Porter Ranch shall apply in
13 a timely manner for such other permits and approvals as may be required from other
14 governmental or quasi-governmental agencies having jurisdiction over the Project as
15 may be required for the development of, or provision of services to, the Project. The
16 City shall cooperate with Porter Ranch in its endeavors to obtain such permits and
17 approvals and shall, from time to time at the request of Porter Ranch, attempt with due
18 diligence and in good faith to enter into binding agreements with any such entity to
19 ensure the availability of such permits and approvals, or services, provided such
20 agreements are reasonable and not detrimental to the City. These agreements may
21 include, but are not limited to, joint powers agreements under the provisions of the Joint
22 Exercise of Powers Act (Government Code Section 6500, *et seq.*) or the provisions of
23 other laws to create legally binding, enforceable agreements between such parties. To
24 the extent allowed by law, Porter Ranch shall be a party to any such agreement, or a
25 third party beneficiary thereof, entitled to enforce for its benefit on behalf of the City, or
26 in its own name, the rights of the City or Porter Ranch thereunder or the duties and
27 obligations of the parties thereto. Porter Ranch shall reimburse the City for all costs and
28 expenses incurred in connection with seeking and entering into any such agreement,
29 provided that Porter Ranch has requested it. Porter Ranch shall defend the City in any

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1 challenge by any person to any such agreement, and shall reimburse the City for any
2 costs and expenses incurred by the City in enforcing any such agreement. Any fees,
3 assessments, or other amounts payable by the City thereunder shall be borne by Porter
4 Ranch, except where Porter Ranch has notified the City in writing, prior to the City
5 entering into such agreement, that it does not desire for the City to execute such
6 agreement. This Section shall not revise, amend, or modify in any way Section IV.H of
7 this Amended Agreement.

8 **VII.P. Cooperation In The Event Of Legal Challenge.**

9 In the event of any legal action instituted by a third party or other
10 governmental entity or official challenging the validity of any provision of this Amended
11 Agreement, the parties hereby agree to affirmatively cooperate in defending said action,
12 each party bearing its own attorneys' fees and costs.

13 **VII.Q. Relationship Of The Parties.**

14 It is understood and agreed by the parties hereto that the contractual
15 relationship created between the parties hereunder is that Porter Ranch is an
16 independent contractor and not an agent of the City. Further, the City and Porter Ranch
17 hereby renounce the existence of any form of joint venture or partnership between them
18 and agree that nothing herein or in any document executed in connection herewith shall
19 be construed as making the City and Porter Ranch joint venturers or partners.

20 **VII.R. Hold Harmless and Insurance.**

21 **VII.R.1. Hold Harmless.** Porter Ranch hereby agrees to, and shall
22 defend, save and hold the City and its elected and appointed representatives, boards,
23 commissions, officers, agents, and employees (collectively, "the City" in this Section)
24 harmless from any and all claims, costs, and liability for any damages, personal injury or
25 death which may arise, directly or indirectly, from Porter Ranch or Porter Ranch's
26 contractors, subcontractors, agents, or employees' operations in connection with the
27 construction of the Project, whether such operations be by Porter Ranch or any of
28 Porter Ranch's contractors, subcontractors, by any one or more persons directly or

1 indirectly employed by, or acting as agent for Porter Ranch or any of Porter Ranch's
 2 contractors or subcontractors. Nothing in this Section shall be construed to mean that
 3 Porter Ranch shall hold the City harmless and/or defend it from any claims arising from,
 4 or alleged to arise from, the negligent acts, or negligent failure to act, on the part of the
 5 City, or its elected and appointed representatives, officers, agents and employees. City
 6 agrees that it shall fully cooperate with Porter Ranch in the defense of any matter in
 7 which Porter Ranch is defending and/or holding the City harmless. Porter Ranch shall
 8 not be obligated under this Section to defend, save and/or hold the City harmless for
 9 any and all claims, costs and liability for any damages, personal injury or death, which
 10 may arise, directly or indirectly, from Porter Ranch or Porter Ranch's contractors,
 11 subcontractors, agents, or employees' operation in connection with any improvements
 12 constructed to City standards and approved for acceptance by the City.

13 VII.R.2. **Insurance.** Without limiting its obligation to hold the City
 14 and others harmless, Porter Ranch shall provide and maintain at its own expense
 15 during the Term of this Amended Agreement the following program of insurance
 16 concerning its operations hereunder which shall be provided by insurer(s) satisfactory to
 17 the City on or before the Effective Date of this Amended Agreement. The program of
 18 insurance provided shall specifically identify this Amended Agreement and shall contain
 19 express conditions that the City is to be given written notice at least thirty (30) days prior
 20 to any modification or termination of coverage. Such insurance shall be primary to and
 21 not contributing with any other insurance maintained by the City, shall name the City as
 22 an additional insured, and shall include, but not be limited to, either comprehensive
 23 general liability insurance endorsed for premises/Project Site Operations,
 24 Products/Completed Operations, Contractual, Broad Form Property Damage, and
 25 Personal Injury or Builder's All-Risk Insurance, with a combined single limit of not less
 26 than \$1,000,000 per occurrence. From time to time, but not more often than once every
 27 two (2) years, Porter Ranch shall increase the coverage limits of the insurance required
 28 under this Section if so directed by the City after a determination by the City that such
 29 an increase is justified using customary and reasonable risk management methods and
 30 principles.

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1 **VII.S. Constructive Notice And Acceptance.**

2 Every person who now or hereafter owns or acquires any right, title,
3 interest in or to any portion of the Property, is and shall be conclusively deemed to have
4 consented and agreed to every provision contained herein, whether or not any
5 reference to this Amended Agreement is contained in the instrument by which such
6 person acquired an interest in the Property.

7 **VII.T. Notices.**

8 Any notice or communication required hereunder between the City or
9 Porter Ranch must be in writing, and may be given either personally or by registered or
10 certified mail, return receipt requested. If given by registered or certified mail, the same
11 shall be deemed to have been given and received on the first to occur of (i) actual
12 receipt by any of the addressees designated below as the party to whom notices are to
13 be sent, or (ii) five (5) days after a registered or certified letter containing such notice,
14 properly addressed, with postage prepaid, is deposited in the United States mail. If
15 personally delivered, a notice shall be deemed to have been given when delivered to
16 the party to whom it is addressed. Any party hereto may at any time, by giving ten (10)
17 days' written notice to the other party hereto, designate any other address in
18 substitution of the address, or any additional address, to which such notice or
19 communication shall be given. Such notices or communications shall be given to the
20 parties at their addresses set forth below:

 If to the City:
 Director of Planning
 City of Los Angeles
 Room 525, City Hall
 200 North Spring Street
 Los Angeles, California 90012

with copies to:

 General Manager
 Department of Transportation
 City of Los Angeles
 10th Floor
 100 South Main Street
 Los Angeles, California 90012

 City Attorney, City of Los Angeles
 Real Property/Environment Division
 700 City Hall East

89

200 North Main Street
Los Angeles, California 90012

If to Porter Ranch:

David Hasson
Director of Planning and Development
Shapel/Liberty Building Partnership
Wilshire/San Vicente Plaza
Suite 700
8383 Wilshire Boulevard
Beverly Hills, California 90211

with copies to:

Michael S. Woodward, Esquire
DLA Piper US, LLP
4th Floor
1999 Avenue of the Stars
Los Angeles, California 90067

If to Liberty Building Company:

Mr. Irving Feintech
Liberty Building Company
321 South Beverly Drive
Suite K
Beverly Hills, California 90121

1 **VII.U. Recordation.**

2 As provided in Government Code Section 65868.5, the City Clerk of Los
3 Angeles shall record a copy of this Amended Agreement with the Registrar-Recorder of
4 the County of Los Angeles within ten (10) days following its execution by both parties.

5 **VII.V. Severability.**

6 If any provisions, conditions, or covenants of this Amended Agreement, or
7 the application thereof to any circumstances of either party, shall be held invalid or
8 unenforceable, the remainder of this Amended Agreement or the application of such
9 provision, condition, or covenant to persons or circumstances other than those as to
10 whom or which it is held invalid or unenforceable shall not be affected thereby and shall
11 be valid and enforceable to the fullest extent permitted by law.

12 **VII.W. Time Of The Essence.**

13 Time is of the essence for each provision of this Amended Agreement of
14 which time is an element.

1 **VII.X. Waiver.**

2 No waiver of any provision of this Amended Agreement shall be effective
3 unless in writing and signed by a duly authorized representative of the party against
4 whom enforcement of a waiver is sought and refers expressly to this Section. No
5 waiver of any right or remedy in respect of any occurrence or event shall be deemed a
6 waiver of any right or remedy in respect of any other occurrence or event.

7 **VII.Y. Entire Agreement.**

8 This Amended Agreement sets forth and contains the entire
9 understanding and agreement of the parties and there are no oral or written
10 representations, understandings or ancillary covenants, undertakings or agreements
11 which are not contained or expressly referred to herein and no testimony or evidence of
12 any such representations, understandings, or covenants shall be admissible in any
13 proceedings of any kind or nature to interpret or determine the provisions or conditions
14 of this Amended Agreement.

15 **VII.Z. No Third Party Beneficiaries.**

16 The only parties to this Amended Agreement are the City and Porter
17 Ranch and their successors-in-interest. There are no third party beneficiaries and this
18 Amended Agreement is not intended, and shall not be construed to benefit or be
19 enforceable by any other person whatsoever.

20 **VII.AA. Successors And Assignees.**

21 The provisions of this Amended Agreement shall be binding upon and
22 shall inure to the benefit of the parties, any subsequent owner of all or any portion of the
23 Property and their respective successors and assignees.

24 **VII.BB. Certificate Of Compliance.**

25 At any time during the Term of this Amended Agreement, any lender or
26 other party may request any party to this Amended Agreement to confirm that to the

1 best of such party's knowledge, no defaults exist under this Amended Agreement or if
 2 defaults do exist, to describe the nature of such defaults. Each party hereby agrees to
 3 provide a certificate to such lender or other party within forty five (45) business days of
 4 the request therefor. The failure of any party to provide the requested certificate within
 5 such forty-five (45) business day period shall constitute a confirmation that to the best of
 6 such party's knowledge, no defaults exist under this Amended Agreement. The
 7 confirming effect described in the prior sentence shall apply only after ten (10) business
 8 days' (which may run concurrently with the last ten days of the forty-five day period)
 9 written notice is given to the attorney, if known, of such non-responding party and there
 10 is a continued failure to respond and only with respect to the lender or other party for
 11 whom the certificate of compliance was requested.

12 **VII.CC. Legal Advice; Neutral Interpretation; Headings, Table Of**
 13 **Contents, and Index.**

14 Each party has received independent legal advice from its attorneys with
 15 respect to the advisability of executing this Amended Agreement and the meaning of the
 16 provisions hereof. The provisions of this Amended Agreement shall be construed as to
 17 their fair meaning, and not for or against any party based upon any attribution to such
 18 party as the source of the language in question. The headings, table of contents, and
 19 index used in this Amended Agreement are for the convenience of reference only and
 20 shall not be used in construing this Amended Agreement.

21 **VII.DD. Ability To Encumber Property.**

22 The parties hereto agree that this Amended Agreement shall not prevent
 23 or limit Porter Ranch, in any manner and at Porter Ranch's sole discretion, from
 24 encumbering the Property or any portion thereof or any improvement thereon by any
 25 mortgage, deed of trust, or other security device securing financing with respect to the
 26 Property.

1 VII.EE. Counterparts.

2 This Amended Agreement is executed in five (5) duplicate originals, each
3 of which is deemed to be an original. This Amended Agreement, not counting the
4 Cover Page, Table of Contents or Index, consists of __ pages and seven (7) Exhibits
5 which constitute the entire understanding and agreement of the parties. The Exhibits
6 are identified as follows:

- Exhibit "A" Map of the Property
- Exhibit "B" Legal Description of the Property
- Exhibit "C" Map of the Specific Plan Area
- Exhibit "D" Transportation Improvements (Appendix "B" to the Specific Plan).
- Exhibit "E" Agreement Regarding Porter Ranch Fire Station, between City and Porter Ranch.
- Exhibit "F" Agreement Regarding Schools Between Porter Ranch and Los Angeles Unified School District
- Exhibit "G" Letter of Credit Certificates G1, G-2, and G-3

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**2008 AMENDED AND RESTATED
DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF LOS ANGELES
AND
THE PORTER RANCH DEVELOPMENT COMPANY**

1 IN WITNESS WHEREOF, the parties hereto have executed this Amended
2 Agreement as of the date first written above.

"City"
CITY OF LOS ANGELES, a municipal
corporation of the State of California

By: *[Signature]* **OCT 06 2008**
ANTONIO R. VILLARAIGOSA
Mayor

APPROVED AS TO FORM:
ROCKARD DELGADILLO, City Attorney

By: *[Signature]*
ANDREW J. NOCAS
Deputy City Attorney
DATE: Sept 4, 2008

ATTEST:
KAREN E. KALFAYAN, Interim City
Clerk

By: *[Signature]*
Deputy

DATE: 10.7.08
C-84447-2



"Porter Ranch"
PORTER RANCH DEVELOPMENT CO.

By: SHAPELL INDUSTRIES, INC.,
a Delaware corporation

By: *[Signature]*, President
By: *[Signature]*, Secretary

By: LIBERTY BUILDING COMPANY,
a California corporation

By: *[Signature]*, Irving Feintech, President
By: *[Signature]*, Secretary

APPROVED AS TO FORM:

DLA PIPER US, LLP
By: *[Signature]*
Michael S. Woodward, Esquire

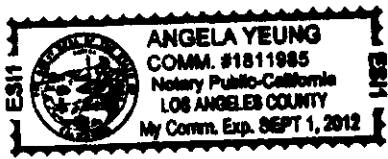
3

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On ~~September~~ ^{October 6}, 2008, before me, ANGELA YEUNG a Notary Public in and

for said State, personally appeared Antonio R. Villaraigosa, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.



(SEAL)

WITNESS my hand and official seal.

Angela Yeung

Signature of Notary Public

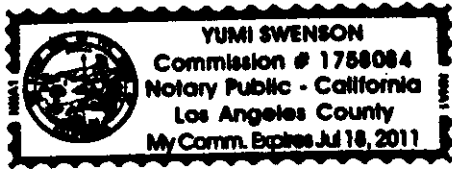
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On September 4, 2008, before me, Yumi Swenson, a Notary Public in and for said State, personally appeared David Shapell, Irving Feintech, and Tom Zeiger who proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



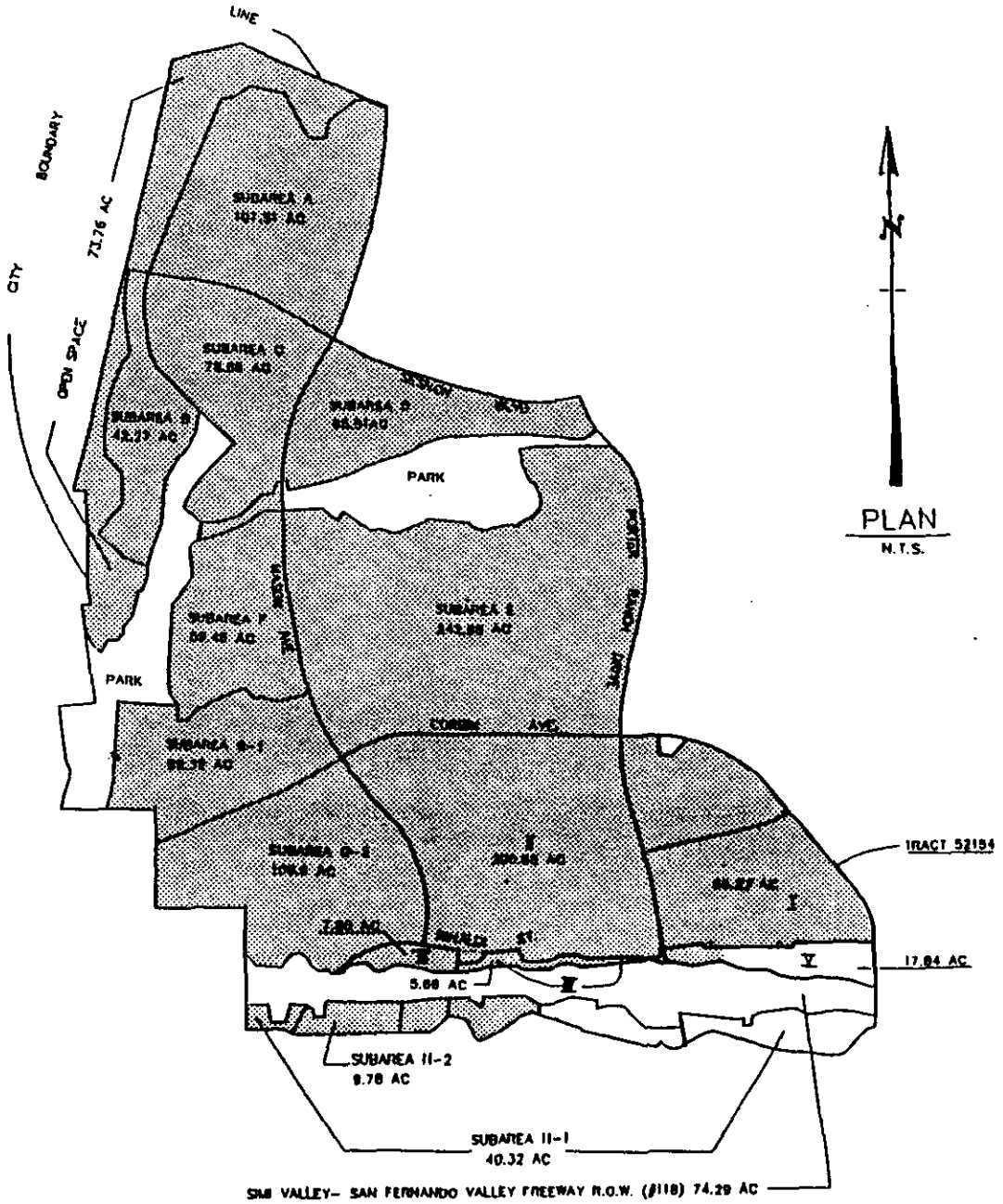
(SEAL)

Yumi Swenson

Signature of Notary Public

917

THE INTENT OF THIS ORDINANCE IS FOR THE BOUNDARIES OF THESE SUBAREAS TO COINCIDE WITH THOSE OF FUTURE RECORDED TRACT OR PARCEL MAPS.



OWNERSHIP

SEE LEGAL DESCRIPTION FOR EXCLUSION OF INDIVIDUAL LOTS

EXHIBIT A
Page 1

GENERAL BOUNDARIES OF OWNERSHIP

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THE INTENT OF THIS ORDINANCE IS FOR THE BOUNDARIES OF THESE LAND USE DESIGNATIONS TO COINCIDE WITH THOSE OF FUTURE RECORDED TRACT OR PARCEL MAPS.

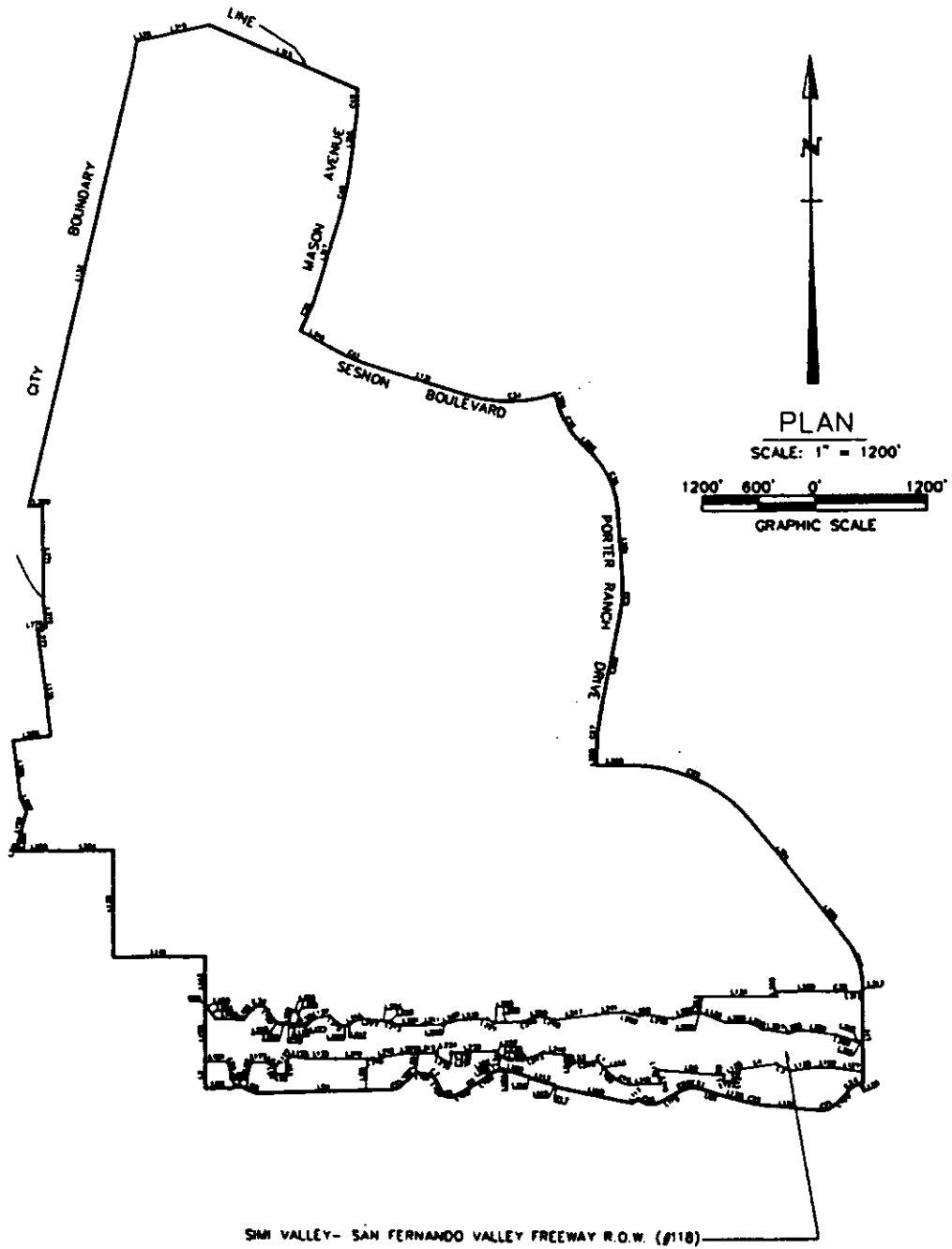


EXHIBIT A
Page 2

PAI PLANNING ASSOCIATES INC.

