#### UNCODIFIED ORDINANCE NO.

AN UNCODIFIED ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COMMERCE APPROVING AND ADOPTING DEVELOPMENT AGREEMENT NO. 18-032 BETWEEN THE CITY OF COMMERCE AND CITADEL HOLDINGS GROUP, LLC FOR THE IMPROVEMENT AND EXPANSION OF THE CITADEL SHOPPING OUTLET CENTER; MAKING FINDINGS CONSISTENT WITH AND PURSUANT TO GOVERNMENT CODE SECTION 65867.5; AND MAKING FINDINGS OF A CEQA ENVIRONMENTAL IMPACT REPORT

WHEREAS, the State of California enacted California Government Code Sections 65864 et seq. ("Development Agreement Statutes") to authorize municipalities to enter into development agreements with those having an interest in real property to strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development in connection with the development of real property within their jurisdiction;

WHEREAS, the purpose of the Development Agreement Statutes is to authorize municipalities, in their discretion, to establish certain development rights in real property for a period of years regardless of intervening changes in land use regulations, to vest certain rights in the Applicant, and to meet certain public purposes of the local government;

WHEREAS, as authorized by the Development Agreement Statutes, the City of Commerce ("City") has adopted Resolution No. 18-50 ("A Resolution of the City Council of the City of Commerce Approving Procedures and Requirements for the Processing of Development Agreements") establishing the procedures and requirements for the consideration of development agreements with the City;

WHEREAS, the City has received an application for a Development Agreement from Citadel Holdings Group, LLC ("Citadel") owners of the Citadel Outlets and adjacent properties for the improvement and expansion of the Citadel Outlets;

WHEREAS, Citadel currently holds a legal or equitable interest in real property considered in the Development Agreement, consisting of the existing Citadel Outlets site and an adjacent approximately 26 acres of property located in the City of Commerce, County of Los Angeles, State of California (the "Site");

WHEREAS, Citadel intends to renovate and improve areas of the existing Citadel Outlets, and construct new commercial retail, entertainment and hotels on the adjacent 26 acre property, including a Zone Change from M-2 to C-2 for a portion of the property in Area 1 ("Project");

WHEREAS, all procedures of the California Environmental Quality Act ("CEQA"), California Public Resources Code §21000 et seq., and the CEQA guidelines, title 14 of the California Code of Regulations, chapter 3, §15000 et seq. have been satisfied;

WHEREAS, the City has adopted City Council Resolution No. \_\_\_\_\_ approving an Environmental Impact Report (SCH 2016091024), Mitigation Monitoring and Reporting Program and Statement of Overriding Considerations for the Project;

WHEREAS, the Planning Commission considered the provisions of the Development Agreement at a duly noticed public hearing on June 3, 2019, wherein all interested parties were given an opportunity to be heard regarding the Agreement, and recommended approval and adoption of the Development Agreement to the City Council, pursuant to an adopted Resolution, which is incorporated herein by this reference;

WHEREAS, after conducting a duly noticed public hearing on July 2, 2019 in accordance with the City's applicable ordinances and resolutions, and after independent review, consideration, analysis of staff's recommendations, oral and written testimony, and the record as a whole, the City Council approved the execution of this Development Agreement. The City Council made findings after due study, deliberation, and public hearing, and found the Project: consistent with the goals, objectives, policies, general land uses and programs specified in the General Plan and any applicable special plan; compatible with the uses authorized in the City's standards, codes, and zoning laws; in conformity with the public necessity, public convenience, general welfare and good land use practices; in accordance with the Development Agreement Statutes, including Government Code Section 65864 through 65869.5; will not be detrimental to the health, safety and general welfare of the City; will not adversely affect the orderly development of property or the preservation of property values; will have a positive fiscal impact on the City; and is in the best interest of the City of Commerce and its residents;

WHEREAS, the City has given public notice of its intention to adopt this Development Agreement and has conducted a public hearing thereon pursuant to California Government Code §65867; specifically, pursuant to California Government Code Sections 65867 and 65090, the City of Commerce published legal notice in the Los Cerritos News of City Council's consideration of this proposed Development Agreement and mailed out notice to property owners located within 500 feet of the Site, indicating the public hearing to be held by the City of Commerce City of Council on July 2, 2019; and

WHEREAS, all other legal prerequisites to the approval and adoption of this Ordinance approving and adopting this Development Agreement have occurred.

NOW, THEREFORE, the City Council of the City of Commerce does ORDAIN as follows:

**SECTION 1: RECITALS.** That based upon staff reports, presentations, public testimony, and all other matters presented during the public hearing on this item, the City Council hereby finds and declares that the foregoing recitals are true and correct and incorporates them herein as findings and as a substantive part of this Ordinance.

SECTION 2: ADDITIONAL FINDINGS. Pursuant to the Government Section Code 65864 through 65869.5 and in light of the record before it including the staff report (and all attachments), and all evidence and testimony heard at the public hearing for this item, and in light of all evidence and testimony provided in connection with this Project, the City Council makes the following FINDINGS pertaining to the Development Agreement and Zone Change as related to the proposed disposition of the Site for purposes of the Project:

**FINDING 1:** The proposed Development Agreement and Zone Change are consistent with the goals and policies of the General Plan, its purposes and applicable Specific Plan(s).

**Evidence:** The proposed use is consistent with the objectives, policies, general, uses, and programs of the Commerce General Plan. This project is consistent with the General Plan in that it contributes to help establish an orderly pattern of development, economic development, and a wide range of activities. The project will also improve an existing development with desired amenities. It will improve upon that use and help compliment the general vicinity. The project will provide needed economic development to the community. The Project implements the following policies of the General Plan:

a. Community Development Policy 2.1: The City of Commerce will encourage and promote the development of a quality retail and commercial entertainment district in

the vicinity of Telegraph Road, north of the Santa Ana Freeway.

- b. Community Development Policy 2.2: The City of Commerce will encourage and promote the development of quality restaurants in the City to serve residents and visitors alike, and discourage the further proliferation of fast food restaurants in the City.
- c. Community Development Policy 2.3: The City of Commerce will promote the development of larger, more efficient, commercial retail shopping centers as opposed to smaller "strip commercial" centers.
- d. Community Development Policy 2.8: The City of Commerce will continue to encourage the development of a high-intensity, highly visible, commercial corridor consisting of offices, hotels, and retail and entertainment uses along Telegraph Road, extending from Hoefner Avenue to Vail Avenue.
- e. Community Development Policy 4.1: The City of Commerce will explore the feasibility of developing an area devoted to active family recreation.
- f. Community Development Policy 4.2 The City of Commerce will promote the development of commercial enterprises that provide family entertainment.
- g. Community Development Policy 4.3: The City of Commerce will continue to promote the development of the Citadel and neighboring areas as a focal point for family entertainment.
- <u>FINDING 2</u>: That the proposed change of zone will not adversely affect surrounding properties.

**Evidence:** The area subject to the zone change already includes some entertainment and commercial type uses. The subject Zone Change will facilitate a continued transition of these areas to commercial and entertainment uses, as well as allow for greater flexibility in the event these areas are redeveloped.

**FINDING 3**: That the proposed change of zone promotes public health, safety, and general welfare and serves the goals and purposes of this Title 19.

**Evidence:** The proposed Zone Change promotes the public health, safety and welfare by implementing the City's goal of creating an entertainment/destination center along the Telegraph Road corridor. Transforming this area would bring quality uses to better serve the City's residents and visitors. Creating a viable commercial area would also help to contribute to the long-term economic viability of the City.

SECTION 3: INCORPORATION, APPROVAL AND EXECUTION OF DEVELOPMENT AGREEMENT. Based upon the findings outlined hereinabove, the City Council of the City of Commerce hereby approves Development Agreement 18-032, and inclusive of exhibits thereof, incorporated herein by this reference, between the City of Commerce and Citadel Holding Group, LLC (a Delaware limited liability company), and authorizes the Mayor to execute the Development Agreement subject to final and technical revisions as required and approved by the City Attorney.

SECTION 4. ZONE CHANGE APPROVAL. Based upon the above findings, the proposed Zone Change from M-2 to C-2 for the portion of the Site designated on Exhibit "A" attached hereto is hereby enacted and approved, but shall only become effective upon such date as the City of Commerce receives approval of the Zone Change from all owners of the property subject to the

Zone Change. At such time as the Zone Change takes effect, the "Official Zoning Map" of the City, as adopted by Section 19.03.020 of Chapter 19.39, Title 19 of the Commerce Municipal Code and previously amended, shall be amended by placing the properties described in Exhibit "A" of this Ordinance into the C-2 (Unlimited Commercial) zone.

SECTION 5: SEVERABILITY. If any section, subsection, line, sentence, clause, phrase, word, part, provision, or portion of this Ordinance, or its application to any individual, entity, or circumstance, for any reason, is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, and shall continue in full force and effect. To this end, any section, subsection, line. sentence, clause, phrase, word, part, provision, or portion of this Ordinance is severable. The City Council of the City of Commerce declares that this Ordinance would have been adopted by the City Council of the fact that any section, subsection, line, sentence, clause, phrase, word, part, provision, or portion thereof, might be declared to be invalid or unconstitutional.

**SECTION 6: EFFECTIVE DATE.** This Ordinance shall take effect on the thirty-first (31st) day after its adoption.

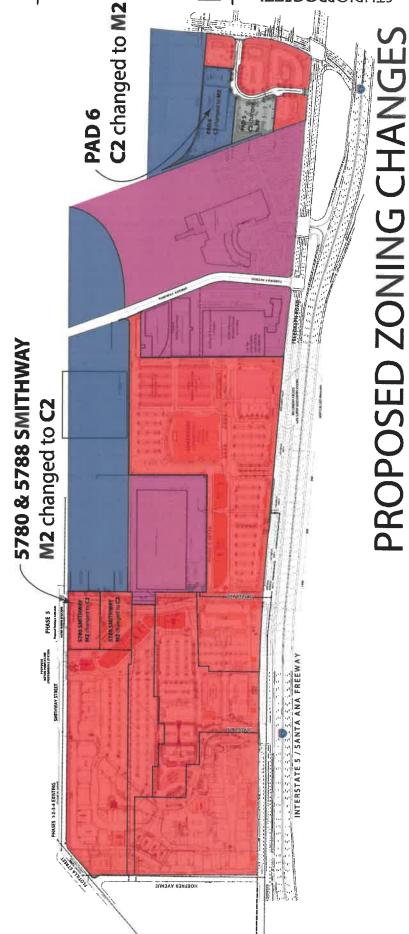
PASSED, APPROVED AND ADOPTED to	his, day of, 2019.
	John Soria
	Mayor
ATTEST:	
City Clerk	
APPROVED AS TO FORM:	
City Attorney	

STATE OF CALIFORNIA COUNTY OF LOS ANGELES CITY OF COMMERCE

I, LENA SHUMWAY, CITY CLERK of the City of Commerce do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Commerce held or the day of July, 2019 by the following vote:
AYES: COUNCILMEMBERS: NOES: COUNCILMEMBERS: ABSENT: COUNCILMEMBERS: ABSTAIN: COUNCILMEMBERS:
City Clerk

# C/M1-Commercial Manufacturing C2- Unlimited Comercial M2- Heavy Industrial PF- Public Facility ZONING

**EXHIBIT A** 



Overall Site Plan

0 200' 400'

Issue ID Issue Name Issue Date | 1724/19 | 1724/19 | ER ZONING MAP Boundary 16 MAY 19

DRAWING FOR DESIGN INTENT ONLY. NOT INTENDED FOR CONSTRUCTION.

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## **DEVELOPMENT AGREEMENT NO. 18-032**

## RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO

City of Commerce

Attn: City Clerk

Space Above This Line for Recorder's Use (Exempt from Recording Fees per Gov't Code § 27383)

## DEVELOPMENT AGREEMENT DA 2019-1 ("Citadel and 26-Acre Property")

BY AND BETWEEN

THE

CITY OF COMMERCE, and CITADEL HOLDINGS GROUP, LLC

(Original Citadel Site and 26 Acre Site)

## **TABLE OF CONTENTS**

1.	DEFI	NITIONS	7		
	1.1.	Definitions	7		
2.	GENI	GENERAL TERMS AND DEVELOPMENT STANDARDS AND LIMITATIONS10			
	2.1.	Term.	10		
	2.2.	Effective Date; Recording	10		
	2.3.	Binding Effect of Agreement.			
	2.4.	Ownership of Property.			
	2.5.	Amendment or Cancellation.			
	2.6.	Termination	11		
	2.7.	Intent.	11		
	2.8.	Reservation of Authority by City	11		
	2.9.	Future Discretion of City.			
	2.10.	Modification or Suspension by Federal, State, County, or Multi-Jurisdict			
	Law.	12			
	2.11.	Regulation by Other Public Agencies.	13		
	2.12.	Additional Applicable Codes and Regulations.			
	2.13.	Amendment to Applicable Ordinances.			
	2.14.	Processing Fees; Development Impact and Mitigation Fees			
2	DEM	ELODED SE DICUTE AND LIMITATIONE DECADDING DEVELORATE			
3.		ELOPER'S RIGHTS AND LIMITATIONS REGARDING DEVELOPME			
		PROJECT			
	3.1.	Project.			
	3.2.	Right to Develop.			
	3.3.	Effect of Agreement on Land Use Regulations.			
	3.4.	Master Sign Plan			
	3.5.	Rezoning of Property			
	3.6.	Subsequent Development Approvals.			
	3.7.	Development In Accordance With Agreement and Applicable Law			
	3.8.	Changes and Amendments	19		
4.	DEVE	ELOPER'S OBLIGATIONS	19		
	4.1.	Plan, Design, Construct and Operate the Project	19		
	4.2.	Development Costs	19		
	4.3.	Cooperation By Developer.	20		
	4.4.	Other Governmental Permits.			
	4.5.	Reimbursement for City's Efforts on Behalf of Developer			
	4.6.	Conditions of Approval			
	4.7.	Indemnification			
	4.8.	Nexus/Reasonable Relationship Challenges.			
5.	CITV	'S OBLIGATIONS	22		
J.	5.1.	Processing.			
	5.2.	Scope of Subsequent Review/Confirmation of Compliance Process			
	٠ ڪ٠ ت	beope of subsequent review continuation of compitation (100css			

	5.3.	Project Approvals Independent	22
	5.4.	Standard of Review.	
	-5.5.	Contract Services.	
	5.6.	Terminating Possessory Interests No Longer Used or Inconsistent with	Site Plan
		23	
	5.7.	Review for Compliance.	23
6.	DEFA	AULT; REMEDIES; DISPUTE RESOLUTION	23
	6.1.	Events of Default.	23
	6.2.	Notice of Default	24
	6.3.	Cure Period.	
	6.4.	General Default Remedies.	24
	6.5.	Remedies Cumulative.	24
	6.6.	Legal Action	
	6.7.	Limitation of Damages Relief Against City.	
	6.8.	Developer Default & Permitting	25
7.	MOR	TGAGEE PROTECTION; CERTAIN RIGHTS TO CURE	25
	7.1.	Encumbrances on the Project	25
	7.2.	Mortgage Protection	25
	7.3.	Mortgagee Not Obligated	25
	7.4.	Notice of Default to Mortgagee; Right of Mortgagee to Cure	25
8.	TRA	NSFERS OF INTEREST IN PROPERTY OR AGREEMENT	26
	<b>8.</b> 1.	City's Intent.	
	8.2.	Developer's Right to Assign or Transfer	
	8.3.	Restriction on Assignment Does Not Constitute an Unreasonable Restra	
	Alien	ation	26
	8.4.	Request Procedure.	26
	8.5.	30-Day Period.	
	8.6.	City Council Approval.	27
	8.7.	Ownership Changes.	27
	8.8.	Minor Assignments	27
	8.9.	Notice of Proposed Assignment	28
	8.10.	Conditions and Standards.	28
	8.11.	Financing Exemption.	28
	8.12.	Notice of Assignment.	28
	8.13.	Unapproved Assignments.	28
9.	RELA	ATIONSHIP OF PARTIES	28
	9.1.	Project as a Private Undertaking	29
	9.2.	Independent Contractors.	29
	9.3.	No Joint Venture or Partnership.	
10.	MISC	ELLANEOUS	29
	10.1.		
	10.2	Force Majeure	30

10.3.	Binding Effect	30
10.4.	Independent Entity.	
10.5.	Agreement Not to Benefit Third Parties.	30
10.6.	Covenants	
10.7.	Nonliability of City Officers and Employees	31
10.8.	Covenant Against Discrimination	31
10.9.	Amendment of Agreement	
10.10.	No Waiver	31
10.11.	Severability.	
10.12.	Cooperation in Carrying Out Agreement; City Administrator Author	ity.32
10.13.	Estoppel Certificate	
10.14.	Construction.	32
10.15.	Recordation	32
10.16.	Captions and References	32
10.17.	Time	
10.18.	Recitals & Exhibits Incorporated; Entire Agreement.	33
10.19.	Counterpart Signature Pages	
10.20.	Authority to Execute.	33
10.21.	Governing Law; Litigation Matters.	33
10.22.	No Brokers.	
	m. D. D. O. D.	
	TABLE OF EXHIBITS	
EXHIBIT A-1		38
EXHIBIT A-1 EXHIBIT A-2	Legal Description of Existing Property	
	Legal Description of Existing Property	40
EXHIBIT A-2	Legal Description of Existing Property  Legal Description of 26-Acre Property  Depiction of Existing Property and 26-Acre Property on Site Map	40
EXHIBIT A-2 EXHIBIT B	Legal Description of Existing Property  Legal Description of 26-Acre Property  Depiction of Existing Property and 26-Acre Property on Site Map	43
EXHIBIT A-2 EXHIBIT B EXHIBIT B-1	Legal Description of Existing Property  Legal Description of 26-Acre Property  Depiction of Existing Property and 26-Acre Property on Site Map  Plot Plan Map of Uninex Property Zone Change	404344
EXHIBIT A-2 EXHIBIT B EXHIBIT B-1 EXHIBIT C	Legal Description of Existing Property  Legal Description of 26-Acre Property  Depiction of Existing Property and 26-Acre Property on Site Map  Plot Plan Map of Uninex Property Zone Change  Legal Description of Existing Rezone Parcel	40 43 44 45
EXHIBIT A-2 EXHIBIT B EXHIBIT B-1 EXHIBIT C EXHIBIT C-1	Legal Description of Existing Property  Legal Description of 26-Acre Property  Depiction of Existing Property and 26-Acre Property on Site Map  Plot Plan Map of Uninex Property Zone Change  Legal Description of Existing Rezone Parcel  Plot Plan Map of Rezone Property Zone Change	40 43 44 45 46
EXHIBIT A-2 EXHIBIT B EXHIBIT B-1 EXHIBIT C EXHIBIT C-1 EXHIBIT D	Legal Description of Existing Property  Legal Description of 26-Acre Property  Depiction of Existing Property and 26-Acre Property on Site Map  Plot Plan Map of Uninex Property Zone Change  Legal Description of Existing Rezone Parcel  Plot Plan Map of Rezone Property Zone Change  Legal Description of Uninex Property Zone Change	40 43 45 46 47
EXHIBIT A-2 EXHIBIT B EXHIBIT C EXHIBIT C-1 EXHIBIT D EXHIBIT E	Legal Description of Existing Property  Legal Description of 26-Acre Property  Depiction of Existing Property and 26-Acre Property on Site Map  Plot Plan Map of Uninex Property Zone Change  Legal Description of Existing Rezone Parcel  Plot Plan Map of Rezone Property Zone Change  Legal Description of Uninex Property  Site Plan	40 43 45 46 47 48

## DEVELOPMENT AGREEMENT DA 2019-1 ("Citadel and 26-Acre Property")

THIS DEVELOPMENT AGREEMENT DA 2019-1 (this "Agreement of the control of the contr	ent") is entered into as
of the day of, 2019 (the "Reference Date"), by and b	etween the CITY OF
COMMERCE, a California municipal corporation and general law cit	y existing under the
Constitution of the State of the California ("City"), and CITADEL HOLDI	NGS GROUP, LLC, a
Delaware limited liability company ("Developer"). The City and Devel	oper are occasionally
referred to herein collectively as the "Parties." This Agreement is entered	into with reference to
the following:	

#### RECITALS:

- A. California Government Code Sections 65864-65869.5 (the "Development Agreement Act") authorize City to enter into a binding development agreement for the development of real property within its jurisdiction with persons having a legal or equitable interest in such real property.
- B. The property that is the subject of this Agreement is the existing Citadel Outlet Shopping mall real property owned by an affiliate of Developer (and expressed permitted assignee of this Agreement), and an approximately 25.29 acres in size parcel to be purchased by Developer, both located in the City of Commerce, County of Los Angeles, California, and described in Exhibits "A1" and "A2", and depicted on the Site Map Exhibit "B" attached hereto (the "Existing Property" and "26-Acre Property" respectively).
- C. The Existing Property includes one parcel of real property which is to be rezoned from Industrial to Commercial C-2 (the "Existing Rezone Parcel") as set forth in and upon the Effective Date of this Agreement. The Existing Rezone Parcel is commonly known as 5788 Smithway Street, City of Commerce, California and is legally described on Exhibit "C" attached hereto and depicted on the Site Map. A Plot Plan Map showing the existing and proposed zoning for the Rezone Parcel is attached hereto as Exhibit "C-1."
- D. On or about January 20, 2015 Developer's affiliate Craig Realty Group Citadel, LLC, a California limited liability company as purchaser and The Successor Agency to the Commerce Community Development Commission, a public entity ("Successor Agency") as seller, entered into that certain Contingent Agreement to Purchase and Sell Real Estate and Escrow Instructions (the "Original Purchase Agreement"), as amended by that certain Restated and Amended First Amendment to Contingent Agreement to Purchase and Sell Real Estate and Escrow Instructions, entered May 1, 2018 (the "First Amendment"), for the purchase and sale of the 26 Acre Property. Collectively, the Original Purchase Agreement and First Amendment are referred to herein as the "26-Acre Property Purchase and Sale Agreement". Pursuant to that certain Assignment, Assumption, and Consent Agreement dated October 16, 2018, by and among Developer, Developer's affiliate Craig Realty Group Citadel, LLC, a California limited liability company (as "assignor"), and The Successor Agency to the Commerce Community Development Commission,

a public entity ("Successor Agency") (referred to herein as the "26-Acre Property Assignment Agreement"), Craig Realty Group Citadel, LLC, a California limited liability company assigned all of its right, title, interest, and obligations in and to the 26-Acre Property Purchase and Sale Agreement to Developer. City consented and agreed to Developer being the assignee pursuant to the 26-Acre Property Assignment Agreement.

