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DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF INGLEWOOD
AND HOLLYWOOD PARK LAND COMPANY, LLC

DEVELOPMENT AGREEMENT HOLLYWOOD PARK

This Development Agreement is entered into as of this ____ day of _____, 2009, by and between the CITY OF INGLEWOOD, a municipal corporation ("City"), and, HOLLYWOOD PARK LAND COMPANY, LLC ("Landowner") (the "Agreement"). City and Landowner and their respective Transferees and assigns are hereinafter collectively referred to as the "Parties" and singularly as "Party."

RECITALS

A. Authorization. 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 Government Code Section 65864, et seq. (the "Development Agreement Statute"), which authorizes the City and any person having a legal or equitable interest in the real property to enter into a development agreement, establishing certain development rights in the property which is the subject of the development project application. The purpose of the Development Agreement Statute is to authorize municipalities, in their discretion, to establish certain development rights for a period of years regardless of intervening changes in land use regulations.

B. Landowner. Landowner is a limited liability company organized under the laws of the State of Delaware and is in good standing there under and is qualified to do business in the State of California.

C. Property. Landowner holds a legal or equitable interest in certain real property located in the City of Inglewood, County of Los Angeles, more particularly described in Exhibit A attached hereto (the "Property"). Landowner represents that all persons holding legal or equitable interests in the Property shall be bound by this Agreement.

D. Process for Project Development. To encourage community participation in the planning of the redevelopment of the Property, the Landowner held four initial community workshops between April and August 2006, in addition to on-going block group meetings and presentations to community groups throughout the City. The four initial public workshops were interactive and iterative. The workshops focused on identifying goals and preferred residential product types, architectural and landscape characteristics, and the economic realities and market conditions for various types of potential retail and other uses desired by the community. In response to community feedback, a preliminary framework for development was presented, and subsequently refined with further comments from the community.

To facilitate the orderly development of the Property, the Landowner proposed the Hollywood Park Specific Plan ("Draft Specific Plan") to implement and guide the development of the Property. The framework from the community workshops referenced above formed the basis of the Specific Plan. The Draft Specific Plan sets forth the development standards, design criteria, goals and objectives for the development of an integrated, mixed-use development incorporating housing, retail, office, civic, casino/gaming, and open space uses on the Property.

The Draft Specific Plan and its implications for the City were presented in a series of workshops before the City Council and the Planning Commission beginning on July 14, 2008.

E. Application for Project. Consistent with the goal of pursuing mixed-use-oriented development, on _____, 2008 Landowner submitted an application requesting that City (i) amend the City's General Plan to permit the uses contemplated by the Draft Specific Plan; (ii) adopt the Draft Specific Plan so as to create a comprehensive set of development standards and design criteria; (iii) rezone the Property so as to permit the land uses as described in the Draft Specific Plan; and (iv) approve a Vesting Tentative Tract Map (as hereafter defined) for the Property, with the associated Public Improvements and the other on- and off-site improvements contemplated by or embodied within the Draft Specific Plan and the Project Approvals (as defined below), as they may later be further refined, amended, enhanced or modified in accordance with this Agreement.

F. Planning Commission Public Hearing. On May 11, 2009, at a duly noticed public hearing, the Planning Commission of the City of Inglewood, serving as the City's planning agency for purposes of development agreement review pursuant to Government Code Section 65867, considered this Agreement. The Planning Commission, by Resolution No. _____, recommended that the City Council approve the Development Agreement based on the following findings and determinations: that this Agreement: (i) is consistent with the adopted objectives, policies, general land uses and programs specified in the general plan and the concurrent approvals of amendments to the general plan and approval of the Specific Plan; (ii) is compatible with the uses authorized in the district in which the Property is located; and (iii) is in conformity with the public necessity, public convenience, general welfare, and good land use practices.

G. Environmental Review. On _____, 2009, the City Council certified as adequate and complete, the Hollywood Park Redevelopment Environmental Impact Report ("EIR") for the Project, as defined below, prepared under the California Environmental Quality Act (CEQA). Mitigation Measures were required in the EIR and are incorporated into the Project as conditions of approval and as obligations of this Agreement.

H. Project and Project Approvals. The following land use approvals (together the "Project Approvals") have been granted for a mixed use project known as Hollywood Park (the "Project") located on the Property, which entitlements are the subject of this Agreement:

H.1 The EIR. The EIR and the Mitigation Measures in the EIR, which are incorporated into the Project as conditions of approval (City Resolution No. _____);

H.2 A General Plan Amendment (the "General Plan Amendment"), (attached hereto as Exhibit B) approved by the City on _____, 2009 (City Resolution No. _____);

H.3 The Hollywood Park Specific Plan approved by the City on _____, 2009 (City Ordinance No. _____) ("Specific Plan"), as amended from time to time in accordance with this Agreement;

H.4 Zoning Amendment approved by the City on _____, 2009 (City Ordinance No. _____);

H.5 Vesting tentative map approved by the City on _____, 2009 (City Resolution No. _____) (the "Master Map");

H.6 This Development Agreement, as adopted on _____, 2009 by City Ordinance No. _____ (the "Adopting Ordinance").

I. Specific Plan Consistent with the General Plan. The Specific Plan is consistent with and implements the goals and policies of the City's General Plan, and satisfies the necessary requirements and goals of all other applicable laws of the City. The Specific Plan provides balanced and diversified land uses in order to maintain the overall quality of life and of the environment within the City, to impose appropriate requirements with respect to land development and usage, and to provide substantial amounts of open space for the public's use and enjoyment. Having duly examined and considered this Agreement and having held properly noticed public hearings hereon, the City found that this Agreement satisfies the Government Code §65867.5 requirement of general plan consistency.

J. Redevelopment Agency Actions. As part of the Project, on _____, 2009, the Redevelopment Agency of the City of Inglewood (the "Redevelopment Agency") approved an amendment to the Amended and Restated Redevelopment Plan for the Merged In Town, La Cienega, Manchester-Prairie, North Inglewood Industrial Park, Century, and Imperial-Prairie Redevelopment Projects. As part of the Project, on _____, 2009, the Redevelopment Agency also approved the Owner Participation Agreement between Landowner and Redevelopment Agency (Redevelopment Agency Resolution No. ____).

K. Costs of Public Improvements and Services. Landowner (and when applicable an assignee or Transferee as provided for in Section 18) agrees to pay the costs of Public Improvements as are specified herein on Exhibit C to mitigate impacts on the community of the development of the Property, and City agrees to provide such services specified herein to assure that Landowner may proceed with and complete development of the Property in accordance with the terms of this Agreement. City and Landowner recognize and agree that, but for Landowner's contributions set forth herein including mitigating the impacts arising as a result of development entitlements granted pursuant to this Agreement, City could not and would not approve the development of the Property as provided by this Agreement. City's vesting of the right to develop the Property as provided herein is in reliance upon and in consideration of Landowner's (and when applicable an assignee or Transferee as provided for in Section 18) agreement to pay the cost of Public Improvements specified herein to mitigate the impacts of development of the Property as development occurs.

City has determined that the Project is a development for which a development agreement is appropriate. A development agreement will eliminate uncertainty in the City's land use planning process and secure orderly development of the Project consistent with the Specific Plan, assure progressive installation of necessary improvements and mitigation appropriate to each stage of development of the Project, and otherwise achieve the goals and purposes for which the Development Agreement Statute was enacted. The Project is highly capital intensive, especially in its initial phases, which, in order to make the Project economically and fiscally feasible, requires major commitment to and investment in public facilities and on-site and off-site improvements prior to the construction and sale or leasing of the residential, retail and commercial units. In order to enable the Landowner to expend the necessary sums to prepare the plans referred to in this Agreement and to pursue other various pre-development work associated with the development of the Project, the City desires to provide certainty through this Agreement with respect to specific development criteria to be applicable to the Property in order

to provide for appropriate utilization of the Property in accordance with sound planning principles.

L. Public Benefits Provided Pursuant to the Development Agreement. The City Council determined that the development of the Project will afford City, its citizens and the surrounding region with the following primary benefits (all as set forth in Section 16 of this Agreement). The City Council finds and declares that the first through the sixth benefits are public benefits in excess of those otherwise having a “nexus” to the proposed development, and beyond the public benefits which could be expected from the Hollywood Park Project in absence of this Agreement (the “Extraordinary Public Benefits”):

- L.1. Park improvements that exceed the cost and quality mandated by the City's existing ordinances as well as park maintenance at no cost to the City.
- L.2. Implementation of a Jobs/Employment and Training program.
- L.3. Commitment to convey 4 acres of land, at no cost to the City, for civic land uses including affordable housing as selected by the City.
- L.4. Funding of ITS improvements at thirteen (13) intersections not significantly impacted by the Project but improved to make the ITS system more effective and efficient.
- L.5. Commitment that the First Phase of construction of the Project would include a minimum of 500,000 gross square feet of Hybrid Retail Center (as defined in Section 2), which will include at least two major anchors, one of which would be a theater with a minimum of 12 screens and a minimum of 10,000 square feet of Upscale Table-Service Restaurant space (as defined in Section 2).
- L.6. Provision of payments to the City to offset general fund tax revenue of up to \$1,742,000 annually lost following commencement of the Project and prior to stabilization of general fund revenues generated as a result of the development.
- L.7. Creation of a wide-variety of homeownership opportunities in a wide-range of price points.
- L.8. Creation of substantial property tax revenue to contribute to the ability of the Redevelopment Agency to provide affordable housing and other approved redevelopment projects.
- L.9. Retention and improvement of the casino/gaming facility, preserving a continuing revenue source.
- L.10. Creation of opportunities for the City to keep retail sales within the City limits, and to foster economic growth through the development of new, high-quality retail development and property taxes from the construction of housing units.
- L.11. Provision of an on-site police storefront facility in the mixed-use zone to be operated by the Inglewood Police Department.

- L.12. Creation of public improvements such as right-of-way improvements, streets and roads within the property (including frontage along Century Boulevard and Prairie Avenue), funding of ITS at six intersections impacted by the Project, utilities (including gas, electricity, cable television, telecommunications, water, sewer and storm drainage), pedestrian and bicycle paths, fair share Mitigation Measures and other infrastructure improvements and facilities required by the Mitigation Measures in the EIR.
- L.13. Creation of sustainable storm water treatment system and features designed to naturally reduce or avoid water quality and hydrologic impacts.
- L.14. Creation of provisions in the Specific Plan which would permit future development of a hotel on the Property when the market demand exists for a new hotel.

In exchange for the Extraordinary Public Benefits to City and the public benefits of the Project, Landowner desires to receive assurances that City shall grant permits and approvals required for the development of the Project, over the Project's estimated long term development horizon, in accordance with procedures provided by law and in this Agreement, and that Landowner may proceed with the Project in accordance with the Existing City Laws. In order to effectuate these purposes, the Parties desire to enter into this Agreement.

M. City Council Action. On _____, 2009, the City Council held a duly noticed public hearing on this Agreement and, after independent review and consideration, made the same findings and determinations by its own independent conclusion as the Planning Commission. The City Council also reviewed and _____ the EIR, adopted certain Mitigation Measures for the Project, _____ the proposed amendment to City's General Plan, _____ the rezoning of the Property and _____ the Subdivision Map for the Property. The City Council also found this Agreement consistent with the City's General Plan and the Specific Plan. On that same date, the City Council approved and introduced this Agreement [by first reading of Ordinance No. _____]. On _____, 2009, the City Council adopted this Agreement [by second reading of Ordinance _____]. Ordinance No. _____ became effective on _____, 2009.

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants hereinafter set forth, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The Preamble, the Recitals and all defined terms set forth in both are hereby incorporated into this Agreement as if set forth herein in full.

2. Definitions. Each reference in this Agreement to any of the following terms shall have the meaning set forth below for each such term. Certain other terms shall have the meaning set forth for such term in this Agreement.

2.1. Administrator. The Administrator shall mean the City Administrator of Inglewood or his or her designee, and shall be referred to as the "City Administrator".

2.2. Adoption Date. _____, 2009, the date the City Council adopted the Enacting Ordinance.

2.3. Reserved.

2.4. Approvals. All amendments to City Laws and any and all permits or approvals (including conditions of approval imposed in connection therewith) of any kind or

character necessary or appropriate under the City Laws to confer the requisite lawful right on Landowner to develop the Project in accordance with this Agreement, including, but not limited to, the Project Approvals, subdivision maps, plot plans, minor administrative permits, sign permits, lot mergers, building permits, use permits, variances, demolition permits, site clearance, grading plans and permits, certificates of occupancy, municipal financing (including Mello-Roos bonds), abandonment of streets or rights-of-way, and right-of-way transfers.

2.5. CC&Rs. Covenants, conditions and restrictions recorded in the Official Records of Los Angeles County on all or any portion of the Property, imposing covenants running with the land, equitable servitudes and/or easements governing the design, maintenance, operation, access and other matters in connection with the real property affected by the CC&Rs.

2.6. CEQA. The California Environmental Quality Act (Public Resources Code §§ 21000, et seq.) and the Guidelines there under (Title 14, Cal. Code Regs. § 15000, et seq.).

