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Strategic Actions for a Just Economy

UNITED STATES BANKRUPTCY COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re: OCEANWIDE PLAZA LLC, Debtor	Case No. 2:24-bk-11057-DS Chapter 11 **OBJECTION OF STRATEGIC ACTIONS FOR A JUST ECONOMY (on behalf of the Coalition) TO THE DEBTOR'S PLAN OF LIQUIDATION** Date: April 9, 2026 Time: 10:00 a.m. Judge: Hon. Deborah J. Saltzman

Strategic Actions for a Just Economy ("SAJE") hereby objects to the chapter 11 plan of Oceanwide Plaza LLC ("Debtor") as follows.[1]

I. INTRODUCTION

The sole purpose of Debtor's plan is to effect the sale of the real property owned by Debtor (the "Oceanwide Property") to KPC Square, LLC (the "Purchaser") and to otherwise liquidate whatever assets of Debtor remain. Under the proposed Plan, the Debtor will reject all but a handful of executory contracts and sell the Oceanwide Property free and clear of all liens. In 2001, the prior developers of the Oceanwide Property entered into a Cooperation Agreement with

[1] Pursuant to the written agreement between Debtor and SAJE, the deadline for SAJE to object to the plan was extended to March 23, 2026.

the Coalition (Coalition shall mean the unincorporated association comprised collectively of the following public benefit organizations: Central American Resource Center (CARECEN); Coalition L.A.; Concerned Citizens of South Central Los Angeles; Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA); Environmental Defense – Environmental Justice Project Office (subject to paragraph 12); Esperanza Community Housing Corporation; H.E.R.E. Local 11; Los Angeles Alliance for a New Economy (LAANE); and Strategic Actions for a Just Economy (SAJE)).

SAJE is the representative of the Coalition who, entered into a Cooperation Agreement regarding certain restrictions and protections in the development, including (i) funding the creation of parks and recreation facilities; (ii) creating additional publicly accessible open spaces, such as plazas, walkways, terraces and lawns; (iii) facilitating an affordable housing component as part of the residential housing portion of the Project; (iv) establishing a residential permit parking program and a traffic liaison to assist with traffic issues related to the Project; (v) maximizing the number of living wage jobs in the Project and establishing a "Living Wage Incentive Program" for commercial tenants operating within the Project; and (vi) undertaking additional obligations with respect to responsible contracting and selection of tenants and related reporting. This agreement was incorporated into a disposition and development agreement between the developer and the City of Los Angeles (the "City") by its terms, binds successors and assigns. Constructive notice of this agreement, which was formally assigned and assumed by Debtor, was provided by recorded memorandums and assignments.

As the development agreement formally applies to assigns and successors, and notice was provided, it constitutes an equitable servitude under California law, which may not be rejected. Further, none of the prongs of section 363(f) allows any sale to be free of its restrictions. Accordingly, the Court should deny confirmation of the plan absent clear language that the rights created in the DDA and the CBA, as amended by the various implementing documents and assignments, are not affected by the Plan or the sale effected by the Plan.

II. PERTINENT FACTS

In 1997, the prior owner of the Ocean Plaza land, L.A. Arena Land Company, and Flower

Holdings, LLC (the "Prior Developers"), entered into a Disposition and Development Agreement (the "DDA") with the City and the Community Redevelopment Agency of the City of Los Angeles (the "CRA") regarding the development of the Los Angeles Sports and Entertainment District (the "Project"), of which Oceanwide Property is a component. Memorandum of DDA, Ex. A. The DDA established certain requirements and restrictions for the development of the Project. Memorandum of DDA, Ex. A. Constructive notice regarding the restrictions set forth in the DDA was given through recordation of a Memorandum of Disposition and Development Agreement. Memorandum of DDA, Ex. A.

On May 29, 2001, the Prior Developers entered into a Cooperation Agreement with a coalition of public benefit organizations, including the objecting party, SAJE. Cooperation Agreement, Ex. B. Under the Cooperation Agreement, the Prior Developers agreed, in regards to the Project, to carry out the obligations set forth in the Community Benefits Program (the "CBA") attached as Exhibit A to the Cooperation Agreement. Cooperation Agreement § 2, Ex. B. The Prior Developers further agreed to "include all or relevant portions of the Community Benefits Program into one or more appropriate agreements with the City or the Agency." Cooperation Agreement § 2, Ex. B. In turn, the Coalition Agreed to support approval of the Project. Cooperation Agreement § 3, Ex. B.

The CBA, in turn, requires the Prior Developers to provide a host of benefits to the community, including but not limited to creating public spaces (CBA § III, Ex. C), protection of the community from the adverse effects of the development (CBA § IV, Ex. C), creating of a living wage program (CBA § V, Ex. C), local hiring and jobs (CBA § VI, Ex. C), service worker and retention (CBA § VII, Ex. C), responsible contracting (CBA § VIII, Ex. C), creation of affordable housing (CBA § IX, Ex. C), and relocation of families (CBA § X, Ex. C).

To enforce the CBA, the City, the CRA, and the Prior Developers entered into the Third Implementation Agreement to Disposition and Development Agreement dated September 5, 2001 (the "Third Implementation Agreement"). Under the Third Implementation Agreement, the Prior Developers reaffirmed the obligations under the CBA. Third Implementation Agreement § 19.11, Ex. D.

Subsequently, the City, the CRA, and the Prior Developers entered into the Fourth Implementation Agreement to Disposition and Development Agreement dated September 1, 2005 (the "Fourth Implementation Agreement"). The purpose of the Fourth Implementation Agreement was described by the Chief Legislative Analyst for the City as follows:

> The Fourth Implementation Agreement is structured to ensure that the build-out of the Project properties which have been sold or where development rights have been transferred by the Developer (L.A. Arena Land Development Company, Inc.) to other development entities (Project Developers) is consistent with the Amended DDA, the Los Angeles Sports and Entertainment District Master Agreement and Plan (Master Agreement) and the Community. Benefits Program. The new development entities assume the obligations of the Developer.

September 16, 2005 Letter re: Fourth Implementation Agreement, Ex. E.

As described by the City's legislative analyst, the Fourth Implementation Agreement, like its predecessor, reaffirms the obligations under the CBA. Fourth Implementation Agreement § 19.11, Ex E. The Fourth Implementation further provides that the Prior Developers can assign real property subject to the Project, but only if all obligations under the DDA and related documents are also assigned in a manner so that the obligation will run with the land. Fourth Implementation Agreement § 4, Ex. E. Constructive notice regarding the obligations set forth in the Fourth Implementation Agreement was given through recordation of a Memorandum of Fourth Implementation Agreement to Disposition and Development Agreement. Memorandum of Agreement, Ex. F.

Subsequently, the Prior Developers, along with certain related entities, assigned the Oceanwide Plaza land to certain entities constituting JM Fig LLC, MG Fig LLC, HS Fig LLC, and CLAD Resources Borrower, LLC (the "Fig Assignees"). This assignment was memorialized in the Partial Assignment and Assumption Agreement dated August 11, 2006 (the "2006 Assignment"). Under the Partial Assignment, the Fig Assignees took title to the Oceanwide Property. 2006 Assignment, Recital E, Ex. G. Further, under the Partial Assignment, the Fig Assignees were subject to the Affordable Housing requirements of the CBA. Exhibit A to 2006 Assignment ¶ 14, Ex. G.

The Fig Assignees then sold the Oceanwide Property to Tohigh Construction Investment, LLC ("Tohigh"). As part of the sale, the Fig Assignees executed a Assignment and Assumption Agreement dated December 26, 2013 (the "2013 Assignment"), in which Tohigh assumed all rights and obligations under the Amended DDA. 2013 Assignment, Ex. H. Tohigh subsequently changed its name to Oceanwide Plaza LLC. Chapter 11 Plan p.164, Dkt. #842.

III. THE PLAN CANNOT MODIFY THE OBLIGATIONS UNDER THE CBA

A. The Debtor Cannot Terminate Through Rejection Obligations Which Run with the Land

Under the Plan, all contracts not expressly assumed are rejected. Plan § 7.1.1, Dkt. #842. Debtor's schedule of assumed contracts does not include the DDA, the CBA, or any related document. Exhibit B to Plan Supplement, Dkt. # 858. Thus Debtor appears to intend to reject the DDA and CBA, as modified through the various implementation agreements and assignments.[2]

Debtor may not do so as the DDA is a contract which runs with the Oceanwide Property. "[I]t is not possible for a debtor to reject a covenant that 'runs with the land' since such a covenant creates a property interest that is not extinguished through bankruptcy." *In re Sabine Oil & Gas Corp.*, 567 B.R. 869, 874 (S.D.N.Y. 2017), *aff'd*, 734 F. App'x 64 (2d Cir. 2018). Rather, "the real property interests conveyed by covenants in an otherwise executory contract survive rejection of such contract." *In re Hilltop SPV, LLC*, 667 B.R. 110, 121 (Bankr. W.D. Tex. 2025).

Under California law, the DDA constitutes an equitable servitude which runs with the land. "An equitable servitude can attach to real property, and establish the rights of the holder in such a way that notice of these rights is given to everyone." *In re Snow*, 201 B.R. 968, 972 (Bankr. C.D. Cal. 1996). "Under the law of equitable servitudes, courts may enforce a promise about the use of land even though the person who made the promise has transferred the land to another." *Nahrstedt v. Lakeside Vill. Condo. Assn.,* 8 Cal. 4th 361, 379 (1994). "The doctrine is useful chiefly to enforce uniform building restrictions under a general plan for an entire tract of land or for a subdivision." *Id.*

The test for an equitable servitude is that "(1) the subsequent owner of the servient estate

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[2] As the Debtor is not receiving a discharge, SAJE acknowledges the effect of rejection is limited. Still, SAJE wishes to ensure that its rights are not impaired by an improper rejection.

has notice of the covenant; (2) the holder of the servitude is seeking equitable relief only (as opposed to a remedy at law); and (3) it is inequitable to deny the enforcement of the servitude." *Snow*, 201 B.R. 968 at 973. This test is met as the DDA, which implements the CBA, and its successor documents explicitly apply to successors and are recorded so as to provide notice.

First, the Memorandum of Disposition and Development Agreement provides that the restrictions therein run with the land. Memorandum, Ex. A. The Memorandum was recorded on March 27, 1998. Memorandum, Ex. A.

Second, the Fourth Implementation Agreement provides that any assignee is bound its terms. Fourth Implementation Agreement § 4, Ex. E. Notice that the Fourth Implementation Agreement creates restrictions on the property is provided in the recorded memorandum, which was recorded on December 19, 2005. Memorandum of Agreement, Ex. F.

Third, the 2006 Assignment provides that it binds "the parties and their respective successors, assigns." 2006 Assignment § 8(c), Ex. G. The 2006 Assignment was recorded on December 19, 2006.

Fourth, the 2013 Assignment similarly provides that it binds "the parties and their respective successors, assigns." 2013 Assignment § 5(iii), Ex. H. The 2013 Assignment was recorded on December 26, 2013. 2013 Assignment, Ex. H.

The DDA and CBA constitute an equitable servitude which runs with the land and thus will bind Purchaser upon the effective date of the plan. Therefore these agreements may not be rejected. *Sabine Oil & Gas Corp.*, 567 B.R. at 874. Further, this Court may not otherwise grant a discharge of the obligations to the Purchaser on the DDA, as the Purchaser is not the Debtor in this bankruptcy proceeding. *Harrington v. Purdue Pharma L. P.*, 603 U.S. 204, 226 (2024). Accordingly, the Court should require the Debtor to assume or clarify its treatment of the DDA and the CBA, rather than simply provide for rejection.

B. The Debtor May Not Sell the Property Free and Clear of the DDA

The Plan proposes that the sale of the Oceanwide Property be free and clear of liens pursuant to section 363(f). Plan § 6.1.1, Dkt. #842. The motion to confirm the plan confirms the same. Motion to Confirm p.43:20-21, Dkt. #859. However, neither the plan or the motion set forth the legal basis for selling the encumbrances free and clear of liens.

As to the DDA and CBA, there is no legal basis for a free and clear sale. As to the first four alternative prongs of a free and clear sale, they can be quickly dealt with. No law allows the sale of an equitable servitude free and clear, SAJE does not consent to the sale, the interest cannot be "paid off", and there is no bona fide dispute.

As to the fifth prong, "such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest," that prong also does not apply. First, pursuant to the Debtor's title report, the DDA is senior to the mortgage and mechanic's liens against the property and thus would not be extinguished in a foreclosure. Plan p.167, Dkt. #842. Second, any foreclosure under California law of an equitable servitude would not result in a "monetary satisfaction," and therefore section 363(f)(5) does not apply. *See In re Hassen Imports P'ship*, 502 B.R. 851, 861 (C.D. Cal. 2013) ("cases applying § 363(f)(5) confirm that the subsection only authorizes sale free and clear when money payment is given in exchange for the extinguished interest"). Therefore, no hypothetical legal proceeding can serve as a basis for relief under section 363(f)(5).

Accordingly, the rights and restrictions created under the DDA, including those under the CBA, may not be sold free and clear.

IV. CONCLUSION

For the reasons set forth above, the Court should deny confirmation of the plan absent clear language that the rights created in the DDA and the CBA, as amended by the various implementing documents and assignments, are not affected by the Plan or the sale effected by the Plan.

Dated: March 21, 2026

MILLER NASH LLP

By: */s/ Bernie Kornberg*
Bernie Kornberg
Strategic Actions for a Just Economy

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
340 Golden Shore, Ste 450, Long Beach, CA 90082

A true and correct copy of the foregoing document entitled (*specify*): OBJECTION OF STRATEGIC ACTIONS FOR A JUST ECONOMY (on behalf of the Coalition) TO THE DEBTOR'S PLAN OF LIQUIDATION; DECLARATION OF DECLARATION OF MARIA PATIÑO GUTIERREZ; REQUEST FOR JUDICIAL NOTICE; EXHIBIT DOCUMENT
will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) 3/23/2026, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:
On (*date*) ______________, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) ______________, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

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

3/23/2026	Bernie Kornberg	/s/ Bernie Kornberg
Date	*Printed Name*	*Signature*

Served by ECF Notice:

- **Adam S Affleck** adam-affleck@rbmn.com, jennifer-franklin@rbmn.com
- **Melody G Anderson** mganderson@buchalter.com
- **James W Bates** jbates@jbateslaw.com
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- **Sharon Z. Weiss** sharon.weiss@bclplaw.com, raul.morales@bclplaw.com,sharon-weiss-7104@ecf.pacerpro.com
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Strategic Actions for a Just Economy

UNITED STATES BANKRUPTCY COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re: OCEANWIDE PLAZA LLC, Debtor	Case No. 2:24-bk-11057-DS Chapter 11 **INDEX OF EXHIBITS OF SUPPORT TO OBJECTION OF STRATEGIC ACTIONS FOR A JUST ECONOMY TO DEBTOR'S PLAN OF LIQUIDATION; DECLARATION OF MARIA PATINO GUTIERREZ; AND REQUEST FOR JUDICIAL NOTICE** Date: April 9, 2026 Time: 10:00 a.m. Judge: Hon. Deborah J. Saltzman

Strategic Actions for a Just Economy ("SAJE") hereby submits this Index of Exhibits in Support of its objection to the chapter 11 plan of Oceanwide Plaza LLC ("Debtor"); the Declaration of Maria Patino Gutierrez; and the Request for Judicial Notice as follows:

EXHIBIT	DESCRIPTION
A	Memorandum of Disposition and Development Agreement, dated March 26, 1998 and recorded with the County of Los Angeles on March 27, 1998 as instrument number 98 50154
B	Cooperation Agreement, dated May 29, 2001
C	Attachment A, Community Benefits Program

EXHIBIT	DESCRIPTION
D	Third Implementation Agreement to the Disposition and DevelopmentAgreement dated Spetember 5, 2001
E	Fourth Implementation Agreement to the Disposition and Development Agreement Dated September 1, 2005
F	Memorandum of Fourth Implementation Agreement to Disposition and Development Agreement, recorded with the County of Los Angeles on December 19, 2005 as instrument number 05 3119739
G	Partial Assignment and Assumption Agreement (DDA), recorded on August 15, 2006 with the County of Los Angeles as instrument number 06 1810547
H	Assignment and Assumption Agreement (DDA) recorded on December 26, 2013 with the County of Los Angeles as instrument number 20131804584

Dated: March 23, 2026

MILLER NASH LLP

By: */s/ Bernie Kornberg*
Bernie Kornberg
Strategic Actions for a Just Economy

EXHIBIT A

First American

clarityfirst® Recorded Document

The Recorded Document images are displayed in the subsequent pages for following request:

State	County	Document Number
CA	**Los angeles**	**1998.501504**

Limitation of Liability for Informational Report

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STEWART
TITLE

98 501504

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RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
MAR 27 1998 AT 8 A.M.

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

The Community Redevelopment Agency
of the City of Los Angeles
354 South Spring Street
Suite 800
Los Angeles, CA 90013
Attn: Administrator

No fee for recording pursuant
to Government Code Section 27383

FREE 0 32

MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT

THIS MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT (the "Memorandum of DDA") is made as of March 26, 1998, by and among the Community Redevelopment Agency of the City of Los Angeles, a public body, corporate and politic (the "Agency"), the City of Los Angeles, a municipal corporation (the "City"), L.A. Arena Land Company, Inc., a Delaware corporation ("Land Co."), and L.A. Arena Company, LLC, a Delaware limited liability company ("Arena Co."), to confirm that the Agency, the City and L.A. Arena Development Company, LLC, a Colorado limited liability company ("Development Co."), have entered into that certain Disposition and Development Agreement dated as of October 31, 1997, as assigned pursuant to that certain Assignment and Assumption Agreement by and between Development Co. and Land Co. and dated as of March 2? 1998 (the "Assignment"), as further partially assigned to Arena Co. pursuant to that certain Partial Assignment and Assumption Agreement by and between Land Co. and Arena Co. and dated as of March 26, 1998 (the "Partial Assignment"), and as amended pursuant to that certain First Implementation Agreement to Disposition and Development Agreement by and among Land Co., Arena Co., the Agency and the City and dated as of March 26, 1998 (as assigned and amended, the "DDA").

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The DDA imposes certain conditions (including, but not limited to, design, construction and parking requirements, operating covenants and restrictions on land use) until preparation by Developer (as defined in the DDA) and approval by the City and the Agency of a Master Plan, restrictions on assignment, environmental indemnities, financing requirements and rights of reverter on some or all of the real property in Los Angeles, California, described in the attached Exhibit A. To the extent provided in the DDA, the Restrictions (as defined in the DDA) set forth therein shall run with the land, and be binding upon, and as applicable, inure to the benefit of, successors and assigns.

The documents constituting the DDA are public documents and may be reviewed at the principal office of the Agency.

(signature pages follow)

IN WITNESS WHEREOF, the parties have caused this Memorandum of Disposition and Development Agreement to be duly executed by their officers duly authorized as of the date first above written.

AGENCY:

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, a public body, corporate and politic

By: ____________________
John E. Molloy
Administrator

APPROVED AS TO FORM:
JAMES K. HAHN, City Attorney

By: ____________________
James K. Hahn
City Attorney

By: ____________________
Amy R. Burton
Deputy City Attorney

DATE: March 26, 1998

Attorney for the Agency

CITY:

CITY OF LOS ANGELES

By: [signature]
John Ferraro
President of the City Council

APPROVED AS TO FORM:
JAMES K. HAHN, City Attorney

By: [signature]
James K. Hahn
City Attorney

By: [signature]
Patricia V. Tubert
Senior Assistant City Attorney

DATE: March 26, 1998

Attorney for the City

ATTEST:
Michael Carey, City Clerk

By: [signature]
Deputy

DATE: March 26, 1998

LAND CO.: L.A. ARENA LAND COMPANY, INC.

By: Timothy J. Leiweke
Timothy J. Leiweke
Executive Vice President

ARENA CO.: L.A. ARENA COMPANY, LLC

By: L.A. Arena Land Company, Inc.
its Managing Member

By: Timothy J. Leiweke
Timothy J. Leiweke
Executive Vice President

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On March 25, 1998, before me, J MICHAEL JOHNSTON, personally appeared JOHN EDWARD MOLLOY, personally known to me or 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.

WITNESS my hand and official seal.

Signature of notary

My commission expires JAN 15, 2001.

J. M. JOHNSTON
Commission # 1122427
Notary Public — California
Los Angeles County
My Comm. Expires Jan 15, 2001

Memo of Disposition

98 501504

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On March 26, 1998, before me, DIANA GREEN, personally appeared John FERRARO, personally known to me or 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.

WITNESS my hand and official seal.

Diana Green
Signature of notary

DIANA GREEN
Commission # 1137101
Notary Public — California
Los Angeles County
My Comm. Expires May 9, 2001

My commission expires May 9, 2001.

Attached to Memorandum of Disposition and Development agreement.

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

On MARCH 25, 1998, before me, J. MICHAEL JOHNSTON, personally appeared TIMOTHY J. LEIWEKE, personally known to me or 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.

WITNESS my hand and official seal.

Signature of notary

My commission expires JAN. 15, 2001.