LEGAL DESCRIPTION FOR PORTER RANCH DEVELOPMENT AGREEMENT

LINE TABLE		
LINE	LENGTH	BEARING
L1	1123.94	S17°13'50"E
L2	292.33	N89°21'37"W
L3	172.04	N89°13'30"W
L4	378.92	S81°44'53"W
L5	540.10	N89°32'48"W
L6	634.35	N07°00'37"W
L7	323.79	N17°11'08"E
L8	510.00	N89°32'48"W
L9	82.63	N22°44'48"E
L10	68.22	N89°32'48"E
L11	989.71	N00°00'28"E
L12	137.80	S32°38'10"E
L13	1083.22	N00°18'20"E
L14	917.00	S07°18'02"E
L15	400.78	S82°41'18"W
L16	743.01	N07°28'08"E
L17	233.09	S07°10'03"E
L18	100.10	S82°30'13"E
L19	142.54	N89°34'00"W
L20	989.71	N00°00'28"E
L21	84.00	N04°01'21"E
L22	94.82	S08°46'10"E
L23	83.00	S04°11'00"W
L24	274.77	N74°08'42"W
L25	143.71	S32°20'08"E
L26	336.47	S07°40'15"W
L27	271.99	S48°21'28"W
L28	199.89	N49°32'21"W
L29	348.83	S32°24'47"W
L30	198.09	N12°30'05"E
L31	198.17	S12°48'40"E
L32	292.33	N00°00'05"E
L33	819.99	N78°11'36"W
L34	1437.37	S86°32'20"W
L35	159.32	S88°38'04"W
L36	271.54	N88°34'32"E
L37	124.81	N88°35'31"E
L38	185.27	N28°37'09"W
L39	184.24	S81°20'10"W
L40	28.83	N72°18'43"E
L41	315.84	S87°47'23"E
L42	174.50	S47°33'28"W
L43	274.17	S17°48'28"W
L44	51.87	S90°00'00"E
L45	304.83	N12°38'47"E
L46	178.49	N12°38'47"E
L47	93.39	S87°42'53"E
L48	576.82	N84°35'24"E
L49	234.94	S45°30'33"E
L50	85.98	S10°24'41"E
L51	148.28	S03°28'30"W
L52	392.18	S89°44'00"E
L53	1082.93	S11°47'00"E
L54	305.37	N81°40'18"E
L55	209.79	S08°33'00"E
L56	187.77	N71°13'48"E
L57	140.00	S00°00'20"E
L58	358.47	S01°48'15"E
L59	188.08	N17°48'05"E
L60	189.86	S00°04'50"E
L61	368.38	N88°15'38"E
L62	198.17	S18°46'40"W
L63	100.00	N04°43'00"E
L64	1000.00	N88°34'36"W
L65	1142.82	N88°04'00"E
L66	304.83	N72°38'47"E
L67	113.88	N39°48'00"E
L68	100.00	N04°12'00"W
L69	520.83	N12°38'47"E
L70	288.18	N12°38'47"E
L71	505.61	N89°04'00"E
L72	233.31	N89°21'37"W
L73	0.17	S17°48'28"E
L74	148.48	N47°46'38"E
L75	164.43	N88°32'24"E
L76	158.74	S09°58'33"W
L77	171.44	N84°13'87"E
L78	84.82	S38°27'00"E
L79	140.00	S00°00'20"E
L80	78.24	N02°21'44"E
L81	118.04	N12°38'47"E
L82	151.84	S13°18'38"E
L83	84.70	N89°31'53"E
L84	92.73	N12°11'38"E
L85	71.53	N89°38'00"E
L86	84.17	N42°08'33"E
L87	80.50	S88°38'00"E
L88	82.77	N22°44'48"E
L89	49.88	N44°38'14"E
L90	52.29	N77°44'48"E
L91	316.43	N88°15'30"E
L92	158.51	S72°57'38"W
L93	203.79	N88°31'20"E
L94	123.37	N88°34'32"E
L95	271.54	N88°35'31"E
L96	118.84	N88°37'31"E
L97	78.34	N88°38'44"E
L98	158.32	N88°39'54"E

LINE TABLE		
LINE	LENGTH	BEARING
L99	124.51	N89°32'48"W
L100	320.00	N74°08'42"W
L101	138.83	N89°21'37"W
L102	221.99	S88°21'28"W
L103	184.24	S81°20'10"W
L104	183.27	N28°37'09"W
L105	16.12	S03°28'30"W
L106	42.87	N88°38'25"E
L107	85.63	N71°30'14"E
L108	143.71	S32°20'08"E
L109	198.09	N49°32'21"W
L110	819.99	N78°11'36"W
L111	14.14	N28°08'42"W
L112	28.83	N22°44'48"E
L113	274.77	N74°08'42"W
L114	18.70	N72°08'42"W
L115	274.37	S81°27'28"W
L116	84.83	S08°46'10"E
L117	72.50	S47°18'28"W
L118	315.84	S87°47'23"E
L119	51.97	S08°18'13"E
L120	282.52	S81°20'22"W
L121	578.62	N84°35'24"E
L122	83.31	S87°42'53"E
L123	64.00	N04°01'21"E
L124	83.00	S04°11'00"W
L125	95.81	S80°33'17"E
L126	178.49	N72°38'47"E
L127	284.38	N88°34'32"E
L128	233.33	N87°28'38"W
L129	154.84	S43°38'38"E
L130	84.83	S12°48'40"E
L131	980.00	S72°30'00"E
L132	512.84	N12°33'00"E
L133	289.48	N87°45'36"E
L134	793.82	S80°00'00"E
L135	91.70	S47°33'28"W
L136	316.47	N88°15'30"E
L137	158.54	S78°37'38"W
L138	1142.82	N00°00'05"E
L139	34.23	N87°49'40"E
L140	483.00	S88°31'34"E
L141	1000.00	N88°34'36"E
L142	358.23	N00°00'05"E
L143	278.08	N88°15'37"E
L144	190.33	S88°15'37"E
L145	288.18	S88°15'34"E
L146	208.81	N81°28'10"E
L147	283.22	S88°24'38"E
L148	11.18	S88°24'38"E
L149	143.70	S84°17'28"W
L150	21.27	N84°17'40"E
L151	70.48	S81°17'34"W
L152	107.39	S87°18'01"E
L153	90.20	N81°28'10"E
L154	43.88	S81°28'10"E
L155	545.81	N00°00'05"E
L156	103.07	N74°27'03"E
L157	188.32	N48°00'00"E
L158	181.38	N88°21'31"E
L159	138.83	N88°21'31"E
L160	50.00	N88°21'31"E
L161	335.39	N88°21'31"E
L162	218.58	N88°21'31"E
L163	8.17	S17°48'28"E
L164	484.48	N47°46'38"E
L165	92.73	N84°13'87"E
L166	87.10	S81°20'22"W
L167	34.00	S81°20'22"W
L168	38.04	S88°34'32"E
L169	151.84	S13°18'38"E
L170	107.70	S89°04'00"E
L171	287.82	N89°21'37"W
L172	484.43	N89°21'37"W
L173	71.53	N89°38'00"E
L174	88.50	S88°38'00"E
L175	171.44	N84°13'87"E
L176	209.82	S88°24'21"E
L177	84.82	S38°27'00"E
L178	168.77	N88°38'44"E
L179	320.00	N74°08'42"E
L180	122.88	N36°30'36"E
L181	88.83	N71°30'14"E
L182	81.87	N88°38'25"E
L183	18.17	S03°28'30"W
L184	35.32	S88°24'38"E
L185	88.04	S88°24'38"E
L186	84.70	S88°24'38"E
L187	89.11	S88°24'38"E
L188	244.34	S88°24'38"E
L189	14.14	N28°08'42"W
L190	134.83	S88°41'28"E
L191	158.74	S09°58'33"W
L192	173.88	N37°48'08"E
L193	125.00	S88°24'38"E
L194	57.29	N77°44'48"E
L195	82.77	N22°44'48"E
L196	484.43	N89°21'37"E
L197	158.89	N87°47'48"E
L198	102.87	N88°24'38"E
L199	52.71	N89°31'53"E
L200	510.00	N89°32'48"E
L201	82.83	N22°44'48"E
L202	88.22	N89°38'00"E
L203	10.70	N22°44'48"E
L204	540.10	N89°32'48"E
L205	408.78	S82°41'18"W
L206	634.35	N07°00'37"W
L207	157.00	S32°38'10"E
L208	209.82	S88°24'21"E
L209	168.77	N88°38'44"E

LINE TABLE		
LINE	LENGTH	BEARING
L210	171.99	N00°00'28"E
L211	218.38	S88°34'08"E
L212	283.38	S88°32'54"E
L213	107.50	S88°31'00"E
L214	143.70	S87°18'28"E
L215	189.88	S30°06'38"E
L216	293.22	S81°20'22"W
L217	21.27	N84°17'40"E
L218	11.18	S87°42'53"E
L219	388.38	N88°15'38"E
L220	70.48	S81°17'34"W
L221	230.88	N88°34'07"E
L222	180.39	S88°31'34"E
L223	208.81	N81°28'10"E
L224	30.20	N81°28'10"E
L225	43.88	S81°28'10"E
L226	88.04	N88°24'21"E
L227	82.19	S87°21'53"E
L228	103.07	N82°27'03"E
L229	289.74	N83°18'18"E
L230	483.00	S88°31'34"E
L231	87.10	S88°24'21"E
L232	34.00	S04°11'00"W
L233	1732.56	S84°08'32"E
L234	30.00	N04°01'21"E
L235	603.39	S17°21'13"E
L236	168.33	N88°04'08"E
L237	127.08	N88°30'36"E
L238	35.33	N88°31'00"E
L239	343.25	N87°48'40"E
L240	39.04	S85°24'12"E
L241	308.31	N87°48'18"E
L242	287.82	N88°23'05"E
L243	244.34	N88°23'05"E
L244	191.85	N88°23'05"E
L245	384.33	N88°23'05"E
L246	102.87	N88°23'05"E
L247	441.63	N87°47'18"E
L248	107.70	S88°42'31"E
L249	134.83	S88°41'28"E
L250	125.00	S88°24'38"E
L251	648.54	S77°41'08"E
L252	143.22	N77°47'18"E
L253	880.00	S72°30'00"E
L254	388.47	S87°18'01"E
L255	388.47	S88°44'44"E
L256	153.04	N87°43'38"E
L257	783.87	S88°00'00"E
L258	280.37	S88°00'00"E
L259	168.12	S72°31'20"E
L260	297.09	N77°08'14"E
L261	783.78	N88°03'53"E
L262	100.00	S89°11'41"E
L263	170.52	S07°42'28"E
L264	288.32	N89°17'21"E
L265	3.43	S87°45'36"E
L266	297.09	N77°08'14"E
L267	188.12	S77°31'48"E
L268	387.18	S88°44'00"E
L269	171.99	N00°00'28"E
L270	180.00	S88°11'41"E
L271	1081.23	N88°18'20"E
L272	288.18	S87°45'36"E
L273	3.43	S87°45'36"E
L274	5.15	S87°45'36"E
L275	85.89	S88°33'37"E
L276	234.27	N88°38'41"E
L277	233.09	S07°10'03"E
L278	400.18	S88°38'11"E
L279	243.08	N87°08'08"E
L280	142.83	N88°08'08"E
L281	171.88	N87°34'48"E
L282	1082.93	S11°47'00"E
L283	358.47	N88°15'38"E
L284	187.17	N88°15'38"E
L285	887.83	S13°08'44"E
L286	847.83	N17°48'28"E
L287	235.33	N87°08'08"E
L288	378.03	N88°08'46"E
L289	634.37	N88°08'00"E
L290	172.04	N88°13'30"E
L291	288.18	N88°34'36"E
L292	287.31	S88°35'22"E
L293	134.83	N73°18'23"E
L294	378.03	N88°08'46"E
L295	288.18	N88°34'36"E
L296	288.18	N88°34'36"E
L297	288.18	N88°34'36"E
L298	288.18	N88°34'36"E
L299	288.18	N88°34'36"E
L300	288.18	N88°34'36"E
L301	288.18	N88°34'36"E
L302	288.18	N88°34'36"E
L303	288.18	N88°34'36"E
L304	288.18	N88°34'36"E
L305	288.18	N88°34'36"E
L306	288.18	N88°34'36"E
L307	288.18	N88°34'36"E
L308	288.18	N88°34'36"E
L309	288.18	N88°34'36"E
L310	288.18	N88°34'36"E
L311	288.18	N88°34'36"E
L312	288.18	N88°34'36"E
L313	288.18	N88°34'36"E
L314	288.18	N88°34'36"E
L315	288.18	N88°34'36"E
L316	288.18	N88°34'36"E
L317	288.18	N88°34'36"E
L318	288.18	N88°34'36"E
L319	288.18	N88°34'36"E
L320	288.18	N88°34'36"E

CURVE TABLE			
CURVE			

EXHIBIT B

LEGAL DESCRIPTION FOR PORTER RANCH DEVELOPMENT AGREEMENT

THAT PORTION OF THE RANCHO EX MISSION DE SAN FERNANDO, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGES 605 AND 606 OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY NORTHWEST CORNER OF PARCEL C OF PARCEL MAP L.A. NO. 3586, IN SAID CITY, COUNTY AND STATE, AS PER MAP FILED IN BOOK 97 PAGES 60 TO 64 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTHERLY SOUTHWESTERLY AND SOUTHEASTERLY, ALONG THE MOST WESTERLY AND THE MOST SOUTHERLY BOUNDARY LINES OF SAID PARCEL C, TO THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN SAID MOST SOUTHERLY BOUNDARY LINE OF SAID PARCEL C, SHOWN ON SAID PARCEL MAP AS HAVING A BEARING AND DISTANCE OF NORTH 72°13'08" WEST 980.09 FEET; THENCE ALONG SAID CERTAIN COURSE, SOUTH 72°13'08" EAST 980.09 FEET TO THE BEGINNING OF A TANGENT CURVE IN SAID MOST SOUTHERLY BOUNDARY LINE OF SAID PARCEL C, SHOWN ON SAID PARCEL MAP AS BEING A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS 1525.00 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36°02'40" AN ARC DISTANCE OF 959.37 FEET; THENCE RADIALLY TO SAID CURVE, SOUTH 18°15'48" EAST 187.17 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 800.00 FEET; THENCE SOUTHEASTERLY, ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 24°47'30" AN ARC DISTANCE OF 346.16 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVE, SOUTH 43°03'18" EAST 269.73 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 940.00 FEET; THENCE SOUTHEASTERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 39°27'30" AN ARC DISTANCE OF 647.36 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVE, SOUTH 3°35'48" EAST 777.57 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 1300.00 FEET; THENCE SOUTHERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 15°22'48" AN ARC DISTANCE OF 348.96 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVE, SOUTH 11°47'00" WEST 1092.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 1880.00 FEET; THENCE SOUTHERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°46'32" AN ARC DISTANCE OF 386.38 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVE, SOUTH 0°00'28" WEST 171.59 FEET; THENCE SOUTH 89°44'00" EAST 392.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE

EXHIBIT B

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SOUTHWESTERLY AND HAVING A RADIUS OF 1600.00 FEET; THENCE SOUTHEASTERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 51°45'16" AN ARC DISTANCE OF 1445.26 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVE, SOUTH 37°58'44" EAST 1643.50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 782.00 FEET; THENCE SOUTHEASTERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38°03'45" AN ARC DISTANCE OF 519.50 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVE, SOUTH 0°05'01" WEST 59.38 FEET; THENCE NORTH 88°47'20" WEST 176.99 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 5000.00 FEET; THENCE WESTERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 1°12'40" AN ARC DISTANCE OF 105.69 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVE; WEST 635.10 FEET; THENCE SOUTH 50.00 FEET TO THE NORTHERLY LINE OF THE LAND DESCRIBED AS PARCEL 1 IN THE DEED TO FIRST BAPTIST CHURCH OF VAN NUYS, CALIFORNIA, RECORDED ON DECEMBER 15, 1987 AS INSTRUMENT NO. 87-1977338 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE NORTHERLY AND WESTERLY LINES OF THE LAND DESCRIBED AS SAID PARCEL 1, WEST 793.67 FEET, SOUTH 7°42'28" WEST 170.52 FEET TO THE NORTHERLY LINE OF THE SIMI VALLEY FREEWAY AS DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA RECORDED IN BOOK D6425 PAGE 592 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE WESTERLY, ALONG THE GENERAL NORTHERLY LINES OF SAID SIMI VALLEY FREEWAY AS DESCRIBED IN SAID LAST MENTIONED DEED TO AND ALONG THE GENERAL NORTHERLY LINES OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA RECORDED IN BOOK D6179 PAGE 218 OF OFFICIAL RECORDS OF SAID COUNTY, TO THE EASTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO ROY M. HAGEN RECORDED IN BOOK 13523 PAGES 194 AND 195 OF OFFICIAL RECORDS OF SAID COUNTY, BEING ALSO THE EASTERLY LINE OF THE LAND DESCRIBED IN THE DOCUMENT RECORDED ON FEBRUARY 27, 1963 AS INSTRUMENT NO. 4888 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE SOUTH 88°34'07" WEST, 231.77 FEET; THENCE NORTH 69°18'02" WEST, 107.39 FEET; THENCE NORTH 81°26'14" WEST, 302.87 FEET; THENCE SOUTH 64°12'40" WEST, 164.97 FEET; THENCE SOUTH 81°17'15" WEST, 70.48 FEET; THENCE NORTH 79°57'57" WEST, 159.70 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 1055.00 FEET, A RADIAL LINE TO SAID BEGINNING OF SAID NON-TANGENT CURVE HAVING A BEARING OF NORTH 36°25'21" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6°56'11" AN ARC DISTANCE OF 127.72 FEET; THENCE SOUTH 88°36'08" WEST, 140.05 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 1155.00 FEET; A RADIAL LINE TO SAID BEGINNING OF SAID NON-TANGENT CURVE HAVING A BEARING OF NORTH 49°26'59" WEST; THENCE NORTHEASTERLY ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 5°30'25" AN ARC DISTANCE OF 114.04 FEET TO THE NORTHEASTERLY LINE OF THE LAND DESCRIBED AS PARCEL 14 IN THE DEED TO THE

CITY OF LOS ANGELES RECORDED IN BOOK 3954 PAGE 626 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID NORTHEASTERLY LINE, NORTH 22°14'57" WEST 82.77 FEET TO THE NORTHERLY LINE OF THE SIMI VALLEY FREEWAY AS DESCRIBED IN PARCEL 2 OF SAID LAST MENTIONED DEED TO THE STATE OF CALIFORNIA; THENCE ALONG THE GENERAL NORTHERLY BOUNDARY OF THE SIMI VALLEY FREEWAY AS DESCRIBED IN SAID PARCEL 2, NORTH 77°54'49" WEST 52.29 FEET, SOUTH 15°18'36" WEST 151.84 FEET, NORTH 89°51'53" WEST 84.70 FEET, N 53°21'18" WEST 92.75 FEET, NORTH 30°46'08" WEST 113.96 FEET TO THE BEGINNING OF A CURVE THEREIN CONCAVE SOUTHERLY AND HAVING A RADIUS OF 100.00 FEET, A RADIAL LINE OF SAID LAST MENTIONED CURVE TO SAID BEGINNING THEREOF HAVING A BEARING OF NORTH 59°13'33" EAST FOR THE PURPOSE OF THIS LEGAL DESCRIPTION, WESTERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 108°25'00" AN ARC DISTANCE OF 189.22 FEET TO THE WESTERLY TERMINUS THEREOF AND AN ANGLE POINT IN SAID LAST MENTIONED GENERAL NORTHERLY BOUNDARY AS DESCRIBED IN SAID PARCEL 2; THENCE CONTINUING SAID LAST MENTIONED GENERAL NORTHERLY BOUNDARY OF THE SIMI VALLEY FREEWAY AS DESCRIBED IN SAID PARCEL 2, SOUTH 40°48'33" WEST 156.74 FEET TO AN ANGLE POINT THEREIN; THENCE ALONG THE NORTHERLY BOUNDARY OF THE SIMI VALLEY FREEWAY, AS DESCRIBED IN SAID PARCEL 2, TO AND ALONG THE NORTHERLY BOUNDARY OF THE SIMI VALLEY FREEWAY AS DESCRIBED IN PARCEL 1 IN THE DEED TO THE STATE OF CALIFORNIA RECORDED IN BOOK D6179 PAGE 213 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 87°33'44" WEST 288.18 FEET TO THE MOST EASTERLY CORNER OF THE LAND DESCRIBED AS PARCEL 1 IN THE DEED TO THE STATE OF CALIFORNIA RECORDED ON MARCH 30, 1982 AS INSTRUMENT NO. 82-329739 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LAST MENTIONED PARCEL 1 AND ITS NORTHWESTERLY PROLONGATION, BEING ALSO THE NORTHEASTERLY LINE OF THE SIMI VALLEY FREEWAY, NORTH 37°46'38" WEST 168.48 FEET TO THE BEGINNING OF A CURVE IN THE NORTHEASTERLY LINE OF THE LAND DESCRIBED AS PARCEL 2 IN THE DEED TO THE STATE OF CALIFORNIA RECORDED IN BOOK D6179 PAGE 213 OF OFFICIAL RECORDS OF SAID COUNTY, SAID LAST MENTIONED CURVE BEING CONCAVE SOUTHWESTERLY AND A RADIUS OF 85.00 FEET, A RADIAL OF SAID LAST MENTIONED CURVE TO SAID BEGINNING THEREOF HAVING A BEARING OF NORTH 52°15'17" EAST FOR THE PURPOSE OF THIS DESCRIPTION; THENCE NORTHWESTERLY, ALONG THE NORTHEASTERLY LINE OF THE SIMI VALLEY FREEWAY BEING SAID LAST MENTIONED CURVE, THROUGH A CENTRAL ANGLE OF 9°54'37" AN ARC DISTANCE OF 14.70 FEET TO THE EASTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO THE DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES RECORDED IN BOOK 49919 PAGE 429 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID LAST MENTIONED EASTERLY LINE NORTH 0°04'05" EAST 546.12 FEET TO THE NORTHEAST CORNER THEREOF; THENCE ALONG THE NORTHERLY LINE OF THE LAND DESCRIBED IN SAID LAST MENTIONED DEED, NORTH 89°54'56" WEST 1000.00 FEET TO THE WESTERLY LINE