- E. Pursuant to the 26-Acre Property Purchase and Sale Agreement, the Developer's proposed project involves: The construction and use of a minimum of 70% of the usable area of the Property with not less than 250,000 square feet, single and multistory buildings (some of which up to nine stories in height and an "icon tower" up to 150 feet in height) that include retail uses consistent with the type, nature and quality of the adjacent Citadel Outlets (retail and commercial center) provided such uses may not necessarily be exclusively outlet retail (generally referred to herein as the "Citadel Retail Development"); uses identified in the Site Plan; and other uses relating to the operations and expansion of the Citadel Outlets located in the City (the "Project").
- F. Developer is constructing an industrial building for Uninex, and is under negotiation with Shih-Chuang Tai and Chun-Yu Chen Tai, husband and wife as community property with right of survivorship (the "Uninex Property Owners"), as owners in fee of the real property on which the Uninex industrial building is located. The Uninex property is commonly known as 5780 Smithway Street, City of Commerce, California,, and is legally described in Exhibit "D" and depicted on the Site Map Exhibit "B" attached hereto (the "Uninex Property"). As of the Effective Date of this Agreement, Developer intends to have a legal or equitable interest in the Uninex Property. Additionally, as of the Effective Date of this Agreement, and upon the acquisition of a legal or equitable interest in the Uninex Property and the written consent of all of the owners of the Uninex Property, Developer intends to change the zoning of the Uninex Property from Industrial to Commercial C-2, as set forth in and upon the Effective Date of this Agreement. A Plot Plan Map showing the existing and proposed zoning for the Uninex Property is attached hereto as Exhibit "B-1." For purposes of this Agreement, the Existing Property and 26-Acre Property, excluding the Uninex Property, are referred to as the "Property" or "Subject Property" subject to the terms and conditions of this Agreement from and after the Effective Date for the Term of this Agreement; in addition, if Developer obtains a legal or equitable interest in the Uninex Property during the Term of this Agreement, then, in addition to the Existing Property and 26-Acre Property, the Uninex Property shall also be referred to as the "Property" or "Subject Property" subject to the terms and conditions of this Agreement, subject to the written consent of all of the owners of the Uninex Property.
- G. Developer has submitted to the City applications for the approval of this Agreement.
- H. Among other purposes, this Agreement is intended to be, and shall be construed as, a development agreement within the meaning of the Development Agreement Act. This Agreement will eliminate uncertainty and ensure orderly development of the Project, ensure a desirable and functional community environment, provide effective and efficient development of public facilities, infrastructure, and services appropriate for the development of the Project, and assure attainment of the maximum effective utilization of resources within City, by achieving the goals and purposes of the Development Agreement Act. In exchange for these benefits to City, Developer desires to receive the assurance that it may proceed with development of the Project in

accordance with the terms and conditions of this Agreement and the Development Approvals, all as more particularly set forth herein.

I. All actions taken by City have been duly taken in accordance with all applicable legi
requirements, including the California Environmental Quality Act (California Public Resource
Code Sections 21000, et seq.) ("CEQA"), and all other requirements for notice, public hearing
findings, votes and other procedural matters. The City approved the Environmental Impact Repo
(and, if applicable, a Mitigation Monitoring Program) for the Project on, 2019.
J. The City of Commerce Planning Commission held a public hearing on 2019 and heard all comments concerning the Proposed Development Agreement. After reviewing the proposed Development Agreement and considering all public testimony, the Plannin Commission recommended approval of the Development Agreement.
K. The City Council of the City of Commerce has found that this Agreement is in the best public interest of the City and its residents. The City Council has determined that the Project and this Agreement are consistent with City's General Plan, including the goals and objectives thereof On, 2019, the City Council introduced Ordinance No, and on 2019, the City Council adopted Ordinance No approving this Agreement.

#### AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties do hereby agree as follows:

#### 1. DEFINITIONS.

#### 1.1. Definitions.

This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized when used in this Agreement. In addition to the capitalized terms elsewhere in this Agreement, the defined terms include the following:

"Agreement" means this Development Agreement.

"Citadel Retail Development" is defined in Recital E.

"City" means the City of Commerce, a California general law city and municipal corporation.

"City Administrator" means the City's City Administrator, or designee as determined by the City Administrator.

"City Council" means the City Council of City.

"Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project, including, but not limited to: demolition of existing structures, rough and fine grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; and the installation of landscaping and improvements. "Development" also includes the maintenance and repair, of any building, structure, improvement, landscaping or facility after the construction and completion thereof on the Property.

"Development Agreement Act" is defined in Recital A.

"Development Approvals" means any and all permits, licenses, consents, rights and privileges, and other actions approved or issued by City in connection with the Development on or before the Effective Date, including but not limited to:

- i) General plans and general plan amendments;
- ii) Specific plans and specific plan amendments
- iii) Zoning, rezoning, change of zone and zoning amendments;
- iv) Approved conceptual site design and architectural plans for the Project, with conditions;
  - v) Tentative and final parcel maps;
- vi) Applicable environmental documentation and mitigation measures (if any) pursuant to the California Environmental Quality Act, including the Environmental Impact Report (and, if any, a Mitigation Monitoring Program).
  - vii) Demolition, grading and building-related permits.
- viii) Any and all permits for the continuing use of two off-site billboards on the 26-Acre Property, and any and all permits for the continuing use of all existing on-site and off-site billboards and marque signs on the Existing Property.
  - ix) The Site Plan.

"Developer" means the Developer entity identified in the Preamble to this Agreement, and, where permitted or otherwise specified in this Agreement, its affiliates and/or successors in interest to all or any part of this Agreement, the Property or any portions thereof.

"Effective Date" means the date that this Agreement shall take effect as defined in Section 2.2 of this Agreement.

"Environmental Assessment" means the environmental impact report, mitigated negative declaration, negative declaration, exemption or other environmental document approved for the Project pursuant to the California Environmental Quality Act ("CEQA").

"Existing Property" is defined in Recital B.

"Existing Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of City, including but not limited to City's development impact fees or similar development mitigation fees and any and all other fees chargeable by City for the Project, adopted and effective on or before the Effective Date governing the Development and use of the Property, including, without limitation, the permitted use of land, the density or intensity of use, the rate of development of land, subdivision requirements, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the Development, including, but not limited to, the Development Approvals.

"Existing Rezone Parcel" is defined in Recital C.

"First Amendment" is defined in Recital D.

"Mitigation Measures" mean those requirements, if any, imposed on the Project for environmental mitigation identified as part of the Environmental Assessment.

"Mortgagee" means a mortgagee as defined in Section 7.2 of this Agreement.

"Off-Site Improvements" means the Perimeter Improvements and off-site improvements not on the Subject Property, which are required for the Project and directly attributable to the impacts of the Project, such as perimeter roadway, sewer lines, and storm drain improvements, as identified in the Development Approvals and are consistent with the Site Plan.

"Original Purchase Agreement" is defined in Recital D.

"Perimeter Improvements" means the design, approval, construction, installation and maintenance of roadways, curbs, gutters, sidewalks, street trees, street lights, landscaping, all approved plant material, irrigation systems and walls located on the perimeter of the Property required as part of the Development Approvals and are consistent with the Site Plan.

"Project" means the Development as set forth in the Site Plan and described in Recital E and consistent with the Development Approvals and Site Plan.

"Property" and "Subject Property" are defined in Recital F. The term "Property" and "Subject Property" shall mean the land, together with (i) all improvements now or hereafter constructed thereon ("Improvements"); (ii) all rights, privileges, easements, licenses and interests appurtenant thereto (collectively "Appurtenances"); and (iii) all intangible property ("Intangible Property") and tangible personal property ("Personal Property") owned or held in connection with the land or located on the land, including without limitation, development rights, governmental approvals and land entitlements.

"Reservation of Authority" means the rights and authority excepted from the assurances and rights provided to Developer under this Agreement and reserved to City under Section 2.8.

"Schedule of Performance" is defined in Section 4.1 of this Agreement.

"Site Map" means the site map attached hereto as Exhibit "B".

"Site Plan" means the site plan depicting the general design, land uses, and overall development of the Project, entitled "CITADEL OUTLETS Masterplan Development for Citadel Outlets – City of Commerce – Dated 25 September 2018 and Rev. 21 November 2018" as set forth in Exhibit "E" and incorporated herein by this reference.

"Subsequent Development Approvals" means all Development Approvals issued subsequent to the Effective Date in connection with the Development.

"Subsequent Land Use Regulations" means any land use regulations adopted and effective after the Effective Date.

"Uninex Property" is defined in Recital F.

"Uninex Property Owners" is defined in Recital F.

"26-Acre Property" is defined in Recital B.

"26-Acre Property Purchase and Sale Agreement" is defined in Recital D.

#### 2. GENERAL TERMS AND DEVELOPMENT STANDARDS AND LIMITATIONS.

#### 2.1. Term.

The term of this Agreement shall commence on the Effective Date and shall continue for 25 years (the "Term"), unless said term is otherwise terminated, modified, or extended by circumstances set forth in this Agreement or by mutual consent of the Parties hereto after the satisfaction of all applicable public hearing and related procedural requirements under the Development Agreement Act.

#### 2.2. Effective Date; Recording.

This Agreement shall be effective, and the obligations of the Parties hereunder shall be effective, on the date that is the day after the expiration date to subject the ordinance approving this Agreement to referendum pursuant to Government Code Section 65867.5(a) ("Effective Date"). The Effective Date shall be memorialized in writing between the parties, and City shall record or cause to be recorded this Agreement on the Property in the County Recorder of Los Angeles County.

#### 2.3. Binding Effect of Agreement.

From and following the Effective Date, the Development, and City actions on applications for Subsequent Development Approvals affecting the Property, shall be subject to the terms and provisions of this Agreement.

## 2.4. Ownership of Property.

City and Developer acknowledge and agree that Developer has a legal or equitable interest in the Existing Property and 26-Acre Property, and thus Developer is qualified to enter into and be parties to this Agreement under the Development Agreement Law. Developer owns the Existing Property and has an agreement to purchase the 26 Acre Property. The Developer is currently negotiating to acquire ownership of the Uninex Property, and any effect of this Agreement on the Uninex Property is contingent on Developer obtaining written consent of all of the owners of the Uninex Property.

#### 2.5. Amendment or Cancellation.

Except as expressly stated to the contrary herein, this Agreement may be amended or canceled in whole or in part only by mutual consent of the Parties and in the manner provided for in the Development Agreement Act.

#### 2.6. Termination.

Unless terminated earlier, pursuant to the terms hereof, this Agreement shall automatically terminate and be of no further effect upon the expiration of the Term. Termination of this Agreement, for any reason, shall not, by itself, affect any right or duty arising from entitlements or approvals set forth under the Development Approvals.

#### 2.7. <u>Intent.</u>

City acknowledges that Developer has reasonably entered into this Agreement and will proceed with the Project on the assumption that City has adequately provided for the public health, safety and welfare through the Land Use Regulations. In the event that any future, unforeseen public health or safety emergency arises, City agrees that it shall attempt to address such emergency in such a way as not to impact the Development in accordance with this Agreement and/or the Development Approvals, and if that is not possible, to select that option for addressing the emergency which has the least adverse impact on the Development in accordance with this Agreement and/or the Development Approvals.

#### 2.8. Reservation of Authority by City.

Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges existing on the Effective Date. Processing fees and charges adopted by ordinance or resolution by the City Council after the Effective Date to cover the estimated actual costs, supported by a duly prepared and adopted cost/nexus report that supports those estimated actual costs, in effect at the time of submittal for an application of a permit or entitlement pursuant to the Development Approvals. For purposes of this subdivision and Agreement, "processing fees and charges" includes "fees" as defined in Sections 66013 and 66014 of the Government Code (as that section existed on the date of the Effective Date), but "processing fees and charges" shall not include any development impact fees or similar development mitigation fees of any kind whatsoever (including but not limited to "fees" as described or defined in: Chapter 4.7 (commencing with Section 65970), Chapter 4.9, (commencing with Section 65995), and Chapter 5 (commencing with

Sections 66000) of Division 1 of Title 7 of the Government Code; Section 66377 of the Government Code; and Article 5 (commencing with Section 66483) of Chapter 4 of Division 2 of Title 7 of the Government Code, as those sections may be amended or renumbered from time to time) that the City may currently have or may adopt on or after the Effective Date of this Agreement, where such fee or charge is not imposed to cover only the City's costs for processing a permit or entitlement application. Notwithstanding any other provision of this subparagraph (a), impact fees or charges required by the environmental assessment document for this Project, and any fees, charges, impact or mitigation fees or charges imposed by a third party other than the City, shall be paid by Developer.

- (b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matters of procedure.
- (c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, and also adopted by City as Subsequent Land Use Regulations.
- (d) Regulations in conflict with the Development Approvals, but which are reasonably necessary to protect the public health, safety, and welfare, subsequent to the Development Approval(s). In such instance the City must adopt written findings based on substantial evidence that implementation of the development agreement would create a condition injurious to the health, safety, or welfare of city residents.
- (e) Regulations that are not in conflict with the Development Approvals and this Agreement.
- (f) Regulations that are in conflict with the Development Approvals provided Developer has given written consent to the application of such regulations to the Development.
- (g) Federal, State, County, and multi-jurisdictional laws and regulations specifically required to be enforced as against the Property or the Development pursuant to Government Code Section 65869.5.

#### 2.9. Future Discretion of City.

This Agreement shall not prevent City, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations which do not conflict with this Agreement and/or the Development Approvals, nor shall this Agreement prevent City from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with this Agreement and/or the Development Approvals.

#### 2.10. Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.

In the event that Federal, State, County, or multi-jurisdictional laws or regulations, enacted after the Effective Date or as decided by binding case law, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be

modified or suspended as may be necessary to comply with such Federal, State, County, or multijurisdictional laws or regulations, and, subject to the next sentence, this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing sentence, either Party may pursue early termination of this Agreement pursuant to the Development Agreement Act if any Federal, State, County, or multijurisdictional laws or regulations render the Project and/or the Development financially infeasible as determined in that Party's reasonable discretion.

## 2.11. Regulation by Other Public Agencies.

It is acknowledged by the Parties that other public agencies not subject to control by City may possess authority to regulate aspects of the Development, and this Agreement does not limit the authority of such other public agencies.

## 2.12. Additional Applicable Codes and Regulations.

City reserves the right to apply the Uniform California building, electrical, mechanical, fire and other building codes as may be adopted in, or incorporated by reference into, the City of Commerce Municipal Code, as existing on the Effective Date or as may be enacted or amended thereafter, applied to the Project in a nondiscriminatory manner.

## 2.13. Amendment to Applicable Ordinances.

In the event the City Zoning Code is amended by the City in a manner which provides more favorable site development standards than those in effect as of the Effective Date, Developer shall have the right to notify City in writing of its desire to be subject to the new standards for the remaining term of this Agreement. If City agrees, by resolution of the City Council or by action of a City official whom the City Council may designate, such new standards shall become applicable to the Subject property. Should City thereafter amend such new standards, upon the effective date of such amendment, the original new standards shall have no further application to the Subject Property, but Developer may notify City and City may agree by resolution to apply such amended new standards to the Property.

#### 2.14. Processing Fees; Development Impact and Mitigation Fees.

This Agreement shall not be construed to limit the authority of the City to charge processing fees or charges (as described in Section 2.8(a) of this Agreement) for land use approvals, building permits or other similar permits or entitlements, when due and payable during the Development of the Project at the rates which are in force and effect on a City-wide basis at the time application is made for the applicable permit or entitlement. Any City development impact fees or similar development mitigation fees imposed on the development of the Project shall be imposed at the rate (if any) in effect at Effective Date of this Agreement. If the City did not impose a development impact fee or other similar development mitigation fee as of the Effective Date, Developer shall have no obligation to pay any such fee that may be adopted by the City after the Effective Date of this Agreement in connection with the development of the Project. For purposes of this section and Agreement, "development impact fees or similar development mitigation fees" includes development impact fees of any kind whatsoever (including but not limited to "fees" as described or defined in: Chapter 4.7 (commencing with Section 65970), Chapter 4.9, (commencing with

Section 65995), and Chapter 5 (commencing with Sections 66000) of Division 1 of Title 7 of the Government Code; Section 66377 of the Government Code; and Article 5 (commencing with Section 66483) of Chapter 4 of Division 2 of Title 7 of the Government Code, as those sections may be amended or renumbered from time to time), where such fee or charge is not imposed to cover only the City's costs for processing a permit or entitlement application. Notwithstanding any other provision of this Section 2.14, impact fees or charges required by the environmental assessment document for this Project, and any fees, charges, impact or mitigation fees or charges imposed by a third party other than the City, shall be paid by Developer.

## 3. DEVELOPER'S RIGHTS AND LIMITATIONS REGARDING DEVELOPMENT OF THE PROJECT.

#### 3.1. Project.

The Project consists generally of the development and construction described in Recital E of this Agreement. The Project is defined and described in the Site Plan which specifies all of the following aspects of the Project: (i) proposed uses of the Subject Property; (ii) height and size of buildings to be constructed on the Subject Property; (iii) density and intensity of use of the Subject Property; and (iv) other development and construction standards set forth therein. The project is also defined and described, and shall be consistent with, the project description set forth in the City-approved Environmental Assessment.

## 3.2. Right to Develop.

Developer shall have a vested right to develop the Property in accordance with, and to the extent of, the Site Plan, Development Approvals, and this Agreement. The Developer shall have the right to develop the Project in phases and in re-ordered phases from those generally described in the Schedule of Performance. Inclusive in the right to develop is the Developer's right to subdivide the Subject Property at any time during the Term pursuant to this Agreement, Existing Land Use Regulations, and any other applicable subdivision requirements under the Subdivision Map Act (Government Code § 66410 et seq.), if such subdivision is consistent with the Project and Site Plan. If Developer seeks to subdivide any portion of the Subject Property, City and Developer shall coordinate and use best efforts to plan for and effectuate any preliminary actions needed prior to the submittal by Developer of a subdivision application, it being the intent of the parties to have comprehensive coordination for future subdivision of the Subject Property (if any).

#### 3.3. Effect of Agreement on Land Use Regulations.

The rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the rate or timing of development, the maximum height and size of proposed buildings, and the design, improvement and construction standards and specifications applicable to the Development, shall be those contained in the City's Zoning Code, Existing Land Use Regulations and the Development Approvals which were in full force and effect as of the Effective Date, and to be applied pursuant to the following:

(a) All development applications which would otherwise have been a variance, conditional use permit, site plan review or administrative review, shall be submitted to, processed and reviewed by the City Administrator instead of the Planning Commission. However

development applications involving the use, sale, distribution or consumption of alcoholic beverages which are not specifically designated on the Site Plan on the Effective Date shall require the processing and issuance of a conditional use permit in accordance with the rules, regulations, standards and procedures in the City Zoning Code (Title 19 of the City's Municipal Code, or subsequently enacted title or provisions thereof) in effect at the time the development application is submitted.

