DEVELOPMENT AGREEMENT

BY AND BETWEEN

CITY OF ORANGE,

a California Municipal Corporation,

and

MILAN REI X, LLC,

a California Limited Liability Company
DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the “Agreement”) is entered into as of the ___ day of __________, 2018 (“Agreement Date”), by and between MILAN REI X, LLC (hereinafter “OWNER”), and the CITY OF ORANGE, a municipal corporation, organized and existing under the laws of the State of California (hereinafter “CITY”), pursuant to the authority of Sections 65864 through 65869.5 of the California Government Code (the “Development Agreement Legislation”) and Article XI, Section 2 of the California Constitution.

RECITALS

This Agreement is predicated upon the following facts:

A. These Recitals refer to and utilize certain capitalized terms which are defined in this Agreement. The parties intend to refer to those definitions in conjunction with the use thereof in these Recitals.

B. The Development Agreement Legislation authorizes CITY to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property in order to, among other matters, ensure high quality development in accordance with comprehensive plans; provide certainty in the approval of development projects so as to avoid the waste of resources and the escalation in the cost of housing and other development to the consumer; provide assurance to the applicants for development projects that they may proceed with their projects in accordance with existing policies, rules and regulations and subject to conditions of approval, in order to strengthen the public planning process and encourage private participation in comprehensive planning and reduce the private and public economic costs of development; and provide for reimbursements to OWNER for the construction and financing of certain public infrastructure improvements.

C. OWNER is the owner of certain real property within the County of Orange, State of California, as more particularly described in Exhibit “A” attached hereto and made a part hereof (hereafter, the “Property”). OWNER desires to develop the Property in accordance with the provisions of this Agreement, and as more particularly set forth in the Trails at Santiago Creek Specific Plan (the “Development Plan”). The Development of the Property as contemplated by the Development Plan and this Agreement is referred to herein as the “Project”.

D. OWNER has applied for, and CITY has granted, the Existing Project Approvals and this Agreement in order to create a Project and a physical environment that will conform to and complement the goals of CITY, create a community sensitive to human needs and values, facilitate efficient traffic circulation, provide needed housing, and provide for public open space and trail improvements consistent with the elements and policies of CITY’s General Plan. As part of the process of granting the Existing Project Approvals, the City Council of CITY (hereinafter the “City Council”) has required the preparation of an Environmental Impact Report (hereinafter the “EIR”), which report has been certified as adequate and complete by the City Council and has otherwise carried out all requirements of the California Environmental Quality Act (“CEQA”).

E. On November 2, 2016, CITY entered into a Pre-Development Agreement with OWNER regarding the Project (“Pre-Development Agreement”). Pursuant to the terms of the Pre-
Development Agreement, CITY has agreed to process for action the EIR, Development Plan, this Agreement and any other entitlements necessary to carry out and implement the Project consistent with the land use plan, public benefits and exactions set forth in the Pre-Development Agreement and the land use regulations in effect as of November 2, 2016. CITY and OWNER acknowledge and agree that the Existing Project Approvals are consistent with the Pre-Development Agreement and intend this Agreement to serve as the Development Agreement for the Project as defined and set forth in Section 2.03(h) of the Pre-Development Agreement.

F. Since the approval of the Pre-Development Agreement, CITY and OWNER have worked cooperatively with community representatives to address concerns raised during the CEQA process as well as other matters related to OWNER. As a result, and as additional material consideration for the vested rights conferred to OWNER by this Agreement, OWNER has agreed to provide the public benefits set forth in this Agreement which include: (i) up to a maximum of Four Million, One Hundred Thousand Dollars ($4,100,000.00) to construct greenway improvements for Santiago Creek, (ii) an additional One Million Dollars ($1,000,000.00) for local trail improvements, (iii) funding the community’s acquisition of the Ridgeline property which will provide to the community an additional approximately fifty (50) acres of public open space, (iv) up to One Million Dollars ($1,000,000.00) for traffic improvements to widen Santiago Canyon Road and re-stripe Cannon Ave, and (v) Two Million Dollars ($2,000,000.00) for equestrian and recreational purposes as determined by CITY. The Project will be limited to a maximum of one hundred and twenty-eight (128) single family detached homes consistent with the development standards and guidelines set forth in the Development Plan.

G. The following actions were taken with respect to this Agreement and the Project:

1. On __________, 2018, following a duly noticed public hearing, the City Planning Commission recommended that the City Council approve this Agreement;

2. On __________, 2018, after a duly noticed public hearing and pursuant to CEQA, the City Council adopted the environmental impact report for this Agreement and the Project;

3. On __________, 2018, the City Council of the CITY approved the following:
   • Zone Change (Specific Plan) ______
   • General Plan Amendment ______
   • Environmental Impact Report No. ______
   • Orange Park Acres Specific Plan Amendment ___
   • East Orange Plan Amendment ___
   • Tentative Tract Map No. ___

4. On __________, 2018, after a duly noticed public hearing, the City Council determined that the provisions of this Agreement are consistent with the General Plan of the CITY;

5. On __________, 2018, after a duly noticed public hearing, the City Council adopted Ordinance No. ______ approving and authorizing the execution of this Agreement, a copy
of which is on file in the City Clerk's Office at the CITY, and adopted the findings and conditions pertaining thereto, including those relating to the environmental documentation for the Project.

H. The CITY has engaged in extensive studies and review of the potential impacts of the Project as well as the various potential benefits to the CITY by the provision, among other things, for open space, recreation, community facilities, and roadway improvements.

I. In consideration of the substantial public improvements and benefits to be provided by OWNER and the Project, and in order to strengthen the public financing and planning process and reduce the economic costs of development, by this Agreement, CITY intends to give OWNER assurance that OWNER can proceed with the development of the Project for the Term of this Agreement pursuant to the terms and conditions of this Agreement and in accordance with CITY's General Plan, ordinances, policies, rules and regulations existing as of the Effective Date. In reliance on CITY's covenants in this Agreement concerning the Development of the Property, OWNER has and will in the future incur substantial costs in site preparation and the construction and installation of major infrastructure and facilities in order to make the Project feasible.

J. Pursuant to Section 65867.5 of the Development Agreement Legislation, the City Council has found and determined that: (i) this Agreement and the Existing Project Approvals implement the goals and policies of CITY's General Plan, provide balanced and diversified land uses and impose appropriate standards and requirements with respect to land development and usage in order to maintain the overall quality of life and the environment within CITY, (ii) this Agreement is in the best interests of and not detrimental to the public health, safety and general welfare of CITY and its residents; (iii) adopting this Agreement is consistent with CITY's General Plan and constitutes a present exercise of the CITY's police power; and (iv) this Agreement is being entered into pursuant to and in compliance with the requirements of Section 65867 of the Development Agreement Legislation, and Chapter 17.44 of the Orange Municipal Code.

K. CITY and OWNER agree that it may be beneficial to enter into additional agreements or to modify this Agreement with respect to the implementation of the separate components of the Project when more information concerning the details of each component is available, and that this Agreement should expressly allow for such contemplated additional agreements or modifications to this Agreement.

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Legislation, as it applies to CITY, pursuant to Article XI, Section 2 of the California Constitution, and in consideration of the foregoing recitals of fact, all of which are expressly incorporated into this Agreement, the mutual covenants set forth in this Agreement and for other consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Definitions.

The following words and phrases are used as defined terms throughout this Development Agreement, and each defined term shall have the meaning set forth below.

1.1 Authorizing Ordinance. The "Authorizing Ordinance" means Ordinance No. _____ approving this Agreement.
1.2 **CITY.** The "CITY" means the City of Orange, California, a municipal corporation, duly organized and existing under the Constitution and laws of the State of California, and all of its officials, employees, agencies and departments.

1.3 **City Council.** "City Council" means the duly elected and constituted City Council of the CITY.

1.4 **Development.** "Development" means the improvement of the Property for purposes of completing the Project, including, without limitation: grading, the construction of infrastructure and public facilities related to the Project (whether located within or outside the Property), the construction of structures and buildings and the installation of landscaping.

1.5 **Development Agreement Legislation.** The "Development Agreement Legislation" means Sections 65864 through 65869.5 of the California Government Code as it exists on the Effective Date, and implemented through Chapter 17.44 of the Orange Municipal Code.

1.6 **Development Fees.** "Development Fees" means development impact and processing fees imposed on the Project as conditions of the Existing Project Approvals and limited as more particularly set forth in Section 4.3.

1.7 **Development Plan.** The "Development Plan" consists of the Existing Project Approvals, the Existing Regulations, and those Future Project Approvals (such as subdivision maps and precise development plans) contemplated, necessary, and requested by OWNER to implement the Existing Project Approvals. Any reference in the Project Approvals to a Development Plan includes any Specific Plan approved by the CITY as defined the Existing Regulations.

1.8 **Development Transferee.** "Development Transferee" means a transferee from OWNER of all or a portion of OWNER’s interest in the Property pursuant to Section 2.5.1 and the successors and assigns of any such transferee.

1.9 **Effective Date.** "Effective Date" means the date that the Authorizing Ordinance becomes effective.

1.10 **Existing Project Approvals.** The "Existing Project Approvals" are those Project Approvals, including Certification of Environmental Impact Report No. _______, General Plan Amendment No. GPA _______, Zone Change (Specific Plan) No. _______, Orange Park Acres Specific Plan Amendment _______, East Orange Plan Amendment ______ and Tentative Tract Map No. ______, which have been approved and adopted by the CITY on ______, 2018, consistent with the Existing Regulations.

1.11 **Existing Regulations.** "Existing Regulations" means those ordinances, rules, regulations, policies, requirements, guidelines, constraints or other actions of the CITY, other than site-specific Project Approvals, which purport to affect, govern or apply to the Property or the implementation of the Development Plans in effect on November 2, 2016.
1.12 Financing District. "Financing District" for purposes of this Agreement means a community facilities district formed pursuant to the Mello-Roos Community Facilities District Act of 1982 (California Government Code Sections 53311 et seq., as amended), an assessment district formed pursuant to the Improvement Act of 1911 (California Streets & Highways Code Sections 5000 et seq., as amended), an assessment district formed pursuant to the Municipal Improvement Act of 1913 (California Streets & Highways Code Sections 10000 et seq., as amended), an assessment district formed pursuant to the Landscaping and Lighting Act of 1972 (California Streets and Highways Code Sections 22500 et seq., as amended), or any other similar special district or assessment district authorized pursuant to State law for purposes of financing the cost of public improvements, Facilities, services and/or public facilities fees within a distinct geographic area of the CITY.

1.13 Future Project Approvals. "Future Project Approvals" means those Project Approvals contemplated, necessary, and requested by CITY or OWNER to implement the Existing Project Approvals and approved by the CITY after the approval of the Existing Project Approvals.

1.14 Off-Site Improvements. "Off-Site Improvements" means physical infrastructure improvements or Facilities which are not and will not be located on the Property.

1.15 On-Site Improvements. "On-Site Improvements" means physical infrastructure improvements or facilities that are or will be located on the Property.

1.16 OWNER. "OWNER" is initially Milan REI X, LLC, a California limited liability company and shall include any Development Transferee but only to the extent of and in proportion to the share of the Project acquired by such Development Transferee.

1.17 Planning Commission. "Planning Commission" means the duly appointed and constituted Planning Commission of CITY.

1.18 Pre-Development Agreement. "Pre-Development Agreement" means that certain agreement titled "Pre-Development Agreement by and between the City of Orange and Milan REI X, LLC Relating to 109 Acres Known as the Trails at Santiago Creek," executed by CITY and OWNER on or about November 2, 2016.

1.19 Project Approvals. "Project Approvals" means Certification of Environmental Impact Report No. EIR _____, General Plan Amendment No. GPA _____, Zone Change (Specific Plan) No. _____, and the Development Plan and all Future Project Approvals such as site-specific plans, subdivision maps, permits and other entitlements of every kind and nature, including, but not limited to: specific plans, site plans, precise development plans, tentative and final subdivision maps, parcel maps, variances, zoning designations, conditional use permits, grading, building and other similar plans and permits, the site-specific provisions of the General Plan, and environmental approvals consistent with this Agreement. To the extent any such site-specific plans, maps, permits and other entitlements are adopted from time to time, "Project Approvals" shall include such matters.