2.7. City-Wide Laws. Any City Laws generally applicable to a category of development or use of one or more kinds, wherever the same may be located in City, including but not limited to, a general or special tax adopted in accordance with California Const, Art XIII C and D et seq., otherwise known as Proposition 218; provided, however, that ordinances, resolutions, codes, rules, regulations, taxes and official policies of the City which only apply to or impact the Project (including the casino) shall not be considered City Wide Laws. For the purposes hereof, "City-Wide Laws" includes the variant "City-Wide."

2.8. City Law(s). The ordinances, resolutions, codes, rules, regulations and official policies of City, governing the permitted uses of land, density, design, improvement and construction standards and specifications applicable to the development of the Property and property upon which required off-site public improvements will be constructed. Specifically, but without limiting the generality of the foregoing, City Laws shall include the City's General Plan, the Specific Plan, the City's zoning ordinance and the City's subdivision regulations.

2.9. Community Facilities District. Defined in Section 15.2.

2.10. CPI. The consumer price index for Los Angeles, California (urban wage earners) most recently published by the Bureau of Labor Statistics, or such other substitute index as the Parties shall mutually agree.

2.11. CPI Factor. The relative increase in the CPI from the Adoption Date to the date at which the relevant calculation is being made.

2.12. Effective Date. The later of (i) the date the Enacting Ordinance takes effect pursuant to Government Code § 36937; or (ii) if the Enacting Ordinance or any other Project Approval is subject to a valid referendum proceeding pursuant to Elections Code § 3500, et seq., the date the Enacting Ordinance or other Project Approval(s) is (or are) upheld pursuant to such referendum proceeding.

2.13. EIR. Defined in Recital G above.

2.14. Election to Discontinue Racing.

The date when Landowner gives written notice to the City that it has elected to discontinue horseracing activities conducted on the Property because of Landowner's voluntary decision not to pursue an allocation of racing dates for racing activities on the Property, it being expressly understood that (a) a failure to obtain substantially all of the historic allocation of racing dates from the horse racing board for any reason not within reasonable control of Landowner, including but not limited to the horse racing board's decision to penalize or sanction the Landowner, or (b) the temporary cessation of racing activities to accommodate the rehabilitation, reconstruction or renovation of the track facilities shall not be considered an Election to Discontinue Racing.

2.15. Enacting Ordinance. Ordinance No. _____, enacted by the City Council on _____, 2009, approving this Agreement.

2.16. Default. Defined in Section 24.

2.17. Exactions. All exactions, costs, fees, in-lieu fees or payments, charges, assessments, dedications or other monetary or non-monetary requirement charged or imposed by City, or by City through an assessment district (or similar entity), in connection with the development of, construction on, or use of real property, including but not limited to transportation improvement fees, park fees, child care in-lieu fees, art fees, affordable housing fees, infrastructure fees, dedication or reservation requirements, facility fees, sewer fees, water connection fees, building permit fees, obligations for on- or off-site improvements or construction requirements for Public Improvements, or other conditions for approval called for in connection with the development of or construction of the Project, whether such exactions constitute Public Improvements, Mitigation Measures in connection with environmental review of the Project Approvals or other Approvals, or impositions made under applicable City Laws or in order to make an Approval consistent with applicable City Laws. Exactions shall not include Processing Fees.

2.18. Existing City Laws. The City Laws in effect as of the Adoption Date.

2.19. Existing Land Use Regulations. Collectively, the Existing Land Use Regulations shall mean (i) the City of Inglewood General Plan, (ii) Chapter 12, Planning and Zoning of the City's Municipal Code (including the Zoning Amendment), and (iii) all other ordinances, resolutions, regulations, and official policies governing land use development and building construction in the versions of these documents in effect in the City as of the Adoption Date of this Agreement.

2.20. Extraordinary Public Benefits. Defined in Recital L and Section 16.

2.21. First Phase. Defined in Section 17.

2.22. General Plan. The General Plan for the City, adopted by the City Council in January 1980, and subsequently amended, and in effect as of the Adoption Date. The term "General Plan" as used herein includes the General Plan and General Plan Amendment.

2.23. General Plan Amendment. The General Plan amendments approved by the City Council on _____, 2009, by Resolution No. _____.

2.24. Hybrid Retail Center. A retail center with an open-air configuration which includes a minimum of 500,000 gross square feet of retail space and restaurants, including the following: (a) approximately 60,000 to 80,000 square feet for a multi-screen cinema with at least twelve (12) screens; (b) approximately 40,000 to 80,000 square feet for a national or regional retailer such as Kohl's, H&M, Best Buy, Nordstrom Rack, Macy's or other retailer of similar type and quality; (c) approximately 80,000 square feet for a "Market Hall" area which includes space for restaurants, small shops and opportunities for local merchants and artists, is open during the same hours as the Hybrid Retail Center for a minimum of six days a week, and requires tenants to obtain written leases or, as an alternative to the "Market Hall," an additional national or regional retailer as set forth in subsection b herein; (d) a minimum of 10,000 square feet of Upscale Table Service Restaurant space; the majority of the balance of the 500,000 square feet of space consisting of national or regional specialty stores, as well as general merchandize and services in full depth and variety, grocery stores and quick-service food service vendors (including fast-food restaurants) to be located through out the retail center; and design ambience and amenities such as fountains and street furniture that are conducive to casual browsing. The Retail Center shall not include the following: (a) membership warehouse stores; (b) liquidation retailers such as "99 Cent Only" stores and "\$1 Only" stores; (c) drive-through fast food or (d) stand alone pads on which fast-food restaurants are located.

2.25. Map Approval. Any tentative tract map approved by the City Planning Commission or the City Council at any time in the future, which subdivides all or a portion of the Master Map. Each such map shall be called an "Individual Map."

2.26. Hollywood Park Land Company. Hollywood Park Land Company, LLC, a Delaware limited liability company or its successor in interest.

2.27. Law(s). The laws of the State of California, the Constitution of the United States and any codes, statutes or mandates in any court decision, state or federal, there under.

2.28. Map Approvals. The Master Map Approval and the Individual Map Approval(s).

2.29. Master Map Approval. The vesting tentative tract map No. 69906 approved by the City Council on _____, 2009, by Resolution __ that subdivides the Property into parcels consistent with the land use plan described in the Specific Plan. Such map shall be called the "Master Map."

2.30. Mitigation Measures. The mitigation measures applicable to the Project developed as part of the EIR process and required to be implemented by Landowner, and adopted as part of the Project Approvals and implemented through the MMRP.

2.31. MMRP. The Mitigation Monitoring and Reporting Plan adopted as part of the Project Approvals, as it applies to the Project, adopted by the City Council on _____, 2009, by Resolution No. _____.

2.32. Mortgage. A mortgage or deed of trust, or other transaction, in which the Property, or a portion thereof or an interest therein, or any improvements thereon, is conveyed or pledged as security, contracted in good faith and for fair value, or a sale and leaseback arrangement in which the Property, or a portion thereof or an interest therein, or improvements thereon, is sold and leased back concurrently therewith in good faith and for fair value.

2.33. Mortgagee. The holder of the beneficial interest under a Mortgage, or the owner of the Property, or interest therein, under a Mortgage.

2.34. Notice of Start of Development. Written notice from Landowner to City indicating that Landowner intends to start with development of the Project. Such notice must be given a minimum of sixty (60) days prior to commencement of Phase A.

2.35. Party. City and Landowner, and their respective assignees or Transferees, determined as of the time in question, and collectively they shall be called the "Parties."

2.36. Permitted Delay. Defined in Section 36.

2.37. Person. An individual, partnership, firm, association, corporation, trust, governmental agency, administrative tribunal or other form of business or legal entity.

2.37A Phase A. The pre-development phase of the project which includes renovation of the casino, construction of a parking structure; relocation and construction of Los Angeles County Storm Drain lines 1805 between Century Boulevard and Arbor Vitae; partial construction of Los Angeles County Storm Drain Line 1823, and construction of various city sewer mains, city water mains, city storm drain, electrical utilities, gas mains, telephone utilities and a new access way onto Century Boulevard.

2.38. Plot Plan Review. Site plan, architectural review and other review of Plot Plans by City as set forth in the Hollywood Park Specific Plan.

2.39. Processing Fee. A City-Wide fee payable upon the submission of an application for a permit or approval, which covers only the estimated actual costs to City of processing that application, and is not an Exaction.

2.40. Project. Defined in Recital H.

2.41. Project Approvals. As defined in Recital H.

2.42. Property. As defined in Recital C.

2.43. Public Improvements. The lands and facilities, both on- and off-site, to be improved and constructed by Landowner, and publicly dedicated or made available for public use, as provided by the Project Approvals and this Agreement. Public Improvements consist of all right-of-way improvements, streets and roads within the Property; all utilities (such as gas,

electricity, cable television, water, sewer and storm drainage); pedestrian and bicycle paths and trails; parks and open space; the off-site public improvements; the fair share Mitigation Measures; all other improvements and facilities required or called for by the Mitigation Measures and this Agreement to be implemented by Landowner, as listed on Exhibit C.

2.44. Rezoning Ordinance. The amendment to City's Zoning Ordinance enacted by the City Council on _____, 2009, by Ordinance No. _____, rezoning the Property to the HPSP (Hollywood Park Specific Plan) Zone.

2.45. Specific Plan. As defined in Recital H.

2.46. Termination. The expiration of the Initial Term or Term Extension of this Agreement, whether by the passage of time or by any earlier occurrence pursuant to any provision, including an uncured Default, of this Agreement. For purposes hereof, "Termination" includes any grammatical variant thereof, including "Terminate," "Terminated," and "Terminating."

2.47. Transferee. Defined in Section 18.

2.48. Transferred Property. Defined in Section 18.

2.49. Upscale Table-Service Restaurant. An upscale restaurant with table service which includes or is of a similar type and quality as the following exemplary restaurants: P.F. Chang's, Cheesecake Factory, RA Sushi, Marmalade Café, Lucille's Smokehouse BBQ, Buca di Beppo, California Pizza Kitchen, B. Smith's, Georgia Brown, Mimi's Cafe or Il Fornaio.

3. Description of Property. The property, which is the subject of this Development Agreement, is described in Exhibit A attached hereto.

4. Interest of Landowner. The Landowner has a legal or equitable interest in the Property. Landowner represents that all persons holding legal or equitable interests in the Property shall be bound by the Agreement.

5. Relationship of City and Landowner. The Parties specifically acknowledge that the Project is a private development, that neither Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in the businesses of Landowner, the affairs of City, or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. The City and Landowner hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making the City and Landowner joint venturers or partners.

6. Effective Date and Term.

6.1 Effective Date. The effective date of this Agreement is _____, 2009, which is the effective date of City Ordinance No. _____ adopting this Agreement. Not later than ten (10) days after the Adoption Date, City and Landowner shall execute and acknowledge this Agreement. Not later than 40 days after the Adoption Date, the City Clerk shall cause this Agreement to be recorded in the Official Records of the County of Los Angeles, State of California, provided that a referendum applicable to the Development Agreement ordinance has not been timely submitted to the City.

6.2 Term. The term of this Agreement shall commence on the Effective Date and extend for an initial term of fifteen (15) years ("Initial Term"), unless said Initial Term is terminated, modified or extended by the terms of this Agreement.

The Initial Term may be extended by an additional 5 years ("Term Extension") if, prior to the expiration of the Initial Term, Landowner satisfies the following requirements: (a) the Landowner has not received a notice of Default under this Agreement which remains uncured; (b) certificates of occupancy have been issued for a minimum of 500,000 square feet of Hybrid Retail Center as authorized by the Project Approvals including two anchor tenants one of which shall be a theater with a minimum of 12 screens and 10,000 square feet of Upscale Table-Service Restaurant; (c) a certificate of occupancy has been issued for the police storefront facility, and (d) the Landowner applies for a five year extension of this Agreement. The application for Term Extension shall specify development milestones and infrastructure that will be completed during the Term Extension.

The City Administrator shall, within 60 days of receipt of a complete application for Term Extension, determine in writing whether the requirements ((a) through (d) above) have been satisfied. If the City Administrator determines that the requirements have been satisfied, he or she shall execute a Term Extension document, which must be approved as to form by the City Attorney, and shall request that the City Clerk record the Term Extension document within ten (10) days of action by the City Administrator. If the City Administrator determines that any of the requirements specified in conditions (a) through (d) above have not been satisfied, the City Administrator shall deny the Term Extension. The determination of the City Administrator regarding the Term Extension may be appealed to the Planning Commission and the determination of Planning Commission may be appealed to the City Council, who shall make a final determination on the Term Extension.

If Landowner submits its application for a term extension at least one year prior to the end of the Initial Term and any administrative determination or appeal regarding the Term Extension extends beyond the the Initial Term, this Agreement shall remain in full force and effect for up to six months following the end of the Initial Term.

6.3 Extension of Term Due to Litigation. In the event that litigation is filed by a third party (defined to exclude City and Landowner or any assignee or Transferee of Landowner) which seeks to invalidate this Agreement or any of the Approvals related to the First Phase, the term of this Agreement shall be extended for a period equal to the length of time from the time a summons and complaint and/or petition are served on the defendant(s)/respondent(s) until the resolution of the matter is final and not subject to appeal; *provided, however*, that the total amount of time for which the term shall be extended as a result of any and all litigation shall not exceed five years.