- (1) A noticed public hearing shall not be required for review of any development application set forth in subsection 3.3(a) by the City Administrator or designee.
- (2) The City Administrator shall review the development application and determine if the development application is substantially consistent with the applicable development regulations set forth in this Agreement and the Site Plan and Existing Land Use Regulations of the City. If the City Administrator finds such consistency, the City Administrator shall approve or conditionally approve the development application.
- (3) If the City Administrator determines that the development application is not substantially consistent with the applicable development regulations set forth in this Agreement and the Site Plan and Existing Land Use Regulation of the City, the City Administrator may approve or conditionally approve the development application if the City Administrator determines that the development application is substantially consistent with the zoning, development and design standards in existence on the Existing Property.
- (4) If the City Administrator finds that the requirements of subsections (2) or (3) of this subsection 3.3(a) are not met for approval or conditional approval of the development application, the City Administrator may deny the development application or require the applicant to process the development application in accordance with the rules, regulations, standards and procedures in the City Zoning Code ((Title 19 of the City's Municipal Code, or subsequently enacted title or provisions thereof) in effect at the time the development application is submitted.
- (5) The City Administrator shall make a decision to approve, conditionally approve, or deny the development application within thirty (30) days of receiving a completed development application. For reasonable cause the City Administrator may extend the thirty day processing period for a reasonable time not to exceed an additional four (4) months.
- (6) The approval, conditional approval or denial of development applications by the City Administrator shall be made in writing supported by substantial findings.
- (7) The decision of the City Administrator may be appealed directly to the City Council within twenty (20) days of delivery of the written decision to the applicant. Such an appeal must be filed with the City Administrator in writing and contain the specific grounds for the appeal. Appeals may be made by the applicant, a City Council Member, the City Council, or any person who submitted written comments on the development application prior to the decision of the City Administrator.

- (8) The appeal shall be heard by the City Council within thirty (30) days of the filing of the appeal. The City Council is not required to hold a noticed public hearing. The appeal shall be heard by the City Council at an agendized regular, adjourned or special meeting of the City Council. The appellant and applicant shall receive at least ten (10) days prior written notice of the time and place the appeal will be heard. The appeal shall be based on the record before the City Administrator.
- (9) The City Council shall render a written decision on the appeal within thirty (30) days of the hearing of the appeal. The decision shall be supported by written findings and shall be mailed or personally delivered to the appellant and applicant. The decision of the City Council is the final City action on the matter appealed.
- (b) The Project on the Property shall be developed substantially in compliance with the layout, siting, design, architecture, density, designated uses, height, setback, parking quantities and layout, ingress, egress aisles, turning radii, and landscaping as shown on the Site Plan. Development of the project shall be consistent with the architecture, size, scale, mass, density and development features of the existing buildings, landscaping, and development features of the existing Citadel development. Subject to the provisions of Section 3.3(a)(3) of this Agreement, to the extent that any development or development application does not substantially comply with the Site Plan, it shall be processed in accordance with the development guidelines and procedures in Title 19 of the City's Municipal Code (or subsequently enacted title or provisions thereof) in effect at the time of the submittal of the application for such land use and/or Subsequent Development Approval.
- (c) To the extent the Site Plan clearly specifies the layout, siting, design, architecture, density, designated uses, height, setback, parking quantities and layout, ingress, egress aisles, turning radii, landscaping and other design or zoning criteria for the Project, except signage requirements, the Site Plan shall regulate the design and zoning criteria for the development of the Project. Subject to the provisions of Section 3.3(a)(3) of this Agreement, to the extent that the Site plan does not clearly specify the layout, siting, design, architecture, density, designated uses, height, setback, parking quantities and layout, ingress, egress aisles, turning radii, landscaping and other design or zoning criteria for the Project, the City Zoning Code (Title 19 of the City's Municipal Code, or subsequently enacted title or provisions thereof) shall regulate that aspect of the development of the Project.
- (d) Land uses shown on the Site Plan shall be considered allowable or conditionally permitted uses, and shall be processed in accordance with the provisions of Section 3.3 of this Agreement. Land uses not shown on the Site Plan as of the Effective Date shall be processed in accordance with the development guidelines and procedures of the City Zoning Code (Title 19 of the City's Municipal Code, or subsequently enacted title or provisions thereof) in effect at the time an application is submitted for the development of such land uses.

(e) The City is bound with respect to the uses permitted by this Agreement, and as set forth in the Site Plan and Development Approvals, insofar as this Agreement, the Site Plan and the Development Approvals so provide.

#### 3.4. Master Sign Plan

The rules, regulations and official policies governing signage for the Project, the maximum height and size of proposed signs, and the design, improvement and construction standards and specifications applicable to signs in the Project, shall be those contained in the City's Zoning Code, Existing Land Use Regulations and the Development Approvals which were in full force and effect as of the Effective Date, and to be applied pursuant to the following:

- (a) The Master Sign Plan for the Project attached hereto as Exhibit "F" is hereby approved for the Project. To the extent the Master Sign Plan clearly specifies the layout, siting, design, architecture, density, size, height, setback, landscaping and other design or zoning criteria for signage for the Project, the Master Sign Plan shall regulate the design and zoning criteria for the signage for the Project. To the extent that the Master Sign plan does not clearly specify the layout, siting, design, architecture, density, size, height, setback, landscaping and other design or zoning criteria for signage for the Project, the City Zoning Code (Title 19 of the City's Municipal Code, or subsequently enacted title or provisions thereof) shall regulate that aspect of the signage for the Project.
- (b) All offsite signage subject to the California Outdoor Advertising Act must obtain, comply with and maintain in good standing permits and licenses for such signage.
- (c) All sign permit applications shall be submitted to the City Administrator for review and processing.
  - (1) A noticed public hearing shall not be required for review of any sign permit application set forth in subsection 3.4(c) by the City Administrator.
  - (2) The City Administrator shall review the sign permit application and determine if the sign permit application is substantially consistent with the Master Sign Plan, Existing Land Use Regulations, and the Site Plan. The Master Sign Plan shall control if there is an inconsistency with either Existing Land Use Regulation or the Site Plan, except if the Master Sign Plan or the Site Plan do not regulate a specific design criteria, the Existing Land Use Regulations shall apply. If the City Administrator finds such consistency, the City Administrator shall approve or conditionally approve the sign permit application.
  - (3) If the City Administrator finds that the requirements of subsection (2) of this subsection 3.4(c) are not met for approval or conditional approval of the sign permit application, the City Administrator may deny the sign permit application or require the applicant to process the sign permit application in accordance with the rules, regulations, standards and procedures in the City Zoning Code ((Title 19 of the City's Municipal Code, or subsequently enacted title or provisions thereof) in effect at the time the sign permit application is submitted.

- (4) The City Administrator shall make a decision to approve, conditionally approve, or deny the sign permit application within thirty (30) days of receiving a completed sign permit application. For reasonable cause the City Administrator may extend the thirty day processing period for a reasonable time not to exceed an additional thirty (30) days.
- (5) The approval, conditional approval or denial of sign permit applications by the City Administrator shall be made in writing supported by substantial findings.
- (6) The decision of the City Administrator may be appealed directly to the City Council within twenty (20) days of delivery of the written decision to the applicant. Such an appeal must be filed with the City Administrator in writing and contain the specific grounds for the appeal. Appeals may be made by the applicant, a City Council Member, the City Council, or any person who submitted written comments on the sign permit application prior to the decision of the City Administrator.
- (7) The appeal shall be heard by the City Council within thirty (30) days of the filing of the appeal. The City Council is not required to hold a noticed public hearing. The appeal shall be heard by the City Council at an agendized regular, adjourned or special meeting of the City Council. The appellant and applicant shall receive at least ten (10) days prior written notice of the time and place the appeal will be heard. The appeal shall be based on the record before the City Administrator.
- (8) The City Council shall render a written decision on the appeal within thirty (30) days of the hearing of the appeal. The decision shall be supported by written findings and shall be mailed or personally delivered to the appellant and applicant. The decision of the City Council is the final City action on the matter appealed.

#### 3.5. Rezoning of Property

- a. The zoning of the Existing Rezone Parcel is changed from Heavy Industrial M-2 to Commercial C-2.
- b. The zoning of the Uninex Property is changed from Heavy Industrial M-2 to Commercial C-2, but such rezoning shall not be effective unless and until Developer obtains a legal or equitable interest in the Uninex Property.

#### 3.6. Subsequent Development Approvals.

City shall accept for processing, review and action all applications for Subsequent Development Approvals, and such applications shall be processed pursuant to this Agreement, and all requisite development application fees shall be calculated based on the rate in effect on the date of submission of the application, and shall be paid at such time as payment for such fees is due and payable for the applicable portion of the Property receiving the permit or entitlement under that application. Development impact fees or similar development mitigation fees shall be calculated at the rate in effect on the Effective Date, if any rate was then in effect.. City further agrees that, unless otherwise requested by Developer, it shall not, without good cause, amend or rescind any Subsequent Development Approvals respecting the Property after City has granted the same.

## 3.7. Development In Accordance With Agreement and Applicable Law.

Developer shall commence and complete the Development in accordance with this Agreement (including, without limitation, the Existing Land Use Regulations and the Development Approvals) and in compliance with all laws, regulations, rules, and requirements of all non-City governing entities with jurisdiction over the Property.

#### 3.8. Changes and Amendments.

The Parties acknowledge and agree that although the Development of the Project will likely require Subsequent Development Approvals, the Development shall be in strict compliance with the Development Approvals and Site Plan. Notwithstanding the preceding sentence, Developer may determine that changes are appropriate and desirable in the existing Development Approvals. In the event Developer finds that such a change is appropriate or desirable, Developer may apply in writing for an amendment to prior Development Approvals to effectuate such change. The Parties acknowledge that City shall be permitted to use its sole and absolute discretion in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing sole and absolute discretion, City shall not apply a standard different than used in evaluating requests of other developers. Accordingly, under no circumstances shall City be obligated in any manner to approve any amendment to the Development Approvals. Any change in the Development Approvals made pursuant to Developer's application and deemed a major modification by the City Administrator in his or her reasonable discretion, shall require an amendment to this Agreement, but this Agreement shall be deemed to be in full force and effect subject to the modification of the existing Development Approval.

#### 4. DEVELOPER'S OBLIGATIONS.

#### 4.1. Plan, Design, Construct and Operate the Project.

Developer shall plan, design, construct and operate the Project in a timely manner, generally in accordance with the "Schedule of Performance" attached hereto as Exhibit "G." The Parties acknowledge and agree that the Schedule of Performance is a general sequencing of the phases of Development, and such sequencing may be modified by Developer to effectuate construction and end-use efficiencies. If Developer, in its reasonable discretion, anticipates or decides a phase of the Development may need to be removed or an additional phase of Development should be added, the Schedule of Performance may be amended by mutual written agreement of the Parties. The City Administrator is authorized to sign such amendments.

#### 4.2. Development Costs

Developer shall pay all costs of developing the Project. Development costs shall include, but not be limited to design, architecture, engineering, zoning entitlement fees, building permit fees, construction costs for the Project, costs of California Environmental Quality Act ("CEQA) compliance, dedications of real property interests or construction of Off-Site Improvements and Perimeter Improvements required by the Development Approvals. Nothing in this Agreement shall be construed as requiring City to pay for any part of the development of the Project.

## 4.3. Cooperation By Developer.

Developer will, in a timely manner, provide City with all documents, applications, plans and other information necessary for City to carry out its obligations hereunder, and cause Developer's planners, engineers, and all other consultants to submit in a timely manner all required materials and documents therefore.

### 4.4. Other Governmental Permits.

Developer shall use its and take best efforts to apply in a timely manner for such other permits and approvals from other governmental or quasi-governmental agencies having jurisdiction over the Subject Property as may be required for the development of, or provision of services to, the Project.

### 4.5. Reimbursement for City's Efforts on Behalf of Developer.

If Developer delivers a written request to City to enter into an agreement pursuant to this section, City, on behalf of Developer, may enter into a binding agreement with third parties in order to assure the availability of certain permits and approvals or specialized services or expertise necessary for development of the Project. Prior to City executing or otherwise entering into such agreement, City and Developer shall mutually agree in writing on the choice of the third party contractor and the cost allocation between City and Developer for the contracted services. If such mutual agreement is not reached between City and Developer, neither City nor Developer is obligated to enter into such contract or provide such permits, approvals, specialized services or expertise. Developer shall defend City in any challenge by any party to any such mutually approved agreement except when the challenge is alleged and/or raised because of City's failure to perform under such agreement or because of City's willful misconduct or negligence. Developer shall reimburse City for any costs and expenses incurred by City in enforcing any such Developer-approved agreement except when the enforcement of such agreement is allegedly or actually caused by City's failure to perform under such agreement and Developer engaged in no act or omission that cause the City's failure to perform, or is allegedly or actually caused by City's willful misconduct or negligence.

## 4.6. Conditions of Approval.

- (a) The Developer shall comply with the Mitigation Measures, if any, required by the Environmental Assessment all at Developer's cost.
- (b) Developer shall offer dedications to City or other applicable public agency, or complete the Off-Site Improvements and Perimeter Improvements required in connection with the Project, all at Developer's cost, and as specified in the Development Approvals.

## 4.7. Indemnification.

a. Developer agrees to and shall, at its own cost and expense, indemnify, hold harmless, and defend, City and its respective officers, officials, members, agents, employees, and representatives, from liability or claims for death or personal injury and claims for property damage which may arise from the acts, errors, and/or omissions of Developer or its contractors, subcontractors, agents, employees or other persons acting on its behalf in relation to the Project

and/or in any manner arising from this Agreement except for those acts, errors, and/or omissions caused or alleged to be caused by the negligence or willful misconduct of the City (or its officers, officials, members, agents, employees, or representatives). The foregoing indemnity applies to all deaths, injuries, and damages, and claims therefor, suffered or alleged to have been suffered by reason of the acts, errors, and/or omissions referred to in this section, regardless of whether or not City prepared, supplied, or approved plans or specifications, or both. In the event of litigation, City agrees, at no cost to City, to cooperate with Developer.

b. In the event of any court action or proceeding challenging the validity of this Agreement, any of the Development Approvals or the Environmental Assessment prepared and adopted for the Project, Developer shall defend, indemnify and hold harmless, at its own expense, the City and its officers, officials, members, agents, employees, consultants and representatives from and against the action or proceeding, except for those acts, errors, and/or omissions caused or alleged to be caused by the negligence or willful misconduct of the City (or its officers, officials, members, agents, employees, or representatives). In such instance, City shall have the right to choose the defense counsel to represent the City subject to the reasonable approval of the Developer, which approval shall not be unreasonably withheld or delayed. For purposes of the preceding sentence, Developer reasonably withholds or delays consent when either Developer experienced in a prior matter or, after consultation with Developer's legal counsel or its consultants, Developer learns that the City-selected defense counsel may lack the experience, expertise, reputation, client-relations, or other factors typically used when selecting legal counsel for a litigation matter. In the event of such court action or proceeding described in this Section 4.7(b), if Developer is not named as a party or real party in interest, Developer may petition the court to intervene in the action as a named party in such court action or proceeding, in which case Developer shall have the right to defend, at its own expense, itself and the challenged actions in accordance with this section. To the extent a joint defense is not inconsistent with either Party's claims or defenses in any such court action or proceeding, Developer and City shall cooperate with each other in any such defense as either Developer or City may reasonably request. Neither Party may resolve such challenge without the written agreement of the other Party to the extent the Parties have agreed in writing to a joint defense on an asserted claim or cause of action or to jointly bring a claim or cause of action. In the event Developer fails or refuses to be a party in any challenge to this Agreement, the Development Approvals or the Environmental Assessment, City shall have the right not to defend such challenge, and to resolve such challenge in any manner it chooses in its sole discretion, including termination of this Agreement, all without incurring any obligation or liability to Developer. If the cost of defending any challenge, claim, court action or proceeding against the City challenging the validity of this Agreement, any of the Development Approvals or the Environmental Assessment prepared and adopted for the Project is covered by insurance payable to the City, including the City as a participant with the Joint Powers Insurance Authority, the costs of defense shall be borne by the City, but only to the extent of such insurance coverage.

#### 4.8. Nexus/Reasonable Relationship Challenges.

The Developer consents to, and waives any rights it may have now or in the future to challenge the legal validity of, the conditions, requirements, policies or programs required by the Existing Land Use Regulations or this Agreement including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection

of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax.

#### 5. CITY'S OBLIGATIONS.

## 5.1. Processing.

Upon satisfactory completion by Developer of all required preliminary actions and payments of appropriate processing fees (if any) at the rates consistent with this Agreement, City shall promptly commence and diligently proceed to complete all required steps necessary for the implementation of this Agreement and the development by Developer of the Project in accordance with this Agreement and the Site Plan, including, but not limited to, the following:

- (a) the holding of all required public hearings; and
- (b) the processing and approval of all ministerial approvals and related matters as necessary for the completion of the development of the Project. In this regard, Developer will, in a timely manner, provide City with all documents, applications, plans and other information necessary for City to carry out its obligations hereunder as required by law and shall cause Developer's planners, engineers and all other consultants to submit in a timely manner all required materials and documents therefore.

## 5.2. Scope of Subsequent Review/Confirmation of Compliance Process.

Nothing set forth herein impairs or interferes with the right of City to require the processing of building permits in compliance with applicable provisions of State Fire Codes, Health and Safety Codes, and Building, Electrical, Mechanical, and similar State building codes, and any applicable City ordinances implementing those State building codes.

#### 5.3. Project Approvals Independent.

All approvals required for the Project which may be or have been granted, and all land use entitlements or approvals generally which have been issued or will be issued by City with respect to the Project, constitute independent actions and approvals by City. If any provision of this Agreement or the application of any provision of this Agreement to a particular situation is held by a court of competent jurisdiction to be invalid or unenforceable, or if this Agreement terminates for any reason, then such invalidity, unenforceability or termination of this Agreement or any part hereof shall not affect the validity or effectiveness of any such Project approvals or other land use approvals and entitlements. In such cases, such approvals and entitlements will remain in effect pursuant to their own terms, provisions, and the Conditions of Approval. It is understood by the Parties to this Agreement that pursuant to existing law, if this Agreement terminates or is held invalid or unenforceable as described above, such approvals and entitlements shall not remain valid for the Term, but shall remain valid for the term(s) of such approvals and entitlements.

#### 5.4. Standard of Review.

The rules, regulations and policies that apply to any ministerial approvals which must be secured prior to the construction of any portion of the Project shall be the Existing Land Use Regulations, except as otherwise provided in this Agreement. Any ministerial approval, including

without limitation a building permit, shall be approved by the City within a reasonable period of time after application is made therefore.

### 5.5. Contract Services.

If requested by Developer, at Developer's expense, City shall obtain outside contractual services as necessary to ensure prompt processing of any development application (permit or entitlement) that may be required or related to the Project.

## 5.6. Terminating Possessory Interests No Longer Used or Inconsistent with Site Plan.

If requested by Developer, City shall cooperate and use best efforts to coordinate with Developer for vacating, terminating, or otherwise extinguishing any real property interests, such as abandoned railway easements or unused possessory interest held by City or utilities, that are not being used or are inconsistent with the development and uses authorized under this Agreement and the Site Plan. The vacation of public easements and interests is a discretionary action of the City Council of the City of Commerce that cannot be required by this Agreement. Since the vacation of such public easements and interests is within the legally required discretion of the City, the Developer understands and agrees that the City cannot be bound by the terms of this agreement to vacate such easements or interests.

## 5.7. Review for Compliance.

City shall review this Agreement at least once during every twelve (12) months following the Effective Date during the Term of this Agreement, in accordance with City's procedures and standards for such review. During such periodic review by City, Developer, upon written request from City, shall be required to demonstrate, and hereby agrees to furnish, evidence of good faith compliance with the terms hereof; provided, however, that Developer will not be required to disclose confidential or trade secret business information for such review. The failure of City to conduct or complete the annual review as provided herein or in accordance with the Development Agreement Act shall not impact the validity of this Agreement.

#### 6. DEFAULT; REMEDIES; DISPUTE RESOLUTION.

#### 6.1. Events of Default.

Subject to any extensions of time by mutual consent in writing, and subject to the provisions of force majeure (below) in this Agreement, the failure or unreasonable delay by either Party to perform any material term or provision of this Agreement for a period of thirty (30) days after the dispatch of a written notice of default from the other party shall constitute a default under this Agreement. If the nature of the alleged default is such that it cannot reasonably be cured within such 30-day period, the commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure within such period.