J. M. JOHNSTON
Commission # 1122427
Notary Public — California
Los Angeles County
My Comm. Expires Jan 15, 2001

98 501504

Memorandum of OOA

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EXHIBIT A:

LEGAL DESCRIPTION

LEGAL DESCRIPTION OF ARENA SITE

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

PARCEL 1: NORTH HALL

THOSE PORTIONS OF LOTS 1, 2 AND 3 AND TRENTON STREET NORTH, 82 FEET AND 97 FEET WIDE, NOW VACATED BY (COUNCIL FILE NO. 82-1136 OF THE CITY OF LOS ANGELES) RESOLUTION NO. 90-0155[illegible] OF THE CITY OF LOS ANGELES, ON FILE IN THE OFFICE OF THE CITY CLERK OF SAID CITY, AND RECORDED AUGUST 16, 1990 AS INSTRUMENT NO. 90-1426183, OFFICIAL RECORDS, AS SHOWN ON TRACT NO. 28165, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 814 PAGES 66 TO 69 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHEASTERLY LINE OF LOT 1, DISTANT THEREON SOUTH 61 DEGREES 51 MINUTES 21 SECONDS EAST 652.41 FEET FROM THE NORTHWESTERLY TERMINUS OF SAID LINE SHOWN AS SOUTH 61 DEGREES 51 MINUTES 43 SECONDS EAST 666.02 FEET ON SAID TRACT NO. 28165 THEREOF; THENCE SOUTH 28 DEGREES 08 MINUTES 39 SECONDS WEST 44.47 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 105.00 FEET; THENCE SOUTHWESTERLY, WESTERLY AND NORTHWESTERLY 138.02 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 75 DEGREES 18 MINUTES 41 SECONDS; THENCE NORTH 76 DEGREES 32 MINUTES 40 SECONDS WEST 33.23 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 43.00 FEET; THENCE WESTERLY 29.66 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 39 DEGREES 31 MINUTES 13 SECONDS; THENCE ON A NON-TANGENT LINE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 162.17 FEET; THENCE NORTH 28 DEGREES 27 MINUTES 13 SECONDS EAST 31.50 FEET; THENCE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 34.73 FEET; THENCE SOUTH 28 DEGREES 27 MINUTES 13 SECONDS WEST 31.50 FEET; THENCE SOUTH 61 DEGREES 32 MINUTES 47 SECONDS EAST 32.62 FEET; THENCE SOUTH 28 DEGREES 25 MINUTES 47 SECONDS WEST 269.35 FEET; THENCE SOUTH 61 DEGREES 48 MINUTES 26 SECONDS EAST 63.37 FEET; THENCE NORTH 73 DEGREES 31 MINUTES 42 SECONDS EAST 60.45 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 161.60 FEET AND TO WHICH BEGINNING A RADIAL LINE BEARS NORTH 72 DEGREES 37 MINUTES 32 SECONDS EAST; THENCE SOUTHWESTERLY 100.58 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 35 DEGREES 39 MINUTES 46 SECONDS; THENCE ON A NON-TANGENT LINE; SOUTH 61 DEGREES 37 MINUTES 19 SECONDS EAST 377.64 FEET TO THE NORTHWESTERLY RIGHT OF WAY LINE OF FIGUEROA STREET, 112 FEET WIDE, AS SHOWN ON SAID MAP, THENCE NORTH 37 DEGREES 41 MINUTES

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47 SECONDS EAST 61.43 FEET ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE OF FIGUEROA STREET, 112 FEET WIDE, TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE MOST SOUTHEASTERLY LINE OF SAID LOT 1 SHOWN AS SOUTH 37 DEGREES 41 MINUTES 37 SECONDS WEST 187.38 FEET; THENCE ON A DIRECT LINE NORTH 42 DEGREES 20 MINUTES 09 SECONDS EAST 123.63 FEET TO THE EASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE MOST SOUTHEASTERLY LINE OF SAID LOT 3, SHOWN AS SOUTH 78 DEGREES 04 MINUTES 11 SECONDS WEST 22.85 FEET; THENCE NORTH 37 DEGREES 41 MINUTES 47 SECONDS EAST 545.94 FEET ALONG THE NORTHWESTERLY RIGHT-OF-WAY LINE OF FIGUEROA STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP TO THE MOST EASTERLY CORNER OF LOT 2; THENCE NORTH 15 DEGREES 32 MINUTES 53 SECONDS WEST 17.90 FEET ALONG THE EASTERLY LINE OF SAID LOT 2 TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID ELEVENTH STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP, SAID RIGHT-OF-WAY LINE BEING A NON-TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 549.00 FEET TO WHICH BEGINNING A RADIAL LINE BEARS NORTH 20 DEGREES 09 MINUTES 57 SECONDS EAST; THENCE WESTERLY 159.32 FEET ALONG SAID CURVED RIGHT-OF-WAY THROUGH A CENTRAL ANGLE OF 16 DEGREES 37 MINUTES 40 SECONDS; THENCE NORTH 86 DEGREES 27 MINUTES 43 SECONDS WEST 235.98 FEET ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF ELEVENTH STREET, TO THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE IN THE NORTHERLY LINE OF SAID LOT 2, SHOWN AS NORTH 50 DEGREES 01 MINUTES 32 SECONDS EAST 21.76 FEET ON SAID MAP; THENCE NORTH 86 DEGREES 16 MINUTES 08 SECONDS WEST 122.45 FEET ALONG A DIRECT LINE TO THE EASTERLY TERMINUS OF THAT CERTAIN CURVE IN THE SOUTHERLY LINE OF SAID ELEVENTH STREET, 102 FEET WIDE, AS SHOWN ON SAID MAP, HAVING A RADIUS OF 651 FEET, SAID POINT ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 651.00 FEET, AND TO WHICH BEGINNING A RADIAL LINE BEARS SOUTH 5 DEGREES 31 MINUTES 37 SECONDS WEST; THENCE WESTERLY AND NORTHWESTERLY 256.98 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22 DEGREES 37 MINUTES 03 SECONDS; THENCE NORTH 61 DEGREES 51 MINUTES 21 SECONDS WEST 13.62 FEET ALONG THE SOUTHEASTERLY RIGHT-OF-WAY OF ELEVENTH STREET, 102 FEET WIDE TO THE POINT OF BEGINNING.

EXCEPT THEREFROM, ALL OIL, CRUDE OIL, GAS, PETROLEUM, ASPHALTUM, HYDROCARBONS, CARBONS, MINERALS, AND MINERAL SUBSTANCES, GOLD, SILVER AND OTHER PRECIOUS METALS, AND OTHER KINDRED SUBSTANCES AND MINERALS OF WHATEVER NATURE, IN, UNDER AND RECOVERABLE FROM THE HEREINBEFORE DESCRIBED LAND, TOGETHER WITH THE RIGHT TO DRILL FOR AND PRODUCE SUCH, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES BY DIRECTIONAL DRILLING CONDUCTED FROM SURFACE LOCATIONS ON LAND OTHER THAN THE LANDS HEREINABOVE MENTIONED. SUCH EXCEPTION AND RESERVATION SHALL NOT OPERATE TO CREATE ANY

RIGHT TO CONDUCT DRILLING OPERATIONS FROM ANY PORTION OF THE SURFACE OF SAID ABOVE DESCRIBED LAND. ALL DIRECTIONAL DRILLING SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELL, HOLE SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH OIL, GAS OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS EXCEPTED AND RESERVED IN VARIOUS INSTRUMENTS OF RECORD, THREE OF WHICH RECORDED:

JANUARY 10, 1958 AS INSTRUMENT NO. 2914, IN BOOK 56379, PAGE 119; OCTOBER 23, 1968 AS INSTRUMENT NO. 2933, IN BOOK D4172 PAGE 989 AND JANUARY 23, 1970 AS INSTRUMENT NO. 2758 IN BOOK D4615 PAGE 229, ALL OF OFFICIAL RECORDS.

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LEGAL DESCRIPTION
OF
CITY-OWNED PROPERTIES

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

THOSE PORTIONS OF LOT 8, BLOCK 36, HANCOCK'S SURVEY, AS PER MAP RECORDED IN BOOK 2, PAGE 108, OF MISCELLANEOUS RECORDS, AND OF LOT 1, FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, AS PER MAP RECORDED IN BOOK 21, PAGE 20, OF MISCELLANEOUS RECORDS, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHEASTERLY LINE OF SAID LOT 8, DISTANT 30 FEET SOUTHEASTERLY MEASURED ALONG SAID NORTHEASTERLY LINE FROM THE MOST NORTHERLY CORNER OF SAID LOT 8; THENCE SOUTHWESTERLY ALONG A LINE PARALLEL WITH THE NORTHWESTERLY LINE OF SAID LOT 8, A DISTANCE OF 120 FEET TO THE NORTHEASTERLY LINE OF ELEVENTH STREET, 60 FEET WIDE, AS SAID STREET IS SHOWN ON SAID MAP OF FORMAN'S SUBDIVISION; THENCE SOUTHEASTERLY ALONG SAID LAST-MENTIONED NORTHEASTERLY LINE 38 FEET; THENCE NORTHEASTERLY ALONG A LINE PARALLEL WITH SAID NORTHWESTERLY LINE 120 FEET TO A POINT IN THE NORTHEASTERLY LINE OF SAID LOT 1, DISTANT 38 FEET SOUTHEASTERLY MEASURED ALONG THE NORTHEASTERLY LINE OF SAID LOTS 1 AND 8 FROM THE POINT OF BEGINNING; THENCE NORTHWESTERLY ALONG SAID LAST-MENTIONED NORTHEASTERLY LINE TO THE POINT OF BEGINNING.

ALSO, THOSE PORTIONS OF SAID LOT 1 AND LOT 2, SAID FORMANS SUBDIVISION, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN SAID NORTHEASTERLY LINE OF ELEVENTH STREET, SAID POINT BEING THE MOST WESTERLY CORNER OF SAID LOT 2 AND THE MOST SOUTHERLY CORNER OF SAID LOT 1; THENCE SOUTHEASTERLY ALONG SAID LAST-MENTIONED NORTHEASTERLY LINE 18.7 FEET TO THE NORTHWESTERLY LINE OF BYRAM STREET, 50 FEET WIDE AS SAID LAST-MENTIONED STREET IS DESCRIBED IN DEEDS RECORDED IN BOOK 1069, PAGE 242, AND IN BOOK 1130, PAGE 259, BOTH OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHEASTERLY ALONG SAID LAST-MENTIONED NORTHWESTERLY LINE, 85 FEET; THENCE NORTHWESTERLY ALONG A LINE PARALLEL WITH SAID LAST-MENTIONED NORTHEASTERLY LINE 62.7 FEET TO THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN DEED TO MRS. H. M. FISH, RECORDED IN BOOK 483, PAGE 6 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE SOUTHWESTERLY ALONG SAID LAST-MENTIONED NORTHWESTERLY LINE, 85 FEET TO SAID LAST-MENTIONED NORTHEASTERLY LINE; THENCE SOUTHEASTERLY ALONG SAID LAST-MENTIONED NORTHEASTERLY LINE 44.2 FEET TO THE POINT

OF BEGINNING.

EXCEPTING THEREFROM THOSE PORTIONS OF SAID LOTS INCLUDED WITHIN A STRIP OF LAND, 51 FEET WIDE, LYING NORTHEASTERLY OF AND CONTIGUOUS TO A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF A LINE PARALLEL WITH AND DISTANT 30 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES FROM THE SOUTHWESTERLY LINE OF SAID ELEVENTH STREET WITH THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF GEORGIA STREET, FORMERLY NEVADA STREET, 60 FEET WIDE, AS SHOWN ON SAID MAP; THENCE NORTHWESTERLY ALONG SAID LAST-MENTIONED PARALLEL LINE TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT ITS POINT OF ENDING TO A LINE PARALLEL WITH AND DISTANT 30 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES FROM THAT CERTAIN COURSE IN THE SOUTHWESTERLY LINE OF RELOCATED ELEVENTH STREET, DESCRIBED IN PARCEL 6 OF DEED RECORDED IN BOOK R-1896, PAGE 67, OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS HAVING A BEARING AND LENGTH OF NORTH 43 DEGREES 08' 37" WEST, 88.53 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 18 DEGREES 42' 27" AN ARC DISTANCE OF 195.90 FEET, TO SAID POINT OF ENDING IN SAID LAST MENTIONED PARALLEL LINE.

ALSO EXCEPTING THEREFROM THAT PORTION OF SAID LOT 2 BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF SAID NORTHWESTERLY LINE OF BYRAM STREET WITH THE NORTHEASTERLY LINE OF SAID STRIP OF LAND, 51 FEET WIDE; THENCE NORTHWESTERLY ALONG SAID LAST-MENTIONED NORTHEASTERLY LINE 15 FEET; THENCE EASTERLY IN A DIRECT LINE TO A POINT IN SAID NORTHWESTERLY LINE OF BYRAM STREET, DISTANT 15 FEET NORTHEASTERLY MEASURED ALONG SAID LAST-MENTIONED NORTHWESTERLY LINE FROM SAID LAST-MENTIONED NORTHEASTERLY LINE; THENCE SOUTHWESTERLY ALONG SAID LAST-MENTIONED NORTHWESTERLY LINE TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN, UNDER AND RECOVERABLE FROM SAID HEREINBEFORE DESCRIBED PROPERTY, TOGETHER WITH THE RIGHT TO DRILL FOR AND PRODUCE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES BY DIRECTIONAL DRILLING CONDUCTED FROM SURFACE LOCATIONS ON LANDS OTHER THAN THE LANDS HEREINABOVE DESCRIBED; IT BEING UNDERSTOOD THAT SUCH EXCEPTION AND RESERVATION SHALL NOT OPERATE TO CREATE ANY RIGHT TO CONDUCT DRILLING OPERATIONS FROM ANY PORTION OF THE SURFACE OF SAID ABOVE-DESCRIBED LAND.

IT IS FURTHER UNDERSTOOD THAT ALL DIRECTIONAL DRILLING SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELL, HOLE SHAFT OR OTHER

MEANS OF REACHING OR REMOVING SUCH OIL, GAS OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF.

APN 5138-007-902

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

LOTS 10 AND 11, FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 21 PAGE 20 OF MISCELLANEOUS RECORDS, IN THE OFFICE THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHWESTERLY 21 FEET OF SAID LOTS 10 AND 11.

EXCEPTING AND RESERVING TO THE GRANTOR, HIS SUCCESSOR AND ASSIGNS, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN, UNDER AND RECOVERABLE FROM SAID HEREINBEFORE DESCRIBED PROPERTY, TOGETHER WITH THE RIGHT TO DRILL FOR AND PRODUCE SUCH OIL, GAS AND OTHER HYDROCARBON SUBSTANCES BY DIRECTIONAL DRILLING CONDUCTED FROM SURFACE LOCATIONS ON LANDS OTHER THAN THE LANDS HEREINABOVE DESCRIBED, IT BEING UNDERSTOOD THAT SUCH EXCEPTION AND RESERVATION SHALL NOT OPERATE TO CREATE ANY RIGHT TO CONDUCT DRILLING OPERATIONS FROM ANY PORTION OF THE SURFACE OF SAID ABOVE-DESCRIBED LAND.

IT IS FURTHER UNDERSTOOD THAT ALL DIRECTIONAL DRILLING SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELL, HOLE SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH OIL, GAS OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS EXCEPTED BY ROBERT G. WAGNER, A MARRIED MAN, IN DEED RECORDED SEPTEMBER 25, 1968 AS INSTRUMENT NO. 430.

APN 5138-008-900

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

LOT 9, FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 21, PAGE 20, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY.

EXCEPTING THEREFROM THE NORTHWESTERLY 8.2 FEET OF SAID LOT.

ALSO EXCEPTING THEREFROM THAT PORTION OF SAID LOT BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHEASTERLY LINE OF SAID LOT WITH THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 21 FEET OF SAID LOT; THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY LINE, TO A POINT DISTANT 15 FEET SOUTHEASTERLY MEASURED ALONG SAID NORTHEASTERLY LINE FROM THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 8.2 FEET OF SAID LOT; THENCE NORTHERLY IN A DIRECT LINE TO A POINT IN SAID LAST-MENTIONED SOUTHEASTERLY LINE DISTANT 15 FEET NORTHEASTERLY MEASURED ALONG SAID LAST-MENTIONED SOUTHEASTERLY LINE FROM SAID NORTHEASTERLY LINE; THENCE SOUTHWESTERLY ALONG SAID LAST-MENTIONED SOUTHEASTERLY LINE TO THE SOUTHWESTERLY LINE OF SAID LOT; THENCE SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE TO SAID SOUTHEASTERLY LINE OF SAID LOT; THENCE NORTHEASTERLY ALONG SAID LAST-MENTIONED SOUTHEASTERLY LINE TO THE POINT OF BEGINNING.

EXCEPTING ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS PROVIDED IN A FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH RECORDED OCTOBER 4, 1968 AS INSTRUMENT NO. 3169, OF OFFICIAL RECORDS.

APN 5138-008-901

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

THE NORTHWESTERLY 27.8 FEET OF LOT 12 FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 21 PAGE 20 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHWESTERLY LINE OF SAID LOT, WITH THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 21 FEET OF SAID LOT; THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY LINE TO A POINT DISTANT 15 FEET NORTHWESTERLY MEASURED ALONG SAID NORTHEASTERLY LINE FROM THE SOUTHEASTERLY LINE OF THE NORTHWESTERLY 27.8 FEET OF SAID LOT; THENCE EASTERLY IN A DIRECT LINE TO A POINT IN SAID SOUTHEASTERLY LINE, DISTANT 15 FEET NORTHEASTERLY MEASURED ALONG SAID SOUTHEASTERLY LINE FROM SAID NORTHEASTERLY LINE; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE TO THE SOUTHWESTERLY LINE OF SAID LOT; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE TO SAID NORTHWESTERLY LINE; THENCE NORTHEASTERLY ALONG SAID NORTHWESTERLY LINE TO THE POINT OF BEGINNING.

EXCEPTING AND RESERVING TO THE GRANTOR, THEIR SUCCESSOR AND ASSIGNS, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN, UNDER AND RECOVERABLE FROM SAID HEREINBEFORE DESCRIBED PROPERTY, TOGETHER WITH THE RIGHT TO DRILL FOR AND PRODUCE SUCH OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES BY DIRECTIONAL DRILLING CONDUCTED FROM SURFACE LOCATIONS ON LANDS OTHER THAN THE LANDS HEREINABOVE DESCRIBED; IT BEING UNDERSTOOD THAT SUCH EXCEPTION AND RESERVATION SHALL NOT OPERATE TO CREATE ANY RIGHT TO CONDUCT DRILLING OPERATIONS FROM ANY PORTION OF THE SURFACE OF SAID ABOVE DESCRIBED LAND.

IT IS FURTHER UNDERSTOOD THAT ALL DIRECTIONAL DRILLING SHALL BE CONDUCTED IN SUCH A MANNER THAT THE WELL, HOLE SHAFT OR OTHER MEANS OF REACHING OR REMOVING SUCH OIL, GAS OR OTHER HYDROCARBON SUBSTANCES DOES NOT PENETRATE ANY PART OR PORTION OF SAID REAL PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS

RECITED IN THE DEED FROM JULIAN L. ZELLER AND LORRAINE I. ZELLER, HUSBAND AND WIFE, RECORDED NOVEMBER 18, 1968 AS INSTRUMENT NO. 336.

APN 5138-008-902

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

PARCEL 1:

THAT PORTION OF LOT 9, KUGHEN AND CASTERLINE'S SUBDIVISION OF THE WARD TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 5, PAGE 585, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHERLY OF A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39, PAGE 30, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 4 DEGREES 26' 30", AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE; THENCE NORTHWESTERLY AND WESTERLY ALONG SAID LAST-MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38 DEGREES 35' 57", AN ARC DISTANCE OF 404.18 FEET; THENCE NORTHERLY ALONG THE NORTHERLY PROLONGATION OF A RADIAL LINE OF SAID LAST-MENTIONED CURVE 51 FEET TO THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE WESTERLY AT RIGHT ANGLES FROM SAID NORTHERLY PROLONGATION 335.71 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 549 FEET AND BEING TANGENT AT ITS POINT OF ENDING TO A LINE PARALLEL WITH AND DISTANT 21 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF ELEVENTH STREET AS SHOWN ON THE MAP OF FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, RECORDED IN BOOK 21 PAGE 20, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE WESTERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 36' 24" TO SAID POINT OF ENDING IN SAID PARALLEL LINE.

EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF

RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION A CERTIFIED COPY OF WHICH WAS RECORDED IN BOOK 4162 PAGE 843, OF OFFICIAL RECORDS.

PARCEL 2:

THOSE PORTIONS OF LOTS 10 AND 11, AND OF THE EASTERLY 8 FEET OF LOT 23, KUGHEN AND CASTERLINE'S SUBDIVISION OF THE WARD TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 5, PAGE 585, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHEASTERLY OF A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39, PAGE 30, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 4 DEGREES 26' 30", AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE; THENCE NORTHWESTERLY AND WESTERLY ALONG SAID LAST-MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38 DEGREES 35' 57", AN ARC DISTANCE OF 404.18 FEET; THENCE WESTERLY ALONG A LINE TANGENT TO SAID LAST MENTIONED CURVE 335.71 FEET, TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT ITS POINT OF ENDING TO A LINE PARALLEL WITH AND DISTANT 30 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES FROM THE SOUTHWESTERLY LINE OF ELEVENTH STREET AS SHOWN ON THE MAP OF FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, RECORDED IN BOOK 21, PAGE 20, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTHERLY AT RIGHT ANGLES FROM SAID LAST-MENTIONED TANGENT LINE 51 FEET TO THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE WESTERLY ALONG A CURVE TANGENT AT SAID TRUE POINT OF BEGINNING TO A LINE PARALLEL WITH SAID LAST-MENTIONED TANGENT LINE, CONCAVE TO THE NORTH AND HAVING A RADIUS OF 549 FEET, THROUGH A CENTRAL ANGLE OF 24 DEGREES 36' 24".

EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF

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RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE. AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED OCTOBER 4, 1968 IN BOOK D-4154 PAGE 697, OFFICIAL RECORDS AS INSTRUMENT NO. 3167.

APN 5138-011-901

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

PARCEL 1:

LOT "A" OF TRACT NO. 3191, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 34 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION INCLUDED WITHIN A STRIP OF LAND, 102 FEET WIDE LYING 51 FEET ON EACH SIDE OF A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 4 DEGREES 26 MINUTES 30 SECONDS, AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE, SAID LAST MENTIONED POINT TO BE THE TRUE POINT OF BEGINNING FOR THE PURPOSE OF THIS DESCRIPTION; THENCE NORTHWESTERLY AND WESTERLY ALONG SAID LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38 DEGREES 35 MINUTES 57 SECONDS, AN ARC DISTANCE OF 404.18 FEET.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LOT "A", INCLUDED WITHIN A PARCEL OF LAND, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF SAID STRIP OF LAND, 102 FEET WIDE, WITH A LINE PARALLEL WITH AND DISTANT 62 FEET NORTHWESTERLY, MEASURED AT RIGHT ANGLES FROM THE CENTER LINE OF FIGUEROA STREET, AS SAID LAST MENTIONED CENTER LINE IS SHOWN IN CITY ENGINEER'S FIELD BOOK NO. 17908 PAGE 10, ON FILE IN THE OFFICE OF THE CITY ENGINEER OF THE CITY OF LOS ANGELES; THENCE WESTERLY ALONG SAID NORTHERLY LINE, 15 FEET; THENCE NORTHEASTERLY IN A DIRECT LINE TO A POINT IN SAID PARALLEL LINE DISTANT 15 FEET NORTHEASTERLY MEASURED ALONG SAID PARALLEL LINE FROM SAID NORTHERLY LINE; THENCE SOUTHWESTERLY ALONG SAID PARALLEL LINE TO THE TRUE POINT OF BEGINNING.