6.4 Extension of Approvals. Upon the granting of any Approval, including but not limited to any tentative tract map, the Master Map, any Individual Map, and any Plot Plan Review, the term of such Approval shall be extended automatically through the Initial Term or Term Extension, as applicable, of this Agreement, notwithstanding any other City Law.

6.5 Automatic Termination Upon Completion and Sale of Residential Lot. This Agreement shall automatically be terminated, without any further action by either party or need to record any additional document, with respect to any single-family or condominium attached or detached residential lot within a parcel designated by the Project Approvals for residential use, upon completion of construction and issuance by the City of a final occupancy permit for a dwelling unit upon such residential lot, and conveyance and occupancy of such improved residential lot to a bona-fide good-faith purchaser (e.g., individual homeowner or end-user). In connection with its issuance of a final inspection for such improved lot, City shall confirm that all

improvements, which are required to serve the lot, as determined by City, have been accepted by City. Termination of this Agreement for any such residential lot as provided for in this Section shall not in any way be construed to terminate or modify any tax, assessment, or affordable housing restriction or covenant affecting such lot at the time of termination.

6.6 Rights and Obligations Upon Expiration of the Term. Following Termination of this Agreement all of the rights, duties and obligations of the Parties hereunder shall terminate and be of no further force and effect. Upon Termination of this Agreement, Landowner shall thereafter comply with the provisions of all City Laws then in effect or subsequently adopted with respect to the Property and/or the Project, except that any Termination shall not affect any right vested (absent this Agreement), or other rights arising from Approvals granted by City for development of all or any portion of the Project, including, but not limited to any approved Plot Plan Review, valid building permit, or certificate of occupancy. Termination of the Agreement shall not affect the validity of any building or improvement within the Property which is completed as of the date of Termination, provided that such building or improvement has been constructed pursuant to a building permit issued by the City. Furthermore, no Termination shall prevent Landowner from completing and occupying any building or other improvement authorized pursuant to an approved Plot Plan Review, valid building permit previously issued by the City or certificate of occupancy provided that any such building or improvement is completed in accordance with said building permit in effect at the time of such termination.

7. Vested Rights.

7.1. Permitted Uses. Except as set forth in Sections 7.2, 7.3, 7.4 and 8 (including all subsections therein) below, during the Initial Term of this Agreement and the Term Extension, if granted, the permitted uses of the Property, the density and intensity of use, the rate, timing and sequencing of development, the maximum height (except as limited by Federal Aviation Administration) and design and size of proposed buildings, the parking standards, and provisions for reservation and dedication of land, shall be those set forth in this Agreement, the Approvals including but not limited to the Specific Plan, and the City's ordinances, resolutions, rules, regulations and official policies in force and effect on the Adoption Date of this Agreement (the "Vested Rights").

7.2 Fees, Taxes and Exactions. Except as provided in Sections 7 and 8 including all subsections therein, City shall not impose any further or additional Exactions on the development of the Project, whether through the exercise of the police power, the taxing power, design review or any other means, other than those set forth in the Project Approvals, the Mitigation Measures, and this Agreement. The Exactions applicable to the Project as of the Adoption Date are set forth in the Financing Plan (Exhibit D). The Exactions applicable to the Project shall not be modified or renegotiated by City in connection with the granting of any amendment to the Project Approvals, or the granting of any Approval, which does not materially alter the density or intensity of development anticipated by this Agreement. The Parties acknowledge that the provisions contained in this Section 7.2 are intended to implement the intent of the Parties that Landowner has the right to develop the Project pursuant to specified and known criteria and rules, and that City receive the benefits which will be conferred as a result of such development without abridging the right of City to act in accordance with its powers, duties and obligations. To that end, any Exactions listed in the Financing Plan adopted by the City after the Adoption Date, shall only apply to the Project if (i) the Exaction relates to a capital facility or item with an expected life in excess of five (5) years (so that Landowner would have the ability to include the new Exactions in the CFD as defined below), and (ii) the

Inglewood Redevelopment Agency provides reimbursement for eligible infrastructure, equal to the amount of the new Exactions, from funds in the Infrastructure Credit Account, all as set forth in the Owner Participation Agreement. To the extent that the City increases any Exactions specified in the Financing Plan by an amount in excess of any CPI Factor increase applied to the base fee as of the Adoption Date, such increase in the particular Exaction shall only be applicable to the Project to the extent that (x) the Exaction (including the increase) is eligible to be financed by the CFD, and (y) the Inglewood Redevelopment Agency provides reimbursement for eligible infrastructure, equal to the amount of the excess increase in the Exaction, from funds in the Infrastructure Credit Account, all as set forth in the Owner Participation Agreement. New or increased Exactions financed by the CFD may be paid upon recording of the final subdivision map, notwithstanding that such new or increased Exaction may otherwise not be required to be paid until issuance of a building permit. To the extent that there are Exactions not listed on the Financing Plan that are first adopted or imposed by the City after the Adoption Date, such Exactions shall not be imposed on the Project. Landowner shall pay those application, processing, inspection, permit and plan check fees and charges required by City and in effect at the time of the application for that permit or approval (the "Plan Check Fees"). Landowner agrees that Landowner shall pay the City the full costs of a contract planner or contract building plan check person if such services are determined to be necessary by the Director of Planning and Building; provided, however, that the Plan Check Fees paid by Landowner to the City shall apply as a credit against costs of contract planner or contract building plan check person. The Landowner shall also pay any City fees relating to monitoring compliance with any permits issued or approvals granted or the performance of any conditions with respect thereto or any performance required of Landowner hereunder. This Agreement shall not limit the City's right and power to impose taxes on the Property or Project provided that any taxes imposed are adopted pursuant to all applicable laws and that said tax qualifies as a City Wide Law.

7.3 Rules Regarding Design, Engineering and Construction for Public Improvements. All ordinances, resolutions, rules, regulations and official policies governing engineering and construction standards and specifications applicable to the Public Improvements shall be those in force and effect at the time the tentative subdivision map for the property that includes the specific improvement is approved, provided however, unless such ordinance, resolution, rule, regulation or official policy is required by state or federal law, the ordinance, resolution, rule, regulation or policy shall not be applied to the Public Improvement to the extent that it and/or they would require modification of the density or intensity of uses as set forth in the Specific Plan to the extent that it conflicts with specifications for Public Improvements, including but not limited to, curbs, streets, gutters and sidewalks, contained in the Specific Plan or Master Map.

7.4 Uniform Codes Applicable. The Project shall be constructed in accordance with the provisions of the Uniform Building, Mechanical, Plumbing, Electrical and Fire Codes, City standard construction specifications, and Title 24 of the California Code of Regulations, relating to Building Standards, in effect at the time of approval of the appropriate building, grading, encroachment or other construction permits for the Project.

7.5 City's Consideration and Approval of Requested Changes in the Project. City acknowledges that the Landowner may in the future desire to further specify, modify or expand the precise location, configuration, size and height of the proposed buildings or modify the mix of proposed uses after the Adoption Date of this Agreement based upon more precise planning, changes in market demand, changes in development occurring in the vicinity, and similar factors. In such event, City shall cooperate with Landowner to expeditiously review and take

final action on such requested changes in accordance with City's Existing Land Use Regulations and the Approvals. Any change to the Project which is consistent with the Existing Land Use Regulations and does not increase the cost of project-related services to the City's general fund or reduce the anticipated project-related revenues to the City's general fund beyond those costs and revenues currently estimated in the Fiscal Analysis for the Project shall not require an amendment of this Agreement, even if such change to the Project does require an amendment to the Specific Plan or other Existing Land Use Regulation. With regards to any project change that complies with the conditions set forth in the prior sentence and that is approved by the City, the references in this Agreement to the Project or applicable portion thereof shall be deemed to refer to the Project as so changed.

8. Subsequent Rules and Approvals. Except as set forth in Sections 7.2, 7.3, 7.4 above and 8.1 through and including 8.3 below, during the Term of this Agreement, City shall not apply any City ordinances, resolutions, rules, regulations or official policies enacted after the Adoption Date ("Subsequent Rule") that would conflict with or impede the Vested Rights of Landowner set forth in Section 7.1 above or otherwise conflict with this Agreement or the Existing City Laws, without Landowner's written consent; *provided, however,* that nothing herein shall prevent City from applying Subsequent Rules necessary to protect persons or property from an actual and serious risk to health and safety arising solely from one of the following: (i) inability to obtain required water supply for the Project; *provided, however,* that City must use water rights conveyed to the City pursuant to Section 16.8 in the amount of 282 acre feet per year for the Project rather than using said water rights for other portions of the City; or (ii) changes mandated and required by state or federal laws or regulations regarding sewer, storm water or climate change.

8.1. Conflicting Laws. For purposes of Section 8 above, any action or proceeding of the City (whether enacted by the legislative body or the electorate) undertaken without the consent of Landowner, that has any of the following effects on the Project shall be considered in conflict with the Vested Rights, this Agreement and the Existing City Laws:

- (a) limiting, reducing or modifying the density or intensity of all or any part of the Project, or otherwise requiring any reduction in the square footage or total number of buildings, residential units or other improvements;
- (b) limiting the phasing or increasing the timing for completion of the Project in any manner inconsistent with this Agreement; or
- (c) limiting the location or sites, grading, or other improvements on the Property in a manner that is inconsistent with or more restrictive than the limitations included in this Agreement or the Project Approvals.

8.2. Changes in State or Federal Law. This Agreement shall not preclude the application to development of the Property of Subsequent Rules mandated and required by changes in state or federal laws or regulations.

8.3. Moratorium, Quotas, Restrictions or Other Growth Limitations. Landowner and City intend that, except as otherwise provided in this Agreement, this Agreement shall vest the Project Approvals against subsequent City resolutions, ordinances and initiatives that directly or indirectly limit the rate, timing, sequencing of development, or prevent or conflict with the permitted uses, density and intensity of uses as set forth in the Project Approvals; provided however, Landowner shall be subject to any growth limitation ordinance, resolution, rule, regulation or policy which (a) is adopted or applied as a City-Wide Law, and (b) directly concerns an actual and serious risk to health and safety arising solely from one of the following: (i) inability to obtain required water supply for the Project; provided, however, that City must use water rights

conveyed to the City pursuant to Section 16.8 in the amount of 282 acre feet per year for the Project rather than using said water rights for other portions of the City; or (ii) changes mandated and required by State or Federal laws or regulations regarding sewer, storm water or climate change, in which case City shall treat Landowner in a uniform, equitable and proportionate manner with all properties, public and private, which are impacted by that actual and serious risk to safety.

8.4. Subsequent Approvals. The development of the Project is subject to future approvals and actions by the City that have not been reviewed or approved by the City prior to the Adoption Date of this Agreement. These future approvals include discretionary and ministerial actions by the City (collectively referred to as "Subsequent Approvals") include, but are not limited to, the Plot Plan Review process in the Specific Plan, final parcel and subdivision maps, additional tentative subdivision maps, special permits, variances, demolition permits, plan review, design review, grading permits and building permits. In reviewing and acting on applications for Subsequent Approvals, the City shall apply the Project Approvals and the Existing Land Use Regulations when considering the application and may attach such conditions as necessary to comply with the Project Approvals and Existing Land Use Regulations and as permitted in Sections 7.1 through 7.4 and Sections 8, 8.1, 8.2 and 8.4.

8.5. Subsequent Environmental Review. The provisions of CEQA, as they may be amended from time to time, shall apply to any Subsequent Approval for the Project. The Parties acknowledge, however, that the EIR contains a thorough analysis of the Project and Project alternatives and specifies the feasible Mitigation Measures necessary to eliminate or reduce to an acceptable level adverse environmental impacts of the Project, and acknowledge that the City Council issued a statement of overriding considerations in connection with the Project Approvals, pursuant to 14 California Code of Regulations (CEQA Guidelines) Section 15093 for those significant impacts which could not be mitigated. For these reasons, no further review or mitigation under CEQA shall be required by City for any Subsequent Approvals unless the standards for further environmental review under CEQA are met as a result of a change in circumstances as specified in California Public Resources Code Section 21167.

9. Freeway Signage. City acknowledges the importance of the 105 and 405 freeway signs to the success of the Hollywood Park redevelopment project. The City agrees to cooperate with Landowner and in accordance with Inglewood Municipal Code Section 12.81 to achieve appropriate signage adjacent to the 105 and 405 freeways.

10. Other Governmental Permits. Landowner shall apply 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. City shall reasonably cooperate with Landowner in its endeavors to obtain such permits and approvals and, from time to time at the request of Landowner, shall attempt with due diligence and in good faith to enter into binding agreements with any such entity in order to assure the availability of such permits and approvals or services. To the extent allowed by Law, Landowner shall be a party or third party beneficiary to any such agreement entitled to enforce the rights of Landowner or City there under or the duties and obligations of the Parties thereto.

11. Easements; Improvements; Abandonments. City shall reasonably cooperate with Landowner in connection with any arrangements for abandoning existing utility or other easements and facilities and the relocation thereof or creation of any new easements within the Property necessary or appropriate in connection with the development of the Project; and if any such easement is owned by City or an agency of City, City or such agency shall, at the request

of Landowner, take such action and execute such documents as may be reasonably necessary to abandon existing easements and relocate them, as necessary or appropriate in connection with the approved development of the Project.