### 6.2. Notice of Default.

Any Notice of Default given hereunder shall be in writing and specify in detail the nature of the alleged Event of Default and the manner in which such Event of Default may be satisfactorily cured in accordance with the terms and conditions of this Agreement.

## 6.3. Cure Period.

During the time periods herein specified for cure of an Event of Default, the party charged therewith shall not be considered to be in default for purposes of termination of this Agreement, institution of legal proceedings with respect thereto, or issuance of any building permit with respect to the Project.

#### 6.4. General Default Remedies.

After notice and expiration of the 30-day period without cure, the non-defaulting party shall have such rights and remedies against the defaulting party as it may have at law or in equity, including, but not limited to, the right to terminate this Agreement pursuant to Government Code Section 65868 or seek mandamus, specific performance, injunctive or declaratory relief.

## 6.5. Remedies Cumulative.

Any rights or remedies available to non-defaulting party under this Agreement and any other rights or remedies that such party may have at law or in equity upon a default by the other party under this Agreement shall be distinct, separate and cumulative rights and remedies available to such non-defaulting party and none of such rights or remedies, whether or not exercised by the non-defaulting party, shall be deemed to exclude any other rights or remedies available to the non-defaulting party. The non-defaulting party may, in its discretion, exercise any and all of its rights and remedies, at once or in succession, at such time or times as the non-defaulting party considers appropriate.

## 6.6. Legal Action.

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

## 6.7. Limitation of Damages Relief Against City.

The parties acknowledge that City would not have entered into this Agreement had it been exposed to damage claims from Developer for any breach thereof. As such, the parties agree that Developer's damages for City's breach of this Agreement shall be limited to a total sum of Five Million and No/100 Dollars (\$5,000,000.00). Such limit shall include damages of any and all types including, but not limited to, actual out-of-pocket expenses, overhead, lost profits, court costs, attorney's fees, witness fees, expert witness fees, consultant's fees and any other loss suffered by Developer of any kind or nature. However, Developer may pursue other equitable remedies for declaratory relief, specific performance or injunctive relief which do not require the City to pay monetary damage to Developer.

## 6.8. Developer Default & Permitting.

No building permit shall be issued or building permit application accepted for any structure on the Subject Property if, after City has delivered written notice of default and Developer has not timely cured the identified default pursuant to this Agreement, Developer is in default of the terms and conditions of this Agreement, and City may suspend permit issuance and application acceptance as provided in this section until such default is cured by the Developer or is waived by City.

## 7. MORTGAGEE PROTECTION; CERTAIN RIGHTS TO CURE.

## 7.1. Encumbrances on the Project.

This Agreement shall not prevent or limit Developer from encumbering the Property or any portion thereof or any improvements thereon with any mortgage, deed of trust, sale and leaseback arrangement, or any other form of conveyance ("Mortgage") in which the Property, or a portion thereof or interest therein, is pledged as security, and contracted for in good faith and fair value in order to secure financing with respect to the ownership, acquisition, construction, development, use or operation of the Project and/or the Property.

#### 7.2. Mortgage Protection.

This Agreement shall be superior and senior to the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value, and any acquisition or acceptance of title or any right or interest in or with respect to the Property or any portion thereof by a holder of a beneficial interest under a Mortgage, or any successor or assignee to said holder ("Mortgagee"), whether pursuant to foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination or otherwise, shall be subject to all of the terms and conditions of this Agreement.

#### 7.3. Mortgagee Not Obligated.

No Mortgagee will have any obligation or duty under this Agreement to perform the obligations of Developer or other affirmative covenants of Developer hereunder, or to guarantee such performance. In addition, the Mortgagee may but shall not be required to develop or operate the Property, and to the extent that any covenant to be performed by Developer is a condition to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder.

## 7.4. Notice of Default to Mortgagee; Right of Mortgagee to Cure.

City shall, upon written request to City, deliver to each Mortgagee a copy of any notice of default given to Developer under the terms of this Agreement, at the same time such notice of default is provided to Developer. The Mortgagee shall have the right, but not the obligation, to cure, correct, or remedy the default, within ten (10) days after the receipt of such notice from City for monetary defaults, or within thirty (30) days for non-monetary defaults, or, for such defaults that cannot reasonably be cured, corrected, or remedied within such period, the Mortgagee may cure, correct, or remedy the default if the Mortgagee commences to cure, correct, or remedy such default within such ten (10) day or thirty (30) day period, and continuously and diligently prosecutes such cure to completion. If the default is of a nature which can only be remedied or

cured by such Mortgagee upon obtaining possession of the Property, such Mortgagee shall have the right to seek to obtain possession with diligence and continuity through foreclosure, a receiver or otherwise, and shall be permitted thereafter to remedy or cure the default within such time as is reasonably necessary to cure or remedy said default but in no event more than thirty (30) days after obtaining possession. If any such default cannot, with diligence, be remedied or cured within such thirty (30) day period, then such period shall be extended to permit the Mortgagee to effect a cure or remedy so long as Mortgagee commences said cure or remedy during such thirty (30) day period, and thereafter diligently pursues such cure to completion.

#### 8. TRANSFERS OF INTEREST IN PROPERTY OR AGREEMENT.

## 8.1. City's Intent.

Developer has demonstrated, and the City finds that Developer possesses, the experience, reputation and financial resources to develop and maintain the Subject Property in the manner contemplated by this Agreement. It is because of such qualifications, which assure the development of the Subject Property to a high quality standard contemplated by the General Plan that the City is entering into this Agreement. Accordingly, restrictions on the right of Developer to assign or transfer the rights and privileges contained in this Agreement are necessary in order to assure the achievement of the objectives of the City's anticipated General Plan and this Agreement.

## 8.2. Developer's Right to Assign or Transfer.

Developer may assign or transfer any of its rights or interests under this Agreement and the Property, or any portion thereof, subject to written consent of City, which shall not be unreasonably withheld or delayed. City consent is not required for the following assignments or transfers:

- (a) To an affiliate of Developer, where Developer has control or a majority ownership interest in such affiliate, including but not limited to Craig Realty Group Citadel, LLC, a Delaware limited liability company;
- (b) To any ground lessee of a subdivided pad on the Subject Property, or to any tenant or subtenant, to occupy any retail or commercial space that is part of the Project;
- (c) To any Mortgagee (as described above);
- (d) Any transfer or assignment resulting from any proceeding in bankruptcy receivership, or order relating thereto.

## 8.3. Restriction on Assignment Does Not Constitute an Unreasonable Restraint on Alienation.

Developer agrees that the restriction on its right to transfer any of its rights or interests under this Agreement is not repugnant or unreasonable in that such a restriction is a material inducement to the City to enter into this Agreement since the restriction reserves for the City the power to prevent the transfer of any of the rights and obligations hereunder to an unreliable developer.

## 8.4. Request Procedure.

City shall administer the provisions of this section through its Director of Public Works and Development Services or other appointed designee. Developer shall notify the Director and

the City Administrator in writing of its request for City's consent to an assignment or transfer under this section, together with a statement that if the Director does not notify Developer within thirty (30) days of receipt of the request, the request will be deemed approved.

### 8.5. 30-Day Period.

If, within such 30-day period the Director does not so notify Developer, the request for consent shall automatically be deemed approved and no further action by Developer or the City shall be necessary. If, within such 30-day period, the Director notifies Developer that the request will be considered and acted upon by City, Developer shall furnish such additional information as the Director may reasonably request at the time of such notice, and City shall proceed to consider and act upon the Developer's request for City's consent to the proposed assignment or transfer. Failure by the City to act within thirty (30) days of giving such notice or of receiving the additional requested information shall automatically be deemed an approval of the request.

## 8.6. City Council Approval.

In the event the Director determines that the assignment or transfer should be acted upon by the City Council, and the Director so notifies Developer within fifteen (15) days of giving the notice or receiving the information described herein, the matter shall be referred to the City Council. The City Council shall have thirty (30) days from the date of such notice to approve or deny the requested transfer or assignment. Failure of City to act within the thirty (3) day period shall automatically be deemed an approval of the request.

## 8.7. Ownership Changes.

The management control and responsibility of Developer and the expertise, competence, and financial strength of Developer are integral components of the consideration for City entering into this Agreement. In order to preserve such consideration for City and for City to receive full value, the parties hereto agree that the occurrence of any of the following events constitute, for purposes of this provision, an assignment:

- (i) A change in the composition of ownership interests in and control of Developer, the result of which diminishes the ownership interests and control of the persons and entities in currently in control of Developer on the Effective Date to less than twenty percent (20%).
- (ii) A change in the composition of ownership interests in and control of the Subject Property such that Developer's equity in the Subject Property is reduced to less than fifty-one percent (51%).

#### 8.8. Minor Assignments.

The following transfers shall be considered minor assignments which shall not be subject to this section:

- (a) Transfer of the Property after completion of the Project.
- (b) All transfers and assignments listed in Section 8.2 in which City grants its consent.

## 8.9. Notice of Proposed Assignment.

If City's further consent for an assignment or transfer is required under this Agreement, Developer must provide City with adequate evidence that the proposed assignee, buyer or transferee is qualified using the standards and conditions described in this section, and ability to comply with these standards and conditions will be the test of reasonableness.

## 8.10. Conditions and Standards.

The conditions and standards referred to above are as follows:

- (a) Such assignee or transferee possesses the experience, reputation and financial resources to cause the Subject Property to be developed and maintained in the manner contemplated by the City's General Plan and this Agreement;
- (b) Such assignee or transferee enters into a written assumption agreement, in form and content satisfactory to the City Attorney, expressly assuming and agreeing to be bound by the provisions of this Agreement;
- (c) Such assignment or transfer will not impair the ability of City to achieve the objectives of its general Plan and this Agreement;

## 8.11. Financing Exemption.

Mortgages, deeds of trust, sales and lease-backs, or other forms of conveyance required for any reasonable method of financing requiring a security arrangement with respect to the Subject Property are permitted without the consent of the City, provided the City receives prior notice of such financing (including the name and address of the lender and the person or entities acquiring any such secured interest) and Developer retains a legal or equitable interest in the Subject Property and remains fully responsible hereunder. The words "mortgage" and "deed of trust," as used herein, include all other appropriate modes of financing real estate acquisition, construction and land development.

#### 8.12. Notice of Assignment.

Upon receiving approval of an assignment, Developer shall provide City with written notice of such assignment and as part of such notice the assignee must execute and deliver to City an assumption agreement in which the name and address of the assignee is set forth and the assignee expressly and unconditionally assumes the obligations of all the provisions set forth in the Agreement.

#### 8.13. Unapproved Assignments.

If City reasonably makes the determination not to consent to the assignment or transfer of the rights and privileges contained in this Agreement, and Developer conveys the Subject Property to a third party, in whole or in part, Developer shall remain liable and responsible for all of the duties and obligations of this Agreement.

#### 9. RELATIONSHIP OF PARTIES.

#### 9.1. Project as a Private Undertaking.

It is specifically understood and agreed by and between the parties hereto that the development of the Project Site is a separately undertaken private development.

## 9.2. Independent Contractors.

The parties agree that the Project is a private development and that neither party is acting as the agent of the other in any respect hereunder.

#### 9.3. No Joint Venture or Partnership.

City and Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making City and Developer joint venturers or partners.

#### 10. MISCELLANEOUS.

#### 10.1. Notices.

All notices permitted or required hereunder must be in writing and shall be effected by: (i) personal delivery; (ii) first class mail, registered or certified, postage fully prepaid; or (iii) reputable same-day or overnight delivery service that provides a receipt showing date and time of delivery, addressed to the following Parties, or to such other address as any party may from time to time designate in writing in the manner as provided herein:

To City:

City of Commerce 2535 Commerce Way Commerce, CA 90040 Attn: City Administrator

With a copy to:

Alvarez-Glasman & Colvin

13181 Industry Parkway North, Ste. 400

Industry, CA 91746

Attn: Commerce City Attorney

To Developer:

Craig Realty Group Citadel, LLC 4100 MacArthur Blvd., Ste. 200 Newport Beach, CA 92660 Attn: Steven L. Craig

With a copy to:

Craig Realty Group Citadel, LLC 4100 MacArthur Blvd., Ste. 200 Newport Beach, CA 92660 Attn: General Counsel With a copy to: Rutan & Tucker, LLP

611 Anton Blvd., Ste. 1400 Costa Mesa, CA 92626

Attn: Randall M. Babbush, Esq. Attn: William H. Ihrke, Esq.

Any written notice, demand or communication shall be deemed received immediately if personally delivered or delivered by delivery service, and shall be deemed received on the third day from the date it is postmarked if delivered by registered or certified mail.

#### 10.2. Force Majeure.

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or failures to perform are due to the elements, fire, earthquakes or other acts of God, strikes, labor disputes, lockouts, acts of the public enemy, riots, insurrections, or governmental restrictions imposed or mandated by other governmental entities ("Permitted Delay"). City and Developer may also extend times of performance under this Agreement in writing. Notwithstanding the foregoing, Developer is not entitled pursuant to this section to an extension of time to perform because of past, present, or future difficulty in obtaining suitable construction financing or permanent financing for the Development, or because of economic or market conditions. Any court action or proceeding brought by any third party to challenge this Agreement, or any other permit or approval required from City or any other governmental entity for development or construction of all or any portion of the Project, whether or not Developer is a party to or real party in interest in such action or proceeding, shall constitute a Permitted Delay under this section.

#### 10.3. Binding Effect.

This Agreement, and all of the terms and conditions hereof, shall be binding upon and inure to the benefit of the Parties, any subsequent owner of all or any portion of the Project or the Property, and their respective assigns, heirs or successors in interest, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Project or the Property.

#### 10.4. Independent Entity.

The Parties acknowledge that, in entering into and performing this Agreement, each of Developer and City is acting as an independent entity and not as an agent of the other in any respect.

#### 10.5. Agreement Not to Benefit Third Parties.

This Agreement is made for the sole benefit of the Parties, and no other person shall be deemed to have any privity of contract under this Agreement nor any right to rely on this Agreement to any extent for any purpose whatsoever, nor have any right of action of any kind on this Agreement nor be deemed to be a third party beneficiary under this Agreement, other than as expressly provided in this Agreement.

#### 10.6. Covenants.

The provisions of this Agreement shall constitute mutual covenants which shall run with the land comprising the Property for the benefit thereof, and the burdens and benefits hereof shall bind and inure to the benefit of each of the Parties hereto and all successors in interest to the Parties hereto for the term of this Agreement.

#### 10.7. Nonliability of City Officers and Employees.

No official, officer, employee, agent or representative of City, acting in his/her official capacity, shall be personally liable to Developer, or any successor or assign, for any loss, costs, damage, claim, liability, or judgment, arising out of or connection with this Agreement, or for any act or omission on the part of City.

#### 10.8. Covenant Against Discrimination.

Developer and City covenant and agree, for themselves and their respective successors and assigns, that there shall be no discrimination against, or segregation of, any person or group or persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry, or any other impermissible classification, in the performance of this Agreement. Developer shall comply with the Americans with Disabilities Act of 1990, as amended (42 U.S.C. Sections 12101, et seq.).

#### 10.9. Amendment of Agreement.

This Agreement may be amended from time to time by mutual consent of the Parties in accordance with the provisions of the Development Agreement Act.

#### 10.10. No Waiver.

No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought and referring expressly to this Agreement. No delay or omission by either party in exercising any right or power accruing upon non-compliance or failure to perform by the other party under any of the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof, except as expressly provided herein. No waiver by either party of any of the covenants or conditions to be performed by the other party shall be construed or deemed a waiver of any succeeding breach or nonperformance of the same or other covenants and conditions hereof.

#### 10.11. Severability.

If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect, to the extent that the invalidity or unenforceability does not impair the application of this Agreement as intended by the Parties. In amplification and not in limitation of the provisions in this section, if Developer does not obtain a legal or equitable interest in the Uninex Property prior to the Effective Date or otherwise during the Term of this Agreement, the Parties warrant, represent, and agree that they would have entered into this Agreement without regard to the Uninex Property, and all terms and conditions in this Agreement, and any all rights and obligations attaching to this Agreement under the Development

Agreement Act, shall be fully applicable and enforceable with respect to the 26-Acre Property as more particularly described herein.

#### 10.12. Cooperation in Carrying Out Agreement; City Administrator Authority.

Each party shall take such actions and execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Agreement in order to provide and secure to the other party the full and complete enjoyment of its rights and privileges hereunder. The City Administrator or designee (or other City official identified in this Agreement, shall have the authority to negotiate and execute such further instruments and documents on behalf of the City.

#### 10.13. Estoppel Certificate.

Any party hereunder may, at any time, deliver written notice to any other party requesting such party to certify in writing that, to the best knowledge of the certifying party: (i) this Agreement is in full force and effect and a binding obligation of the parties; (ii) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments; (iii) the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, describing the nature and amount of any such defaults; and (iv) any other reasonable information requested. A party receiving a request hereunder shall execute and return such certificate within ten (10) days following approval of the proposed estoppel certificate by the City Attorney, which approval shall not be unreasonably withheld or delayed. The City Manager or his or her designee is authorized to sign and deliver an estoppel certificate on behalf of City. City acknowledges that transferees, successors and assigns, and Mortgagees may rely upon an estoppel certificate hereunder.

#### 10.14. Construction.

This terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply. As used in this Agreement, and as the context may require, the singular includes the plural and vice versa, and the masculine gender includes the feminine and vice versa.

#### 10.15. Recordation.

This Agreement shall be recorded with the County Recorder of Los Angeles County at Developer's cost, if any, within the period required by California Government Code Section 65868.5. Amendments approved by the Parties, and any cancellation or termination of this Agreement, shall be similarly recorded.

#### 10.16. Captions and References.

The captions of the sections of this Agreement are solely for convenience of reference, and shall be disregarded in the construction and interpretation of this Agreement. Reference herein to a section or exhibit are the sections and exhibits of this Agreement.

#### 10.17. Time.

Time is of the essence in the performance of this Agreement and for each and every term and condition hereof as to which time is an element.

#### 10.18. Recitals & Exhibits Incorporated; Entire Agreement.

The Recitals to this Agreement and all of the exhibits attached to this Agreement are, by this reference, incorporated into this Agreement and made a part hereof. This Agreement, including all exhibits attached hereto, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement, and this Agreement supersedes all previous negotiations, discussions and agreements between the Parties, and no parole evidence of any prior or other agreement shall be permitted to contradict or vary the terms hereof.

#### 10.19. Counterpart Signature Pages.

For convenience the Parties may execute and acknowledge this Agreement in counterparts and when the separate signature pages are attached hereto, shall constitute one and the same complete Agreement.

#### 10.20. Authority to Execute.

Developer warrants and represents that: (i) it is duly organized and existing; (ii) it is duly authorized to execute and deliver this Agreement; (iii) by so executing this Agreement, Developer is formally bound to the provisions of this Agreement; (iv) Developer's entering into and performance of its obligations set forth in this Agreement do not violate any provision of any other agreement to which Developer is bound; and (v) there is no existing or threatened litigation or legal proceeding of which Developer is aware which could prevent Developer from entering into or performing its obligations set forth in this Agreement.

#### 10.21. Governing Law; Litigation Matters.

The laws of the State of California shall govern the interpretation and enforcement of this Agreement without regard to conflicts of law principles. Any action at law or in equity brought by any party hereto for the purpose of enforcing, construing, or interpreting the validity of this Agreement or any provision hereof shall be brought in the Superior Court of the State of California in and for the County of Los Angeles, or such other appropriate court in said county, and the Parties hereto waive all provisions of law providing for the filing, removal, or change of venue to any other court. Service of process on City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside of California. In the event of any action between the Parties hereto seeking enforcement of any of the terms of this Agreement or otherwise arising out of this Agreement, the prevailing party in such litigation shall be awarded, in addition to such relief to which such party is entitled, its reasonable attorney's fees, expert witness fees, and litigation costs and expenses.

#### 10.22. No Brokers.

Each of City and Developer represents to the other party that it has not engaged the services of any finder or broker and that it is not liable for any real estate commissions, broker's fees, or finder's fees which may accrue by means of this Agreement, and agrees to hold harmless the other

party from such commissions or fees as are alleged to be due from the party making such representations.

[INTENTIONALLY LEFT BLANK; SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Developer and City have executed this Agreement as of the Reference Date.