EXCEPTING AND RESERVING ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES, WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSE OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL ORDER CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 19, 1969 IN BOOK D-4283 PAGE 866, OF OFFICIAL RECORDS.

PARCEL 2:

THAT PORTION OF TENTH PLACE WESTERLY OF FIGUEROA STREET AND NORTHERLY OF 11TH STREET, AS SHOWN ON MAP FILED IN VOLUME 18 PAGE 81 OF STREET VACATION MAPS, WHICH WOULD PASS WITH THE LEGAL CONVEYANCE OF SAID LAND.

APN 5138-011-902

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

THOSE PORTIONS OF LOT 13, FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 21 PAGE 20 OF MISCELLANEOUS RECORDS, AND OF LOT 23, KUGHEN AND CASTERLINE'S SUBDIVISION OF THE WARD TRACT, AS PER MAP RECORDED IN BOOK 5 PAGE 585 OF MISCELLANEOUS RECORDS, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, INCLUDED WITHIN A PARCEL OF LAND, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHEASTERLY LINE OF GEORGIA STREET, FORMERLY BENNETT STREET, WITH THE NORTHEASTERLY LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF HEFFNER AND BALDWIN'S SUBDIVISION OF THE PROPERTY OF RHEUDE, IRWIN AND SHEA, RECORDED IN BOOK 9 PAGE 47 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE OF GEORGIA STREET, 120 FEET TO THE NORTHEASTERLY LINE OF SAID LOT 13; THENCE SOUTHEASTERLY ALONG SAID LAST-MENTIONED NORTHEASTERLY LINE AND ALONG THE NORTHEASTERLY LINE OF SAID LOT 23, TO A POINT DISTANT 52 FEET SOUTHEASTERLY MEASURED ALONG SAID LAST-MENTIONED NORTHEASTERLY LINE FROM THE MOST NORTHERLY CORNER OF SAID LOT 23; THENCE SOUTHWESTERLY IN A DIRECT LINE TO A POINT IN THE SOUTHWESTERLY LINE OF SAID LOT 23, DISTANT 52 FEET SOUTHEASTERLY MEASURED ALONG SAID SOUTHWESTERLY LINE FROM THE MOST WESTERLY CORNER OF SAID LOT 23; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE 52 FEET TO THE SOUTHEASTERLY LINE OF SAID LOT 13; THENCE SOUTHWESTERLY ALONG SAID LAST-MENTIONED SOUTHEASTERLY LINE 1.4 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 13; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF SAID LOT 13, A DISTANCE OF 12.2 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THOSE PORTIONS OF SAID LOTS LYING SOUTHWESTERLY AND WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST

AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 4 DEGREES 26 MINUTES 30 SECONDS, AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE; THENCE NORTHWESTERLY AND WESTERLY ALONG SAID LAST-MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38 DEGREES 35 MINUTES 57 SECONDS, AN ARC DISTANCE OF 404.18 FEET; THENCE WESTERLY ALONG A LINE TANGENT TO SAID LAST-MENTIONED CURVE, 335.71 FEET, TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH, HAVINC A RADIUS OF 600 FEET AND BEING TANGENT AT ITS POINT OF ENDING TO A LINE PARALLEL WITH AND DISTANT 30 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES FROM THE SOUTHWESTERLY LINE OF ELEVENTH STREET, AS SHOWN ON SAID MAP OF FORMANS SUBDIVISION; THENCE NORTHERLY AT RIGHT ANGLES FROM SAID LAST-MENTIONED TANGENT LINE 51 FEET TO THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE WESTERLY ALONG A CURVE TANGENT TO SAID TRUE POINT OF BEGINNING TO A LINE PARALLEL WITH SAID LAST-MENTIONED TANGENT LINE, CONCAVE TO THE NORTH AND HAVING A RADIUS OF 549 FEET, TO A POINT DISTANT 15 FEET SOUTHEASTERLY, MEASURED ALONG SAID LAST-MENTIONED CURVE, FROM SAID SOUTHEASTERLY LINE OF GEORGIA STREET; THENCE NORTHERLY IN A DIRECT LINE TO A POINT IN SAID LAST-MENTIONED SOUTHEASTERLY LINE, DISTANT 15 FEET NORTHEASTERLY, MEASURED ALONG SAID LAST-MENTIONED SOUTHEASTERLY LINE FROM SAID LAST-MENTIONED CURVE.

EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSE OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES, AND OTHER MINERALS OF WHATEVER NATURE.

APN 5138-011-903

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

PARCEL 1:

THAT PORTION OF LOT 8, KUGHEN AND CASTERLINE'S SUBDIVISION OF THE WARD TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 5 PAGE 585 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHERLY OF A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 4 DEGREES 26 MINUTES 30 SECONDS, AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE; THENCE NORTHWESTERLY AND WESTERLY ALONG SAID LAST-MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38 DEGREES 35 MINUTES 57 SECONDS, AN ARC DISTANCE OF 404.18 FEET; THENCE NORTHERLY ALONG THE NORTHERLY PROLONGATION OF A RADIAL LINE OF SAID LAST-MENTIONED CURVE, 51 FEET TO THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE WESTERLY AT RIGHT ANGLES FROM SAID NORTHERLY PROLONGATION 335.71 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 549 FEET AND BEING TANGENT AT ITS POINT OF ENDING TO A LINE PARALLEL WITH AND DISTANT 21 FEET NORTHEASTERLY MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF ELEVENTH STREET, AS SHOWN ON THE MAP OF FORMANS SUBDIVISION OF THE WEST 20 ACRES OF LOT 8, BLOCK 36, HANCOCKS SURVEY, RECORDED IN BOOK 21 PAGE 20 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE WESTERLY ALONG SAID LAST-MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 24 DEGREES 36 MINUTES 24 SECONDS.

EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES, WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSE OF

RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL DECREE OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 27, 1969 IN BOOK D-4320 PAGE 841, OFFICIAL RECORDS.

PARCEL 2:

THAT PORTION OF LOT 7, KUGHEN AND CASTERLINE'S SUBDIVISION OF THE WARD TRACT IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 5 PAGE 585 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHERLY OF A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39 PAGE 30 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 4 DEGREES 26 MINUTES 30 SECONDS, AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE; THENCE NORTHWESTERLY AND WESTERLY ALONG SAID LAST-MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38 DEGREES 35 MINUTES 57 SECONDS, AN ARC DISTANCE OF 404.18 FEET; THENCE NORTHERLY ALONG THE NORTHERLY PROLONGATION OF A RADIAL LINE OF SAID LAST-MENTIONED CURVE, 51 FEET TO THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE WESTERLY AT RIGHT ANGLES FROM SAID NORTHERLY PROLONGATION, 335.71 FEET.

EXCEPT ALL MINERALS, OIL, PETROLEUM, ASPHALT, GAS, COAL AND OTHER HYDROCARBON SUBSTANCES IN, ON, WITHIN OR UNDER SAID LAND AND EVERY PART THEREOF, BUT WITHOUT SURFACE ENTRY OR THE RIGHT TO ENTER IN THAT PORTION OF SAID LAND LYING ABOVE 500 FEET BENEATH THE SURFACE THEREOF, AS RESERVED BY BERT PRICE STERN, A MARRIED MAN, IN DEED RECORDED AUGUST 29, 1967 IN BOOK D-3750 PAGE 483, OFFICIAL RECORDS.

ALSO EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM THE SAID REAL PROPERTIES, WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSE OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND

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ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION, A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 27, 1969 IN BOOK D-4320 PAGE 842, OFFICIAL RECORDS.

APB 5138-011-905

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

PARCEL 1:

LOTS 23, 24 AND 25, HEFFNER AND BALDWIN'S SUBDIVISION OF THE PROPERTY OF RHEUDE, IRWIN AND SHEA, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 9 PAGE 47 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THOSE PORTIONS OF LOTS 23, 24 AND 25 INCLUDED WITHIN A STRIP OF LAND, 102 FEET WIDE, LYING 51 FEET ON EACH SIDE OF A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF FLOWER STREET, WITH THE CENTER LINE OF ELEVENTH STREET, AS SAID INTERSECTION IS SHOWN ON MAP OF TRACT NO. 3730, AS PER MAP RECORDED IN BOOK 39, PAGE 30, OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO SAID CENTER LINE OF ELEVENTH STREET, CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 1,000 FEET, THROUGH A CENTRAL ANGLE OF 4 DEGREES 26' 30", AN ARC DISTANCE OF 77.52 FEET; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO SAID CURVE, 200 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES FROM SAID TANGENT LINE 5 FEET TO A POINT IN A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 600 FEET AND BEING TANGENT AT SAID POINT TO A LINE PARALLEL WITH SAID TANGENT LINE, SAID POINT IN SAID LAST MENTIONED CURVE TO BE THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE NORTHWESTERLY AND WESTERLY ALONG SAID LAST-MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 38 DEGREES 35' 57", AN ARC DISTANCE OF 404.18 FEET; THENCE WESTERLY ALONG A LINE TANGENT TO SAID LAST MENTIONED CURVE, 335.71 FEET.

ALSO EXCEPTING THEREFROM THOSE PORTIONS OF SAID LOTS 24 AND 25, INCLUDED WITHIN A PARCEL OF LAND BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINES OF 10TH PLACE AND FIGUEROA STREET, AS SAID INTERSECTION IS SHOWN ON PAGE 10 OF CITY ENGINEER'S FIELD BOOK NO. 17908, ON FILE IN THE OFFICE OF THE CITY ENGINEER OF THE CITY OF LOS ANGELES; THENCE NORTHWESTERLY ALONG SAID CENTER LINE OF 10TH PLACE, A DISTANCE OF 370.11 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES FROM SAID LAST MENTIONED CENTER LINE, 25 FEET, TO A POINT IN THE SOUTHWESTERLY LINE OF SAID 10TH PLACE, 50 FEET WIDE, AS SHOWN ON SAID PAGE 10 OF SAID FIELD BOOK, SAID LAST MENTIONED POINT

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TO BE THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE SOUTHERLY ALONG A CURVE TANGENT TO SAID SOUTHWESTERLY LINE OF 10TH PLACE, CONCAVE TO THE WEST AND HAVING A RADIUS OF 40 FEET, THROUGH A CENTRAL ANGLE OF 58 DEGREES 02' 03", AN ARC DISTANCE OF 40.52 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 45 FEET AND BEING TANGENT AT ITS POINT OF ENDING TO THE NORTHEASTERLY LINE OF SAID 10TH PLACE, 50 FEET WIDE; THENCE EASTERLY ALONG SAID REVERSE CURVE TO SAID SOUTHWESTERLY LINE OF 10TH PLACE; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF 10TH PLACE TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 18, 1969 IN BOOK D 4343 PAGE 647, OFFICIAL RECORDS.

PARCEL 2:

THAT PORTION OF LOT 26, HEFFNER AND BALDWIN'S SUBDIVISION OF THE PROPERTY OF RHEUDE, IRWIN AND SHEA, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 9 PAGE 47 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER, LYING NORTHERLY OF A CURVE CONCAVE TO THE SOUTH, HAVING A RADIUS OF 651 FEET AND BEING CONCENTRIC WITH SAID CURVE HAVING A RADIUS OF 600 FEET.

EXCEPTING THEREFROM THAT PORTION OF SAID LOT 26, INCLUDED WITHIN A PARCEL OF LAND BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINES OF 10TH PLACE AND FIGUEROA STREET, AS SHOWN ON PAGE 10 OF CITY ENGINEER'S FIELD BOOK NO. 17908; THENCE NORTHWESTERLY ALONG SAID CENTER LINE OF 10TH PLACE, A DISTANCE OF 370.11 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES FROM SAID LAST MENTIONED CENTER LINE, 25 FEET, TO A POINT IN THE SOUTHWESTERLY LINE OF SAID 10TH PLACE, 50 FEET WIDE, AS SHOWN ON SAID PAGE 10 OF SAID FIELD BOOK, SAID LAST MENTIONED POINT TO BE THE TRUE POINT OF BEGINNING FOR PURPOSES OF THIS DESCRIPTION; THENCE SOUTHERLY ALONG A CURVE TANGENT TO SAID SOUTHWESTERLY LINE OF 10TH PLACE, CONCAVE TO THE WEST AND HAVING A RADIUS OF 40 FEET, THROUGH A CENTRAL ANGLE OF 58 DEGREES 02' 03", AN ARC DISTANCE OF 40.52 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE NORTH, HAVING A RADIUS OF 45 FEET AND BEING TANGENT AT ITS POINT OF

ENDING TO THE NORTHEASTERLY LINE OF SAID 10TH PLACE, 50 FEET WIDE; THENCE EASTERLY ALONG SAID REVERSE CURVE TO SAID SOUTHWESTERLY LINE OF 10TH PLACE; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF 10TH PLACE TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE IN, UNDER AND RECOVERABLE FROM SAID REAL PROPERTIES WITHOUT THE RIGHT TO ENTER, DRILL OR PENETRATE IN OR UPON THE SURFACE OF SAID REAL PROPERTIES, OR WITHIN 500 FEET THEREOF, FOR THE PURPOSES OF RECOVERING CRUDE OIL, PETROLEUM, GAS, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS OF WHATEVER NATURE, AS EXCEPTED IN THE FINAL ORDER OF CONDEMNATION A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 25, 1969 IN BOOK D-4350 PAGE 624, OFFICIAL RECORDS AS INSTRUMENT NO. 3171.

APN 5138-011-907

EXHIBIT B

EXECUTION COPY

COOPERATION AGREEMENT

This Cooperation Agreement is made and entered into as of this 29[th] day of May, 2001, by and between the Coalition and the Developer.

RECITALS

A. Developer has proposed to build the Los Angeles Sports and Entertainment District adjacent to STAPLES Center in downtown Los Angeles on property on six blocks known as the Olympic/Figueroa Properties.

B. The Coalition and the Interested Organizations have commented extensively on the environmental impact report prepared for the Los Angeles Sports and Entertainment District prepared by the City and have stated concerns about the impact of, and potential opposition to, the project as described the E.I.R.

C. The Developer believes that the E.I.R. is legally adequate and that the Project and Project Approvals will provide significant benefit to the City and the community. No housing or neighborhood businesses will be relocated as a result of the Project, except as may be necessary to provide the community benefits described in the attached Community Benefits Program.

D. The Coalition has advocated that the Project should include other community benefits for economic justice including, without limitation, affordable housing, parks and open space, and living wages for workers;

E. The Parties have agreed that it may be in their mutual interests to attempt to resolve the concerns of the Coalition through cooperation and settlement, rather than through litigation;

F. The Parties desire that any litigation be settled according to the terms set forth in this Agreement and that the Parties undertake the Community Benefits Program.

DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

“Agency” shall mean the Community Redevelopment Agency of the City of Los Angeles.

“Agreement” shall mean this Cooperation Agreement.

“Coalition” shall mean the unincorporated association comprised collectively of the following organizations, which are signatories to this Agreement: Central American Resource Center (CARECEN); Coalition L.A.; Concerned Citizens of South Central Los Angeles; Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA); Environmental Defense – Environmental

Justice Project Office (subject to paragraph 12); Esperanza Community Housing Corporation; H.E.R.E. Local 11; Los Angeles Alliance for a New Economy (LAANE); and Strategic Actions for a Just Economy (SAJE). References to "Coalition" shall mean these Organizations both collectively and individually. Only organizations signatory to this Agreement shall be included in the definition of "Coalition." The Coalition shall be represented by Strategic Actions for a Just Economy (SAJE) until such time as the Coalition becomes an incorporated nonprofit. At all times and for all issues relating to this Agreement, SAJE will follow the guidance of the Coalition's Steering Committee. Contemporaneous with or subsequent to the initial execution of this Agreement, one or more Interested Organizations may become signatories to this Agreement by appending additional signatures or signature pages to this Agreement and shall thereafter be included in the unincorporated association comprised collectively of the organizations that are signatories to this Agreement and in the definition of "Coalition" herein, and shall have all the rights and bear all the responsibilities of each other organization that is a signatory to this Agreement. Obligations of a member organization of the Coalition shall be obligations of individuals who are paid staff members or members of the Board of Directions of that organization, when such individuals are speaking or acting ostensibly in a capacity as a member of that organization.

"City" shall mean the City of Los Angeles.

"Developer" shall mean the L.A. Arena Land Company, and Flower Holdings, LLC.

"Developer Releasees" shall mean the Developer and the Developer's present and former partners, stockholders, parent and subsidiary corporations, funders, affiliates, agents, representatives, predecessors- and successors-in-interest, assigns, transferees, associates, employees, insurers, attorneys, officers, directors, officials, underwriters, sureties, guarantors, lenders and contractors, collectively and individually.

"Effective Date" shall mean May 29, 2001.

"E.I.R." shall mean the environmental impact report prepared by the City for the Project, in compliance with the California Environmental Quality Act, including both the Draft and Final Environmental Impact Reports.

"Interested Organizations" shall mean the following community-based and public interest organizations, nonprofit corporations, unincorporated associations or other entities with a concern or interest in the Project, Project Approvals, similar or related projects and/or the subject matter of this Agreement and who may or may not have participated directly or indirectly to some degree in the discussions, negotiations or events leading up to this Agreement but who are not signatories to or bound by the terms of this Agreement: Association of Community Organizations for Reform Now (ACORN); Action for Grassroots Empowerment and Neighborhood Development Alternatives (AGENDA); All People's Christian Center; Blazers Youth Services; Budlong and Jefferson Block Club; Coalition for Community Health; El Rescate; Episcopal Church of St. Phillip the Evangelist; Faithful Service Baptist Church; First United Methodist Church; Neighbors for An Improved Community (NIC); St. Agnes Catholic Church; St. John's Episcopal Church; St. John's Well Child Center; St. Mark's Lutheran Church; Service Employees International Union (SEIU), Local 1877; Student Coalition Against Labor Exploitation (SCALE); and United University Church. References to "Interested Organizations" shall mean these organizations both collectively and individually. References to actions on the part of an “Interested Organization” shall refer to individuals who are paid staff members or members of the Board of Directions of that organization, when such individuals are speaking or acting ostensibly in a capacity as a member of that organization.

“Organization” shall mean each entity that is a member of the Coalition as defined above.

“Party” shall mean either the Coalition or the Developer.

“Project” shall mean the Los Angeles Sports and Entertainment District as described in the E.I.R., to be built adjacent to STAPLES Center in downtown Los Angeles on the Property. The term “Project” shall include any changes, modifications or amendments to the Project that do not materially change the nature or character of the project as described in the E.I.R.

“Project Approvals” shall mean any and all actions relating to the Project, whether discretionary or ministerial, that, in order for the Project to be built and become fully operational, are required to be taken by any governmental agency, including without limitation the City and all City departments, boards, commissions and agencies; the Agency; and any other federal, state, or local governmental department, agency, or entity. Such actions include, without limitation, (1) approval of the E.I.R.; (2) other environmental reviews pursuant to CEQA or the National Environmental Policy Act, and mitigation monitoring plans; (3) building permits, foundation permits, structural permits, mechanical, electrical and plumbing permits and other permits necessary for the construction of the Project or use of the Property, (4) Specific Plan approvals, site plan review approvals, conditional use permits, street vacations, revocable permits to occupy, variances, general plan amendments, Specific Plan amendments, zone changes, and other permits, actions, approvals and determinations the terms of which may not be fully known at this time and related subordinate approvals; (5) any other past, present or future permit, approval, action or determination of a public agency required to be taken in order for the Project to be built and become fully operational; and (6) any amendments, supplements, rescissions, terminations, extensions, public agency legislative approvals, public agency resolutions, public agency administrative approvals, or judicial approvals pertaining to any of the foregoing.

“Property” shall mean the Olympic/Figueroa Properties, including the Olympic West, Olympic East, Olympic North, Figueroa North, Figueroa Central and Figueroa South Properties as such properties are defined in the E.I.R.

“Public Releasees” shall mean the City and the Agency, and their political subdivisions, boards, councils, agents, representatives, employees, attorneys, officers, officeholders, officials, underwriters, sureties, guarantors, lenders and contractors, individually and collectively.

“Released Claims” shall mean claims released by the Coalition, and by each Organization, individually, in paragraph 4 of this Agreement.

“Specific Plan” shall mean the Los Angeles Sports and Entertainment District Specific Plan, City plan case 2000-5433-DA/GPA/SP/ZC.

"Transferee" shall mean a person or entity that acquires a fee simple interest or a ground lease from the Developer for the purpose of developing all or any portion of the Proposed Development.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and undertakings set forth herein and other consideration, the receipt and adequacy of which the Parties hereby acknowledge, the Parties agree as follows:

1. Offer to Compromise. This Agreement is an offer to compromise pursuant to California Evidence Code Section 1152, made without admission of liability, to avoid litigation.

2. Obligations of Developer. Developer covenants that it shall, at such time as the building permit for the construction of any component of the Project (excluding the proposed parking structure within the Olympic West Properties as such term is defined in the E.I.R.) is issued and acted upon (the "Permit Action Date"), or such later or earlier time as indicated in Attachment A below, carry out its obligations under the Community Benefits Program set forth as Attachment A and incorporated herein by this reference. The Developer shall use best efforts to include all or relevant portions of the Community Benefits Program into one or more appropriate agreements with the City or the Agency, including a disposition and development agreement, development agreement or similar document. The obligations of Developer and its successors, transferees and assigns under this Paragraph 2 and the Community Benefits Program shall terminate on December 31, 2111 or such earlier or later time as may be specified for any particular obligation in the Community Benefits Program.