12. Design of On-Site and Off-Site Improvements. Development of the Property shall be subject to Plot Plan Review process in the Specific Plan and other future City review as provided by the Project Approvals. The Project Approvals, and all improvement plans prepared in accordance with the Project Approvals, shall govern the design and scope of all on-site and off-site improvements to be constructed on or benefiting the Property, including all street widths and dedications.

13. Subdivision of Property - Future Tentative Maps. Landowner shall have the right, from time to time or at any time, to apply for one or more Individual Maps, subdividing the Property into smaller developable parcels, as may be necessary in order to develop, lease or finance any portion of the Property in connection with development of the Project consistent with the density and Land Use Plan set forth in the Specific Plan. All final Individual Maps may be approved on a phased basis. As the Property is developed, subsequent Individual Maps further parcelizing the Property or individual buildings may be submitted to the City for approval.

14. Residential Units as Part of the Project. Landowner shall provide or cause to be provided by Transferee market-rate housing for all residential units included in the Project. Senior affordable housing shall only be allowed on the Civic Site and then only if City elects such use. *Recommended additional sentence:* Of the total units to be developed on the site, excluding the Civic Site, as allowed in the Specific Plan, a maximum of 300 of said residential units may be rental units (as opposed to far-sale units.)

15. Financing Plan. The Financing Plan, attached hereto as Exhibit D, shall specify the form and mechanisms to be used in to assist with the costs to design and construct the Public Improvements set forth in the Financing Plan and to pay for the maintenance of those Public Improvements. The Financing Plan shall also specify any and all current and future fees, taxes and assessment that may be applied to the Project, with the exception of any general or special tax approved in accordance with California Const, Art XIII C and D et seq., otherwise known as Proposition 218. Landowner shall be solely responsible for all costs necessary to design and construct the Public Improvements necessary for development of all phases of the Project. The Financing Plan terms are based, in part, on the information in a Fiscal Impact Study prepared for this project. Nothing herein is intended to prohibit Landowner from seeking or utilizing governmental or public funds to pay for the costs of the Public Improvements, infrastructure, public facilities and services specified herein, so long as there is no additional cost to the City.

15.1 Landowner's Compliance. The Landowner shall comply with all of the Landowner's obligations set forth in the Financing Plan. Any authorized use of tax increment funds shall be included in the Owner Participation Agreement between Landowner and the Redevelopment Agency. The City's implementation of public financing methods provided for herein shall be conditioned on Landowner's satisfaction of the obligations set forth in the Financing Plan.

15.2 Community Facilities District for Public Improvements and Maintenance. Landowner agrees to cooperate in the formation of a Community Facilities District pursuant to Government Code Section 53311 et seq. (the "Community Facilities District" or "CFD") to be formed by the City and in accordance with the CFD Parameters as shown on Exhibit E. At the request of Landowner, City will (a) initiate proceedings for the formation of a Community

Facilities District for the purposes of financing certain of the Public Improvements (the "CFD Facilities") and the Exactions that are required to be provided or paid, as the case may be, by the Landowner in order to pay for all or any portion of the costs of any real or other tangible property or service (subject to Sections 15.2.1 and 15.2.2) that is eligible by law or regulations to be financed by a community facilities district, whether such requirement is imposed pursuant to the provisions hereof or as conditions precedent to the development of the Property by entities including the following: the Inglewood Unified School District, Los Angeles County Public Works, Los Angeles County Sanitation District, West Basin Municipal Water District and investor owned utility companies including Southern California Gas Company, Southern California Edison, AT&T and Time Warner (collectively, the "Other Agencies") and the expenses incidental thereto; and (b) cooperate with the Landowner in forming the CFD and authorizing the levy of appropriate special taxes in accordance with this Section 15. In connection therewith, the City will meet and confer in good faith with Landowner concerning the selection of bond counsel, underwriter, appraisal and other advisers and consultants to be retained by the City, and City will use its best efforts to enter into such agreements with the Other Agencies as may be necessary to permit the CFD to finance the respective CFD Facilities to be owned and operated by them, the development fees and the fire service costs. Notwithstanding the foregoing, nothing contained in this Section 15 shall require City to expend any of its own funds in forming the CFD and other responsibilities with respect to the CFD unless the Landowner has agreed to reimburse the City for its expenditures. The boundaries of the area of Community Facilities District shall be contiguous with the boundaries of the Property. Landowner agrees not to protest said district formation and agrees to vote in favor of levying a special tax on the Property so long as such special tax is consistent with the provisions of this Agreement and so long as the total tax obligation, including all property taxes, special assessments and community facilities districts, is not expected to exceed 1.85% of the assessed value (the "Special Tax Cap"), except as provided in Section 15.2.1 for parks maintenance and 15.2.2 for fire service costs. Landowner further agrees not to protest and to vote in favor of a 2% percent annual increase in the portion of the special tax being used to finance the CFD Facilities and parks maintenance costs.

The Community Facilities District tax shall remain in effect until any bonds issued on behalf of the Community Facilities District have been paid; provided, however, that the Community Facilities District may remain in effect in perpetuity for purposes of paying fire service costs and parks maintenance only, in accordance with Section 15.2.1 and Section 15.2.2 as applicable. A vote by Landowner against the levying of the special tax otherwise complying with this Agreement, or a vote to repeal or amend the special tax inconsistent with this Agreement, shall constitute a Default under this Agreement. The CFD, the rate and method of apportionment of special tax and the bonds to be issued by or on behalf of the CFD shall be in accordance with the "CFD Parameters" set forth on Exhibit E, attach hereto.

15.2.1 Use of Community Facilities District. Landowner and City agree that the Community Facilities District may be used to pay for Public Improvements as shown in Exhibit C, Exactions and development impact fee as noted above, as well as to reimburse Landowner for associated costs advanced by Landowner. The use of Community Facilities District funding for fire service costs and maintenance of parks shall also be authorized as part of the formation of the Community Facilities District, *provided, however,* Community Facilities District funding shall only be used for maintenance of the parks that are available for use by the public if the City determines through the Annual Review Process and in accordance with this Section 15.2.1 that the home owner's association, due to a lack of resources, is unable to generate dues necessary to meet the park maintenance and security standards as specified in the attached Exhibit F. In such an event, the Community Facilities District may also be used for annual maintenance costs

for the parks that are available for use by the public and that are identified in the Specific Plan and developed on the Property, in which case the home owner's associations dues shall be reduced by the amount attributable to the park maintenance costs, and the Community Facilities District special tax may be increased by a commensurate amount for the sole purpose of park maintenance, with the Special Tax Cap being increased from 1.85% to 1.96% of the assessed value. In the event the Community Facilities District assumes the maintenance responsibility for the parks available to the public, the Parties intend that the Community Facilities District shall, to the extent permitted by law, contract with a private vendor to provide the maintenance services.

15.2.2 Fire Service Cost as Part of Community Facilities District. Landowner acknowledges that projected fire service costs for the Project may exceed the amount estimated in the Fiscal Impact Analysis and that such fire service is beneficial to and necessary for the Project. At the time of formation of the CFD, Landowner shall also include in the CFD and vote in favor of a CFD which includes the maximum fire services costs as set forth in this paragraph. In the event that as of January 1, 2025 certificates of occupancy have been issued for at least 1,500 residential units within the Project and that the cost to the City of fire service (either as provided by the City or through contract) exceeds \$1,455,000 per year, the CFD shall include an obligation that each residential unit be obligated to pay a maximum amount of \$92.00 per year for fire service costs. This \$92.00 amount shall be payable each year from 2025 through 2029. In the event that as of January 1, 2020 certificates of occupancy have been issued for at least 2,000 residential units within the Project and that the cost to the City of fire service (either as provided by the City or through contract) exceeds \$1,687,000 per year, the CFD shall include an obligation that each residential unit be obligated to pay a maximum of \$192 per year for fire service costs. This \$192 amount shall be payable each year from 2030 through 2033. In the event that as of January 1, 2033 certificates of occupancy have been issued for at least 2,500 residential units within the Project and that the cost to the City of fire service (either as provided by the City or through contract) exceeds \$1,898,000 per year, the CFD shall include an obligation that each residential unit be obligated to pay a maximum of \$303 per year for fire service costs. This \$303 amount shall be payable beginning 2034 and continuing each year thereafter as long as residential units exist on the Property. The actual amount allocated to each residential unit shall be calculated based on the cost of service in year 2024 for the amount payable between 2025 and 2029, in year 2029 for the amount payable between 2030 and 2033, and in year 2033 for the amount payable beginning in 2034.

16. Public Benefits to be provided by Landowner

16.1 Parks/Open Space. Landowner shall provide parkland and open space through dedication of a perpetual public easement or for the Hybrid Retail Center appropriate covenants, all as set forth in the Phasing Plan improvements to the parklands and within the Hybrid Retail Center as set forth in this Agreement and the Specific Plan. Landowner shall at its sole cost and expense construct all parkland and open space improvements included in the Specific Plan including any dedicated parking for the parks. Landowner shall provide bonds or other forms of security as set forth in the Phasing Plan which is shown as Exhibit J. As a condition to recording each final map that contains a designated park or open space easement, Landowner shall submit, and have approved by the City Administrator and City Attorney, easement and maintenance agreements describing the various relationships between the City, the Landowner, various home owner's associations and property owners regarding the public use and maintenance of parks, paths and other public use areas covered by that final map, which shall include the text attached hereto in Exhibit F and G. The recorded CC&Rs shall include a requirement that the home owner's association provide all necessary and ongoing maintenance

and repairs in conformance with the standards set forth in Exhibit F at no cost to the City, and that the relevant home owner's association obtain and maintain a comprehensive general liability insurance in an amount not less than \$10,000,000 per occurrence combined single limit with the City, its officials, employees and agents identified as additional insured on the insurance policy. The agreements and CC&R section(s) identified herein shall be subject to review and approval as to form by the City Attorney and shall expressly provide the City a third party right to enforce the section(s) referenced herein. If the home owner's association breaches its obligations to provide all necessary and ongoing maintenance and repairs, such breach shall not be considered a breach, Default, justification for a Certificate of Non-Compliance or otherwise be held against the Landowner under this Agreement. The subject CC&Rs shall be recorded as a condition to recording each final map that contains a designated park or open space easement.

16.2 Employment and Training Programs for Inglewood Residents and Businesses; Prevailing Wage. Landowner acknowledges that an essential component of the Project for the City is that it will result in new employment opportunities for Inglewood residents and businesses. In order to ensure that the construction and operation of the Project results in employment opportunities for Inglewood residents and businesses, Landowner agrees to the following terms:

16.2.1 Workforce Outreach Coordination Program. Landowner shall initiate and fund a Workforce Outreach Coordination Program (the "WOCP") at a maximum amount of \$150,000 per year, for a maximum of five (5) years, starting from the date Landowner reasonably estimates to be one year prior to the anticipated start of construction of Phase A. The WOCP shall include the costs of outreach and publicity, and retention of a qualified Workforce Outreach Coordinator whose job responsibilities shall include marshaling and coordinating workforce outreach, training and placement programs for the following types of positions: (i) construction jobs, including pre-apprentice programs, (ii) employees working for retail tenants at the Hybrid Retail Center and (iii) employees working at the Hybrid Retail Center in operations (e.g., security or landscaping). The Workforce Outreach Coordinator shall also marshal and coordinate workforce outreach, training and placement programs in order to engage in the following community outreach activities: (i) notification and advertising of available workforce programs; (ii) establishing a community resources list that will include the Inglewood Contractors Association, the Inglewood Chamber of Commerce, service organizations, block clubs, community town hall meetings, and religious organizations; and (iii) notification and advertising of upcoming job opportunities and job fairs as described in Subsections 16.2.2, 16.2.4 and 16.2.5. The overall objectives and goals of the WOCP shall include the following: (i) establishing strategic community outreach partners with existing organizations such as community organizations, churches, and state and local resources; (ii) partnering with community organizations to facilitate intake and assess potential job training candidates; (iii) building working relationships with contractors, religious organizations, local political leaders and other local organizations; (iv) working with existing workforce training organizations to identify and apply for state and federal grants; (v) working with contractors to estimate the number of employment opportunities and required skills; and (vi) monitoring efforts by contractors as required in this Section. In furtherance of the aforementioned objectives, the Workforce Outreach Coordinator shall also coordinate with existing organizations, which offer employment and training programs for Inglewood residents, including the South Bay Workforce Investment Board (the "SBWIB") and other similar organizations so that the expertise of specific organizations is matched with the particular need of the Project, it being recognized that the needs of the Project and the available organizations will change over time. Landowner shall require that all construction contractors retained for construction for the Project shall have a goal

to hire and employ 15% of the apprentice positions for the construction trades from the list of qualified Inglewood residents, provided that the Landowner's obligations under this Subsection 16.2.1 shall be satisfied by the initiation and funding of the WOCP.

16.2.2 Senior Management Positions. Landowner shall engage in the following process with the objective that a qualified Inglewood resident should be retained for one or more senior management positions, such as the on-site general manager, leasing coordinator, marketing coordinator or community outreach/relations officer ("Senior Management Positions") for the Hybrid Retail Center: (1) upon commencement of job search, publication of job availability of the Senior Management Positions published once each week in a newspaper of general circulation in Inglewood for at least three weeks, and (2) utilization of the resources and networks of the WOCP to identify and solicit qualified Inglewood residents. This obligation shall exist for the duration of this Agreement. The City and Landowner agree that the job specifications and duties for the Senior Management Positions shall be similar to those generally applicable for on-site general managers, leasing coordinators, marketing coordinators and community outreach/relations officers at similar mixed use developments within California.

