

ORDINANCE NO. 181145

An ordinance authorizing the execution of the development agreement by and between the City of Los Angeles and Playa Capital Company, LLC, relating to real property in the Westchester-Playa Del Rey Community Plan area.

**WHEREAS**, the City Planning Commission on December 10, 2009, approved and recommended, that the City Council approve the development agreement which is by and between the City of Los Angeles and Playa Capital Company, LLC (Development Agreement), which Development Agreement is hereby incorporated by reference and which is hereby incorporated into the provisions of this ordinance;

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

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

**WHEREAS**, the Development Agreement is in the public interest and is consistent with the City's General Plan including the Westchester-Playa Del Rey Community Plan; and

**WHEREAS**, the City Council has reviewed and considered the Development Agreement and the findings and recommendations of the City Planning Commission and Director of Planning.

**NOW, THEREFORE,**

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

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

(a) It is consistent with the City's General Plan and with the objectives, policies and programs specified in the Westchester-Playa Del Rey Community Plan, a portion of the City's General Plan, as amended, and with the Playa Vista Area D Specific Plan (Specific Plan) as amended;

(b) The intensity, building height and uses set forth in the Development Agreement are permitted by or are consistent with the Specific Plan as amended;

(c) It will not be detrimental to the public health, safety and general welfare, since it encourages the construction of a project which is desirable and beneficial to the

public. Furthermore, the Development Agreement specifically permits application to the project of rules and regulations under City Municipal Code Section 91.101.1 to 98.0605 relating to public health and safety;

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

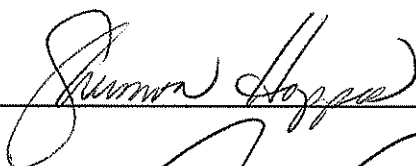
(e) It is necessary to strengthen the public planning process and to reduce the public and private costs of development uncertainty.

Sec. 2. The City Council hereby approves the Development Agreement and authorizes and directs the Mayor to enter into the Development Agreement in the name of the City of Los Angeles.

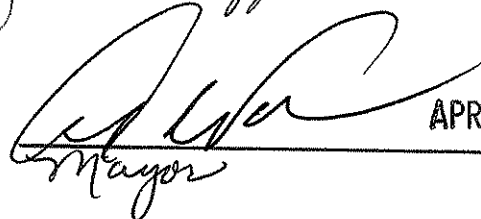
Sec. 3. The City Clerk shall as certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles, or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board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

I hereby certify that the foregoing ordinance was introduced at the meeting of the Council of the City of Los Angeles MAR 26 2010, and was passed at its meeting of APR 6 2010.

JUNE LAGMAY, City Clerk

By: 

Deputy

 APR 16 2010  
Mayor

Approved: \_\_\_\_\_  
\_\_\_\_\_

Pursuant to Charter Section 559, I approve this ordinance on behalf of the City Planning Commission and recommend that it be adopted . . . . .

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

  
Director of Planning

By:   
LAURA M. CADOGAN  
Deputy City Attorney

Date 3-24-10

File No. CF No. 10-0245

## DECLARATION OF POSTING ORDINANCE

I, MARIA VIZCARRA, state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No. 181145 – Authorizing the execution of the development agreement by and between the City of Los Angeles and Playa Capital Company, LLC located at 12200 West Jefferson Boulevard- a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on April 6, 2010, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on April 22, 2010 I posted a true copy of said ordinance at each of the three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Copies of said ordinance were posted conspicuously beginning on April 22, 2010 and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this 22nd day of April 2010 at Los Angeles, California.

  
\_\_\_\_\_  
Maria Vizcarra, Deputy City Clerk

Ordinance Effective Date: June 1, 2010

Council File No. 10-0245

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Edward J. Casey, Esq.  
ALSTON & BIRD, LLP  
333 South Hope Street, 16th Floor  
Los Angeles, California 90071

**DEVELOPMENT AGREEMENT**

**by and among**

**THE CITY OF LOS ANGELES**

**and**

**PLAYA CAPITAL COMPANY, LLC**

\_\_\_\_\_, 201\_\_

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## DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”) is executed this \_\_\_ day of \_\_\_\_\_ 201\_\_ by and among the CITY OF LOS ANGELES, a municipal corporation (“City”), and PLAYA CAPITAL COMPANY, LLC, a Delaware limited liability company (“Playa”), pursuant to California Government Code Section 65864, et seq., and the implementing procedures of the City, with respect to the following:

### 1. DEFINITIONS.

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

#### 1.1 “Applicable Rules”

means the rules, regulations, ordinances and officially adopted policies of the City in force as of the Effective Date of this Agreement, including but not limited to the City’s General Plan and the Playa Vista Area D Specific Plan, as amended by the Project Approvals. Additionally, notwithstanding the language of this Section or any other language in this Agreement, all specifications, standards and policies regarding the design and construction of public works facilities, if any, except for those included in Vesting Tentative Tract No. 60110-REC, shall be those that are in effect at the time the Project plans are being processed for approval and/or under construction. Further, the Applicable Rules shall include the Citywide programs which will be enacted after the Effective Date of this Agreement, for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972, and subsequent amendments thereto.

#### 1.2 “Community Plan”

means the Westchester-Playa del Rey Community Plan of the City’s General Plan.

#### 1.3 “Developer”

means Playa or its successors and assigns that meet the criteria set forth in Section 6.10.

#### 1.4 “Development Agreement Act”

means Section 65864 et seq., of the California Government Code.

#### 1.5 “Discretionary Action” or “Discretionary Approval”

means an action which requires the exercise of judgment, deliberation or a decision on the part of the City, including any board, commission or department or any officer or employee thereof, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires the City, including any board, commission or department or any officer or employee thereof, to determine whether there has been compliance with statutes, ordinances or regulations.

#### 1.6 “Effective Date”

is the date on which this Agreement is attested by the City Clerk of the City of

Los Angeles after execution by Developer and the Mayor of the City.

**1.7 “Specific Plan”**

means the Playa Vista Area D Specific Plan, located within the Community Plan area.

**1.8 “Parties”**

means collectively Developer and the City.

**1.9 “Playa Vista First Phase Project”**

means the development of 363 acres located within the Westside area of the City, specifically development previously approved by the City within Vesting Tentative Tract Map (“VTTM”) 49104 and Tentative Tract Map (“TTM”) 52092.

**1.10 “Processing Fees”**

means all fees required by the City including, but not limited to, fees for land use applications, project permits, building applications, building permits, grading permits, maps and certificates of occupancy which are necessary to accomplish the intent and purpose of this Agreement. Expressly exempted from Processing Fees are all impact fees, linkage fees, or exactions which may be imposed by the City on development projects pursuant to laws enacted after the Effective Date of this Agreement, except as specifically provided for in this Agreement. Processing fees include those impact fees, linkage fees, and exactions which are in effect as of the Effective Date, the amounts of which are subject to ongoing annual increases which shall be calculated at time of payment. The amount of the Processing Fees to be applied in connection with the development of the Project shall be the amount which is in effect on a Citywide basis at the time an application for the City action is made unless an alternative amount is established by the City in a subsequent agreement. Notwithstanding the language of this Section or any other language in this Agreement, Developer shall not be exempt from the payment of fees, if any, imposed on a Citywide basis as part of the City’s program for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972 and subsequent amendments thereto, unless a waiver of these fees is provided by the City in a subsequent agreement.

**1.11 “Project”**

means the development of the Village at Playa Vista Property into a mixed use community with a habitat creation and restoration component. As more particularly set forth in the Project Approvals, development would consist of uses permitted by and in accordance with the Playa Vista Area D Specific Plan, including, but not limited to, up to 2,600 dwelling units; 175,000 square feet of office space; 150,000 square feet of retail space; 40,000 square feet of community-serving uses; 11.4 acres of parks; 1.0 acre of on-site bicycle lanes; 6.7 acre Riparian Corridor; and the restoration of a 5-acre portion of the Westchester Bluffs.

**1.12 “Project Approvals”**

means the following land use actions requested by Developer from the City of Los Angeles: 1) amendment of the General Plan to amend the Community Plan to revise the land use designations from Light Industrial, High Medium Residential and Regional Mixed Use Commercial to Community Commercial and High Medium Density Residential; 2) a zone change from the M(PV), R4 (PV) and C2 (PV) to C2 (PV) and R4 (PV); 3) amendments to the text

of the Playa Vista Area D Specific Plan to adjust the land use entitlements allowed in the Specific Plan; and 4) approval of Tract Map 60110-REC for the project, including Conditions of Approval and the resubdivision of Lot 113 of VTTM 49104.

### **1.13 “Reserved Powers”**

means the rights and authority excepted from this Agreement’s restrictions on the City’s police powers and which are instead reserved to the City. The Reserved Powers include the powers to enact regulations or take future Discretionary Actions after the Effective Date of this Agreement that may be in conflict with the Applicable Rules, but: (1) are necessary to protect the public health and safety, and are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes and similar disaster); (2) are amendments to Chapter IX of the Los Angeles Municipal Code Section 91.0101 *et seq.* (Building Code) or Chapter V of the Los Angeles Municipal Code Section 57.01.01 *et seq.* (Fire Code) regarding the construction, engineering and design standards for private and public improvements and which are (a) necessary to the health and safety of the residents of the City, and (b) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes, and similar acts of God); (3) are necessary to comply with state or federal laws and regulations (whether enacted previous or subsequent to the Effective Date of this Agreement); or (4) constitute Processing Fees and charges imposed or required by the City to cover its actual costs in processing applications, permit requests and approvals of the Project or in monitoring compliance with permits issued or approvals granted for the performance of any conditions imposed on the Project, unless otherwise waived by the City.

### **1.14 “Village at Playa Vista Property”**

means the site generally bounded by the Playa Vista First Phase Project to the east and west, Jefferson Boulevard to the north, and the Westchester Bluffs to the south, and as more particularly set forth in the legal description attached hereto as Exhibit 7. The property included within the boundaries of the Village at Playa Vista Property may be amended from time to time pursuant to Section 6.9 of this Agreement.

## **2. RECITALS OF PREMISES, PURPOSE AND INTENT.**

### **2.1 State Enabling Statute.**

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

“The Legislature finds and declares that:

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

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

(c) The lack of public facilities, including, but not limited to, streets, sewerage, transportation, drinking water, school, and utility facilities, is a serious impediment to the development of new housing. Whenever possible, applicants and local governments may include provisions in agreements whereby applicants are reimbursed overtime for financing of public facilities.”