OF SECTION 8, TOWNSHIP 2 NORTH RANGE 16 WEST, OF SAID RANCHO EX MISSION DE SAN FERNANDO, AS SHOWN ON RECORD OF SURVEY FILED IN BOOK 57 PAGES 19 TO 21 INCLUSIVE OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID LAST MENTIONED WESTERLY LINE, NORTH 0°04'05" EAST 1144.78 FEET TO THE SOUTHERLY LINE OF SECTION 6, TOWNSHIP 2 NORTH, RANGE 16 WEST, OF THE RANCHO EX MISSION DE SAN FERNANDO, AS SHOWN ON RECORD OF SURVEY FILED IN BOOK 25 PAGE 29 OF RECORD OF SURVEYS, RECORDS OF LOS ANGELES COUNTY; THENCE ALONG SAID LAST MENTIONED SOUTHERLY LINE, NORTH 89°52'48" WEST 1050.46 FEET TO THE WESTERLY LINE OF THE RANCHO EX MISSION DE SAN FERNANDO, AS SHOWN ON RECORD OF SURVEY FILED IN BOOK 25 PAGE 29 OF RECORD OF SURVEYS, RECORDS OF SAID COUNTY; THENCE ALONG SAID LAST MENTIONED WESTERLY LINE, NORTH 22°42'45" EAST 62.58 FEET TO SAN FERNANDO STATION 28, AS SAID STATION IS SHOWN ON SAID LAST MENTIONED RECORD OF SURVEY MAP; THENCE ALONG THE WESTERLY LINES OF THE RANCHO EX MISSION DE SAN FERNANDO, AS SHOWN ON SAID LAST MENTIONED RECORD OF SURVEY MAP, NORTH 5°10'50" EAST 66.16 FEET, NORTH 15°09'40" EAST 325.57 FEET, NORTH 23°37'20" WEST 157.56 FEET, NORTH 6°59'40" WEST 634.04 FEET TO THE SOUTHERLY BOUNDARY OF THE LAND SHOWN ON A LICENSED SURVEYORS MAP FILED IN BOOK 24 PAGE 14 OF RECORD OF SURVEYS, RECORDS OF SAID COUNTY; THENCE ALONG SAID LAST MENTIONED SOUTHERLY BOUNDARY, NORTH 82°43'10" EAST 409.80 FEET TO THE MOST EASTERLY SOUTHEAST CORNER OF THE LAND SHOWN ON SAID LAST MENTIONED LICENSED SURVEYORS MAP; THENCE ALONG THE EASTERLY LINE OF THE LAND SHOWN ON SAID LAST MENTIONED LICENSED SURVEYORS MAP, NORTH 7°10'02" WEST 1152.15 FEET TO THE SOUTHWEST CORNER OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED ON NOVEMBER 1, 1978 AS INSTRUMENT NO. 78-1213637 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE SOUTHERLY LINE OF THE LAND DESCRIBED IN SAID LAST MENTIONED DEED, SOUTH 82°49'58" EAST 100 FEET; THENCE NORTH 7°10'02" WEST 241.00 FEET; THENCE NORTH 0°18'17" WEST 1083.22 FEET; THENCE NORTH 89°04'00" WEST 142.51 FEET TO THE WESTERLY LINE OF THE LAND SHOWN ON A RECORD OF SURVEY MAP FILED IN BOOK 57 PAGES 19 TO 21 INCLUSIVE OF RECORD OF SURVEYS, RECORDS OF SAID COUNTY; THENCE ALONG SAID LAST MENTIONED WESTERLY LINE, NORTH 13°33'50" EAST 5123.94 FEET TO THE NORTHWESTERLY LINE OF SAID RANCHO EX MISSION DE SAN FERNANDO, AS PER MAP RECORDED IN BOOK 1 PAGES 605 AND 606 OF PATENTS, RECORDS OF SAID COUNTY; THENCE ALONG SAID LAST MENTIONED NORTHWESTERLY LINE NORTH 77°47'18" EAST 143.20 FEET AND NORTH 77°43'09" EAST 646.38 FEET TO THE NORTHWESTERLY PROLONGATION OF THAT CERTAIN COURSE IN THE MOST NORTHEASTERLY LINE OF PARCEL C OF SAID PARCEL MAP L.A. NO. 3586, SHOWN ON SAID MAP THEREOF AS HAVING A BEARING AND DISTANCE OF NORTH 66°09'32" WEST 56.60 FEET; THENCE ALONG SAID LAST MENTIONED PROLONGATION, SOUTH 66°09'32" EAST 1732.77 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM LOTS 1, 2, 3, 5, 6, 7, 9 THRU 18, 20 THRU 24, 26 THRU 36, 53, 55 THRU 62, 116, 118, 119, 120 AND PARCEL "B" OF TRACT NO. 50512-01 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1245, PAGES 39-51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

AND ALSO EXCEPT THEREFROM LOTS 1 THRU 5, 19 THRU 43, 46 THRU 56 AND PARCELS B AND D OF TRACT NO. 50508-01 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1231, PAGES 75 THRU 78, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

AND ALSO EXCEPT THEREFROM THOSE PORTIONS OF LOTS 17 AND 21 OF TRACT NO. 52154, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1227, PAGES 18 TO 21 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AND DESCRIBED AS PARCEL 1 OF LOT LINE ADJUSTMENT NO. 98-025, RECORDED MAY 28, 1998 AS INSTRUMENT NO. 98-903211, OFFICIAL RECORDS;

AND ALSO EXCEPT THEREFROM THOSE PORTIONS OF LOTS 16, 17 AND 21 OF TRACT NO. 52154, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1227, PAGES 18 TO 21, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY SHOWN AND DESCRIBED AS PARCEL 2 OF LOT LINE ADJUSTMENT NO. 98-025, RECORDED MAY 28, 1998 AS INSTRUMENT NO. 98-903211, OFFICIAL RECORDS;

AND ALSO EXCEPT THEREFROM LOT 12 AND A PORTION OF LOT 13 OF TRACT NO. 52154, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1227, PAGES 18 TO 21 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AND DESCRIBED AS PARCEL 2 OF LOT LINE ADJUSTMENT NO. 98-027, RECORDED MAY 28, 1998 AS INSTRUMENT NO. 98-903212, OFFICIAL RECORDS;

AND ALSO EXCEPT THEREFROM PORTIONS OF LOTS 2, 3, 4 AND 5 OF TRACT NO. 52154, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1227, PAGES 18 TO 21 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SHOWN AND DESCRIBED AS PARCEL 2 OF LOT LINE ADJUSTMENT NO. 98-108, RECORDED FEBRUARY 24, 1999 AS INSTRUMENT NO. 99-303410, OFFICIAL RECORDS;

AND ALSO EXCEPT THEREFROM THOSE PORTIONS OF LOTS 5, 8, 9 AND 32 OF TRACT NO. 52154 IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 1227, PAGES 18 TO 21 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY SHOWN AND DESCRIBED AS PARCEL 5 OF LOT LINE ADJUSTMENT NO. 98-108 RECORDED FEBRUARY 24, 1999, AS INSTRUMENT NO. 99-303410, OFFICIAL RECORDS;

AND ALSO EXCEPT THEREFROM THAT PORTION OF SECTION 5 TOWNSHIP 2 NORTH, RANGE 16 WEST, EX MISSION DE SAN FERNANDO, AS PER MAP RECORDED IN BOOK 1, PAGES 605 AND 606, OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, DESCRIBED IN THE DEED TO THE CITY OF LOS ANGELES, RECORDED AUGUST 21, 1996, AS INSTRUMENT NO. 96-1353802, OFFICIAL RECORDS;

AND ALSO EXCEPT THEREFROM THOSE PORTIONS OF RANCHO EX MISSION DE SAN FERNANDO, AS PER MAP RECORDED IN BOOK 1, PAGES 605 AND 606 OF PATENTS IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, DESCRIBED IN THE DEED TO THE CITY OF LOS ANGELES RECORDED MARCH 29, 1968, AS INSTRUMENT NO. 1135 IN BOOK D3954, PAGE 626, DEEDS, AS PARCELS 11, 12, 13, 21, 22, 23 AND 24;

AND ALSO EXCEPT THEREFROM THAT PORTION OF SECTION 4, TOWNSHIP 2 NORTH, RANGE 15 WEST, RANCH EX MISSION DE SAN FERNANDO, AS PER MAP RECORDED IN BOOK 1, PAGES 605 AND 606, OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, DESCRIBED IN THE DEED TO THE CITY OF LOS ANGELES, RECORDED MAY 9, 1994, AS INSTRUMENT NO. 94-884895, OFFICIAL RECORDS.

TOGETHER WITH A PORTION OF PARCEL 4 DESCRIBED IN THE DEED RECORDED DECEMBER 21, 1962 IN BOOK D1863, PAGE 473 AS INSTRUMENT NO. 4537 IN SAID OFFICIAL RECORDS. THE NORTHERLY LINE OF SAID PORTION BEING THE SOUTHERLY LINE OF THE RONALD REAGAN FREEWAY. THE SOUTHERLY LINE OF SAID PORTION BEING THE NORTHERLY LINE OF PARCEL NO. 9 DESCRIBED IN THE DEED RECORDED DECEMBER 8, 1961 IN BOOK D1444, PAGE 833 AS INSTRUMENT NO. 1642 IN SAID OFFICIAL RECORDS. THE WESTERLY LINE OF SAID PORTION BEING THE EASTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO ROY M. HAGEN, RECORDED JULY 23, 1935, AS INSTRUMENT NO. 433 IN BOOK 13523, PAGE 194 OF SAID OFFICIAL RECORDS.

ALSO, TOGETHER WITH THAT PORTION OF THE LAND DESCRIBED IN THE DEED TO ROY M. HAGEN, RECORDED JULY 23, 1935, AS INSTRUMENT NO. 433 IN BOOK 13523, PAGE 194, OFFICIAL RECORDS OF SAID COUNTY LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE RONALD REAGAN FREEWAY, EXCEPTING THEREFROM RIGHT-OF-WAY OF MASON STREET, A PUBLIC STREET.

TOGETHER WITH A PORTION OF PARCEL 4 DESCRIBED IN THE DEED RECORDED DECEMBER 21, 1962 IN BOOK D1863 PAGE 473 AS INSTRUMENT NO. 4537 IN SAID OFFICIAL RECORDS. THE WESTERLY LINE OF SAID PORTION BEING THE EASTERLY LINE OF THE LAND DESCRIBED IN THE DEED RECORDED DECEMBER 30, 1955 IN BOOK 49919, PAGE 429 OF OFFICIAL RECORDS OF SAID COUNTY, THE EASTERLY LINE OF SAID PORTION BEING THE WESTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO ROY M. HAGEN, RECORDED JULY 23, 1935, AS INSTRUMENT NO. 433 IN BOOK 13523, PAGE 194 OF SAID OFFICIAL RECORDS.

NOTE: THE INTENT OF THIS LEGAL DESCRIPTION, FOR "PORTER RANCH DEVELOPMENT AGREEMENT", IS FOR THE BOUNDARY LINES THEREOF TO COINCIDE WITH THOSE OF FUTURE RECORDED TRACT OR PARCEL MAPS.

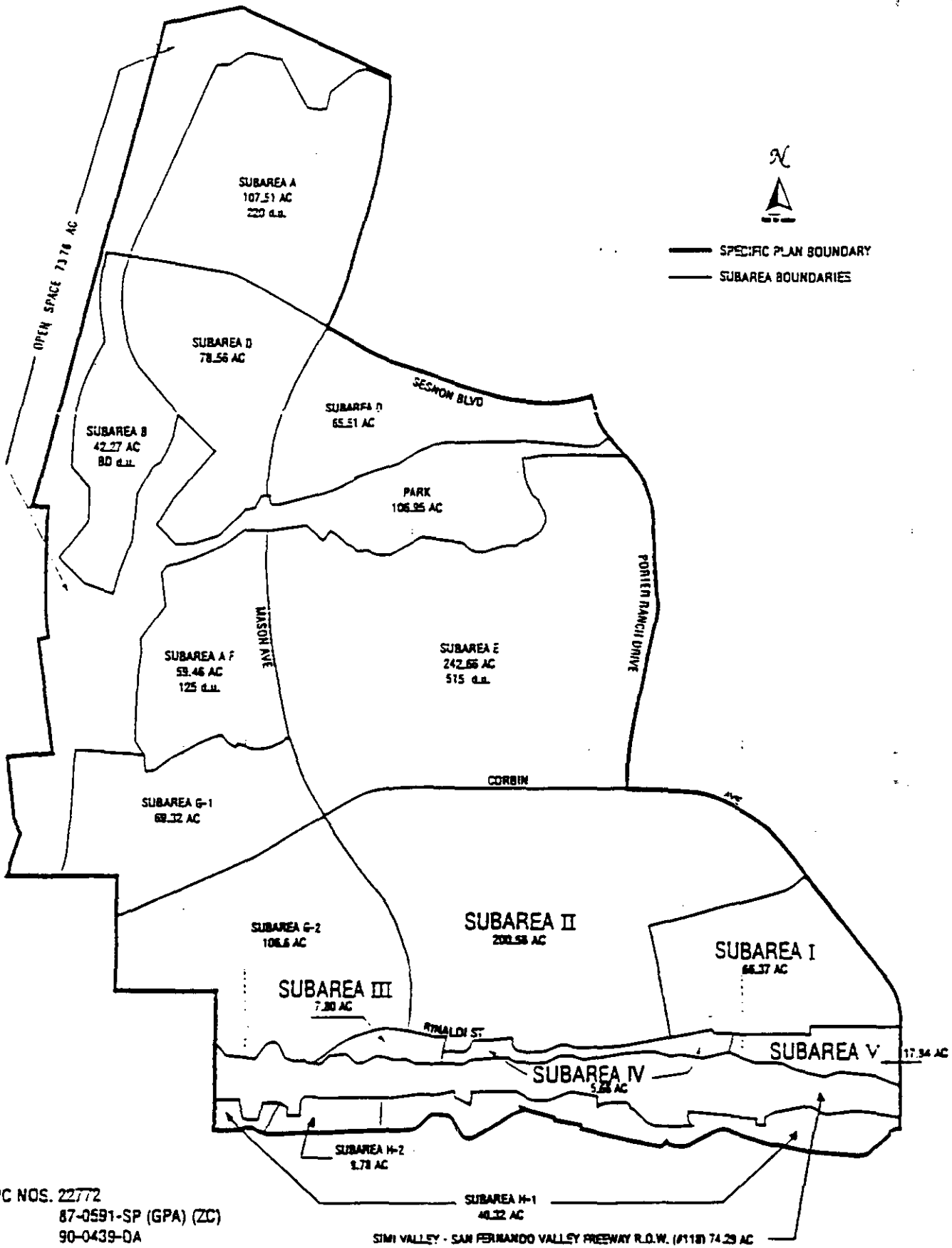
PREPARED UNDER THE SUPERVISION OF:


Tom Sternock, RCE 18662

3/13/01
Date



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CPC NOS. 22772
 87-0591-SP (GPA) (ZC)
 90-0439-0A

SIMI VALLEY - SAN FERNANDO VALLEY FREEWAY R.O.W. (F118) 74.29 AC

PORTER RANCH SPECIFIC PLAN - PROPOSED SUBAREA BOUNDARIES

EXHIBIT C

EXHIBIT "D"

Porter Ranch Specific Plan

APPENDIX B

LIST OF TRANSPORTATION IMPROVEMENTS

These transportation improvements are based on the Supplemental Transportation and Circulation Study for the Porter Ranch Specific Plan Revision, dated March 2000, as approved by the Department of Transportation. In connection with its review of any subdivision, Project Permit Compliance, or other approval pertaining to development within the Specific Plan area, the Department of Transportation may recommend modifications to the transportation improvements set forth below based on the results of supplemental traffic analyses.

A. Intersection Mitigation Measures

- 1. Ronald Reagan Freeway W/B On/Off Ramps & Topanga Canyon Boulevard

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

- 2. Ronald Reagan Freeway E/B On/Off Ramps & Topanga Canyon Boulevard

Contribute the City's local match toward the cost of the design and construction railroad grade crossing on Mason Avenue between Prairie Street and Corisco Street.

- 3. Devonshire Street & Topanga Canyon Boulevard

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

- 4. Rinaldi Street & De Soto Avenue

Widen on the east side of the south leg and the west side of the north and south legs of this intersection, and re-stripe to accommodate three through lanes and one right-turn-only lane in the northbound direction. In addition, re-stripe to provide the following: two left-turn-only lanes, three through lanes in the southbound direction and two left-turn-only lanes and one right-turn-only lane in the westbound direction. Right-of-way acquisitions would be required on the west and east side of De Soto Avenue. Also, provide bicycle lanes in both directions on Rinaldi Street east of De Soto Avenue. Implement parking

restrictions on the west side of De Soto Avenue and extend parking restrictions along the east side. Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

5. Chatsworth Street & De Soto Avenue

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

6. Devonshire Street & De Soto Avenue

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

7. Chatsworth Street & Mason Avenue

Install two-phase signal control to this intersection. In addition, restripe Mason Avenue and Chatsworth Street to provide one left-turn-only lane, two through lanes and one right-turn-only lane in the westbound and southbound directions, and to provide one left-turn-only lane, one through lane and one through/right shared lane in the eastbound and northbound directions.

8. Corbin Avenue & Porter Ranch Drive

Construct the west leg of this intersection and improve this intersection to provide dual left-turn-only lanes, two through lanes and one right-turn-only lane in the northbound, southbound, eastbound and westbound directions. Modify signal phasing and Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

9. Rinaldi Street & Porter Ranch Drive

Construct intersection to provide two left-turn-only lanes, two through lanes and one through/right shared lane on westbound Rinaldi Street and northbound and southbound Porter Ranch Drive. Construct eastbound Rinaldi Street to provide two left-turn-only lanes, three through lanes and one right-turn-only lane. In addition, provide appropriate signal timing and phasing to maximize the capacity of the eastbound right-turn-only lane. Install four-phase signal control and fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

10. Ronald Reagan Freeway W/B On/Off Ramps & Porter Ranch Drive

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATSAC System.

- 11. Ronald Reagan Freeway E/B On/Off Ramps & Porter Ranch Drive
Install two-phase signal control to this intersection.

- 12. Rinaldi Street & Corbin Avenue

Install a traffic signal and reconstruct the south leg of Corbin Avenue to provide two left-turn-only lanes, one through lane and one through/right shared lane in the northbound and southbound directions. Restripe Rinaldi Street to provide one left-turn-only lane, two through lanes and one right-turn-only lane in the eastbound and westbound directions. Provide bicycle lanes on Corbin Avenue north of the intersection and on Rinaldi Street east of the intersection. In addition, fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATSAC System.

- 13. Chatsworth Street & Corbin Avenue

Construct Corbin Avenue to provide at least two travel lanes in the northbound and southbound directions consistent with the Chatsworth/Porter Ranch Community Plan.

- 14. Devonshire Street & Corbin Avenue

Widen Corbin Avenue by up to four feet and restripe to provide one left-turn-only lane, two through lanes and one right-turn-only lane in the northbound direction and one left-turn-only lane, two through lanes and one through/right shared lane in the southbound direction. Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATSAC System.

- 15. Rinaldi Street & Tampa Avenue

Remove median and restripe the south leg to provide two left-turn-only lanes, two through lanes and one right-turn-only lane in the northbound direction. Restrict parking to provide bicycle lanes on Rinaldi Street between Tampa Avenue and Corbin Avenue. Restrict parking and restripe the north leg to provide dual left-turn-only lanes in the southbound direction, while retaining the bicycle lanes on this leg. Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATSAC System.