2. General Provisions.
2.1 **Binding Covenants.** The provisions of this Agreement to the extent permitted by law shall constitute covenants which shall run with the Property for the benefit thereof, and the benefits and burdens of this Agreement shall bind and inure to the benefit of the parties and all successors in interest to the parties hereto. The City Clerk of CITY shall cause this Agreement to be recorded with the County Recorder, County of Orange, within ten (10) days after the Effective Date.

2.2 **Interest of OWNER.** OWNER represents that OWNER has a legal interest in the Property.

2.3 **Term.** The term (hereinafter called “Term”) of this Agreement shall commence on the Effective Date and shall extend for a period of ten (10) years thereafter, terminating at the end of the day preceding the tenth (10th) anniversary of the Effective Date, subject to specific extensions, revisions and termination provisions of this Agreement. Prior to the expiration of the Term, as may be extended by the terms of this Agreement, OWNER may further extend the term of this Agreement for an additional five (5) year period if OWNER or any Development Transferee has completed the public improvements set forth in Sections 4.1.3 and 4.1.5. Notwithstanding the foregoing, the Term of this Agreement shall not extend beyond a period of fifteen (15) years after the Effective Date.

2.4 **Termination.** This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

2.4.1 If termination occurs pursuant to any specific provision of this Agreement; or

2.4.2 Completion of the total build-out of the Project pursuant to the terms of this Agreement and the CITY's issuance of all required occupancy permits and acceptance of all dedications and improvements required to complete Development of the Project;

2.4.3 The termination of this Agreement shall not affect any right or duty arising independently from entitlements issued by CITY or other land use approvals approved concurrently or subsequent to the approval of this Agreement.

2.5 **Transfers and Assignments.**

2.5.1 **Right to Assign.** OWNER shall have the right from time to time and on such number of occasions as it chooses to sell, assign or otherwise transfer all or any portion of its interests in the Property together with all its right, title and interest in this Agreement, or the portion thereof which is subject to transfer (the “Transferred Property”) to any person or entity at any time during the Term of this Agreement; provided, however, that any such transfer or assignment must be pursuant to a sale, assignment or other transfer of the interest of OWNER in the Property, or a portion thereof. In the event of any such sale, assignment, or other transfer, (i) OWNER shall notify CITY thirty (30) days prior to such event of the name of the Development Transferee, together with the corresponding entitlements being transferred to such Development Transferee and (ii) the agreement between OWNER and such Development Transferee pertaining to such transfer shall provide that either OWNER or the Development Transferee shall be liable for the performance of those obligations of OWNER under this Agreement which relate to the Transferred
2.5.2 **Release Upon Transfer.** It is understood and agreed by the parties that the Property may be subdivided after the Effective Date. One or more of such subdivided parcels may be sold, mortgaged, hypothecated, assigned or transferred to persons for development by them in accordance with the provisions of this Agreement.

2.5.2.1 **Release of OWNER.** Effective upon such sale, mortgage, hypothecation, assignment or transfer, the obligations of OWNER shall become several and not joint and OWNER and the balance of the Property other than the Transferred Property, shall be released from its obligations under this Agreement assumed by the Development Transferee with respect to Transferred Property, provided that (i) OWNER is not then in default under this Agreement, (ii) OWNER has provided to CITY the notice of such transfer specified in Section 2.5.1, (iii) the Development Transferee executes and delivers to CITY a written agreement in which (A) the name and address of the Development Transferee is set forth and (B) the Development Transferee expressly and unconditionally assumes all the obligations of OWNER under this Agreement with respect to the obligations of OWNER under this Agreement for the performance required of OWNER and regarding the Transferred Property. All executory exactions or conditions which are not assumed by a Development Transferee shall remain with the balance of the Property not transferred.

2.5.2.2 **Effect of Noncompliance.** From and after the assumption of obligations under this Agreement by a Development Transferee pursuant to Section 2.5.2.1, noncompliance by any such Development Transferee with the terms and conditions of this Agreement assumed by such Development Transferee shall entitle CITY to pursue any and all of its rights under this Agreement so assumed against such Development Transferee, but such noncompliance shall not be deemed a default or grounds for termination hereof with respect to, or constitute cause for CITY to initiate enforcement action against, other persons then owning or holding interest in the Property or any portion thereof and not themselves in default hereunder. Similarly, noncompliance by OWNER with respect to any terms and conditions of this Agreement not assumed by such Development Transferee shall entitle CITY to pursue any and all of its rights under this Agreement retained by OWNER against OWNER, but such noncompliance by OWNER shall not be deemed a default or grounds for termination hereof with respect to, or constitute cause for CITY to initiate enforcement action against, such Development Transferee or other persons then owning or holding interest in the Property or any portion thereof and not themselves in default hereunder.

2.5.2.3 **Release by Phase.** Upon completion of any phase or tract of development of the Project as determined by CITY and fulfillment of any obligations under this Agreement related to such phase or tract, CITY shall release that completed phase or tract from any further obligations under this Agreement. The provisions of this Section 2.5.2.3 shall be self-executing and shall not require the execution or recordation of any further document or instrument; provided, however, if requested by OWNER, CITY agrees to execute, in recordable form a document confirming the release contemplated by this Section
2.5.2.3 provided OWNER reimburses CITY for all reasonable and direct costs and fees incurred by CITY with respect thereto.

2.5.2.4 **Rights of Successors and Assigns.** Except as otherwise set forth in this Agreement, any and all successors and assigns of OWNER shall have all of the same rights, benefits and obligations of OWNER under this Agreement.

2.5.3 **Termination of Agreement With Respect to Individual Dwelling Units Upon Sale to Public.** Notwithstanding any provision of this Agreement to the contrary, this Agreement shall terminate as to any dwelling unit which has been finally subdivided, sold and issued a certificate of occupancy. Upon such sale, the dwelling unit shall be released from and shall no longer be subject to or burdened by the provisions of this Agreement. The provisions of this Section 2.5.3 shall be self-executing and shall not require the execution or recordation of any further document or instrument provided, however, if requested by OWNER, CITY agrees to execute, in recordable form, a document confirming the release contemplated by this Section 2.5.3, provided OWNER reimburses CITY for all reasonable and direct costs and fees incurred by CITY with respect thereto.

2.6 **Amendment of Development Agreement.**

2.6.1 **Initiation of Amendment.** Either party may propose an amendment to this Agreement and both parties agree that it may be beneficial to enter into additional agreements or modification of this Agreement in connection with the implementation of the separate components of the Project.

2.6.2 **Procedure.** Except as set forth in Section 2.6.5 below, the procedure for proposing and adopting an amendment to this Agreement shall be the same as the procedure required for entering into this Agreement in the first instance.

2.6.3 **Consent.** Except as expressly provided in this Agreement, any amendment to this Agreement shall require the written consent of both parties. No amendment to all or any provision of this Agreement shall be effective unless set forth in writing and signed by duly authorized representatives of each party.

2.6.4 **Consent of OWNER.** Where an assignee of OWNER applies for an amendment to this Agreement, the written consent of OWNER shall always be required before CITY approval of the amendment. Further, an assignee shall not be required or entitled to approve an amendment to this Agreement. The recordation of this Agreement shall serve as notice to all assignees of the provisions of this Section.

2.6.5 **Operating Memoranda.** The parties acknowledge that refinements and further development of the Project may demonstrate that changes are appropriate with respect to the details and performance of the parties under this Agreement. The parties desire to retain a certain degree of flexibility with respect to the details of the Project Development and with respect to those items covered in general terms under this Agreement. If and when the parties mutually find that changes, adjustments, or clarifications are appropriate to further the intended purposes of this Agreement, they may, unless otherwise required by law, effectuate such changes, adjustments, or clarifications without amendment to this Agreement as specified in the Project Approvals or
through operating memoranda mutually approved by the parties, which, after execution, shall be attached hereto as addenda and become a part hereof and may be further changed and amended from time to time as necessary, with further approval by City Manager, on behalf of the CITY and by any corporate officer or other person designated for such purpose in a writing signed by a corporate officer on behalf of OWNER. Unless otherwise required by law or by the Project Approvals, no such changes, adjustments, or clarifications shall require prior notice or hearing. The Parties agree that the maximum number of 128 single family detached units may not be increased through an Operating Memoranda.

3. **Description of Development.**

3.1 **Development and Control of Development.**

3.1.1 **Project.** During the Term of this Agreement, OWNER shall have the vested right to implement the Development pursuant to this Agreement and the Project Approvals and CITY shall have the right to control the Development of the Project in accordance with the terms and conditions of this Agreement. Except as otherwise specified in this Agreement, the Project Approvals and the Existing Regulations shall control the design and Development of the Project and all On-Site Improvements and Off-Site Improvements and appurtenances in connection therewith. The permitted uses of the property, the density and intensity of use, the maximum height and size of proposed buildings and provisions for reservation or dedication of land for public purposes shall be as set forth in the Existing Regulations and Project Approvals, including without limitation the Development Plan document. So long as OWNER is not in default under this Agreement and provided the Project is being developed in accordance with the Project Approvals, OWNER has a vested right to construct, at OWNER's discretion, a maximum of 128 residential units.

3.1.2 **Timing of Development.** To the extent OWNER develops the Project, OWNER shall proceed in accordance with the phasing schedule set forth in the Existing Project Approvals. OWNER's adherence with the phasing schedule set forth in the Development Plan shall be considered by CITY in determining OWNER's good faith compliance with the terms of this Agreement as required by Section 9 of this Agreement. Notwithstanding the preceding sentences, the parties acknowledge that the primary purpose of any phasing contained in the Development Plan is to tie the construction of certain public infrastructure improvements to particular development milestones and that OWNER cannot at this time predict when or in what order the Project phases will be developed. Such decisions depend upon numerous factors some of which are not within the control of OWNER, such as market orientation and demand, interest rates, competition and other similar factors. Subject to the phasing schedule set forth in the Existing Project Approvals, Section 2.3 of this Agreement concerning the Term of this Agreement, and the Project Approvals, and to the extent permitted by the Project Approvals and this Agreement, OWNER shall have the discretion to develop the Project in phases at such times as OWNER deems appropriate within the exercise of its subjective business judgment. Specifically, CITY agrees that OWNER shall be entitled to apply for and receive permits, maps, certificates of occupancy and other entitlements to develop and use the Property at any time, provided that such application is made in accordance with this Agreement, the Project Approvals and the Existing Regulations.

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3.1.3 **Permits and Approvals - Cooperation.** CITY shall accept and timely process, in the normal and legal manner for processing such matters, all applications for Future Project Approvals called for or required under this Agreement.

3.1.4 **Further Mitigation.** In connection with the issuance of any Future Project Approvals that are subject to review under CEQA, unless required under CEQA, this Agreement or the Existing Regulations, the CITY shall not impose any environmental alternatives or mitigation measures in addition to those referenced in the Existing Project Approvals.

3.2 **Rules, Regulations and Official Policies.** Except as otherwise specified in this Agreement and the Project Approvals, the rules, regulations and official policies governing the permitted uses of the Property, the density and intensity of use of the Property, the provisions for reservation or dedication of land for public purposes and the design, improvement and construction standards and specifications applicable to Development of the Property shall be the Existing Regulations. In connection with any subsequent approval or action which CITY is permitted or has the right to make under this Agreement relating to the Project, CITY shall exercise its discretion or take action in a manner which complies and is consistent with the Project Approvals, the Existing Regulations and such other standards, terms and conditions contained in this Agreement. The Existing Project Approvals, as well as an overview and non-exhaustive list of Existing Regulations are listed in Exhibit “B”. CITY has certified two copies of each of the documents listed on Exhibit “B”. CITY has retained one set of the certified documents and has provided OWNER with the second set.

3.3 **Reserved Authority.**

3.3.1 **Uniform Codes.** This Agreement shall not prevent CITY from applying new rules, regulations and policies relating to uniform codes (such as the Uniform Building Code, National Electrical Code, Uniform Mechanical Code or Uniform Fire Code, as amended) adopted by the State of California, which new rules and regulations are necessary to preserve the health and safety of the residents of CITY or which the CITY is required by state law to apply.