Notwithstanding the foregoing, to ensure that the City remains responsive and accountable to its residents while pursuing the benefits of development agreements contemplated by the Legislature, the City: (1) accepts restraints on its police powers contained in development agreements only to the extent and for the duration required to achieve the mutual objectives of the Parties; and (2) to offset such restraints, seeks public benefits which go beyond those obtained by traditional City controls and conditions imposed on development project applications.

## **2.2 City Procedures and Actions.**

### **2.2.1 Prior Actions**

The City Council on September 29, 2004, approved an ordinance approving a prior version of this Agreement, which contained largely the same substantive terms as this Agreement (Ordinance No. 176237) (CF 04-1656-S1). The previous development agreement was entered into in February 2005 (C-107867). However, in May 2008, in the consolidated cases of *City of Santa Monica v. City of Los Angeles* (BS093502) and *Ballona Ecosystem Education Project v. City of Los Angeles* (BS093507), the Los Angeles Superior Court issued a writ of mandate to vacate certain approved actions related to the Project, including the ordinance relating to the development agreement. Per the writ, the City Council vacated those approved actions related to the Project, including the ordinance related to the previous development agreement (CF-08-1650). The City is now reconsidering the previously vacated actions, including this Agreement.

### **2.2.2 Planning Commission Action.**

The Planning Commission held a duly noticed public meeting on December 10, 2009 and recommended approval of this Agreement on December 10, 2009.

### **2.2.3 City Council Action.**

The City Council on \_\_\_\_\_, 2010, after conducting a duly noticed public hearing, adopted Ordinance No. \_\_\_\_\_, to become effective on the thirty-first day after publication, approving this Agreement, found that its provisions are consistent with the City's General Plan, the Community Plan, and the Specific Plan, and authorized the execution of this

Agreement.

### **2.3 Purpose of this Agreement.**

#### **2.3.1 Developer Objectives.**

In accordance with the legislative findings set forth in the Development Agreement Act, and with full recognition of the City's policy of judicious restraints on its police powers, Developer wishes to obtain reasonable assurances that the Project may be developed in accordance with the Applicable Rules and with the terms of this Agreement and subject to the City's Reserved Powers. To the extent of Project development, and as provided by Section 3.1.1, Developer anticipates making capital expenditures in reliance upon this Agreement. In the absence of this Agreement, Developer would have no assurance that it can complete the Project for the uses and to the density and intensity of development set forth in this Agreement and the Project Approvals. This Agreement, therefore, is necessary to assure Developer that the Project will not be (1) reduced in density, intensity or use from what is set forth in the Project Approvals; (2) subjected to new rules, regulations, ordinances or official policies which are not related to compliance with State or Federal mandates or health and safety conditions; or 3) subjected to delays for reasons other than Citywide health and safety enactments related to critical situations such as, but not limited to, the lack of water availability or sewer or landfill capacity.

#### **2.3.2 Mutual Objectives.**

Development of the Project in accordance with this Agreement will provide for the orderly development of the Village at Playa Vista Property in accordance with the objectives set forth in the General Plan, the Community Plan and the Specific Plan. Moreover, this Development Agreement will eliminate uncertainty in planning for and securing orderly development of the Project, assure installation of necessary improvements, assure attainment of maximum efficient resource utilization within the City at the least economic cost to its citizens and otherwise achieve the goals and purposes for which the Development Agreement Act was enacted. The Parties believe that such orderly development of the Project will provide many public benefits to the City through the imposition of development standards and requirements under the provisions and conditions of this Agreement, including without limitation: an affordable housing program, parks and recreational facilities in excess of the requirements of environmental mitigation measures or the Subdivision Map Act, a program of job training and local hiring and a five-year continuation of the Playa Vista Educational Trust. Additionally, although development of the Project in accordance with this Agreement will restrain the City's land use or other relevant police powers, this Agreement will provide the City with sufficient reserved powers during the term hereof to remain responsible and accountable to its residents. In exchange for these and other benefits to the City, Developer will receive assurances that the Project may be developed during the term of this Agreement in accordance with the Applicable Rules and Reserved Powers, subject to the terms and conditions of this Agreement.

### **2.4 Applicability of the Agreement.**

This Agreement does not (1) grant density or intensity in excess of that otherwise established in the Applicable Rules; (2) eliminate future Discretionary Actions relating to the Project if applications requiring such Discretionary Action are initiated and submitted by the owner of the Property after the Effective Date of this Agreement; (3) guarantee that Developer will receive any profits from the Project; (4) prohibit the Project's participation in any benefit assessment district that is generally applicable to surrounding properties; or (5) amend the City's

General Plan. This Agreement has a fixed term. Furthermore, in any actions after the Effective Date applicable to the Village at Playa Vista Property, the City may apply such new rules, regulations and official policies as are contained in its Reserved Powers.

### **3. AGREEMENT AND ASSURANCES**

#### **3.1 Agreement and Assurance on the Part of Developer.**

In consideration for the City entering into this Agreement, and as an inducement for the City to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, Developer hereby agrees as follows:

##### **3.1.1 Project Development.**

Developer agrees that it will use its best efforts, in accordance with its own business judgment and taking into account market conditions and economic considerations, to develop the Project in accordance with the terms and conditions of this Agreement and the Project Approvals.

##### **3.1.2 Timing of Development.**

Build out of the Project will occur incrementally, with development expected to begin following resolution of any litigation challenges to the Project and completion of construction of the Project is scheduled to occur within approximately 10 years following commencing construction. Beyond these general parameters, the Parties acknowledge that Developer cannot at this time predict when or the rate at which the Project would be developed. Such decisions depend upon numerous factors that are not all within the control of Developer, such as market orientation and demand, availability of financing and competition. Because the California Supreme Court held in Pardee Construction Co. v. City of Camarillo, 37 Ca1.3d 465 (1984), that the failure of the Parties therein to provide for the timing of development permitted a later adopted initiative restricting the timing of development and controlling the Parties' agreement, it is the intent of Developer and the City to hereby acknowledge and provide for the right of Developer to develop the Project in such order and at such rate and times as Developer deems appropriate within the exercise of its sole and subjective business judgment. The City acknowledges that such a right is consistent with the intent, purpose and understanding of the Parties to this Agreement. Developer will use its best efforts, in accordance with its own business judgment and taking into consideration market conditions, litigation and other economic factors influencing its business decision, to commence or to continue development, and to develop the Project in accordance with the provisions and conditions of this Agreement and with the Applicable Rules.

##### **3.1.3 Additional Obligations of Developer as Consideration for this Agreement.**

In addition to the obligations identified in Section 3.1.1, the development assurances provided by this Agreement and the resulting construction of the Project will result in the following:

- 1. Affordable Housing.** Developer shall implement the affordable housing program as set forth in Exhibit 1.
- 2. Parks and Recreation.** Developer shall provide parks and

recreational facilities and improvements in excess of the requirements of environmental mitigation measures or the Subdivision Map Act as set forth in Exhibit 2.

3. **Job Training and Local Hiring.** Developer shall implement a program of job training and local hiring as set forth in Exhibit 3.
4. **Playa Vista Educational Trust.** Developer shall implement the Playa Vista Educational Trust as set forth in Exhibit 4.
5. **Additional Transportation Improvements in the Del Rey Community.** Developer shall implement the additional transportation improvements in the Del Rey Community as set forth in Exhibit 5.
6. **Mar Vista Neighborhood Traffic Management Plan.** Developer shall implement a neighborhood traffic management plan as set forth in Exhibit 6.

### **3.2 Developer's Obligations**

Notwithstanding any sale of lots within the Village at Playa Vista Property, Developer shall undertake and perform or cause to be performed the obligations of Developer under Section 3.1 of this Agreement. In the event of any assignment to a controlled entity or to an assignee as set forth in Section 6.10 of less than all of Developer's interest in this Agreement, the Project, the Project Approvals or the Village at Playa Vista Property, Developer may have further obligation under this Agreement as set forth in Section 6.10 to the extent of such assignment.

### **3.3 Agreement and Assurances on the Part of the City.**

In consideration for Developer entering into this Agreement, and as an inducement for Developer to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, the City hereby agrees as follows:

#### **3.3.1 Entitlement to Develop.**

Developer has the right to develop the Project subject to the terms and conditions of this Agreement, the Applicable Rules and the Reserved Powers.

#### **3.3.2 Consistency with Applicable Rules.**

Based upon all information made available to the City up to or concurrently with the execution of this Agreement, the City finds and certifies that no Applicable Rules prohibit or prevent the full completion and occupancy of the Project in accordance with the uses, densities, designs, heights, permitted demolition, signage regulations and other development entitlements incorporated and agreed to herein and in the Project Approvals. Without limiting the generality of the foregoing, the City further finds and certifies that upon execution of this Agreement, development of this Project will be exempt from Los Angeles Municipal Code, Chapter 1, Article 6.1, § 16 (the "Site Plan Review Ordinance") because during preparation of the EIR for this Project, the City considered significant aspects of the Project's relation to its site,

surrounding property, traffic circulation, sewers and other infrastructures, and its general environmental setting (as required by the Site Plan Review Ordinance.)

### **3.3.3 Changes in Applicable Rules.**

#### **3.3.3.a Nonapplication of Changes in Applicable Rules.**

Any change in, or addition to, the Applicable Rules, including, without limitation, any change in any applicable general or specific plan, zoning or building regulation, adopted or becoming effective after the Effective Date of this Agreement, including, without limitation, any such change by means of ordinance, City Charter amendment, initiative, referendum, resolution, motion, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the Mayor, City Council, Planning Commission or any other Board, Commission or Department of the City, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which would conflict in any way with the Applicable Rules or this Agreement, shall not be applied to the Project unless such changes represent an exercise of the City's Reserved Powers. Notwithstanding the foregoing, Developer may, in its sole discretion, consent to the application to the Project of any change in the Applicable Rules.

#### **3.3.3.b Changes in Building and Fire Codes.**

Notwithstanding any provision of this Agreement to the contrary, development of the Project shall be subject to changes occurring from time to time in the Uniform Building Code and other uniform construction codes. In addition, development of the Project shall be subject to changes occurring from time to time in Chapters V and IX of the Los Angeles Municipal Code regarding the construction, engineering and design standards for both public and private improvements provided that such changes are (1) necessary to the health and safety of the residents of the City, and (2) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes and similar disasters).

#### **3.3.3.c Changes Mandated by Federal or State Law.**

This Agreement shall not preclude the application to the Project of changes in, or additions to, the Applicable Rules, including rules, regulations, ordinances and official policies, to the extent that such changes or additions are mandated to be applied to developments such as this Project by state or federal regulations. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations.