16.2.3 Project Labor Agreements. Landowner agrees that it shall require that all general contractors enter into a Project Labor Agreement(s) or otherwise utilize union labor for the construction of all the following components of the Project: (i) core and shell of retail and office uses on the Project site; and (ii) the Public Improvements; *provided, however,* that neither Project Labor Agreement(s) nor utilization of union labor shall be required to apply to the following: (i) all work on or otherwise within the Project that is undertaken by or contracted for directly by purchasers, ground lessees and other tenants within the retail and office uses, (ii) the tenant improvement work to be done for the home owner's Association's space, if such work is not done by Landowner, (iii) all work on the hotel to the extent undertaken or contracted for by a purchaser, ground lessee or tenant; (iv) any and all residential development; (v) the home owner's Association's facilities within the residential development area, (vi) existing operations of Hollywood Park which will continue to operate to varying degrees throughout construction of the Project, including but not limited to, operation of the casino, the Racetrack and Grandstand and the employment attendant to such operations; and (vii) minor renovations that precede the giving of the Notice of Start of Development.

16.2.4 MBE/DBE Businesses. Landowner shall require that all construction contractors shall have a goal to achieve participation by minority/disadvantage business enterprises (the "MBE/DBEs") of 30% but in no event less than 18% of the funds awarded for contracts and subcontracts for supplies, equipment and services related to construction activities during the construction of the Project. The Landowner and contractors obligations with respect to this goal are satisfied by engaging in the following activities: (i) utilization of the WOCP to identify and solicit MBE/DBEs; (ii) coordination with organizations such as the Inglewood Contractor's Association to identify and solicit MBE/DBEs; and (iii) funding (by Landowner only) and participation in job fairs as further provided in Subsection 16.2.5. The WOCP shall also identify and solicit MBE/DBEs regarding opportunities related to ongoing operations at the Hybrid Retail Center.

16.2.5 Job Fairs. Landowner shall contribute a maximum of \$250,000 over the lifetime of the Project in order to fund at least four (4) job fairs and related advertising and promotion for the job fairs, in addition to the funding of the WOCP. At least one job fair shall take place six months prior to Landowner giving of the Notice of Start of Development and at least one job fair shall take place at least ninety (90) days prior to the opening of the Hybrid

Retail Center, with the other job fairs to take place at intervals during the construction on the Project Site. The jobs fair shall be open to the general public and include information about available employment opportunities as well as opportunities to submit resumes and applications. Landowner shall publish notice of the jobs fair once each week in a newspaper of general circulation in Inglewood for three weeks prior to the jobs fair. Landowners shall coordinate and consult with the WOCP in the development and presentation of the job fairs.

16.3 School Mitigation. Landowner shall comply with the requirements of Government Code Section 65970 et seq. and Government Code Section 65995 et seq.

16.4 Police Store Front Facility. The Landowner shall pay for and construct a police storefront facility and related improvements located within the area designated in Exhibit H and shall include the following improvements and fixtures, subject to the limitations and conditions contained in this Section 16.4: 2,000 net useable square feet; adjacent to or in close proximity to the theater and the Hybrid Retail Center's private security office; reception area for walk in traffic and customer service; private office area for one lead officer; open area with desk or cubicles for officers; storage area for bikes and other equipment; holding area designed in accordance with State law; male bathroom and locker area; female bathroom and locker area; one shower facility; internet connections for desktop computers; onsite furnishings required for police storefront (i.e., desks, chairs, tables, counter); installation of electrical outlets, lighting, and HVAC; charging system for three-wheeled and two-wheeled electrical personal transporter (e.g., T-3) located in storage or parking area. The police storefront facility may, if determined appropriate by the Chief of Police, be used for I-COP activities. Landowner shall complete design for the police storefront facility as part of the design of the Hybrid Retail Center and prior to approval of the Plot Plan Review for the Hybrid Retail Center. Landowner shall complete construction of the police storefront facility prior to issuance of the first final certificate of occupancy for any of the building(s) within the Hybrid Retail Center. Landowner shall lease the police storefront facility to the City for so long as the Hybrid Retail Center is operating at a rental rate of one U.S. Dollar (\$1.00) per year. The lease shall provide that the Landowner or Transferee as applicable (other than the City) will pay all utility costs, association fees and common area maintenance costs applicable to the police storefront facility during the term of the lease. In consideration for the Landowner's obligations to provide the police storefront facility as described herein, the City shall commit to utilize the police storefront as appropriate and as determined by the Police Chief in her/his sole discretion. Landowner shall have the right to relocate the police storefront facility to another area of the Hybrid Retail Center that satisfies the requirements herein provided that Landowner (1) provides the Chief of Police and the City Administrator a written notice of the intent to relocate the police storefront facility and the proposed new location at least 120 days prior to date the relocation will occur, (2) Landowner pays for and constructs the new police storefront facility and obtains a certificate of occupancy for the police storefront facility at least 15 days before relocation of the police storefront facility, and (3) Landowner pays the City's actual moving costs for transferring equipment and materials to the new location

16.5 Reserved.

16.6 Casino Parcels Final Subdivision Map, Required Parking, and Operation During Renovation. To facilitate the renovation of the existing casino/gambling facility on the Property, the final subdivision map for the casino parcel and the three (3) associated parking parcels shall not be subject to any improvement conditions so that the final maps may be recorded immediately after approval of the tentative map. During the renovation of the casino, there shall be a minimum of 858 parking spaces available to the casino operators for guests and

employees. Prior to the start of the casino renovation, Landowner shall provide the City with a phasing plan indicating the temporary location of the required parking spaces and showing compliance with City parking standards, during the casino renovation, which locations may change as construction progresses. During the renovation and construction of the parking structure, if the Director of Planning, based on substantial evidence, determines that additional parking spaces are necessary, Landowner and City will meet and confer as to the appropriate number of additional spaces that must be provided. If the Parties are unable to mutually agree on an increased amount of spaces, the Chief Planner may increase the number of required parking spaces to 1100.

Landowner has proposed to renovate the casino in such a manner that Landowner will continue operations of approximately 80 gaming tables at the casino at any time during the renovation. During the renovation of the casino, Landowner agrees that it shall, absent a Permitted Delay as set forth in Section 36, continue to operate the casino during renovation in such a manner that 80 gaming tables remain in operation consistent with the historical hours of operation of the casino, use commercially reasonable efforts to maintain current levels of casino revenue during the casino renovation, and maintain pari-mutual betting recognizing that in accordance with the construction schedule pari-mutual betting may be temporarily discontinued during renovation of the casino.

16.7 Funding Support to Offset Loss of Revenues from Closure of Race Track and Start of Development and to any Projected Construction Activity Sales Tax Not Actually Collected by the City. City and Landowner agree that the development of the Project will result in a loss of general fund revenue due to the closure of the Hollywood Park racetrack operations, construction activities on the site, the impact of the Project on the casino operations, and the cost of increased public services for the Project. To mitigate this loss, Landowner agrees that it will use commercially reasonable efforts to maintain thoroughbred horse racing at Hollywood Park until Landowner has (1) obtained any permits necessary to commence construction of the First Phase of the Project, (2) obtained any necessary financing to commence the First Phase of the Project and (3) notified City in writing of its voluntary Election to Discontinue Horseracing. Landowner will use reasonable efforts to obtain approval for horse race dates for each year prior to Landowner's voluntary Election to Discontinue Horseracing. In the event the race dates are approved, the Landowner will take all actions reasonably necessary to operate the racetrack for those race dates. Notwithstanding anything to the contrary contained in this Section 16.7, nothing herein is intended to require Landowner to make extraordinary efforts, beyond past practices, to maintain horse racing or obtain approval of horse racing dates.

In addition, Landowner and City agree that the Fiscal Impact Analysis for the Project provides that the fiscal impact to the City will be negatively impacted if the City does not receive the \$7,739,000 in construction activity related sales tax that has been estimated to be paid to the City.

To offset any lost tax revenue arising after the Landowner's Notice of Start of Development, Landowner shall make payments to the City as described herein. The annual amount due shall be calculated using the City's fiscal year calendar (October 1 through September 30) and the amount payable shall be due no later than October 31st of each year. The amount due for each year shall be equal to the amount calculated by subtracting from \$1,742,000 the amount of sales, simulcast pari-mutual and utility users tax (applicable to gas and electric and water service provided to the Hybrid Retail Center, the casino and other elements of the Project to the extent such elements are ascertainable) paid to the City during the immediately preceding fiscal year and which is attributable to taxable activity on or related to the Property (including any sales tax generated for taxable activity at the Casino that exceeds (1) the \$17,000 per year previously generated by the banquet facility plus (2) the amount of

sales tax revenue estimated to be generated at the Casino pursuant to the “Fiscal Impact Assessment Hollywood Park Specific Plan at Inglewood” dated May 2009 and prepared by Keyser Marston Associates).(the “General Fund Stabilization Payment”). The obligation to make payments set forth in this Section 16.7 shall remain in effect for a maximum of thirteen (13) years from the Effective Date with an overall maximum aggregate obligation not to exceed \$15,800,000.00 payable to the City.

Notwithstanding anything to the contrary contained herein, Landowner shall only be required to make payments to the City if the Inglewood Redevelopment Agency has not defaulted on any obligation to make payments to the Landowner as set forth in Section [] of the Owner Participation Agreement.

Landowner and City agree that once every three years the City and Landowner will calculate the amount of payments made pursuant to this Section and the payments made by the Inglewood Redevelopment Agency pursuant to Section [] of the Owner Participation Agreement. To the extent, that the amount of payments made by Landowner and the Inglewood Redevelopment Agency differ, and the Landowner has paid the lesser amount, Landowner shall pay the City the difference in the two amounts. Any such amount paid shall be credited against future payments due by Landowner pursuant to this Section 16.7 and shall also be credited against the maximum amount payable by Landowner pursuant to this Section 16.7. To the extent that the amount of payments made by Landowner and the Inglewood Redevelopment Agency differ, and the Inglewood Redevelopment Agency has paid the lesser amount, the amount equal to the difference shall be credited against future payments owed by Landowner pursuant to this Section 16.7.

Upon Termination of this Agreement, the payments made by Landowner pursuant to this Section shall not exceed the lesser of \$15,800,000 or the amount of the tax increment funds paid to Landowner pursuant to Section [] of the Owner Participation Agreement.

16.8 Transfer of Rights to Water Rights. Landowner has 282 acre feet annually of adjudicated water rights in the West Coast Basin under the Judgment entered in the water rights adjudication case entitled *California Water Services Company et al v. City of Compton, et al*. The Hollywood Park Final Environmental Impact Report identifies a potentially significant impact of the Project on water supply and requires, as a Mitigation Measure (Mitigation Measure J.1-1), that Landowner convey/ transfer 154 acre feet per year of water from Landowner’s adjudicated water rights to the City. Landowner shall permanently convey and transfer title of 282 acre feet/ per year of its adjudicated water rights to the City by written agreement (hereinafter “Water Agreement”) at no cost to the City. Landowner shall obtain all required approvals and verifications of the Watermaster for the Water Agreement. The form of the Water Agreement shall be subject to review and approval by the City Attorney.

The Landowner shall lease to the City at no cost, the rights to 282 acre feet per year starting as of the Effective Date; provided, however, that if the water rights are leased to an entity other than the City on the Effective Date then Landowner shall only be required to lease said water rights to the City starting on the next July 1st after the Effective Date. The aforementioned lease of water rights to the City shall continue until the approval of any final Master Map for any portion of the First Phase at which time Landowner shall execute and obtain any required approvals of the Water Agreement and convey/transfer the rights to 282 acre feet per year to the City.

Provided Landowner is in compliance with this Section 16.8, the City shall provide the Landowner with unqualified water will serve letters upon Landowner's request, and as may be necessary to permit the recordation of final tract maps. *Recommended additional sentence:* The vesting tentative map approved by the City as part of the Project Approvals shall comply with the provisions of California Government Code Section 66473.7 regarding availability of water.

16.9 Civic Site. Not later than 90 days after the Effective Date, or if there is litigation challenging a Project Approval then within 30 days after the litigation is finally concluded and not subject to appeal, Landowner shall convey to the City the 4-acre parcel of land on the Property designated as the Civic Site by grant deed free of encumbrances or liens, except for the City traffic control signals easement, natural gas line, reclaimed and potable water lines and monitoring well and other encumbrances as shown on the attached Exhibit I (the "Civic Site"). The deed shall expressly reserve temporary access easements in favor of Landowner, and its successors, in order to allow for the construction of street and other Public Improvements adjacent to the Civic Site and to provide Landowner, or its successors, an access easement to access the monitoring well to collect samples. To the extent the potable waterline easement, reclaimed waterline or gas pipeline easement shown on the attached Exhibit I interfere with the City's chosen Civic use, upon the City's written request to the Landowner, the Landowner shall remove the potable waterline reclaimed waterline or pipeline easement within the later to occur of three years after the Effective Date or the date that the City has secured the building permits for the Civic use and is ready to commence construction. If Landowner has not otherwise removed the potable waterline, reclaimed waterline or pipeline easement within the aforementioned time frame, then Landowner shall reimburse the City for the costs to remove and relocate the subject water and gas lines. The City shall take the Civic Site subject to the existing monitoring well and Landowner shall have no obligation to remove the associated monitoring well.