3. Support Obligations of Coalition. The Coalition covenants that it shall, upon execution of this Agreement or at such later time as set forth below or in the Community Benefits Program, undertake the following actions:

a. Support the Project through advocacy of approval of the Project and the Project Approvals by the City, the Agency and other government agencies, including, without limitation, certification of the E.I.R., the Specific Plan, the Development Agreement, and an amendment to Disposition and Development Agreement. The Coalition shall, in reasonable consultation with the Developer, select at least three representatives of the Coalition to act on behalf of the Coalition in carrying out its support obligations under this subparagraph 3.a. Other members of the Coalition may from time to time support the Project or relevant portion of the Project; provided, however, such support shall not be provided in a manner which reasonably implies opposition to other portions of the Project.

b. The Coalition, in collaboration with the Developer, shall prepare a joint press release or statement announcing the Developer's commitment to the Community Benefits Program and the Coalition's support for the Project. In the event that the Parties mutually decide to hold a press conference, one or more of the Coalition Representatives shall appear at the press conference. If contacted by the media, the Coalition, including Organizations and Individuals, shall describe the Coalition's support for the Project and make statements consistent with the joint press release or statement.

c. The Coalition, in collaboration with the Developer, shall prepare a letter of support for the Project consistent with this Agreement.

d. The Developer may designate public hearings at which the Coalition will provide testimony in support of the Project. At each such hearing designated by the Developer at least two weeks in advance at least one of the Coalition Representatives shall appear and provide an oral statement in support of the Project consistent with this Agreement. In the event that Developer is unable to provide at least two weeks notice of a hearing, a Coalition Representative, nonetheless, shall make a reasonable effort to appear. If a Coalition Representative is unable to appear, Developer may submit for the record the letter of support referred to in subparagraph 3.c, above.

e. The Coalition's obligations under this Paragraph 3 shall terminate with regard to any component of the Project at such time as a certificate of occupancy is issued for that component. The Coalition's obligations under this Paragraph 3 shall terminate with regard to the Convention Hotel upon final action by the City in connection with consideration of any approval necessary for construction of the Convention Hotel.

4. <u>Releases</u>.

a. In full and final settlement of all Coalition Released Matters as defined below, the Coalition hereby waives, releases and forever discharges the Developer, the Developer Releasees, and the Public Releasees from any and all claims it or any of its members has or may have arising from or related to the Coalition Released Matters, except for the Excluded Matters, as defined below, which the Coalition does not release, waive, settle or discharge.

1. "Coalition Released Matters" shall mean any and all suits, petitions, claims, causes of action, actions seeking any writ of mandate or prohibition or other writs, whether in law or in equity, for: indemnity, contribution, enforcement of any statutory duty or legal mandate or prohibition, debts, liens, contracts, agreements, promises, liabilities, demands, damages, losses, costs, or expenses, of any nature whatsoever, whether known or unknown, fixed or contingent, which the Coalition, or any of its members, has, may have, or may assert against the Developer, the Developer Releasees, and/or the Public Releasees, or any of them, arising from, based upon or relating to the Project or any portion of the Project, the Property, the Project Approvals, or the impacts disclosed in the E.I.R.

2. "Excluded Matters" shall mean: (i) any right to seek judicial enforcement of this Agreement, including the Community Benefits Program; (ii) any right to challenge future changes in the Project that cause substantial adverse environmental impacts to the extent that supplemental environmental review would be appropriate under Public Resources Code Section 21166; (iii) any right to enforce the terms of any future contracts between the Developer Releasees or the Public Releasees and the Coalition or Interested Organizations; (iv) any right to challenge violations of law by Tenants or Transferees relating to any component of the Project for which a certificate of occupancy has been issued; and (v) any right to challenge future changes to the Project that substantially deviate from the description of the project in the

E.I.R.; and (vi) any right to challenge material deviations from the conditions of Project Approvals.

b. In full and final settlement of the matters addressed below in this paragraph, the Developer and the Developer Releasees hereby waive, release and forever discharge the Coalition, and its attorneys, representatives and agents, and each of them, from any and all claims it or any of them have or may have arising from or related to the Coalition Released Matters, except for the following matters that are not released, waived, settled or discharged: (i) any rights, claims or defenses related in any way to the Excluded Matters, as defined in the paragraph above; (ii) any right to seek judicial enforcement of this Agreement; and (iii) any right to assert any and all claims or legal defenses in response to any suits, petitions, claims, causes of action, actions seeking any writ of mandate or prohibition or other writs, whether in law or in equity, that might be brought by the Coalition, any of its members, or any other person or entity against the Developer, the Developer Releasees, and/or the Public Releasees.

c. THE PARTIES ACKNOWLEDGE THAT THEY HAVE BEEN ADVISED BY THEIR LEGAL COUNSEL AND ARE FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

THE PARTIES, BEING AWARE OF SAID CODE SECTION, HEREBY EXPRESSLY WAIVE ANY RIGHTS THEY MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

d. The Parties represent and warrant that there has been no, and there will be no, assignment or other transfer of any interest in any Released Claims. The Parties agree to indemnify and hold their respective Releasees, and each of them, harmless from any liability, Released Claims, demands, costs, expenses and attorneys' fees incurred by any of them as a result of any person asserting any rights to Released Claims under any such assignment or transfer.

5. <u>Covenant Not to Bring Released Claims</u>. The Coalition collectively, and each Organization individually, covenants that it will not file, prosecute, bring, or advance any suit, claim, or legal action of any kind based upon any claim or cause of action described in paragraph 4(a), above.

6. <u>Covenant Not to Bring Administrative Action</u>. The Coalition collectively, and each Organization individually, covenants not to administratively challenge or contest the Project or the Project Approvals, except with respect to "Excluded Matters" as set forth in paragraph 4.a.2. The provisions of this paragraph 6 are effective with regard to each component of the Project from the Effective Date of this Agreement until a certificate of occupancy is issued for that component of the Project. In undertaking any administrative actions regarding any component of

the Project the Coalition shall not challenge or contest components of the Project for which a certificate of occupancy has not been issued.

7. Covenant Not to Oppose. The Coalition collectively, and each Organization individually, agrees that after the date of signing this Agreement it shall not specifically state public opposition to the Project, or the Project Approvals, including without limitation comments to the media or to public forums, except with respect to "Excluded Matters" as set forth in paragraph 4.a.2. If asked about the Project or the Project Approvals, the Coalition collectively and each Organization individually shall publicly state that the Coalition and the Organization have entered into a community benefits agreement and may make statements consistent with the joint public statement referred to in Paragraph 3.b, above, and with this Agreement. In addition, the Coalition collectively, and each Organization individually, covenants that, after the date of signing this Agreement, it will not assist or promote, directly or indirectly, or financial support or any other support for, efforts by others administratively or judicially to oppose, litigate, sue, challenge or contest the Project or the Project Approvals. The Coalition reserves the right through public statements to encourage Public Releasees to incorporate the Community Benefits Program into a disposition and development agreement or development agreement regarding the Project, and to enforce the Community Benefits Agreement once it has been so incorporated. The provisions of this paragraph 7 are effective with regard to each component of the Project from the Effective Date of this Agreement until a certificate of occupancy is issued for that component of the Project. Statements in opposition to any component of the Project shall not concern or discuss components of the Project for which a certificate of occupancy has not been issued. The Coalition shall not be considered to be in breach of this agreement on the basis of a public statement that has been retracted in writing and provided to the Developer by the Organization whose staff member or board member made that statement; before a breach shall be declared or enforcement action taken on the basis of such a statement, opportunity to retract the statement shall be given in the meet and confer period described in paragraph 10.a.

8. No Other Challenges. The Coalition collectively, and each Organization individually, represents and warrants that it has not filed any complaint, charge, lawsuit, or claim against the Developer Releasees or the Public Releasees in matters pertaining to the Project, the Property or Project Approvals.

9. Litigation. In the event that any action or claim is commenced, whether by filing an action or claim or by way of defense, by any person or entity, challenging the Project, the Project Approvals, or otherwise seeking to enjoin or invalidate the construction or financing of the Project, the obligations of the Developer as provided in this Agreement, including without limitation the Community Benefits Program, shall be suspended, at the option of the Developer, pending successful resolution of the litigation in favor of the Developer; provided, however, Developer's obligations under Section IV (Community Protection), Section X (Relocated Families), and Section XI (Community Advisory Committee) of the Community Benefits Program shall not be suspended. Suspension of obligations under this paragraph 9 shall terminate upon issuance of a certificate of occupancy for any component of the project. All other terms of this Agreement shall remain in full force and effect during a period of suspension of obligations under this paragraph 9.

10. Enforcement.

a. A Party that believes that another Party is in breach of this Agreement shall, prior to taking action to enforce this Agreement or declaring the other Party to be in breach, request the opportunity to meet and confer in a good-faith effort to resolve the issue. This meet and confer obligation shall take place in a timeframe that is reasonable under all of the circumstances.

b. This Agreement shall in all respects be interpreted, enforced, and governed under the laws of the State of California and this Agreement is fully enforceable pursuant to California Code of Civil Procedure, Section 664.6. Upon the request of any party, the Court may reopen jurisdiction to enforce this Agreement.

c. This Agreement may be pleaded as a defense to, and may be used as the basis for (1) an injunction against prosecution of any Released Claim, and (2) an injunction against any action challenging Project Approvals in violation of the Covenants described herein. Provided, however that this provision shall not be construed as a waiver or relinquishment of the provisions of Code of Civil Procedure § 425.16 or any similar or corresponding provisions of any future enacted law, except to extent expressly waived or relinquished in this Agreement. This Agreement may be the basis for a request for injunctive relief with respect to performance of any term of this agreement. The Parties hereto agree that money damages would be an inadequate remedy for any breach (or threatened breach) of this Agreement, and agree that this Agreement may be enforced by an application for a preliminary or permanent injunction, by a decree of specific performance, or other such order or decree of a court of competent jurisdiction. The agreed remedies set forth herein shall not be construed to limit or derogate any legal or equitable remedy authorized by applicable law or a court's ability to determine facts, weigh evidence, and exercise its own discretion with respect to enforcement of any term or condition of this Agreement.

d. The Coalition and each Organization agree that if they or any of their board members, officers, directors or employees, on behalf of the applicable Organization, hereafter commence, join in, or in any manner seek assert against Developer Releasees or Public Releasees any Released Claim, or violate the Covenant not to Prosecute Released Claims or the Covenant Not to Bring Administrative Action (described in paragraphs 5 and 6, respectively), then the applicable Organization shall pay, in addition to any other damages caused thereby, all attorneys' fees and costs incurred in defending or otherwise responding to said suit or challenge, administrative or judicial. This subparagraph 10d shall not require payment of attorney's fees where the applicable Organization had a good-faith and objectively reasonable belief that the claim asserted or the relief requested was not a Released Claim or was not covered by this Agreement, or on the basis of a claim brought to enforce the terms of this Agreement and/or to compel the performance of any provision of this Agreement.

11. Action by Interested Organizations. If any Interested Organization prosecutes or brings suit, or threatens to do so, based on a Released Claim as defined in this Agreement, the Coalition shall use its best efforts to attempt to persuade the Interested Organization not to prosecute or pursue the claim in question, including without limitation attempting to convince the Interested Organization to resolve its differences through one or more meet and confer or mediation sessions with the Developer and the Coalition. In the event the dispute is not resolved

in such manner within a reasonable period of time, and the Interested Organization prosecutes or pursues the suit in question, Developer is relieved of all obligations under this Agreement, including Attachment A, the Community Benefits Program.

12. Support and Non-opposition Obligations of Coalition Member Environmental Defense. Coalition member Environmental Defense – Environmental Justice Project Office agrees not to oppose the Project or Project Approvals as set forth in paragraph 4a. Environmental Defense shall be specifically exempted from the Support Obligations set forth in paragraph 3. Developer shall not ask, request or compel Environmental Defense, or any Environmental Defense employees, interns, consultants, board members, advisory board members or agents, to fulfill Support Obligations as defined in paragraph 3. Developer shall not ask, request or compel Environmental Defense, or any Environmental Defense employees, interns, consultants, board members, advisory board members or agents, to act as a Coalition Representative as defined in Paragraph 3a or 3d. If contacted by the media, Environmental Defense shall describe the Coalition's support for the Project and make statements consistent with the joint press release or statement. Aside from general references to the Coalition, Environmental Defense and any Environmental Defense employees, interns, consultants, board members, advisory board members or agents, shall not be used, listed, referenced or appear as an individual supporter of the Project on any public relations, media, or any other material, represented in writing or verbally, circulated by the Developer to the general public or media outlets.

13. Notices. All notices shall be in writing and shall be addressed to the affected Parties at the addresses set forth below. Notices shall be: (a) delivered by courier service to the addresses set forth below, in which case they shall be deemed delivered on the date of delivery, as evidenced by the written report of the courier service, (b) sent by certified mail, return receipt requested, in which case they shall be deemed delivered three (3) business days after deposit in the United States mail; or (c) transmitted by facsimile transmission (promptly followed by delivery under option (a) or (b) above), in which case they shall be deemed delivered the first business day after delivery has been electronically confirmed by the recipient's facsimile machine. Any Party may change its address, its facsimile machine number, or the name and address of its attorneys by giving notice in compliance with this Agreement. Notice of such a change shall be effective only upon receipt. Notice given on behalf of a Party by any attorney purporting to represent a Party shall constitute notice by such Party if the attorney is, in fact, authorized to represent such Party. The addresses and facsimile machine numbers of the Parties are:

a. If to Developer:

Ted Tanner
Senior Vice President
L.A. Arena Land Company
1100 Flower Street, Suite 3100
Los Angeles, CA 90015

with a copy to:

William F. Delvac, Esq.
Latham & Watkins
633 W. Fifth Street, Suite 4000
Los Angeles, CA 90071

b. If to Coalition:

Gilda Haas
S.A.J.E
2636 Kenwood Avenue
Los Angeles, CA 90007

with a copy to:

Paul E. Lee
Attorney and Counselor at Law
Law Office of PAUL E. LEE
35 South Raymond Avenue, Suite 405
Pasadena, CA 91105

14. Documents to be Filed or Executed. The parties agree to cooperate to execute any documents reasonably required to effectuate the intent of this agreement and, if a party does not so cooperate, any party to this agreement may obtain judicial intervention to obtain judicial signature in lieu of party signature, upon noticed motion supported by affidavit.

15. Legal Fees and Costs. Except as provided herein, each party shall bear their own legal fees and costs resulting from the preparation, negotiation and execution of this Agreement and the Potential Litigation.

16. Materiality of Breach and Material Terms. Any breach of the any term of paragraphs 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, inclusive, of this agreement, and each provision of the attachments to this Agreement, at the option of any party, shall be treated as material and a complete failure of consideration.

17. Waiver. The waiver of any provision or term of this Agreement shall not be deemed as a waiver of any other provision or term of this Agreement. The mere passage of time, or failure to act upon a breach, shall not be deemed as a waiver of any provision or term of this Agreement.

18. Time of the Essence. Time is of the essence in this Agreement.

19. Successors and Assigns. This Agreement shall bind, and inure to the benefit of, the parties and their respective successors, assigns and legal representatives as follows:

a. Commitments Binding on Agents and Successors of Developer. Any agents, assigns, or successors-in-interest of the Developer will comply with the Developer's responsibilities under this Agreement. This includes master developers, leasing agents, other developers who develop components of the Project, and so forth. Any contracts related to the Project between the Developer and such entities will include this Agreement as a material term, with a statement that such inclusion is for the benefit of the Coalition.

b. Commitments Binding on Agents and Successors of Coalition. Any agents, assigns, or successors-in-interest of the Coalition or the organizations comprising the Coalition will comply with the Coalition's responsibilities under this Agreement.

c. Commitments For Benefit of Successors. This Agreement shall inure to the benefit of the agents, assigns, and successors-in-interest of each Party. Any reference in this Agreement benefiting a Party shall be deemed to benefit to any agents, assigns, and successors-in-interest of that Party.

d. Covenants Run With the Land. All terms of this Agreement, including attachments, are covenants that run with the land and bind all grantees, lessees, or other transferees thereto for the benefit of and in favor of both parties.

20. Construction. Each of the parties has been represented by counsel in the negotiation and drafting of this Agreement. Accordingly, this Agreement shall not be strictly construed against any party, and the rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Agreement.

21. California Law. This Agreement shall be construed in accordance with the laws of the State of California, and jurisdiction and venue for any disputes arising hereunder shall be in any court empowered to enforce this Agreement in the State of California.

22. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes any prior agreements, whether written or oral.

23. Authority of Signatories. The individuals executing this Agreement represent and warrant that they have the authority to sign on behalf of the respective parties.

24. Binding Upon Signature. As to any Party, this Agreement shall be binding upon, and as of the date of, such Party's execution of this Agreement.

25. Amendments. This Agreement may not be altered, amended or modified, except by an instrument in writing signed by the Parties.

26. Counterparts and Additional Signatories. This Agreement may be executed in two or more counterparts, each of which may be deemed an original, but all of which shall constitute one and the same document. Contemporaneously with or subsequent to the initial execution of this Agreement, one or more Interested Organizations may become signatories to this Agreement by appending additional signatures or signature pages to this Agreement and shall thereafter be included in the unincorporated association comprised collectively of the organizations that are signatories to this Agreement and in the definition of Coalition herein, and shall have all the rights and bear all the responsibilities of each other organization that is a signatory to this Agreement. All such signatures and signature pages whenever added shall become a part of this

Agreement and the Agreement shall then constitute one and the same document. The Coalition shall undertake good faith efforts to have each Interested Organization execute this Agreement.

EXECUTION COPY

IN WITNESS WHEREOF, the Parties here caused this Agreement to be duly executed by their respective authorized officers.

Dated: ____________________

L.A. ARENA LAND CO., LLC

By:____
Ted Tanner
Senior Vice President

Dated: ____________________

FLOWER HOLDINGS, LLC

By:____
Ted Tanner
Executive Vice President

Dated: ____________________

CENTRAL AMERICAN RESOURCE CENTER

By:____
Print Name:_________________________________
Title:______________________________________

Dated: ____________________

COALITION FOR HUMANE IMMIGRANT RIGHTS OF LOS ANGELES

By:____
Print Name:_________________________________
Title:______________________________________

Dated: ____________________

CONCERNED CITIZENS OF SOUTH CENTRAL LOS ANGELES

By:____
Print Name:_________________________________
Title:______________________________________

Dated: ____________________

COALITION L.A.

By:_______________________________________
Print Name:________________________________
Title:_____________________________________

Dated: ____________________

ENVIRONMENTAL DEFENSE – ENVIRONMENTAL JUSTICE PROJECT OFFICE

By:_______________________________________
Print Name:________________________________
Title:_____________________________________

Dated: ____________________

ESPERANZA COMMUNITY HOUSING CORPORATION

By:_______________________________________
Print Name:________________________________
Title:_____________________________________

Dated: ____________________

HOTEL EMPLOYEES AND RESTAURANT EMPLOYEES (HERE) LOCAL 11

By:_______________________________________
Print Name:________________________________
Title:_____________________________________

Dated: ____________________

LOS ANGELES ALLIANCE FOR A NEW ECONOMY (LAANE)

By:_______________________________________
Print Name:________________________________
Title:_____________________________________

Dated: ___________________

STRATEGIC ACTIONS FOR A JUST ECONOMY (SAJE)

By:______________________________________
Print Name:_______________________________
Title:____________________________________

APPROVED AS TO FORM:

____
Julian Gross, attorney for Coalition

____
William F. Delvac, attorney for Developer

EXHIBIT C

ATTACHMENT A
COMMUNITY BENEFITS PROGRAM

I. PURPOSE

The purpose of this Community Benefits Program for the Los Angeles Sports and Entertainment District Project is to provide for a coordinated effort between the Coalition and the Developer to maximize the benefits of the Project to the Figueroa Corridor community. This Community Benefits Program is agreed to by the Parties in connection with, and as a result of, the Cooperation Agreement to which it is attached. This Community Benefits Program will provide publicly accessible park space, open space, and recreational facilities; target employment opportunities to residents in the vicinity of the Figueroa Corridor; provide permanent affordable housing; provide basic services needed by the Figueroa Corridor community; and address issues of traffic, parking, and public safety.

II. DEFINITIONS

As used in this Community Benefits Program, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form. Any capitalized terms not specifically defined in this Attachment A shall have the meanings as set forth in the Settlement Agreement.

"Agency" shall mean the Community Redevelopment Agency of the City of Los Angeles.

"City" shall mean the City of Los Angeles.

"Coalition" shall have the meaning set forth in the Cooperation Agreement.

"Contractor" shall mean a prime contractor, a subcontractor, or any other business entering into a contract with the Developer related to the use, maintenance, or operation of the Project or part thereof. The term Contractor shall not include Tenants.

"Cooperation Agreement" shall mean the Cooperation Agreement entered into between the Developer and the Coalition on May 29, 2001.

"Developer" shall mean the corporations entitled the L.A. Arena Land Company and Flower Holdings, LLC.

"Needs Assessment" shall have the meaning set forth in Section III.C.1.

"Project" shall have the meaning set forth in the Cooperation Agreement.

"Tenant" shall mean a person or entity that conducts any portion of its operations within the Project, such as a tenant leasing commercial space within the Project, or an entity that has acquired a fee simple interest from the Developer for the purpose of developing a portion of the Project. "Tenant" does not include Contractors and agents of the Developer.

Tenant shall exclude any tenant of a residential dwelling unit, any guest or other client of any hotel and any governmental entity.

III. PARKS AND RECREATION

A. PURPOSE. The purpose of this Section is to help address the deficit of park space in the Figueroa Corridor community. The Figueroa Corridor contains less than a quarter of the park space acreage required by the City. The park construction efforts under this Section will help address this deficit, providing a measurable and lasting benefit to the Figueroa Corridor community.

B. QUIMBY FEES. Developer agrees to pay all fees required by the Los Angeles Municipal Code, Chapter I, Article 7, Section 17.12, "park and recreation site acquisition and development provisions," subject to offsetting credits as allowed by that section and/or state law and approved by the city. The Coalition shall support Developer's application for Quimby credit under this section, provided that Developer's applications for credits are based on publicly accessible space and facilities.

C. PARKS AND OPEN SPACE NEEDS ASSESSMENT.

1. **Needs Assessment.** The Developer will fund an assessment of the need for parks, open space, and recreational facilities in the area bounded by the following streets: Beverly Boulevard and the 101 freeway (north boundary); Western Avenue (west boundary); Vernon Avenue (south boundary); and Alameda Street (east boundary). Developer will commence fulfillment of its responsibilities under this section III.C within 90 days after enactment by the Los Angeles City Council of a development agreement ordinance for the Project.