### **3.3.4 Subsequent Development Review.**

The City shall not require Developer to obtain any approvals or permits for the development of the Project in accordance with this Agreement other than those permits or approvals that are required by the Applicable Rules or the Reserved Powers. However, any subsequent Discretionary Action or Discretionary Approval initiated by Developer that is not otherwise permitted by the Project Approvals, which changes the uses, intensity, density, building height or timing of the Project, or decreases the lot area, setbacks, yards, parking or other entitlements permitted on the Village at Playa Vista Property shall be subject to the rules, regulations, ordinances and official policies of the City then in effect.

### **3.3.5 Effective Development Standards.**

The City agrees that it is bound to permit the uses, intensity of use and density on the Village at Playa Vista Property which are permitted by this Agreement, insofar as this Agreement and the Project Approvals so provide or as otherwise set forth in the Applicable Rules or the Reserved Powers. The City hereby agrees that it will not unreasonably withhold or unreasonably condition any Discretionary Action or Discretionary Approval which must be issued by the City in order for the Project to proceed, provided that Developer reasonably and satisfactorily complies with all preliminary procedures, actions, payments of Processing Fees, and criteria generally required of developers by the City for processing applications for developments and consistent with this Agreement.

### **3.3.6 Interim Use.**

The City agrees that Developer may use the Village at Playa Vista Property during the term of this Agreement for any use which is otherwise permitted by the applicable zoning regulations and the General Plan in effect at the time of the interim use or pursuant to any approvals, permits, or other entitlements previously granted and in effect as of the Effective Date.

### **3.3.7 Moratoria.**

In the event an ordinance, resolution or other measure is enacted, whether by action of the City, by initiative, or otherwise, which relates to the rate, timing, or sequencing of the development or construction on all or any part of the Village at Playa Vista Property, City agrees that such ordinance, resolution or other measure shall not apply to the Village at Playa Vista Property or this Agreement, unless such changes: (1) are found by the City to be necessary to the health and safety of the residents of the City, and (2) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or the City Council such as floods, earthquakes and similar acts of God).

### **3.3.8 Infrastructure Financing.**

If Developer undertakes infrastructure financing, the City will cooperate fully by processing any related applications as expeditiously as possible.

## **3.4 Water Assessment.**

Pursuant to Government Code section 65867.5, Developer and the City agree that any tentative map prepared for the Project shall comply with the provisions of Government Code section 66473.7.

## **4. PERIODIC REVIEW**

### **4.1 Annual Review.**

During the Term of this Agreement, the City shall review annually Developer's compliance with this Agreement. Such periodic review shall be limited in scope to good faith compliance with the provisions of this Agreement as provided in the Development Agreement Act and Developer shall have the burden of demonstrating such good faith compliance.

### **4.2 Pre-Determination Procedure.**

Developer's submission of evidence of compliance with this Agreement, in a form which the Director of Planning may reasonably establish, shall be made in writing and transmitted to the Director of Planning not later than sixty (60) days prior to the yearly anniversary of the Effective Date. The public shall be afforded an opportunity to submit written comments regarding compliance to the Director of Planning at least sixty (60) days prior to the yearly anniversary of the Effective Date. All such public comments and final staff reports shall, upon receipt by the City, be made available as soon as possible to Developer.

### **4.3 Director's Determination.**

On or before the yearly anniversary of the Effective Date of the Agreement, the Director of Planning shall make a determination regarding whether or not Developer has complied in good faith with the provisions and conditions of this Agreement. This determination shall be made in writing with reasonable specificity, and a copy of the determination shall be provided to Developer in the manner prescribed in Section 6.17. Copies of the determination shall also be available to members of the public.

### **4.4 Appeal by Developer.**

In the event the Director of Planning makes a finding and determination of non-compliance, Developer shall be entitled to appeal that determination to the Planning Commission. After a public hearing on the appeal, the Planning Commission shall make written findings and determinations, on the basis of substantial evidence, whether or not Developer has complied in good faith with the provisions and conditions of this Agreement. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

### **4.5 Period to Cure Non-Compliance.**

If, as a result of this Annual Review procedure, it is found and determined by the Planning Director or the Planning Commission, on appeal, that Developer has not complied in good faith with the provisions and conditions of this Agreement, the City, after denial of any appeal or, where no appeal is taken, after the expiration of the appeal period described in Section 6.3, shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 6.17, stating with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of default, Developer shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), by mutual consent of the City and Developer, provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

#### **4.6 Failure to Cure Non-Compliance Procedure.**

If the Director of Planning finds and determines that Developer, or its successors, transferees, and/or assignees, as the case may be, has not cured a default pursuant to this Section, and that the City intends to terminate or modify this Agreement or those transferred or assigned rights and obligations, as the case may be, the Director of Planning shall make a report to the Planning Commission. The Director of Planning shall then set a date for a public hearing before the Planning Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after such public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that Developer, or its successors, transferees, and/or assignees, as the case may be, has not cured a default pursuant to this Section, and that the City shall terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, the finding and determination shall be appealable to the City Council in accordance with Section 6.3. In the event of a finding and determination of compliance, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

#### **4.7 Termination or Modification of Agreement.**

The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, after such final determination of the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 6.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 6.3.

#### **4.8 Reimbursement of Costs.**

Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to accomplish the required annual review.

### **5. DEFAULT PROVISIONS**

#### **5.1 Default by Developer.**

##### **5.1.1 Default.**

In the event Developer does not perform its obligations under the Agreement in a timely manner, the City shall have all rights and remedies provided herein which shall include compelling the specific performance of the obligations of Developer under this Agreement, or modification or termination of this Agreement, provided that the City has first complied with the procedure in Section 5.1.2.

##### **5.1.2 Notice of Default.**

The City through the Director of Planning shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 6.17, identifying with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of default, Developer, shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after

receipt of the notice of default, or such longer period as is reasonably necessary to remedy such default(s), provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured. In the event that Developer has assigned all or any portion of its interest pursuant to Section 6.10, Developer shall have the right but not the obligation to cure any defaults of any assignee or successor in interest. Further, any assignee or successor in interest shall the right but not the obligation to cure any default of Developer.

### **5.1.3 Failure to Cure Default Procedure.**

If after the cure period has elapsed, the Director of Planning finds and determines that Developer remains in default and that the City intends to terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, the Director shall make a report to the Planning Commission and then set a public hearing before the Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that Developer has not cured default pursuant to this Section, and that the City shall terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, Developer shall be entitled to appeal that finding and determination to the City Council in accordance with Section 6.3. In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

### **5.1.4 Termination or Modification of Agreement.**

The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, after such final determination of the City Council or where no appeal is taken, after the expiration of the appeal periods described in Section 6.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 6.3.

## **5.2 Default by the City.**

### **5.2.1 Default and Notice of Default.**

In the event the City does not accept, process, or render a decision on necessary development permits, entitlements, or other land use or building approvals for use as provided in this Agreement upon compliance with the requirements therefor, or as otherwise agreed to by the Parties, or the City otherwise defaults under the provisions of this Agreement, Developer shall have all rights and remedies provided herein or by applicable law, which shall include compelling the specific performance of the City's obligations under this Agreement provided that Developer has first complied with the procedures in Section 5.2.2. No part of this Agreement shall be deemed to abrogate or limit any immunities or defenses the City may otherwise have with respect to claims for monetary damages.

### **5.2.2 Notice of Default.**

Developer shall first submit to the City a written notice of default stating with specificity those obligations that have not been performed. Upon receipt of the notice of default, the City shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after receipt of the notice of default, or such longer period as is reasonably

necessary to remedy such default(s), provided that the City shall continuously and diligently pursue such remedy at all times until such default(s) is cured. In the case of a dispute as to whether the City has cured the default, the Parties shall submit the matter to arbitration pursuant to Section 6.5 of this Agreement.

### **5.3 No Monetary Damages.**

It is acknowledged by the Parties that the City would not have entered into this Agreement if it were liable in monetary damages under or with respect to this Agreement or the application thereof. Both Parties agree and recognize that, as a practical matter, it may not be possible to determine an amount of monetary damages which would adequately compensate Developer for its investment of time and financial resources in planning to arrive at the kind, location, intensity of use, and improvements for the Project, nor to calculate the consideration the City would require to enter into this Agreement to justify such exposure. Therefore, the Parties agree that each of the Parties may pursue any remedy at law or equity available for any breach of any provision of this Agreement, except that the Parties shall not be liable in monetary damages and the Parties covenant not to sue for or claim any monetary damages for the breach of any provision of this Agreement.

## **6. GENERAL PROVISIONS**

### **6.1 Effective Date.**

This Agreement shall be effective upon such date as it is attested by the City Clerk of the City of Los Angeles ("Effective Date") after execution by Developer and the Mayor of the City of Los Angeles.

### **6.2 Term.**

The term of this Agreement ("Term") shall commence on the Effective Date and shall extend until twenty-five years after the Effective Date, unless said Term is otherwise terminated, modified or extended by circumstances set forth in this Agreement, including, but not limited to, Section 6.4 of this Agreement, or by mutual consent of the Parties hereto. Following the expiration of this Term, this Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Village at Playa Vista Property approved concurrently with, or subsequent to, the Effective Date of this Agreement. The Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments pursuant to the City's Reserved Powers or moratoria.

### **6.3 Appeals to City Council.**

Where an appeal by Developer to the City Council from a finding and/or determination of the Planning Commission is created by this Agreement, such appeal shall be taken, if at all, within twenty (20) days after the mailing of such finding and/or determination to Developer, or its successors, transferees, and/or assignees, as the case may be. The City Council shall act upon the finding and/or determination of the Planning Commission within eighty (80) days after such mailing, or within such additional period as may be agreed upon by Developer and the Council.