3.3.2 **State and Federal Laws and Regulations.** In the event that State or Federal laws or regulations prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations; provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.3.3 **Regulation for Health and Safety.** Notwithstanding anything to the contrary in this Agreement, CITY shall have the right to apply regulations (including amendments to the Existing Regulations) adopted by the CITY after the Effective Date, in connection with any Project Approvals, or deny, or impose conditions of approval on, any Project Approvals provided that such application to the Development is required to protect the physical health and safety of existing or future residents or occupants of the Property, or any portion thereof or any lands adjacent thereto. OWNER may protest the imposition of any such emergency regulations or
conditions to the City Council or as otherwise provided by CITY rules or regulations while continuing to construct the Development.

3.3.4 Procedure For Application of New Regulations. The CITY shall not apply to the Project any regulation, law, program, ordinance or action under Section 3.3.1, 3.3.2, or 3.3.3 (except for emergency ordinances adopted to protect health and welfare as set forth therein) which is not an Existing Regulation (“New Regulation”) without providing at least thirty (30) days prior written notice to OWNER of the CITY’s intent to apply such New Regulation to the Project. OWNER shall have thirty (30) days from the date of such notice to review and evaluate the New Regulation and to serve CITY with a written protest (Protest) against the application of the New Regulation to the Project. If the OWNER timely provides the Protest to CITY, then CITY will not apply the New Regulation to the Project until the City Council of CITY makes a finding, after a duly noticed public hearing, that such New Regulation does not conflict with the Existing Regulations as applied to the Project and is required (as opposed to permitted) to comply with State or Federal laws or regulations after taking into consideration all reasonable alternatives. Should OWNER elect to continue to construct the Development after receipt of notice of the applicability of any New Regulation described in Section 3.3.3 to such construction, OWNER does so at its own risk.

3.4 Vested Right. By entering into this Agreement and relying thereupon, OWNER is obtaining vested rights to proceed with the Project in accordance with the terms and conditions of this Agreement, and in accordance with, and to the extent of, the Project Approvals. By entering into this Agreement and relying thereupon, CITY is securing significant public benefits and facilities which enhance the public health, safety and welfare, a partial listing of which benefits is set forth in Section 4.1.

3.4.1 No Conflicting Enactments. Except as provided in Section 3.3 of this Agreement, neither the City Council nor any other agency of CITY shall impose a rule, regulation, ordinance or other measure which governs the rate, timing or sequencing of the Development of all or any part of the Project that is inconsistent or in conflict with this Agreement or the Project Approvals. Any such rule, regulation, ordinance or other measure shall be considered to conflict if it has any of the following effects, which includes, but is not limited to:

(i) Limits or reduces the density or intensity of the Project or otherwise requires any reduction or increase in the number, size or square footage of lots, homes, structures, buildings or other improvements; or

(ii) Applies to the Project, but is not uniformly applied by the CITY to all substantially similar development within the CITY; or

(iii) Controls, limits or otherwise negatively affects the rate, timing or phasing of the Development of the Property.

The above list is not intended to be comprehensive or to limit the types of action that would conflict with Existing Regulations, this Agreement and the Project Approvals.
3.4.2 **Consistent Enactments.** By way of enumeration and not limitation, the following types of enactments shall be considered consistent with Existing Regulations and the Project Approvals and not in conflict:

(i) Relocation of unit types within the Property pursuant to an application from OWNER; and

(ii) Changes in the phasing of the Development pursuant to an application from OWNER, provided any changes in phasing do not alter the phasing or timing of any public improvements to be provided by OWNER under this Agreement unless such change in the phasing or timing of the public improvements is approved by CITY.

3.4.3 **Initiative Measures.** In addition to and not in limitation of the foregoing, it is the intent of OWNER and CITY that no moratorium or other limitation (whether relating to the rate, timing or sequencing of the Development of all or any part of the Project and whether enacted by initiative or otherwise) affecting parcel or subdivision maps (whether tentative, vesting tentative or final), site development permits, precise plans, site development plans, building permits, occupancy certificates or other entitlements approved, issued or granted within CITY, or portions of CITY, shall apply to the Project to the extent such moratorium or other limitation would restrict OWNER’s right to develop the Project in such order and at such rate as permitted under this Agreement. In accordance with Section 6 of this Agreement, CITY agrees to cooperate with OWNER in all reasonable manners in order to keep this Agreement in full force and effect. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the parties hereby agree to cooperate in defending such action. In the event of any litigation challenging the effectiveness of this Agreement, or any portion hereof, this Agreement shall remain in full force and effect while such litigation, including any appellate review, is pending, absent a court order to the contrary.

3.4.4 **Consistency Between This Agreement and Current Laws.** CITY represents that there are no rules, regulations, ordinances, policies or other measures of the CITY in force as of the Agreement Date that would interfere with Development and use of all or any part of the Project according to the Project Approvals and this Agreement. The parties understand and acknowledge that the Agreement is consistent with CITY’s General Plan and zoning for the Property because General Plan Amendment No. GPA ____ and Zone Change No. ____, which are part of the Existing Project Approvals, will become effective concurrent with the Effective Date of this Agreement.

3.5 **Future Amendments to Development Plan.** The following rules apply to future amendments to the Development Plan:

3.5.1 **OWNER’s Written Consent.** Any Development Plan amendment which is not in compliance with Section 2.6.3 and 2.6.4 of this Agreement shall not apply to the Property or the Project while this Agreement is in effect.

3.5.2 **Concurrent Development Agreement Amendment.** Any Development Plan amendment requiring amendment of this Agreement shall be processed concurrently with an amendment to this Agreement.
3.5.3 **Effect of Amendment.** Except as expressly set forth within this Agreement or in any amendment to this Agreement, a Development Plan amendment will not alter, affect, impair or otherwise impact the rights, duties and obligations of the parties under this Agreement.

4. **Obligations of the Parties**

4.1 **Benefits to CITY.** The direct and indirect benefits CITY (including, without limitation the existing and future residents of CITY) will receive pursuant to the implementation of the Agreement include, but are not limited to, the following:

4.1.1 **Acquisition of Ridgeline Golf Course.** OWNER will irrevocably offer to dedicate to the CITY the property within the City of Orange known as the Ridgeline Golf Course, as more particularly described in Exhibit “C” attached hereto and made a part hereof (hereafter, the “Ridgeline Property”). Milan REI IV, LLC, the owner of the Ridgeline Property, has agreed to sell the Ridgeline Property to the CITY for fair market value. OWNER shall negotiate with Milan REI IV, LLC, to determine a process for establishing the fair market value of the Ridgeline Property and shall provide the CITY with funds equal to said fair market value in order to fund the CITY’s acquisition of the Ridgeline Property prior to the issuance of the 1st certificate of occupancy for the Project.

4.1.2 **Funding for Equestrian and Recreational Purposes.** In addition to funding the acquisition of the Ridgeline Property, as set forth above, OWNER will provide to CITY an additional Two Million Dollars ($2,000,000.00) for equestrian and recreational purposes in the East Orange Area as determined by CITY prior to the issuance of the first certificate of occupancy for the Project.

4.1.3 **Greenway.** OWNER will provide up to a maximum of Four Million One Hundred Thousand Dollars ($4,100,000.00) in greenway improvements (“Greenway Improvements”), as described and further set forth in the cost estimate by Summers Murphy & Partners dated July 18, 2017, as referenced in Exhibit “D”. The Greenway Improvements shall be constructed or funded by OWNER prior to the issuance of the 60th certificate of occupancy for the Project. The parties shall cooperate in good faith to reach an agreement concerning the ownership and maintenance obligations for the Greenway Improvements prior to the approval of the first Tentative Map for the Property. The parties shall consider such entities or mechanisms including, but not limited to, a Landscape Maintenance District, Homeowner’s Association, local public agencies (including CITY) or similar entities or mechanisms upon which the Parties can agree.

4.1.4 **Funding for Trail Improvements.** OWNER will provide to the CITY an additional One Million Dollars ($1,000,000.00) in funding to be used for local area-wide equestrian trail purposes prior to the issuance of the first certificate of occupancy for the Project.

4.1.5 **Circulation Improvements.** OWNER will provide approximately One Million Dollars ($1,000,000.00) in traffic and circulation improvements, as described and further set forth in the cost estimate prepared by Fuscoe Engineering and LL&G, and depicted in the maps
as Exhibit “E”, attached hereto, and further described in detail in the Specific Plan in section 4.2.3.1, Vehicle Circulation, prior to the 1st certificate of occupancy for the Project.

4.1.6 **Rehabilitation of Property.** The Development will result in the rehabilitation of a blighted, highly industrialized property that has been utilized for sand and gravel mining operations for several decades. OWNER will be permitted to continue the sand and gravel operations provided however, OWNER will cease all sand and gravel operations upon issuance of the first certificate of occupancy for the Project.

4.1.7 **School Impact Fees.** The OWNER or its Development Transferees will pay to the Orange Unified School District ("OUSD"), school impact fees in accordance with the current policies and fee schedule of the OUSD for the Project as full and complete mitigation for school impacts from the Project.

4.1.8 **Comprehensive Planning.** The Development will provide a comprehensive planning effort which incorporates adjacent land ownership and reflects the CITY’s General Plan and Master Plan of Parks and Master Plan of Recreational Trails.

4.1.9 **Short Term Employment.** The Development will create substantial employment opportunities through the Project construction and development phase.

4.2 **Public Improvements and Financing District.** At OWNER’s request, CITY shall cause a Financing District to be formed in a timely manner. Such Financing District shall include the Property or a portion thereof within its boundaries for the purpose (in addition to other possible purposes) of funding the planning, design and construction of the public improvements required to be constructed for Development of the Project to proceed. Such improvements, include, but are not limited to, traffic signal and street improvements, park land acquisition, library facilities fees, grading and improvements, drainage, sewer and water improvements, school mitigation fees and other development fees and other facilities consistent with the Existing Regulations and the Pre-Development Agreement. Such Financing District shall be in conformance with applicable CITY rules, regulations and policies as amended from time to time.

4.3 **Limitation on Development Fees.** Certain development impact and processing fees have been imposed on the Project as conditions of the Existing Project Approvals which impact and processing fees are in existence on the Effective Date and set forth more fully in Exhibit “F” ("Project Development Fees"). In providing the benefits specified above, including funds for general equestrian and recreational purposes and the Greenway, the Development will provide recreational facilities far in excess of what state law or CITY ordinances might otherwise require. Accordingly, the Project Development Fees applicable to the Development shall not include any park fees or development fees for park purposes which might otherwise be collected by the CITY. Notwithstanding any fee increases adopted by the CITY, Project Development Fees applicable to the Development shall be adjusted annually, commencing on the first anniversary of the effective date of the Pre-Development Agreement (November 2, 2016), to reflect any increase or decrease in the construction cost index as established and published in the Engineering News Record. The foregoing shall not apply to processing fees charged by the CITY for the CITY’s administrative time and related costs incurred in preparing and considering any application for the Project Approvals which fees shall be assessed in the amount they exist at the time OWNER
becomes liable to pay such fees. Project Development Fees and any increases therein shall be assessed in accordance with Exhibit “F”. During the term of the Agreement CITY shall be precluded from applying any development impact fee that does not exist as of the Effective Date. This provision does not authorize CITY to impose fees on the Project that could not be imposed in the absence of this Agreement.

4.4 **Dedications and Exactions.** At the appropriate points in the Development of the Project, OWNER shall irrevocably offer for dedication or reserve for acquisition by CITY or its designee the streets, any public right-of-way, parkland and other areas within the Property as more fully set forth in the Existing Project Approvals, including, but not limited to, those set forth in Exhibit “G”, for the uses set forth in the Existing Project Approvals. In addition to and not in limitation of the foregoing, CITY shall not levy or require any further dedications and exactions in connection with Project Approvals. Notwithstanding the foregoing, Future Project Approvals will be reviewed in a manner consistent with the general review procedures of the CITY according to the particular type of Future Project Approval being sought to the extent such procedures are consistent with this Agreement.

4.5 **Project Mitigation.** OWNER shall undertake and complete the mitigation requirements of the Existing Project Approvals. These requirements shall be satisfied within the time established therefore in the Existing Project Approvals.

4.6 **Construction of Public Facilities.** OWNER shall, at OWNER’s sole option and discretion, either fund or undertake the construction and timing of public facilities set forth in paragraph 4.1 and any other public facilities as set forth in the Development Plan in a manner consistent with Section 3.1.2. The public facilities to be constructed pursuant to this Agreement and the Project Approvals will benefit the community and may, therefore, at OWNER’s sole option and discretion, be financed through a Financing District established pursuant to Section 4.2 of this Agreement. OWNER shall be entitled to credits for traffic impact fees to the extent a developer would be entitled to such credit in the absence of this Agreement. Within six months of the Effective Date, the parties shall meet to discuss the potential for entering into a reimbursement agreement whereby the CITY would collect fees from future development for their fair share of the improvements constructed by OWNER.