16. Chatsworth Street & Tampa Avenue

Widen the northbound roadway on Tampa Avenue from 42 feet to 47 feet by narrowing and reconstructing the median island from a point approximately 350 feet south of the centerline of Chatsworth Street to the Ronald Reagan Freeway eastbound on-ramp. Restrict parking and restripe Tampa Avenue to provide one left-turn-only lane, three through lanes and one through/right shared lane in the northbound direction during the p.m. peak period. Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATCS System.

17. Devonshire Street & Tampa Avenue

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATCS System.

18. Rinaldi Street & Wilbur Avenue

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATCS System.

19. Devonshire Street & Wilbur Avenue

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATCS/ATCS System.

20. Rinaldi Street & Amigo Avenue/Ronald Reagan Freeway W/B On/Off Ramps

Widen Rinaldi Street up to nine feet and restripe Rinaldi Street and the Ronald Reagan Freeway westbound off-ramp to provide the following: two left-turn-only lanes, one through lane and one through/right shared lane in the westbound direction, one left-turn-only lane, two through lanes and a through/right shared lane in the eastbound direction; and one left-turn-only lane, one left/through shared lane and two right-turn-only lanes in the northbound direction. Accommodate the existing bicycle lanes on Rinaldi Street. Acquire a variable width strip of Caltrans right-of-way up to eight feet wide on the south side of Rinaldi Street from a point approximately 350 feet west of the centerline of Amigo Avenue to a point approximately 400 feet east of the Amigo Avenue centerline. In addition, restripe Amigo Avenue to provide one left-turn-only lane and one left/through/right shared lane in the southbound direction. Modify signal phasing to provide north/south opposed phasing. Fund the design and construction cost of

including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

21. Rinaldi Street & Reseda Boulevard

Widen the west leg and restripe Rinaldi Street to accommodate dual eastbound to southbound right-turn-only lanes.

22. Devonshire Street & Reseda Boulevard

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

23. Rinaldi Street & Louise Avenue

Fund the design and construction cost of including this intersection in the Ronald Reagan Freeway Corridor Phase I ATSAC/ATCS System.

24. Rinaldi Street & Balboa Boulevard

Reimburse DOT for the design and construction cost of including this intersection in the San Diego Freeway Corridor Phase I ATSAC/ATCS System. The current cost per intersection of the San Diego Freeway Corridor Phase I ATSAC/ATCS System is estimated at \$96,000.

B. Additional ATSAC/ATCS Funding

In addition to the locations listed above, fund the design and construction cost of the following potentially significantly impacted intersections in the Ronald Reagan Freeway Corridor Phase 2 ATSAC/ATCS System:

- 1. De Soto Avenue and Lassen Street
- 2. Lassen Street and Mason Avenue
- 3. Corbin Avenue and Lassen Street
- 4. Mason Avenue and Plummer Street
- 5. Mason Avenue and Nordhoff Street

ATSAC/ATCS improvements shall be guaranteed in full through a letter of credit payable to DOT, prior to issuance of any building permit, to be converted to a cash payment prior to the commencement of System design.

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Fire Station
Exhibit E

EXHIBIT "E"

**AGREEMENT REGARDING
PORTER RANCH FIRE STATION**

This Agreement Regarding Porter Ranch Fire Station ("Agreement") is entered into by and between the City of Los Angeles (the "City"), a municipal corporation, and Porter Ranch Development Company ("Developer").

RECITALS

A. Developer is developing a residential development in the northwest corner of the San Fernando Valley commonly known as Porter Ranch (the "Project").

B. The development of the Project will be subject to certain conditions as more specifically set forth in a specific plan to be adopted by the City (the "Specific Plan"), as well as certain conditions set forth in Tentative Tract Map Nos. 45297, 39373, 44607 and 40330 (including Units 41627, 41842, 43969 and 40330) (collectively, the "Tract Maps"). The areas within the Project covered by the Specific Plan and Tract Maps and all other areas covered by this agreement are delineated on the site plan for the Project attached hereto as Exhibit "A".

C. Among the conditions set forth or which will or may be set forth in the Specific Plan and Tract Maps is the requirement that prior to the issuance of certificates of occupancy for the construction of residential units within the Project, a program be developed satisfactory to the Fire Department and the Deputy Advisory Agency providing for the location, financing, and construction of a future task force fire station (the "Fire Station") to serve the Project in lieu of installation of interior heat sensitive fire sprinklers in each residential unit.

D. Developer and the City desire to enter into this Agreement to provide for the location, financing and construction of a Fire Station to serve the Project in satisfaction of such condition. All parties acknowledge that the Fire Station will serve regional needs, beyond the development of the Project area, further the objectives of the Fire Protection and Fire Prevention Plan as well as the Safety Plan, elements of the City's General Plan, and provide a substantial benefit to the City. The City acknowledges that, in committing money, land and planning effort in designing, constructing, equipping and furnishing the Fire Station, Developer will be doing so in reliance upon the City's covenants contained in this agreement, upon satisfaction of the City's response criteria and the need for interior heat sensitive fire sprinklers, and upon the Fire Department's determination

that by providing the Fire Station, Developer's Project will comply with any response criteria or need for interior heat sensitive fire sprinklers which may be required based upon the provisions of the above-referenced elements of the General Plan.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, and other valuable consideration, the adequacy and receipt of which are hereby acknowledged, Developer and the City, acting through the Fire Department, hereby agree as follows:

1. Location of Fire Station. Developer hereby covenants and agrees that it will, upon the issuance of a Certificate of Occupancy for the Fire Station, convey to the City fee simple title to that certain real property shown on Exhibit "B" attached hereto and more particularly described on Exhibit "C" attached hereto (the "Property"), free and clear of any and all monetary liens and encumbrances, title defects and other matters of record other than those set forth in Preliminary Title Report No. 8535172 dated April 9, 1990, issued by Ticor Title Insurance Company, a copy of which is attached hereto as Exhibit "D."

2. Construction of Fire Station. Developer covenants and agrees to cause to be constructed on the Property, at its sole cost and expense, the Fire Station (which shall meet the specifications of the Fire Department) and to pay for all design, site engineering, soil engineering, architectural work, planned processing and other costs incurred in connection therewith. Developer further covenants and agrees to coordinate all such activities with the Cultural Affairs Commission and to use its best efforts to meet the targeted deadlines for such activities set forth on the Target Date Schedule attached hereto as Exhibit "E". The cost to construct the Fire Station is estimated to be One Million Six Hundred Thousand Dollars (\$1,600,000).

3. Fire-Fighting, EMS and Communications Equipment. Developer covenants and agrees to provide all fire-fighting, emergency medical systems (EMS), and communications equipment and furnishings reasonably required by the Fire Department in connection with the operation of the Fire Station. The Fire Department shall provide to Developer, as soon as reasonably possible, a list of and schedule for procuring fire-fighting equipment, EMS, and communications and furnishings required in connection with the operation of the Fire Station, which equipment and furnishings the Fire Department estimates to cost One Million Sixty-Five Thousand Dollars (\$1,065,000).

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4. Installation of Communications Equipment.

Developer covenants and agrees to reimburse the City for installation of all communications equipment on the Property reasonably required by the Fire Department in connection with the operation of the Fire Station. The installation of such communications equipment is estimated by the Fire Department to cost Ten Thousand Dollars (\$10,000). Prior to the City installing the communications equipment, Developer shall deliver to the City a cash deposit equal to the estimated cost thereof.

5. Response Criteria. By execution hereof, the City,

acting through the Fire Department, expressly acknowledges and agrees that the location of the Fire Station satisfies the response criteria set forth in the Fire Protection and Fire Prevention Plan for the Project which would otherwise require the installation of interior heat sensitive fire sprinklers in each residential unit constructed within the Project, and therefore such fire sprinklers will not be required based on the response criteria for any residential unit constructed within the boundary areas of the Tract Maps and the Specific Plan area shown on Exhibit "A" attached hereto.

6. Covenants of Fire Department. The Fire Department

expressly covenants and agrees that it will:

6.1 Plan Review Process. Participate in the site

and building plan review process for the Fire Station and make timely recommendations in connection therewith as and when it deems necessary and prudent to do so.

6.2 Satisfaction of Fire Sprinkler Conditions.

Eliminate the residential fire sprinkler condition for Tentative Tract Map Nos. 39373, 45297 and 44607 and promptly advise the appropriate departments of the City upon execution hereof of the compliance of these conditions; provided, however, that all other fire protection conditions in the Conditions of Approvals to said Tracts shall remain in full force and effect.

6.3 Recordation of Tract Nos. 39373 and 45297.

Consent to, through the Bureau of Fire Prevention and Public Safety, the recording of Tract Nos. 39373 and 45297 upon Developer's execution hereof and agreements to undertake the required improvements of Rinaldi Street, Corbin Avenue, Winnetka Avenue and Seson Boulevard and commencement of construction of the Fire Station or suitably guarantee such construction. By Developer's execution hereof, Developer covenants and agrees to undertake such improvements.

6.4 Building Permits. Consent to the issuance of

building permits for Tentative Tract No. 39373 when the required street improvements for Rinaldi Street, Corbin Avenue, Winnetka Avenue and Seson Boulevard have been completed by Developer or suitable access to those lots upon which building permits are

FIRE STATION AGREEMENT

being requested has been provided by Developer to the satisfaction of the Fire Department. No building permits will be issued for Tentative Tract No. 45297 prior to the completion of the Fire Station other than for model homes.

6.5 Certificates of Occupancy.

6.5.1 Tract No. 39373. Consent to the issuance of certificates of occupancy for two hundred (200) residential units (inclusive of model homes) within Tract No. 39373 prior to completion of the Fire Station provided that these 200 units are within the response criteria of the existing fire station and construction of the new Fire Station has commenced and its completion guaranteed by Developer.

6.5.2 Tract No. 45297. No certificate of occupancy for residential units other than model homes constructed within Tract No. 45297, however, will be issued until the Fire Station has been completed to the satisfaction of the Fire Department and accepted by the City Council.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered.

APPROVED AS TO FORM, CONTENT AND LEGALITY:

THE CITY OF LOS ANGELES

Elihu L. Dwyer
City Attorney
City of Los Angeles *Se. Asst.*
6/27/90

By: Donald O. Manning
Donald O. Manning
Chief Engineer and
Manager, City of Los
Angeles Fire Department
9/17/90

PORTER RANCH DEVELOPMENT CO.
a Joint Venture

BY: SHAPELL INDUSTRIES, INC.

By: Nathan Shapell
Nathan Shapell, President
By: Margaret Leong
Margaret Leong, Secretary

FIRE STATION AGREEMENT

BY: LIBERTY BUILDING COMPANY

By: *Irving Feintech*
 Irving Feintech, President 9/20/90

By: *Norman Feintech*
 Norman Feintech, Executive Vice President 9/20/90

BY: I.N.S. CORPORATION

By: *Carole Merlin*
~~D. Gregory Scott, Vice President~~
 Carole Merlin, Vice President

By: *Howard J. Schwartz*
 Howard J. Schwartz, Secretary

FIRE STATION AGREEMENT

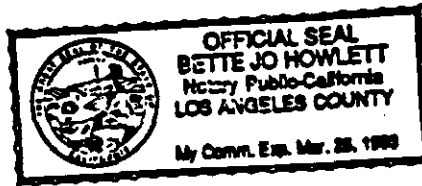
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STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On this 21ST day of SEPTEMBER, 1990, before me, the undersigned, a Notary Public in and for said county and state, personally appeared NATHAN SHAPELL and MARGARET LEONG personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument as PRESIDENT AND SECRETARY, respectively, of SHAPELL INDUSTRIES, INC.; and IRVING FEINTECH AND NORMAN FEINTECH personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument as PRESIDENT AND SECRETARY, respectively, of LIBERTY BUILDING COMPANY; and CAROLE J. MERLIN AND HOWARD SCHWARTZ personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument as ASSIST. VICE PRESIDENT AND SECRETARY, respectively, of I.N.S. CORPORATION, the corporations that executed the within instrument as joint venturers of PORTER RANCH DEVELOPMENT CO. and acknowledged to me that such corporations executed the same both individually and as joint venturers of said joint venture and that such joint venture also executed the same.

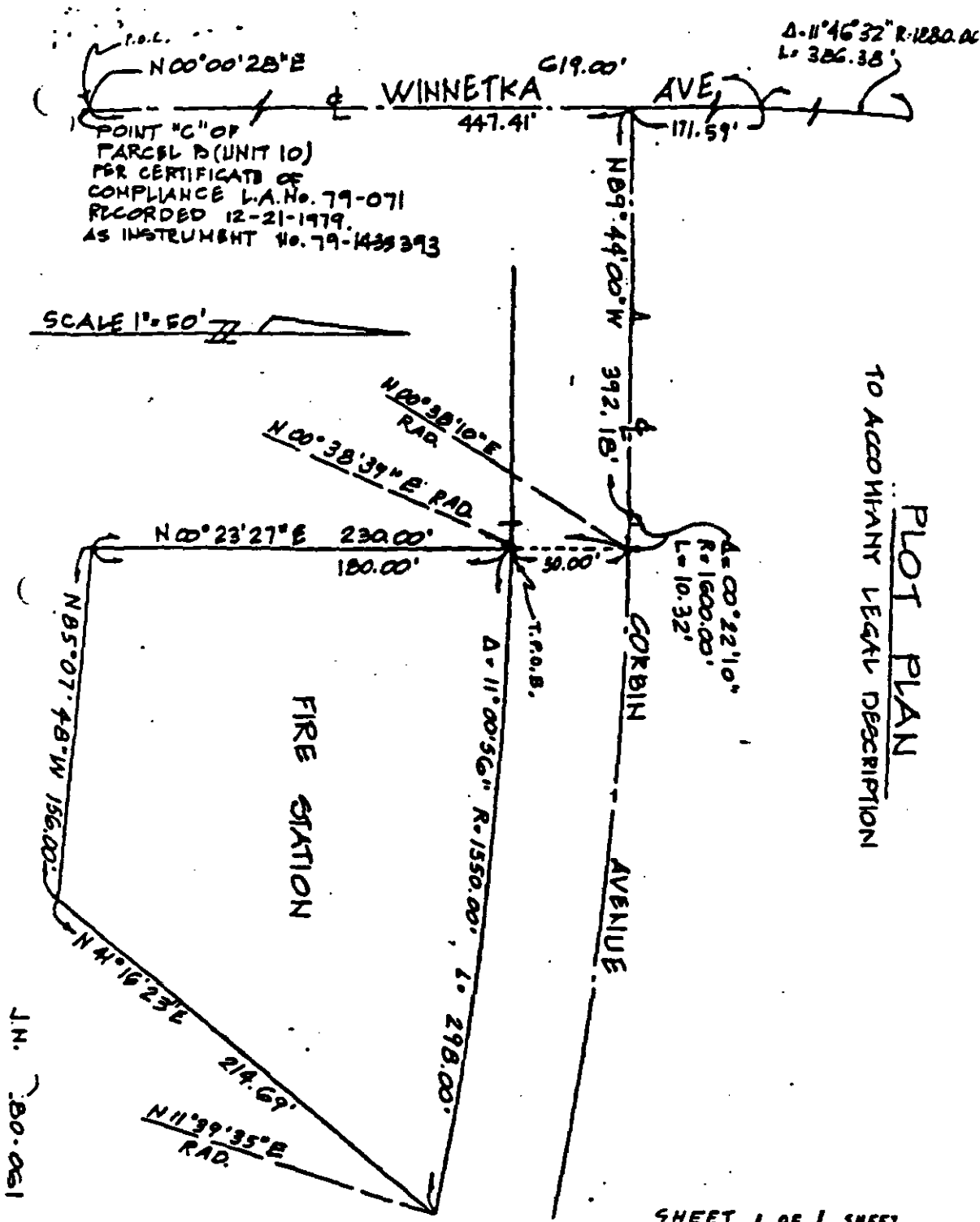
WITNESS my hand and official seal.

Bette Jo Howlett
Notary Public in and for said
county and state



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SHEET 1 OF 1 SHEET

PORTER RANCH DEVELOPMENT AGREEMENT

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EXHIBIT "C"

LEGAL DESCRIPTION OF
FIRE STATION PROPERTY

THAT PORTION OF SECTION 4, TOWNSHIP 2 NORTH, RANGE 9 WEST OF THE RANCHO EX MISSION DE SAN FERNANDO, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGES 605 AND 606 OF PATENTS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE LAND CONVEYED TO WILLIAM E. EVANS, RECORDED SEPTEMBER 26, 1939 AS INSTRUMENT NO. 504 IN BOOK 16955 PAGE 29 OFFICIAL RECORDS THENCE ALONG THE NORTHERLY LINE OF SAID LAND NORTH 89 DEGREES 59 MINUTES 32 SECONDS WEST 948.70 FEET; THENCE LEAVING SAID NORTHERLY LINE NORTH 00 DEGREES 00 MINUTES 28 SECONDS EAST 447.41 FEET; THENCE SOUTH 89 DEGREES 44 MINUTES 00 SECONDS EAST 392.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 1600.00 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 00 DEGREES 22 MINUTES 10 SECONDS AN ARC DISTANCE OF 10.32 FEET; THENCE SOUTH 00 DEGREES 23 MINUTES 27 SECONDS WEST 50.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 00 DEGREES 23 MINUTES 27 SECONDS WEST 180.00 FEET; THENCE SOUTH 85 DEGREES 07 MINUTES 48 SECONDS EAST 156.00 FEET; THENCE NORTH 41 DEGREES 16 MINUTES 23 SECONDS EAST 214.69 FEET TO A POINT ON A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 1550.00 FEET AND A RADIAL BEARING SOUTH 11 DEGREES 39 MINUTES 35 SECONDS WEST, THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11 DEGREES 00 MINUTES 56 SECONDS AN ARC DISTANCE OF 298.00 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL OIL, ASPHALTUM, PETROLEUM, NATURAL GAS AND OTHER HYDROCARBONS AND OTHER VALUABLE MINERAL SUBSTANCES AND PRODUCTS, AND ALL OTHER MINERALS, WHETHER OR NOT OF THE SAME CHARACTER HEREINBEFORE GENERALLY DESCRIBED, IN OR UNDER SAID LAND AND LYING AND BEING AT A VERTICAL DEPTH OF 500 OR MORE FEET BELOW THE PRESENT NATURAL SURFACE OF THE GROUND, BUT WITHOUT RIGHT OF ENTRY ON THE SURFACE OR WITHIN A VERTICAL DEPTH OF 500 FEET BELOW THE PRESENT NATURAL SURFACE OF THE GROUND, EXCEPT AS PROVIDED IN THE DEED NEXT HEREIN REFERRED TO, AS RESERVED BY PORTER SESNON, BARBARA SESNON CARTAN AND WILLIAM T. SESNON, JR., IN THE DEED RECORDED DECEMBER 21, 1962 AS INSTRUMENT NO. 4537 IN BOOK D-1863 PAGE 473 OFFICIAL RECORDS, UPON THE TERMS, CONDITIONS AND PROVISIONS THEREIN SET FORTH.

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EXHIBIT "D"

APRIL 9, 1990

**TO: SHAPELL INDUSTRIES INC.
8383 WILSHIRE BLVD SUITE 700
BEVERLY HILLS, CALIFORNIA 90211**

ATTENTION: MARGARET LEONG OR SASHA

**YOUR REFERENCE: UNIT 10
OUR NO. : 8535172**

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE; TICOR TITLE INSURANCE COMPANY OF CALIFORNIA HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A POLICY OR POLICIES OF TITLE INSURANCE DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HEREINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERRED TO AS AN EXCEPTION BELOW OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULES, CONDITIONS AND STIPULATIONS OF SAID POLICY FORMS.

THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF SAID POLICY OR POLICIES ARE SET FORTH ON THE ATTACHED COVER. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS REPORT.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS THERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

DATED AT 7:30 A.M. AS OF APRIL 5, 1990

TITLE OFFICER: G. OSTBY

**THE FORM OF POLICY OF TITLE INSURANCE CONTEMPLATED BY THIS REPORT IS:
CLTA STANDARD COVERAGE POLICY - 1988**

TITLE TO THE ESTATE OR INTEREST REFERRED TO HEREIN, AT THE DATE HEREOF, IS VESTED IN:

PORTER RANCH DEVELOPMENT CO., A JOINT VENTURE COMPOSED OF SHAPELL INDUSTRIES INC., A DELAWARE CORPORATION, LIBERTY BUILDING COMPANY, A CALIFORNIA CORPORATION AND I.N.S. CORPORATION, A CALIFORNIA CORPORATION.

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**PORTER RANCH DEVELOPMENT
AGREEMENT**

**FIRE STATION AGREEMENT
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FIRE STATION AGREEMENT

TICOR TITLE INSURANCE COMPANY OF CALIFORNIA

THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS: A FEE.

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS CONTAINED IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. GENERAL AND SPECIAL COUNTY AND CITY TAXES
FOR THE FISCAL YEAR 1990-1991, A LIEN NOT YET PAYABLE.
FOR THE FISCAL YEAR 1989-1990
SECOND INSTALLMENT: \$14,111.10

THE LIEN OF SUPPLEMENTAL TAXES, IF ANY, ASSESSED PURSUANT TO THE PROVISIONS OF CHAPTER 3.5 (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE OF THE STATE OF CALIFORNIA.