## **6.4 Enforced Delay; Extension of Time of Performance.**

In addition to specific provisions of this Agreement, whenever a period of time, including a reasonable period of time, is designated within which either party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days during which such party is prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of causes beyond the reasonable control of the party to be excused, including: war; insurrection; strikes; walk-outs; riots; floods; earthquakes; fires; casualties; disasters; litigation and administrative proceedings against the Project (not including any administrative proceedings contemplated by this Agreement in the normal course of affairs (e.g., the annual review)); any approval required by the City (not including any period of time normally expected for the processing of such approvals in the ordinary course of affairs); restrictions imposed or mandated by other governmental entities; enactment of conflicting state or federal laws or regulations; judicial decisions; the exercise of the City's Reserved Powers; or similar bases for excused performance which is not within the reasonable control of the party to be excused (financial inability excepted). This Section shall be applicable to Section 6.2 of this Agreement. This Section shall not be applicable to any proceedings with respect to bankruptcy or receivership initiated by or on behalf of Developer or, if not dismissed within ninety (90) days, by any third Parties against Developer. If written notice of such delay is given to either party within thirty (30) days of the commencement of such delay, an extension of time for such cause will be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

## **6.5 Dispute Resolution.**

### **6.5.1 Dispute Resolution Proceedings.**

The Parties may agree to dispute resolution proceedings to fairly and expeditiously resolve disputes or questions of interpretation under this Agreement. These dispute resolution proceedings may include: (a) procedures developed by the City for expeditious interpretation of questions arising under development agreements; (b) non-binding arbitration as provided below; or (c) any other manner of dispute resolution which is agreed upon by the Parties.

### **6.5.2 Arbitration.**

Any dispute between the Parties that is to be resolved by arbitration shall be settled and decided by arbitration conducted by an arbitrator who must be a former judge of the Los Angeles County Superior Court or Appellate justice of the Second District Court of Appeals or the California Supreme Court. This arbitrator shall be selected by mutual agreement of the Parties.

### **6.5.3 Arbitration Procedures.**

Upon appointment of the arbitrator, the matter shall be set for arbitration at a time not less than thirty (30) nor more than ninety (90) days from the effective date of the appointment of the arbitrator. The arbitration shall be conducted under the procedures set forth in Code of Civil Procedure Section 638, et seq., or under such other procedures as are agreeable to both Parties, except that provisions of the California Code of Civil Procedure pertaining to discovery and the provisions of the California Evidence Code shall be applicable to such proceeding.

#### **6.5.4 Extension of Agreement Term.**

The Term of this Agreement as set forth in Section 6.2 shall automatically be extended for the period of time in which the Parties are engaged in dispute resolution to the degree that such extension of the Term is reasonably required because activities which would have been completed prior to the expiration of the Term are delayed beyond the scheduled expiration of the Term as the result of such dispute resolution.

#### **6.6 Legal Action.**

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

#### **6.7 Applicable Law.**

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

#### **6.8 Amendments.**

This Agreement may be amended from time to time by mutual consent in writing of the Parties to this Agreement in accordance with Government Code Section 65868. Any amendment to this Agreement which relates to the Term, permitted uses, density or intensity of use, height, or size of buildings, provisions for reservation and dedication of land, conditions, restrictions, and requirements relating to subsequent Discretionary Action, or any conditions or covenants relating to the use of the Village at Playa Vista Property not allowed or provided for under the Applicable Rules or Project Approvals shall require notice and public hearing before the Parties may execute an amendment thereto. Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to review any amendments requested by Developer including the cost of any public hearings.

#### **6.9 Sale of Certain Lots within Village at Playa Vista Property.**

It is contemplated that development of the Village at Playa Vista Property will occur over time on a lot by lot basis to third party developers and home builders. It is also contemplated that certain lots within the Village at Playa Vista Property will be sold by Developer over time, either prior or subsequent to development of said lots. Developer may request the Director of the Planning Department to modify the property included within the boundaries of the Village at Playa Vista Property, as that term is used in this Agreement, to exclude certain lots within the Village at Playa Vista Property. The Director of Planning may approve or deny any request in his or her discretion. In making such a determination, the Director of Planning shall consider whether the property that would remain subject to this Development Agreement would be sufficient to allow Developer to carry out its obligations under this Agreement.

## **6.10 Assignment.**

### **6.10.1 Sale of Lots.**

Developer may sell or assign all or any portion of its interests in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof, provided that such sale or assignment conforms with this Section 6.10. The City acknowledges that Developer may sell lots either prior to or subsequent to development without the consent, approval or action of, or notice to, the City. The purchaser of such lots shall be entitled to the rights and benefits of Developer under this Agreement provided however, that Developer shall remain responsible for carrying out the obligations of Developer as required by this Agreement as set forth in Section 3.2.

### **6.10.2 Sale or Assignment to a Controlled Entity.**

In the event of a sale or assignment of all or any portion of Developer's interest in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof to an assignee in which Developer has a controlling interest, no consent, approval, or action of the City is required. However, except for the sale of lots which is covered by Section 6.9 or Section 6.10.1 above, Developer shall provide written notice to the City at least 30 days prior to any assignment pursuant to this Section 6.10. Provided, however, that if such sale or assignment is a sale or assignment of all of the Developer's interest in this Agreement, in the Project and in the Village at Playa Vista Property, the assignee shall be responsible for all of Developer's burdens obligations, or liabilities and the Developer shall thereafter be relieved of all such burdens, obligations or liabilities. Provided further, if Developer sells or assigns only a portion of its interest, the Developer and the assignee shall be jointly and severally liable for all such burdens, obligations or liabilities, unless the City otherwise consents (such decision to consent or not consent to be made by the Director of Planning in consultation with the City Attorney).

### **6.10.3 Sale or Assignment to a Non-Controlled Entity.**

If such sale or assignment is to an assignee in which Developer does not have a controlling interest, except for the sale of lots which is covered by Section 6.9 or Section 6.10.1 above, Developer must obtain the prior written consent of the City, which consent may be withheld only on the basis of the assignee's character or financial capability as determined in the reasonable discretion of the City as set forth below in this Section 6.10. At least 30 days prior to any assignment to an assignee in which Developer does not have a controlling interest pursuant to this Section 6.10, Developer shall provide to the City: (a) written notice of the assignment, (b) evidence reasonably satisfactory to the City that the assignee satisfies any criteria set forth below in this Section 6.10 and (c) a copy of the assignment document pursuant to which the assignee shall assume the obligations of Developer applicable to the interest assigned, including, without limitation, the obligations of Developer under this Agreement to the extent such obligations are applicable to the interest assigned. The City may reasonably withhold such consent only on the basis of the following factors:

1. **Character.** The assignee must be a person or entity of good character and reputation.
2. **Financial Capability.** The assignee must have sufficient verifiable financial resources or commitments to carry out the development and/or operation of the Project in accordance with the terms of this Agreement and the Developer shall have the right to address and rebut. If the assignee (together with its Affiliates) has a verifiable net worth of \$10,000,000 (Ten Million) Dollars or more, it shall be deemed to have met this test.



In the event the City consents to such sale or assignment, if such sale or assignment is a sale or assignment of all of the Developer's interest in this Agreement, in the Project and in the Village at Playa Vista Property, the assignee shall be responsible for all of Developer's burdens obligations, or liabilities and the Developer shall thereafter be relieved of all such burdens, obligations or liabilities. Provided further, if Developer sells or assigns only a portion of its interest, the Developer and the assignee shall be jointly and severally liable for all such burdens, obligations or liabilities, unless the City otherwise consents (such decision to consent or not consent to be made by the Director of Planning in consultation with the City Attorney).

Notwithstanding the above, the City may, in its discretion, consent to the sale or assignment of Developer's interests in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof to an assignee that does not satisfy the criteria set forth in this Section 6.10. Unless the City otherwise consents (such decision to consent or not consent to be made by the Director of Planning in consultation with the City Attorney), such an assignment to an assignee that does not satisfy this Section 6.10 shall be an assignment of Developer's right, title, benefit, privileges and interest in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof and shall not be an assignment of Developer's burdens, obligations or liabilities in this Agreement, in the Project, in the Village at Playa Vista Property or in any portion thereof.

#### **6.11 Covenants.**

Except for lots excluded from the Village at Playa Vista Property pursuant to Section 6.9 of this Agreement, the provisions of this Agreement shall constitute, during the Term of this Agreement, covenants which shall run with the land comprising the Village at Playa Vista Property for the benefit thereof, and the burdens and benefits hereof shall bind and inure to the benefit of all assignees, transferees, and successors to the Parties hereto.

#### **6.12 Statute of Limitation and Laches.**

The City and Developer agree that each party will undergo a change in position in detrimental reliance upon this Agreement from the time of its execution and subsequently. The Parties agree that Section 65009(c) of the Government Code, which provides for a 90-day statute of limitation to challenge the enactment or amendment of a zoning ordinance, is applicable to this Agreement, which will provide for development consistent with the zoning ordinance. In addition, any person who may challenge the validity of this Agreement is hereby put on notice that, should the legality or validity of this Agreement be challenged by any third party in litigation which is filed and served more than 90 days after the execution of this Agreement, the City and Developer shall each assert the affirmative defense of laches with respect to such challenge, in addition to all other available defenses.

#### **6.13 Cooperation and Implementation.**

##### **6.13.1 Processing.**

Upon satisfactory completion by Developer of all required preliminary actions and payment of appropriate Processing Fees, including the fee for processing this Agreement, the City shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Village at Playa Vista Property in accordance with the terms of this Agreement. Developer shall, in a timely manner, provide the City with all documents, plans and other information necessary for the City to carry out its processing

obligations.

### **6.13.2 Other Governmental Permits.**

Developer shall apply in a timely manner for such other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the development of, or provision of services to, the Project. The City shall cooperate with Developer in its endeavors to obtain such permits and approvals and shall, from time to time at the request of Developer, attempt with due diligence and in good faith to enter into binding agreements with any such entity to ensure the availability of such permits and approvals, or services, provided such agreements are reasonable and not detrimental to the City. These agreements may include, but are not limited to, joint powers agreements under the provisions of the Joint Exercise of Powers Act (Government Code Section 6500, *et seq.*) or the provisions of other laws to create legally binding, enforceable agreements between such Parties. To the extent allowed by law, Developer shall be a party to any such agreement, or a third party beneficiary thereof, entitled to enforce for its benefit on behalf of the City, or in its own name, the rights of the City or Developer thereunder or the duties and obligations of the Parties thereto. Developer shall reimburse the City for all costs and expenses incurred in connection with seeking and entering into any such agreement provided that Developer has requested it. Developer shall defend the City in any challenge by any person or entity to any such agreement, and shall reimburse the City for any costs and expenses incurred by the City in enforcing any such agreement. Any fees, assessments, or other amounts payable by the City thereunder shall be borne by Developer, except where Developer has notified the City in writing, prior to the City entering into such agreement, that it does not desire for the City to execute such agreement.

### **6.13.3 Cooperation in the Event of Legal Challenge.**

In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to affirmatively cooperate in defending said action.