5. **Further Assurances to OWNER Regarding Exercise of Reserved Authority.**

5.1 **Adoption of General Plan and Granting of Other Project Approvals.** In preparing and adopting General Plan Amendment No. GPA- and in granting the other Project Approvals, CITY considered, and will consider in granting Future Project Approvals, the health, safety and welfare of the residents of CITY and prepared in this regard extensive environmental analysis contained in the EIR and other studies. Without limiting the generality of the foregoing, in reviewing and adopting General Plan Amendment No. GPA- and the other Existing Project Approvals, the City Council carefully considered and determined the projected needs (taking into consideration the planned development of the Project and all other areas within CITY) for police, fire, library, traffic, paramedics and similar facilities and services within the Project and surrounding areas, flood control measures, the needs of the residents for open space and parks and the appropriateness of the number of units to be developed and the density and intensity of the development comprising the Project and the needs of the residents of the Project and surrounding
areas for other infrastructure as well as the various benefits to the CITY, some of which are described in Section 4.1.

5.2 Assurances to OWNER. The parties further acknowledge that the public benefits to be provided by OWNER to CITY pursuant to this Agreement are in consideration for and reliance upon assurances that the Property will be developed in accordance with the Project Approvals and this Agreement. Accordingly, while recognizing that the Development of the Property may be affected by exercise of the authority and rights reserved and excepted as provided in Sections 3.3.1, 3.3.2 and 3.3.3 ("Reserved Authority") or this Agreement, OWNER is concerned that CITY may adopt land use regulations in violation of the Reserved Authority and to attempt to apply regulations which are inconsistent with the Project Approvals pursuant to the exercise of the Reserved Authority. Accordingly, OWNER desires assurances that CITY will not and CITY agrees that it will not further restrict or limit the development of the Property in violation of this Agreement except in strict accordance with the Reserved Authority.

6. Indemnification. Except to the extent of the gross negligence or willful misconduct of the Indemnified Parties (as defined below), OWNER, and with respect to the portion of the Property transferred to them, the Development Transferees, agree during the term of this Agreement, to, at CITY's request, defend and indemnify CITY and its agents, officers, and employees (the "Indemnified Parties") from and against any claims, including claims for attorneys' fees or proceeding against the Indemnified Parties to set aside, void or annul the approval of this Development Agreement or the Project Approvals. CITY agrees to timely take all actions necessary or required to uphold the validity and enforceability of this Agreement and the Existing Regulations and shall promptly notify OWNER of any claim, action or proceeding brought challenging any provision of this Agreement or the Project Approvals. OWNER and the CITY shall select joint legal counsel to conduct such defense which legal counsel shall represent both OWNER and the CITY in defense of such action, so long as there are no conflicts that cannot be overcome. OWNER and CITY shall meet and confer to determine the reasonable estimate of the costs of defense of any such claim or action and OWNER shall deposit a sufficient portion of said amount with the CITY to ensure CITY that it will have sufficient funds to pay the costs of defense until a further deposit is required, if any. The CITY will draw down on such funds to pay for costs of defense and may require additional deposits if it appears that the costs of defense will exceed the amount on deposit. The CITY shall refund, without interest, any unused portions of the deposit once the claim or action is finally concluded. Should the CITY fail to promptly and timely notify OWNER or cooperate fully or decide to terminate this Agreement, OWNER shall be relieved of its defense and indemnity obligations hereunder. OWNER shall have the right to direct the prosecution, strategy and settlement of any defense hereunder in consultation with the CITY, provided however, that CITY and OWNER agree not to unreasonably withhold or delay approval of the settlement of any claim or action which does not significantly impair the rights and obligations of either party under this Agreement or the Project Approvals. The indemnitees set forth in this section shall survive any closing, rescission, or termination of this Agreement, and shall continue to be binding and in full force and effect in perpetuity with respect to the Indemnified Parties and their successors.

7. Relationship of Parties. The contractual relationship between CITY and OWNER is such that OWNER is an independent contractor and not the agent or employee of CITY. CITY and OWNER hereby renounce the existence of any form of joint venture or partnership between them,
and agree that nothing contained in this Agreement or in any document executed in connection with the Project shall be construed as making CITY and OWNER joint venturers or partners.

8. **Amendment or Cancellation of Agreement.** This Agreement may be amended or canceled in whole or in part only by mutual consent of the parties in the manner provided for in Government Code Section 65868. No amendment or modification of this Agreement or any provision hereof shall be effective unless set forth in writing and signed by duly authorized representatives of each party hereto. This provision shall not limit CITY’s or OWNER’s remedies as provided by Section 10.

9. **Periodic Review of Compliance with Agreement.**

9.1 **Periodic Review.** CITY and OWNER shall review this Agreement at least once every twelve (12) month period from the date this Agreement is executed. CITY shall notify OWNER in writing of the date for review at least thirty (30) days prior thereto. Such periodic review shall be conducted in accordance with Government Code Section 65865.1.

9.2 **Good-Faith Compliance.** During each periodic review, OWNER shall be required to demonstrate good faith compliance with the terms of this Agreement. OWNER agrees to furnish such reasonable evidence of good faith compliance as CITY, in the exercise of its reasonable discretion, may require. If requested by CITY, CITY agrees to provide to OWNER, a Development Transferee or any party designated by OWNER or a Development Transferee, an estoppel certificate that OWNER or a Development Transferee is in compliance with the terms of this Agreement, provided OWNER reimburses CITY for all reasonable and direct costs and fees incurred by CITY with respect thereto.

9.3 **Failure to Conduct Annual Review.** The failure of the CITY to conduct the annual review shall not be an OWNER default. Further, OWNER shall not be entitled to any remedy for CITY failure to conduct this annual review.

9.4 **Initiation of Review by City Council.** In addition to the annual review, the City Council may at any time (but not more than once in any twelve (12) month period) initiate a review of this Agreement by giving written notice to OWNER. Within thirty (30) days following receipt of such notice, OWNER shall submit evidence to the City Council of OWNER’s good faith compliance with this Agreement and such review and determination shall proceed in the same manner as provided for the annual review.

9.5 **Availability of Documents.** If requested by OWNER, CITY agrees to provide to OWNER copies of any documents, reports or other items reviewed, accumulated or prepared by or for CITY in connection with any periodic compliance review by CITY, provided OWNER reimburses CITY for all reasonable and direct costs and fees incurred by CITY with respect thereto.

10. **Events of Default Remedies and Termination.** Unless amended or canceled as provided in Section 8, or modified or suspended pursuant to Government Code Section 65869.5 or terminated pursuant to this Section 10, this Agreement is enforceable by either party hereto.
10.1 **Defaults by OWNER.** If CITY determines on the basis of substantial evidence that OWNER has not complied in good faith with the terms and conditions of this Agreement, CITY shall, by written notice to OWNER, specify the manner in which OWNER has failed to so comply and state the steps OWNER must take to bring itself into compliance ("First Default Notice"). CITY and OWNER shall meet in good faith for the purpose of resolving any disputes within fifteen (15) days of OWNER's receipt of written notice of default from CITY. If the CITY determines that following these meetings, OWNER is not taking necessary steps to cure such default, it shall provide notice of same to OWNER ("Second Default Notice") and if, within thirty (30) days after the effective date of such notice OWNER has failed to so comply or OWNER does not commence all steps reasonably necessary to bring itself into compliance as required and thereafter diligently pursue such steps to completion, then OWNER may be deemed to be in default under the terms of this Agreement and CITY may initiate the process to terminate this Agreement pursuant to Government Code Section 65868. In event of default by OWNER, except as provided in Section 10.3, CITY's sole remedy for any breach of this Agreement by OWNER shall be CITY's right to terminate this Agreement.

10.2 **Defaults by CITY.** If OWNER determines on the basis of substantial evidence that CITY has not complied in good faith with the terms and conditions of this Agreement, OWNER shall, by written notice to CITY, specify the manner in which CITY has failed to so comply and state the steps CITY must take to bring itself into compliance. CITY and OWNER shall meet in good faith for the purpose of resolving any disputes within fifteen (15) days of CITY's receipt of written notice of default from OWNER. If the OWNER determines that following these meetings, CITY is not taking necessary steps to cure such default, it shall provide notice of same to CITY and if, within thirty (30) days after the effective date of such notice, CITY has failed to so comply or CITY does not commence all steps reasonably necessary to bring itself into compliance as required and thereafter diligently pursue such steps to completion, then CITY shall be deemed to be in default under the terms of this Agreement and OWNER may initiate the process to terminate this Agreement and, in addition, may pursue any other remedy available at law or equity, including specific performance as long as such remedy is consistent with Section 10.3.

10.3 **Specific Performance Remedy.** Due to the size, nature and scope of the Project, it will not be practical or possible to restore the Property to its natural condition once implementation of this Agreement and the Project Approvals has begun. After such implementation, OWNER may be foreclosed from other choices it may have had to utilize the Property and provide for other benefits. OWNER has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money which would adequately compensate OWNER for such efforts. For the above reasons, CITY and OWNER agree that damages alone would not be an adequate remedy if CITY fails to carry out its obligations under this Agreement and that, in addition to any all other remedies OWNER may have at law or in equity, including, without limitation, claims for general, special or compensatory damages for any default under this Agreement, OWNER shall have the right to seek and obtain specific performance or injunctive relief as a remedy for any breach of this Agreement. OWNER may seek to enjoin any threatened or attempted violation of this Agreement, seek to enjoin any threatened or attempted violation hereof, or enforce by specific performance the
obligations and rights of OWNER. CITY's remedy of terminating this Agreement shall be sufficient if OWNER fails to carry out its obligations hereunder. Notwithstanding the above, and as further set forth in Section 3.1.2 of this Agreement, CITY may not seek specific performance to require OWNER to construct the Development except to the extent that OWNER becomes otherwise obligated under this Agreement to construct any or all of the public facilities identified in the Development Plan. Nothing contained in this Agreement shall prevent OWNER from enforcing the right to seek a refund or return of a deposit made, or a fee paid, to the CITY in accordance with the provisions of the Existing Rules.

10.4 **Institution of Legal Action.** OWNER may institute legal action to cure, correct or remedy any default, to enforce any covenants or agreements herein, to enjoin any threatened or attempted violation hereof, or to obtain any other remedies consistent with this Agreement. Such legal action shall be heard by a referee from the Orange County Superior Court pursuant to the reference procedures of the California Code of Civil Procedure Sections 638, et seq. OWNER and CITY shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a finding and judgment thereon and issue all legal and equitable relief appropriate under the circumstances of the controversy before him. If OWNER and CITY are unable to agree on a referee within ten (10) days of a written request to do so by either party hereto, either party may seek to have one appointed pursuant to the California Code of Civil Procedure Section 640. The cost of such proceeding shall initially be borne equally by the parties. Any referee selected pursuant to this Section 10.4 shall be considered a temporary judge appointed pursuant to Article 6, Section 21 of the California Constitution.

10.5 **Estoppel Certificates.** Either party may at any time deliver written notice to the other party requesting an estoppel certificate (the "Estoppel Certificate") stating:

10.5.1 The Agreement is in full force and effect and is a binding obligation of the parties.

10.5.2 The Agreement has not been amended or modified either orally or in writing or, if so amended, identifying the amendments.

10.5.3 No default in the performance of the requesting party's obligations under the Agreement exists or, if a default does exist, the nature and amount of any default. A party receiving a request for an Estoppel Certificate shall provide a signed certificate to the requesting party within thirty (30) days after receipt of the request. The City Manager or any person designated by the City Manager may sign Estoppel Certificates on behalf of the CITY. Any officer of OWNER may sign on behalf of OWNER. An Estoppel Certificate may be relied on by assignees and mortgagees.

10.5.4 In the event that one party requests an Estoppel Certificate from the other, the requesting party shall reimburse the other party for all reasonable and direct costs and fees incurred by such party with respect thereto.