City may select and approve a civic use that is consistent with the uses analyzed in the EIR for the Project and permissible on the Civic Site pursuant to the Specific Plan; *provided, however,* that notwithstanding anything to the contrary contained in this Agreement or the Specific Plan, the City may not select the following uses for the Civic Site: market-rate housing, retail, commercial or office unless the commercial or office use is accessory to an otherwise permissible civic use. City may also select, as a proposed civic use, affordable housing or affordable senior housing use of up to 200 residential units provided that the standards and design are consistent with the Specific Plan and compatible with the Project. The City shall be responsible for preparing any additional environmental review that may be necessary for the proposed use of the Civic Site to the extent such additional review is necessary. The EIR for the Specific Plan anticipates a base entitlement of 2,995 units and a maximum of 3,500 housing units on-site through the use of the Equivalency Program in the Specific Plan which allows for the conversion of retail, office and hotel development to a maximum of 505 residential units. To accommodate the utilization of the Civic Site for affordable housing, Landowner agrees that to the extent the City shall select and approve the affordable housing/senior housing use not later than the earlier of three (3) years from the giving of the Notice of Start of Development or six years after the Effective Date, Landowner shall forego the ability to convert to an equal number of units under the Equivalency Program. To the extent that the City selects affordable/senior residential uses for the Civic Site within the aforementioned time period, the maximum amount of additional housing units that may be created by Landowner through the Equivalency Program shall be an aggregate 505 units, less the number of units approved by the City (up to a maximum of 200), it being understood that none of the Landowner's entitlements for non-residential uses (e.g., hotel, retail, office, etc.) are required to be converted in order for the City to utilize the 200 affordable/senior units for the Civic Site. If City does not select and approve the affordable housing/senior housing use within the aforementioned time period, then there shall be no restrictions on Landowner's utilization of the Equivalency Program and Landowner shall be entitled to create up to 505 residential units under the Equivalency Program and the City shall be responsible for preparing any additional environmental review that may be necessary for the proposed use of the Civic Site to the extent such additional review is

necessary, including an analysis of the impacts of any residential units ultimately approved by the City, in addition to the maximum of 3,500 housing units analyzed in the EIR.

16.10 Construction Sub-Permit for Sales Tax Allocation. Landowner shall designate, and shall cause its contractors, subcontractors, vendors and other third parties under its control or with whom it enjoys privity of contract to designate the City of Inglewood as the point of sale for California sales and use tax purposes (to the extent the payment of sales and use tax is required by applicable law), for all purchases of materials, fixtures, furniture, machinery, equipment and supplies for the Project during construction thereof.

16.11 Demolition and Recycling of Materials from Existing Improvements
Demolition and Materials for Export: The demolition area shall be located on the site in an area that has limited visibility from Century Boulevard and Prairie Avenue and that is surrounded by a six foot high security fence with a fabric scrim. Consistent with sustainability principals, Landowner shall recycle demolition materials to the extent reasonably possible. Materials generated during demolition that will not be reused on site shall be exported as soon as is practical within 3 months of the demolition that generated the subject materials.

Materials to be Reused On-Site: A portable crushing plant will be set up on site to crush concrete and asphalt ("Aggregate") and to allow the Aggregate to be recycled and reused on site for road base and other miscellaneous uses. The portable crushing plant shall be located in the area designated as the rock crushing and storage site on the attached Exhibit M. During the initial phases of construction the portable crushing plant shall be located no closer than 900 feet to the adjacent property line. The Parties recognize that as the construction proceeds the plant location will change, but in no event shall the portable crushing plant be located less than 300 feet from adjacent existing residential uses as shown on Exhibit M. In addition, the portable crushing plant shall be located and operated in such a manner that noise generated from the plant is consistent with the City's noise ordinance. Aggregate and other materials that will be reused on-site shall be stored within a fenced area in a location that limits to the greatest extent possible their visibility from Century Boulevard and Prairie Avenue and from adjacent residential properties. If onsite construction of Public Improvements ceases for a period of 24 months and the Aggregate piles can not be adequately screened from public view, then the Aggregate piles shall be relocated at the request of the City.

With regards to both categories identified herein, Landowner shall comply with all applicable Air Quality Management District regulations and conditions. In addition, prior to issuance of any building or grading permit for the Project, Landowner shall prepare a dust control management plan for consideration and approval by the Director of Planning. The dust control management plan shall supplement the conditions and requirements of the Air Quality Management District and may include items such as vouchers for car washes or similar measures.

16.12 Permit Parking Infrastructure Costs. Landowner shall pay the costs of all equipment and signage as necessary to implement a permit parking system on public streets within the Project if a permit parking program is approved and implemented as part of a parking cure program pursuant to Section 2.11.10 of the Specific Plan.

17. Phasing. The Parties acknowledge that presently Landowner cannot predict the exact timing or sequence of the Phasing of the Project. Landowner therefore shall have the right to develop the Project in phases in such order and at such times as Landowner deems appropriate within the exercise of its subjective business judgment and the provisions of this Agreement. However, Public Improvements shall be incorporated as specified in the Phasing Plan as set

forth in Exhibit J, and the First Phase shall include: (i) a minimum of 500,000 gross square feet of Hybrid Retail Center as defined in Section 2 , which will include (a) at least two anchor tenants one of which shall be a theater with a minimum of 12 screens and (b) a minimum of ten thousand square feet of Upscale Table-Service Restaurant space as defined in Section 2.49, (ii) a police storefront facility located in the mixed use zone as set forth in Section 16.4 and (iii) at least 25,000 square feet of office/commercial uses in the mixed-use zone of the Property (collectively the "First Phase"). It is understood that the casino renovation project will precede the commencement of new development, including the First Phase, and is considered "Phase A". The casino renovation phase includes the construction of a parking structure associated with the casino uses which will free the surface lots currently utilized for casino parking.

By entering into this Agreement, Landowner shall not be obligated to develop the Property. In addition, notwithstanding anything to the contrary contained in this Agreement, Landowner's obligation to provide a Hybrid Retail Center in the First Phase will be satisfied so long as Landowner (1) develops a Hybrid Retail Center consistent with the Design Guidelines and Development Standards set forth in the Specific Plan and substantially consistent with the design and architectural character of the model presented to the City and (2) makes a good faith effort to lease the 500,000 square feet of retail space consistent with the requirements set forth in this Section and Section 2.24. Notwithstanding anything to the contrary contained in this Agreement, City may not require Landowner to lease to particular retail tenants or otherwise interfere with Landowner's leasing of the Hybrid Retail Center; provided, however, Landowner shall not lease or convey any portion of the Hybrid Retail center for the following uses: (a) membership warehouse stores; (b) liquidation retailers such as "99 Cent Only" stores and "\$1 Only" stores; (c) drive-through fast food or (d) stand alone pads on which fast-food restaurants are located.

18. Transfers and Assignments. Subject to the terms of this Section 18, Landowner shall have the right to assign or transfer all or any portion of its interest, rights or obligations under this Agreement to third Persons (the "Transferee") acquiring an interest or estate in all or a portion of the Property (the "Transferred Property"), including, but not limited to, purchasers or long term ground lessees of individual lots, parcels, or of any of the buildings located within the Property. Any sale, transfer or conveyance of the Property, or portion thereof, shall comply with the state Subdivision Map Act and City Subdivision Ordinance. Landowner shall provide thirty (30) days written notice to City prior to the effective date of any sale, transfer or assignment (collectively, "Transfer") of its interest in all or any portion of the Property or any of its interests, rights and obligations under this Agreement, and upon giving of such notice Transferee shall be deemed a Party. Landowner shall remain fully liable for all obligations and requirements under this Agreement after the effective date of the Transfer unless Landowner satisfies the following conditions: (1) prior to the effective date of the Transfer, Transferee executes and delivers to City an Assignment and Assumption Agreement in the form set forth in Exhibit K to this Agreement specifying the obligations and requirements to be assumed by the Transferee; (2) Landowner has not received a notice of a Default under this Agreement that remains uncured as of the effective date of the Transfer; and (3) Landowner has received the applicable consent to the Assignment and Assumption Agreement as follows: (a) if Transferee is to assume any of the obligations or requirements to construct Public Improvements in the First Phase, then prior written consent of the City shall be required, which consent shall not be unreasonably withheld, and (b) if Transferee is to assume any of the obligations or requirements to construct Public Improvements in phases subsequent to the First Phase, then prior written consent of the City Administrator on behalf of the City shall be required, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, if Transferee is to assume only the site-specific obligations, conditions or requirements that are related to the development of the Transferred

Property (i.e., the Mitigation Measures or Plot Plan Review conditions of approval, but not any obligation to construct Public Improvements), then no consent shall be required. If conditions (1) and (2) are satisfied, and any consent (to the extent consent is required herein) is given, then Landowner shall be released from any further liability or obligation under this Agreement related to the Transferred Property as specified in the Assignment and Assumption Agreement, and the Transferee shall be deemed to be the "Landowner" under this Agreement with all rights and obligations related thereto, with respect to such Transferred Property. Notwithstanding anything to the contrary contained in this Agreement, if a Transferee Defaults under this Agreement, such Default shall not constitute a Default by Landowner with respect to any other portion of the Property hereunder and shall not entitle City to Terminate or modify this Agreement with respect to such other portion of the Property.

19. Lender Obligations and Protections.

19.1 Encumbrances on the Property. The Parties hereto agree that this Agreement shall not prevent or limit Landowner, in any manner, from encumbering the Property (except that subject to Section 16.9. the Civic Site shall be dedicated to the City free of any mortgages or encumbrances) or any portion thereof or any improvements thereon with any Mortgage securing financing with respect to the construction, development, use, or operation of the Property.

19.2 Mortgagee Obligations. A Mortgagee not in legal possession of the Property or any portion thereof shall not be subject to the obligations or liabilities of the Landowner under this Agreement, including the obligation to construct or complete construction of improvements or pay fees. A Mortgagee in legal possession shall not have any obligation or duty under this Agreement to construct or complete the construction of improvements, or to pay, perform or provide any fee, dedication, improvements or other exaction or imposition. A Mortgagee in legal possession of the Property or portion thereof shall only be entitled to use of Property or to construct any improvements on the Property in accordance with the Project Approvals and this Agreement if Mortgagee fully complies with the terms of this Agreement.

19.3 Mortgage Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, after the date of recording this Agreement, including the lien for any deed of trust or Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all the terms and conditions contained in this Agreement shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or Mortgagee that acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise, and any such Mortgagee or successor to a Lender that takes title to the Property or any portion thereof shall be entitled to the benefits arising under this Agreement.

19.4 Notice of Default to Mortgagee; Right of Lender to Cure. If City receives notice from a Mortgagee requesting a copy of any notice of Default given Landowner under this Agreement and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Landowner, any notice given to Landowner with respect to any claim by City that Landowner is in Default and/or Certificate of Non-Compliance. Each Mortgagee shall have the right during the same period available to Landowner to cure or remedy, or to commence to cure or remedy, the Default or non-compliance as provided in this Agreement; provided, however, that if the Default, non-compliance or Certificate of Non-Compliance is of a nature which can only be remedied or cured by such Mortgagee upon obtaining possession, such Mortgagee may seek to obtain possession with diligence and

continuity through a receiver or otherwise, and shall thereafter remedy or cure the Default, noncompliance or Certificate of Non-Compliance within ninety (90) days after obtaining possession. If any such Default, noncompliance or Certificate of Non-Compliance cannot, with diligence, be remedied or cured within such ninety (90) day period, then such Mortgagee shall have such additional time as may be reasonably necessary to remedy or cure such Default, noncompliance or Certificate of Non-Compliance (including but not limited to proceeding to gain possession of the Property) if such Mortgagee commences cure during such ninety (90) day period, and thereafter diligently pursues completion of such cure to the extent possible.

20. Estoppel Certificate. Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting such Party to certify in writing that, to the knowledge of the certifying Party, (a) this Agreement is in full force and effect and a binding obligation of the Parties, (b) this Agreement has not been amended or modified either orally or in writing, and if so amended, identifying the amendments, (c) the requesting Party is not in Default in the performance of its obligations under this Agreement, or if in Default, to describe therein the nature and amount of any such Defaults; and (d) such other information as may reasonably be requested. A Party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof. The City Administrator shall have the right to execute any certificate requested by Landowner hereunder. City acknowledges that a certificate hereunder may be relied upon by Transferees, Lenders and Mortgagees.

21. Annual Review.

21.1 Review Date. The annual review date for this Agreement shall occur each year on the anniversary date of the Effective Date of this Agreement (“Annual Review Date”).

21.2 Required Information from Landowner. Not more than sixty (60) days and not less than forty-five (45) days prior to the Annual Review Date, the Landowner shall provide a letter to the Planning Director containing evidence to show compliance with this Agreement, including, but not limited to, compliance with the requirements regarding the following: the Phasing Plan attached hereto as Exhibit J, the First Phase improvements, the Public Improvements constructed or under construction by Landowner, and the dedication of lands and easements to the City or any public agency. The burden of proof, by substantial evidence, of compliance is upon the Landowner.