### **6.14 Relationship of the Parties.**

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

### **6.15 Hold Harmless.**

Developer hereby agrees to and shall indemnify, save, hold harmless and defend the City, and its elected and appointed representatives, boards, commissions, officers, agents, and employees (collectively, "the City" in this Section), from any and all claims, costs, and liability for any damages, personal injury or death which may arise, directly or indirectly, from Developer or Developer's contractors, subcontractors, agents, or employees' operations in connection with the construction of the Project, whether such operations be by Developer or any of Developer's contractors, subcontractors, by any one or more persons directly or indirectly employed by, or acting as agent for Developer or any of Developer's contractors or subcontractors. Developer further agrees to and shall indemnify, save, hold the City harmless and, if requested by the City, Developer shall defend the City in any action brought by a third

party (1) challenging the validity of this Agreement or (2) seeking damages which may arise directly or indirectly from the negotiation, formation, execution, enforcement or termination of this Agreement. Nothing in this Section shall be construed to mean that Developer shall hold the City harmless and/or defend it from any claims arising from, or alleged to arise from, the negligent acts, negligent failure to act, or willful misconduct on the part of the City. City agrees that it shall fully cooperate with Developer in the defense of any matter in which Developer is defending and/or holding the City harmless. City may make all reasonable decisions with respect to its representation in any legal proceeding.

#### **6.15.1 Insurance.**

Without limiting its obligation to hold the City harmless, Developer shall provide and maintain at its own expense, until the completion of construction of the Project, the following program of insurance concerning its operations hereunder. The insurance shall be provided by insurer(s) satisfactory to the City on or before the Effective Date of this Agreement. The program of insurance provided shall specifically identify this Agreement and shall contain express conditions that the City is to be given written notice at least thirty (30) days prior to any cancellation of coverage. Such insurance shall be primary to and not contributing with any other insurance maintained by the City. Such insurance shall name the City as an additional insured, and shall include, but not be limited to, comprehensive general liability insurance endorsed for Premises/Project Site Operations, Products/Completed Operations, Contractual, Broad Form Property Damage, and Personal Injury, with a combined single limit of not less than \$2,000,000 per occurrence. From time to time until completion of construction, but not more often than once every two (2) years, Developer shall increase the coverage limits of the insurance required under this Section if so directed by the City after a determination by the City that such an increase is justified using customary and reasonable risk management methods and principles and to the extent such increased limits are available.

#### **6.16 Tentative Maps.**

Pursuant to California Government Code Section 66452.6(a), the duration of tentative maps filed subsequent to the Effective Date shall automatically be extended for the Term of this Agreement.

#### **6.17 Notices.**

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

If to the City:

Director of Planning

City of Los Angeles  
221 North Figueroa, 16th Floor  
Los Angeles, California 90012

with copies to:

Managing Assistant City Attorney,  
City of Los Angeles  
Real Property/Environment Division  
700 City Hall East, 200 N. Main Street  
Los Angeles, California 90012

If to Developer:

Mr. Randy Johnson  
Playa Capital Company, LLC  
6500 Seabluff Drive  
Playa Vista, CA 90094

with copies to:

Patricia T. Sinclair, Esq.  
Playa Capital Company, LLC  
6500 Seabluff Drive  
Playa Vista, CA 90094

and

Edward J. Casey, Esq.  
Alston & Bird, LLP  
333 South Hope Street, 16th Floor  
Los Angeles, California 90071

**6.18 Recordation.**

As provided in Government Code Section 65868.5, Developer shall record a copy of this Agreement with the Registrar-Recorder of the County of Los Angeles within ten (10) days following its execution by both Parties.

**6.19 Constructive Notice and Acceptance.**

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

**6.20 Successors and Assignees.**

The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties, any subsequent owner of all or any portion of the Village at Playa Vista Property and their respective successors and assignees, provided, however, that the provisions of this Agreement shall not be binding upon any party or its successors and assigns owning property which is excluded from the definition of Village at Playa Vista Property pursuant to Section 6.9 of this Agreement.

**6.21 Severability.**

If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of either party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition, or covenant to persons or

circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

**6.22 Time of the Essence.**

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

**6.23 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 refers expressly to this Section. No waiver of any right or remedy with respect to any occurrence or event shall be deemed a waiver of any right or remedy with respect to any other occurrence or event.

**6.24 No Third Party Beneficiaries.**

The only Parties to this Agreement are the City and Developer and their successors-in-interest. There are no third party beneficiaries and this Agreement is not intended, and shall not be construed, to benefit or be enforceable by any other person whatsoever.

**6.25 Entire Agreement.**

This Agreement sets forth and contains the entire understanding and agreement of the Parties regarding the subject matter hereof and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements regarding the subject matter hereof which are not contained or expressly referred to herein and no testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceedings of any kind or nature to interpret or determine the provisions or conditions of this Agreement. Developer and City, among others, are parties to that certain Stipulation for Entry of Judgment, in *Friends of Ballona Wetlands et al. v. California Coastal Commission, et al.*, Case No. C525,826 (the "Friends" case) filed with the Los Angeles County Superior Court on June 9, 1994, which has been amended by that certain Supplemental Stipulation for Entry of Judgment in the *Friends* case filed with the Los Angeles Superior Court on October 13, 2006 (as so amended and as further amended from time to time, the "Settlement Agreement"). The parties agree that nothing contained in the Settlement Agreement is intended to limit the rights or benefits to Developer or City under this Agreement nor is anything in this Agreement intended to limit the rights and benefits to Developer or City or the other parties under the Settlement Agreement.

**6.26 Legal Advice; Neutral Interpretation; Headings; Table of Contents.**

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

**6.27 Discretion to Encumber.**

This Agreement shall not prevent or limit Developer in any manner, at its sole

discretion, from encumbering the Property or any portion of the Property or any improvement on the Property by any mortgage, deed of trust or other security device securing financing with respect to the property or its improvements.

**6.28 Entitlement to Written Notice of Default.**

The mortgagee of a mortgage or beneficiary of a deed of trust encumbering the Property, or any part thereof, and their successors and assigns shall, upon written request to the City, be entitled to receive from the City written notification of any default by Developer of the performance of Developer's obligations under this Agreement which has not been cured within sixty (60) days following the date of default. Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to prepare this notice of default.

**6.29 Counterparts.**

This Agreement may be executed in duplicate originals, each of which is deemed to be an original. This Agreement, not counting the Cover Page and Table of Contents, consists of 41 pages including seven Exhibits, which constitute the entire understanding and agreement of the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

"City"

CITY OF LOS ANGELES, a municipal Corporation of the State of California

APPROVED AS TO FORM:  
CARMEN A. TRUTANICH, City Attorney

By:

Antonio R. Villaraigosa  
Mayor

By:

**Laura M. Cadogan**  
Deputy City Attorney

DATE \_\_\_\_\_, 201\_\_

ATTEST:

June Lagmay, City Clerk

By:

**[name]**  
Deputy

DATE \_\_\_\_\_, 201\_\_

“Playa”

Playa Capital Company, LLC, a Delaware  
Limited Liability Company

By:

Name: Randy Johnson  
Title: Co-President

Playa Capital Company, LLC, a Delaware  
Limited Liability Company

By:

Name: Patricia T. Sinclair, Esq.  
Title: Co-President and General  
Counsel

APPROVED AS TO FORM:

By:

George J. Muhlsten, Esq.  
of LATHAM & WATKINS

Counsel for Playa Capital Company, LLC

## **EXHIBIT 1**

### **Village at Playa Vista**

#### **Homeownership Opportunities and Affordable Rental Housing**

##### **A. OVERVIEW**

In connection with entering into the Development Agreement Playa Capital Corporation, for itself, and its successors and assigns (the "Developer") hereby establishes an overall program to ensure homeownership opportunity at the Village at Playa Vista and to provide for an appropriate mix and distribution of affordable housing units by building upon the affordable housing in the Playa Vista First Phase project which is currently in the process of ongoing development with affordable housing in the Village of Playa Vista.

The Homeownership Opportunity Program and the Affordable Rental Housing Program are based on the following goals:

Create workforce housing, including both rental housing and homeownership, to promote a jobs/housing balance

Increase opportunities for buyers of moderate means by providing price controls on 10% of all for-sale units in the Village at Playa Vista and the First Phase Project

Take into consideration the efforts of existing housing programs including: organizations established or operated by the City (including the Affordable Housing Trust Fund and Mortgage Credit Certificates), Fannie Mae, and non-profit housing organizations

Serve diverse populations by providing senior housing and workforce housing

Create an appropriate distribution of affordable rental housing within the overall area of the Village at Playa Vista and the First Phase Project.

##### **B. HOMEOWNERSHIP OPPORTUNITY PROGRAM**

Upon the completion of the Village at Playa Vista Project, 10% of all for-sale units in the Village at Playa Vista shall be controlled price units; provided, however, not less than 125 units shall be for-sale price controlled units.

- a. In First Phase Project this was accomplished with the "Controlled Price Units". In the Village this shall be accomplished with the continuation of the "CPU program" as currently underway in the First Phase.



b. Sale of “Controlled Price Units” shall be targeted to assisting targeted “Qualifying Buyers” in coordination with financing programs established by Fannie Mae, the City of Los Angeles and others.

2. Qualifying Buyers. For purposes of the Homeownership Opportunity Program, a “Qualifying Buyer” shall mean any person or family who qualifies for mortgage financing for purchase of a Controlled Price Unit in the Village at Playa Vista.

3. Priority in Village at Playa Vista.

In undertaking the Homeowner Opportunity Program, Developer shall, not less than three (3) months prior to selling Controlled Price Units in the Village at Playa Vista, develop a list of prospective Qualifying Buyers who meet the priority criteria set forth in Section B.3, below.

a. No Controlled Price Unit shall be sold to any buyer whose income exceeds 150% of the minimum income required for a buyer to qualify for purchase of the Controlled Price Unit.

b. In formulating the list of prospective Qualifying Buyers in the Village at Playa Vista, priority shall be given in consideration of the following criteria:

(i) the lowest income Qualifying Buyers at the time a controlled price unit is available for sale who qualify for financing;

(ii) first time home buyers;

(iii) persons whose principal workplace is within five miles of the Village at Playa Vista; and

(iv) community serving employees, such as police officers, fire fighters, teachers, and healthcare workers.

c. Priority for units with 2 or more bedrooms shall be given to families with children.

4. Targeting and priority shall be subject to any limitations or requirements of law.

5. In marketing for-sale units, Developer shall undertake an outreach effort to make the availability of Controlled Price Units known to teachers, police officers, fire fighters, and healthcare workers who work within the vicinity of Village at Playa Vista.