Reference Date.	
	"DEVELOPER"
	CITADEL HOLDINGS GROUP, LLC, a Delaware limited liability company
	By: Eureka Realty Partners, Inc., a California corporation, Manager
	By: Steven L. Craig President
	"CITY"
	CITY OF COMMERCE, a California municipal corporation
	By:, Mayor
ATTEST:	APPROVED AS TO FORM:
, City Clerk	_
	, City Attorney

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	_)	
On before me,	(here insert name and title of the	
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)	
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		
On before me, officer), personally appeared	(here insert name and title of the	
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)	

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	_)	
On before me,	(here insert name and title of the tory 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)	
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	_)	
On before me,	(here insert name and title of the	
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 A-1 Legal Description of Existing Property

[attached]

#### **EXHIBIT A-1**

#### LEGAL DESCRIPTION OF EXISTING PROPERTY

#### PARCEL A:

#### PARCEL A-1:

PARCELS 1 AND 3 OF PARCEL MAP NO. 21208, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 242, PAGES 19, 20 AND 21 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THAT PORTION OF SAID PARCEL 3 DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE AND LOT LINE ADJUSTMENT 91-2, RECORDED MAY 30, 1991 AS INSTRUMENT NO. 91-797464, AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE SOUTHEASTERLY BOUNDARY LINE OF SAID PARCEL 3 LABELED AS "NORTH 46°43'50" EAST 181.12 FEET "; THENCE NORTH 46°43'50" EAST 181.12 FEET AND NORTH 43°16'10" WEST 15.00 FEET ALONG SAID LINE; THENCE LEAVING SAID LINE SOUTH 46°43'50" WEST 181.12 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GASPAR AVENUE AS SHOWN ON SAID PARCEL MAP; THENCE SOUTH 43°16'10" EAST 15.00 FEET ALONG SAID LINE TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF PARCEL 3 OF PARCEL MAP NO. 13483, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 132, PAGES 16 THROUGH 18 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHWESTERLY BOUNDARY LINE OF SAID PARCEL 3, WHICH IS DISTANT SOUTH 46°43'50" WEST 146.73 FEET ALONG SAID LINE FROM THE MOST NORTHERLY CORNER OF SAID PARCEL; THENCE SOUTH 46°43'50" WEST 53.27 FEET AND SOUTH 43°16'10" EAST 51.00 FEET ALONG SAID LINE; THENCE LEAVING SAID LINE NORTH 46°43'50" EAST 53.27 FEET; THENCE NORTH 43°16'10" WEST 51.00 FEET ALONG SAID SIDE LINE TO THE POINT OF BEGINNING.

SAID LAND IS DESCRIBED IN THAT CERTAIN CERTIFICATE OF COMPLIANCE AND LOT LINE ADJUSTMENT, RECORDED MAY 30, 1991 AS INSTRUMENT NO. 91-797465, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER THEN KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING COAL, OIL AND GAS RIGHTS THERETO, EXCEPTED IN THE DEED DATED MARCH 26, 1945, EXECUTED BY LAS VEGAS LAND AND WATER COMPANY, FILED FOR RECORD APRIL 6, 1945 IN BOOK 21841, PAGE 206, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING COAL, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHOD

SUITABLE TO UNION PACIFIC RAILROAD COMPANY, A CORPORATION, ITS SUCCESSORS AND ASSIGNS, BUT HOWEVER WITHOUT ENTERING UPON OR USING THE SURFACE OF THE LANDS HEREBY CONVEYED, OR THE SUBSURFACE THEREOF SO FAR, AS REQUIRED BY UNITED STATES RUBBER COMPANY, A CORPORATION, ITS SUCCESSORS OR ASSIGNS, IN AND FOR THE ERECTION, MAINTENANCE AND USE OF BUILDINGS AND STRUCTURES FOR ANY LAWFUL PURPOSE AND WITHOUT DAMAGING OR INTERFERING WITH THE USE OF THE SURFACE OF SAID LAND, OR THE SUBSURFACE THEREOF, AS HEREINABOVE SPECIFIED, OR ANY BUILDING OR STRUCTURES ON OR WITHIN SAID LANDS, AS RESERVED BY UNION PACIFIC RAILROAD, A UTAH CORPORATION, IN DEED RECORDED AUGUST 26, 1958 IN BOOK D-196, PAGE 783, OFFICIAL RECORDS.

#### PARCEL A-2:

NON-EXCLUSIVE EASEMENTS ON, OVER AND ACROSS THE PRIVATE STREET SYSTEM FOR INGRESS, EGRESS AND REGRESS TO AND FROM ITS PARCEL; FOR ACCESS TO AND FROM TELEGRAPH ROAD, HOEFNER ROAD AND GASPAR STREET, (ALL PUBLIC STREETS), AND FOR THE PASSAGE OF VEHICLES, PARKING, AND FOR THE PASSAGE AND ACCOMMODATIONS OF PEDESTRIANS, AS DISCLOSED BY A DOCUMENT ENTITLED "DECLARATION ESTABLISHING EASEMENTS AND MAINTENANCE OBLIGATIONS", RECORDED MARCH 1, 1990 AS INSTRUMENT NO. 90-330359.

#### PARCEL A-3

NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND PARKING PURPOSES, OVER THAT PORTION OF PARCEL 3 OF PARCEL MAP NO. 13483, AS DISCLOSED BY A RECIPROCAL EASEMENT AGREEMENT, RECORDED SEPTEMBER 24, 1982 AS INSTRUMENT NO. 82-970494, OFFICIAL RECORDS.

#### PARCEL B:

#### PARCEL B-1:

THAT PORTION OF LOT 1 OF TRACT NO. 7777, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 115, PAGES 13 AND 14 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

LOT 1, AS SHOWN ON EXHIBIT "B-1" AS DISCLOSED ON THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED SEPTEMBER 10, 2002 AS INSTRUMENT NO. 02-2122800, OF OFFICIAL RECORDS OF LOS ANGELES COUNTY, STATE OF CALIFORNIA.

#### PARCEL B-2:

AN EASEMENT AND RIGHT OF WAY FOR A PIPE AND PIPE LINE AND ANY RENEWAL OR REPLACEMENT THEREOF AND THE RIGHT TO USE, MAINTAIN, OPERATE, REPAIR, REPLACE AND RENEW SAID PIPE AND PIPE LINE (INCLUDING THE RIGHT TO REPLACE OR RENEW WITH PIPE OF A LARGER OR SMALLER SIZE THAN THAT NOW EXISTING), AND THE RIGHT OF INGRESS AND EGRESS FOR ANY AND ALL OF SAID PURPOSES IN, UNDER, ALONG, UPON AND ACROSS THAT PORTION OF LOT 1 OF TRACT NO. 7777, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 115 PAGES 13 AND 14 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

INCLUDED WITHIN A STRIP OF LAND 5 FEET IN WIDTH WHICH LIES 2 1/2 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE MOST WESTERLY CORNER OF SAID LOT 1; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID LOT, SOUTH 18 53' 35" EAST 32.84 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY TANGENT TO SAID LAST MENTIONED COURSE AND HAVING A RADIUS OF 333.0 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE 141.67 FEET; THENCE TANGENT TO SAID CURVE SOUTH 43 16' 10" EAST 1271.01 FEET; THENCE NORTH 46 43' 50" EAST 888.80 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 43 16' 10" EAST 143.20 FEET.

#### PARCEL C:

#### PARCEL C-1:

BEING THAT PORTION OF LOT 1 OF TRACT NO. 7777, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 115, PAGES 13 AND 14 OF MAPS AND ALL OF PARCEL 2 OF PARCEL MAP NO. 21208, FILED IN BOOK 242, PAGES 19 THROUGH 21, OF PARCEL MAPS, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

LOT 1, AS SHOWN ON EXHIBIT "B1" AS DISCLOSED ON THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED NOVEMBER 27, 2002 AS INSTRUMENT NO. 02-2904291, OF OFFICIAL RECORDS OF LOS ANGELES COUNTY, STATE OF CALIFORNIA.

#### PARCEL C-2:

NON-EXCLUSIVE EASEMENTS ON, OVER AND ACROSS THE PRIVATE STREET SYSTEM FOR INGRESS, EGRESS AND REGRESS TO AND FROM ITS PARCEL; FOR ACCESS TO AND FROM TELEGRAPH ROAD, HOEFNER ROAD AND GASPAR STREET, (ALL PUBLIC STREETS), AND FOR THE PASSAGE OF VEHICLES, PARKING, AND FOR THE PASSAGE AND ACCOMMODATIONS OF PEDESTRIANS, AS DISCLOSED BY A DOCUMENT ENTITLED "DECLARATION ESTABLISHING EASEMENTS AND MAINTENANCE OBLIGATIONS", RECORDED MARCH 1, 1990 AS INSTRUMENT NO. 90-330359.

#### PARCEL C-3:

NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND PARKING PURPOSES, OVER THAT PORTION OF PARCEL 3 OF PARCEL MAP NO. 13483, AS DISCLOSED BY A RECIPROCAL EASEMENT AGREEMENT, RECORDED SEPTEMBER 24, 1982 AS INSTRUMENT NO. 82-970494, OFFICIAL RECORDS.

#### PARCEL D:

#### PARCEL D-1:

PARCEL 4 OF PARCEL MAP NO. 21208, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 242, PAGES 19, 20 AND 21 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER THEN KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING COAL, OIL AND GAS RIGHTS THERETO, EXCEPTED IN THE DEED DATED MARCH 26, 1945, EXECUTED BY LAS VEGAS LAND AND WATER COMPANY, FILED FOR RECORD APRIL 6, 1945 IN BOOK 21841, PAGE 206, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING COAL, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHOD SUITABLE TO UNION PACIFIC RAILROAD COMPANY, A CORPORATION, ITS SUCCESSORS AND ASSIGNS, BUT HOWEVER WITHOUT ENTERING UPON OR USING THE SURFACE OF THE LANDS HEREBY CONVEYED, OR THE SUBSURFACE THEREOF SO FAR, AS REQUIRED BY UNITED STATES RUBBER COMPANY, A CORPORATION, ITS SUCCESSORS OR ASSIGNS, IN AND FOR THE ERECTION, MAINTENANCE AND USE OF BUILDINGS AND STRUCTURES FOR ANY LAWFUL PURPOSE AND WITHOUT DAMAGING OR INTERFERING WITH THE USE OF THE SURFACE OF SAID LAND, OR THE SUBSURFACE THEREOF, AS HEREINABOVE SPECIFIED, OR ANY BUILDING OR STRUCTURES ON OR WITHIN SAID LANDS, AS RESERVED BY UNION PACIFIC RAILROAD, A UTAH CORPORATION, IN DEED RECORDED AUGUST 26, 1958 IN BOOK D-196, PAGE 783, OFFICIAL RECORDS.

#### PARCEL D-2:

NON-EXCLUSIVE EASEMENTS ON, OVER AND ACROSS THE PRIVATE STREET SYSTEM FOR INGRESS, EGRESS AND REGRESS TO AND FROM ITS PARCEL; FOR ACCESS TO AND FROM TELEGRAPH ROAD, HOEFNER ROAD AND GASPAR STREET, (ALL PUBLIC STREETS), AND FOR THE PASSAGE OF VEHICLES, PARKING, AND FOR THE PASSAGE AND ACCOMMODATIONS OF PEDESTRIANS, AS DISCLOSED BY A DOCUMENT ENTITLED "DECLARATION ESTABLISHING EASEMENTS AND MAINTENANCE OBLIGATIONS", RECORDED MARCH 1, 1990 AS INSTRUMENT NO. 90-330359.

#### PARCEL E:

THAT PORTION OF LOT 1 OF TRACT 7777, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 115, PAGES 13 AND 14 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST WESTERLY CORNER OF SAID LOT 1; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID LOT, SOUTH 18° 53' 35" EAST 32.84 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY, TANGENT TO SAID LAST MENTIONED COURSE AND HAVING A RADIUS OF 333 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, 141.67 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 43° 16' 10" EAST 1271.01 FEET; THENCE NORTH 46° 43' 50" EAST 875.40 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 46° 43' 50" EAST 242.93 FEET; THENCE SOUTH 83° 53' 35" EAST 188.67 FEET; THENCE SOUTH 46° 43' 50" WEST 365.77 FEET; THENCE NORTH 43° 16' 10' WEST 143.20 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL OIL, GAS, MINERAL RIGHTS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND, WITH NO

RIGHT OF SURFACE OR SUBSURFACE AREA OF SAID LAND LYING 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED BY D.D. STEWART AND MARY G. STEWART, IN A DEED RECORDED SEPTEMBER 21, 1961 IN BOOK D-1362 PAGE 208 OF THE OFFICIAL RECORDS OF LOS ANGELES COUNTY.

#### PARCEL F:

#### PARCEL F-1:

LOT 5 OF TRACT NO. 53813, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1286 PAGES 1 TO 8 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO THE FIRST PARTY, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE LANDS HEREBY CONVEYED AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY THE SECOND PARTY, ITS SUCCESSORS OR ASSIGNS, AS EXCEPTED AND RESERVED BY UNION PACIFIC RAILROAD COMPANY, A UTAH CORPORATION, IN DEED RECORDED APRIL 30, 1959 AS INSTRUMENT NO. 1390.

#### PARCEL F-2:

RECIPROCAL EASEMENT APPURTENANT TO PARCEL DESCRIBED ABOVE AND DEFINED AS ACCESS EASEMENT (REFERRED TO SECTION 6.9.2) IN THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTION DATED DECEMBER 23, 2003 AND RECORDED FEBRUARY 2, 2004 AS INSTRUMENT NO. 04-226642 IN THE OFFICIAL RECORDS OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, CALIFORNIA, AS AMENDED BY THAT CERTAIN AMENDMENT RECORDED MARCH 1, 2004 AS INSTRUMENT NO. 04-475081 IN SAID OFFICIAL RECORDS AND AS AMENDED BY CERTAIN AMENDMENT RECORDED APRIL 21, 2004 AS INSTRUMENT NO. 04-0967693 OF SAID OFFICIAL RECORDS.

APN: 6336-024-018

## EXHIBIT A-2 Legal Description of 26-Acre Property

[attached]

#### EXHIBIT A-2

#### LEGAL DESCRIPTION OF 26-ACRE PROPERTY

The Land is that certain real property located in the City of Commerce, County of Los Angeles, State of California, more particularly described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THAT CERTAIN PARCEL OF LAND SITUATED IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF LOT 1, TRACT NO. 7777, AS PER MAP RECORDED IN BOOK 115, PAGES 13 AND 14 OF MAPS, PARCEL 9 OF PARCEL MAP NO. 13483, AS PER MAP FILED IN BOOK 132, PAGES 16 THROUGH 18, INCLUSIVE OF PARCEL MAPS AND PARCELS 1, 2, 3, 4, 5, 6, AND 7 OF PARCEL MAP NO. 13798, AS PER THE MAP FILED IN BOOK 142, PAGES 82 AND 83, INCLUSIVE OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID LOT 1, SAID MOST SOUTHERLY CORNER ALSO BEING THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL NO. 1. DESCRIBED IN EASEMENT TO CITY OF COMMERCE, FOR PUBLIC STREET PURPOSES, RECORDED IN BOOK D-2225, PAGE 404, OFFICIAL RECORDS OF SAID COUNTY: THENCE ALONG THE SOUTHWESTERLY LINE OF SAID LOT 1, NORTH 38° 35' 05" WEST, 3.15 FEET; THENCE NORTH 38° 16' 10" WEST 528.17 FEET TO THE TRUE POINT OF BEGINNING. ALSO BEING THE SOUTHWEST CORNER OF PARCEL A, AS IN THE CERTIFICATE OF COMPLIANCE (#11-01), RECORDED APRIL 29, 2011, AS INSTRUMENT NO. 20110623923, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHWESTERLY LINE OF SAID CERTIFICATE OF COMPLIANCE (#11-01), NORTH 46° 43' 50' EAST 753.60 FEET TO THE MOST NORTHERLY CORNER OF PARCEL B OF SAID CERTIFICATE OF COMPLIANCE (#11-01); THENCE ALONG THE NORTHWESTERLY LINE OF PARCEL A, CERTIFICATE OF COMPLIANCE (#11-02), RECORDED MAY 04, 2011 AS INSTRUMENT NO. 20110641255, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. NORTH 42° 05' 15" EAST 83.86 FEET TO A LINE THAT IS PARALLEL TO THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF SAID PARCEL B. CERTIFICATE OF COMPLIANCE (#11-01); THENCE CONTINUING ALONG SAID PARALLEL LINE NORTH 46° 43' 50" EAST 119.35 FEET TO A POINT THAT IS 75.00 FEET SOUTHWESTERLY MEASURED AT RIGHT ANGLES FROM THE PROLONGATION OF THE SOUTHWESTERLY BOUNDARY LINE OF TRACT NO. 53813, RECORDED IN MAP BOOK 1286. PAGES 1 THROUGH 8 INCLUSIVE; THENCE ALONG SAID LINE PARALLEL LINE WITH THE PROLONGATION OF THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT NO. 53183. SOUTH 43° 16' 10" EAST 61.00 FEET TO A LINE PARALLEL TO THE NORTHWESTERLY LINE OF SAID PARCEL A, CERTIFICATE OF COMPLIANCE (#11-01); THENCE CONTINUING ALONG SAID PARALLEL LINE SOUTH 46° 43' 50" WEST 28.00 FEET TO A LINE PARALLEL TO THE NORTHEASTERLY LINE OF SAID PARCEL A, CERTIFICATE OF COMPLIANCE (#11-01): THENCE CONTINUING ALONG SAID PARALLEL LINE SOUTH 43° 16' 10" EAST 22.00 FEET TO A LINE PARALLEL TO THE NORTHWESTERLY LINE OF SAID PARCEL A, CERTIFICATE OF COMPLIANCE (#11-01); THENCE CONTINUING ALONG SAID PARALLEL LINE NORTH 46° 43' 50" EAST 28.00 FEET TO THE INTERSECTION OF THE PROLONGATION NORTHEASTERLY LINE OF SAID PARCEL A; THENCE CONTINUING ALONG THE

PROLONGATION OF SAID NORTHEASTERLY LINE SOUTH 43° 16' 10" EAST 201.70 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 29.79 FEET. THROUGH A CENTRAL ANGLE OF 68° 16' 40" TO A TANGENT LINE, ALSO BEING THE NORTHWESTERLY LINE OF TUBEWAY AVENUE, 70 FEET WIDE, RECORDED IN BOOK D-2225, PAGE 404, OFFICIAL RECORDS OF SAID COUNTY; THENCE LEAVING SAID PARCEL LINE AND CONTINUING ALONG THE NORTHWESTERLY OF LINE OF SAID TUBEWAY AVENUE NORTH 25° 00' 30" EAST 110.90 FEET; THENCE LEAVING SAID NORTHWESTERLY LINE NORTH 61° 55' 35" WEST 38.39 FEET TO THE PROLONGATION OF THE SOUTHWESTERLY BOUNDARY LINE OF TRACT NO. 53813, AS PER MAP RECORDED IN BOOK 1286, PAGES 1 THROUGH 8 INCLUSIVE, THENCE CONTINUING ALONG THE PROLONGATION OF THE SOUTHWESTERLY BOUNDARY OF SAID TRACT NO. 53813. NORTH 43° 16' 10" WEST 1012.37 FEET TO THE MOST NORTHEASTERLY CORNER OF PARCEL A, CERTIFICATE OF COMPLIANCE (#09-03), RECORDED FEBRUARY 10, 2010 AS INSTRUMENT NO. 20100189957, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL A, CERTIFICATE OF COMPLIANCE (#90-03) SOUTH 46° 43' 50" WEST 517.50 FEET TO THE MOST SOUTHERLY CORNER OF SAID PARCEL A, CERTIFICATE OF COMPLIANCE (#90-03); THENCE ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL A, CERTIFICATE OF COMPLIANCE (#90-03) AND THE SOUTHWESTERLY LINE OF PARCEL A, CERTIFICATE OF COMPLIANCE (#90-01), RECORDED FEBRUARY 13, 2009 AS INSTRUMENT NO. 20090203779, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 43° 16' 10" WEST 758.28 FEET TO THE NORTHEASTERLY SIDELINE OF GASPER AVENUE AND THE NORTHWESTERLY LINE OF PARCEL 7 OF SAID PARCEL MAP NO. 13798, ALSO BEING THE MOST SOUTHWESTERLY CORNER OF SAID PARCEL A, CERTIFICATE OF COMPLIANCE (#09-03); THENCE ALONG SOUTHWESTERLY LINES OF PARCEL 7 AND PARCEL 1 OF SAID PARCEL MAP NO. 13798, SOUTH 76° 31' 10" WEST, 15.67 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 94.50 FEET, THENCE SOUTH ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 29° 47' 20", AN ARC DISTANCE OF 49.13 FEET; THENCE TANGENT TO SAID LAST MENTIONED CURVED AND ALONG THE EASTERLY LINE OF GASPAR AVENUE SOUTH 46° 43' 50' WEST 291.63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 27.00 FEET; THENCE SOUTH ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 85° 00' 00", AN ARC DISTANCE OF 40.06 FEET TO A TANGENT LINE ALSO BEING THE NORTHEAST LINE OF TELEGRAPH ROAD, 100 FEET WIDE SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 13798; THENCE ALONG SAID NORTHEASTERLY LINE OF SAID TELEGRAPH ROAD, SOUTH 38° 16' 10" EAST 1548.45 FEET TO THE TRUE POINT OF BEGINNING.