21.3 City Report. Within forty (40) days after Landowner submits its letter, the Planning Director shall review the information submitted by Landowner and all other available evidence on Landowner’s compliance with this Agreement. All such available evidence including public comments and final staff reports shall, upon receipt of the City, be made available as soon as possible to Landowner. The Planning Director shall notify the Landowner in writing whether the Landowner has complied with the terms of this Agreement. If Planning Director finds the Landowner in compliance, the Planning Director shall issue a Certificate of Compliance. If Planning Director finds the Landowner is not in compliance, the Planning Director shall issue a Certificate of Non-Compliance after complying with the procedures set forth in Section 21.4. The City’s failure to timely complete the annual review is not deemed to be a waiver of the right to do so at a later date.

21.4 Non-compliance with Agreement; Hearing. Prior to issuing a Certificate of Non-Compliance, if the Planning Director, on the basis of substantial evidence, finds that the Landowner has not complied with the terms of this Agreement, it shall specify in writing to Landowner, with reasonable specificity, the respects in which Landowner has failed to comply.

The Planning Director shall also specify a reasonable time for Landowner to meet the terms of compliance, which time shall be not less than thirty (30) days, and shall be reasonably related to the time necessary for Landowner to adequately bring its performance into compliance with the terms of this Agreement, subject to any Permitted Delay; *provided, however*, that if the non-compliance solely involves a monetary Default, then the Planning Director may require payment in ten (10) days. If after the reasonable time for Landowner to meet the terms of compliance has passed and the Planning Director, on the basis of substantial evidence, continues to find that the Landowner has not complied, then Planning Director shall issue a Certificate of Non-Compliance. Any Certificate of Non-Compliance shall be made in writing with reasonable specificity as to the reasons for the determination, and a copy shall be provided to Landowner in the manner prescribed in Section 21.3. If the Planning Director issues a Certificate of Non-Compliance, then the City Council shall conduct a hearing within thirty (30) days of the Planning Director's issuance of the Certificate of Non-Compliance. The Landowner shall be given ten (10) days written notice of the hearing and copies of the evidence upon which the Planning Director made her/his determination. Landowner will be given the opportunity to present evidence at the hearing. If the City Council determines that the Landowner is not in compliance with this Agreement, it may initiate proceedings to modify or Terminate this Agreement, at which time an administrative hearing shall be conducted.

21.5 Appeal of Determination. The decision of the City Council as to Landowner's compliance shall be final, and any Court action or proceeding to attack, review, set aside, void or annul any decision of the determination by the City Council shall be commenced within thirty (30) days of the final decision by the City Council.

21.6 Costs. Costs reasonably incurred by the City in connection with the annual review and related hearings shall be paid by Landowner in accordance with the City's schedule of fees and billing rates for staff time in effect at the time of review.

21.7 Effect on Transferees. If Landowner has effected a transfer so that its interest in the Property has been divided between Transferees, then the annual review hereunder shall be conducted separately with respect to each Party, and the Planning Director, and if appealed, the City Council shall make its determinations and take its actions separately with respect to each Party. If the Planning Director or City Council Terminates, modifies or takes such other actions as may be specified in Section 25 of this Agreement in connection with a determination that such Party has not complied with the terms and conditions of this Agreement, such action by the Planning Director, or the City Council shall be effective only as to the Party to whom the determination is made and the portions of the Property in which such Party has an interest.

21.8 Default. The rights and powers of the City Council under this Section 21 are in addition to, and shall not limit, the rights of the City to Terminate or take other action under this Agreement on account of the commission by Landowner of an event of Default.

22. Indemnification. Landowner agrees to indemnify, defend and hold harmless City, Redevelopment Agency, any City agencies and their respective elected and appointed councils, boards, commissions, officers, agents, employees, volunteers and representatives from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) and from any and all claims, demands and actions in law or equity (including attorneys' fees and litigation expenses) by any Person or entity, directly or indirectly arising or alleged to have arisen out of or in any way related to (1) the approval of this Agreement or the Project Approvals; (2) any development or use of the Property under this Agreement or the

Project Approvals; and (3) any actions or inactions by the Landowner or its contractors, subcontractors, agents, or employees in connection with the construction or improvement of the Property and the Project, including off-site Public Improvements; *provided, however*, that once the City accepts the Public Improvements Landowner's indemnification obligation with respect to those improvements shall cease. Notwithstanding the foregoing, Landowner shall have no indemnification obligation (1) with respect to the gross negligence or willful misconduct of City, its contractors, subcontractors, agents or employees; (2) with respect to the maintenance, use or condition of any improvement or portion of the Property after the time it has been dedicated to and accepted by the City or another public entity, or taken over by a home owner's association (except as provided in an improvement agreement or maintenance bond); (3) with respect to the public use easements after the time the public use easements have been accepted by the City. The indemnity under this Section does not survive Termination of this Agreement but shall be independent of other indemnities or indemnity agreements, which may survive in accordance with their terms.

23. Amendment, Cancellation or Suspension.

23.1. Modification Because of Conflict with State or Federal Laws. In the event that State or Federal laws or regulations enacted after the Effective Date of this Agreement prevent or preclude compliance with one or more provisions of this Agreement or require substantial and material changes in Project Approvals, the parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement to comply with such federal or State law or regulation. Any such amendment of the Agreement shall be approved by the City Council in accordance with State law, the City Code, and this Agreement.

23.2. Amendment by Mutual Consent. This Agreement may be amended in writing from time to time by mutual consent of the parties hereto and in accordance with the procedures of State law, the City Code and this Agreement.

23.3. Substantive Amendments. Any substantive amendment to the Agreement shall require approval of an amendment to this Agreement in accordance with state law and the City Code. The term "Substantive Amendments" is defined to include the following: (a) any change to the term of this Agreement beyond the Initial Term and any Term Extension; provided; however, that a Term Extension shall not constitute a Substantive Amendment to the Agreement; (b) any changes to the permitted uses of the Project or the density and/or intensity of use of the Project to the extent that the change increases the cost of Project-related services to the City's General fund or reduces the anticipated Project-related revenues to the City's general fund beyond those costs and revenues currently estimated in the Fiscal Analysis for the Project prepared by Keyser Marston Associates; (c) any changes to provision(s) in this Agreement or the Project Approvals related to reservation or dedication of land or easements; (d) any changes to provision(s) in this Agreement or the Project Approvals related to monetary contributions or payments by Landowner; or (e) a material amendment to the Financing Plan. If a Substantive Amendment is required, the City, in its reasonable discretion, may withhold or suspend any Subsequent Approval until the approval of the Substantive Amendment is final. Notwithstanding anything to the contrary contained in this Section 23.3 and in accordance with Section 7.5 of this Agreement, a Substantive Amendment to this Agreement shall not be required due to a change to the Project unless the change in the Project will result in an increase of the cost of project-related services to the City's general fund or reduces the anticipated project-related revenues to the City's general fund beyond those costs and revenues currently estimated in the Fiscal Analysis referenced above, even if such change to the Project does require an amendment to the Specific Plan or other Existing Land Use Regulation.

23.4. Minor Amendment. A “Minor Amendment” is any amendment of this Agreement other than a Substantive Amendment. A Minor Amendment may be approved by written agreement approved, without a public hearing, by the City Administrator.

23.5. Cancellation by Mutual Consent. This Agreement may be Terminated in whole or in part by the mutual consent of the parties or their successors in interest, in accordance with the provisions of the State law and the City Code. Any fees or payments of any kind paid pursuant to this Agreement prior to the date of mutual Termination shall be retained by City.

23.6. Suspension by City. City may suspend this Agreement or a portion thereof, if it finds, in its reasonable and sole discretion, that suspension is necessary to protect persons or property from a condition which would create an immediate and serious risk to the health and safety of the general public or residents or employees who are occupying or will occupy the Property, such as might be the case in the event of a major earthquake or natural disaster of similar magnitude.

24. Default. Subject to Section 36, a Party’s violation of any material term of this Agreement or failure by any Party to perform any material obligation of this Agreement required to be performed by such Party shall constitute a default ("Default"). A Default by the Landowner includes, but is not limited to, the following: failure by the Landowner to: (a) pay when due any fee, tax or assessment enacted pursuant to the Financing Plan or otherwise applicable to the Project or Property and required to be paid by Landowner; (b) transfer, reserve or dedicate land for Public Improvements; or (c) implement or comply with terms and conditions set out in Project Approvals, including, but not limited to, Mitigation Measures, conditions of approval, and subsequent conditions relative to parking imposed in accordance with the provisions of the Specific Plan. While Landowner is in Default under this Agreement, City shall not be obligated to issue any permit or grant any Subsequent Approval until Landowner cures the Default in accordance with Section 26.2.

25. Remedies for Default. Subject to the notice and opportunity to cure provisions in Section 26 below, the sole and exclusive judicial remedy for any Party in the event of a Default by the other Party shall be an action in mandamus, specific performance, or other injunctive or declaratory relief. In addition, upon the occurrence of a Default and subsequent to the procedures described in Section 26, the non-defaulting Party shall have the right to Terminate this Agreement, but any such Termination shall not affect such Party’s right to seek a remedy on account of the Default for which this Agreement has been Terminated, and shall be subject to the procedures specified in this Agreement. Landowner expressly agrees that the City, Redevelopment Agency, any City agencies and their respective elected and appointed councils, boards, commissions, officers, agents, employees, volunteers and representatives (collectively, for purposes of this Section 25, “City”) shall not be liable for any monetary damage for a Default by the City or any claims against City arising out of this Agreement. Landowner hereby expressly waives any such monetary damages against the City. City expressly agrees that the Landowner and its officers, agents, employees, volunteers and representatives (collectively, for purposes of this Section 25, “Landowner”) shall not be liable for any monetary damage for a Default by the Landowner or any claims against Landowner arising out of this Agreement. City hereby expressly waives any such monetary damages against Landowner. Any legal action by a Party alleging a Default must be filed within 180 days from the end of the default procedure described in Section 26.

26. Procedure Regarding Defaults. For purposes of this Agreement, a Party claiming another Party is in Default shall be referred to as the "Complaining Party," and the Party alleged to be in Default shall be referred to as the "Party in Default." A Complaining Party shall not exercise any of its remedies as the result of Default unless such Complaining Party first gives notice to the Party in Default as provided in this Section, and the Party in Default fails to cure such Default within the applicable cure period.

26.1. Notice. The Complaining Party shall give written notice of Default to the Party in Default, specifying the Default alleged by the Complaining Party. Delay in giving such notice shall not constitute a waiver of any Default nor shall it change the time of Default.

26.2. Cure. Subject to Section 36, the Party in Default shall have thirty (30) days from receipt of the notice of Default to effect a cure prior to exercise of remedies by the Complaining Party. If the nature of the alleged Default is such that it cannot, practicably be cured within such thirty (30) day period, the cure shall be deemed to have occurred within such thirty (30) day period if: (a) the cure shall be commenced at the earliest practicable date following receipt of the notice; (b) the cure is diligently prosecuted to completion at all times thereafter; (c) at the earliest practicable date (in no event later than thirty (30) days after the curing Party's receipt of the notice), the curing Party provides written notice to the other Party that the cure cannot practicably be completed within such thirty (30) day period; and (d) the cure is completed at the earliest practicable date. The Party in Default shall diligently endeavor to cure, correct or remedy the matter complained of, provided such cure, correction or remedy shall be completed within the applicable time period set forth herein after receipt of written notice (or such additional time as may be agreed to by the Complaining Party to be reasonably necessary to correct the matter).

26.3. Failure to Assert. Any failures or delays by a Complaining Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies. Delays by a Complaining Party in asserting any of its rights and remedies shall not deprive the Complaining Party of its right to institute and maintain any actions or proceedings, which it may deem necessary to protect, assert, or enforce any such rights or remedies.

26.4. Procedure for Terminating Agreement upon Default. If the City desires to Terminate this Agreement in the event of a Default, the matter shall be set for a public hearing before the City Council. The burden of proof of whether a Party is in Default shall be on the Party alleging Default. If City Council determines that Landowner is in Default and has not cured to City's reasonable satisfaction, or that the Default presents a serious risk to public health, safety or welfare, the City Council may Terminate this Agreement.

26.5. No Cross Default. Notwithstanding anything to the contrary in this Agreement, if Landowner has effected a Transfer so that its interest in the Property has been divided between Transferees, then any determination that a Party is in Default shall be effective only as to the Party to whom the determination is made and the portions of the Property in which such Party has an interest.

27. Attorneys' Fees and Costs in Legal Actions by Parties to the Agreement. If either Party brings an action or proceeding (including, without limitation, any cross-complaint, counterclaim, or third-party claim) against the other Party by reason of a Default, or otherwise arising out of this Agreement, the prevailing Party in such action or proceeding shall be entitled to its costs and expenses of suit, including but not limited to reasonable attorneys' fees

(including, without limitation, costs and expenses), which shall be payable whether or not such action is prosecuted to judgment. "Prevailing Party" within the meaning of this Section 27 shall include, without limitation, a Party who dismisses an action for recovery hereunder in exchange for payment of the sums allegedly due, performance of covenants allegedly breached, or consideration substantially equal to the relief sought in the action.