2. **Funding.** Developer will fund the Needs Assessment in an amount between $50,000 and $75,000, unless the Coalition consents to the Developer funding the Needs Assessment in an amount less than $50,000.

3. **Selection of organization conducting needs assessment.** The Needs Assessment will be conducted by a qualified organization agreed upon by both the Developer and the Coalition, and paid an amount consistent with Section III.C.2, above. The Developer and the Coalition may enlist other mutually agreed upon organizations to assist in conducting the Needs Assessment.

D. PARK AND RECREATION FACILITY CREATION BY DEVELOPER.

1. **Park and recreation facility creation.** Following the completion of the needs assessment, the Developer shall fund or cause to be privately funded at least one million dollars ($1,000,000) for the creation or improvement of one or more parks and recreation facilities, including but not limited to land acquisition, park design, and construction, within a one-mile radius of the Project, in a manner consistent with the results of the Needs Assessment. By mutual agreement of the Coalition and the Developer, this one-mile radius may be increased. Each park or recreation facility created pursuant to this agreement shall be open to the public and free of charge. Developer shall have no responsibility for operation or

maintenance of any park and recreation facility created or improved pursuant to this agreement. Developer after consultation with the Coalition shall select the location of park and recreation facilities to be created or improved. Park and recreation facilities shall be created or improved in a manner such that a responsible entity shall own, operate, and maintain such facilities. Each park created or improved pursuant to this agreement shall include active recreation components such as playgrounds and playing fields, and shall also include permanent improvements and features recommended by the Needs Assessment, such as restroom facilities, drinking fountains, park benches, patio structures, barbecue facilities, and picnic tables. Recreation facilities created pursuant to this Section should to the extent appropriate provide opportunities for physical recreation appropriate for all ages and physical ability levels.

2. **Timeline**. The park and recreation facilities created or improved pursuant to this agreement shall be completed within five years of completion of the Needs Assessment. At least $800,000 of the funds described in Section III.D.1, above, shall be spent within four years of completion of the Needs Assessment.

E. OPEN SPACE COMPONENTS OF DEVELOPMENT.

1. **Street-level plaza.** The Project will include a street-level plaza of approximately one-acre in size and open to the public.

2. **Other public spaces.** The Project will include several publicly-accessible open spaces, such as plazas, paseos, walkways, terraces, and lawns.

IV. COMMUNITY PROTECTION

A. PARKING PROGRAM. The Developer shall assist the Coalition with the establishment of a residential permit parking program as set forth below.

1. **Permit Area**. The area initially designated as part of the Parking Program is generally bounded by James Wood Drive on the north, Byram and Georgia Streets on the west, Olympic Boulevard on the south and Francisco on the east. The permit area may be adjusted from time to time by mutual agreement of the Developer and the Coalition or upon action by the City determining the actual boundaries of a residential parking district in the vicinity of the Project.

2. **Developer Support**. The Developer shall support the Coalition's efforts to establish the parking program in the permit area by requesting the City to establish a residential permit parking district through a letter to City Council members and City staff, testimony before the City Council or appropriate Boards of Commissioners, and through technical assistance which reasonably may be provided by Developer's consultants.

To defray the parking program's costs to residents of the permit area, the Developer shall provide funding of up to $25,000 per year for five years toward the cost of developing and implementing the parking program within the permit area. Such funding shall be provided to the City.

3. **Limitations**. The Coalition understands, acknowledges and hereby agrees that the City's determination of whether to establish a residential permit parking district and the boundaries thereof are within the City's sole discretion. The Developer is not liable for any action or inaction on the part of the City as to establishment of a residential permit parking district or for the boundaries thereof. The Coalition understands, acknowledges and hereby agrees that the total annual aggregate cost of a residential permit parking district may exceed $25,000 per year and that in such event, the Developer shall have no liability for any amounts in excess of $25,000 per year for five years.

B. TRAFFIC. The Developer in consultation with the Coalition shall establish a traffic liaison to assist the Figueroa Corridor community with traffic issues related to the Project.

C. SECURITY. The Developer shall encourage the South Park Western Gateway Business Improvement District to address issues of trash disposal and community safety in the residential areas surrounding the Project. The Developer shall request the BID to provide additional trash receptacles in the vicinity of the Project, including receptacles located in nearby residential areas.

V. LIVING WAGE PROGRAM

A. DEVELOPER RESPONSIBILITIES REGARDING LIVING WAGES.

1. **Compliance With Living Wage Ordinance.** The Developer, Tenants, and Contractors shall comply with the City's Living Wage Ordinance, set forth in the Los Angeles Administrative Code, Section 10.37, to the extent such ordinance is applicable.

2. **Seventy Percent Living Wage Goal.** The Developer shall make all reasonable efforts to maximize the number of living wage jobs in the Project. The Developer and the Coalition agree to a Living Wage Goal of maintaining 70% of the jobs in the Project as living wage jobs. The Developer and the Coalition agree that this is a reasonable goal in light of all of the circumstances. Achievement of the Living Wage Goal shall be measured five years and ten years from the date of this Agreement. In the event that actual performance is less than 80% of the goal for two consecutive years, Developer shall meet and confer with the Coalition at the end of such two year period to determine mutually agreeable additional steps which can and will be taken to meet the Living Wage Goal.

3. **Achievement of Living Wage Goal.** For purposes of determining the percentage of living wage jobs in the Project, the following jobs shall be considered living wage jobs:

- jobs covered by the City's Living Wage Ordinance;
- jobs for which the employee is paid on a salaried basis at least $16,057.60 per year if the employee is provided with

employer-sponsored health insurance, or $18.657.60 per year otherwise (these amounts will be adjusted in concert with cost-of-living adjustments to wages required under the City's Living Wage Ordinance);

- jobs for which the employee is paid at least $7.72 per hour if the worker is provided with employer-sponsored health insurance, or $8.97 per hour otherwise (these amounts will be adjusted in concert with cost-of-living adjustments to wages required under the City's Living Wage Ordinance); and

- jobs covered by a collective bargaining agreement.

The percentage of living wage jobs in the Project will be calculated as the number of on-site jobs falling into any of the above four categories, divided by the total number of on-site jobs. The resulting number will be compared to the Living Wage Goal to determine whether the Living Wage Goal has been achieved.

4. **Developer Compliance If Goal Not Met.** Whether or not the Living Wage Goal is being met at the five- and ten-year points, the Developer shall be considered to be in compliance with this Section if it is in compliance with the remaining provisions of this Section.

5. **Reporting Requirements**. The Developer will provide an annual report to the City Council's Community and Economic Development Committee on the percentage of jobs in the Project that are living wage jobs. The report will contain project-wide data as well as data regarding each employer in the Project. Data regarding particular employers will not include precise salaries; rather, such data will only include the number of jobs and the percentage of these jobs that are living wage jobs, as defined in Section V.A.3**,** above. If the report indicates that the Living Wage Goal is not being met, the Developer will include as part of the report a discussion of the reasons why that is the case. In compiling this report, Developer shall be entitled to rely on information provided by Tenants and Contractors, without responsibility to perform independent investigation. This report shall be filed for any given year or partial year by April 30th of the succeeding year.

6. Selection of Tenants.

a. **Developer Notifies Coalition Before Selecting Tenants.** At least 45 days before signing any lease agreement or other contract for space within the Project, the Developer shall notify the Coalition that the Developer is considering entering into such lease or contract, shall notify the Coalition of the identity of the prospective Tenant, and shall, if the Coalition so requests, meet with the Coalition regarding the prospective Tenant's impact on the 70% living wage goal. If exigent circumstances so require, notice may be given less than 45 days prior to signing such a lease agreement or other contract; however, in such cases the Developer shall at the earliest possible date give the Coalition notice of the identity of the prospective Tenant, and, if the Coalition requests a meeting, the meeting shall occur on the earliest possible date and shall in any event occur prior to the signing of the lease agreement or other contract.

b. **Coalition Meeting with Prospective Tenants.** At least 30 days before signing a lease agreement or other contract for space within the Proposed Development, the Developer will arrange and attend a meeting between the Coalition and the prospective Tenant, if the Coalition so requests. At such a meeting, the Coalition and the Developer will discuss with the prospective Tenant the Living Wage Incentive Program and the Health Insurance Trust Fund, and will assist the Coalition in encouraging participation in these programs. If exigent circumstances so require, such a meeting may occur less than 30 days prior to the signing of a lease agreement; however, in such cases the meeting shall be scheduled to occur on the earliest possible date and shall in any event occur prior to the signing of the lease agreement or other contract. The Developer will not enter into a lease agreement with any prospective Tenant that has not offered to meet with the Coalition and the Developer regarding these issues prior to signing of the lease.

c. **Consideration of Impact on Living Wage Goal.** When choosing between prospective Tenants for a particular space within the Project, the Developer will, within commercially reasonable limits, take into account as a substantial factor each prospective Tenant's potential impact on achievement of the Living Wage Goal.

d. **Tenants Agree to Reporting Requirements.** Tenants are not required to participate in the Living Wage Incentive Program or the Health Insurance Trust Fund. However, all Tenants in the Project shall make annual reports as set forth in Section V.B.3, below. The Developer will include these reporting requirements as a material term of all lease agreements or other contracts for space within the Project.

B. TENANTS' OPPORTUNITIES AND RESPONSIBILITIES.

1. **Living Wage Incentive Program.** All Tenants will be offered the opportunity to participate in a Living Wage Incentive Program. Tenants are not required to participate in this program, but may choose to participate. Under the Living Wage Incentive Program, Tenants providing living wage jobs may receive various benefits of substantial economic value. The Coalition, the Developer, and the City will collaborate to structure a set of incentives, at no cost to the Developer, to assist the Project in meeting the Living Wage Goal. The Living Wage Incentive Program shall be described in a simple and accessible written format suitable for presentation to prospective Tenants. The Coalition, working collaboratively with the Developer, shall seek funding from governmental and

private sources to support the incentives and benefits provided in the Living Wage Incentive Program.

2. **Health Insurance Trust Fund.** All Tenants will be offered the opportunity to participate in the Health Insurance Trust Fund. Tenants are not required to participate in this program, but may choose to participate. The Health Insurance Trust Fund, still being established by the City, will provide Tenants with a low-cost method of providing employees with basic health insurance.

3. **Reporting Requirements**. Each Tenant in the Project must annually report to the Developer its number of on-site jobs, the percentage of these jobs that are living wage jobs, and the percentage of these jobs for which employees are provided health insurance by the Tenant. Tenants need not include precise salaries in such reports; rather, with regard to wages, Tenants need only include the number of jobs and the percentage of these jobs that are living wage jobs, as defined in Section V.A.3, above. Such reports shall be filed for any given year or partial year by January 31st of the succeeding year.

C. TERM. All provisions and requirements of this Section shall terminate and become ineffective for each Tenant ten years from the date of that Tenant's first annual report submitted pursuant to Section V.B.3, above.

VI. LOCAL HIRING AND JOB TRAINING

A. PURPOSE. The purpose of this Section is to facilitate the customized training and employment of targeted job applicants in the Project. Targeted job applicants include, among others, individuals whose residence or place of employment has been displaced by the STAPLES Center project, low-income individuals living within a three-mile radius of the Project, and individuals living in low-income areas throughout the City. This Section (1) establishes a mechanism whereby targeted job applicants will receive job training in the precise skills requested by employers in the Project, and (2) establishes a non-exclusive system for referral of targeted job applicants to employers in the Project as jobs become available.

B. CUSTOMIZED JOB TRAINING PROGRAM. The First Source Referral System, described below, will coordinate job training programs with appropriate community-based job training organizations. Prior to hiring for living wage jobs within the Project, employers may request specialized job training for applicants they intend to hire, tailored to the employers' particular needs, by contacting the First Source Referral System. The First Source Referral System will then work with appropriate community-based job training organizations to ensure that these applicants are provided with the requested training.

C. FIRST SOURCE HIRING POLICY. Through the First Source Hiring Policy, attached hereto as attachment No. 1, qualified individuals who are targeted for employment opportunities as set forth in Section IV.D of the First Source Hiring Policy will have the opportunity to interview for job openings in the Project. The Developer, Contractors, and Tenants shall participate in the First Source Hiring Policy, attached hereto as Attachment No. 1. Under the First Source Hiring Policy, the First Source Referral System will promptly refer qualified, trained applicants to employers for available jobs. The Developer, Contractors, and Tenants shall have no responsibility to provide notice of job openings to the First Source Referral System if the First Source Referral System is not fulfilling its obligations under the First Source Hiring Policy. The terms of the First Source Hiring Policy shall be part of any deed, lease, or contract with any prospective Tenant or Contractor.

D. FIRST SOURCE REFERRAL SYSTEM. The First Source Referral System, to be established through a joint effort of the Developer and the Coalition, will work with employers and with appropriate community-based job training organizations to provide the referrals described in this Section. The Coalition and the Developer will select a mutually agreeable nonprofit organization to staff and operate the First Source Referral System, as described in the First Source Hiring Policy. The Developer will provide $100,000 in seed funding to this organization. The Developer will meet and confer with the Coalition regarding the possibility of providing space on site for the First Source Referral System, for the convenience of Tenants and job applicants; provided, however, the Developer may in its sole and absolute discretion determine whether or on what terms it would be willing to provide space for the First Source Referral System. If the First Source Referral System becomes defunct, Employers shall have no responsibility to contact it with regard to job opportunities.

VII. SERVICE WORKER RETENTION

A. SERVICE CONTRACTOR WORKER RETENTION. The Developer and its Contractors shall follow the City's Worker Retention Policy as set forth in the Los Angeles Administrative Code, Section 10.36. The City’s Worker Retention Policy does not cover individuals who are managerial or supervisory employees, or who are required to possess an occupational license.

B. WORKER RETENTION FOR HOTEL AND THEATER EMPLOYEES. The Developer agrees that Tenants in hotel and theater components of the Project will follow the City's Worker Retention Policy with regard to all employees, and will require contractors to do the same. The Developer will include these requirements as material terms of all lease agreements or other contracts regarding hotel and/or theater components of the Project.

C. INCLUSION IN CONTRACTS. The Developer shall include the requirements of this section as material terms of all contracts with Contractors and with Tenants in hotel and theater components of the Project, with a statement that such inclusion is for the benefit of the Coalition.

VIII. RESPONSIBLE CONTRACTING

A. DEVELOPER SELECTION OF CONTRACTORS. The Developer agrees not to retain as a Contractor any business that has been declared not to be a responsible contractor under the City’s Contractor Responsibility Program (Los Angeles Administrative Code, Section 10.40.)

B. DEVELOPER SELECTION OF TENANTS. The Developer agrees that before entering into or renewing a lease agreement regarding any space over fifteen thousand (15,000) square feet, the Developer shall obtain from any prospective Tenant a written account of whether the prospective Tenant has within the past three years been found by a court, an arbitrator, or an administrative agency to be in violation of labor relations, workplace safety, employment discrimination, or other workplace-related laws. When choosing between prospective Tenants for a particular space within the Project, the Developer will, within commercially reasonable limits, take into account as a substantial factor weighing against a prospective Tenant any findings of violations of workplace-related laws. In complying with this Section, the Developer shall be entitled to rely on information provided by Tenants, without responsibility to perform independent investigation.

C. REPORTING REQUIREMENTS. The Developer will provide an annual report to the Coalition and to the City Council's Community and Economic Development Committee on the percentage of new lease agreements or other contracts regarding use of space within the Project that were entered into with entities reporting violations of workplace-related laws. In compiling this report, Developer shall be entitled to rely on information provided by Tenants and Contractors, without responsibility to perform independent investigation. The report may aggregate information from various End Users, so as not to identify any particular Tenant. This report shall be filed for any given year or partial year by April 30th of the succeeding year, and may be combined with the report regarding living wages, required to be filed by Section V.B.3.

IX. AFFORDABLE HOUSING

A. PURPOSE. Developer has included between 500 and 800 housing units as part of the Project. The goal is create an "inclusionary" development; *i.e.* the project will include an affordable housing component (the "Affordable Housing Program") as set forth in this Section.

B. DEVELOPER AFFORDABLE HOUSING PROGRAM. This Developer Affordable Housing Program exceeds requirements of state law and the Agency. To further its connection to the surrounding neighborhoods, the Developer proposes to work with community-based housing developers to implement much of the plan.

1. **Percentage Affordable Units.** The Developer shall develop or cause to be developed affordable housing equal to 20% of the units constructed within the Project, as may be adjusted under Section IX.D., below, through joint efforts with community-based organizations to create additional affordable units as provided in Section IX.C, below. The Developer intends to include between 500 and 800 units in the Project; therefore, the Developer's affordable housing commitment would be between 100 and 160 units, as may be adjusted under Section IX.D below.

2. **Income Targeting** The distribution of affordable units shall be as follows:

a. 30% affordable to families earning zero to 50% of Area Median Income ("AMI");

b. 35% affordable to families earning 51% to 60% of AMI;

c. 35% affordable to families earning 61% to 80% of AMI.

3. **Term of Affordability.** Affordable units will remain affordable for a minimum of 30 years.

4. **Location.** Affordable units may be built within the Project or off-site. Units built off site will be located in redevelopment areas within a three-mile radius from the intersection of 11th and Figueroa Streets. To the extent the Agency provides direct financial assistance in the creation of affordable units, 50% of the affordable units shall be constructed within the Project if required by the Agency.

5. **Unit and Project Type.** Given the high density of the proposed on-site high-rise housing, any inclusionary units within the Project will be two-bedroom units. Three- and four-bedroom units may be developed at offsite locations that are more appropriate to accommodate larger units and families. In connection with any off-site affordable units, Developer shall give priority consideration to creation of projects suitable for families in terms of unit size, location, and proximity to family-serving uses and services.

6. **Relocated Persons.** To the extent allowed by law, priority shall be given to selecting persons relocated in connection with the development of the STAPLES Center to be tenants in any affordable units created under this Section IX. Notice of availability of affordable units shall be given to such relocated persons as set forth in Section X.D.

7. **Public Participation and Assistance.** Nothing herein shall limit the right of the Developer to seek or obtain funding or assistance from any federal, state or local governmental entity or any non-profit organization in connection with the creation or rehabilitation of affordable units.

C. COOPERATIVE DEVELOPMENT WITH COMMUNITY BASED ORGANIZATIONS

1. **Purpose**. In addition to development of affordable housing on-site or off-site, Developer shall work cooperatively with community based organizations to in an effort to provide additional affordable housing units. The goal of this program is to identify affordable housing infill development opportunities within a 1.5-mile radius of Figueroa and 11th Street and to affiliate with well-established non-profit affordable housing development corporations in the area.

2. **Interest Free Loans.** As "seed money" for affordable housing development, within 2 years after receiving final entitlement approvals for the Project, Developer will provide interest-free loans in the aggregate amount not to exceed $650,000 to one or more non-profit housing developers that are active in the Figueroa Corridor area and are identified in the Section VI.D.3, below, or are mutually agreed upon by the Developer and the Coalition. Repayment of principal repayment shall be due in full within three (3) years from the date the loan is made. Provided that the loan or loans have been timely repaid, such repaid amounts may be loaned again to one or more non-profit housing developers; however, it is understood that all loans will be repaid within six (6) years from the date the first loan was made. In addition, the loans shall be on such other commercially reasonable terms consistent with the purposes of this Section IX.C.

3. **Prequalified Non-Profit Development Corporations.** The following non-profit community based organizations are eligible to seek to participate in this cooperative program:

a. Esperanza Development Corporation - Sister Diane Donoghue

b. 1010 Hope Development Corporation - DarEll Weist

c. Pueblo Development Corporation- Carmela Lacayo

d. Pico Union Development Corporation - Gloria Farias

4. **Use of Program Funds.** The interest free loans may be used by the selected organizations for the following purposes:

a. Land acquisition/option/due diligence.

b. To focus on existing buildings to substantially rehabilitate or to acquire small infill sites capable of supporting approximately 40 or more units.

c. Entitlement and design feasibility studies.

d. Financial analysis and predevelopment studies.

e. Funding applications and initial legal expenses.

f. Other expenses reasonably approved by Developer to secure full funding agreements

5. Project Selection Process

a. Within 90 days following Project approvals, Developer will meet and confer with principals of each non-profit listed in Section IX.C.3, above to gain a comprehensive understanding of the capabilities and capacity of each organization and ability to obtain financing support.

b. Within 6 months following Project approvals, Developer will request proposals from each non-profit organization, which may include one or more prospective sites and use best efforts to identify one or more projects to pursue.

c. Developer shall consult with and seek the input of the Coalition in the selection of the nonprofit housing developer or developers. Developer shall enter into a loan agreement with any selected nonprofit housing developer to provide the interest free loan as set forth in this Section IX.C.

D. ADJUSTMENTS TO AFFORDABLE HOUSING UNITS. The assistance provided by Developer under Section IX.C may result in production of affordable units substantially in excess of 20%. Further, the Coalition has a goal of at least 25% affordable units. Therefore, for every two units of affordable housing (including both rehabilitation or new construction) created by the non-profit developer or developers with the assistance of Developer under Section IX.C in excess of 25%, Developer shall receive a credit of one unit toward Developer's obligation to create affordable housing units; provided, however, that Developer's overall obligation for affordable housing units shall not be less than 15% due to any such reduction.

In the event that no affordable units are created under the cooperative program established in Section IX.C, above, through no fault of the Developer and the Developer is unable to recoup all or a portion of the loan or loans, the Developer's obligation to create affordable units shall be reduced by one unit for each $10,000 of unrecouped loans; provided, however that Developer's overall obligation for affordable housing units shall not be less than 15% of the housing due to any such reduction.

X. RELOCATED FAMILIES

A. PURPOSE. The purpose of this Section is to address problems that may be faced by families that were relocated by the Agency in connection with the development of the STAPLES Center. Many such families can no longer afford their current housing due to the expiration of the relocation assistance provided by the Agency.