SAID LAND IS ALSO SHOWN AS PARCEL "A" OF THAT CERTAIN CERTIFICATE OF COMPLIANCE NO. 12-04, RECORDED FEBRUARY 3, 2012 AS INSTRUMENT NO. 20120198997, OF OFFICIAL RECORDS.

APN: 6336-018-920&805; 6336-017-908

# EXHIBIT B Depiction of Existing Property and 26-Acre Property on Site Map

[Attached]



CITADEL OUTLETS

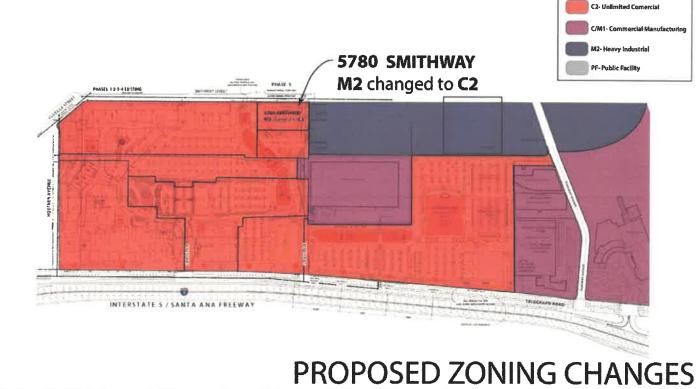
Masterplan Development for Citadel Outlets • City of Commerce California • 25 September 2018 Rev .21 November 2018 CRAIG REALTY GROUP
STUDIOPROGETTI

## EXHIBIT B-1 Plot Plan Map of Uninex Property Zone Change

[Attached]







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Overall Site Plan

ZONING

#### **EXHIBIT C**

#### LEGAL DESCRIPTION OF EXISTING REZONE PARCEL

#### PARCEL A:

LOT 5 OF TRACT NO. 53813, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1286 PAGES 1 TO 8 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO THE FIRST PARTY, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE LANDS HEREBY CONVEYED AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY THE SECOND PARTY, ITS SUCCESSORS OR ASSIGNS, AS EXCEPTED AND RESERVED BY UNION PACIFIC RAILROAD COMPANY, A UTAH CORPORATION, IN DEED RECORDED APRIL 30, 1959 AS INSTRUMENT NO. 1390.

#### PARCEL B:

RECIPROCAL EASEMENT APPURTENANT TO PARCEL "A" DESCRIBED ABOVE AND DEFINED AS ACCESS EASEMENT (REFERRED TO SECTION 6.9.2) IN THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTION DATED DECEMBER 23, 2003 AND RECORDED FEBRUARY 2, 2004 AS INSTRUMENT NO. 04-226642 IN THE OFFICIAL RECORDS OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, CALIFORNIA, AS AMENDED BY THAT CERTAIN AMENDMENT RECORDED MARCH 1, 2004 AS INSTRUMENT NO. 04-475081 IN SAID OFFICIAL RECORDS AND AS AMENDED BY CERTAIN AMENDMENT RECORDED APRIL 21, 2004 AS INSTRUMENT NO. 04-0967693 OF SAID OFFICIAL RECORDS.

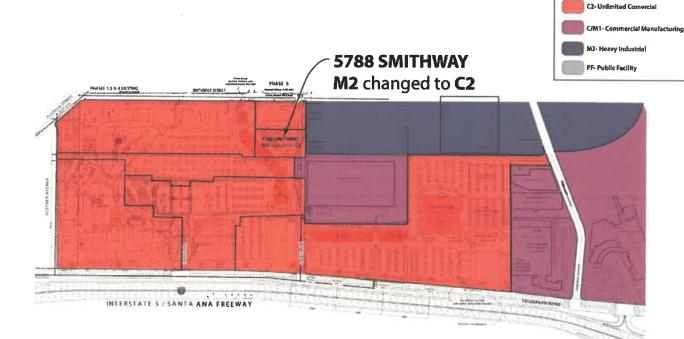
APN: 6336-024-018

# EXHIBIT C-1 Plot Plan Map of Rezone Property Zone Change

[Attached]

ZONING

PROPOSED ZONING CHANGES



Overall Site Plan

#### **EXHIBIT D**

#### LEGAL DESCRIPTION OF UNINEX PROPERTY

LOT 4 OF TRACT NO 53813, IN THE CITY OF COMMERCE, COUNTY OF LOS ANGELES, STATE OFCALIFORNIA, AS PER MAP RECORDED IN BOOK 1286, PAGES 1 TO 8 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO THE FIRST PARTY, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE LANDS HEREBY CONVEYED AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY THE SECOND PARTY, ITS SUCCESSORS OR ASSIGNS, AS EXCEPTED AND RESERVED BY UNION PACIFIC RAILROAD COMPANY, A UTAH CORPORATION, IN DEED RECORDED APRIL 30, 1959 AS INSTRUMENT NO 1390.

APN: 6336-024-017

### **EXHIBIT** E

Site Plan

[Attached]



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CRAIG REALTY GROUP STUDIOPROGETTI

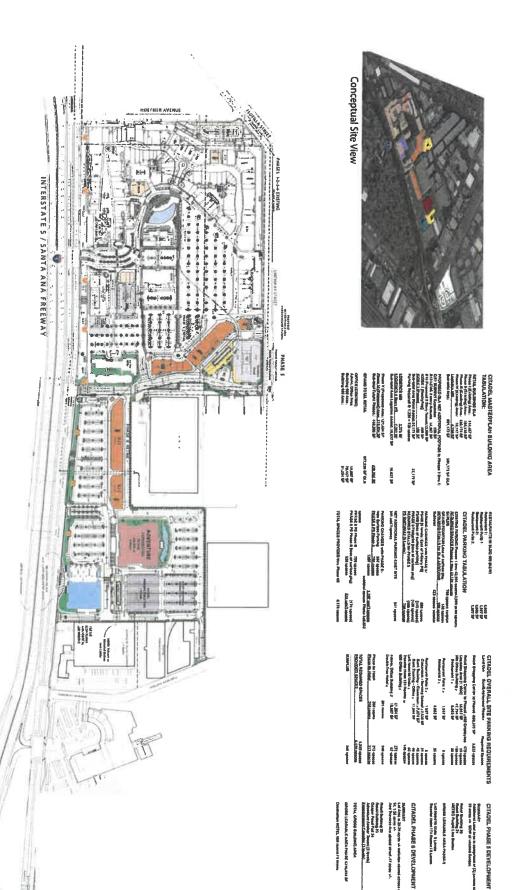
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Scale as noted on 23"x 34" print sheets

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Conceptual Site View CITADEL MASTERPLAM BUILDING AREA TABULATION:

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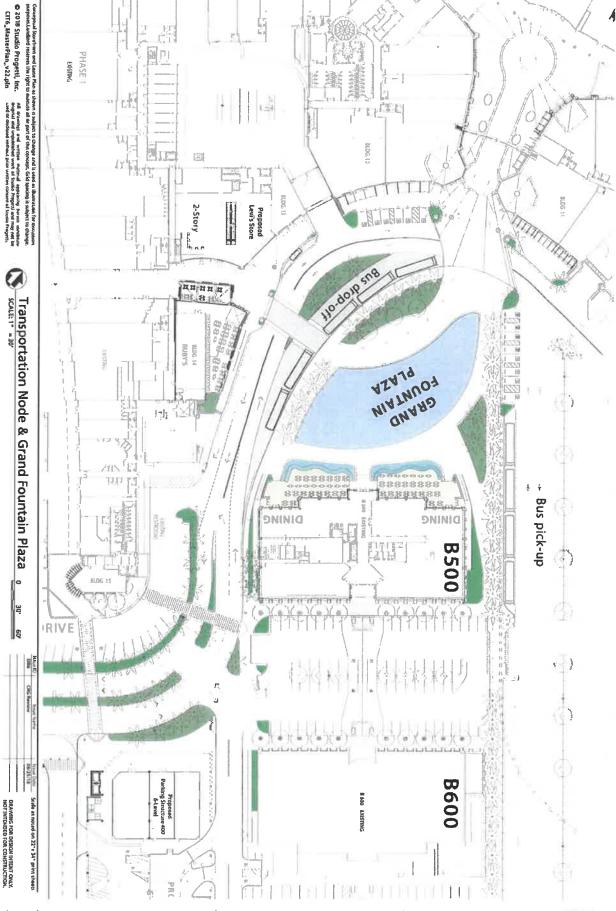
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CITADEL PHASE 5 DEVELOPMENT



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1147 North Clark Road K307, Los Angeles, CA 90060

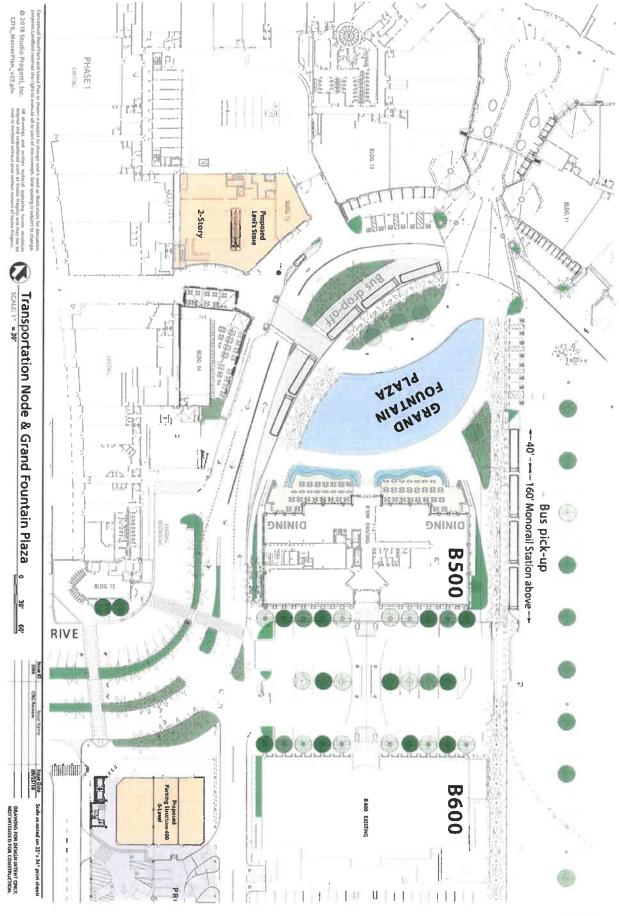
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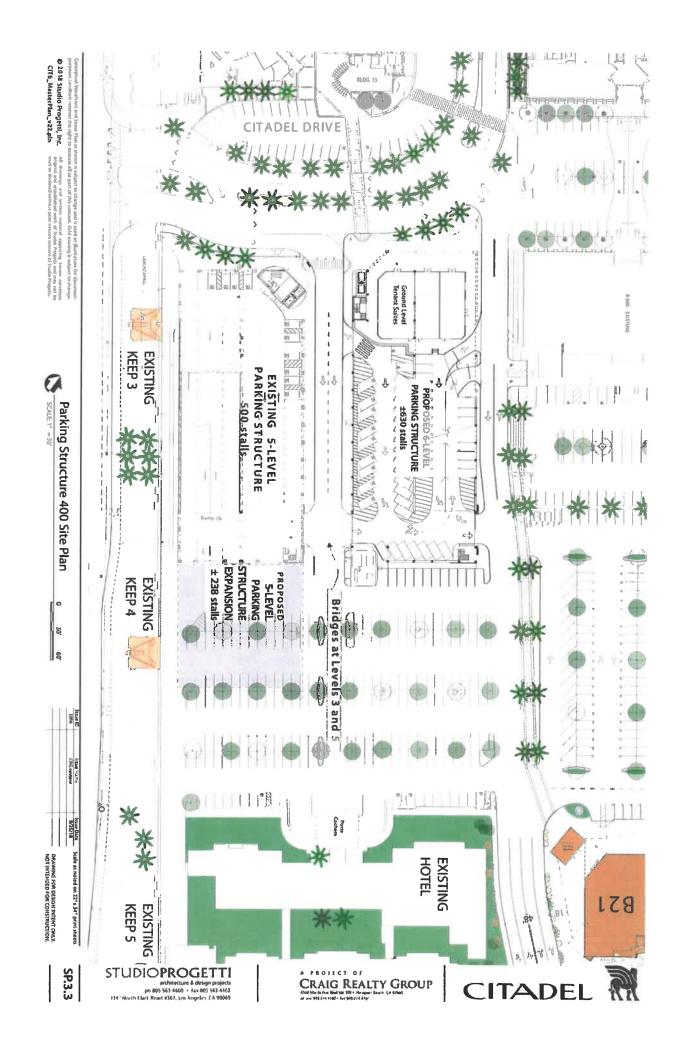
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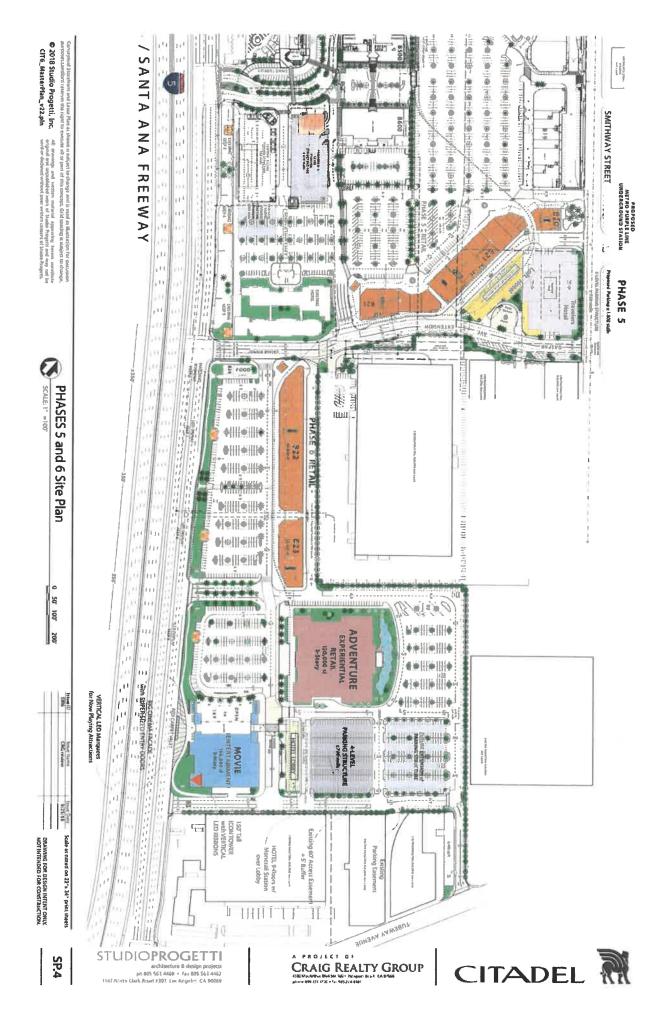
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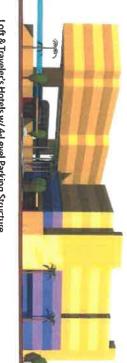


# **Phase 5 Conceptual Views**

Phase 5 Birdeye View 1



Loft & Traveler's Hotels w/ 4-Level Parking Structure







© 2018 Studio Progetti, Inc. CIT6\_MasterPlan\_v22.pln **PROPOSED** METRO PURPLE LINE PHASE 5 **UNDERGROUND STATION** Proposed Parking ± 1,800 stalls GASPAR AVE. **4-LEVEL PARKING STRUCTURE Smithway Street** ±750 stalls -320 **Travelers** Hotel GASPAR 14" B20 1 Pool ्यः B19 8.4 15,000 sf SCALE:1" ×40" PHASE-5 Site Plan EXTENSION 20' 40' g g RETAIL PHASE 5 (16' 15' 21' DRAWNS FOR DESIGN INTERT ONLY.
NOT INTENDED FOR CONSTRUCTION. 1 **EXISTING** Ţ HOTEL