28. Attorneys' Fees and Costs in Legal Actions by Third Parties to the Agreement. If any Person or entity not a Party to this Agreement initiates an action at law or in equity to challenge the validity of any provision of this Agreement or the Project Approvals, the parties shall cooperate in defending such action. Landowner shall bear its own costs of defense as a real party in interest in any such action, and Landowner shall reimburse City for all costs (including, court costs) and attorneys' fees incurred by City in defense of any such action or other proceeding. In its sole discretion, City may tender its defense of such action to Landowner or defend the action itself. Upon a tender of defense to Landowner by City, Landowner shall defend through counsel approved by City, which approval shall not be unreasonably withheld, and Landowner shall bear all attorneys' fees and costs from the date of tender.

29. Third Party Court Action/Limitation on Actions. If any court action or proceeding is brought by any third party to challenge any Project Approval, or this Agreement, then (a) Landowner shall have the right to Terminate this Agreement upon thirty (30) days' notice in writing to City, given at any time during the pendency of such action or proceeding, or within ninety (90) days after the final determination therein (including any appeals), irrespective of the nature of such final determination, and (b) any such action or proceeding shall constitute a Permitted Delay(s). The Parties agree that if this Agreement is Terminated pursuant to the authority in this section, that all Project Approvals shall be terminated and of no further force and effect. Any action by any third party to attack, review, set aside, void or annul any action or decision taken by a Party under this Agreement shall not be maintained by such third party unless such action or proceeding is commenced within ninety (90) days after the date such decision or action is made or taken hereunder, or such shorter period as is prescribed by Law.

30. Reimbursement of Development Agreement Costs and Fees. Landowner shall reimburse City for all of its reasonable and actual costs, fees and expenses incurred in drafting, reviewing, revising and processing this Agreement, including, but not limited to, recording fees, ordinance publication fees, special notice or special meeting costs, staff time in preparing staff reports, and staff time, including legal counsel fees, for preparation and review of this Agreement and changes requested by Landowner.

31. Eminent Domain. If Landowner is required by City to acquire parcels or rights-of-way necessary for construction of Public Improvements and is unable to do so, the City may attempt to negotiate a purchase with the property owner. If necessary, and in compliance with State law, City may use its power of eminent domain, in which case Landowner shall pay for all costs, expenses and fees, including attorneys fees and staff time, incurred by City in an eminent domain action; *provided, however*, that prior to using its power of eminent domain, City shall seek alternative or substitute parcels or rights-of-way for construction of Public Improvements. If the necessary land cannot be acquired, the Parties shall negotiate an amendment to this Agreement which may include changes to Vested Rights and Project Approvals; *provided, however*, that prior to negotiating an amendment to this Agreement, City shall seek alternative or substitute parcels or rights-of-way for construction of Public Improvements.

32. Disclosure Requirements for Residential Buyers. Prior to recording each final subdivision map, Landowner shall provide CC&Rs describing the map's conditions of approval that will survive map recordation, to the Director of Planning and the City Attorney or their designees for review and approval. Said CC&Rs shall be recorded concurrently with the recording of the relevant final subdivision map. In order to provide notice to residential buyers of the unique characteristics of living in or near a mixed-use development, these CC&Rs shall contain provisions as shown on the attached Exhibit L, which addresses the following topics: (a) notice of proximity of residential uses to restaurant uses, liquor sales, cinema uses, casino use and gaming activities, and (b) parking requirements and garage restrictions that are unique to the Specific Plan.

33. Agreement Runs with the Land. Except as otherwise provided for in this Agreement, all of the provisions, agreements, rights, terms, powers, standards, covenants, and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors and assignees, representatives, lessees, and all other Persons acquiring the Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever. All of the provisions of this Agreement shall be enforceable as equitable servitude and shall constitute covenants running with the land pursuant to applicable laws, including, but not limited to, Section 1468 of the Civil Code of the State of California, and the burdens and benefits shall be binding upon and inure to the benefit of each of the Parties and their respective heirs, successors (by merger, consolidation, or otherwise), assigns, devisees, administrators, representatives, and lessees.

34. Bankruptcy. The obligations of this Agreement shall not be dischargeable in bankruptcy.

35. Insurance.

35.1. Public Liability and Property Damage Insurance. At all times that Landowner is constructing any improvements that will become Public Improvements, Landowner shall maintain in effect a policy of comprehensive general liability insurance with a per-occurrence combined single limit of not less than five million (\$5,000,000) dollars and a deductible of not more than fifty thousand (\$50,000) dollars per claim. The policy so maintained by Landowner shall name the City as an additional insured and shall include either a severability of interest clause or cross-liability endorsement.

35.2. Workers' Compensation Insurance. At all times that Landowner is constructing any improvements that will become Public Improvements, Landowner shall maintain workers' compensation insurance as required by California law for all persons employed by Landowner for work at the Project site. Landowner shall require each contractor and subcontractor similarly to provide workers' compensation insurance for its respective employees. Landowner agrees to indemnify the City for any damage resulting from Landowner's failure to maintain any such insurance.

35.3. Evidence of Insurance. Prior to commencement of construction of any improvements which will become Public Improvements, Landowner shall furnish City satisfactory evidence of the insurance required in Sections 35.1 and 35.2 and evidence that the carrier is required to give the City at least fifteen (15) days prior written notice of the cancellation or reduction in coverage of a policy. The insurance shall extend to the City, Redevelopment Agency, other City agencies and their respective elective and appointive boards, commissions,

officers, agents, employees, volunteers and representatives and to Landowner performing work on the Project.

36. Excuse for Nonperformance. Notwithstanding anything to the contrary in this Agreement, Landowner and City shall be excused from performing any obligation or undertaking provided in this Agreement, except any obligation to pay any sum of money under the applicable provisions hereof, in the event and so long as the performance of any such obligation is prevented or delayed, retarded or hindered by act of God, fire, earthquake, flood, explosion, action of the elements, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, condemnation, requisition, laws, litigation, orders of governmental, civil, military or naval authority, or any other cause, whether similar or dissimilar to the foregoing, not within the control of the Party claiming the extension of time to perform (a "Permitted Delay"); *provided, however*, that any failure by Redevelopment Agency to make required payments or reimbursements under the OPA shall excuse the Landowner from making any payments or reimbursements under this Agreement that were the subject of the reimbursement or payment obligation, including (1) General Fund Stabilization Payments pursuant to Section 16.7; (2) Exactions listed in the Financing Plan that are first adopted or imposed by the City on the Project after the Adoption Date, and (3) Exactions listed in the Financing Plan that are increased by an amount in excess of any CPI Factor increase applied to the base fee as of the Adoption Date. The Party claiming such extension shall send written notice of the claimed extension to the other Party within thirty (30) days from the commencement of the cause entitling the Party to the extension.

37. Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the Landowner and the City and their successors and assigns. No other Person shall have any right of action based upon any provision in this Agreement. City and Landowner hereby renounce the existence of any third party beneficiary to this Agreement and agree that nothing contained herein shall be construed as giving any Person third party beneficiary status.

38. Severability. Except as set forth herein, if any term, covenant or condition of this Agreement or the application thereof to any Person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to Persons, entities or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law; *provided, however*, if any provision of this Agreement is determined to be invalid or unenforceable and the effect thereof is to deprive a Party hereto of an essential benefit of its bargain hereunder, then such Party so deprived shall have the option to Terminate this entire Agreement from and after such determination.

39. Waiver; Remedies Cumulative. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of a Default shall be effective or binding upon such Party unless made in writing by such Party and no such waiver shall be implied from any omission by a Party to take any action with respect to such Default. No express written waiver of any Default shall affect any other Default, or cover any other period of time, other than any Default and/or period of time specified in such express waiver. Except as provided in Section 25, all of the remedies permitted or available to a Party under this

Agreement, or at law or in equity, shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

40. Applicable Law and Venue. This Agreement, and the rights and obligations of the Parties, shall be governed by and interpreted in accordance with the laws of the State of California. The parties agree that any lawsuit or legal proceeding arising hereunder shall be heard in the Federal District Court in the Central District (Downtown Branch) if in federal court or the Torrance Superior Court if in California Superior Court, except that any writ of mandamus shall be filed in the Los Angeles Superior Court or as otherwise required by the Court.

41. Notices. Any notice to either Party required by this Agreement, the enabling legislation, or the procedure adopted pursuant to Government Code Section 65865, shall be in writing and given by delivering the same to such Party in person or by sending the same by registered or certified mail, or express mail, return receipt requested, with postage prepaid, to the Party's mailing address. The respective mailing addresses of the Parties are, until changed as hereinafter provided, the following:

City:	City of Inglewood One Manchester Boulevard Inglewood, California 90301 Attention: City Administrator
with a copy to:	Office of the City Attorney One Manchester Boulevard Inglewood, California 90301
Landowner:	Hollywood Park Land Company, LLC c/o Stockbridge Real Estate Funds Four Embarcadero Center, Suite 3300 San Francisco, CA 94111 Attention: Christopher Meany
with a copy to:	Hollywood Park Land Company, LLC c/o Wilson Meany Sullivan, LLP 100 Wilshire Boulevard, Ste 940 Santa Monica, California 90401 Attention: Douglas Moreland
with a copy to:	Gibson, Dunn & Crutcher LLP 333 S. Grand Avenue Suite 4900 Los Angeles, California 90071 Attention: Amy R. Forbes

Any Party may change its mailing address at any time by giving written notice of such change to the other Party in the manner provided herein at least ten (10) days prior to the date such change is effected. All notices under this Agreement shall be deemed given, received, made or communicated on the date personal delivery is affected or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

42. Form of Agreement; Recordation; Exhibits. The City shall cause this Agreement, any amendment hereto and any Termination of any parts or provisions hereof, to be recorded, at Landowner's expense, with the County Recorder within ten (10) days of the Effective Date thereof. Any amendment or Termination of this Agreement to be recorded that affects less than all of the Property shall describe the portion thereof that is the subject of such amendment or Termination. This Agreement is executed in three duplicate originals, each of which is deemed to be an original. This Agreement consists of ___ pages and ___ Exhibits, which constitute the entire understanding and agreement of the parties.

43. Further Assurances. Each Party covenants, on behalf of itself and its successors, heirs and assigns, to take all actions and do all things, and to execute, with acknowledgment or affidavit if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

44. Approvals. Unless otherwise herein provided, whenever a determination, approval, consent or satisfaction (herein collectively referred to as "consent") is required of a Party pursuant to this Agreement, such consent shall not be unreasonably withheld or delayed. If a Party shall not consent, the reasons therefore shall be stated in reasonable detail in writing. Consent by a Party to or of any act or request by the other Party shall not be deemed to waive or render unnecessary consent to or of any similar or subsequent acts or requests. Consent given or withheld by the City Administrator or the Planning Director may be appealed to the City Council.

45. Not a Public Dedication. Except as provided herein and in the Project Approvals, nothing contained herein shall be deemed to be a gift or dedication of the Property, or of the Project, or portion thereof, to the general public, for the general public, or for any public use or purpose whatsoever. Landowner shall have the right to prevent or prohibit the use of the Property, or the Project, or any portion thereof, including common areas and buildings and improvements located thereon, by any person for any purpose inimical to the operation of a private, integrated Project as contemplated by this Agreement.

46. Entire Agreement. This written Agreement and the Exhibits contain all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement, any prior correspondence, memoranda, agreements, warranties or representations are superseded in total by this Agreement.

47. Construction of Agreement. The provisions of this Agreement and the Exhibits shall be construed as a whole according to their common meaning and not strictly for or against any Party in order to achieve the objectives and purpose of the Parties. The captions preceding the text of each Article, Section, subsection and the Table of Contents are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, or vice versa. Unless otherwise specified, whenever in this Agreement reference is made to the Table of Contents, any Article or Section, or any defined term, such reference shall be deemed to refer to the Table of Contents, Article, Section or defined term of this Agreement. Exhibits to this Agreement shall be incorporated into this Agreement as if stated fully herein. The use in this Agreement of the words "including", "such as" or words of similar import when following any general term, statement or matter shall not be construed to limit such statement, term or matter to the specific items or matters, whether or not language of non-limitation, such as "without

limitation" or "but not limited to", or words of similar import, are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term or matter. This Agreement has been reviewed and revised by legal counsel for both Landowner and City, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

48. Signature Pages. For convenience, the signatures of the Parties to this Agreement may be executed and acknowledged on separate pages in counterparts which, when attached to this Agreement, shall constitute this as one complete Agreement.

49. Time. Time is of the essence of this Agreement and of each and every term and condition hereof.

IN WITNESS WHEREOF, the City of Inglewood, a municipal corporation, has authorized the execution of this Agreement in duplicate by its Mayor and attested to by its City Clerk under the authority of Ordinance No. _____, adopted by the City Council of the City of Inglewood on the _____ day of _____, 2009, and Landowner has caused this Agreement to be executed.

"CITY"

"LANDOWNER"

CITY OF INGLEWOOD,
a municipal corporation

HOLLYWOOD PARK LAND COMPANY, LLC

By: _____
Name: _____
Its: _____

By:
Name:
Its: Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

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