11. **Waivers and Delays.**

11.1 **No Waiver.** Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, and failure by a party to exercise its rights upon a
default by the other party hereto, shall not constitute a waiver of such party’s right to demand strict compliance by such other party in the future.

11.2 **Third Parties.** Non-performance shall not be excused because of a failure of a third person, except as provided in Section 11.3.

11.3 **Force Majeure.** OWNER and CITY shall not be deemed to be in default where failure or delay in performance of any of their obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots, or similar hostilities, strikes and other labor difficulties beyond OWNER or CITY control, including government regulations (including, without limitation, local, state and federal environmental and natural resource regulations), voter initiative or referenda, moratoria (including, without limitation, any “development moratorium” as that term is applied in Government Code Section 66452.6) or judicial decisions.

11.4 **Extensions.** The Term of this Agreement and the time for performance by OWNER or CITY of any of its obligations hereunder or pursuant to the Project Approvals shall be extended by the period of time that any of the events described in Section 11.3 or this Section 11.4 exist and/or prevent performance of such obligations; provided that, except for the extension set forth in Section 2.3 of this Agreement allowing OWNER to extend the Term hereof for an additional five (5) year period, in no event shall any such extension exceed a total of 24 months without the prior approval, in their sole and complete discretion, of both OWNER and CITY. Subject to this limit the Term shall be extended for delays arising from the following events for a time equal to the duration of each delay which occurs during the Term:

11.4.1 **Litigation.** The period of time after the Effective Date during which litigation related to the Project Approvals, which has the actual effect of delaying implementation of the Project, is pending, including any litigation pending on the Agreement Date. This period shall include any time during which appeals may be filed or are pending.

11.4.2 **Government Agencies.** Any delay resulting from the acts or omissions of the CITY or any other governmental agency or public utility and beyond the reasonable control of OWNER.

11.5 **Notice of Delay.** Each party shall give notice to the other of any delay that either party believes to have occurred as a result of the occurrence of any of the events described in Section 11.3 or 11.4. Such notice shall be provided as soon as either party becomes aware of any such delay, and in no event shall notice of a delay of any length be given later than sixty (60) days after the end of the delay or it shall be deemed waived.

12. **Notices.** All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail; postage prepaid, return receipt requested. Notices required to be given to CITY shall be addressed as follows:

**City of Orange, City Manager**
300 E. Chapman Avenue
Orange, CA 92866

**With a copy to:**
**City of Orange, City Attorney**
300 E. Chapman Avenue
Orange, CA 92866
Notices required to be given to OWNER shall be addressed as follows:

Milan REI X
  c/o Tivoli Capital Inc.
  888 S. Disneyland Drive, Suite 103
  Anaheim, CA 92802

With a copy to:
  Carmen A. Morinello, Esq.
  200 Spectrum Center Dr. Suite 1250
  Irvine, CA 92612

Any notice given as required herein shall be deemed given only if in writing and upon delivery personally or by independent courier service. A party may change its address for notices by giving notice in writing to the other party as required herein and thereafter notices shall be addressed and transmitted to the new address.

13. **Attorneys’ Fees.** If legal action is brought by either party against the other for breach of this Agreement or to compel performance under this Agreement, the prevailing party shall be entitled to an award of its costs, including reasonable attorneys’ fees, and shall also be entitled to recover its contribution for the costs of the referee referred to in Section 10.4 above as an item of damage and/or recoverable costs. If the CITY is the prevailing party and uses in-house counsel in the litigation, it shall be entitled to recover attorneys’ fees at the in-house counsel’s fully burdened rate.

14. **Recording.** This Agreement and any amendment or cancellation hereto shall be recorded, at no cost to CITY, in the Official Records of Orange County by the City Clerk within the period required by Section 65868.5 of the Government Code.

15. **Effect of Agreement on Title.**

15.1 **Effect on Title.** OWNER and CITY agree that this Agreement shall not continue as an encumbrance against any portion of the Property as to which this Agreement has terminated.

15.2 **Encumbrances and Lenders’ Rights.** OWNER and CITY hereby agree that this Agreement shall not prevent or limit any OWNER of any interest in the Property, or any portion thereof, at any time or from time to time in any manner, at its or their sole discretion, from encumbering the Property, the improvements thereon, or any portion thereof with any mortgage, deed of trust sale and leaseback arrangement or other security device. CITY acknowledges that any Lender (as hereinafter defined) may require certain interpretations of or modifications to the Agreement or the Project and CITY agrees, upon request, from time to time, to meet with the OWNER’s and/or representatives of such Lenders to negotiate in good faith any such request for interpretation or modification. CITY further agrees that it will not unreasonably withhold its consent to any such requested interpretation or modification to the extent such interpretation or modification is consistent with the intent and purpose of this Agreement. A default under this Agreement shall not defeat, render invalid, diminish or impair the lien of any Lender.

The mortgagee or a mortgage or beneficiary of a deed of trust or holder of any other security interest in the Property or any portion thereof and their successors and assigns, including without limitation the purchase at a judicial or non-judicial foreclosure sale or a person or entity which obtains title by deed-in-lieu of foreclosures (“Lender”) shall be entitled to receive a copy of any First Default Notice, as defined in Section 10.1, at the name and address Lender has provided
to the City Clerk of the CITY. As a pre-condition to the institution of any legal proceedings or termination proceedings, the CITY shall deliver to all such Lenders written notification of any situation in which OWNER has failed to cure and is deemed to be in default under Section 10.1 (hereafter, the “Second Default Notice”). The Second Default Notice shall specify in detail the alleged default and the suggested means to cure it. Each such Lender shall have the right, at its sole option, to cure such default within seventy-five (75) days of receipt of the Second Default Notice or, if such default cannot be reasonably cured within seventy-five (75) days, to commence and diligently pursue a cure of such default, in which case CITY shall not terminate this Agreement or otherwise institute legal proceedings. Within 20 days of receipt of the Second Default Notice, such Lenders shall provide written notice to the CITY as to whether such Lender intends to cure the default. If the CITY does not receive such notice within 20 days the Lender shall be deemed to have elected not to cure and the CITY may pursue all available remedies provided to it under this Agreement.

16. **Severability of Terms.** If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to enforce.

17. **Subsequent Amendment to Authorizing Statute.** This Agreement has been entered into in reliance upon the provisions of the Development Agreement Legislation in effect as of the Effective Date. Accordingly, subject to Section 3.3.2 above, to the extent that subsequent amendments to the Government Code would affect the provisions of this Agreement, such amendments shall not be applicable to this Agreement unless necessary for this Agreement to be enforceable or required by law or unless this Agreement is modified pursuant to the provisions set forth in this Agreement and Government Code Section 65868 as in effect on the Agreement Date.

18. **Rules of Construction and Miscellaneous Terms.**

18.1 **Interpretation and Governing Law.** The language in all parts of this Agreement shall, in all cases, be construed as a whole and in accordance with its fair meaning. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. The parties understand and agree that this Agreement is not intended to constitute, nor shall be construed to constitute, an impermissible attempt to contract away the legislative and governmental functions of the CITY, and in particular, the CITY’s police powers. In this regard, the parties understand and agree that this Agreement shall not be deemed to constitute the surrender or abnegation of the CITY’s governmental powers over the Property.

18.2 **Section Headings.** All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

18.3 **Gender.** The singular includes the plural; the masculine gender includes the feminine; “shall” is mandatory, “may” is permissive.

18.4 **Joint and Several Liability.** If there is more than one signee of this Agreement, their obligations are joint and several.

18.5 **Time of Essence.** Time is of the essence regarding each provision of this Agreement of which time is an element.
18.6 Recitals. All Recitals set forth herein are incorporated in this Agreement as though fully set forth herein.

18.7 Entire Agreement. This Agreement together with the Development Plan constitutes the entire agreement between the parties with respect to the subject matter hereof, and the Agreement supersedes all previous negotiations, discussion and agreements between the parties, and no parole evidence of any prior or other agreement shall be permitted to contradict or vary the terms hereof. To the extent there are any inconsistencies between the attached exhibits and this Agreement, the terms and conditions of this Agreement shall control unless the parties otherwise mutually agree in writing.

19. Extension and Preparation of Maps. In accordance with Government Code Section 66452.6(a), any tentative map approved which relates to all or a portion of the Property shall be extended for the greater of (i) the Term of the Agreement or (ii) expiration of the tentative map pursuant to Section 66452.6. Any tentative map prepared for the Project which includes a subdivision shall comply with the provisions of Government Code Section 66473.7 unless exempt as provided therein.

20. Not for Benefit of Third Parties. This Agreement and all provisions hereof are for the exclusive benefit of CITY and OWNER and its Development Transferees and shall not be construed to benefit or be enforceable by any third party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year dated below.

Dated: ________________, 2018

“CITY”

THE CITY OF ORANGE,
a municipal corporation,

By: ________________________________
    Teresa E. Smith, Mayor

ATTEST:

______________________________
Mary E. Murphy, City Clerk

APPROVED AS TO FORM:

______________________________
Wayne W. Winthers, City Attorney
Dated: ________________, 2018

"OWNER"

MILAN REI X, LLC,
a California limited liability company,

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

State of California  
County of ___________________________  

On ________________________, before me, ____________________________ (insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature______________________________ (Seal)

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

State of California  
County of ___________________________  

On ________________________, before me, ____________________________ (insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature______________________________ (Seal)
A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of

On , before me, (insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature (Seal)

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

State of California
County of

On , before me, (insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature (Seal)
A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )
County of ____________________________ )

On ________________________, before me, ____________________________________________ (insert name and title of the officer),

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

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

WITNESS my hand and official seal.

Signature _______________________________ (Seal)

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

State of California )
County of ____________________________ )

On ________________________, before me, ____________________________________________ (insert name and title of the officer),

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

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

WITNESS my hand and official seal.

Signature _______________________________ (Seal)
EXHIBIT "A"

[Beneath this sheet.]
Exhibit A

All that certain property situated in County of Orange, State of California, described as follows:

Parcel 2: Assessor’s Parcel No.: 093-280-27

That portion of Lot 2 in Block “A” of the Land of Oge and Bond, in the City of Orange, County of Orange, State of California, as per Map recorded in Book 3, Pages 430 and 431 of Miscellaneous Records of Los Angeles County, California, described as follows:

Beginning at a point North 4°57’00" West, 405.62 feet (Record North 7°07’ West) from a point in the South line of said Lot 2, North 73°11’20" East, 450.58 feet (Record North 71°11’ East, 450.382 feet) from the Southwest corner of said Lot 2;

Thence North 4°57’00" West, 507.61 feet (Record North 7°07’ West, 507.424 feet) to a point on the centerline of the County Road, which is distant North 84°23’30" East, 642.88 feet (Record North 82°13’ East, 642.774 feet) from the West line of said Lot 2;

Thence North 84°23’30" East, along the centerline of said County Road as the same existed prior to 1927, 969.25 feet (Record North 82°13’ East, 969.606 feet) to an angle point in said centerline;

Thence South 8°55’40" East, along said center line, 284.11 feet (Record South 11°10’ East, 284.064 feet) to an angle point in said centerline;

Thence South 81°15’30" West, 284.064 feet to an angle point in said centerline;

Thence South 81°15’30" West, along the Southwesterly extension of said centerline, 25.43 feet;

Thence South 37°41’10’" East, 186.60 feet;

Thence South 24°25’40" West, 73.40 feet;

Thence South 42°55’ West, 50.61 feet;

Thence South 71°10’ West, 151.19 feet;

Thence South 50°07’ West, 156.32 feet;

Thence North 2°53’10” West, 102.11 feet;

Thence South 61°13’50” West, 73.87 feet;

Thence North 6°40’30” West, 62.38 feet;

Thence South 84°03’30” West, 422.77 feet to the Point of Beginning.

Receivng thereon, that portion described as follows:

Beginning at an angle point in the Northerly line of that certain Parcel of Land conveyed to B. F. White and wife by Deed recorded August 10, 1954 in Book 2789, Page 11 of Official Records, said point being the Northerly terminus of that certain course shown as "North 48°48’ East, 92.30 feet;

Thence South 87°22’41” East, 67.90 feet to a point in the Northerly line of said Land conveyed to White, said point being located 81.30 feet North 50°07’ East from the Southwesterly terminus of that certain course designated as "North 50°07’ East, 156.32 feet;

Thence South 50°07’ West, 38.00 feet along the Northerly line of said Land conveyed to White, to an angle point therein;

Thence North 2°33’10” West, 59.61 feet to the Point of Beginning.