B. MEET AND CONFER. The Developer agrees to meet and confer with the Coalition, City Councilmembers, Agency board and staff, and other City staff in effort to seek and obtain permanent affordable housing for families relocated in connection with the development of the STAPLES Center. Meetings with the Coalition shall be held quarterly, or less frequently if mutually agreed by the Coalition and the Developer. Meetings with City Councilmembers, Agency board and staff, and other City staff will be held as necessary. The Developer's responsibilities under this section will terminate five years from the effective date of the Cooperation Agreement.

C. ASSISTANCE. The Developer will generally assist the Coalition to seek and obtain permanent affordable housing for relocated families. Developer will speak in favor of such efforts at least two appropriate public meetings and hearings when requested to do so by the Coalition. The Developer will use commercially reasonable efforts to provide technical assistance to the Coalition.

D. NOTICE OF AVAILABILITY. For a period of three years, Developer shall use good faith efforts to cause the Agency to give, to the fullest extent allowed by law, 30 days notice of availability of affordable units created by the Project to persons relocated in connection with construction of STAPLES Center and to provide such relocated persons the first opportunity to apply as potential tenants. Persons eligible for such notice shall be relocated persons who are not tenants in a permanent affordable housing project and who otherwise meet income and other requirements for affordable housing.

E. TIMING. Permanent affordable housing for relocated families is an urgent matter and, therefore, time is of the essence. Consequently, Developer's obligations under this Section X, shall begin within five days following execution of the Settlement Agreement.

XI. COALITION ADVISORY COMMITTEE

To assist with implementation of this Community Benefits Program, address environmental concerns and facilitate an ongoing dialogue between the Coalition and the Developer, the Coalition and the Developer shall establish a working group of representatives of the Coalition and the Developer, known as the Advisory Committee. This Advisory Committee shall meet quarterly, unless it is mutually agreed that less frequent meetings are appropriate. Among other issues, the Developer shall seek the input of the Advisory Committee in the Developer's preparation of the construction management plan, the traffic management plan, the waste management plan and the neighborhood traffic protection plan. In addition, the Developer shall seek the input of the Advisory Committee in a effort to develop and implement potential solutions to other environmental concerns, including without limitation, pedestrian safety, air quality and green building principles.

XII. GENERAL PROVISIONS

A. SEVERABILITY CLAUSE. If any term, provision, covenant, or condition of this Community Benefits Program is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.

B. Material Terms. All provisions and attachments of this Community Benefits Program are material terms of this Community Benefits Program.

Attachment 1

FIRST SOURCE HIRING POLICY

SECTION I. PURPOSE.

The purpose of this First Source Hiring Policy is to facilitate the employment of targeted job applicants by employers in the Los Angeles Sports and Entertainment District. It is a goal of this First Source Hiring Policy that the First Source Referral System contemplated herein will benefit employers in the project by providing a pool of qualified job applicants whose job training has been specifically tailored to the needs of employers in the project through a non-exclusive referral system.

SECTION II. DEFINITIONS.

As used in this policy, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

"City" shall mean the City of Los Angeles and any of its departments and/or agencies.

"Developer" shall mean the L.A. Arena Land Company and Flower Holdings, LLC. and their Transferees.

"Project" shall mean the Los Angeles Sports and Entertainment District.

"Employer" shall mean a business or nonprofit corporation that conducts any portion of its operations within the Project; provided, however, this First Source Hiring Policy shall only apply to any such portion of operations within the Project.. Employer includes but is not limited to lessees, landowners, and businesses performing contracts on location at the Project. All "Employers" are "Covered Entities," as defined above.

"First Source Referral System" shall mean the system developed and operated to implement this First Source Hiring Policy, and the nonprofit organization operating it.

"Low-Income Individual" shall mean an individual whose household income is no greater than 80% of the median income for the Standard Metropolitan Statistical Area.

"Targeted Job Applicants" shall mean job applicants described in Section IV.D, below.

"Transferee" shall mean a person or entity that acquires a fee simple interest or a ground lease from the Developer for the purpose of developing all or any portion of the Proposed Development.

SECTION III. EMPLOYER RESPONSIBILITIES

A. Coverage. This First Source Hiring Policy shall apply to hiring by Employers for all jobs for which the work site is located within the Project, except for jobs for which hiring procedures are governed by a collective bargaining agreement which conflicts with this First Source Hiring Policy.

B. Long-Range Planning. Within a reasonable time after the information is available following execution by of a lease by Developer and Employer for space within the Project, the Employer shall provide to the First Source Referral System regarding the approximate number and type of jobs that will need to be filled and the basic qualifications necessary.

C. Hiring process.

(1) Notification of job opportunities. Prior to hiring for any job for which the job site will be in the Project, the Employer will notify the First Source Referral System of available job openings and provide a description of job responsibilities and qualifications, including expectations, salary, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g. language skills, drivers' license, etc.). Job qualifications shall be limited to skills directly related to performance of job duties, in the reasonable discretion of the Employer.

(2) Referrals. The First Source Referral System will, as quickly as possible, refer to the Employer Targeted Job Applicants who meet the Employer's qualifications. The First Source Referral System will also, as quickly as possible, provide to the Employer an estimate of the number of qualified applicants it will refer.

(3) Hiring. The Employer may at all times consider applicants referred or recruited through any source. When making initial hires for the commencement of the Employer's operations in the Project, the Employer will hire only Targeted Job Applicants for a three-week period following the notification of job opportunities described in subparagraph III.C.1, above. When making hires after the commencement of operations in the Project, the Employer will hire only Targeted Job Applicants for a five-day period following the notification of job opportunities. During such periods Employers may hire Targeted Job Applicants recruited or referred through any source. During such periods Employers will use normal hiring practices, including interviews, to consider all applicants referred by the First Source Referral System. After such periods Employers shall make good-faith efforts to hire Targeted Job Applicants, but may hire any applicant recruited or referred through any source.

E. Goal. Any Employer who has filled more than 50% of jobs available either during a particular six-month period with Targeted Job Applicants (whether referred by the First Source Referral System or not), shall be deemed to be in compliance with this First Source Hiring Policy for all hiring during that six-month period. Any Employer who has complied with remaining provisions of this First Source Hiring Policy is in compliance with this First Source Hiring Policy even it has not met this 50% goal during a particular six-month period.

F. **No Referral Fees.** Employers shall not be required to pay any fee, cost or expense of the First Source Referral System or any potential employees referred to the Employer by the First Source Referral System in connection with such referral.

SECTION IV. RESPONSIBILITIES OF FIRST SOURCE REFERRAL SYSTEM.

The First Source Referral System will perform the following functions related to this First Source Hiring Policy:

A. Receive Employer notification of job openings, immediately initiate recruitment and pre-screening activities, and provide an estimate to Employers of the number of qualified applicants it is likely to refer, as described above.

B. Recruit Targeted Job Applicants to create a pool of applicants for jobs who match Employer job specifications.

C. Coordinate with various job-training centers.

D. Screen and refer Targeted Job Applicants according to qualifications and specific selection criteria submitted by Employers. Targeted Job Applicants shall be referred in the following order:

(1) **First Priority**: individuals whose residence or place of employment has been displaced by the STAPLES Center project or by the initial construction of the project and Low-Income Individuals living within a one-half-mile radius of the Project.

(2) **Second Priority**: Low-Income Individuals living within a three-mile radius of the Project.

(3) **Third Priority:** Low-Income Individuals living in census tracts or zip codes throughout the City for which more than 80% of the households, household income is no greater than 80% of the median household income for the Standard Metropolitan Statistical Area.

E. Maintain contact with Employers with respect to Employers' hiring decisions regarding applicants referred by the First Source Referral System.

F. Assist Employers with reporting responsibilities as set forth in Section V of this First Source Hiring Policy, below, including but not limited to supplying reporting forms and recognizing Targeted Job Applicants.

G. Prepare and submit compliance reports to the City as set forth in Section V of this First Source Hiring Policy, below.

SECTION V. REPORTING REQUIREMENTS.

A. Reporting Requirements and Recordkeeping.

(1) Reports. During the time that this First Source Hiring Policy is applicable to any Employer, that Employer shall, on a quarterly basis, notify the First Source Referral System of the number, by job classification, of Targeted Job Applicants hired by the Employer during that, quarter and the total number of employees hired by the Employer during that quarter. The First Source Referral System shall submit annual aggregate reports for all Employers to the City, with a copy to the Coalition, detailing the employment of Targeted Job Applicants in the Project.

(2) Recordkeeping. During the time that this First Source Hiring Policy is applicable to any Employer, that Employer shall retain records sufficient to report compliance with this First Source Hiring Policy, including records of referrals from the First Source Referral System, job applications, and number of Targeted Job Applicants hired. To the extent allowed by law, and upon reasonable notice, these records shall be made available to the City for inspection upon request. Records may be redacted so that individuals are not identified by name and so that other confidential information is excluded.

(3) Failure to Meet Goal. In the event an Employer has not met the 50% goal during a particular six-month period, the City may require the Employer to provide reasons it has not met the goal and the City may determine whether the Employer has nonetheless adhered to this Policy.

SECTION VI. GENERAL PROVISIONS.

A. Term. This First Source Hiring Policy shall be effective with regard to any particular Employer until five years from the date that Employer commenced operations within the Project.

B. Meet & Confer, Enforcement. If the Coalition, the First Source Referral System, or the City believes that an Employer is not complying with this First Source Hiring Policy, then the Coalition, the First Source Referral System, the City, and the Employer shall meet and confer in a good faith attempt to resolve the issue. If the issue is not resolved through the meet and confer process within a reasonable period of time, the City may enforce the First Source Hiring Policy against the Developer as a term of any agreement between the City and the Developer into which the First Source Hiring Policy has been incorporated.

B. Miscellaneous.

(1) Compliance with State and Federal Law. This First Source Hiring Policy shall only be enforced to the extent that it is consistent with the laws of the State of California and the United States. If any provision of this First Source Hiring Policy is held by a court of law to be in conflict with state or federal law, the applicable law shall prevail over the terms of this First Source Hiring Policy, and the conflicting provisions of this First Source Hiring Policy shall not be enforceable.

(2) Indemnification. The First Source Referral System shall, jointly and severally, indemnify, hold harmless and defend the Developer and any Employer, and their officers, directors, partners, agents, employees and funding sources, if required by any such funding source (the "Indemnified Parties") from and against all fines, suits, liabilities, proceedings, claims, costs, damages, losses and expenses, including, but not limited, to attorney's fees and court costs, demands, actions, or causes of action, of any kind and of whatsoever nature, whether in contract or in tort, arising from, growing out of, or in any way related to the breach by the First Source Referral System or their affiliates, officers, directors, partners, agents, employees, subcontractors (the "First Source Parties") of the terms and provisions of this First Source Hiring Policy or the negligence, fraud or willful misconduct of First Source Parties. The indemnification obligations of the First Source Parties shall survive the termination or expiration of this First Source Hiring Policy, with respect to any claims arising as the result of events occurring during the effective term of this First Source Hiring Policy .

(3) Compliance with Court Order. Notwithstanding the provisions of this Policy, the Developer, Employers, Contractors, or Subcontractors shall be deemed to be in compliance with this First Source Hiring Policy if subject to by a court or administrative order or decree, arising from a labor relations dispute, which governs the hiring of workers and contains provisions which conflict with terms of this Policy.

(4) Severability Clause. If any term, provision, covenant, or condition of this First Source Hiring Policy is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.

(5) Binding on Successors. This First Source Hiring Policy shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest, and assigns of each of the parties. Any reference in this Policy to a specifically named party shall be deemed to apply to any successor in interest, heir, administrator, executor, or assign of such party.

(6) Material Terms. The provisions of this First Source Hiring Policy are material terms of any deed, lease, or contract in which it is included.

(7) Coverage. All entities entering into a deed, lease, or contract relating to the rental, sale, lease, use, maintenance, or operation of the Project or part thereof shall be covered by the First Source Hiring Policy, through the incorporation of this First Source Hiring Policy into the deed, lease, or contract. Substantive provisions set forth in Section III. "Employer Responsibilities," apply only to jobs for which the work site is located within the Project.

EXHIBIT D

CITY OF LOS ANGELES

CALIFORNIA

JAMES K. HAHN
MAYOR

J. MICHAEL CAREY
City Clerk

FRANK T. MARTINEZ
Executive Officer

When making inquiries relative to this matter refer to File No.

Office of the
CITY CLERK
Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
Council File Information - (213) 978-1043
General Information - (213) 978-1133
Fax: (213) 978-1040

HELEN GINSBURG
Chief, Council and Public Services Division

01-1817

PLACE IN FILES
NOV 04 2003
DEPUTY

CD 9

October 30, 2003

CPC 2000-5433 DA/GPA/SP/SUB/EC
RETD. PLAN COMM.

Staples Center Administrative Offices
1111 S. Figueroa Street, Suite 3100
Los Angeles, CA 90015
Attn: Timothy J. Leiweke
Chris Modrzejewski

Latham & Watkins
633 W. 5th Street, Suite 4000
Los Angeles, CA 90071-2007
Attn: William F. Delvac

Councilmember Perry
City Administrative Officer
Chief Legislative Analyst
Director of Planning
Bureau of Engineering,
Land Development Group
Department of Transportation,
Traffic/Planning Sections

City Attorney (with blue slip)
Attn: Dorothy Berry
Planning Commission
Attn: Gabriele Williams
(with copy of ordinance)
Department of Building and Safety,
c/o Zoning Coordinator
cc: Residential Inspection Unit

RE: ORDINANCE AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF LOS ANGELES, L.A. ARENA LAND COMPANY, INC. AND FLOWER HOLDINGS, LLC, RELATING TO REAL PROPERTY IN THE CENTRAL CITY COMMUNITY PLAN AREA AND WITHIN AND ADJACENT TO THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT SPECIFIC PLAN AREA

At the meeting of the Council held October 14, 2003, the following action was taken:

Ordinance adopted......................	X
Ordinance number......................	175591
Effective date......................	12-06-03
Date of posting......................	10-27-03
Mayor approved......................	10-24-03
Findings adopted......................	X
Categorically exempt......................	X

J. Michael Carey

City Clerk
jr

steno\011817

12-6-03

Mayor's Time Stamp	TIME LIMIT FILE ORDINANCE	City Clerk's Time Stamp
RECEIVED '03 OCT 15 P4:11 DEPUTY MAYOR		RECEIVED CITY CLERK'S OFFICE 2003 OCT 15 PM 4:06 CITY CLERK BY______ DEPUTY

COUNCIL FILE NUMBER 01-1817 COUNCIL DISTRICT 9

COUNCIL APPROVAL DATE October 14, 2003 LAST DAY FOR MAYOR TO ACT OCT 27 2003

ORDINANCE TYPE: ___ Ord of Intent ___ Zoning ___ Personnel xx General

____ Improvement ____ LAMC ____ LAAC __ CU or Var Appeals - CPC No. 2000-5433 DA GPA SP ZC

SUBJECT MATTER: ORDINANCE AUTHORIZING THE EXECUTION OF AN AMENDMENT TO SECTION 3.1.3.11 OF THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND L.A. ARENA LAND COMPANY, INC., FLOWER HOLDINGS, LLC, TO CHANGE THE ENFORCEMENT MECHANISM FROM THE PHASING OF ISSUING OF BUILDING PERMITS, TO THE PHASING OF CERTIFICATES OF OCCUPANCY, THEREBY ALLOWING THE SIMULTANEOUS CONSTRUCTION OF MARKET RATE UNITS AND AFFORDABLE UNITS

	APPROVED	DISAPPROVED
DIRECTOR OF PLANNING		
CITY ATTORNEY	X	
CITY ADMINISTRATIVE OFFICER		
CITY ENGINEER		
OTHER:______		

RECEIVED
CITY CLERK'S OFFICE
2003 OCT 24 PM 4:17
CITY CLERK
BY______ DEPUTY

DATE OF MAYOR APPROVAL, DEEMED APPROVED OR *VETO: OCT 24 2003
*VETOED ORDINANCES MUST BE ACCOMPANIED WITH OBJECTIONS IN WRITING PURSUANT TO CHARTER SEC. 250(b)(c)

(CITY CLERK USE ONLY PLEASE DO NOT WRITE BELOW THIS LINE)

DATE RECEIVED FROM MAYOR OCT 24 2003 ORDINANCE NO. 175591

DATE PUBLISHED ______ DATE POSTED OCT 27 2003 EFFECTIVE DATE DEC 06 2003

ORD OF INTENT: HEARING DATE ______ ASSESSMENT CONFIRMATION ______

ORDINANCE FOR DISTRIBUTION: Yes [] No [x]

OCT 29 2003

calagend\011817.ord

ORDINANCE NO. 175591

An ordinance authorizing the execution of an amendment to the development agreement by and between the City of Los Angeles, L.A. Arena Land Company, Inc. and Flower Holdings, LLC, relating to real property in the Central City Community Plan area and within and adjacent to the Los Angeles Sports and Entertainment District Specific Plan area (the "Development Agreement").

WHEREAS, the City Planning Commission on September 26, 2002, approved and recommended that the City Council approve an amendment (Amendment) to the Development Agreement, attached to Council File No. 01-1817, which Amendment is hereby incorporated by reference and incorporated into the provisions of this ordinance;

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

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

WHEREAS, the Amendment is in the public interest and is consistent with the City's General Plan including the Central City Community Plan and the Los Angeles Sports and Entertainment District Specific Plan; and

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

NOW, THEREFORE,

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

Section 1. The City Council finds and determines, that the Amendment is categorically exempt from the California Environmental Quality Act, pursuant to Article II, 2.i of the City's CEQA Guidelines and hereby adopts Categorical Exemption No. 2002-2930-CE.

Sec. 2. The City Council finds, with respect to the Amendment, that:

(a) It is consistent with the objectives, policies and programs specified in the General Plan including the Central City Community Plan and the Los Angeles Sports and Entertainment District Specific Plan and is compatible with the uses authorized in, and the regulations prescribed for, the zone in which the real property is located;

(b) The intensity, building height and uses set forth in the Amendment are permitted by and consistent with the Central City Community Plan and the Los Angeles Sports and Entertainment District Specific Plan;

(c) The Amendment will not be detrimental to the public health, safety and general welfare, since it encourages the construction of a project that is desirable and beneficial to the public. Furthermore, the Amendment does not modify those provisions of the Development Agreement which specifically permit application to the project of rules and regulations under Los Angeles Municipal Code Sections 91.0101 to 98.0606 relating to public health and safety;

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

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

Sec. 3. The City Council hereby approves the Amendment and authorizes and directs the Mayor to enter into this Amendment in the name of the City of Los Angeles, and, further, directs the City Clerk to record the Amendment and this ordinance with the County Recorder within ten days of its effective date.

(#91274)

Sec. 4. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located in the Main Street lobby to the City Hall; one copy on the bulletin board located at the ground level at the Los Angeles Street entrance to the Los Angeles Police Department; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of OCT 14 2003.

J. MICHAEL CAREY, City Clerk

By Maria Kotkenick

Deputy

Approved OCT 24 2003

Mayor

Approved as to Form and Legality

Rockard J. Delgadillo, City Attorney

By Dorothy Berry
DOROTHY BERRY
Deputy City Attorney

Date JUL 1 2003

File No. C.F. No. 01-1817

DECLARATION OF POSTING ORDINANCE

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

Ordinance No. 175591 - Authorizing the execution of an Amendment to Section 3.1.3.11 of the Los Angeles Sports & Entertainment District Development Agreement bet City of L.A. & L.A. Arena Land Company, Inc., Flower Holdings, LLC - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on Oct. 14, 2003, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on Oct. 27, 2003, I posted a true copy of said ordinance at each of three public places located in the City of Los Angeles, California, as follows: 1) One copy on the bulletin board at the Main Street entrance to Los Angeles City Hall; 2) one copy on the bulletin board at the ground level Los Angeles Street entrance to the Los Angeles Police Department; and 3) one copy on the bulletin board at the Temple Street entrance to the Hall of Records of the County of Los Angeles.

Copies of said ordinance were posted conspicuously beginning on Oct. 27, 2003 and will be continuously posted for ten or more days.

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

Signed this 27th day of October 2003 at Los Angeles, California.

Maria C. Rico

Maria C. Rico, Deputy City Clerk

Ordinance Effective Date: Dec. 6, 2003 Council File No. 01-1817

(Rev. 3/21/03)

CITY OF LOS ANGELES · FOUNDED 1781

OFFICE OF THE CITY ATTORNEY
ROCKARD J. DELGADILLO
CITY ATTORNEY

REPORT NO. R03-0307

JUL 0 1 2003

REPORT RE:

DRAFT ORDINANCE AUTHORIZING THE AMENDMENT OF SECTION 3.1.3.11 OF THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT DEVELOPMENT AGREEMENT

The Honorable Planning and Land Use
Management Committee of the City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

RECEIVED
CITY CLERK'S OFFICE
2003 JUL -1 PM 3:45
CITY CLERK
BY______ DEPUTY

(Council File No. 01-1817)

Honorable Members:

The Planning and Land Use Committee requested that this Office prepare an ordinance authorizing the execution of an amendment to section 3.1.3.11 of the Los Angeles Sports and Entertainment District Development Agreement among L.A. Arena Land Company, Inc., Flowers Holdings, LLC, and the City relative to the City's enforcement of the Developers' obligation to develop a certain percentage of affordable housing units as part of its project. This Office has prepared and now transmits for your action the attached ordinance, approved as to form and legality. Also attached are the proposed amendment and the Planning Commission's action of September 26, 2002.

Summary of Amendment Provisions

The proposed amendment would change the phasing for the construction of the affordable housing component of the Los Angeles Sports and Entertainment District Development Agreement. The agreement provides that 20% of the project's total housing units will be affordable and that they are to be constructed reasonably contemporaneously with the development of housing units permitted under the Los Angeles Sports and Entertainment District Specific Plan. Section 3.1.3.11 sets out the mechanism by which the City may enforce compliance with this requirement.

PLAN & LAND USE MGT.
JUL 2 2003

Currently, section 3.1.3.11 allows the City to enforce compliance by phasing the issuance of building permits. The section provides that the City will not issue a building permit for 1) more than 250 market rate units until the developer provides proof that at least 40 affordable housing units have been constructed and 2) for more than 499 market rate units until the developer provides proof that at least 100 affordable units have been constructed. The section further provides that the developer agrees that it will construct or cause to be constructed a total of at least 160 affordable units within twelve months following completion of 800 total housing units.