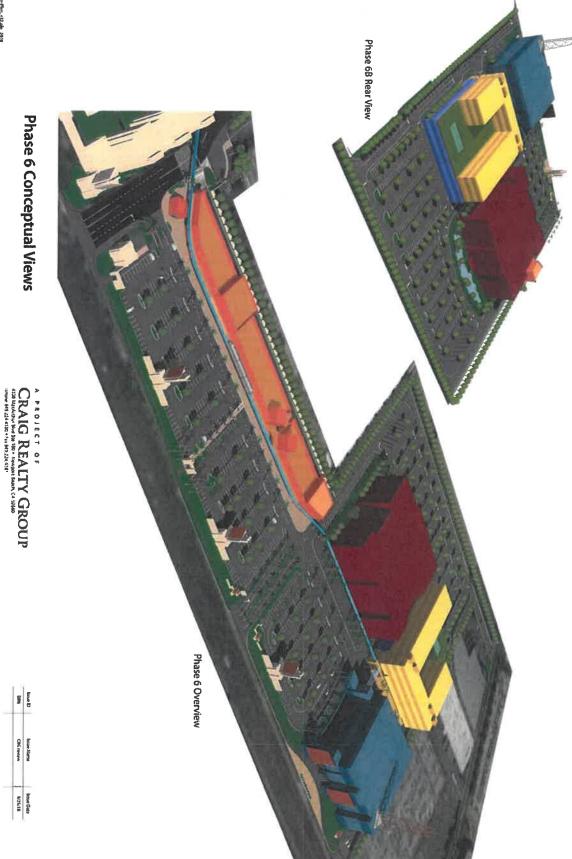


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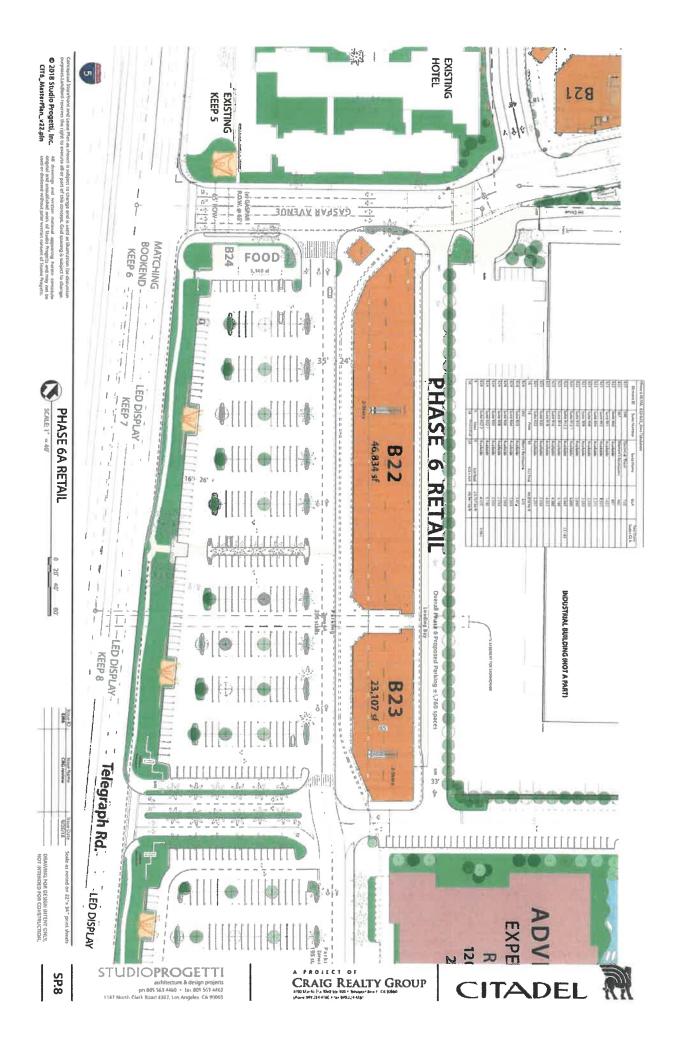
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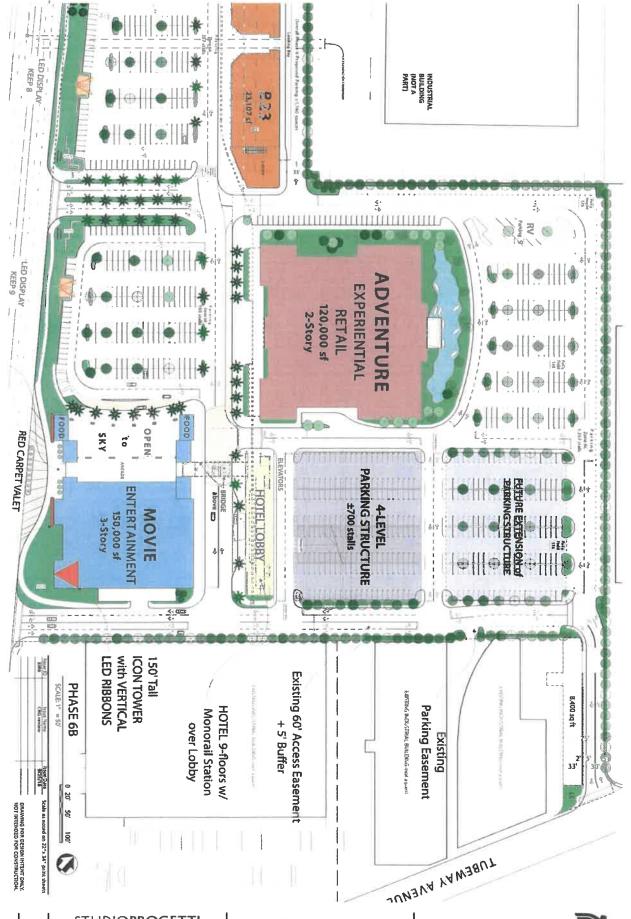
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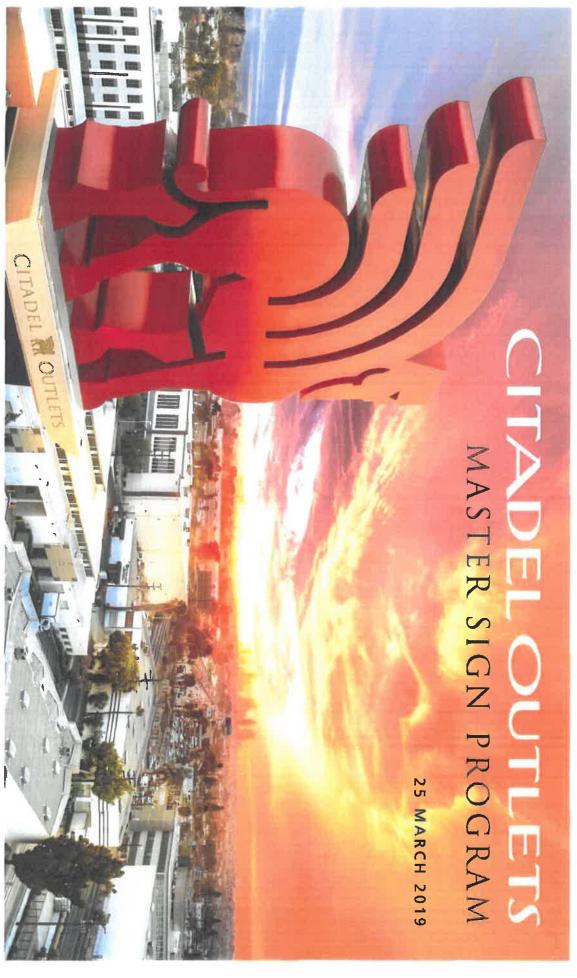






### EXHIBIT F Master Sign Plan

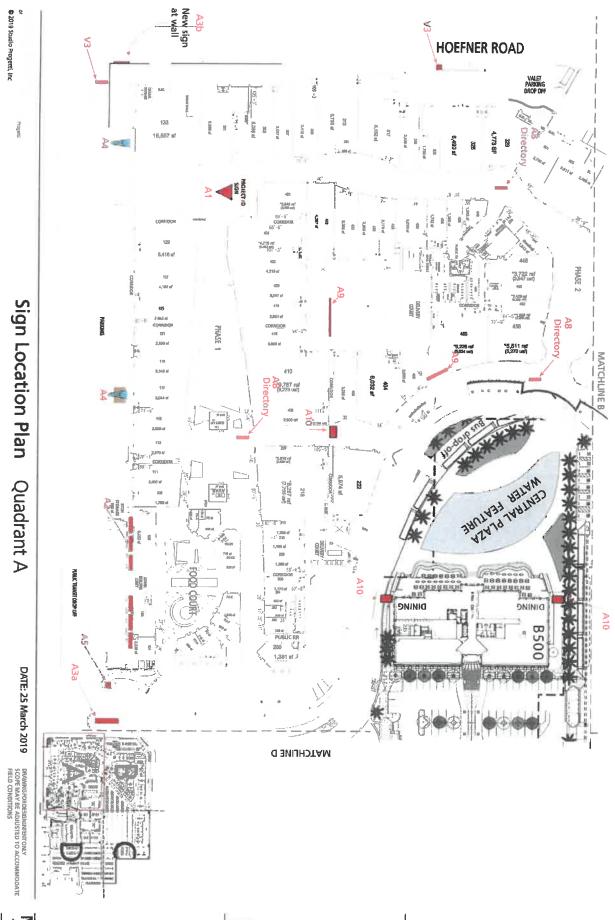
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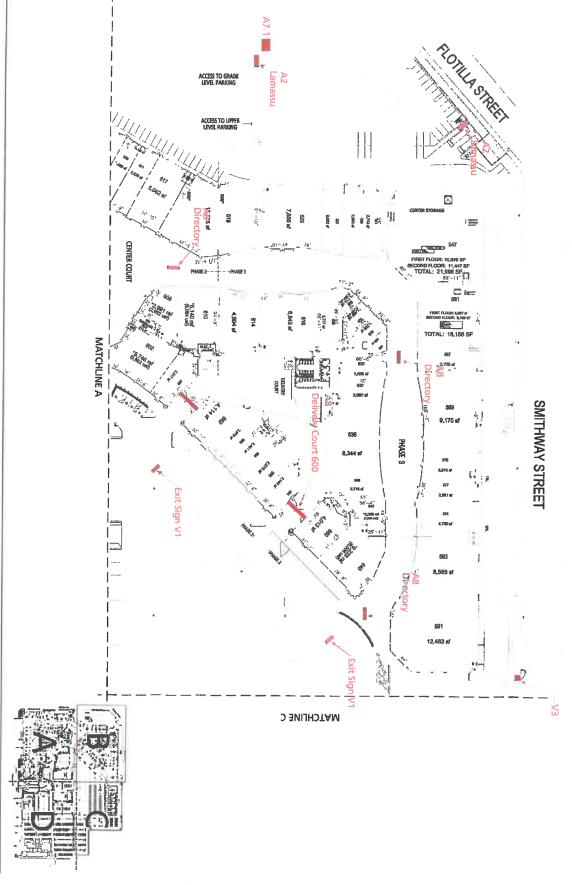




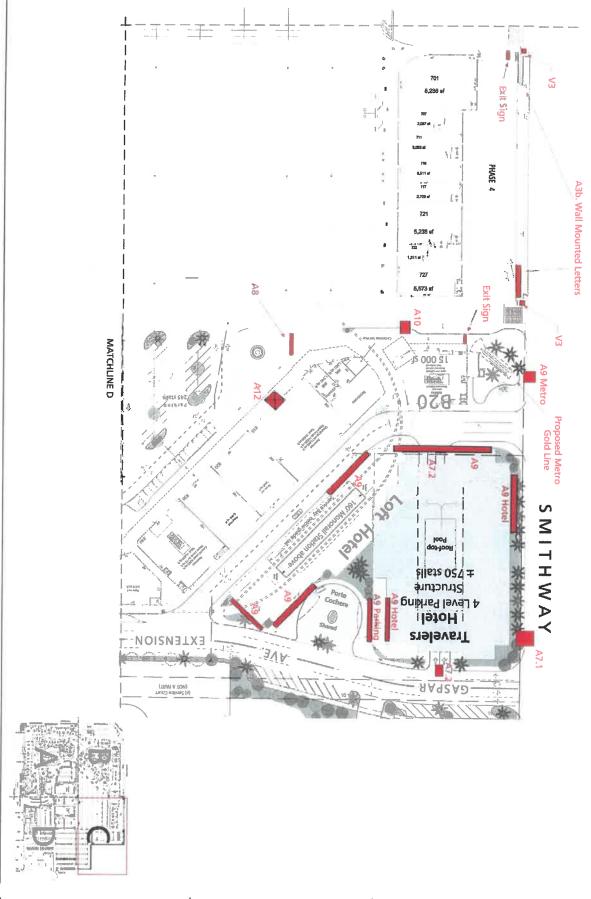




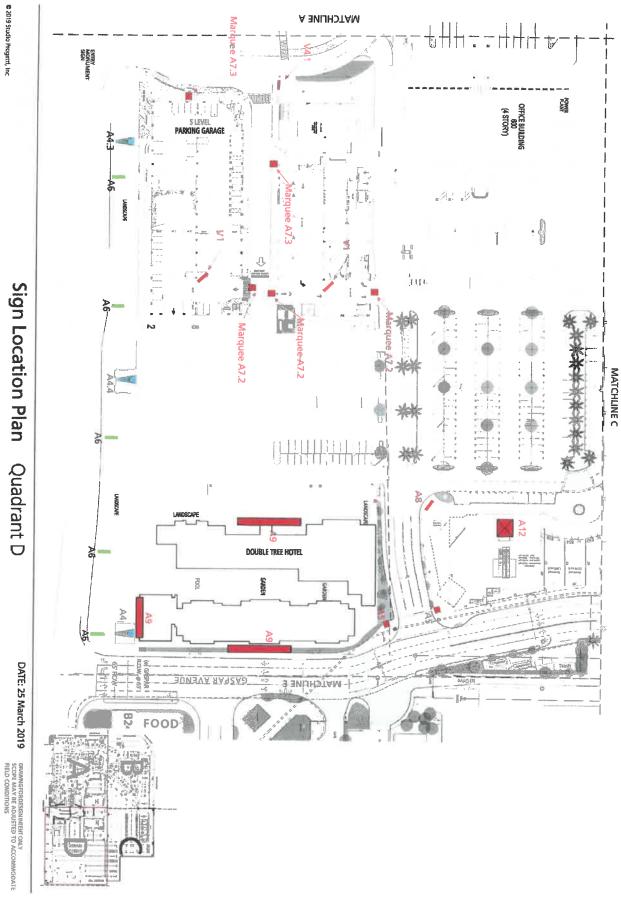


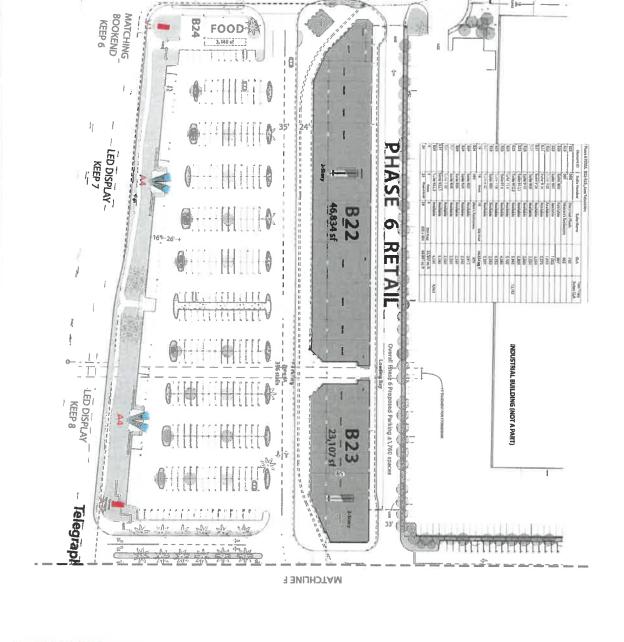




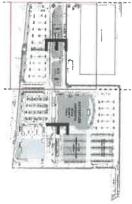


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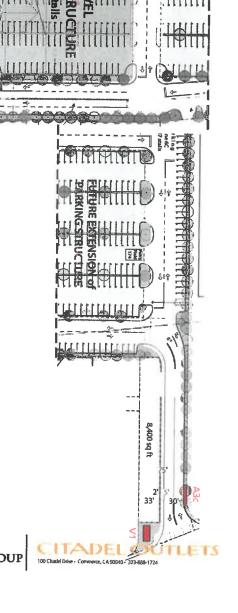




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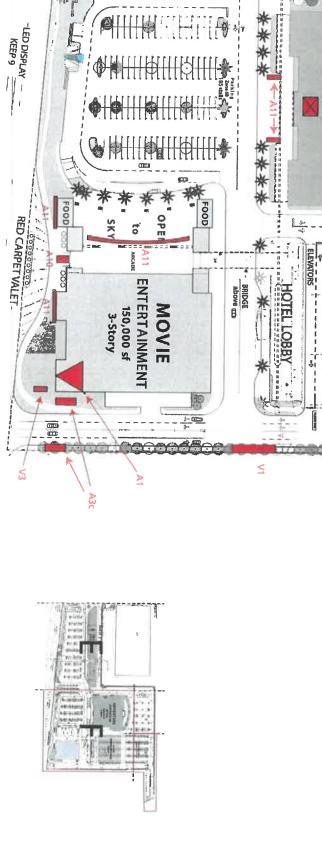


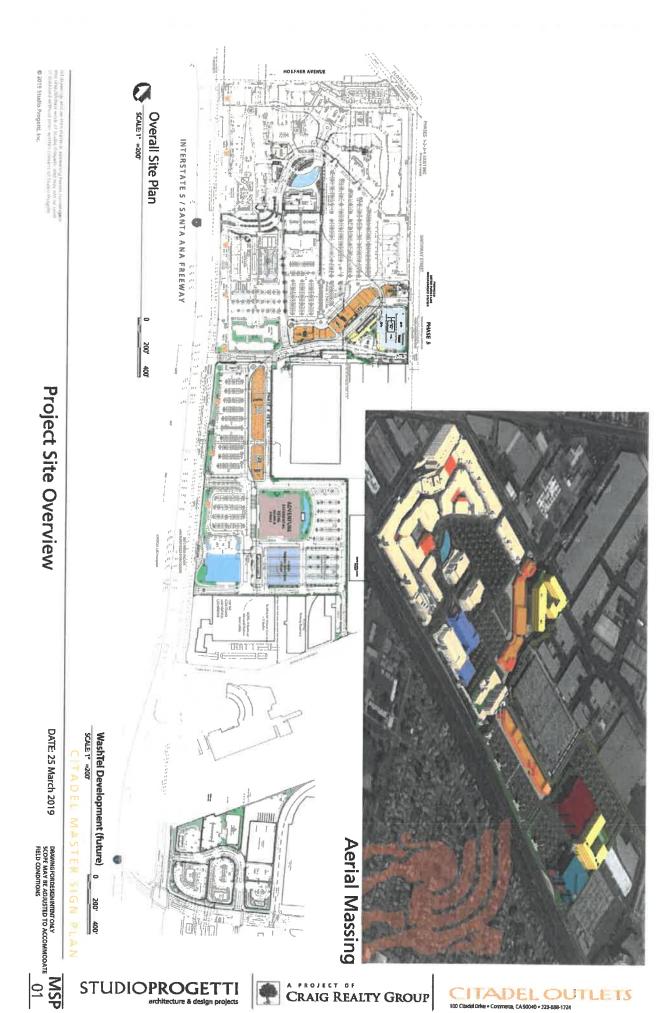
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RETAIL 120,000 sf

2-Story







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# PROJECT SIGN TYPES

The following outline identifies the Project Signage Types utilized:

A1 PYLON SIGN [Existing & New]
Triangular shaped pylon with 2 sign faces Copy: individual channel letters may be edged aimed to I-5 travelers. Quantity: One [1], 2 sided with exposed "neon"perimeter. & exit tag-line. Center ID/graphic image

Height: 128'-0" tall [existing]; 150'-0" tall [new]. Lighting: External floodlighting and dynamic

color lighting system with programmable LED

A2 BUILDING PARAPET SIGN face-lit and outlined in exposed "neon".

Quantity: Two [2] sets 12' tall Letters; Multiple OUTLETS" & Lamassu Icon Logo parapet mounted, Locations. Oversized individual channel letters "CITADEL

A3a MONUMENT SIGN Primary Entrance Existing monument sign structure;
Double sided sign, internally illuminated background with face-lit channel letters. Quantity: One [1], double sided 32'-0" tall [existing Center ID; Office Park & Hotel ID. Special event poster.

A3b LOW MONUMENT SIGNS Secondary Entrances Individual Face-Lit Channel Letters & Logo Quantity: Multiple Units wall mounted on screen wall or sign structure. 30" Letters; Screen wall height 16' max.

A3c LAMASSU ENTRY MARKERS Lamassu Winged Bulls.

Quantity: Multiple Units; Typically placed in pairs. -Dimensional Cast Stone Replicas of Assyrian 12′ Tall

> A4 LED DISPLAYS synchronized refresh. Full-color LED graphic display faces with 3-dimensional cast representation of an Display panel assembly is topped with a and is angled for best viewing angle. surrounded by a decorative metal frame from the historic wall; positioned at the 3-dimensional 'keeps'. Display panels are Double-side illuminated panel displays Assyrian 'Lamassu' Winged Bull. cent, ziggurat base; Display Panel is elevated above an illuminated, transluare roof mounted above and removed

Quantity: Eight [8] units

Copy: Overall 83-0" afg Changing display of Tenant merchandising graphics, tenant & corporate logos. All units double sided.

Display Panel Size: 21' x 30' over 32'-0" parapet. display panel and 7'-0" tall base 12-6" winged bull + 32'-0"tall

programmable phased color shifting. Lighting: Internal lit ziggurat base with dynamic color lighting system with

A5 GATE MARKERS

Internally illuminated decorative piers

Quantity: [2] per entry; [2] per Office Entry entrances at Telegraph, Gaspar, Hoefner, Smithway, Tubeway & Washington Blvd. to help identify primary & secondary project Center ID; small scale

pedestrian zones throughout the center. Smaller scaled illuminated bollards placed at Liability Disclaimer 14'-0" tall.

A6 TENANT MONUMENTS [Existing & New] Sign Face: 6' tall x 18' long Quantity: Six [6] existing; Ten [10] new. channel letters identifying anchor tenants. Copy: Office Tenant ID; Hotel Height: 6'-10" above grade Double-sided sign panels with individual

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**Project Sign Types & Descriptions** 

A7 PARKING STRUCTURE MARQUEES Quantity: Multiple Units @ Parking Entry Points; Individual Channel Letters, Directional Arrow, as a vertical marquee. Sign has integral Face-Lit and extending from the Parking Structure LED Car Counter & 3D Lamassu Icon Logo. 2-sided & 3 sided sign structures mounted

Copy: "PARK", Structure Identifier, Lamassu Icon Height: A7.1 Large 58'-0"; Sign Area 850

A8 CENTER RETAIL DIRECTORIES

illuminated. Structures are freestanding and internally positioned strategically throughtout the center. 2 -sided glass enclosed directory cabinets,

Quantity: Multiple Units

Height A8.1 Large 18-0, asym.... A8.2 Medium 11-6"; Sign Area 80 sf A8.3 Small 8'-0"; Sign Area 40 sf Center ID, Lamassu Icon, Map & Graphic

A9 PROJECT FEATURE IDENTIFICATION SIGNAGE Sign Area: 2 sf per lin ft frontage. Format may be Copy: Customer Service, Restrooms, Hotels, Monorail, Bus Transortation, Metro Station etc. vertical as a projecting blade or marquee.

A10 FEATURE TENANT MARQUEE SIGN Theatre/Anchor Tenant: 60'-0" tall; Sign Area 500 sf Typical Size: 25'-0" tall; Sign Area 150 sf Projecting vertical dual faced custom sign marquee.

A11 FEATURE LED DISPLAYS

larger displays. Multiple Units located throughout. Theatre/Entertainment Zone incorporates proportionally Oversized full motion LED Displays incorporated into Project Design as Environmental Art & Graphic Elements. Theatre Entertainment Zone: 3,000 sf ea. Theatre: Externally facing [2] @ 2,000 sf ea. internally oriented: Up to 1,000 sf ea.