Also except thereon that portion of said Land lying Southerly and Southwesterly of the Northerly line of the Land described in the Deed to the City of Orange, a Municipal Corporation, recorded August 22, 1991 as Instrument No. 91-653101 of Official Records.

Also excepting thereon, that portion of said Land described in the Deed to Municipal Water District of Orange County, recorded July 27, 1998 as Instrument No. 19980483623 of Official Records.

Parcel 3: 370-041-12

That portion of Lot 3 in Block “A” of the Land of Oge and Bond, in the City of Orange, County of Orange, State of California, as per Map recorded in Book 3, Pages 430 and 431, Miscellaneous Records of Los Angeles County, California, described as follows:

Beginning at the Northwest corner of said Lot 3 and

Thence from said Point of Beginning South 17°38’30” East, along the Westerly line of said Lot 3, 281.68 feet to a point;

Thence South 85°00’ East, 137.75 feet to a point;

Thence North 7°33’ East, 145.71 feet to a point;

Thence North 67°16’ East, 205.30 feet to a point in the Easterly line of land conveyed to Roy B. Willis, by Deed recorded February 4, 1921 in Book 382, Page 249, Deeds, Records of said Orange County;

Thence North 17°14’ East, along said Easterly line 215.70 feet to a point in the Northerly line of said Lot 3;

Thence South 85°00’ West, along said Northerly line, 511.81 feet to the Point of Beginning.
Parcel 4: 370-041-25

That Portion of Lot 3 in Block "A" of the Land of Oge and Bond, in the City of Orange, County of Orange, State of California, as per Map recorded in Book 3, Pages 430 and 431, Miscellaneous Records of Los Angeles County, California, described as follows:

Beginning at the point of intersection of the East line of said Lot 3 with the centerline of the County Road, as conveyed to the County of Orange by Deed recorded January 21, 1914 in Book 244, Page 258 of Deeds, Records of said Orange County;
Then southwesterly along the centerline of said Road, 517.25 feet;
Then northwesterly (North 17°54' West) 591.4 feet;
Then in an Easterly direction to a point on the East line of said Lot 3, said point being South 17°30' East, 236.15 feet from the Northeast corner of said Lot 3;
Then South 17°30' East, 376 feet to the Point of Beginning.

Except therefrom that Portion of said Land lying within the Land described in the Deed to the City of Orange, a Municipal Corporation, recorded August 21, 1991 as Instrument No. 91-451619 of Official Records.

Parcel 5: Assessor's Parcel No. 093-280-29 (Portion)

That Portion of Lot 2 in Block "A" of the Land of Oge and Bond, in the City of Orange, County of Orange, State of California, as per Map recorded in Book 3, Page 430 of Miscellaneous Records of Los Angeles County, California, described as follows:

Beginning at the Northeast corner of said Lot 2; and
Then southwesterly along the Northwesterly line of the Land conveyed by W. V. Whisler and wife, to Mrs. J. R. Fletcher, by Deed recorded April 13, 1914 in Book 248, Page 55 of Deeds, to a bolt in the center of the County Road at the Southwest corner of said Land conveyed to said Mrs. J. R. Fletcher;
Then running northwesterly along the center line of said County Road, 284.10 feet, more or less, to an old pipe in the angle point in the center line of said County Road;
Then running South 84° West, along the center line of said County Road, 597.84 feet to the Southeast corner of that Portion of said Lot 2 conveyed by B. D. Parker, a Single Man, to Chris Scultz and wife, by Deed recorded November 2, 1923 in Book 495, Page 394 of Deeds;
Then North 39°50'13" East, 815.36 feet, more or less, to a point in the North line of said Lot 2, which point is 266.66 feet South 85° West from the Northeast corner of said Lot 2;
Then North 85° East, 266.66 feet to the Point of Beginning.

Excepting therefrom, that Portion of said Land described as follows:

Beginning at the Northeast corner of said Lot 2; running
Then southwesterly along the Northwesterly line of the Land conveyed by W. V. Whisler to Mrs. J. R. Fletcher, by Deed recorded April 13, 1914 in Book 248, Page 55 of Deeds, to a bolt in the center of the County Road at the Southwest corner of said Land conveyed to said J. R. Fletcher; running
Then northwesterly along the center line of said County Road 284.10 feet to a point in the centerline of said County Road; running
Then in a Southwesterly direction along the center centerline of said County Road, 59.94 feet to a point;
Then in a Northeastwesterly direction along a straight line to a point in the Northerly line of said Lot 2, which point is South 85° West, 103.66 feet from the Northeast corner of said Lot 2;
Then North 85° East, along the Northerly line of said Lot 2, 103.66 feet to the Point of Beginning.

Parcel 6: Assessor's Parcel No.: 093-280-29 (Portion)

That Portion of Lot 2 in Block "A" of the Land of Oge and Bond, as shown on a Map recorded in Book 3, Page 430 of Miscellaneous Records of Los Angeles County, California, described as follows:

Beginning at the Northeast corner of said Lot 2;
Then southwesterly along the Northwesterly line of the Land conveyed by W. V. Whisler et al to Mrs. J. R. Fletcher, by Deed recorded April 13, 1914 in Book 248, Page 55 of Deeds, to a bolt in the center of the County Road at the Southwest corner of said Land conveyed to said Mrs. J. R. Fletcher;
Thence Northwesterly along the center line of said County Road 284.10 feet to a point in the center line of said County Road; running
Thence in a Southwesterly direction along the center line of said County Road 59.94 feet to a point;
Thence in a Northeastern direction along a straight line to a point in the Northernly line of said Lot 2, which point is South 85° West, 103.66 feet from the Northeast corner of said Lot 2;
Thence North 85° East, along the Northernly line of said Lot 2, 103.66 feet to the Point of Beginning.


Parcel 7: Assessor's Parcel No.; 370-011-18

That Portion of the South half of Section 14, Township 4 South, Range 9 West and the North half of Section 23, Township 4, Range 9 West, of the Land allotted to Paul Peralta De Dominguex in the decree of partition of the Rancho Santiago De Santa Ana, recorded in Book "B" of Judgments of the 17th judicial district of California in the City of Orange, County of Orange, State of California, included within the Land described in the Deed to A. B. Helmsbergen and Nedith C. Helmsbergen recorded April 27, 1935 in Book 748, Page 222 of Official Records of said County, lying Southerly of the following described line:

Beginning at a 1/2 inch iron pipe at Station No. 15 as shown on a Map Filed in Book 3, Page 54 of Record of Surveys in the City of the County recorder of said County;
Thence South 82°38'00" West, 952.71 feet;
Thence South 0°10'00" East, 129.92 feet;
Thence South 65°54'40" West, 165.86 feet;
Thence South 89°48'20" West, 117.49 feet;
Thence North 85°30'20" West, 101.01 feet;
Thence North 83°42'50" West, 174.68 feet;
Thence South 72°11'10" West, 167.87 feet;
Thence South 70°15'19" West, 309.10 feet;
Thence South 35°03'20" West, 388.74 feet to an axle, which bears South 46°11'40" East, 549.09 feet from a 1 inch iron pipe at station 9 of said Record of Survey.

Except that Portion described as follows:

Beginning at the Northeast corner of a Tract of Land conveyed to Henry Snyder by Deed recorded January 6, 1881 in Book 77, Page 22 of Deeds, in the office of the County Recorder of Los Angeles County, California;
Thence South 85° West, 952.71 feet along the North line of said Snyder's Land;
Thence South 1027.99 feet to the Southwesterly line of the Land conveyed to A. B. Helmsbergen et ux by Deed recorded April 27, 1935 in Book 748, Page 222 of Official Records, in the office of the County recorder of said Orange County;
Thence along said Southerly line North 83° East, 550.00 feet to the Southeast corner of said Helmsbergen Land;
Thence North 19°45' East, 117.42 feet to the Point of Beginning.

Also excepting and reserving therefrom all oil, gas, asphaltum and tar, in and under said Land, 500 feet below the surface, but without the right to use the surface rights of said Land in connection with the development thereof; provided, however, the same shall not be construed to prohibit slant drilling operations or other operations which in no way use or in any way affect the surface rights of said Land and which do not enter said Land at a point less than 500 feet to said surface, as excepted and reserved by Anthony B. Helmsbergen and Nedith C. Helmsbergen, husband and wife, in a Deed recorded November 15, 1972 in Book 10426, Page 541 of Official Records.

Parcel 8: Assessor's Parcel No.; 370-011-21

That Portion of the Land allotted to Paul Peralta De Dominguex, in the City of Orange, County of Orange, State of California, as described in the final order of partition of the Rancho Santiago De Santa Ana, which was entered September 12, 1868 in Book "B", Page 410 of Judgments of the district court of the 17th judicial district in and for Los Angeles County, California, described as follows:

Beginning at the Northeast corner of the Land conveyed to Henry Snyder by Deed recorded January 6, 1881 in Book 77, Page 22 of Deeds, records of Los Angeles County, California;
Thence South 83°00'00" West, 952.71 feet along the North line of said Snyder's Land;
Thence South 759.99 feet;
Thence North 83°00'00" East, 655.412 feet to the East line of said Snyder’s Land;
Thence North 15°45'00" East, 844.54 feet to the Point of Beginning.

Except that Portion thereof lying Southly of the following described line:

Beginning at a point on the West line of said Land distant Southerly 509.00 feet from Northwest corner thereof;
Thence North 83°00'00" East, 760.00 feet to the East line of said Land.

Also except therefrom those Portions lying within the Land described as Parcels 1 and 2, in the Deed to Standard Pacific Corporation, recorded March 9, 1981 in Book 12591, Page 984 of Official Records.

Parcel 9: Assessor’s Parcel No.: 370-011-22 (Portion)

All that certain Land situated in the Rancho Santiago De Santa Ana, in the City of Orange, County of Orange, State of California, described as follows:

Beginning at the Northwest corner of Lot 2 in Block A of the Land of Ogo and Bond, as shown on a Map recorded in Book 3, Page 430 of Miscellaneous Records of Los Angeles County, California;
Thence North 83° East, along the Northernly line of said Lot 1056.03 feet to a stone marked “X”;
Thence South 15°39' West, 625.48 feet to a pipe in the centerline of the County Road;
Thence South 83°55' West, along said centerline, 706.16 feet to an iron bar in the West line of said Lot;
Thence North 16°24' West, along said West line 629.14 feet to the Point of Beginning.

Except therefrom that Portion of said Land lying within the Land described in the Deed to the City of Orange, a Municipal Corporation, recorded August 21, 1991 as Instrument No. 91-451610 of Official Records.

Parcel 10: Assessor’s Parcel No.: 370-011-22 (Portion)

All that certain Land situated in the Rancho Santiago De Santa Ana, in the City of Orange, County of Orange, State of California, described as follows:

Beginning at the Northeast corner of Lot 3 in Block A of the Land of Ogo and Bond, as shown on a Map recorded in Book 3, Pages 430 and 431 of Miscellaneous Records of Los Angeles County, California;
Thence Westwardly along the Northernly line of said Lot, 526.7 feet to a point;
Thence Southeasterly 218.2 feet to the Northwesterly corner of the Land conveyed to J. A. Burns by Deed recorded June 23, 1923 in Book 476, Page 179 of Deeds;
Thence in an Easterly direction to a point on the East line of said Lot 3, 236.15 feet Southerly from the Northeast corner of said Lot 3;
Thence North 17°30’ West, 236.15 feet to the Point of Beginning.