The requested amendment would change the enforcement mechanism from the phasing of building permits to the phasing of certificates of occupancy, thereby allowing the simultaneous construction of market rate and affordable units. It provides that the City will not issue a certificate of occupancy for market rate units until the developer provides proof of the issuance of a certificate of occupancy for 50% of the affordable housing units required by the agreement. Under the requested amendment, the developer would agree to complete the remaining 50% of affordable units within 36 months following issuance of a certificate of occupancy for the market units.

Planning Commission Action

The Planning Commission held a public hearing on September 26, 2002. At the conclusion of the hearing, the Commission made findings that:

1) The requested amendment is consistent with the City's General Plan and the Los Angeles Sports and Entertainment District Specific Plan;

2) The application for the requested amendment has been processed in accord with the City's Development Agreement Procedures; and

3) The requested amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Sec. 2(i) [readopted as Article II, Sec. 2(i)] of the City's CEQA Guidelines as reflected in Categorical Exemption No. ENV-2002-2930-CE.

Based on its findings, the Commission took the following action:

1) Approved the requested amendment and recommended that the City Council adopt the requested amendment;

2) Recommended that the City Council adopt an ordinance to effectuate the requested amendment;

3) Adopted Categorical Exemption No. ENV-2002-2930-CE; and

4) Adopted the findings attached to its action.

Recommended Council Action

Before action may be taken on either the draft ordinance or the requested amendment, the City must comply with the provisions of Government Code Sections 65867, 65090, and 65091. Those sections require, among other things, notice and a public hearing. In addition, the City's Development Agreement Procedures state that the City Council shall not take any action on any development agreement matter prior to the expiration of the 24-day notice required by the City procedures.

If the City Council intends to approve the requested amendment, it should:

1. Adopt the Planning Commission's findings;

2. Find that both the adoption of the ordinance and the approval of the amendment are exempt from CEQA pursuant to Article II, Section 2(i) of the City's CEQA Guidelines;

3. Adopt the amendment; and

4. Approve the attached draft ordinance authorizing the amendment.

If you have any questions, please contact Dorothy Berry at (213) 978-8169. Either she or another member of this office will be available when you consider this matter to answer any questions you may have.

Sincerely,

By Terree A. Bowers
TERREE A. BOWERS
Chief Deputy City Attorney

Findings and Ordinance
ADOPTED
OCT 14 2003
LOS ANGELES CITY COUNCIL
Categorical Exemption Approved
Public Hearing Held

TAB:DB:pj(91281)
Transmittal

COUNCIL VOTE

Oct 14, 2003 10:22:54 AM, #2

ITEM NO. (11)
Voting on Item(s): 11
Roll Call

CARDENAS	Yes
GARCETTI	Yes
GREUEL	Yes
HAHN	Yes
LABONGE	Yes
LUDLOW	Yes
MISCIKOWSKI	Yes
PARKS	Absent
PERRY	Yes
REYES	Yes
SMITH	Yes
VILLARAIGOSA	Yes
WEISS	Yes
ZINE	Yes
*PADILLA	Yes

Present: 14, Yes: 14 No: 0

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Latham & Watkins
633 W. 5th Street, Suite 4000
Los Angeles, California 90071-2007
Attn: William F. Delvac

Space Above This Line For Recorder's Use

AMENDMENT TO

DEVELOPMENT AGREEMENT

This Amendment To Development Agreement (the "Amendment") is entered into as of the __ day of _______, 2003 by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), L.A. ARENA LAND COMPANY, INC ("LandCo"), and FLOWER HOLDINGS, LLC. ("Flower Holdings").

RECITALS

A. City, LandCo and Flower Holdings entered into that certain Development Agreement dated December 11, 2001 and recorded on December 18, 2001 in the Official Records of Los Angeles County, California as Instrument No. 01-2421128 (the "Development Agreement") after adoption by the City Council as Ordinance No. 174227 on September 4, 2001.

B. City, LandCo and Flower Holdings wish to amend the Development Agreement, pursuant to Section 6.8 thereof to clarify the provisions regarding the timing of construction of affordable housing as set forth in Section 3.1.3.11 of the Development Agreement.

NOW, THEREFORE, City, LandCo and Flower Holdings hereby agree to amend the Development Agreement as follows:

1. Section 3.1.3.11 is hereby deleted and replaced in its entirety as follows:

   The Developer shall construct or cause to be constructed affordable housing as set forth in Article IX of the Community Benefits Program, a copy of which is included as Attachment 4 to this Development Agreement. The Developer shall ensure that the development of affordable housing units occurs in a time frame that is reasonably contemporaneous with the overall development of housing units permitted under the LASED Specific Plan. The

Developer agrees that the City will enforce such development of affordable housing units by phasing the issuance of certificates of occupancy for market rate units, as follows: The City will not issue a certificate of occupancy for market rate units within the LASED Specific Plan properties until the Developer provides proof of the issuance of a certificate of occupancy for 50% of the affordable housing units required in connection with the development of such market rate units in accordance with the provisions of Article IX of the Community Benefits Program. The Developer agrees that the balance of the affordable housing units required in connection with the development of such market rate units shall be completed within 36 months following the issuance of a certificate of occupancy for such market rate units. In addition, the Director shall require the Developer to provide reasonable covenants or other assurances satisfactory to the City relating to the affordability requirements of Article IX of the Community Benefits Program, which covenants may be required to be recorded against the parcel or parcels of property where the affordable units are located.

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

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

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

Approved as to Form and Legality:

___________, 2003

Rockard J. Delgadillo, City Attorney

By: ________________________
Deputy City Attorney

Attest: _______________, City Clerk

By: ________________________
Deputy

CITY OF LOS ANGELES

By: ________________________
Mayor

L.A. ARENA LAND COMPANY, INC.,
a Delaware Corporation.

By: ________________________
Name: Ted Tanner
Its: Vice President

FLOWER HOLDINGS, LLC,
a Delaware Limited Liability Company.

By: ________________________
Name: Ted Tanner
Its: Executive Vice President

of the City
of Los Angeles

354 South Spring Street
Suite 800
Los Angeles
California 90013-1258

213 977 1600

Fax
Number 213 977 1665

An Affirmative Action
Equal Opportunity
Employer

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2001 AUG 23 AM 9:37
CITY CLERK
BY_________ DEPUTY

Date 8/21/01

File Code SP3080

Council File No.
Council District: 9
Contact Person: D. Riccitiello 977-1794

CRA
LA

Honorable Council of the City of Los Angeles
Room 615, City Hall East

COUNCIL TRANSMITTAL

VARIOUS ACTIONS INCLUDING A THIRD IMPLEMENTATION AGREEMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE L.A. ARENA LAND COMPANY, INC., FLOWER HOLDINGS, L.L.C., AND L.A. ARENA COMPANY, L.L.C., FOR THE APPROVAL OF THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT PROJECT.
CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT

RECOMMENDATION

That the City Council approve recommendations 2a. and 2b. on the attached Board Memorandum.

ENVIRONMENTAL REVIEW

The City of Los Angeles Planning Department was the Lead Agency pursuant to the California Environmental Quality Act (CEQA) for preparation of the environmental document. The City of Los Angeles Planning Commission, on May 23, 2001, certified the Final Environmental Impact Report for the Los Angeles Sports and Entertainment District Project, made written findings for each significant environmental effect of the Project and adopted a Statement of Overriding Considerations. The Agency is a Responsible Agency under CEQA. Pursuant to State CEQA Guidelines Section 15096, the Agency also must make findings and adopt a Statement of Overriding Considerations with respect to the Project as required under Public Resources Code Section 21081 and State CEQA Guidelines Section 15096. The recommended actions implement and further the purposes of CEQA.

FISCAL IMPACT STATEMENT

There is no fiscal impact to the City's General Fund as a result of this action.

Jerry Scharlin
Jerry Scharlin, Administrator

PLAN & LAND USE MGT.
ECONOMIC DEVELOPMENT
& EMPLOYMENT

AUG 24 2001

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CA

2

M E M O R A N D U M

REVISED

SP3080

DATE: August 17, 2001

TO: AGENCY COMMISSIONERS

FROM: JERRY A. SCHARLIN, ADMINISTRATOR

SUBJECT: VARIOUS ACTIONS INCLUDING A THIRD IMPLEMENTATION AGREEMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE L.A. ARENA LAND COMPANY, INC., FLOWER HOLDINGS, L.L.C., AND L.A. ARENA COMPANY, L.L.C., FOR THE APPROVAL OF THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT PROJECT.
CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT
CD 9

RECOMMENDATION

1. That the Agency adopt the attached Resolution certifying that, as a Responsible Agency under CEQA, it has reviewed and considered the information in the Final Environmental Impact Report ("Final EIR") for the proposed Project, making certain findings regarding the environmental impacts of the proposed development and adopting a Statement of Overriding Considerations.

2. That the Agency, subject to City Council review and approval, authorize the Administrator or designee to:

   a. Negotiate and execute a Third Implementation Agreement to the Disposition and Development Agreement ("DDA") by and among the Agency, the City, L.A. Arena Land Company, Flower Holdings, L.L.C. (L.A. Arena Land Company and Flower Holdings shall be referred to at times as the "Developer"), and the L.A. Arena Company, L.L.C., approving the proposed Project subject to certain requirements listed in the Background section of this Memorandum, and establishing standards and requirements for the development of the Olympic/Figueroa Properties; and

   b. Negotiate and execute amendments to the Reciprocal Easement and Environmental Restriction Agreement (the "REA"), dated March 26, 1998, by and among the Agency, the City and the L.A. Arena Land Development Company, Inc. as required by the Third Implementation Agreement and making it possible for the Project to be constructed provided replacement parking is provided for STAPLES Center (the "Arena").

RE

October 9, 1998 - City Council approval of amendments to the Land Acquisition Plan designating Replacement Parcels and related amendments to the Disposition and Development Agreement (DDA) (The Second Implementation Agreement).

October 15, 1998 - Agency concurrence with City Council actions.

SOURCE OF FUNDS

No Agency funds are required for the recommended actions. Staff resources will be needed to monitor compliance with Agency requirements for each phase of development of the Project.

SUMMARY

The proposed Los Angeles Sports and Entertainment District (the "Project") is planned for several blocks located adjacent to the Arena and the Los Angeles Convention and Exhibition Center, in the South Park area of the Central Business District Redevelopment Project. Generally, the development areas that make up the site are located east and north of the Arena along Figueroa Street and Olympic Boulevard. The Project site was assembled by both the Agency and the Developer initially to provide parking for the Arena and is currently occupied by various surface parking lots and minor service/mechanical buildings. The total acreage involved (including the former Bank of America Parcel) is approximately 27 acres.

The Developer of the proposed Project is the L.A. Arena Land Company, Inc., successor in interest to L.A. Arena Development Company, L.L.C. In addition, Flower Holdings, L.L.C., an affiliate of L.A. Arena Land Company, L.L.C., owns a portion of the Project site. The Agency, the City and the Developer are parties to the DDA approved by the Agency on June 19, 1997, as subsequently amended by the First Implementation Agreement on March 26, 1998 and by the Second Implementation Agreement on October 15, 1998. The Project Site is encumbered by the REA, which, among other things, provides parking for the Arena and sets out various maintenance obligations.

The proposed Project is a mixed-use development which includes a major convention hotel containing at least 1,200 rooms; a second hotel with up to 600 rooms; retail, entertainment, restaurant and convention uses of up to a combined total of 1,115,000 gross square feet (GSF) including a 7,000-seat live performance theater; up to 870,000 GSF of residential uses (a minimum of 500 dwelling units); up to 300,000 GSF of office space, including medical offices and a medical sports center; a health/sports club of up to 120,000 GSF; an open-air plaza to feature year-round events; a site reserved for the future expansion of the Los Angeles Convention Center; and approximately 5,300 parking spaces located throughout the Project. If the City approves the Project and following the execution and recording of an amended REA, site work and infrastructure development could begin in late 2001. Project development is expected to occur incrementally, with buildout expected to occur as early as 2008 but not later than 2013.

On June 21, 2000, the City Council approved a negotiating team comprised of representatives from the offices of the Chief Legislative Analyst, City Administrative Officer, and City Attorney to develop a financing mechanism in cooperation with the Developer for the development of a convention hotel. Previous studies commissioned by City departments have indicated that securing financing for a convention hotel was dependent upon the availability of favorable public assistance. The Developer has been in discussions with the City's negotiating team on the availability of funds to assist with the hotel. Although the Agency is not in a position to provide any financial assistance, the City may request Agency assistance with the issuance of bonds supported by non-Agency resources to facilitate the construction of the proposed convention hotel. The City is exploring the feasibility of tax-exempt financing through the creation of a single purpose non-profit corporation. The Developer has agreed to cooperate and assist the City with this effort and will reserve a 2.7 acre site for the proposed convention hotel for a period of twenty years to provide adequate time to finance and construct the hotel.

The DDA contains the terms and conditions governing the acquisition and disposition of land for the Arena; the design, construction and operation of Arena; the future development of the Project Site; and provisions for public art, outreach, and prevailing wages. The Third Implementation Agreement imposes requirements on the proposed Project including providing publicly accessible open space, hotel development standards and design guidelines, and application of the Agency's 1% Public Art Fee to the development of an on-site cultural facility with the approval of the Agency. Additionally, the Agreement acknowledges a Public

Benefits Program agreed to by the Developer that addresses the development of affordable housing, jobs outreach, parks and open space, and living wages for employees of the Project.

Pursuant to Article X of the DDA, the Developer is required to submit a master plan for the development of the Project site for approval by the Agency and the City prior to initiating development that would remove the existing surface parking lots. Under Article X, the master plan must include a convention hotel and, at the discretion of the Developer, additional related hotel, retail, dining or entertainment facilities, and other complementary uses. The proposed Project has been planned and submitted for review and approval in accordance with the terms of the DDA.

Prior to considering the proposed Project, the Agency must consider the information in the Final EIR and make appropriate environmental findings. The City Council designated the City Planning Department as the lead agency for the preparation of the environmental impact report and related studies required for subsequent consideration of the Project by the Agency and the City. A draft EIR for the proposed Project was prepared and circulated for a 45-day public review period from January 11, 2001 to February 26, 2001. The comments upon the Draft EIR and the responses to those comments are included within the Final EIR. A duly noticed public hearing on the Final EIR and the proposed Project was held by the Hearing Officer for the City Planning Commission on April 25, 2001. The public record for that hearing was kept open for additional comment until May 2, 2001. Duly noticed public hearings on the Final EIR and the proposed Project were held on May 8, 2001 by the Central Area Planning Commission and on May 23, 2001 by the City Planning Commission. The City Planning Commission certified that the Final EIR was prepared in compliance with CEQA, made certain findings regarding the environmental impacts of the proposed development, and adopted a Statement of Overriding Considerations.

The Agency can find that the beneficial social and economic effects of the proposed project override the unavoidable significant impacts identified in the Final EIR, and similarly adopt a Statement of Overriding Considerations. The proposed Project will further Agency efforts to eliminate blight in the area surrounding the Project; facilitate the revitalization of the South Park area of the CBD Redevelopment Project; create additional hotel rooms, which will enhance previous public investment in the Convention Center; support efforts to revitalize the Figueroa Corridor; generate additional housing in Downtown Los Angeles, thereby improving the area's job-housing balance; create additional destination activities in the urban core; and provide construction and permanent jobs for the City. Adoption of the Statement of Overriding Considerations is recommended on the basis of the beneficial social and economic effects of the proposed Project.

Finally, the DDA contemplated the sale of the Agency-owned parcel (APN 5138-002-900) located on Figueroa Street adjacent to the Variety Arts Center to the Developer for parking to serve the Arena. The Third Implementation Agreement will provide for the sale of the property at fair market value as determined by an independent appraisal. The conveyance of the property to the Developer, however, is contingent on the Developer and the City reaching agreement on the financing for the convention hotel. The funds received from the disposition of the property will be used to assist with the development or rehabilitation of affordable housing units in South Park or other uses consistent with the Five-Year Implementation Plan for the CBD Redevelopment Plan.

ENVIRONMENTAL REVIEW

The City of Los Angeles Planning Department was the Lead Agency pursuant to the California Environmental Quality Act (CEQA) for preparation of the environmental document. The City of Los Angeles Planning Commission, on May 23, 2001, certified the Final Environmental Impact Report for the Los Angeles Sports and Entertainment District Project, made written findings for each significant environmental effect of the Project and adopted a Statement of Overriding Considerations. The Agency is a Responsible Agency under CEQA. Pursuant to State CEQA Guidelines Section 15096, the Agency also must make findings and adopt a Statement of Overriding Considerations with respect to the Project as required under Public Resources Code Section 21081 and State CEQA Guidelines Section 15096. The recommended actions implement and further the purposes of CEQA.

BACKGROUND

In 1997, L.A. Arena Development Company, LLC (predecessor in interest to the Developer), the City and the Agency entered into the DDA, which contains the terms and conditions governing the acquisition and disposition of land for the Arena, the design, construction and operation of the Arena, and the acquisition, clearance, and conveyance of land adjacent to the Arena. These adjacent parcels, which make up the Project Site, are being used as Arena parking. The DDA requires approval of a master plan by the Agency prior to the development of these parcels for uses other than parking. The parties entered into the REA to provide various easements to insure adequate Arena parking, to provide a shared parking arrangement between the Convention Center and the Arena and to provide a method for reimbursement of costs and revenues related to the parking. The REA also provides for certain restrictions on signage and use of the property.

Environmental Impact Report

Significant impacts identified in the EIR include aesthetics (visual access, signage, nighttime illumination, shade and shadow); air quality (regional construction and operational emissions for CO, ROC, NO_x and PM_{10}); traffic (intersections, freeways); noise; and public services (parks and recreation). Mitigation measures identified in the EIR include: street reconfiguration and widenings; a Neighborhood Traffic Management Plan; pedestrian enhancements; construction noise reduction measures including the provision of temporary noise barriers; provision of alternative refueling stations on-site; appropriate water and waste reduction measures; relocating existing storm drains and other utilities; and compliance with urban design guidelines.

The analysis in the EIR concludes that certain unavoidable significant project-generated impacts would remain after mitigation: reduction in visual access to the Arena and Convention Center; increase in signage; effects of nighttime illumination on sensitive receptors; shade and shadow impacts on shadow-sensitive uses; construction-related noise and air quality emissions; regional operational emissions above South Coast Air Quality Management District thresholds; traffic impacts at 15 intersections during the p.m. peak and at eight intersections during the weekend peak; regional freeway impacts at two locations on the Harbor Freeway; operational noise emissions along Francisco Street north of Olympic Boulevard; and increases in demand for park and recreation facilities.

Summary of the Third Implementation Agreement Provisions and Requirements imposed on the Developer

1. Approves a development concept for the Project Site along with Design Guidelines for the design and construction of the Project, and a schedule governing the build-out of the Project.

2. Identifies provisions in the DDA and First and Second Implementation Agreements that have been fully satisfied with the completion of the Arena.

3. Modifies several DDA provisions to permit the development of the proposed Project, including deleting the requirement that the Developer begin construction of the convention hotel prior to other developments on the Project Site, removing the definitional requirement that the convention hotel be located on a parcel fronting Figueroa Street and adding a requirement that the convention hotel, convention center expansion and the hotel/arena parking structure be located on the Olympic Properties.

4. Adds a restriction that the sites identified for the convention hotel and the expansion of the Convention Center be reserved for those purposes for a period of not less than twenty years.

5. Adds a new Article XIX to the DDA to govern the development of each portion of the Project including submission of plans for Agency approval.

6. Establishes an arts program for the Project, under which the Developer shall have two years to prepare and submit for approval a Cultural Facility Master Plan; the Developer will pay the full 1% Public Art fee to the Agency to be deposited into an interest bearing trust fund for the development of a cultural facility on-site.

7. Addresses implementation of the Agency's open space policy with the payment of an annual fee based on the number of market rate housing units developed, and a credit towards the open space fee for commercial development provided a public open space covenant is recorded to preserve the proposed Central Plaza for public use and enjoyment and the Developer provides $1 million for the development of public open space facilities within a one mile radius of the Project Site.

8. Acknowledges the agreement between the Developer and the Coalition, an unincorporated association of community-based organizations and concerned residents, that provides for a Community Benefits Program addressing the development of affordable housing, parks and open space, and living wages for employees of the Project.

9. Provides for the sale of Agency-owned property (APN 5138-002-900) at fair market value, contingent upon the City reaching agreement with the Developer on the financing and construction of the convention hotel.

Public Benefits

It is anticipated that the Project will generate a significant boost to the local and regional economy by bringing in new jobs, revenue, and business and housing opportunities. The Project is to provide two major hotels, totaling approximately 1,800 rooms, as well as a site for the future expansion of the Los Angeles Convention Center, which will provide enhanced economic opportunities for the Center, downtown Los Angeles businesses and the region. The Project will provide a minimum of 500 residential units, 20% of which will be affordable units. The Project would further promote the Agency's redevelopment objectives for revitalizing downtown in general and the South Park Area specifically. According to an independent consultant's report, approximately 7,539 construction jobs and 5,529 permanent jobs will be created within the City. If all the proposed development takes place, direct sales tax revenue to the City is estimated to be over $2,715,257 upon completion of the Project.

Jerry Scharlin

Jerry A. Scharlin

There is no conflict of interest known to me that exists with regard to any Agency officer or employee concerning this action.

Attachments

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES

RESOLUTION NO. 5999

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA, CERTIFYING THAT THE AGENCY HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT; MAKING CERTAIN FINDINGS REGARDING THE ENVIRONMENTAL IMPACTS OF THE PROPOSED LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT; ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS; AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM

WHEREAS, on September 14, 2000, a Notice of Preparation of an Environmental Impact Report ("EIR") for the Los Angeles Sports and Entertainment District ("Project") was distributed to the State Clearinghouse, Office of Planning and Research, responsible agencies and other interested parties for a period of 30 days until October 14, 2000; and

WHEREAS, the City of Los Angeles Planning Department ("Planning Department") acting on behalf of the City of Los Angeles as lead agency prepared a Draft EIR for the Project and submitted the Draft EIR for circulation to the State Clearinghouse, Office of Planning and Research, for a 45-day public review from January 11, 2001 to February 26, 2001; and

WHEREAS, upon the close of the public review period, written responses were prepared to comments received on the Draft EIR, and those comments and responses, as well as the Draft EIR were included within a Final EIR for the Project; and

WHEREAS, a duly noticed public hearing on the Final EIR was held by the Hearing Officer for the City of Los Angeles City Planning Commission ("Planning Commission") on April 25, 2001; and

WHEREAS, the Planning Commission, at it's regularly scheduled meeting on May 23, 2001, certified that the Final EIR was completed in compliance with the California Environmental Quality Act ("CEQA") and State and City Guidelines adopted pursuant thereto, and adopted findings, a Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations; and

WHEREAS, CEQA requires a responsible agency to make certain findings regarding the portion of the project being approved by the responsible agency; and

WHEREAS, the Agency has reviewed and considered the information contained in the Final EIR for the Project and other documents in the record with respect to the Project.