SAID MATTER AFFECTS: 2701-002-014

2. NON EXCLUSIVE EASEMENTS FOR NATURAL DRAINAGE OF, AND TO DISCHARGE, ALL WATERS NATURALLY FALLING ON THE SURFACE OF CERTAIN LANDS ADJOINING PARCEL 8, AS DESCRIBED IN THE DEED TO MACCO REALTY COMPANY, A CORPORATION, HEREIN REFERRED TO, ON THE NORTH AS SAID WATERS SO NATURALLY FALLING MAY ACCUMULATE AND/OR FLOW ON, ACROSS AND FROM SAID PROPERTY, UNIMPROVED OR IMPROVED BY GUTTERS, DRAINS AND OTHERWISE, ONTO SAID PARCEL 8 IN THE WATERSHED IN WHICH SUCH SURFACE WATERS WOULD NATURALLY FLOW, AS RESERVED BY PORTER SESNON, BARBARA SESNON CARTAN AND WILLIAM T. SESNON, JR., UPON THE TERMS THEREIN SET FORTH, IN THE DEED TO MACCO REALTY COMPANY, A CORPORATION, RECORDED DECEMBER 21, 1962 AS INSTRUMENT NO. 4537 IN BOOK D-1863 PAGE 473 OFFICIAL RECORDS.

3. A COVENANT AND AGREEMENT
EXECUTED BY : GLENEAGLES ESTATES, A CORPORATION AS OWNER
IN FAVOR OF : UNION OIL COMPANY OF CALIFORNIA
RECORDED : APRIL 29, 1966 AS INSTRUMENT NO. 4257 IN BOOK M-2203
PAGE 314, OFFICIAL RECORDS

WHICH, AMONG OTHER THINGS, PROVIDES:
THAT OWNER AND HIS ASSIGNS SHALL REFRAIN FROM ESTABLISHING A RETAIL GASOLINE SERVICE STATION ON SAID LAND AND WHICH PROVIDES THAT A VIOLATION THEREOF SHALL NOT DEFEAT OR RENDER INVALID THE LIEN OF ANY MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

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TICOR TITLE INSURANCE COMPANY OF CALIFORNIA

SAID PROVISION DOES NOT APPLY TO THAT PORTION OF SAID LAND DESCRIBED IN THE DEED FROM UNION OIL COMPANY OF CALIFORNIA, TO CALIFORNIA FEDERAL SAVINGS AND LOAN ASSOCIATION, RECORDED AUGUST 29, 1977 AS INSTRUMENT NO. 77-947668 OFFICIAL RECORDS.

4. THE EFFECT OF A NOTICE OF CONSENT TO USE OF LAND DATED NOVEMBER 21, 1972 EXECUTED BY CALIFORNIA FEDERAL SAVINGS AND LOAN ASSOCIATION, A CORPORATION, RECORDED NOVEMBER 29, 1972 AS INSTRUMENT NO. 3698 OFFICIAL RECORDS WHICH RECITES AS FOLLOWS:

THE ASSOCIATION PURSUANT TO SECTION 813 OF CALIFORNIA CIVIL CODE, HEREBY CONSENTS TO THE PERMISSIVE AND REVOCABLE USE OF THE ABOVE DESCRIBED PROPERTY BY ANY MEMBER OF THE GENERAL PUBLIC OR ANY OTHER PERSON OR PERSONS TO PASS OVER SAID LAND OR ANY PORTION THEREOF, IT BEING EXPRESSLY UNDERSTOOD THAT ANY SUCH PASSING IS PERMISSIVE ONLY AND WITH CONSENT OF THE ASSOCIATION AND SHALL NOT BE DEEMED TO VEST ANY OTHER OR FURTHER RIGHTS IN ANY SUCH PERSON OR PERSONS. SAID CONSENT IS REVOCABLE BY THE ASSOCIATION IN ITS SOLE DISCRETION AND MAY BE WITHDRAWN AT ANY TIME BY RECORDING A NOTICE OF REVOCATION IN THE OFFICE OF THE COUNTY RECORDER WHEREIN THIS NOTICE OF CONSENT TO USE OF LAND IS RECORDED.

5. A COVENANT AND AGREEMENT

EXECUTED BY : CALIFORNIA FEDERAL SAVINGS AND LOAN ASSOCIATION
IN FAVOR OF : CITY OF LOS ANGELES
RECORDED : DECEMBER 21, 1979 AS INSTRUMENT NO. 79-1435302 OFFICIAL RECORDS

WHICH, AMONG OTHER THINGS, PROVIDES:

THAT IN CONSIDERATION OF THE APPROVAL OF PRIVATE STREET NO. 772 BY THE ADVISORY AGENCY, WE DO HEREBY PROMISE, COVENANT AND AGREE TO AND WITH THE CITY OF LOS ANGELES AND THE ADVISORY AGENCY OF SAID CITY THAT TO THE EXTENT OF OUR INTEREST, WE HEREBY AGREE THAT:

UPON CONVEYANCE OF ANY OF THE PARCELS, WE WILL GRANT AN EASEMENT FOR INGRESS AND EGRESS COTERMINUS WITH PRIVATE STREET 772 PERMITTING ACCESS TO EACH.

THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE RESPECTIVE ADVISORY AGENCY APPROVES ITS TERMINATION.

6. A COVENANT AND AGREEMENT

EXECUTED BY : CALIFORNIA FEDERAL SAVINGS AND LOAN ASSOCIATION
IN FAVOR OF : CITY OF LOS ANGELES
RECORDED : DECEMBER 21, 1979 AS INSTRUMENT NO. 79-1435303 OFFICIAL RECORDS

WHICH, AMONG OTHER THINGS, PROVIDES:

THAT IN CONSIDERATION OF THE APPROVAL OF PRIVATE STREET NO. 772 BY THE ADVISORY AGENCY, WE DO HEREBY PROMISE, COVENANT AND AGREE TO AND WITH THE CITY OF LOS ANGELES AND THE ADVISORY AGENCY OF SAID CITY THAT TO THE EXTENT

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TICOR TITLE INSURANCE COMPANY OF CALIFORNIA

OF OUR INTEREST, WE HEREBY AGREE THAT:

- (A) REMOVAL OF ANY OAK TREES WILL NOT OCCUR ON PARCELS B AND C, UNLESS APPROVAL IS OBTAINED FROM THE DEPUTY DIRECTOR OF PLANNING.
- (B) NO GRADING WILL OCCUR ON THE SITE OTHER THAN THAT APPROVED BY PARCEL A (INCLUDING ON-SITE AND OFF-SITE TO AND FROM PARCEL B) TENTATIVE TRACT NO. 38924, THAT WHICH IS BEING DONE UNDER DISPOSAL AGREEMENT NO. 7701 WITH THE STATE OF CALIFORNIA, OR THAT WHICH IS APPROVED BY THE DEPUTY DIRECTOR OF PLANNING.
- (C) THE PARCELS AFFECTED BY THIS ACTION BE RESTRICTED AGAINST DEVELOPMENT UNTIL SUBDIVISION MAPS ARE APPROVED BY THE ADVISORY AGENCY.

THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE RESPECTIVE ADVISORY AGENCY APPROVES ITS TERMINATION.

7. CERTIFICATE OF COMPLIANCE NO. 79-971 ISSUED BY THE CITY OF LOS ANGELES, ESTABLISHING SAID LAND AS A VALID DIVISION OF PROPERTY WHICH MAY BE SOLD, LEASED, FINANCED OR TRANSFERED IN FULL COMPLIANCE WITH THE PROVISIONS OF THE SUBDIVISION MAP ACT WAS RECORDED DECEMBER 21, 1979 AS INSTRUMENT NO. 79-1435393 OFFICIAL RECORDS.

8. A DEED OF TRUST TO SECURE AN INDEBTEDNESS IN THE ORIGINAL AMOUNT STATED HEREIN
DATED : AUGUST 29, 1988
AMOUNT : \$15,000,000.00
TRUSTOR : PORTER RANCH DEVELOPMENT CO., A JOINT VENTURE, COMPRISED OF SHAPELL INDUSTRIES, INC., A DELAWARE CORPORATION, LIBERTY BUILDING COMPANY, A CALIFORNIA CORPORATION AND I.N.S. CORPORATION, A CALIFORNIA CORPORATION
TRUSTEE : FIRST INTERSTATE BANK OF CALIFORNIA, A CALIFORNIA CORPORATION
BENEFICIARY : FIRST INTERSTATE BANK OF CALIFORNIA, A CALIFORNIA CORPORATION
RECORDED : SEPTEMBER 2, 1988
INSTRUMENT NO.: 88-1402515 OFFICIAL RECORDS

SAID MATTER AFFECTS THIS AND OTHER PROPERTY.

9. A COVENANT AND AGREEMENT
EXECUTED BY : PORTER RANCH DEVELOPMENT COMPANY
IN FAVOR OF : CITY OF LOS ANGELES
RECORDED : AUGUST 24, 1989 AS INSTRUMENT NO. 89-1361373 OFFICIAL RECORDS

WHICH, AMONG OTHER THINGS, PROVIDES:
THAT IF ANY ARCHAEOLOGICAL MATERIALS ARE ENCOUNTERED DURING THE COURSE OF THE PROJECT DEVELOPMENT, THE PROJECT SHALL BE HALTED IN THE AREA OF CONCERN. WE SHALL EMPLOY EITHER A STAFF ARCHAEOLOGIST OF THE CENTER FOR PUBLIC ARCHAEOLOGY, CAL STATE UNIVERSITY NORTHRIDGE:

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PORTER RANCH DEVELOPMENT
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TICOR TITLE INSURANCE COMPANY OF CALIFORNIA

A QUALIFIED MEMBER OF THE SOCIETY OF PROFESSIONAL ARCHAEOLOGISTS (SOPA); OR A SOPA-QUALIFIED ARCHAEOLOGIST, TO ASSESS THE RESOURCES AND EVALUATE THE IMPACT. COPIES OF ARCHAEOLOGIC SURVEYS, STUDY OR REPORTS PREPARED BY SAID ARCHAEOLOGIST SHALL BE SUBMITTED TO THE UCLA ARCHAEOLOGICAL INFORMATION CENTER.

THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE RESPECTIVE ADVISORY AGENCY APPROVES ITS TERMINATION.

10. A COVENANT AND AGREEMENT

EXECUTED BY : PORTER RANCH DEVELOPMENT COMPANY
IN FAVOR OF : CITY OF LOS ANGELES
RECORDED : AUGUST 24, 1989 AS INSTRUMENT NO. 89-1361374 OFFICIAL RECORDS

WHICH, AMONG OTHER THINGS, PROVIDES:

CONSULT WITH THE DEPARTMENT OF ANIMAL REGULATION REGARDING PRACTICAL MEANS OR METHODS THAT CAN BE UTILIZED BY THE SUBDIVIDER IN RELOCATING THOSE FAUNA CONSIDERED VALUABLE OR IMPORTANT BY THE DEPARTMENT. THEREAFTER WE SHALL SUBMIT A LETTER TO BOTH THE ADVISORY AGENCY AND THE DEPARTMENT OF ANIMAL REGULATION DESCRIBING THE MEASURES WE WILL PERFORM IN THIS ENDEAVOR. THAT DURING GRADING AND CONSTRUCTION AN ESCAPE ROUTE TO ALLOW RESIDENT WILDLIFE TO REACH UNINHABITED AREAS WILL BE PROVIDED.

THIS COVENANT AND AGREEMENT SHALL RUN WITH THE LAND AND SHALL BE BINDING UPON ANY FUTURE OWNERS, ENCUMBRANCERS, THEIR SUCCESSORS, HEIRS OR ASSIGNS AND SHALL CONTINUE IN EFFECT UNTIL THE RESPECTIVE ADVISORY AGENCY APPROVES ITS TERMINATION.

11. INFORMATION IN POSSESSION OF THIS COMPANY INDICATES THAT A DIVISION OF LAND IS CONTEMPLATED IN THE CURRENT TRANSACTION INVOLVING THE LAND DESCRIBED IN THIS REPORT. SUCH CONTEMPLATED DIVISION OF LAND WOULD APPEAR TO FALL WITHIN THE PURVIEW OF THE SUBDIVISION MAP ACT (G.C. 66410 ET SEQ.). AS A PREREQUISITE TO THE ISSUANCE OF FINAL TITLE EVIDENCE, AT LEAST ONE OF THE FOLLOWING REQUIREMENTS MUST BE ACCOMPLISHED TO THIS COMPANY'S SATISFACTION:

- (1) A SUBDIVISION MAP MUST BE RECORDED IN COMPLIANCE WITH THE SUBDIVISION MAP ACT OR RELATED LOCAL ORDINANCES;
- (2) A PARCEL MAP MUST BE RECORDED IN COMPLIANCE WITH THE SUBDIVISION MAP ACT OR RELATED LOCAL ORDINANCES;
- (3) A CERTIFICATE OF COMPLIANCE AS PROVIDED FOR IN THE SUBDIVISION MAP ACT (G.C. 66499.35) MUST BE RECORDED;
- (4) A WAIVER AS PROVIDED FOR IN THE SUBDIVISION MAP ACT (G.C. 66428)

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TICOR TITLE INSURANCE COMPANY OF CALIFORNIA

MUST BE OBTAINED; OR

(5) OTHER SATISFACTORY EVIDENCE INDICATING COMPLIANCE OR NON-VIOLATION MUST BE FURNISHED.

12. THE BOUNDARY LINES OF THE LAND DESCRIBED HEREIN ARE SUBJECT TO CHANGE WHEN CORBIN AVENUE, IS DEDICATED BY THE MAP OF PROPOSED TRACT NO. 39373.

13. THE LAND DESCRIBED HEREIN IS LAND LOCATED AND DOES NOT HAVE ACCESS TO A PUBLIC ROAD OR PHYSICALLY OPENED STREET AT THIS TIME.

DESCRIPTION:

THAT PORTION OF SECTION 4, TOWNSHIP 2 NORTH, RANGE 9 WEST OF THE RANCHO EX MISSION DE SAN FERNANDO, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGES 605 AND 606 OF PATENTS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE LAND CONVEYED TO WILLIAM E. EVANS, RECORDED SEPTEMBER 26, 1939 AS INSTRUMENT NO. 504 IN BOOK 16955 PAGE 29 OFFICIAL RECORDS THENCE ALONG THE NORTHERLY LINE OF SAID LAND NORTH 89 DEGREES 59 MINUTES 32 SECONDS WEST 948.20 FEET; THENCE LEAVING SAID NORTHERLY LINE NORTH 00 DEGREES 00 MINUTES 28 SECONDS EAST 447.41 FEET; THENCE SOUTH 89 DEGREES 44 MINUTES 00 SECONDS EAST 392.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 1600.00 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 00 DEGREES 22 MINUTES 10 SECONDS AN ARC DISTANCE OF 10.32 FEET; THENCE SOUTH 00 DEGREES 23 MINUTES 27 SECONDS WEST 50.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 00 DEGREES 23 MINUTES 27 SECONDS WEST 180.00 FEET; THENCE SOUTH 85 DEGREES 07 MINUTES 48 SECONDS EAST 156.00 FEET; THENCE NORTH 41 DEGREES 16 MINUTES 23 SECONDS EAST 214.69 FEET TO A POINT ON A CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 1550.00 FEET AND A RADIAL BEARING SOUTH 11 DEGREES 39 MINUTES 35 SECONDS WEST, THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11 DEGREES 00 MINUTES 56 SECONDS AN ARC DISTANCE OF 298.00 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL OIL, ASPHALTUM, PETROLEUM, NATURAL GAS AND OTHER HYDROCARBONS AND OTHER VALUABLE MINERAL SUBSTANCES AND PRODUCTS, AND ALL OTHER MINERALS, WHETHER OR NOT OF THE SAME CHARACTER HEREINBEFORE GENERALLY DESCRIBED, IN OR UNDER SAID LAND AND LYING AND BEING AT A VERTICAL DEPTH OF 500 OR MORE FEET BELOW THE PRESENT NATURAL SURFACE OF THE GROUND, BUT WITHOUT RIGHT OF ENTRY ON THE SURFACE OR WITHIN A VERTICAL DEPTH OF 500 FEET BELOW THE PRESENT NATURAL SURFACE OF THE GROUND, EXCEPT AS PROVIDED IN THE DEED NEXT HEREIN REFERRED TO, AS RESERVED BY PORTER SESNON, BARBARA SESNON CARTAN AND WILLIAM T. SESNON, JR., IN THE DEED RECORDED DECEMBER 21, 1962 AS INSTRUMENT NO. 4537 IN BOOK D-1863 PAGE 473 OFFICIAL RECORDS, UPON THE TERMS, CONDITIONS AND PROVISIONS THEREIN SET FORTH.

GO/CJ;30 PLATS ENCL

EXHIBIT "E"

PORTER RANCH TASK FORCE FIRE STATION

TARGET DATE SCHEDULE

I. PLANS

- 1. Working Drawings Complete
- 2. Art Commission June 15, 1989, to June 1, 1990
- 3. Plan Check June 15, 1989, to June 1, 1990
- 4. Bid Oct. 1, 1990, to Feb. 1, 1991
- 5. Contract Award February 1, 1991

II. CONSTRUCTION

- 1. Grading of Site & Streets Aug. 1, 1990, to Jan. 1, 1991
- 2. Start Fire Station Construction April 1, 1991
- 3. Complete Fire Station and Paved Roadway with a Minimum Width of 28 Feet From Existing Rinaldi St. To Corbin Ave., Corbin Ave. To Winnetka Ave. Winnetka Ave. to Sesnon Blvd., and Sesnon Blvd. to Existing Paved Sesnon Blvd. April 1, 1992

2274F

EXHIBIT "E"
(Page 1 of 1)

EXHIBIT "F"

**AGREEMENT BETWEEN
PORTER RANCH DEVELOPMENT COMPANY
AND LOS ANGELES UNIFIED SCHOOL DISTRICT
PROVIDING FOR SCHOOL FACILITIES AND
CLARIFYING DEVELOPMENT OBLIGATIONS**

PORTER RANCH DEVELOPMENT COMPANY, a California general partnership comprised of Shapell Industries, Inc., a Delaware corporation, Liberty Building Company, a California corporation and I.N.S. Corporation, a California corporation (collectively, "Porter Ranch") and the LOS ANGELES UNIFIED SCHOOL DISTRICT ("District"), a unified school district created under the provisions of Education Code Section 4200 *et seq.*, governed by the provisions of Education Code Section 35000 *et seq.*, hereby enter into this Agreement regarding the reservation and possible transfer of certain real property owned by Porter Ranch within that area governed by the Porter Ranch Land/Use Transportation Specific Plan ("Specific Plan") [City of Los Angeles ("City") Ordinance No. 166,068] and related development obligations associated with development authorized by City Tentative Subdivision Tract Map Nos. 39373 and 45297 ("Tract Nos. 39373 and 45297").

RECITALS

A. WHEREAS, Porter Ranch is proceeding to develop the real property area consistent with the Specific Plan and to confirm the obligations and authorizations of the Specific Plan with a development agreement as authorized by Government Code Section 65864 *et seq.* with the City (the "Development Agreement") and adjacent real property consistent with Tract Nos. 39373 and 45297; and,

B. WHEREAS, the District desires to mitigate the impacts on school facilities because of the development authorized by the Specific Plan and Tract Nos. 39373 and 45297; and,

C. WHEREAS, the parties disagree as to their respective legal rights and obligations to mitigate the impact on the District of the development authorized by the Specific Plan and Tract Nos. 39373 and 45297 but now wish to settle such dispute and in consideration of the agreement of the District with the proposed terms and conditions related to school impact mitigation in the Development Agreement and this Agreement, the parties therefore mutually agree as follows:

AGREEMENT

Section 1. Elementary School Site. Porter Ranch shall reserve a seven (7) acre parcel at the southeast corner of Sesnon Boulevard and Mason Avenue ("elementary school site"), as more particularly described in the legal description attached hereto as Exhibit "A", for an elementary school for the District for a period extending to three (3) years after the completion of sale (close of escrow) of sixty percent (60%) of the single-family residential units authorized by the Specific Plan, during which time the District shall have the right to give written notice to Porter Ranch that the District requires the elementary school site for an elementary school facility. Porter Ranch shall provide notice to the District within thirty (30) days after the completion of sale (close of escrow) of sixty percent (60%) of said residential units.

SCHOOL DISTRICT AGREEMENT

A. Porter Ranch will donate the elementary school site to the District upon written notification from the District to Porter Ranch within the time period set forth above that it requires the elementary school site for an elementary school facility.

B. Should the District timely indicate to Porter Ranch that it requires the elementary school site, the District shall, as a condition precedent of its transfer, reimburse Porter Ranch for one-half (1/2) of all elementary school site preparation costs incurred by Porter Ranch. Porter Ranch shall furnish the District with supporting documentation for such actual costs of site preparation upon demand. Porter Ranch is under no obligation to transfer the elementary school site until it receives payment for one-half (1/2) of all elementary school site preparation costs it has incurred. Site preparation costs shall include, but not be limited to, all necessary and reasonable costs associated with site preparation, engineering, grading, the payment of all applicable processing fees, the obtaining of all necessary permits and street improvement costs. Street improvement costs shall include the cost of improvement of one-half (1/2) of the entire publicly-dedicated right-of-way immediately adjacent to the elementary school site, including the installation of all utilities. Street improvement costs shall not include the cost of improvement to any private street immediately adjacent to the elementary school site. The District may dispute the specific dollar amount of site preparation costs, if within thirty (30) days of being invoiced for such costs by Porter Ranch it notifies Porter Ranch in writing of the specific disagreement as to the amount of such costs. Upon receipt of such

notification from the District, Porter Ranch and the District will submit the matter immediately to binding arbitration before a mutually agreed disinterested third party arbitrator. In the event of an inability to agree on an arbitrator, the binding arbitration shall be before a three-member panel, with Porter Ranch and the District each selecting a panel member, with the third panel member being selected by the two designees of Porter Ranch and the District, respectively. Porter Ranch and the District shall provide that the arbitration, whether accomplished by an individual arbitrator, or a three member panel, shall be completed within sixty (60) days of the notification by the District to Porter Ranch of disagreement over the specific amount of the site preparation cost, each party to share equally in the payment of the cost of the arbitration. If the elementary school site is donated prior to Porter Ranch accomplishing any site preparation on the elementary school site and Porter Ranch subsequently commences site preparation on property adjacent to the elementary school site area, then Porter Ranch shall retain a right of entry on the elementary school site and the District shall reimburse Porter Ranch for one-half (1/2) of all such site preparation costs within thirty (30) days of being invoiced for the same subject to the arbitration procedure just described. If the District commences construction of an elementary school facility, including site preparation, on the elementary school site prior to Porter Ranch commencing site preparation in the elementary school site area, then Porter Ranch will provide District with necessary vehicular access and required utilities for such construction at District expense.