Parcel 11: 370-011-08

That Portion of the Land allotted to Paula Peraldo Dominquez, in the City of Orange, County of Orange, State of California, as described in the final decree of partition of the Rancho Santiago De Santa Ana, which was entered September 12, 1868 in Book "B", Page 410 of Judgments of the District Court of the 17th Judicial District In and for Los Angeles County, California, described as follows:

Beginning at a point distant South 924.00 feet and North 84°43’ East, 3261.06 feet from the corner common to Section 14, 15, 22 and 23 in said allotment, said point being the Southwestern corner of the Land described in the Deed to Henry Snyder, recorded January 6, 1881 in Book 77, Page 22 of Deeds, Records of Los Angeles County, California;
Thence North 36°07’ West, 1000.56 feet along the boundary of said Snyder Land to a stake;
Thence South 55°15’ West, 381.74 feet to a Rock;
Thence South 7°13’ West, 691.22 feet;
Thence North 84°43’ East, 995.15 feet to the Point of Beginning.
Parcel 12: 093-280-30 (Portion)

That Portion of the Land allotted to Paula Perez De Dominguez, in the City of Orange, County of Orange, State of California, as described in the final decree of partition of the Rancho Santiago De Santa Ana, which was entered September 12, 1868 in Book "D" Page 410 of Judgments of the District Court of the 17th Judicial District in and for Los Angeles County, California, described as follows:

Beginning at the Southeast corner of the Tract of Land conveyed to A. B. Holmbergen and wife, by Deed recorded April 27, 1935 in Book 748, Page 222 of Official Records of said County;

Thence North 19°45'00" East, 334.88 feet along the Easterly line of said Land to the Southeast corner of the Land conveyed to Sally Miller Contracting Company, by Deed recorded August 25, 1933 in Book 630, Page 178 of Official Records of said County;

Thence South 83°00'00" West, 665.41 feet to the Southwest corner of said Land conveyed to Sally Miller Contracting Company;

Thence Southerly 268.00 feet, more or less, along the Southerly extension of the Wasterly line of said Land to the Southwesterly line of said Land conveyed to A. B. Holmbergen and wife;

Thence North 85°00'00" East, 550.00, more or less to the Point of Beginning.

Except therefrom all oil, gas and other hydrocarbon substances, in, under, or that may be produced from a depth below 100 feet, from the surface of said property and any part thereof, as reserved by A. B. Holmbergen and wife, in the Deed to Earl B. Miller and others, Dated June 9, 1947 and recorded July 29, 1947 in Book 1534, Page 310 of Official Records, in the office of the County recorder of said Orange County.

Parcel 13: 093-280-30 (Portion)

That Portion of the Land allotted to Paula Perez De Dominguez, in the City of Orange, County of Orange, State of California, as described in the final decree of partition of the Rancho Santiago De Santa Ana, which was entered September 12, 1868 in Book "D" Page 410 of Judgments of the District Court of the 17th Judicial District in and for Los Angeles County, California, described as follows:

Beginning at the Northeast corner of the Land conveyed to Hancy Snyder by Deed recorded January 6, 1881 in Book 77, Page 222 of Deeds, Records of Los Angeles County, California;

Thence South 83°00'00" West, 952.71 feet along the North line of said Snyder's Land;

Thence South 759.99 feet;

Thence North 83°00'00" East, 665.412 feet to the East line of said Snyder's Land;

Thence North 19°45'00" East, 844.54 feet to the Point of Beginning.

Except that Portion thereof lying Northerly of the following described line:

Beginning at a point on the West line of said Land distant Southerly 509.00 feet from the Northwest corner thereof;

Thence North 83°00'00" East, 760.00 feet to the East line of said Land.

Parcel 14: 093-280-30 (Portion) & 093-280-31

That Portion of the Land allotted to Paula Perez De Dominguez, in the City of Orange, County of Orange, State of California, as described in the final decree of partition of the Rancho Santiago De Santa Ana, which was entered September 12, 1868 in Book "D" Page 410 of Judgments of the District Court of the 17th Judicial District in and for Los Angeles County, California, described as follows:

Beginning at a point on the Northerly line of Block "A" of the "Land of Oge and Bond", as shown on a Map recorded in Book 3, Page 430 and in Book 3, Page 491 both of Miscellaneous Records of Los Angeles County, California, which said Point of Beginning is South 85°29' West, measured along said Northerly line of Block "A", 170.00 feet from the Northeastern corner of Lot 2 in Block "A" of said Land of Oge and Bond;

Thence from said Point of Beginning North 58°17'10" East, 174.12 feet to an iron pipe marks the Northeastern corner of Land described in the Deed recorded October 20, 1917 in Book 261, Page 314 of Deeds;

Thence North 75°15' East, 155.00 feet to an iron pipe marks the Northeastern corner of said Land;

Thence North 87°55'00" East, 114.75 feet;

Thence North 83°43'00" East, 208.64 feet;

Thence North 61°13'00" East, 138.13 feet;

Exhibit A
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Thence North 48°35'00" East, 70.01 feet to a point in the Westerly boundary of the Land described in the final order of condemnation recorded in Book 12177, Page 409, Official Records,
Thence along the Westerly boundary thereof North 17°10'18" West, 680.78 feet to a point on that certain course shown as South 85°46' East, 264.10 feet on the Map Filed in Book 3, Page 64 of Record of Surveys said point being North 84°51'58" West, 60.00 feet from "STA 17-A."
Thence North 84°31'58" West, 238.10 feet to station 17
Thence South 88°34' West, 680.18 West to station 16,
Thence South 18°49'300" West, 1030.12 feet to a point on the above mentioned Northerly line of Block "A" of the Land of Ose and Bond, said point being South 85°29' west, 627.42 feet measured along said Northerly line from the Point of Beginning;
Thence North 85°29' East, 360.72 feet along said Northerly line to the Southwesterly corner of the pump Lot as shown on a Map Filed in Book 8, Page 3 of Record of Surveys, in the office of the County recorder of said Orange County;
Thence along the boundaries of said pump Lot the following courses and distances, North 4°31' East, 30.00 feet, North 85°29' East, 30.00 feet, South 4°31' East, 30.00 feet to the Southwesterly corner of said pump Lot;
Thence North 85°29' East, 236.70 feet along the Northerly line of said Block "A" to the Point of Beginning.

Parcel 15: 093-280-07 (Parcel)

That Portion of Lot 2 in Block "A" of the Land of Ose and Bond, in the City of Orange, County of Orange, State of California, as per Map recorded in Book 3, Page 430 of Miscellaneous Records of Los Angeles, California, described as follows:

Beginning at a point in the North line of said Lot, 266.66 feet South 85° West, from the Northeast corner of said Lot;
Thence South 90°59'15" West, 613.36 feet to a point in the center of the County Road;
Thence South 85°55' West, along the centerline of said County Road, 238.15 feet to the Southeast corner of that certain Parcel of Land conveyed by W. V. Whisler and wife, to Hiram Whisler, by Deed recorded November 26, 1917 in Book 309, Page 236 of Deeds;
Thence North 15°59' East, along the Southwesterly line of said Parcel of Land conveyed to said Hiram Whisler, 625.48 feet to a point in the North line of said Lot 2;
Thence North 85° East, 588.30 feet to the Point of Beginning.

Parcel 16: 093-280-07 (Parcel)

The West one acre of that Portion of Lot 2 in Block "A" of the Land of Ose and Bond, in the City of Orange, County of Orange, State of California, as per Map recorded in Book 3, Page 430 of Miscellaneous Records of Los Angeles County, California, described as follows:

Beginning at the Northeast corner of said Lot 2;
Thence South 17-1/2" East, 860 feet to the center of the County Road;
Thence, along the center of the County Road, the following courses and distances: South 81-1/4" West, 407 feet;
Thence North 9" West, 275 feet; south 84° West, 930 feet;
Thence, leaving the County Road, North 15-1/2" East, 625 feet to a post on the North line of said Tract;
Thence North 85° East, 950 feet to the Point of Beginning.

Except therefrom that Portion of said Land lying Westerly of a line described as follows:

Beginning at a stone marked "X" in the North line of said Lot 2, North 85° East, 1056.03 feet from the Northwest corner thereof;
Thence South 15°59' West, 625.48 feet to a pipe in the centerline of the County Road.

Parcel 17: 093-280-17

All that Portion of Section thirteen, Township four South, Range nine West, San Bernardino Base and Meridian, in the City of Orange, County of Orange, State of California, described as follows:

Beginning at the Northwest corner of the 82.84 acre Parcel of Land described in Deed to George H. Bandell, recorded April 13, 1920 in Book 358, Page 374 of Deeds, said Northwest corner being in the Southerly line of the Land belonging to the Jotham Hixby Company;

Exhibit A
6 of 7
Thence North 85°29' East, along said Southerly line, being along the Northerly line of said 82.84 acre Parcel of Land 241.70 feet;
Thence North 19°18' West, 405.66 feet;
Thence North 50°13' East, 107.93 feet to the beginning of a curve concave to the Northwest, having a radius of 111.19 feet;
Thence along said curve to a Northerly direction 59.38 feet;
Thence North 20°14' East, 426.13 feet to the beginning of a curve concave to the West, having a radius of 173.19 feet;
Thence along said curve in a Northerly direction 104.94 feet;
Thence North 14°29' West, 403.50 feet to the beginning of a curve concave to the East, having a radius of 276.29 feet;
Thence along said curve in a Northerly direction 94.19 feet to the True Point of Beginning;
Thence continuing along said curve in a Northerly direction 45.02 feet;
Thence North 80°16' West, 45.00 feet;
Thence South 9°44' West, 45.00 feet;
Thence South 80°16' East, 45.00 feet to the True Point of Beginning.

Parcel 18: 093-280-05

That certain water well site, in the City of Orange, County of Orange, State of California, described as Parcel 1 in that certain Deed to Santiago Mutual Water Company, recorded January 13, 1939, in Book 980, Page 58 of Official Records, in the office of the County recorder of said County, lying within a portion of Section 23, Township 4 South, Range 9 West, San Bernardino Base and Meridian, being more particularly described as follows:

Beginning at the Northeast corner of Lot 2, Block "A", Land of Ojo and Bond, as shown on a Map thereof recorded in Book 3, Page 430, and in Book 3, Page 451 both of Miscellaneous Records of Los Angeles County, California;
Thence South 85°29' West, 405.70 feet to the True Point of Beginning;
Thence South 85°29'30" West, 30.00 feet to a point;
Thence North 4°31'1" West, 30.00 feet to a point;
Thence North 85°29' East, 30.00 feet to a point;
Thence South 4°31' East, 30.00 feet to the True Point of Beginning, as shown in Record of Survey Book 8, Page 3, Records of Orange County, California.

Parcel 19: 093-280-26 and 093-280-28

A portion of those certain Parcels of Land in the City of Orange, County of Orange, State of California in Deeds recorded March 23, 1960 in Book 5160, Page 198 and February 13, 1979 in Book 13031, Page 1303 both of Official Records in the Office of the County recorder of said Orange County, being a strip of Land 55.00 feet in width, the Southerly line of said strip being more particularly described as follows:

Beginning at the Southwest corner of Lot "C" of Tract No. 13833 filed in Book 690, Pages 21 through 24 inclusive of Miscellaneous Maps in the office of the County recorder of said Orange County, said point being on a non-tangent curve, concave to the North and having a radius of 1130.00 feet, from which corner a radial line bears North 2°26'22" East;
Thence Westerly along said curve, a distance of 71.08 feet through a central angle of 3°32'29" to the Point of Termination.

The Northerly line of said 55 foot wide strip of Land shall be prolonged Easterly along the curve so as to terminate in the Easterly line of said Book 5160, Page 198.

Assessor's Parcel Number: 093-280-05, 07, 17, 26, 27, 28, 29, 30, 31; 370-041-12, 25; 379-011-08, 18, 21, 22

Exhibit A
7 of 7
EXHIBIT "B"

[Beneath this sheet.]
EXHIBIT B

The Orange Municipal Code; the East Orange General Plan; the Orange Park Acres Specific Plan; and all development rules, policies, regulation, and guidelines maintained by the City of Orange in effect on November 2, 2016.
EXHIBIT "C"

[Beneath this sheet.]
EXHIBIT C

DESCRIPTION OF THE PROPERTY

The land referred to herein is situated in the State of California, County of Orange, City of Orange, and is described as follows:

PARCEL A:

PARCELS 2 AND 3, IN THE CITY OF ORANGE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON LOT LINE ADJUSTMENT NO. LL 98-8, Recorded May 18, 1999 as Instrument No. 99-366700, OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B:


Rory S. Williams, L.S. No 6654
Date: 6/09/11

Revised: June 9, 2011
June 8, 2011
W.O. No. 3040-1X
Page 1 of 1
H&A Legal No. 7717
By: R. Williams
Checked By: L. Gaston

C-1
EXHIBIT "D"

[Beneath this sheet]
EXHIBIT D

The cost estimate by Summers Murphy & Partners, dated July 18, 2017, and contained in Appendix “C” of the Specific Plan is hereby incorporated herein by reference as if fully set forth.
EXHIBIT “E”

[Beneath this sheet.]
EXHIBIT "F"

[Beneath this sheet.]
# City of Orange Development Fees

The following fees, if applicable, will be collected by the Building Division at building permit issuance.