6. The Developer shall provide for-sale Controlled Price Units in the Village at Playa Vista in sufficient number so that the total number of all for-sale Controlled Price Units in the Village at Playa Vista shall be not less than 10% of all for-sale units in Village at Playa Vista; provided, however, not less than 125 units shall be for-sale Controlled Price Units. The purchase price for

the Village at Playa Vista Controlled Price Units shall not exceed \$274,000 (in 2003 dollars) as adjusted on a monthly basis by an amount equal to the Initial Sale CPI Adjustment. The "Initial Sale CPI Adjustment" means \$274,000 multiplied by 1.5 times the percentage increase, if any, in the CPI in effect at the end of the first calendar month ending thirty days or more before the date on which the Controlled Price Unit is initially sold over the CPI in effect on December 31, 2003. The maximum price of \$274,000 is based on 2003 dollars as increased from the initial maximum price for Controlled Price Units of \$195,000 established for the First Phase Project in 1993. CPI means the Consumer Price Index published by the Bureau of Labor Statistics for "All Urban Consumers, Area: US City Average, Items: All Items, Base Period: 1982-1984 = 100, Series ID: CURR0000SA0."

7. The Controlled Price Units shall be compatible with the design or use of market rate units in the project in terms of exterior appearance, materials, and finished quality.

8. A Controlled Price Unit may not be sold for a price in excess of the resale price set forth herein (the "Resale Price"). The Resale Price shall be the lesser of (i) the agreed upon purchase price or (ii) the Adjusted Price. The "Adjusted Price" shall be the Base Price paid by the selling Owner plus an amount equal to the Resale CPI Adjustment, plus the cost of any capital improvements paid by the seller with a useful life of greater than five years with interest thereon at 10% per annum plus any prepayment charges and other charges related to resale incurred on the original note and deed of trust of the selling Owner, plus the seller's normal and customary closing costs incurred in a transaction of this nature in Los Angeles County, including the cost of any required repairs or governmental insurer or lender compliance work, pursuant to an agency inspection or lender appraisal of a Controlled Price Unit, and such additional costs as may actually be required in the sale. The "Resale CPI Adjustment" means the Purchase Price multiplied by 1.5 times the percentage increase, if any, in the CPI in effect at the end of the first calendar month ending thirty days or more before the date on which the Controlled Price Unit is resold over the CPI in effect for the first calendar month ending prior to the date on which the selling Owner acquired such Unit. CPI means the Consumer Price Index published by the Bureau of Labor Statistics for "All Urban Consumers, Area: US City Average, Items: All Items, Base Period: 1982-1984 = 100, Series ID: CURR0000SA0."

9. The Resale Price restriction shall remain in effect for 15 years following the date of the initial sale of a Controlled Price Unit.

10. At least 45 days prior to any sale of a unit that remains subject to the Resale Price restriction, the owner/seller shall provide written notice of the sale to the Housing Department, to the Playa Vista Housing Authority and the Developer. No Controlled Price Unit may be resold without Owner's/Seller's Notice having first been duly given.

11. The Developer shall have a right of first refusal to purchase at the Resale Price any unit that remains subject to the Resale Price restriction. Notice of Developer's intent to exercise its right of first refusal shall be given to the seller within 30 days of receipt of owner's/seller's notice of sale.

12. Subject to the limitations and requirements of law, Developer shall use reasonable efforts to obtain lower community facilities district special taxes for price-controlled units in the Village at Playa Vista when Developer proposes revisions to the Mello-Roos Rate and Method Apportionment for the Village at Playa Vista.

### **C. AFFORDABLE RENTAL HOUSING PROGRAM**

Developer shall provide 83 low-income rental units in the Village at Playa Vista which are restricted to tenants with incomes that do not exceed 80% of the Los Angeles County median household income as determined by the US Department of Housing and Urban Development and adjusted for household size.

In connection with providing such 83 low-income rental units, Developer may choose to eliminate up to 83 existing low income rental units from Fountain Park Apartments located at 13151 Fountain Park Drive, 13163 Fountain Park Drive, 13175 Fountain Park Drive, 5389 Playa Vista Drive and 5399 Playa Vista Drive, Playa Vista, CA 90094, within the First Phase Project. If developer chooses to eliminate up to 83 low-income units from Fountain Park Apartments, Developer shall secure all necessary consents, amendments, modifications or waivers required by any bond financing agreements and shall secure any modifications, revisions or waivers of any applicable conditions of approval or mitigation measures of the First Phase Project. Upon request by the developer, the City shall cooperate with the Developer in the foregoing.

### **D. DEVELOPMENT OF AFFORDABLE HOUSING**

Developer shall ensure that the development of affordable housing units occurs in a time frame that is reasonably contemporaneous with the overall development of housing units permitted as part of the Project. Developer agrees that the City may enforce such development of affordable housing units by phasing the issuance of certificates of occupancy for market rate units as follows; the City shall not issue a final certificate of occupancy for more than 1250 for sale-market rate units within the Project until at least 125 for-sale price controlled units are constructed. Further, the City shall not issue a final certificate of occupancy for more than 1300 residential units within the Project until 42 low-income rental units within the Project are constructed and shall not issue a final certificate of occupancy for more than 2100 residential units until 41 additional low-income rental units within the Project are constructed (for a total of 83 low-income rental units). To the extent more than 125 for sale price-controlled units are to be constructed pursuant to Section B above, construction of such additional units shall occur in a time frame reasonably contemporaneous with the development of the remaining housing units and shall be completed prior to the issuance of the final certificate of occupancy for the final residential unit within the Project.

## EXHIBIT 2

### PARKS AND RECREATION PROGRAM

Developer is providing the following park space and improvements; 1) 2 acres of land per thousand projected residents for park and recreational facilities in the Village at Playa Vista Project; 2) constructing and maintaining improvements in those parks within the Village at Playa Vista; and 3) providing 1 acre of land per thousand residents of "off-site" park space in nearby areas, including but not necessarily limited to the First Phase Project. As additional consideration and as a public benefit, Developer shall fund, construct and maintain, or cause to be funded, constructed and maintained, improvements for such off-site parks.

The soft costs and hard costs of off-site park improvements shall not be less than an average cost of \$20 per square foot in 2004 dollars annually adjusted by CPI (as defined in Exhibit 1) for the 5.76 acres of off-site parks. Thus, the total value of off-site park improvements shall be \$5,018,112.

Prior to the completion of the third subphase, Developer shall cause to be constructed community serving uses which consist of the following:

- Junior Olympic pool
- Children's pool
- Spa
- Fitness Center
- Meeting Room Facilities

These facilities will not be located within the parks. Upon completion, the facilities shall be conveyed to the homeowners association.

In addition, prior to issuance of the first building permit, Developer shall contribute \$50,000 to a bicycle/pedestrian enhancement trust fund to be administered by the Los Angeles Department of Transportation. These funds shall be used to study the feasibility of bicycle and pedestrian improvements on Lincoln Boulevard over the Ballona Channel, including bicycle lanes, improved pedestrian access and bicycle and pedestrian safety.

## EXHIBIT 3

### JOB TRAINING AND LOCAL HIRING PROGRAM

#### **Community Employee Recruitment and Outreach Program**

Developer shall employ, or cause project contractors to employ, at-risk youth and adults in up to 10 percent of jobs in connection with construction of buildings at the Village at Playa Vista.

#### **Job Referral**

Developer and project contractors shall utilize local job-placement programs and other community-based organizations to bring qualified “at-risk” individuals into the workplace.

#### **Job Training**

Developer and project contractors shall utilize local job-skills training programs and other community-based organizations to bring qualified “at-risk” individuals into the workplace, and to train such individuals.

“At-risk” individuals have one or more of the following conditions at the time of their application for a job:

- Did not complete high school
- Have a history of substance abuse
- Household income below 50% of the median
- Homeless
- Welfare recipient
- History of involvement with the justice system
- Unemployed
- Single Parent

## EXHIBIT 4

### PLAYA VISTA EDUCATIONAL TRUST PROGRAM

During the First Phase Project, Developer has funded the Playa Vista Educational Trust ("PVET") which provided the programs set forth below as of March 2004. In connection with the development of the Village at Playa Vista, Developer shall continue to provide educational assistance through the PVET. For the obligations hereunder as part of the Village at Playa Vista project, the PVET shall be known as Village PVET. Developer shall sponsor the Village PVET until 2010 at a level comparable to Developer's sponsorship of PVET in 2003. The total monetary value of Developer's annual contribution to all Village PVET programs shall not be less than \$150,000 per year in 2004 dollars annually adjusted by CPI as defined in Exhibit 1.

The programs described below are examples of how Village PVET funds could be utilized. The Village PVET may modify its program offerings to reflect the changing needs of its sponsored schools and changing availability of partnership programs.

If Village PVET ceases to exist, Developer will provide and fund the Village PVET programs through December 31, 2010.

#### **School/Youth Programs**

Each year the Village PVET shall select up to fifteen schools in the reasonable proximity to the Village at Playa Vista to sponsor and shall offer those schools a selection of programs.

Under the Village PVET, each sponsored school shall be able to choose from a menu of options that changes each year.

**Option 1:** Village PVET shall offer a tailored program for each school based on their needs. The following are examples of the types of programs which have been offered in connection with PVET and which are illustrative of the types of program which may be offered as part of the Village PVET:

#### **1. "Playa Vista Presents" Artist-in-Residence Program**

This program is the result of a partnership between Playa Vista and the Music Center Education Division to help our partner schools sustain and expand quality arts education programs. "Playa Vista Presents" provides a range of opportunities including:

- A 12-week artist-in-residence program for a designated grade level through which expert teaching artists will work in the classrooms with students and teachers to provide hands-on learning activities in the arts.
- Special opportunities for students to perform on stage at Concert Park in the Playa Vista community including funds for school bus transportation.
- Five schools will be selected for the "Playa Vista Presents" Program.

**2. “Playa Vista Presents” School Assembly Program**

This program, also the result of the partnership between Playa Vista and the Music Center Education Division School, offers the partner schools the opportunity to have assembly performances by acclaimed Music Center artists in music, dance, or theater.

**3. School Site Improvement Program**

Playa Vista Education Trust will make a substantial physical improvement (i.e., painting and planting) to a school site. PVET will provide the materials and staff to do the work. One school will be selected for this program.