SCHOOL DISTRICT AGREEMENT

Section 2. Junior High/Middle School Site. Porter Ranch shall reserve a 15-acre parcel in Subareas B and C of the Specific Plan ("junior high school site"), as more particularly described in the legal description attached hereto as Exhibit "B", for a junior high or middle school for the District for a period extending to four (4) years after the completion of sale (close of escrow) of sixty percent (60%) of the single-family residential units authorized by the Specific Plan, during which time the District shall have the right to give written notice to Porter Ranch that the District requires the site for a junior high/middle school facility. Porter Ranch shall provide notice to the District within thirty (30) days after completion of the sale of sixty percent (60%) of said residential units. Upon written notification from the District to Porter Ranch that it requires the junior high school site for a junior high or middle school facility, and payment of fair market value, Porter Ranch shall transfer the junior high school site to the District. Should Porter Ranch and the District fail to reach agreement on the fair market value of the junior high school site within fifteen (15) days after the written notification of the requirement of the District for the junior high school site, Porter Ranch and the District will immediately submit the matter to binding arbitration before a mutually agreed disinterested third party arbitrator. In the event of an inability to agree on an arbitrator, the binding arbitration shall be before a three-member panel, with Porter Ranch and the District each selecting a panel member, with the third party member being selected by the two designees of Porter Ranch and the District, respectively. Porter Ranch and the District shall provide that the arbitration, whether accomplished by an individual arbitrator, or a three-member panel, shall be completed within sixty (60) days of the written notification of the requirement of the District for the junior high school site, each party to share equally in the payment of the cost of the arbitration.

A. Definition of Fair Market Value. For purposes of this Agreement, the term "fair market value" shall mean the price that a willing buyer would pay to a willing seller for the highest and best use of the junior high school site on the date which the District gives written notice to Porter Ranch that it requires the junior high school site.

B. Determination Of Fair Market Value By Arbitrator Or Arbitration Panel. Porter Ranch and the District shall submit in writing a proposed fair market valuation not later than twenty-one (21) days following initiation of the arbitration. The arbitrators or the three-member arbitration panel shall thereafter select that proposed valuation which most closely approximates the determination of the appropriate valuation and shall adopt such valuation in full as the determination of the matter. If the District or Porter Ranch fails to timely deliver such written valuation, the valuation submitted by the complying party shall control. The proposed valuations shall be submitted and maintained by the arbitrators or the three-member arbitration panel in strict confidence until final determination. Neither party shall be permitted to review the valuation proposed by the other.

C. Site Preparation Cost After Acquisition By District. Should the District acquire title to the junior high school site in an unimproved condition or prior to the completion of any site preparation accomplished by Porter Ranch, it shall nonetheless be liable to reimburse Porter Ranch for one half (1/2) of all junior high school site preparation costs incurred by Porter Ranch.

If the junior high school site is transferred prior to Porter Ranch accomplishing any site preparation on the junior high school site and Porter Ranch subsequently commences site preparation on property adjacent to the junior high school site area, then Porter Ranch shall retain a right of entry on the junior high school site and the District shall reimburse Porter Ranch for one-half (1/2) of all such site preparation costs within thirty (30) days of being invoiced for the same subject to the arbitration procedure just described. If the District commences construction of a junior high school facility, including site preparation, on the junior high school site prior to Porter Ranch commencing site preparation in the junior high school site area, then Porter Ranch will provide District with necessary vehicular access and required utilities for such construction at District expense.

Section 3. Election To Use Junior High School Site As Additional Elementary School Site. The District may elect to utilize only seven (7) acres of the junior high school site, which it shall specifically designate, for the construction of an additional elementary school facility upon written notification to Porter Ranch. Such notification by the District must be accomplished prior to the expiration of a period extending to four (4) years after the completion of sale (close of escrow) of sixty percent (60%) of the single-family residential units authorized by the Specific Plan. Porter Ranch shall provide notice to the District within thirty (30) days after completion of the sale (close of escrow) of sixty percent (60%) of said residential units. Upon written notification from the District to Porter Ranch that it requires seven (7) acres of the junior high school site for an additional elementary

school facility, and payment of fair market value, Porter Ranch shall transfer the designated elementary school site to the District.

Should Porter Ranch and the District fail to reach agreement on the fair market value of the designated additional elementary site within fifteen (15) days after the written notification of the requirement of the District for the designated additional elementary school site, Porter Ranch and the District will immediately submit the matter to binding arbitration before a mutually agreed disinterested third party arbitrator. In the event of an inability to agree on an arbitrator, the binding arbitration shall be before a three-member panel, with Porter Ranch and the District each selecting a panel member, with the third party member being selected by the two designees of Porter Ranch and the District, respectively. Porter Ranch and the District shall provide that the arbitration, whether accomplished by an individual arbitrator, or a three-member panel, shall be completed within sixty (60) days of the written notification of the requirement of the District for the designated additional elementary school site, each party to share equally in the payment of the cost of the arbitration.

A. Definition of Fair Market Value. For purposes of this Agreement, the term "fair market value" shall mean the price that a willing buyer would pay to a willing seller for the highest and best use of the designated additional elementary school site on the date which the District gives written notice to Porter Ranch that it requires the designated additional elementary school site.

B. Determination Of Fair Market Value By Arbitrator Or Arbitration Panel. Porter Ranch and the District shall submit in writing a proposed fair market valuation not later twenty-one (21) days following initiation of the arbitration. The arbitrators or the three-member arbitration panel shall thereafter select that proposed valuation which most closely approximates the determination of the appropriate valuation and shall adopt such valuation in full as the determination of the matter. If the District or Porter Ranch fails to timely deliver such written valuation, the valuation submitted by the complying party shall control. The proposed valuations shall be submitted and maintained by the arbitrators or the three-member arbitration panel in strict confidence until final determination. Neither party shall be permitted to review the valuation proposed by the other.

C. Site Preparation Cost After Acquisition By District. Should the District acquire title to the designated additional elementary school site in an unimproved condition or prior to the completion of any site preparation accomplished by Porter Ranch, it shall nonetheless be liable to reimburse Porter Ranch for one-half (1/2) of all designated additional elementary school site preparation costs incurred by Porter Ranch. If the additional elementary school site is transferred prior to Porter Ranch accomplishing any site preparation and Porter Ranch subsequently commences site preparation on property adjacent to the additional elementary school site area, then Porter Ranch shall retain a right of entry on the additional elementary school site and the District shall reimburse Porter Ranch for one-half (1/2) of all such site preparation costs within thirty

(30) days of being invoiced for the same subject to the arbitration procedure just described. If the District commences construction, including site preparation, of an additional elementary school facility on the seven (7) acres of the junior high school site prior to Porter Ranch commencing site preparation in the junior high school site area, then Porter Ranch will provide District with necessary vehicular access and required utilities for such construction at District expense.

Upon election, notification and payment by the District with respect to the additional designated elementary school site, and transfer by Porter Ranch, the remaining portion of the junior high school site may be developed by Porter Ranch consistent with the Specific Plan without further limitation by the District who shall have no interest therein.

Section 4. Geologic Hazards And Site Preparation Assessments. Porter Ranch shall accomplish, at its own expense, a geologic hazard assessment as required by Education Code § 39002 *et seq.* and Title 21, California Code of Regulations § 17 *et seq.* prior to site preparation of both the elementary school site as described in Section 1 of this Agreement and if applicable the junior high school site or additional elementary school site, as described in Sections 2 and 3 of this Agreement, or as the referenced sites may be located under Section 5 of this Agreement, to the standards and specifications of the District which shall include provisions for oversight and analysis of school site preparation by a licensed geologist to the standards and specifications of the District.

Section 5. Precise Location Of Junior High School/Elementary School Site. Porter Ranch may, in order to accommodate the precise location of a dedicated right-of-

way for public streets and thoroughfares in subdivision tracts immediately adjacent to the elementary school site and the junior high school site (including any portion thereof designated for an additional elementary school site), vary their respective location by up to one hundred (100) feet in any direction. Such variance, however, shall not modify, or change, the obligations of the parties under this Agreement, nor otherwise increase the liability of the District for site preparation costs.

Section 6. Effect Of Failure To Construct School Facility. Should the District fail to construct an elementary school facility within five (5) years after the date of acquisition of the elementary school site, then the site shall revert to Porter Ranch, or its successors-in-interest, upon payment by Porter Ranch, or its successors-in-interest, of any site preparation costs paid by the District for the site. Likewise, should the District fail to construct either a junior high school or middle school facility on the junior high school site within seven (7) years after the date of its acquisition, or an additional elementary school facility on seven (7) acres of the junior high school site within five (5) years after its acquisition, then the site(s) shall revert to Porter Ranch, or its successors-in-interest, upon payment by Porter Ranch, or its successors-of-interest, of any site preparation costs paid by the District, and upon repayment of the purchase price paid by the District for the involved sites, plus interest at the rate of six percent (6%). Notwithstanding the foregoing, Porter Ranch shall have the right to waive reversion and transfer of any school site upon which the District does not commence timely construction of a school facility.

Section 7. Additional Notice To District. As a convenience to the District, Porter Ranch shall notify the District after the completion of sale (close of escrow) of fifty percent (50%) of the single-family residential units authorized by the Specific Plan.

Section 8. Tract Mitigation Payment. Porter Ranch shall, concurrent with the application for the building permit for the one hundred and fiftieth (150th) single-family residential unit within City Tentative Tract Nos. 39373 and 45297 ("Tract Nos. 39373 and 45297"), adjacent to the Specific Plan Area, pay the District the amount of \$220,000.

Section 9. District Notification Of Satisfaction Of Tract Conditions. Upon execution of this Agreement, the District shall notify both the Advisory Agency and Planning Commission of the City that Condition No. 44 of Tentative Tract No. 39373 and Condition No. 30 of Tentative Tract No. 45297, respectively, dealing with school mitigation have been satisfied to the satisfaction of the District consistent with the terms of this Agreement.

Section 10. Developer Fee Payments: Release Of Porter Ranch From Further School Mitigation Provisions. Notwithstanding the provisions of this Agreement, Porter Ranch shall pay all applicable developer fees authorized by applicable law for development authorized in the Specific Plan and for Tract Nos. 39373 and 45297, but shall have no additional obligation for school mitigation except as provided in this Agreement. In consideration for such payment and other valuable consideration set forth in this Agreement, District releases Porter Ranch from any further or other or additional obligation for school mitigation and warrants that District will not use or utilize the power

of eminent domain or condemnation for acquisition of real property within the Specific Plan Area or Tract Nos. 39373 and 45297 for school purposes, during the term of this Agreement.

Section 11. Term. This Agreement shall terminate upon all of the following occurring:

A. The payment by Porter Ranch of \$220,000 consistent with Section 8 of this Agreement.

B. The expiration of three (3) years following completion of the sale (close of escrow) of sixty percent (60%) of the single-family residential units authorized by the Specific Plan, or, five (5) years after the timely acquisition by the District of the elementary school site, whichever occurs last.

C. The expiration of four (4) years following completion of the sale (close of escrow) of sixty percent (60%) of the single-family residential units authorized by the Specific Plan, or, five (5) years after the timely acquisition by the District of the additional elementary school site, or seven (7) years after the timely acquisition by the District of the junior high school site, whichever occurs last.

Section 12. Assignment. The rights, obligations and benefits of this Agreement, which run with the land, may be assigned or transferred in whole or in part by either party, without the consent of the other.

Section 13. Amendment. This Agreement may be amended from time to time by mutual written consent of the parties.

Section 14. Severability. If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of either party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition or covenant to persons or circumstances other than those to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

Section 15. Cooperation In The Event Of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provisions of this Agreement, the parties hereby agree to affirmatively cooperate in defending said action, each party bearing its own attorneys' fees and costs.

Section 16. Cooperation In Implementing Agreement. The parties will execute all such further and additional documents as shall be necessary to carry out the provisions of this Agreement.

SCHOOL DISTRICT AGREEMENT

Section 17. Drafting And Preparation Of Agreement. Each party has cooperated in the drafting and preparation of this Agreement.

Section 18. Notice. Any notice or communication required hereunder between Porter Ranch and the District must be in writing, and may be given either personally or by registered or certified mail, return receipt requested. If personally delivered, a notice shall be deemed to have been given when delivered to the party to whom it is addressed. If given by registered or certified mail, the same shall be deemed to have been given and received on the first to occur of a) actual receipt by any of the addresses designated below as the party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice or communication, properly addressed, with postage prepaid, is deposited in the United States mail. Any party hereto may at any time, by giving ten (10) days written notice to the other party hereto, designate any other address in substitution of the address to which such notice of communication shall be given. Such notices or communications shall be given to the parties at their addresses set forth below:

If to District:

Robert J. Niccum
Director of Facilities Planning
and Real Estate
Business Services Center
Los Angeles Unified School District
1425 South San Pedro Street
Los Angeles, California 90051

If to Porter Ranch:

Mr. David Hasson
Director of Planning and Development
Shapell/Liberty Building Partnership
Wilshire/San Vicente Plaza
Suite 700
8383 Wilshire Boulevard
Beverly Hills, California 90211

If to Liberty Building Company:

Mr. Irving Feintech
Liberty Building Company
321 South Beverly Drive
Suite K
Beverly Hills, California 90121

If to I.N.S. Corporation:

President
8383 Wilshire Boulevard
Suite 700
Beverly Hills, California 90211

Section 19. Counterparts. This Agreement is executed in four (4) duplicate originals, each of which is deemed to be an original. This Agreement consists of eighteen (18) pages and two (2) exhibits which constitute the entire understanding and agreement of the parties. The exhibits are identified as follows:

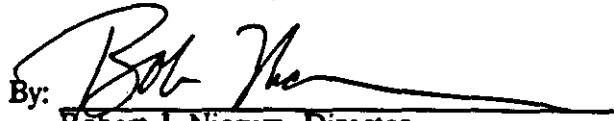
Exhibit "A" Legal description for elementary school site located at the southeast corner of the intersection of Sesnon Boulevard and Mason Avenue; and,

Exhibit "B" Legal description for a junior high school site located in Subareas B and C of the Specific Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of October 22, 1991.

"District"

LOS ANGELES UNIFIED SCHOOL DISTRICT,
a Unified School District of the State of California

By: 
Robert J. Niccum, Director
Facilities Planning and Real Estate

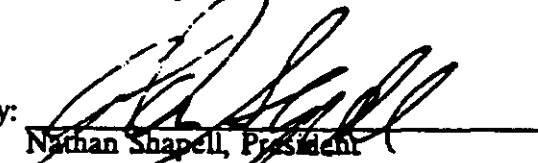
APPROVED AS TO FORM:

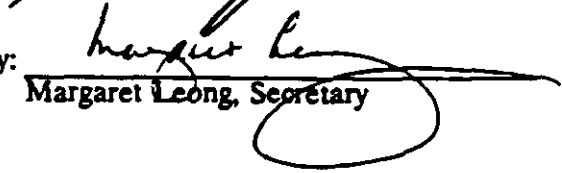
By: 
Howard Friedman
District Staff Counsel

"Porter Ranch"

PORTER RANCH DEVELOPMENT
COMPANY, a California Joint Venture

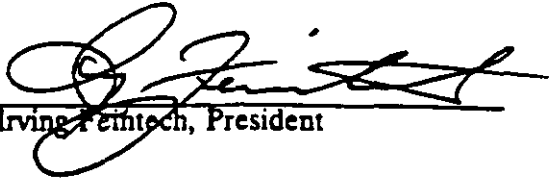
By: SHAPPELL INDUSTRIES, INC.,
a Delaware corporation

By: 
Nathan Shapell, President

By: 
Margaret Leong, Secretary

and,

By: LIBERTY BUILDING COMPANY,
a California corporation

By: 
Irving Feintech, President

By: 
Norman Feintech, Secretary

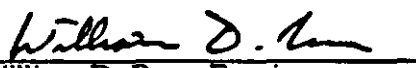
By: I.N.S. CORPORATION,
a California corporation

By: 
D. Gregory Scott, Vice President

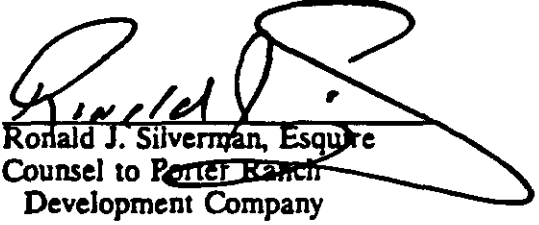
By: 
Alice Amron, Assistant Secretary

APPROVED AS TO FORM:

ROSS & SCOTT
A Professional Corporation

By: 
William D. Ross, Esquire
Counsel to Porter Ranch
Development Company

WEISSMANN, WOLF, BERGMAN,
COLEMAN & SILVERMAN

By: 
Ronald J. Silverman, Esquire
Counsel to Porter Ranch
Development Company

SCHOOL DISTRICT AGREEMENT

1119

LEGAL DESCRIPTION
ELEMENTARY SCHOOL
(FOR FILING PURPOSES ONLY)

THAT PORTION OF THE RANCHO EX MISSION DE SAN FERNANDO IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 1, PAGES 605 AND 606 OF PATENT, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF PARCEL "C" OF PARCEL MAP No. 3586 RECORDED IN BOOK 97 PAGE 60 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE EASTERLY ALONG SOUTHERLY LINE OF SAID PARCEL "C" SOUTH 60°45'49" EAST 364.32 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 2800.00 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 5°13'55" AN ARC DISTANCE OF 255.68 FEET; THENCE DEPARTING FROM SAID SOUTHERLY LINE SOUTH 24°00'14" WEST 230.00 FEET; THENCE NORTH 73°59'46" WEST 13.44 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 170.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 66°56'28" AN ARC DISTANCE OF 198.77 FEET; THENCE SOUTH 39°00'45" WEST 227.89 FEET; THENCE NORTH 50°59'15" WEST 135.00 FEET; THENCE NORTH 60°59'15" WEST 325.00 FEET; THENCE NORTH 29°00'45" EAST 560.00 FEET TO THE POINT OF BEGINNING.

PREPARED FOR PORTER RANCH DEVELOPMENT COMPANY/
THIS LEGAL DESCRIPTION WAS NOT PREPARED FOR ANY PURPOSE THAT WOULD BE IN VIOLATION OF THE STATE OF CALIFORNIA MAP ACT OR LOCAL ORDINANCES OF THE GOVERNING BODY HAVING JURISDICTION.