## Transportation System Improvement Program (TSIP) Effective 03/20/2008

See attached map for area identification.

For further information please contact Doug Kaya, Transportation Analyst (714) 744-8540 or dikaya@cityoforange.org

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Area &quot;A&quot;</th>
<th>Area &quot;B&quot;</th>
<th>Area &quot;C&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family, Condo &amp; Townhome</td>
<td>$617.00</td>
<td>$1,445.00</td>
<td>$804.00</td>
</tr>
<tr>
<td>Residential (per unit)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential - Apartments (per unit)</td>
<td>712.00</td>
<td>1,015.00</td>
<td>564.00</td>
</tr>
<tr>
<td>Hotel/Motel (per room / unit)</td>
<td>817.00</td>
<td>1,234.00</td>
<td>688.00</td>
</tr>
<tr>
<td>General Office (per sq. ft)</td>
<td>1.17</td>
<td>1.66</td>
<td>0.93</td>
</tr>
<tr>
<td>Medical Office (per sq. ft)</td>
<td>3.93</td>
<td>6.46</td>
<td>3.04</td>
</tr>
<tr>
<td>Industrial (per sq. ft)</td>
<td>0.74</td>
<td>1.06</td>
<td>0.69</td>
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<tr>
<td>Retail/Commercial (per sq. ft)</td>
<td>4.65</td>
<td>6.93</td>
<td>3.84</td>
</tr>
<tr>
<td>Church/Synagogue (per sq. ft)</td>
<td>0.97</td>
<td>1.38</td>
<td>0.77</td>
</tr>
<tr>
<td>Hospital (per bed)</td>
<td>1,282.00</td>
<td>1,728.00</td>
<td>952.00</td>
</tr>
<tr>
<td>School (per student)</td>
<td>137.00</td>
<td>165.00</td>
<td>108.00</td>
</tr>
<tr>
<td>Child Care (per sq. ft)</td>
<td>6.10</td>
<td>11.97</td>
<td>0.66</td>
</tr>
<tr>
<td>Atypical Uses (per trip end-daily)</td>
<td>108.00</td>
<td>161.00</td>
<td>84.00</td>
</tr>
</tbody>
</table>

## Foothill/Eastern Transportation Corridor Agency Fee (TCA) Effective 07/01/2016-06/30/17

Zone B – 65 to Wohl Canyon Road

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Dwelling</td>
<td>$3,960.00 per unit</td>
</tr>
<tr>
<td>Multi-Family, Apts., Condos</td>
<td>$2,303.00 per unit</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>$4.47 per Sq. Ft.</td>
</tr>
</tbody>
</table>
### TABLE A

**CAPITAL FACILITIES CAPACITY CHARGES (CFCC)**

<table>
<thead>
<tr>
<th>Use Category</th>
<th>Role Basis</th>
<th>Base Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial - Industrial Low Demand</td>
<td>Per 1,000 square feet $800.00</td>
<td>$800.00</td>
</tr>
<tr>
<td>Commercial - Industrial Average Demand</td>
<td>Per 1,000 square feet $1,250.00</td>
<td>$1,250.00</td>
</tr>
<tr>
<td>Commercial - Industrial High Demand</td>
<td>Per 1,000 square feet $4,572.00</td>
<td>$4,572.00</td>
</tr>
<tr>
<td>Single Family Residential (SFR)*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5+ Bedrooms</td>
<td>$8,164.00</td>
<td></td>
</tr>
<tr>
<td>4 Bedrooms</td>
<td>$4,414.00</td>
<td></td>
</tr>
<tr>
<td>3 Bedrooms</td>
<td>$5,710.00</td>
<td></td>
</tr>
<tr>
<td>2 Bedrooms</td>
<td>$8,004.00</td>
<td></td>
</tr>
<tr>
<td>1 Bedroom</td>
<td>$2,283.00</td>
<td></td>
</tr>
<tr>
<td>Multi-Family Residential (MFR)*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4+ Bedrooms</td>
<td>$4,003.00</td>
<td></td>
</tr>
<tr>
<td>8 Bedrooms</td>
<td>$3,304.00</td>
<td></td>
</tr>
<tr>
<td>2 Bedrooms</td>
<td>$2,254.00</td>
<td></td>
</tr>
<tr>
<td>1 Bathroom</td>
<td>$1,854.00</td>
<td></td>
</tr>
<tr>
<td>Studio*</td>
<td>$1,191.00</td>
<td></td>
</tr>
</tbody>
</table>

**Supplemental CFCC for Permit Users, includes 5% cost of funds.**

- **Flow, gallons per day**: $0.001853
- **BOD, pounds per day**: $0.099952
- **SS, pounds per day**: $0.021425

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*Provided that the minimum capital facilities capacity charge for such new construction shall be $5,710, and all calculations shall be on a 1,000 square foot, or portion thereof, basis.

*Low Demand connections are the following categories of users: Museums; Warehouses; Churches; Truck Terminals; RV Parks, RV Storage Yards, Lumber/Construction Yards; Public Storage Buildings; and other facilities where flow is similar in volume to the listed categories. Plumbing fixtures not connected to the sewer will not be charged.

*High Demand connections are the following categories of users: Foodstuffs, Supermarkets; Car Washes; Coin Laundromats; Amusement Parks; Shopping Centers with one or more restaurants, or Food Court; Food Processing Facilities; Textile Manufacturing; and other discharges whose flow is similar in volume to the listed categories.

*All other connections are Average Demand users including: Hotels, Strip Malls without restaurants, Movie Theaters without food facilities, Office buildings, Senior Housing with individual living units with kitchens but not with a common kitchen.

*Bedroom additions are considered a change of use and a CFCC must be paid. Bedrooms include all additions, bonus rooms that may be used as offices, workrooms, media rooms, or libraries, or any other additions, which could potentially be used as a bedroom. The classification of these additions is reviewed and determined by staff. Any detached building such as an addition over an existing garage or new building with the same designation as mentioned above will be considered a separate living residence (SFR).

*MFR units consist of multiple units that receive one or more property tax bills such as apartments. Senior housing with individual living units that include a kitchen are considered MFR units.

*Studio - one single room with no separating doors or openings leading to another part of the room (except for a bathroom).

*SFR - The rates for each size of SFR and MFR are established with a 3-bedroom SFR having a base of 1.0, and all others are a relative percentage higher or lower than 1.0, depending on size of unit, as noted.
### Park Dedication and In Lieu Fee (Quintinye)
#### (Park Acquisition Fee) 611
**Residential Subdivision Developments Only**
*(See Park Dedication Fee for Non Residential Housing Units (Not a Part of a Subdivision)*

<table>
<thead>
<tr>
<th>Density Classification (Dwelling Units/Gross Acre)</th>
<th>District 1</th>
<th>District 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤ 6 (DU/GA)</td>
<td>$7,994.00 per unit</td>
<td>≤ 8 (DU/GA)</td>
</tr>
<tr>
<td>&gt; 8 - ≤ 15 (DU/GA)</td>
<td>$10,469.00 per unit</td>
<td>&gt; 8 - ≤ 15 (DU/GA)</td>
</tr>
<tr>
<td>&gt; 15 (DU/GA)</td>
<td>$10,546.00 per unit</td>
<td>&gt; 15 (DU/GA)</td>
</tr>
</tbody>
</table>

### Park and Recreational Facilities Development Impact Fee
#### (Park Infill Fee) 610
**Residential Projects Only**
*(See Park Dedication Fee for Non Residential Housing Units (Not a Part of a Subdivision)*

<table>
<thead>
<tr>
<th>Density Classification (Dwelling Units/Gross Acre)</th>
<th>District 1</th>
<th>District 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤ 6 (DU/GA)</td>
<td>$7,924.00 per unit</td>
<td>≤ 8 (DU/GA)</td>
</tr>
<tr>
<td>&gt; 8 - ≤ 15 (DU/GA)</td>
<td>$10,469.00 per unit</td>
<td>&gt; 8 - ≤ 15 (DU/GA)</td>
</tr>
<tr>
<td>&gt; 15 (DU/GA)</td>
<td>$10,546.00 per unit</td>
<td>&gt; 15 (DU/GA)</td>
</tr>
</tbody>
</table>

### Library Facilities Development Impact Fee
**Residential Projects Only**
*(See Park Dedication Fee for Non Residential Housing Units)*

<table>
<thead>
<tr>
<th>Density Classification (Dwelling Units/Gross Acre)</th>
<th>Citywide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 (DU/GA)</td>
<td>$742.52 per unit</td>
</tr>
<tr>
<td>From 6 to 15 (DU/GA)</td>
<td>$769.30 per unit</td>
</tr>
<tr>
<td>More than 15 (DU/GA)</td>
<td>$842.71 per unit</td>
</tr>
</tbody>
</table>
### Fire Protection Facility Fee

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detached Residential</td>
<td>$1200.00 per unit</td>
</tr>
<tr>
<td>Attached Residential</td>
<td>$601.00 per unit</td>
</tr>
<tr>
<td>College/University Dorm</td>
<td>$971.00 per unit</td>
</tr>
<tr>
<td>Group/Congregate Units</td>
<td>$2,306.00 per unit</td>
</tr>
<tr>
<td>Commercial Lodging</td>
<td>$956.00 per unit</td>
</tr>
<tr>
<td>Commercial/Office Use</td>
<td>$.596 per sq. ft</td>
</tr>
<tr>
<td>Industrial Manufacturing</td>
<td>$570 per sq. ft.</td>
</tr>
<tr>
<td>Hospital Use</td>
<td>$2,582 per sq. ft.</td>
</tr>
</tbody>
</table>

### Police Facility Fee

<table>
<thead>
<tr>
<th>Category</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Dwelling</td>
<td>$364.89 per unit</td>
</tr>
<tr>
<td>Non-Residential</td>
<td>$0.206 per Sq. Ft.</td>
</tr>
</tbody>
</table>

### School Development Fee

(Collected by the Orange Unified School District)

1401 N. Handy Street, Orange, CA 92867

For additional information, call (714) 628-6369
Building Permit and Plan Check Fees

A fee for each building permit and plan check shall be determined based on the following fee schedule, which is based on the building valuation.

The building valuation shall be determined by the Building Official and is the total value of all construction work for which the permit is issued, as well as all other work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, fire extinguishing systems and any other permanent equipment.

<table>
<thead>
<tr>
<th>Building Valuation</th>
<th>Plan Check Fee</th>
<th>Building Permit Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00 to $4,000.00</td>
<td>$0.00 to $22.82</td>
<td>$0.00 to $100.00</td>
</tr>
<tr>
<td>$4,001.00 to $25,000.00</td>
<td>$22.82 to $182.85</td>
<td>$101.00 to $3,000.00</td>
</tr>
<tr>
<td>$25,001.00 to $100,000.00</td>
<td>$182.85 to $1,083.99</td>
<td>$3,001.00 to $5,000.00</td>
</tr>
<tr>
<td>$100,001.00 to $600,000.00</td>
<td>$1,083.99 to $5,920.02</td>
<td>$5,001.00 to $10,000.00</td>
</tr>
<tr>
<td>$600,001.00 to $1,000,000.00</td>
<td>$5,920.02 to $14,999.99</td>
<td>$10,001.00 to $30,000.00</td>
</tr>
<tr>
<td>$1,000,001.00 to</td>
<td>$14,999.99 to $54,000.00</td>
<td>$30,001.00 to $100,000.00</td>
</tr>
<tr>
<td>over</td>
<td>$54,000.00 to $1,000,000.00</td>
<td>over</td>
</tr>
</tbody>
</table>

Mechanical, Electrical, and Plumbing fees are calculated separately and are generally based on unit costs (see permit applications for these unit costs).

1 The Plan Check fee shall be 66% of the building permit fee and will be collected at the time of permit application.
2 or fraction thereof
EXHIBIT “G”

[Beneath this sheet.]
EXHIBIT G

Any Exactions and Dedications required by the project shall be those identified to implement project approval, and contained in the Specific Plan, Project Mitigation in the Existing Project Approval, Mitigation Measures identified in the Environmental Impact Report, and those identified in this Development Agreement.