**4. Freshwater Marsh Curriculum and Field Trips**

Each of the 15 schools will have access to a docent-led field trip to the Freshwater Marsh at Playa Vista. Transportation for two classrooms will be provided by Playa Vista. The company will also provide a wetlands-based curriculum, developed by Friends of Ballona Wetlands, to participating schools.

**5. Anne and Kirk Douglas Playground Grant**

The Anne and Kirk Douglas Playground Award provides matching grant funding to schools that present a plan to improve and enhance their outdoor and recreational spaces. Over 105 projects have been funded to date, providing over \$2 million to LAUSD schools. All LAUSD school sites may apply for matching grants of up to \$25,000 per school for playground renovation, greening projects, outside classrooms, as well as other creative projects. Playa Vista will assist and provide support to schools that wish to become part of LAUSD’s Anne and Kirk Douglas Playground grant program. One school will be selected for this program.

**6. Library Programs**

Playa Vista will sponsor a library card registration drive for every student and family member in each of the 15 schools. As an extension of the “Playa Vista Presents” program (referenced above), Playa Vista will sponsor after school storytelling at the new Playa Vista public library.

**Option 2:** An annual grant of \$3,000 to be used for a campus-wide project. In addition to choosing from either Option 1 or Option 2, Developer shall provide to each sponsored school a scholarship fund in a savings bond with a maturity amount of \$2000. The sponsored school may determine how to disburse funds (e.g. all to one student or to be shared among a number of students).

## EXHIBIT 5

### ADDITIONAL TRANSPORTATION IMPROVEMENTS IN DEL REY COMMUNITY

Developer shall fund the installation of new traffic signal poles and mast arms to accommodate left-turn signal phasing in each direction at the intersections of Centinela Avenue/Culver Boulevard and Inglewood Avenue/Culver Boulevard. These improvements should be implemented concurrent with the implementation of the proposed project's roadway improvements to these intersections. If found to be warranted by LADOT prior to the installation of roadway improvements to the above-referenced intersections, Developer shall also fund new traffic signal heads with left turn signals and related signal phasing equipment at these intersections.

Concurrent with the implementation of the proposed project's roadway improvements at the intersection of Centinela Avenue/Washington Place, Developer shall apply for approval from the City of Culver City to install a new traffic signal pole and mast arm to accommodate left-turn signal phasing in each direction. Further if such approval is obtained and if found to be warranted by the Culver City Department of Transportation prior to the installation of the traffic signal pole and mast arm, Developer shall also fund new traffic signal heads with left turn signals and related signal phasing equipment at this intersection. Developer shall use its commercially reasonable efforts to obtain such approval. However, the approval is within the jurisdiction and decision-making authority of the city of Culver City and failure to secure such approval shall not be a breach of this Agreement.



## **EXHIBIT 6**

### **MAR VISTA NEIGHBORHOOD TRAFFIC MANAGEMENT PLAN**

Within one year of the effective date of this Agreement, Developer shall deposit \$150,000 into an account to be managed by the City Department of Transportation for implementation of Neighborhood Traffic Management Measures in the Mar Vista area. Implementation of the Neighborhood Traffic Management Measures shall follow the procedures established in LADOT's August 11, 2003 Initial Traffic Assessment, as amended on March 25, 2004 and July 7, 2004, for the Proposed Village at Playa Vista Project.

**EXHIBIT 7**

**LEGAL DESCRIPTION OF THE VILLAGE AT PLAYA VISTA PROPERTY**

**P S O M A S**

LEGAL DESCRIPTION

TRACT NO. 060110

That portion of the Rancho La Ballona, in the City of Los Angeles, County of Los Angeles, State of California as shown on map recorded in Book 3, Pages 204 et seq., of Miscellaneous Records, Records of said County, and a portion of the Rancho Sausal Redondo, in said City, per Book 1, Pages 507 and 508 of Patents, Records of said County, described as follows:

Beginning at most northeasterly corner of Tract No. 49104-02, in said City, as per map filed in Book 1270, pages 24 through 29, inclusive, of Maps, Records of said County and being on the southeasterly line of Jefferson Boulevard, 100 feet wide; thence along said southeasterly line of Jefferson Boulevard, North  $62^{\circ}48'54''$  East 1467.90 feet; thence continuing along said southeasterly line, North  $62^{\circ}21'36''$  East 929.98 feet; thence North  $27^{\circ}38'24''$  West 5.00 feet to a line parallel with and 45.00 feet southeasterly of the centerline of said Jefferson Boulevard; thence along said southeasterly line of Jefferson Boulevard, North  $62^{\circ}21'36''$  East 851.11 feet to the most northwesterly corner of Jefferson Boulevard as dedicated on Tract No. 49104-04, in said City, as per map filed in Book 1236, pages 41 through 55, inclusive, of said Maps; thence continuing along said Jefferson Boulevard and the southwesterly line of Campus Center Drive, 132.00 feet wide, the following eight courses:

- 1) South  $27^{\circ}38'24''$  East 5.00 feet;

**P S O M A S**

- 1 2) North  $63^{\circ}27'04''$  East 540.55 feet to the beginning of a curve, concave southerly
- 2 and having a radius of 160.00 feet;
- 3 3) easterly 44.00 feet along said curve, through a central angle of  $15^{\circ}45'23''$  to the
- 4 beginning of a reverse curve, having a radius of 160.00 feet;
- 5 4) easterly 47.05 feet along said curve, through a central angle of  $16^{\circ}50'51''$ ;
- 6 5) North  $62^{\circ}21'36''$  East 255.53 feet to the beginning of a curve concave southerly
- 7 and having a radius of 25.00 feet;
- 8 6) easterly 33.46 feet along said curve, through a central angle of  $76^{\circ}40'43''$  to the
- 9 beginning of a non-tangent curve, concave southwesterly, having a radius of
- 10 1414.00 feet and to which beginning a radial line bears North  $49^{\circ}02'19''$  East;
- 11 7) southeasterly 326.46 feet along said curve through a central angle of  $13^{\circ}13'41''$ ;
- 12 8) South  $27^{\circ}44'00''$  East 211.23 feet to the beginning of a curve, concave
- 13 northwesterly, having a radius of 20.00 feet and being tangent at its southwesterly
- 14 terminus to a line parallel with and 94.00 feet northwesterly of the northwesterly
- 15 line of Lot 1 of Tract No. 52092, in said City, as per map filed in Book 1236,
- 16 pages 56 through 63, inclusive, of said Maps;
- 17 thence southerly 31.45 feet along said curve, through a central angle of  $90^{\circ}05'36''$  to said
- 18 parallel line; thence along parallel line South  $62^{\circ}21'36''$  West 1626.80 feet to a line
- 19 parallel with and 80.00 feet southwesterly of the southwesterly line of Lot 2 of said Tract
- 20 No. 52092; thence along said parallel line, South  $27^{\circ}38'24''$  East 670.54 feet to the
- 21 beginning of a curve concave northwesterly and having a radius of 20.00 feet; thence
- 22 southerly 35.09 feet, through a central angle of  $100^{\circ}31'09''$ ; thence South  $72^{\circ}52'45''$  West
- 23 16.60 feet to the southwesterly line of Bluff Creek Drive as shown on said Tract No.

**P S O M A S**

1 52092; thence along said southwesterly line, South  $17^{\circ}12'35''$  East 90.00 feet; thence  
2 South  $17^{\circ}12'35''$  East 217.03 feet to the southeasterly right of way of the 30.00 feet wide  
3 sewer easement to the City of Los Angeles, as recorded in Book 3032, Page 170, Official  
4 Records of said County; thence along said southeasterly right of way of the 30.00 feet  
5 wide sewer easement to the City of Los Angeles, the following five courses:

- 6 1) South  $49^{\circ}43'10''$  West 208.77 feet to the beginning of a curve concave  
7 northwesterly and having a radius of 515.00 feet;
- 8 2) southwesterly 156.69 feet along said curve, through a central angle of  $17^{\circ}25'55''$ ;
- 9 3) South  $67^{\circ}09'05''$  West 231.04 feet to the beginning of a curve concave  
10 southeasterly and having a radius of 185.00 feet;
- 11 4) southerly 70.08 feet along said curve, through a central angle of  $21^{\circ}42'11''$ ;
- 12 5) South  $45^{\circ}26'54''$  West 48.68 feet to the westerly line of Section 25, township 2  
13 South, Range 15 West, SBM;

14 thence along said westerly line of Section 25, North  $00^{\circ}05'41''$  West 42.03 feet to the  
15 northwesterly right of way of the 30.00 feet wide sewer easement to the City of Los  
16 Angeles, as recorded in Book 3080, Page 289, of said Official Records; thence along said  
17 northwesterly right of way of the 30.00 feet wide sewer easement to the City of Los  
18 Angeles, the following eleven courses:

- 19 1) South  $45^{\circ}26'54''$  West 195.67 feet to the beginning of a curve, concave  
20 northwesterly and having a radius of 185.00 feet;
- 21 2) southwesterly 176.85 feet along said curve, through a central angle of  $54^{\circ}46'23''$ ;
- 22 3) North  $79^{\circ}46'43''$  West 124.32 feet to the beginning of a curve, concave southerly  
23 and having a radius of 215.00 feet;

**P S O M A S**

- 1 4) westerly 72.03 feet along said curve, through a central angle of  $19^{\circ}11'42''$ ;
- 2 5) South  $81^{\circ}01'35''$  West 217.64 feet to the beginning of a curve, concave
- 3 southeasterly, and having a radius of 215.00 feet;
- 4 6) southwesterly 103.76 feet along said curve, through a central angle of  $27^{\circ}9'04''$ ;
- 5 7) South  $53^{\circ}22'31''$  West 46.68 feet to the beginning of a curve concave
- 6 northwesterly and having a radius of 285.00 feet;
- 7 8) southwesterly 67.96 feet along said curve, through a central angle of  $13^{\circ}39'45''$ ;
- 8 9) South  $67^{\circ}02'16''$  West 173.26 feet to the beginning of a curve, concave
- 9 northwesterly and having a radius of 185.00 feet;
- 10 10) westerly 79.41 feet along said curve, through a central angle of  $24^{\circ}35'40''$ ;
- 11 11) North  $88^{\circ}22'04''$  West 5.37 feet to the beginning of a curve concave southerly and
- 12 having a radius of 215.00 feet; thence westerly 35.11 feet along said curve,
- 13 through a central angle of  $09^{\circ}21'20''$  to the southerly line of said Rancho La
- 14 Ballona;
- 15 thence along said southerly line of the Rancho La Ballona, South  $64^{\circ}58'59''$  West 158.00
- 16 feet to said northwesterly right of way of the 30.00 feet wide sewer easement to the City
- 17 of Los Angeles; thence along said northwesterly right of way of the 30.00 feet wide
- 18 sewer easement to the City of Los Angeles, South  $58^{\circ}09'48''$  West 60.91 feet to the
- 19 beginning of a curve concave northwesterly and having a radius of 285.00 feet; thence
- 20 continuing along said northwesterly right of way of the 30.00 feet wide sewer easement
- 21 to the City of Los Angeles, southwesterly 76.39 feet along said curve, through a central
- 22 angle of  $15^{\circ}21'26''$ ; thence continuing along said northwesterly right of way of the 30.00
- 23 feet wide sewer easement to the City of Los Angeles, South  $73^{\circ}31'14''$  West 41.03 feet to