Prepared Under the Direction of:


Tom Steinhock, RCE 18662

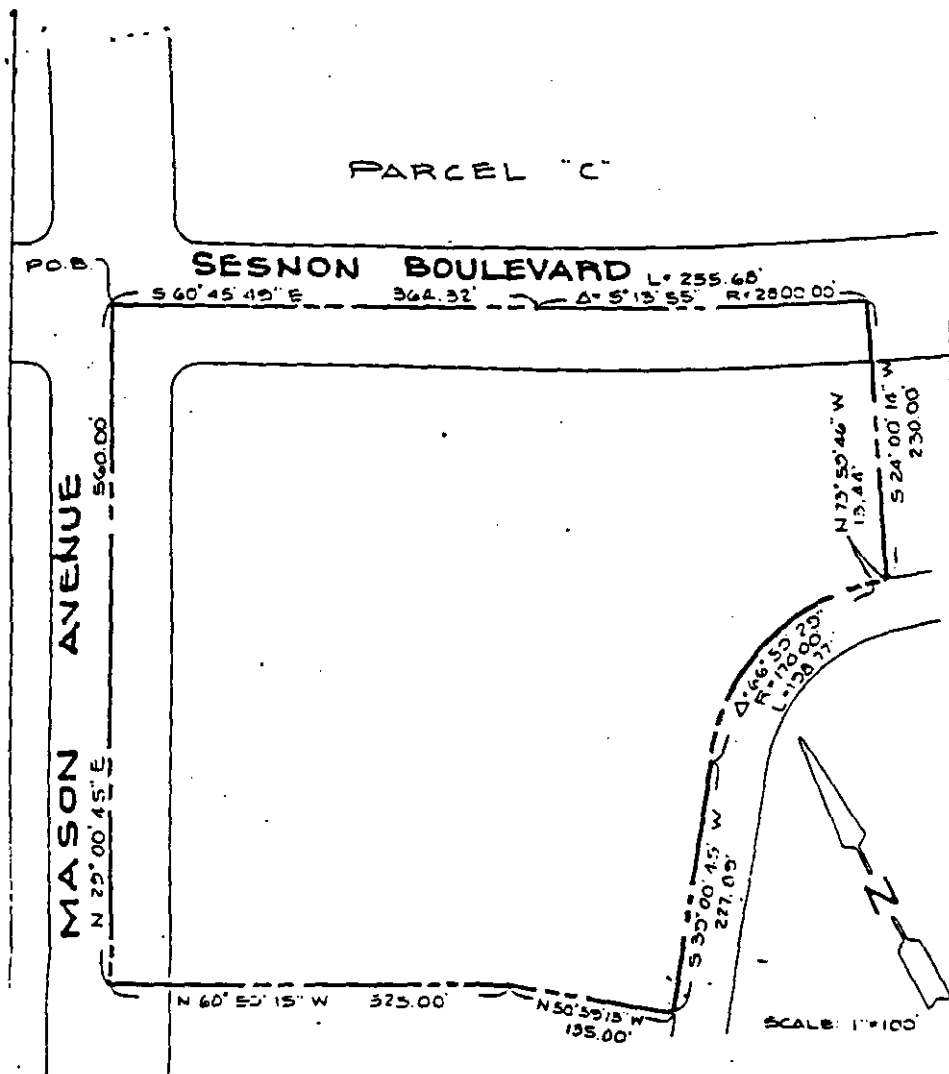
ENGINEERING TECHNOLOGY, INC.
14148 MAGNOLIA BOULEVARD
SHERMAN OAKS, CA 91423
(818) 905-2800


V.O. NO. 3210-013 09/17/91



EXHIBIT (PORTER) 1

EXHIBIT "A"



 <p>eti ENGINEERING TECHNOLOGY INC. 1918 MAGNOLIA BLVD. • BERRANA OAKS, CALIFORNIA 94022 (916) 805-2800</p>	<p>Surveying Land Planning Civil Engineering Environmental Studies</p>	<p>JN 3780-015 DATE <u>SEPT 17, 1991</u> DES <u>R.G.</u> DRAWN <u>D.M.W.</u> CHECKED <u>R.G.</u> SHEET <u>2</u> OF <u>2</u></p>
	<p>ELEMENTARY SCHOOL SITE</p>	
	<p>SCALE: 1"=100'</p>	

LEGAL DESCRIPTION
JUNIOR HIGH SCHOOL
(FOR FILING PURPOSES ONLY)

THAT PORTION OF THE RANCHO EX MISSION DE SAN FERNANDO IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 1, PAGES 605 AND 606 OF PATENT, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF PARCEL "C" OF PARCEL MAP No. 3586 RECORDED IN BOOK 97 PAGE 60 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; SAME POINT BEING NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE SOUTHERLY LINE OF SAID PARCEL "C" SHOWN THEREIN AS HAVING A BEARING AND DISTANCE OF SOUTH 60°45'49" EAST 364.32 FEET; THENCE NORTH 60°45'49" WEST 792.65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 1600.00 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 14°03'54" AN ARC DISTANCE OF 392.77 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 20°10'15" WEST 200.00 FEET; THENCE SOUTH 17°10'15" WEST 249.35 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 70°15'23" AN ARC DISTANCE OF 30.66 FEET; THENCE SOUTH 87°25'38" WEST 94.91 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 672.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16°00'00" AN ARC DISTANCE OF 167.66 FEET; THENCE SOUTH 71°25'36" WEST 350.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 292.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 7°00'00" AN ARC DISTANCE OF 35.67 FEET; THENCE NORTH 67°34'22" WEST 340.00 FEET; THENCE NORTH 3°34'22" WEST 620.00 FEET; THENCE NORTH 8°55'38" EAST 50.00 FEET; THENCE SOUTH 81°04'22" EAST 995.63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 1600.00 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6°14'37" AN ARC DISTANCE OF 174.35 FEET TO THE POINT OF BEGINNING.

PREPARED FOR PORTER RANCH DEVELOPMENT COMPANY
THIS LEGAL DESCRIPTION WAS NOT PREPARED FOR ANY PURPOSE THAT WOULD BE IN VIOLATION OF THE STATE OF CALIFORNIA MAP ACT OR LOCAL ORDINANCES OF THE GOVERNING BODY HAVING JURISDICTION.

Prepared Under the Direction of:


Tom Steznock, RCE 18662

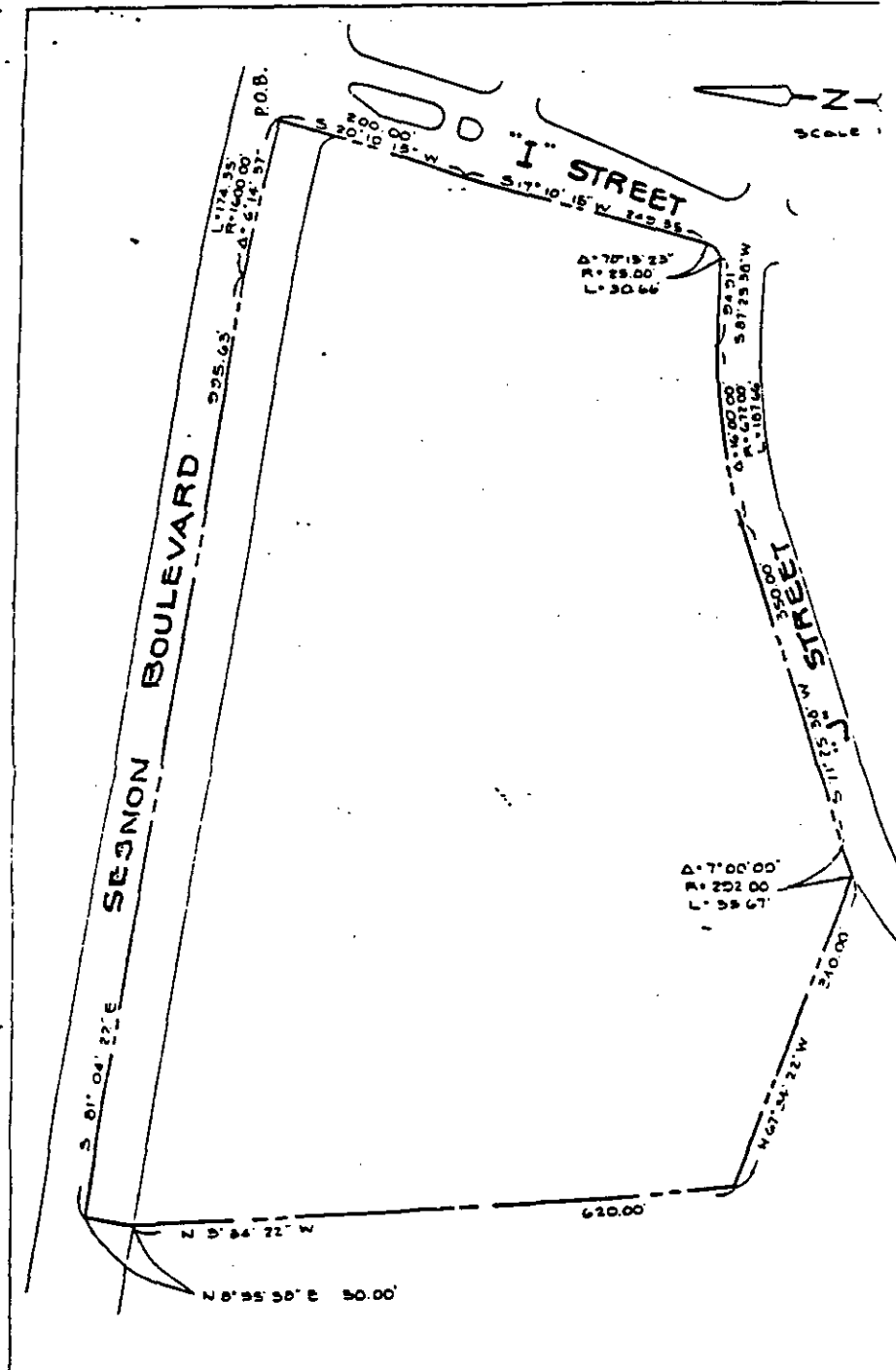
ENGINEERING TECHNOLOGY, INC.
14148 MAGNOLIA BOULEVARD
SHERMAN OAKS, CA 91423
(818) 905-2800



U.D. NO. 3210-013 09/17/91

F:\MP\ENG\PORTER\232

EXHIBIT "B"




 <p>ENGINEERING TECHNOLOGY INC. <small>1000 W. 10th Street • Suite 100 • San Diego, CA 92101 • (619) 594-2888</small></p>	<p>DESIGNED BY: [Signature] DRAWN BY: [Signature] CHECKED BY: [Signature]</p>	<p>JN 3750-015 DATE SEPT 17, 1971 DESIGNED BY: R.G. DRAWN BY: D.M.W. CHECKED BY: R.G. SHEET 2 OF 2</p>
	<p>JUNIOR HIGH SCHOOL SITE</p>	

EXHIBIT "G-1"

CITY OF LOS ANGELES
CERTIFICATE

[Date]

[Bank]

Attention:

Re: Letter of Credit Number _____

Ladies and Gentlemen:

The undersigned is the [title of authorized representative] of the City of Los Angeles (the "City"), beneficiary under the above-referenced Letter of Credit.

On [date], the City let a contract [or began to implement City procedures to advertise a bid for construction or received notification that its local match funds were due] for the construction of the following improvements related to the [Mason Avenue At-Grade Crossing Improvement Project or the design, planning, implementation, construction, and/or completion of the ATSAC/ATCS system for the Ronald Reagan Freeway Corridor Phases I and II Project], which construction will be undertaken by the city or contractors and/or subcontractors hired by the City:

[List improvements for which the contract has been let or local match funds requested]

To date, the City has made draws in the amount of \$ _____ from the Letter of Credit No. _____, and Porter Ranch has made payments to the City of \$ _____ in lieu of the city's draws from such Letter of Credit, for a total of \$ _____. Therefore, the City is entitled to draw \$ _____ [\$500,000, or \$92,000, or \$511,000, less the total of draws and payments previously made] from the Letter of Credit. The construction of said improvements is estimated to cost a total of \$ _____ and the City therefore requests a draw from Letter of Credit No. _____ in said amount.

A copy of this Certificate was given to Porter Ranch ten (10) days or more prior to the delivery to your office.

Delivered on _____

CITY OF LOS ANGELES

[Authorized Representative]

154

EXHIBIT "G-2"

CITY OF LOS ANGELES
CERTIFICATE

[Date]
[Bank]

Attention:

Re: Letter of Credit Number _____

Ladies and Gentlemen:

The undersigned is the [title of authorized representative] of the City of Los Angeles (the "City"), beneficiary under the above-referenced Letter of Credit.

Porter Ranch [and/or its successor or assignee] has requested a building permit to [Porter Ranch Development Company or appropriate successor or assignee] for the [500th single family unit or the structure containing the 1,500,000th square foot of commercial floor area in the Community Center Area of the Porter Ranch Specific Plan].

To date, the City has made draws in the amount of \$ _____ from Letter of Credit No. _____, and Porter Ranch has made payments to the City of \$ _____ in lieu of the city's draws from such Letter of Credit, for a total of \$ _____. Therefore, the City is entitled to draw \$ _____ [\$500,000, or \$92,000, or \$511,000, less the total of draws and payments previously made] from the Letter of Credit, and hereby requests a draw in said amount.

A copy of this Certificate was given to Porter Ranch ten (10) days or more prior to the delivery to your office.

Delivered on _____

CITY OF LOS ANGELES

[Authorized Representative]

155

EXHIBIT "G-3"

CITY OF LOS ANGELES
CERTIFICATE

[Date]

[Bank]

Attention:

Re: Letter of Credit Number _____

Ladies and Gentlemen:

The undersigned is the [title of authorized representative] of the City of Los Angeles (the "City"), beneficiary under the above-referenced Letter of Credit.

On [date], the Development Agreement which required Letter of Credit No. _____ was terminated [by the City] [, pursuant to a finding of default on the part of Porter Ranch pursuant to Section [VII.B7 or VII.D.3] of the Development Agreement. The Planning Commission of the City has made a determination that the default of Porter Ranch was material [and that determination was confirmed by the City Council on [date] or Porter Ranch's time for appeal of that determination elapsed on [date]].

Therefore, the City is entitled to draw \$ _____ [\$500,000, or \$92,000, or \$511,000, less the total of draws and payments previously made] from the Letter of Credit, and hereby requests a draw in said amount.

A copy of this Certificate was given to Porter Ranch ten (10) days or more prior to the delivery to your office.

Delivered on _____

CITY OF LOS ANGELES

[Authorized Representative]

EXHIBIT E.2

FIRST AMENDMENT TO THE 2008 AMENDED AND RESTATED DEVELOPMENT AGREEMENT (2015)

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: 11/30/15

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FORM MUST BE TYPEWRITTEN

FROM (DEPARTMENT): City Attorney

CONTACT PERSON: Laura Cadogan Hurd PHONE: 978-8177

CONTRACT NO.: C-84447 COUNCIL FILE NO.: 15-0104

ADOPTED BY COUNCIL: 6/8/15
DATE

APPROVED BY BPW: _____
DATE

NEW CONTRACT _____
AMENDED AND RESTATED _____
ADDENDUM NO. _____
SUPPLEMENTAL NO. _____
CHANGE ORDER NO. _____
AMENDMENT

CONTRACTOR NAME: Porter Ranch Development Company

TERM OF CONTRACT: 2 years THROUGH: 12/31/2017

TOTAL AMOUNT: N/A

PURPOSE OF CONTRACT:

Development Agreement Amendment. Extends the term of the original development agreement for an additional 2 years.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Porter Ranch Development Co.
11280 Corbin Avenue
Porter Ranch, CA 91326
Attn: Frank Su

Space Above This Line For Recorder's Use

AMENDMENT TO
DEVELOPMENT AGREEMENT

This Amendment to Development Agreement (the "Amendment") is entered into as of the day of November 30, 2015 by and between the CITY OF LOS ANGELES, a municipal corporation (the "City") and PORTER RANCH DEVELOPMENT COMPANY, a California joint venture ("Porter Ranch").

RECITALS

A. The City and Porter Ranch entered into that certain 2008 Amended and Restated Development Agreement by and between the City and Porter Ranch dated October 7, 2008, and recorded on August 10, 2008, in the Official Records of Los Angeles County, California as Instrument No. 2008-1821875 (the "Development Agreement") after adoption by the City Council of Ordinance No. 180084 on July 25, 2008.

B. The Development Agreement currently expires by its terms on December 31, 2015.

C. The City and Porter Ranch wish to amend the Development Agreement, pursuant to Section VII.K thereof, to modify the provisions regarding the term of the Development Agreement to extend the term an additional 2 years to December 31, 2017 and delete the provision for a further 5 year extension if the public benefits have not been completed.

NOW, THEREFORE, the City and Porter Ranch hereby agree to amend the Development Agreement as follows:

1. Section VII.J is hereby deleted and replaced in its entirety as follows:

VII.J. Term.

The term of this Amended Agreement ("Term") shall commence on the Effective Date and shall expire on December 31, 2017, unless said Term is otherwise terminated, modified or extended by circumstances set forth in this Amended Agreement or by mutual consent of the parties hereto. Following the expiration of this Term, this Amended Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or

duty arising from entitlements or approvals, including the Project Approvals on the Project Site approved concurrently with, or subsequent to, the Effective Date of this Amended Agreement. The Term of this Amended Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments pursuant to Sections IV.B.1 and IV.B.2 and moratoria pursuant to Section VI.C.

2. If any provision of this Amendment should be determined by a court to be invalid or unenforceable, the remaining provisions of this Amendment shall remain in full force and effect and continue to be binding on both parties.

Except as amended herein, the Development Agreement remains in full force and effect.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

Remainder of page intentionally left blank

IN WITNESS WHEREOF, the parties have each executed this Amendment as of the date first above written,

APPROVED AS TO FORM:

November 6, 2015
MICHAEL FEUER, City Attorney

By: *Lucia Cadogan-Hend*
Deputy City Attorney

By: *E. G. G.* **NOV 20 2015**
ERIC GARCETTI, Mayor

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By: *Vernice Warner*
11/30/15



PORTER RANCH DEVELOPMENT CO., a
California joint venture

By: Shapell Industries, Inc.
a Delaware corporation
General Partner

By: *[Signature]*
Frank Su
Division Vice President

By: PRD Investors, Inc.
a Delaware corporation
General Partner

By: *[Signature]*
Frank Su
Division Vice President

C-84447

By: PRD Investors, LLC
a Delaware limited liability company
General Partner

By: 

Frank Su
Division Vice President

ACKNOWLEDGEMENT

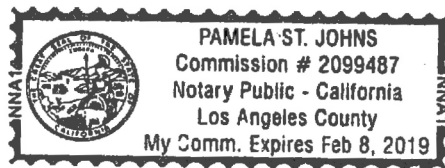
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document

State of California)
) ss.
County of Los Angeles)

On Oct 19, 2015, before me, PAMELA ST. JOHNS a Notary Public, personally appeared FRANK SU, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity (ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal



Signature Pamela St. Johns

(Seal)

----- OPTIONAL -----

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)
On November 20, 2015 before me, Sharon M. Dickinson, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Eric Giacetti
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Sharon Dickinson
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Development Agreement Amendment Document Date: _____
Number of Pages: 4 Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Eric Giacetti
 Corporate Officer -- Title(s): _____
 Partner -- Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: Mayor of Los Angeles
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer -- Title(s): _____
 Partner -- Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

EXHIBIT E.3

SECOND AMENDMENT TO THE 2008 AMENDED AND RESTATED DEVELOPMENT AGREEMENT (2017)

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: 12/28/17

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FORM MUST BE TYPEWRITTEN

FROM (DEPARTMENT): Planning Department

CONTACT PERSON: Laura Cadogan Hurd PHONE: 978-8177

CONTRACT NO.: C-84447 COUNCIL FILE NO.: 15-0104

ADOPTED BY COUNCIL: 11/21/17
DATE

APPROVED BY BPW: _____
DATE

NEW CONTRACT _____
AMENDED AND RESTATED _____
ADDENDUM NO. _____
SUPPLEMENTAL NO. _____
CHANGE ORDER NO. _____
AMENDMENT X

CONTRACTOR NAME: Porter Ranch Development Company

TERM OF CONTRACT: 4 years THROUGH: 12/31/2021

TOTAL AMOUNT: N/A

PURPOSE OF CONTRACT:

Development Agreement Amendment. Extends the term of the original development agreement for an additional 4 years.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL
TO:

Porter Ranch Development
Co. 11280 Corbin Avenue
Porter Ranch, CA 91326

SECOND AMENDMENT TO
2008 AMENDED AND RESTATED
DEVELOPMENT AGREEMENT

This Amendment to Development Agreement (the "Amendment") is entered into as of the 28 day of Dec., 2017 by and between the CITY OF LOS ANGELES, a municipal corporation (the "City") and PORTER RANCH DEVELOPMENT COMPANY, a joint venture ("Porter Ranch").

RECITALS

A. The City and Porter Ranch entered into that certain 2008 Amended and Restated Development Agreement by and between the City and Porter Ranch dated October 7, 2008, and recorded on October 10, 2008, in the Official Records of Los Angeles County, California as Instrument No. 2008-1821875 (the "Development Agreement") after adoption by the City Council of Ordinance No. 180084 on July 22, 2008.

B. The City and Porter Ranch entered into that certain Amendment to Development Agreement dated November 30, 2015, and recorded on December 7, 2015, in the Official Records of Los Angeles County, California as Instrument No. 2015-1531116 after adoption by the City Council of Ordinance No. 183579 on May 20, 2015.

C. The Development Agreement, as amended, currently expires by its terms on December 31, 2017.

D. The City and Porter Ranch wish to amend the Development Agreement, as amended, pursuant to Section VII.K thereof, to modify the provisions regarding the term of the Development Agreement to extend the term an additional four (4) years to December 31, 2021.

NOW, THEREFORE, the City and Porter Ranch hereby agree to amend the Development Agreement as follows:

1. Section VII.J is hereby deleted and replaced in its entirety as follows:

VII.J. Term.

The term of this Amended Agreement ("Term") shall commence on the Effective Date and shall expire on December 31, 2021, unless said Term is otherwise terminated, modified or extended by circumstances set forth in this Amended Agreement or by mutual consent of the parties hereto. Following the expiration of this Term, this Amended Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Project Site approved concurrently with, or subsequent to, the Effective Date of this Amended Agreement. The Term of this Amended Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments pursuant to Sections IV.B.1 and IV.B.2 and moratoria pursuant to Section VI.C.

2. If any provision of this Amendment should be determined by a court to be invalid or unenforceable, the remaining provisions of this Amendment shall remain in full force and effect and continue to be binding on both parties.

Except as amended herein, the Development Agreement remains in full force and effect.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

Remainder of page intentionally left blank.

IN WITNESS WHEREOF, the parties have each executed this Amendment as of the date first above written,

APPROVED AS TO FORM:
MICHAEL N. FEUER, City Attorney

December 26, 2017
By: Laura Cadogan Hurd
LAURA CADOGAN HURD
Deputy City Attorney

By: E.G. G DEC 28 2017
ERIC GARCETTI, Mayor

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By: Michael Valchin - Deputy
12/28/17



PORTER RANCH DEVELOPMENT COMPANY, a California joint venture

By: Shapell Industries, Inc.,
a Delaware Corporation,
General Partner
By: _____
Name: Frank Su
Title: Division Vice President

By: PRD Investors, Inc.,
a Delaware Corporation,
General Partner
By: _____
Name: Frank Su
Title: Division Vice President

By: PRD Investors, LLC
a Delaware limited liability
company
General Partner
By: _____
Name: Frank Su
Title: Division Vice President



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles)

On November 29, 2017 before me, Caren Petroff, Notary Public
(insert name and title of the officer)

personally appeared Frank Su-----,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)

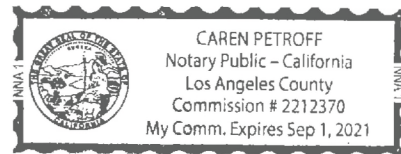


EXHIBIT E.4

ENFORCED DELAY DOCUMENTATION

RECEIVED
CITY OF LOS ANGELES

APR 13 2020

PORTER RANCH DEVELOPMENT COMPANY
11280 CORBIN AVE
PORTER RANCH, CA 91326

CITY PLANNING DEPT.
EXECUTIVE OFFICE

Scott M. Cwiertny
Assistant Vice President & Counsel

Direct Dial: (714) 347-1321
Fax: (714) 835-9685
scwiertny@tollbrothers.com

April 6, 2020

VIA CERTIFIED U.S. MAIL, RETURN RECEIPT REQUESTED

Director of Planning
City of Los Angeles
200 North Spring Street
Room 525, City Hall
Los Angeles, CA 90012

General Manager
Department of Transportation
City of Los Angeles
100 South Main Street, 10th Floor
Los Angeles, CA 90012

City Attorney
City of Los Angeles
Real Property/Environment Division
James K. Hahn City Hall East
200 North Main Street, Suite 800
Los Angeles, CA 90012

Re: Re: Enforced Delay/Extension of Time for Performance under the Porter Ranch Development Agreement¹

Ladies and Gentlemen:

We hope this letter finds you doing as well as possible given these challenging times. We appreciate your continued cooperation with our work and progress in relation to the above-referenced Development Agreement.