A12 ROOF TOP ICON SIGNS dynamic ICON topped sign structure to their allowable Feature and Pad Tenant Buildings may incorporate a and nostalgic LA Architecture. lighting to emphasize the unique nature of the Citadel sign areas. Icon may rotate and may have dynamic

A7.1 Large 58"-0"; Sign Area 850 sf A7.2 Medium 35"-0"; Sign Area 250 sf A7.3 Small 25"-0"; Sign Area 125 sf

ITADEL

V1 ON - SITE VEHICULAR DIRECTIONALS Quantity: Multiple units customer, office and service vehicle traffic Freestanding on-site signage for directing Center ID; Regulatory Symbols;

Sign Face: up to 50 SF; up to 14' above grade may be dual faced if req'd. Digital Display where appropriate

Hotel, Office, Anchor Tenant

V2 OFF-SITE VEHICULAR surface streets to center entrances. ing traffic from freeway off-ramps and Pole mounted off-site signage for direct-DIRECTIONALS

Quantity: Multiple units

V3 PERIMETER DIRECTIONAL, Telegraph Rd perimeter entrances for customers and Flotilla, Smithway and Gaspar to identify Freestanding Signs along Hoefner Mounting: on city poles; height to be Sign Face: 4'-0" x 6'-0" field determined for each location. Center ID; Directional Arrow;

service vehicles. May include LED Animated Center ID; Directional Arrow; STUDIOPROGETTI

architecture & design projects

Quantity: Multiple Units Graphics to facilitate traffic flow.







Sign Size: 150 SF max.

Entrance Copy

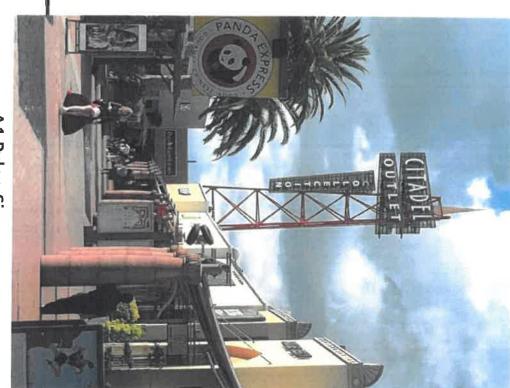
17' above grade.

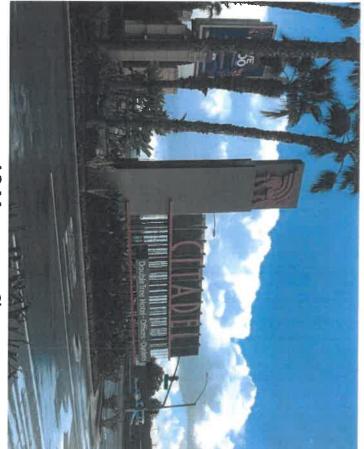
DATE: 25 MARCH 2019

DRAWING FOR DESIGN INTENT ONLY.
SCOPE MAY BE ADJUSTED TO
ACCOMMODATE HELD CONDITIONS.

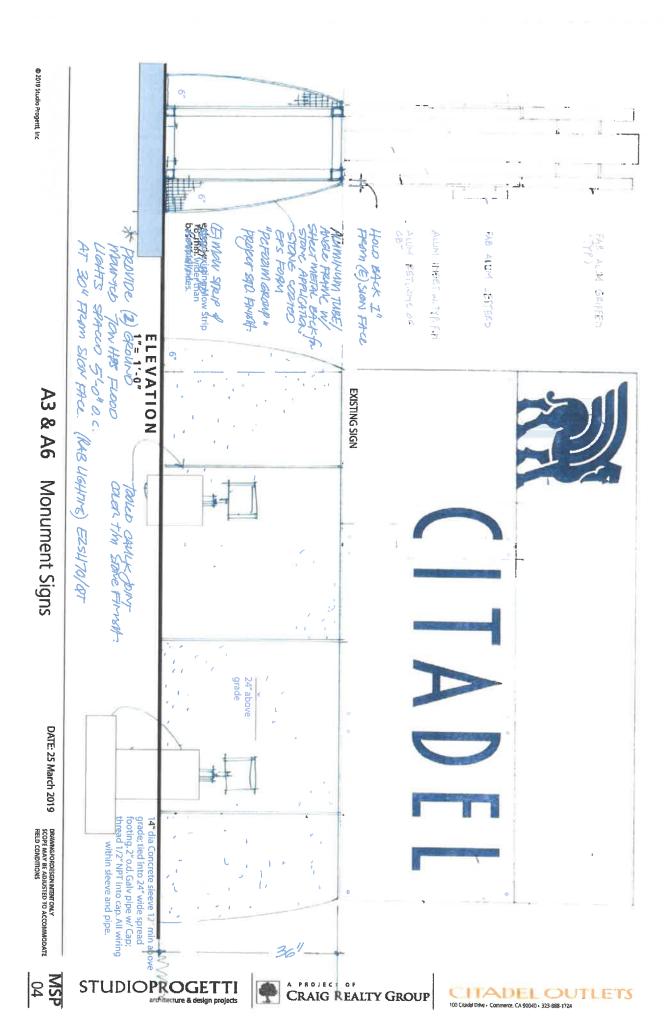


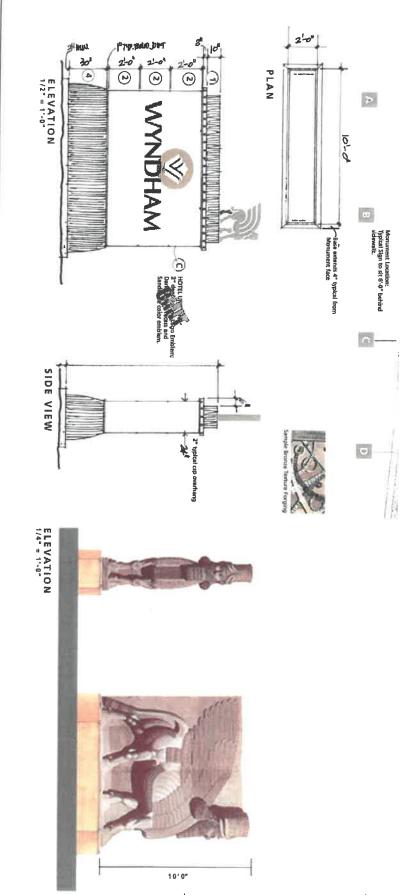
A1 Pylon Sign





A2 Monument Sign





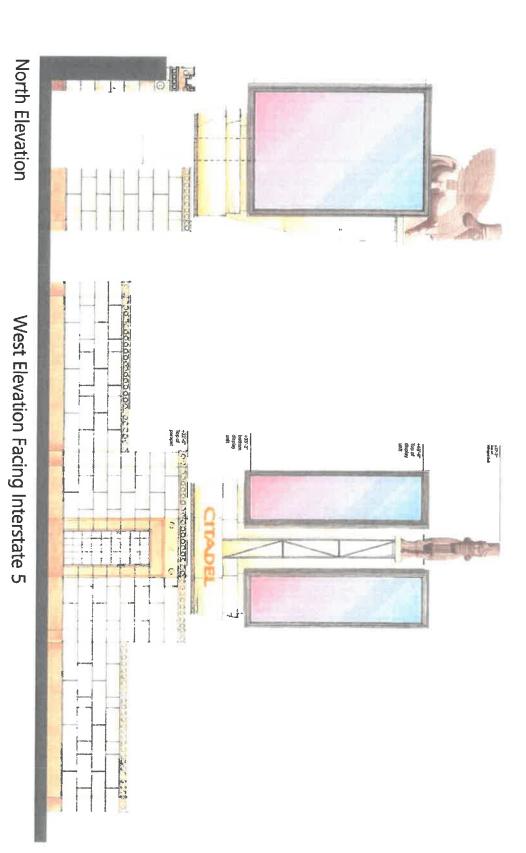


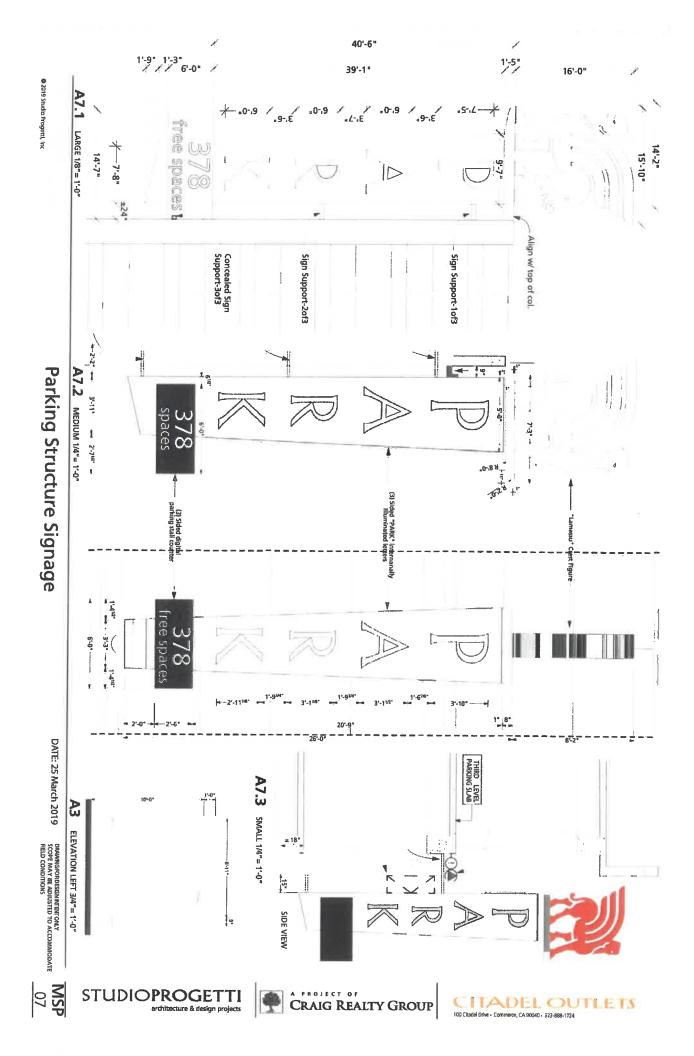


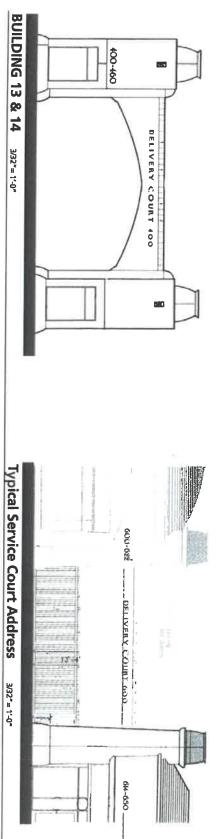


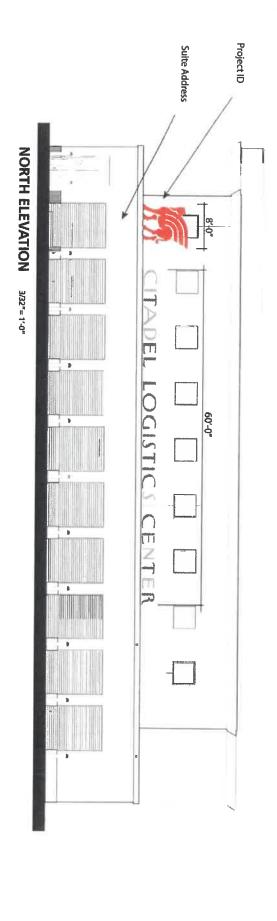


CITADEL OUTLETS









16'-0"

A8
Directory Elevation
3/8"= 1'-0"

V1.5
RUBYS Electrified Parking Sign
3/4° m 1'-0"

V3.1 ENTRY SIGNS ELEVATION

V3.2 ENTRY SIGNS ELEVATION

gi-qir wide sign cabinet on 15" tail stone base

48" tali x 36" wide

77" wide LED module budued arrow cut out Pulling mation to direct walfic











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standards normally associated with upscale full price retail shopping centers. carefully designed, fabricated and installed equal or exceeding the quality This Tenant Sign Criteria has been established as a guideline for defining and inspiring tenant signage within Citadel Outlets, ensuring that all signage is

of the center's overall architectural character and these guidelines assist individual tenants in their contribution creating a cohesive retail atmosphere. Tenant Branding through carefully executed signage is an integral component

GENERAL CRITERIA FOR PRIMARY SIGNS · ALL ZONES & DISTRICTS

All signs are required to be illuminated.

- All sign content shall be limited to letters designating the store name or between Tenant and Landlord. established trade logo or brand as set forth in signed lease documents
- Primary Signs shall be centered architecturally on facade, generally between by Landlord based on architectural constraints and sight lines. columns, in front of Tenant's premises; vertical sign elevation is determined
- Primary Sign Area is calculated by enclosing the proposed tenant sign in a rectilinear enclosure with 8 sides maximum.
- ģ Tenant is permitted a maximum Primary Sign area that is calculated at 2.0 square feet of signage per foot of building frontage. Each sign calulated
- Generally Primary Sign width cannot exceed 80% of uninterrupted building
- Specific locations and architectural treatments can dictate maximum sign size which in many cases may be less than the allowable sign area.
- orientation. Anchor tenants over 8,000. sf may add a projecting wall sign in Tenant is permitted one Primary Sign per face of exterior facade to a addition to their primary signs. maximum of 4 Primary Signs. Each sign should have a distinct viewing
- Signs shall be fabricated in one of the designated sign styles identified
- 10. Sign letter heights must be appropriate for building scale and viewing no minimums or maximum are defined. angle. Tenant signage varies dramatically by nature of tenant branding so
- 11. A double-sided Projecting Wall Sign or Marquee may be utilized in lieu of a Maximum Projection is 8 feet. Sign shall generally have a vertical orientation. should be Citadel Assyrian influenced. Only one side is calculated for area. Primary wall sign. The details and configuration of the sign attachment
- 12. Feature Tenants facing the interior pedestrian streets may incorporate LED to store brand, fashion collection identities and seasonal buzz phrases with dissolve fades using high quality graphic images. Copy shall be limited Animation shall be limited to a HD quality display, slow-motion graphics animated signage as a part of their identity with specific Landlord approval

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## **ENTERTAINMENT DISTRICT: THEATRE**

In addition to the signage afforded the Movie Theatre as an anchor tenant, the tollowing signage is permitted below 50':

- Theatre Complex facade incorporates [2] Vertical Format High Resolution LED Each display flanking the entrance is allowed 2,000 sf. Displays facing Telegraph and I-5. Alternate to LED is a high quality static graphic
- Theatre ID signage on Box Office tower; one per face; 300 sf. ea.

ITADEL OUTLETS

- 3. Projecting Vertical Marquee at Feature Facade; 800 sf. allowed per sign face.
- 4. Static or animated movie poster cases dual/face freestanding in forecourt and single/face, wall mounted; 60 sf per poster face maximum, QTY: multiple units
- One Courtyard oriented LED animated wide format display screen for promotion of current and coming soon features; 3,000 sf sign area; primary orientation to the internal courtyard

### ENTERTAINMENT DISTRICT: FOOD & RETAIL TENANTS In addition to the primary signage described above:

- Neon, LED animated graphics and/or fiberoptic displays will be allowed graphics with dissolve fades using high quality graphic images. Copy shall be subject to Landford approval with primary orientation to the internal plaza. limited to store brand identity. Signage is required to be below eave line. LED display shall be required to be an HD quality display, slow motion
- Figurative animated signage is considered a bonus. A maximum 50% bonus of design at the sole discretion of the Landlord. over the Primary Sign Area Allowance will be considered based on quality

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Anchor Adventure Tenant may also incorporate a large format LED into their of sign area allowed. Display shall be primarily internally oriented. building: content limited to Tenant's own branded materials; up to 1,000 sf

### A12 ROOF TOP ICON SIGNS

lighting to emphasize the uique nature of the Citadel and nostalgic LA Architecture Structure to their allowable sign areas. Icon may rotate and may have dynamic Feature and Pad Tenant Buildings may incorporate a dynamic ICON sign

- FEATURE TENANT ANCHOR ROOF TOP SIGN Feature anchors and pad tenants in Quadrant G as designated in the Master Sign Program, can incorporate a roof top mounted Icon sign.
- Sign area is calculated per one side; 330sf max.
- Sign height maximum is 65' from finished floor
- 4. Sign may rotate and include twinkle glint for a sparkle affect
- Pad tenants are responsible for all engineering of structure
- Pads will be afforded a more classic LA car culture theme as an appropriate extension of the PAD
- 7. Landlord reserves the right to control the execution of the sign design and support details to encourage strong thematic character.

**TENANT** Sign Criteria

DATE: 25 MARCH 2019 DRAWING FOR DESIGN INTENT ONLY.

DAY SIGNS UBJECTIVELY BASED ON THE
QUALITY OF THE SIGN DESIGN & CONTENT







# SECONDARY SIGN CRITERIA, ALL ZONES & DISTRICTS

- All tenants shall have a suspended blade sign located adjacent main entry sign on an alternate facade position to be determined by Landlord. door. Tenants with multiple exposures are required to have a second blade
- enhanced three dimensionally. Blades are designed by the Landlord to ensure the tenant brand is
- Ψ Each blade sign shall average 9 sf with a maximum area of 12 sf per face; Primary Sign Area Allowance. Maximum blade width is 66". Blade sign area does not count against
- 4 All signs are externally illuminated and suspend from Landlord bracket and maintain 8'4" min. clear. The bracket designs vary throughout the center.
- Transom Sign over door, or dual Door Vinyl Graphics may be used as letters or vinyl letters. Transom signs: 6 sf max ,up to 2 colors; may be individual dimensional pedestrian level identification.
- ġ Window Graphics: Every other window display may use 3 sf max of vinyl copy below 42". Masks and graphic window vinyl used for display features shall be 10% or less of window area. Door Graphics: 1.5 sf per door and up to 2 colors of vinyl.
- All vinyl must be machine-cut and applied second surface in a professional manner. Vinyl that is not maintained shall be removed by Landlord.

00

- every 10' oc on continuous panels, or Brand coordinated Awning Fabric Selection and Screened Graphics may be Valance: One tenant ID may be applied per individual awning panel or applied to facades that have LL provided awnings. All material must be fire-treated. Graphics are provided by Landlord vendor at Tenant's expense
- Slope: Subtle tone-on-tone pattern, logo graphic, or initials may be applied to the slope portion on the awning. Fabric + 2 shades max. Color / pattern for either option must be submitted for Landlord approval
- To eliminate the annoying glare of exposed lamps, external sign lighting must be baffled or shielded. External fixtures and shades must contribute to the design of the center.

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**TENANT** Sign Criteria

### DESIGN STANDARDS

provides a high level of finish and detail, enhances the design of the architecture, and The purpose of establishing these design standards is to ensure that each Tenant sign contributes to the impression the center leaves with the shopper

diversity of sign styles and materials that will strengthen the individual identities of the Tenants The signage program has been developed to enrich a village concept and encourages a within the context of a unified theme.

Sign Colors and Finishes:

All Tenant Sign Colors must be approved by Landlord prior to fabrication color palette has not been established. To create a variety of signs and emphasize a Tenant Branding, a standard

- Suitable Sign Materials & Assemblies may include:
- Dimensional letterforms with seamless edge treatments
- Mixed media signs of three-dimensional forms.
- Polished, etched or abraded
- Aluminum or laminated opaque acrylic materials with painted matte finish.
- Etched or sandblasted acrylic.
- Cast resin letterforms with paint or leaf finishes.

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- Gold, silver and copper leaf
- Metallic paint finishes.
- Professionally hand-painted wall signs.
- Neon accents or trim—see sign zone map for acceptability.

Examples of unacceptable materials include trim cap, vacu-formed acrylic, uncoated HDU, MDO, Sintra, etc

C. Illumination

The use of one or more of the following lighting techniques is required: Identity signage may be illuminated using a variety of lighting techniques.

- Reverse Channel Letters with Neon or LED light sources
- Ņ External Quartz Halogen Illumination\*

μ

4.

- & Halo Illumination Combination Channel Letters with push-thru Plex Face, Solid Returns
- Open Channel Letters with Exposed Neon Tubing; or Closed Channel Letters with Perimeter or In-line Exposed Neon / LED Tubing

DATE: 25 MARCH 2019









### EXHIBIT G Schedule of Performance [Existing Development plus 26 Acres]

ACTIVITY (Anticipated Dates)	COMPLETION DATE	EXTENDED DATE	COMMENTS
Approval of Development Agreement by City	7/16/19		
Close of Escrow	8/1/19		
Submittal of Application for Development Entitlements	2019		
Commence construction	2019-20		
Complete Construction	2022-28	2033	
Issuance of Certificate of Occupancy	2022-28	2033	