**P S O M A S**

1 said to the southerly line of the Rancho La Ballona; thence along said southerly line of  
2 the Rancho La Ballona, South 64°58'59" West 76.33 feet; thence continuing along said  
3 southerly line of the Rancho La Ballona, South 54°23'54" West 36.85 feet to the  
4 northeasterly corner of Parcel C of Parcel Map No. 5409, per map filed in Book 171,  
5 Pages 71 through 76, inclusive, of Parcel Maps, Records of said County; thence along the  
6 easterly line of said Parcel C, South 00°07'20" East 23.73 feet to the southeasterly right  
7 of way of said 30.00 feet wide sewer easement to the City of Los Angeles, as recorded in  
8 Book 3080, Page 289, and the beginning of a non-tangent curve, concave southeasterly,  
9 having a radius of 185.00 feet, and to which beginning a radial line bears North  
10 40°36'44" West ; thence along said southeasterly right of way of said 30.00 feet wide  
11 sewer easement to the City of Los Angeles, southwesterly 59.77 feet along said curve,  
12 through a central angle of 18°30'40" to the most easterly corner of Lot 26 of Tract No.  
13 49104-06, in said City, as per map filed in Book 1273, pages 86 through 94, inclusive, of  
14 said Maps; thence along the northeasterly line of said Lot 26, North 30°56'34" West  
15 185.30 feet; thence along the northeasterly terminus of Bluff Creek Drive as shown on  
16 said Tract No. 49104-06, North 32°45'43" West 90.00 feet to the non-tangent curved  
17 northwesterly right of way of said Bluff Creek Drive, 90.00 feet wide, said curve being  
18 concave southeasterly, having a radius of 9246.00 feet and to which beginning a radial  
19 line bears North 32°45'43" West; thence southwesterly 73.94 feet along said curve,  
20 through a central angle of 00°27'30" to the northeasterly line of Lot 24 of said Tract No.  
21 49104-06; thence along said northeasterly line of Lot 24, North 27°38'24" West 147.41  
22 feet to the southeasterly line of Discovery Creek, 60 feet wide, as shown on said Tract  
23 No. 49104-02; thence northeasterly along said southeasterly line, North 62°21'36" East

**PSOMAS**

1 60.00 feet to the northeasterly line of Dawn Creek, 60 feet wide, as shown on said Tract  
2 No. 49104-02; thence northwesterly along said northeasterly line, North 27°38'24" West  
3 557.00 feet to the beginning of a curve concave southeasterly and having a radius of  
4 15.00 feet and being tangent at its northeasterly terminus to the southeasterly line of  
5 Runway Road as shown on said Tract No. 49104-04; thence northeasterly 23.56 feet  
6 along said curve, through a central angle of 90°00'00" to said southeasterly line of  
7 Runway Road; thence North 27°38'24" West 80.00 feet to the northwesterly line of said  
8 Runway Road and the beginning of a non-tangent curve concave northerly, having a  
9 radius of 15.00 feet, tangent at its northwesterly terminus to said northeasterly line of  
10 Dawn Creek and to which beginning a radial line bears South 27°38'24" East; thence  
11 northwesterly 23.56 feet along said curve, through a central angle of 90°00'00" to said  
12 northeasterly line of Dawn Creek; thence along said northeasterly line of Dawn Creek,  
13 North 27°38'24" West 360.65 feet to the point of beginning.

14  
15 This Legal Description is shown on the accompanying "LEGAL DESCRIPTION MAP,  
16 TRACT NO. 060110" Exhibit and is made a part hereof for reference purposes and is not  
17 intended for the use in the division and/or conveyance of land in violation of the  
18 Subdivision Map Act of the State of California.



A handwritten signature in black ink, appearing to read "John Chiappe Jr.", written over a horizontal line.

John Chiappe Jr., PLS 7230

PSOMAS

Date: 12/02/07

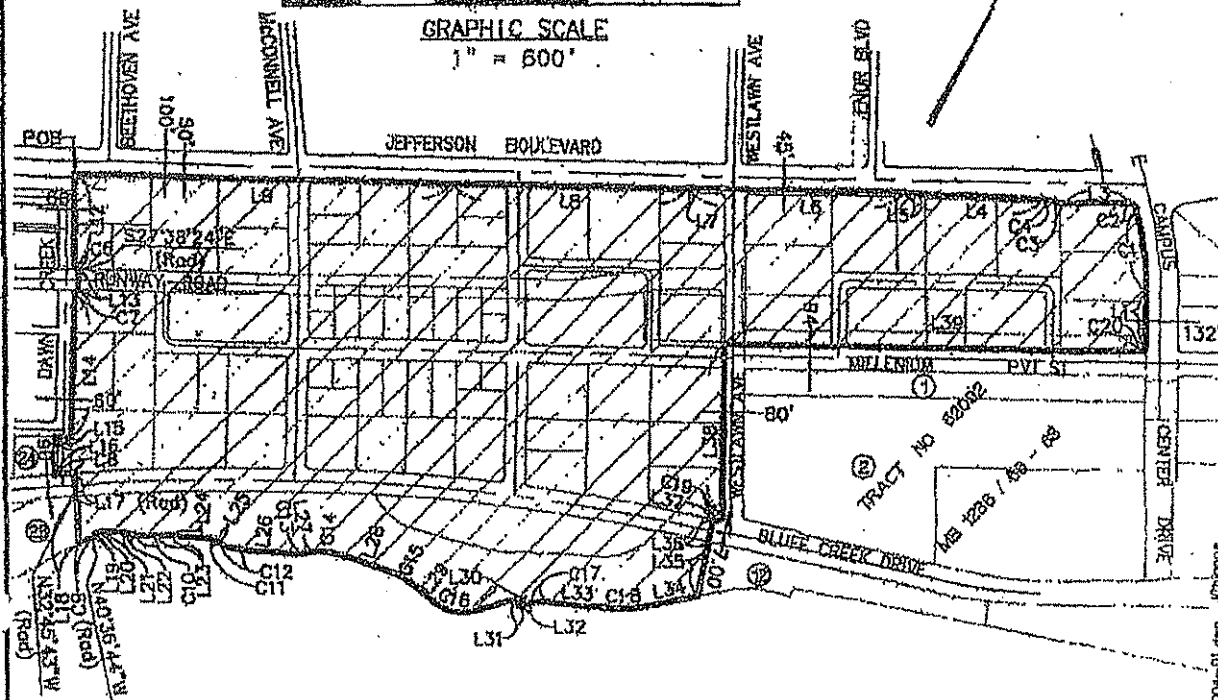
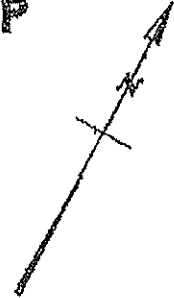
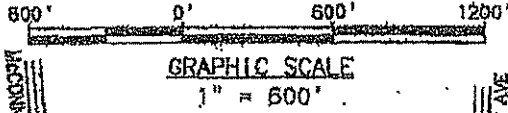


SCALE: 1" = 600'

SHEET 1 OF 1 SHEET

# LEGAL DESCRIPTION MAP TRACT NO 060110

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	151°3'41"	1414.00	326.46
C2	76°40'43"	25.00	33.46
C3	18°30'51"	160.00	47.05
C4	15°45'23"	180.00	44.00
C5	90°00'00"	15.00	23.56
C7	90°00'00"	15.00	23.56
C8	0°27'30"	9248.00	73.94
C9	18°30'40"	185.00	59.77
C10	15°21'26"	285.00	76.39
C11	0°21'20"	215.00	35.11
C12	24°38'40"	185.00	79.41
C13	15°39'45"	285.00	67.98
C14	27°39'04"	215.00	103.76
C15	19°11'45"	215.00	72.03
C16	54°46'23"	185.00	176.85
C17	21°42'11"	185.00	70.08
C18	17°25'55"	315.00	186.69
C19	100°31'09"	20.00	35.09
C20	90°05'36"	20.00	31.45

LINE TABLE		
LINE	LENGTH	BEARING
L1	211.23	N27°44'00"W
L3	255.93	N62°21'36"E
L4	540.55	N63°27'04"E
L5	5.00	N27°38'24"W
L6	851.11	N82°21'36"E
L7	9.00	N27°38'24"W
L8	929.98	N82°21'36"E
L9	1487.90	N62°48'54"E
L12	360.65	N27°38'24"W
L13	80.00	N27°38'24"W
L14	557.00	N27°38'24"W
L18	60.00	N82°21'36"E
L16	147.41	N27°38'24"W
L17	90.00	N32°45'43"W
L18	185.30	N30°55'34"W
L19	23.73	N00°07'20"W
L20	38.85	N54°23'54"E
L21	78.33	N64°58'59"E
L22	41.03	N73°31'14"E
L23	50.91	N58°09'48"E
L24	158.00	N64°58'59"E
L25	5.37	N88°22'04"W

LINE TABLE		
LINE	LENGTH	BEARING
L26	173.26	N67°02'16"E
L27	46.88	N33°22'31"E
L28	217.64	N81°01'35"E
L29	124.32	N78°46'43"W
L30	195.67	N45°26'54"E
L31	42.03	N00°05'41"W
L32	48.88	N45°26'54"E
L33	231.04	N67°08'05"E
L34	208.77	N49°43'10"E
L35	217.03	N17°12'35"W
L36	90.00	N17°12'35"W
L37	16.60	N72°52'45"E
L38	670.54	N27°38'24"W
L39	1828.80	N62°21'36"E

Indicates Area of Legal Description

DATE: 11/10/04 REVISED ON: 12/02/04  
JOB No: IPCC020749

**Playa Capital Company, LLC**  
**Playa Vista Development**

PV2-0004-01

**PSOMAS**

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