Section VII.F of the Development Agreement (see copy enclosed) provides that if written notice of an "enforced delay," which prevents or interferes with a party's completion of any act, matter or thing because of causes beyond the control of that party, is given by such party to the other within thirty (30) days of the commencement of such delay, then an extension of time will

¹ The 2008 Amended and Restated Development Agreement dated October 4, 2008, as amended per the Amendment to Development Agreement dated November 30, 2015, and per the Second Amendment to 2008 Amended and Restated Development Agreement dated December 28, 2017 (collectively, the "Development Agreement"), by and between the City of Los Angeles ("City") and the Porter Ranch Development Company ("Porter Ranch"). Terms used herein without definition shall have the meanings set forth in the Development Agreement.

be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

As you are aware, Governor Gavin Newsome issued Executive Order N-33-20 on March 19, 2020 (“State Order”), Mayor Eric Garcetti issued an emergency public order on March 15, 2020 (“March 15 City Order”) and the Los Angeles Building and Safety Department issued Announcement No. 5 dated March 31, 2020 (“Announcement No. 5”, together with the State Order and March 15 City Order, as may be amended or extended, and similar orders made after the date of this letter, collectively, the “Protective Orders”), all imposing restrictions on various actions and activities as a result of the COVID-19 Pandemic which have had the effect, and will continue to have the effect, of preventing and delaying Porter Ranch’s completion of its various obligations under the Development Agreement. Mayor Eric Garcetti also issued an emergency public order on March 21, 2020 (as may be amended or extended, the “March 21 City Order”) which tolls and extends all entitlements already approved as of the March 21 City Order, including the Development Agreement. The Protective Orders and March 21 City Order are attached for your convenience.

Porter Ranch understands the serious nature of the challenging times we are currently experiencing and the need for the Protective Orders that have been issued. However, the Development Agreement imposes certain time limits for completing obligations, including the term of December 31, 2021. Because these Protective Orders are beyond the reasonable control of Porter Ranch, pursuant to Section VII.F of the Development Agreement, Porter Ranch hereby provides written notice to the City of an “enforced delay.” Accordingly, all of Porter Ranch’s obligations under the Development Agreement shall be tolled on a day-to-day basis in all respects from March 21, 2020 until the later to occur of (i) September 21, 2020, the expiration of the six (6) month time period in Section 2 of the March 21 City Order (as such date may be further extended by an extension of the March 21 City Order, additional emergency orders or otherwise), or (ii) the date all the Protective Orders are no longer effective (the “Enforced Delay Period”). At the expiration of the Enforced Delay Period, given the anticipated backlog of third-party requests that the City will need to address once the Protective Orders are lifted, Porter Ranch and the City shall mutually agree on an additional number of days that will be added to the Enforced Delay Period to allow the City to process new requests by Porter Ranch under the Development Agreement; provided however, the City agrees in all events such additional period shall not be less than ninety (90) days.

Porter Ranch shall be entitled to all rights accorded to it in the Development Agreement with respect to an “enforced delay.” As such, all of Porter Ranch’s obligations under the Development Agreement shall be tolled on a day-to-day basis in all respects from March 21, 2020 until the last day of the Enforced Delay Period. By way of example, but not limitation, such tolling of Porter Ranch’s performance shall include an extension of the Term of the Development Agreement on a day-to-day basis for every day between March 21, 2020 and the last day of the Enforced Delay Period. Porter Ranch further reserves all additional rights and remedies it has pursuant to the Development Agreement with respect to the COVID-19 Pandemic, including but

Director of City Planning
City of Los Angeles
April 6, 2020
Page 3 of 4

not limited to, additional “enforced delays” that may result from new, amended or extended emergency orders, as well as any and all rights and remedies that may be available at law and/or equity as a result of this unforeseen circumstance.

Please sign the acknowledgement below to confirm the tolling of all of Porter Ranch’s obligations under the Development Agreement pursuant to the terms of this letter.

Please feel free to contact us if you have any questions. We look forward to continuing to work with you on this matter.

Very truly yours,



Scott M. Cwiertny
Assistant Vice President & Counsel
on behalf of Porter Ranch

[Countersignature on following page.]

Acknowledgment by The City of Los Angeles:

THE CITY OF LOS ANGELES

By: _____
Name: _____
Title: _____
Date: _____

APPROVED AS TO FORM:

By: _____
Name: _____
Title: _____
Date: _____

ATTEST:

By: _____
Name: _____
Title: _____
Date: _____

- cc (via E-mail only): Jim Boyd
Seth Ring
Nick Norvilas
Frank Su
Ben Gold

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-33-20

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS in a short period of time, COVID-19 has rapidly spread throughout California, necessitating updated and more stringent guidance from federal, state, and local public health officials; and

WHEREAS for the preservation of public health and safety throughout the entire State of California, I find it necessary for all Californians to heed the State public health directives from the Department of Public Health.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567, 8627, and 8665 do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

- 1) To preserve the public health and safety, and to ensure the healthcare delivery system is capable of serving all, and prioritizing those at the highest risk and vulnerability, all residents are directed to immediately heed the current State public health directives, which I ordered the Department of Public Health to develop for the current statewide status of COVID-19. Those directives are consistent with the March 19, 2020, Memorandum on Identification of Essential Critical Infrastructure Workers During COVID-19 Response, found at: <https://covid19.ca.gov/>. Those directives follow:

ORDER OF THE STATE PUBLIC HEALTH OFFICER
March 19, 2020

To protect public health, I as State Public Health Officer and Director of the California Department of Public Health order all individuals living in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors, as outlined at <https://www.cisa.gov/identifying-critical-infrastructure-during-covid-19>. In addition, and in consultation with the Director of the Governor's Office of Emergency Services, I may designate additional sectors as critical in order to protect the health and well-being of all Californians.

Pursuant to the authority under the Health and Safety Code 120125, 120140, 131080, 120130(c), 120135, 120145, 120175 and 120150, this order is to go into effect immediately and shall stay in effect until further notice.

The federal government has identified 16 critical infrastructure sectors whose assets, systems, and networks, whether physical or virtual, are considered so vital to the United States that their incapacitation or

destruction would have a debilitating effect on security, economic security, public health or safety, or any combination thereof. I order that Californians working in these 16 critical infrastructure sectors may continue their work because of the importance of these sectors to Californians' health and well-being.

This Order is being issued to protect the public health of Californians. The California Department of Public Health looks to establish consistency across the state in order to ensure that we mitigate the impact of COVID-19. Our goal is simple, we want to bend the curve, and disrupt the spread of the virus.

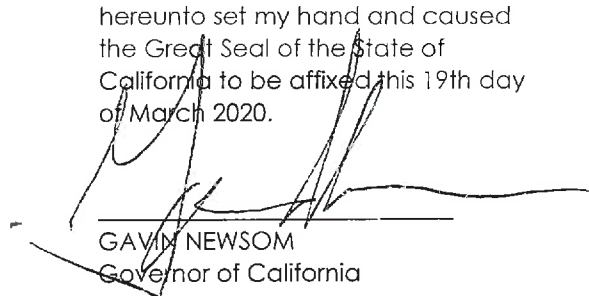
The supply chain must continue, and Californians must have access to such necessities as food, prescriptions, and health care. When people need to leave their homes or places of residence, whether to obtain or perform the functions above, or to otherwise facilitate authorized necessary activities, they should at all times practice social distancing.

- 2) The healthcare delivery system shall prioritize services to serving those who are the sickest and shall prioritize resources, including personal protective equipment, for the providers providing direct care to them.
- 3) The Office of Emergency Services is directed to take necessary steps to ensure compliance with this Order.
- 4) This Order shall be enforceable pursuant to California law, including, but not limited to, Government Code section 8665.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 19th day of March 2020.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State



ERIC GARCETTI
MAYOR

Public Order Under City of Los Angeles Emergency Authority

Issue Date: March 21, 2020

Subject: Tolling of Deadlines Prescribed in the Municipal Code

To further aid in our efforts to slow the spread of the COVID-19 virus, by virtue of authority vested in me as Mayor of the City of Los Angeles under the provisions of the Los Angeles Administrative Code, Chapter 3, Section 8.29 to promulgate, issue, and enforce emergency rules, regulations, orders, and directives, I hereby declare the following order to be necessary for the protection of life and property and I hereby order, effective immediately, until April 19, 2020, that:

All deadlines prescribed in the Los Angeles Municipal Code, including but not limited to provisions in community, specific, or other similar plans, pertaining to public hearings and decisions made by legislative bodies, zoning administrators, the Director of Planning, the General Manager of the Department of Building and Safety, or other City department general managers, including expiration dates for utilization of existing approvals, shall be tolled and suspended until further notice. This order shall apply, without limitation, to the following non-exhaustive list of circumstances:

- 1. Expiration of Building and Other Related Permits and Plan Check Applications.** During the effective period of this order, toll all local municipal code provisions regarding expiration of permits, plan check, and slight modifications or alternatives, including LAMC Sections 98.0602, 98.0603, and 98.0604 as well as LAMC 12.26 A.3(a).
- 2. Time to Act on Entitlement Applications.** During the effective period of this order, toll all Zoning Code provisions regarding the Time to Act on filed applications. These actions shall be implemented consistent with State law and/or any directive issued by the Governor.
- 3. Time Period for Effectuation & Utilization of Entitlements.** Toll and extend time limits by 6 months for effectuation and utilization of all entitlements already approved and still valid, or approved during the effective period of this order.

4. **Time Limits in the Cultural Heritage Ordinance.** Toll all time limits included within the Cultural Heritage Ordinance (Los Angeles Administrative Code Section 22.171 et. seq.).

Local decision-makers, including the Director of Planning and Zoning Administrator, are hereby authorized to hold public hearings prescribed by the Los Angeles Municipal Code in a manner consistent with the Governor's Executive Order N-29-20, and any subsequent orders or published guidance, pertaining to local legislative bodies.

Nothing in this Order prohibits the applicable City Departments from continuing to process applications in a reasonable and timely manner.

This order may be extended prior to April 19, 2020.

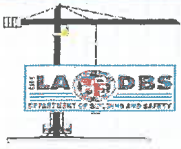
1 unless the City Council acts pursuant to Government Code Sections 65867.5 and
2 65868, irrespective of whether an appeal is taken as provided in Section VII.E.

3 **VII.E. Appeals To City Council.** Where an appeal by Porter Ranch to the City
4 Council from a finding and/or determination of the Planning Commission is created by
5 this Amended Agreement pursuant to Sections IV.B.3, V.B.1.c.ii(C), V.B.1.e.ii(B), V.C,
6 V.D, VII.B.4, VII.B.6, and VII.D.2, such appeal shall be taken, if at all, within twenty (20)
7 days after the mailing of such finding and/or determination to Porter Ranch, or its
8 successors, transferees, and/or assignees, as the case may be. The City Council shall
9 act upon the finding and/or determination of the Planning Commission within eighty (80)
10 days after such mailing, or within such additional period as may be agreed upon by the
11 Porter Ranch and the Council. The failure of the City Council to act shall not be
12 deemed to be a denial or an approval of the appeal, which shall remain pending until
13 final City Council action.

14 **VII.F. Enforced Delay; Extension Of Time Of Performance.**

15 In addition to specific provisions of this Amended Agreement, whenever a
16 period of time, including a reasonable period of time, is designated within which either
17 party hereto is required to do or complete any act, matter or thing, the time for the doing
18 or completion thereof shall be extended by a period of time equal to the number of days
19 during which such party is prevented from, or is unreasonably interfered with, the doing
20 or completion of such act, matter or thing because of causes beyond the reasonable
21 control of the party to be excused, including: war; insurrection; strikes; walk-outs; riots;
22 floods; earthquakes; fires; casualties; acts of God; litigation and administrative
23 proceedings against the Project (not including any administrative proceedings
24 contemplated by this Amended Agreement in the normal course of affairs (e.g., the
25 annual review)); the Project Approvals or any approval required by the City thereof (not
26 including any period of time normally expected for the processing of such approvals in
27 the ordinary course of affairs); restrictions imposed or mandated by other governmental
28 entities; enactment of conflicting state or federal laws or regulations; judicial decisions;
29 Health and Safety enactments enacted after the Effective Date as set forth in Sections

1 IV.B.1, IV.B.2 and VI.C; or similar bases for excused performance which is not within
2 the reasonable control of the party to be excused (financial inability excepted). This
3 Section shall not be applicable to any proceedings with respect to bankruptcy or
4 receivership initiated by or on behalf of Porter Ranch or, if not dismissed within ninety
5 (90) days, by any third parties against Porter Ranch. If written notice of such delay is
6 given to either party within thirty (30) days of the commencement of such delay, an
7 extension of time for such cause will be granted in writing for the period of the enforced
8 delay, or longer as may be mutually agreed upon.



L.A. BUILDING & SAFETY ANNOUNCEMENT No. 5 March 31, 2020

LADBS Announcements are posted at <http://www.ladbs.org/our-organization/messaging/news>

TOPIC

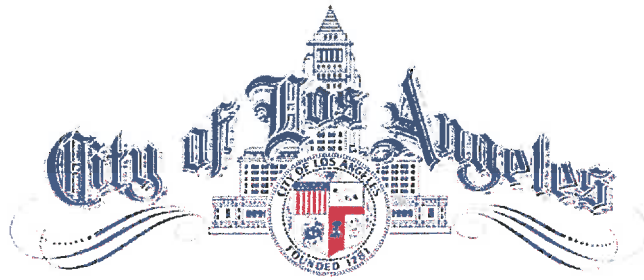
COVID-19 SAFETY GUIDANCE FOR CONSTRUCTION SITES

The following guidelines are based on Interim CDC's Guidance for Businesses and Employers to Plan and Respond to Coronavirus Disease 2019 (COVID-19), OSHA's Guidance on Preparing Workplaces for COVID-19, and other publications. Please check LADBS.org for the latest updates.

Construction industry employers shall develop a comprehensive COVID-19 exposure control plan, which includes control measures such as social distancing; symptom checking; hygiene; decontamination procedures, and training. An exposure control plan and the following practices must be followed to prevent any onsite worker from contracting COVID-19, as many people with COVID-19 are asymptomatic and can potentially spread disease. Failure to comply with this guidance shall be deemed as creating unsafe conditions and may result in withheld inspections or shutting down the construction site until corrected.

LADBS staff will verify compliance with these guidelines during regular scheduled inspections for projects under construction as well as during investigations associated with complaints that may be submitted to LADBS (Call center - 311 or (213) 473-3231 – Calls will then be routed to LADBS' Call Center. OR, use the MyLA311 Website at <https://myla311.lacity.org/> or submit via the MyLA311 mobile app.)

1. Practice social distancing by maintaining a minimum 6-foot distance from others.
2. Preclude gatherings of any size, and anytime two or more people must meet, ensure minimum 6-foot separation.
3. Provide personal protective equipment (PPE) such as gloves, goggles, face shields and face masks as appropriate for the activity being performed.
4. The owner/contractor shall designate a site specific COVID-19 Supervisor to enforce this guidance. A designated COVID-19 Supervisor shall be present on the construction site at all times during construction activities. The COVID-19 Supervisor can be an on-site worker who is designated to carry this role.
5. Identify "choke points" and "high-risk areas" where workers are forced to stand together, such as hallways, hoists and elevators, break areas, and buses, and control them so social distancing is maintained.
6. Minimize interactions when picking up or delivering equipment or materials, ensure minimum 6-foot separation.
7. Stagger the trades as necessary to reduce density and maintain minimum 6-foot separation social distancing.
8. Discourage workers from using other workers' phones, desks, offices, work tools and equipment. If necessary, clean and disinfect them before and after use.
9. Post, in areas visible to all worker, required hygienic practices including not touching face with unwashed hands or with gloves; washing hands often with soap and water for at least 20 seconds; use of hand sanitizer with at least 60% alcohol, cleaning AND disinfecting frequently touched objects and surfaces such as workstations, keyboards, telephones, handrails, machines, shared tools, elevator control buttons, and doorknobs; covering the mouth and nose when coughing or sneezing as well as other hygienic recommendations by the CDC.
10. Place wash stations or hand sanitizers in multiple locations to encourage hand hygiene.
11. Require anyone on the project to stay home if they are sick, except to get medical care.
12. Have employees inform their supervisor if they have a sick family member at home with COVID-19.
13. Maintain a daily attendance log of all workers and visitors.



ERIC GARCETTI
MAYOR

Public Order Under City of Los Angeles Emergency Authority

Issue Date: March 15, 2020

Subject: New City Measures to Address COVID-19

On March 4, 2020, I declared a local emergency in relation to the arrival of the COVID-19 virus in our community, and on March 12, 2020, I ordered a number of measures to be taken across the City to protect members of the public and City workers from an undue risk of contracting the COVID-19 virus. Our precautions over the past weeks and what we do over the next few days and weeks will determine how well we weather this emergency.

On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. The Centers for Disease Control and Prevention advises us that COVID-19 spreads easily from person to person and has issued guidelines recommending that the public adopt policies and routines to enable social distancing wherever possible.

Here in the City of Los Angeles, we must redouble our efforts to maintain hand hygiene, respiratory etiquette, and social distancing. It is absolutely critical that we as a City do everything we can to slow the pace of community spread and avoid unnecessary strain on our medical system. To aid in our efforts, under the emergency authorities vested in my office under the laws of the City of Los Angeles, today I am ordering that a series of temporary restrictions be placed on certain establishments throughout our City in which large numbers of people tend to gather and remain in close proximity. By virtue of authority vested in me as Mayor of the City of Los Angeles pursuant to the provisions of the Los Angeles Administrative Code, Chapter 3, Section 8.29 to promulgate, issue, and enforce rules, regulations, orders, and directives, I hereby declare the following orders to be necessary for the protection of life and property and I hereby order, effective at 11:59 p.m. tonight, until March 31, 2020 at 12:00 p.m., that:

1. All bars and nightclubs in the City of Los Angeles that do not serve food shall be closed to the public.

2. Any bars or nightclubs in the City of Los Angeles that serve food may remain open only for purposes of continuing to prepare and offer food to customers via delivery service or to be picked up. Dine-in food service is prohibited.

3. All restaurants and retail food facilities in the City of Los Angeles shall be prohibited from serving food for consumption on premises. Restaurants and retail food facilities may continue to operate for purposes of preparing and offering food to customers via delivery service, to be picked up or for drive-thru. For those establishments offering food pick-up options, proprietors are directed to establish social distancing practices for those patrons in the queue for pick-up.

4. The following are exempt from this Order:

- A. Cafeterias, commissaries, and restaurants located within hospitals, nursing homes, or similar facilities
- B. Grocery stores
- C. Pharmacies
- D. Food banks
- E. Los Angeles World Airports concessionaires

5. Trucks and other vehicles engaged in the delivery of grocery items to grocery stores, when such items are to be made available for sale to the public, are hereby exempt from having to comply with any City rules and regulations that limit the hours for such deliveries, including, without limitation, Los Angeles Municipal Code Section 12.22 A.23(b)(3) and Los Angeles Municipal Code Section 114.03.

6. All movie theaters, live performance venues, bowling alleys and arcades shall be closed to the public.

7. All gyms and fitness centers shall be closed to the public.

Any violation of the above prohibitions may be referred to the Office of the City Attorney for prosecution under Los Angeles Administrative Code Section 8.77, which provides for fines not to exceed \$1,000 or imprisonment not to exceed six months. Each individual officer should use their discretion in enforcing this order and always keep the intent of the order in mind.

In addition, I hereby issue guidance to the leaders of the City's houses of worship and urge them, in the strongest possible terms, to limit gatherings on their premises and to explore and implement ways to practice their respective faiths while observing social distancing practices.

Finally, I hereby order that no landlord shall evict a residential tenant in the City of Los Angeles during this local emergency period if the tenant is able to show an inability to pay rent due to circumstances related to the COVID-19 pandemic. These

circumstances include loss of income due to a COVID-19 related workplace closure, child care expenditures due to school closures, health care expenses related to being ill with COVID-19 or caring for a member of the tenant's household who is ill with COVID-19, or reasonable expenditures that stem from government-ordered emergency measures. Nothing in this subsection shall be construed to mean that the tenant will not still be obligated to pay lawfully charged rent. Tenants will have up to six months following the expiration of the local emergency period to repay any back due rent. Tenants may use the protections afforded in this subsection as an affirmative defense in an unlawful detainer action. This subsection shall remain in effect during the pendency of the local emergency period.

This order may be extended prior to March 31, 2020.