NOW THEREFORE, BE IT RESOLVED by the Community Redevelopment Agency of the City of Los Angeles, California, as follows:

1. The Agency certifies that the information contained in the Final EIR for the Project, prepared and certified by the Planning Commission, acting on behalf of the City of Los Angeles as lead agency, is adequate for matters relating to the Los Angeles Sports and Entertainment District which are before the Agency, and that the Agency has reviewed and considered the information contained therein pursuant to the State CEQA Guidelines including Section 15096 thereof, and the City CEQA Guidelines along with other factors related to this matter.

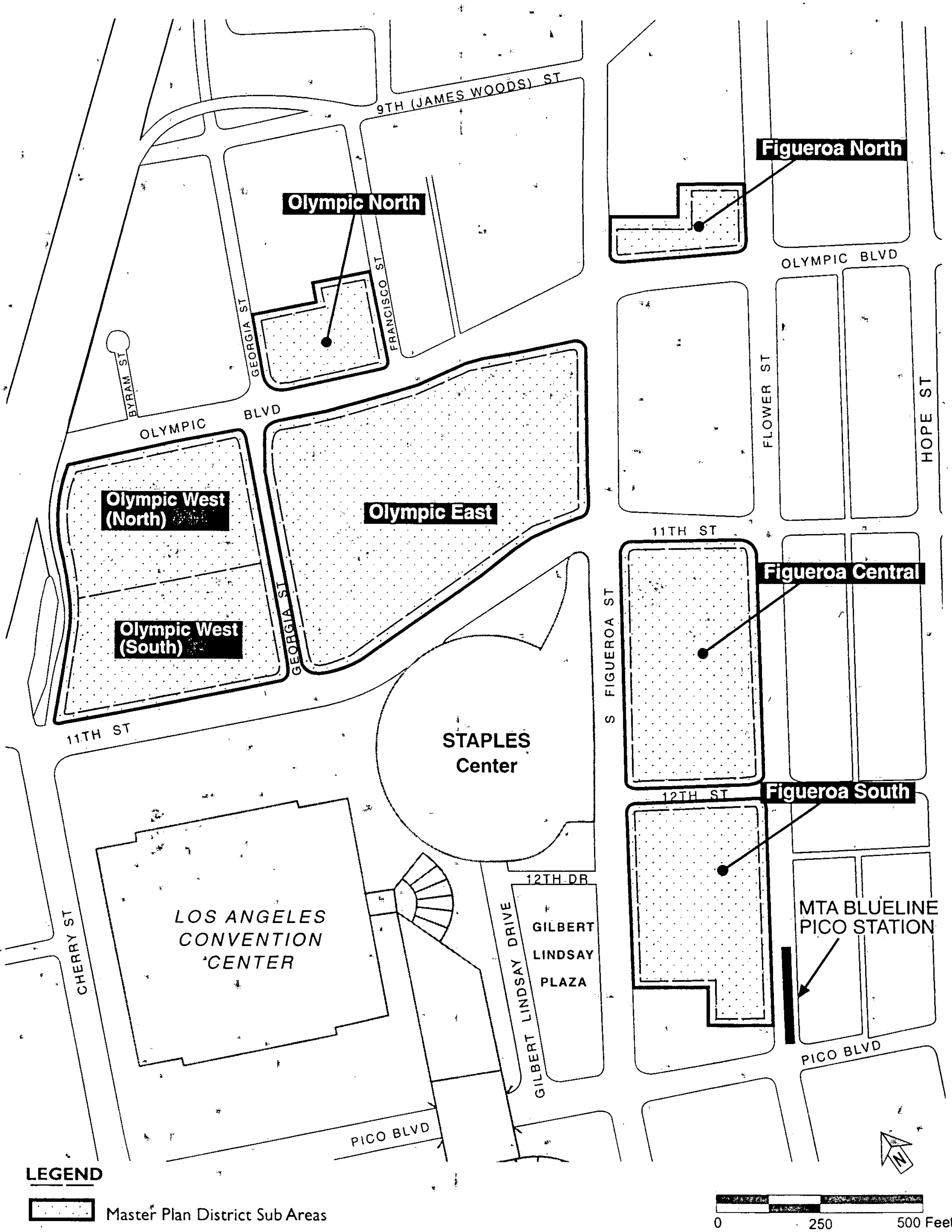
2. The Agency hereby adopts the CEQA Findings as specified in the document entitled Statement of Environmental Effects, Mitigation Measures, Findings, Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program for the Proposed Los Angeles Sports and Entertainment District ("Statement of Environmental Effects"), set forth as Exhibit 1 of this Resolution.

3. The Agency hereby adopts the Mitigation Monitoring and Reporting Program, [as amended by the Planning Commission], pursuant to Section 21081.6 of the California Public Resources Code.

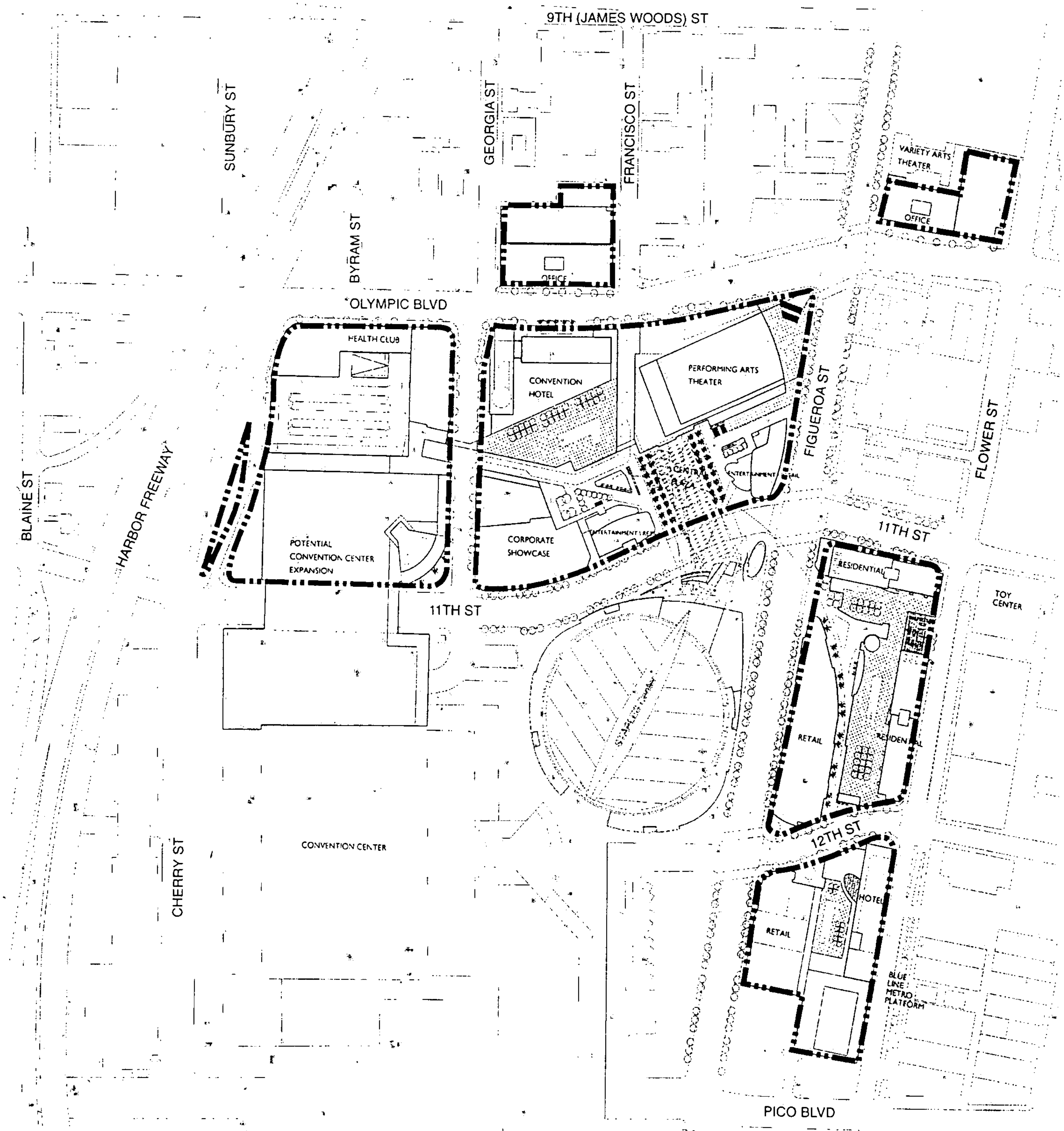
4. The Agency hereby adopts the Statement of Overriding Considerations set forth in Section XI of the Statement of Environmental Effects.

ADOPTED: August 17, 2001

Attachment I
Master Plan District



Attachment 2
Master Plan Development Concept



LEGEND

Master Plan District

NOT TO SCALE

Source: RTKL, October 2000

DRAFT

**RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:**

The Community Redevelopment Agency
of the City of Los Angeles
354 South Spring Street
Suite 800
Los Angeles, CA 90013
Attn: Administrator

No fee for recording pursuant
to Government Code Section 27383

THIRD IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

This THIRD IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT (this "Third Implementation Agreement") is made as of this 5th day of September, 2001, by and among the City of Los Angeles, a municipal corporation (the "City"), the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic (the "Agency"), L.A. Arena Land Company, Inc., a Delaware corporation ("LandCo"), Flower Holdings, L.L.C. ("Flower Holdings") (LandCo and Flower Holdings shall be collectively referred to as the "Developer"), and L.A. Arena Company, LLC , a Delaware limited liability company ("LAAC"). The City, the Agency, LandCo, Flower Holdings and LAAC shall hereinafter be collectively referred to herein as the "Parties".

RECITALS

A. The City, the Agency and L.A. Arena Development Company LLC ("Development Co."), predecessor in interest to the Developer, entered into that certain Disposition and Development Agreement dated as of October 31, 1997 (the "DDA"). All initially capitalized terms used and not defined herein shall have the meanings set forth for them in the DDA.

B. Pursuant to the DDA, the Developer, among other things, was to construct the Arena, the Parking Facilities and all onsite and offsite improvements in connection with the construction of those improvements.

C. Pursuant to that certain Assignment and Assumption Agreement by and between the Development Co. and LandCo dated as of March 23, 1998, Development Co. assigned to the LandCo and the LandCo assumed from Development Co., all of Development Co.'s rights and obligations under the DDA.

D. Pursuant to that certain Partial Assignment and Assumption Agreement by and between the Developer and LAAC dated as of March 23, 1998, the Developer assigned to LAAC and LAAC assumed from the Developer certain rights and obligations regarding the development of the Arena under the DDA.

E. The DDA was amended by that certain First Implementation to Disposition and Development Agreement dated March 26, 1998 by and among the Parties and by that certain Second Implementation to Disposition and Development Agreement dated October 15, 1998 by and among the Parties (collectively the "Implementation Agreements"). The DDA as amended by the Implementations Agreement shall be hereinafter referred to as the "Amended DDA".

F. Section 10.4 of the Amended DDA requires that the Developer submit a Master Plan for the Olympic/Figueroa Properties to the Agency and the City for their review and approval prior to any development of the Olympic/Figueroa Properties for uses other than surface parking.

G. The Developer has submitted a proposal for the development of the Olympic/Figueroa Properties to the City and the Agency which is intended to meet the Amended DDA's requirement for the submittal of a Master Plan. The proposed Master Plan includes the development of at least 1,200 hotel rooms in a Convention Hotel, and at least 500 residential units, as well as a live theater of up to approximately 7,000 seats, a second hotel of up to 600 rooms, up to 1,115,000 gross square feet of retail, dining, entertainment and convention uses, up to 305,000 gross square feet of office space, including medical offices and a sports medicine center, and a health/sports club of up to 125,000 gross square feet, and an open-air plaza, all as more fully set out in the Master Plan (the "Master Development").

H. As part of the Master Plan development process, a specific plan (the "Specific Plan") is intended to be adopted for the Original Olympic/Figueroa Properties, including the addition of certain Replacement Parcels (the "Master Plan District"). The Master Plan will govern the development of the Master Plan District. The Master Plan District is more particularly described in <u>Exhibit A</u> to this Third Implementation Agreement and incorporated herein by this reference and are shown on the map attached as <u>Exhibit B</u> to this Third Implementation Agreement incorporated herein by this reference.

I. Flower Holdings owns the Bank of America Parcel which is located within the Master Plan District. Flower Holdings intends to make the Bank of America Parcel subject to the terms of this Third Implementation Agreement and the Amended DDA.

J. In conjunction with obtaining its entitlements for the Master Development, the Developer has entered into that certain Cooperation Agreement dated May 29,2001 with the Figueroa Corridor Coalition for Economic Justice and other interested parties which specifies other things, that the Developer shall provide or cause the development of a number of housing units affordable to low income households and the provision of certain job training services (the "Community Benefits Program"). The Community Benefits Program is attached as <u>Exhibit F</u> to this Third Implementation Agreement incorporated herein by this reference.

K. The implementation of the Master Development will require further amendments to the Amended DDA to reflect the intended development activities as set forth in the Master Plan.

L. Through this Third Implementation Agreement, the City and the Agency wish to approve the Master Plan, set forth guidelines and schedules for the implementation of the Master Development, further modify the Amended DDA to conform certain provisions to the Master Plan development activities, designate a Replacement Parcel, as well as to designate which portions of the Amended DDA have been fully performed by the Developer as of the date of this Third Implementation Agreement.

M. In addition to the modifications of the Amended DDA by this Third Implementation Agreement, the Master Plan will require amendments to the REA and the Development Agreement.

N. Pursuant to the California Environmental Quality Act ("CEQA") and its implementing guidelines, the City (in its capacity as "lead agency") has prepared, reviewed and certified an environmental impact report (the "Master Plan EIR") as stated in the City Planning Commission determination dated May 24, 2001 for the development contemplated in the Master Plan, following conduct of a duly noticed public hearing. The Agency (in its capacity as "responsible agency") has reviewed and certified the Master Plan EIR. The Master Plan EIR has served as the environmental documentation for the City's and Agency's consideration and approval of this Third Implementation Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and conditions herein, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City, the Agency, the Developer and LAAC do hereby agree as follows:

AGREEMENT

Section 1. Approval of Master Plan. Subject to the terms of this Third Implementation Agreement, the City and Agency approve the Master Plan attached to this Third Implementation Agreement as Exhibit C and incorporated herein (the "Master Plan"). The Master Plan shall govern the development of the Master Plan District.

Section 2. Design Guidelines. The Master Plan sets forth the basic scope of development to be performed by the Developer which the Parties anticipate will occur over a number of years. To allow the Developer some flexibility in implementing the Master Plan, the parties have developed design guidelines to provide standards for the development of each phase of the Master Plan (the "Design Guidelines"). The Design Guidelines are attached to this Third Implementation Agreement as Exhibit D and are incorporated herein. The Developer shall develop each phase of the Master Plan pursuant to the Design Guidelines.

Section 3. Schedule of Performance. The Parties anticipate that the Master Development will be developed over a period of years. Each project, as defined in the Specific Plan, shall constitute a project under the Master Plan (each, a "Master Plan Project"). Each

Master Plan Project shall be commenced according to the schedule of performance attached as Exhibit E to this Third Implementation Agreement (the "Master Plan Schedule of Performance") and incorporated herein by this reference. The Developer may not commence construction on any Master Plan Project after July 1, 2010 unless and until the Parties adopt and approve an amendment to the Amended DDA allowing further development in the Master Plan District.

Section 4. Amendment of the REA. A portion of the parcels within the Master Plan District are encumbered by the REA. Implementation of the Master Plan will require an amendment to the REA. The Developer may not commence the construction of any Master Plan Project prior to approval by the Agency and the City of an amendment to the REA. The amendment to the REA shall make provisions for the proposed land uses of the Master Plan District and shall be prepared by the Developer and submitted to the City and the Agency for approval within one year following the date of this Third Implementation Agreement.

Section 5. Satisfaction of Amended DDA Provisions. The Parties have completed many of the tasks set out in the Amended DDA, prior to the date of this Third Implementation Agreement. The following provisions of the Amended DDA have been satisfied:

(a) Article III: Preconditions to Conveyance of the Arena Site and Olympic/Figueroa Properties;

(b) Article IV: Initial Closing;

(c) Article VII: Acquisition of Olympic/Figueroa Properties (with the exception of Sections 7.15 and 7.17);

(d) Article VIII: Design Requirements of Arena and Surface Parking (with the exception of Section 8.16 as amended by this Third Implementation Agreement);

(e) Article IX: Construction of Arena and Surface Parking (with the exception of Section 9.6(b));

(f) Article XI: Non-construction Remedies;

(g) Section 10.3: Submission of a Conceptual Plan; and

(h) Section 13.2 Community Benefits Program.

Notwithstanding the foregoing, nothing in this Section 5 relieves or is intended to relieve the Developer of its on-going obligations under the Amended DDA, including but not limited to the obligations to maintain the security delineated under Section 3.3 (h) and (i) and the obligations set forth in Section 13.7 of the Amended DDA, the Gap Funding Agreement, the Parking Annex, or any other of the Definitive Agreements.

Section 6. Representations. The Parties make the following representations:

(a) Pursuant to Section 17.4, prior to the Initial Closing (i) no Party determined that the Transaction would cause the Existing Securities or the Defeased Securities to lose their tax-exempt status and (ii) the Bond Counsel did not amend or withdraw the Bond Counsel Opinion in a manner unacceptable to the Parties.

(b) Pursuant to Attachment 15, Section N., the Developer made Agency/Developer Contribution to the Agency and the Agency has fully repaid the Agency Note which evidenced the Agency's obligation to repay the Agency/Developer Contribution to the Developer.

Section 7. Release of Additional Area and Replacement Parcels. The Agency's acquisition of parcels for the Arena Project has been completed. The Parties wish to release certain parcels from the provisions of the DDA.

(a) Attachment No. 5 to the Amended DDA provides a map of the parcels included in the Additional Area. The Parties acknowledge that the parcels within the Additional Area which were not designated as Replacement Parcels as of the date of this Third Implementation Agreement shall no longer be subject to any of the requirements of the DDA.

(b) Attachment No. 18 to the Amended DDA provides a map of the parcels included in the Replacement Area. The Parties acknowledge that the parcels within the Replacement Area which have not been designated by the Parties as a Replacement Parcel as of the date of this Third Implementation Agreement, with the exception of the parcel set forth in Section 8 below, shall no longer be subject to any of the requirements of the DDA.

Section 8. Designation of a Replacement Parcel and Conveyance to LandCo. The Agency currently owns an approximately eight thousand (8000) square foot parcel of real property (A.P.N. 5138-002-900) which is located in the Replacement Area (the "Agency Parcel"). The Developer has requested that the City and the Agency designate the Agency Parcel as a Replacement Parcel pursuant to Section 7.14 of the Amended DDA.

(a) The Parties mutually designate the Agency Parcel (A.P.N. 5138-002-900) as a Replacement Parcel as provided in Section 7.14 of the Amended DDA and as such the Agency Parcel shall be subject to the Amended DDA and the Master Plan.

(b) The City, the Agency and the Developer agree that the Agency Parcel shall not be sold to the Developer until such time as the Developer and the City reach agreement on a mechanism for financing the Convention Hotel. The purchase price of the Agency Parcel shall be the fair market value of the Agency Parcel as determined by an appraisal conducted by an MAI appraiser selected by the Agency. In the event the Agency Parcel is not conveyed to the Developer by the second anniversary date of this Third Implementation Agreement, the Agency Parcel shall no longer be considered a Replacement Parcel and shall no longer be subject to the provisions of the DDA unless such date is mutually extended by the City and the Agency, each in its sole discretion.

Section 9. Hotel Development. Section 10.2 Hotel Development of the Amended DDA shall be amended to delete the last sentence in Section 10.2. Through this Third Implementation Agreement and pursuant to Section 10.4 of the Amended DDA, the Agency and the City are waiving the requirement that the Developer must develop a Significant Hotel on the Olympic/Figueroa Properties prior to the development of improvements other than Surface Parking Facilities on the Figueroa Properties. Notwithstanding the foregoing, the Developer may not commence construction of a hotel, other than a Convention Hotel, in the Master Plan District, prior to the date which is five (5) years following the date of this Third Implementation Agreement.

Section 10. Assignment of the Olympic/Figueroa Properties. Section 14.9 Assignment of the Olympic/Figueroa Properties of the Amended DDA shall be amended to delete the first sentence.

Section 11. Art Program. Section 8.16: Art Program of the Amended DDA shall be amended to add a new sentence to the end of the section as follows:

> "The art program created by the Developer pursuant to this Section 8.16 shall be subject to the provisions of Section 19.7 of this Amended DDA relating to the art program requirements for the Master Plan."

Section 12. Attachment No. 1: Glossary. The definitions in Attachment No. 1 to the Amended DDA is hereby amended as follows : the definitions of "Convention Hotel" and of "Significant Hotel Parcel" shall be deleted in their entirety and shall be replaced with the following and the following new terms shall be added:

> "Convention Hotel" means a first-class, full service convention center hotel, with a minimum of 1200 guest rooms and meeting, banquet and ballroom areas in size and quality which meet the standards set forth in Article 19.3 of this Amended DDA..

> "Convention Center Expansion Parcel" means a parcel of real property of approximately 3.62 acres located on the Olympic West Parcel, as more particularly described in Exhibit G attached to this Third Implementation Agreement and incorporated herein.

"Design Guidelines" means the design guidelines for each Master Plan Project attached as Exhibit D to the Third Implementation Agreement.

"Master Development" means the scope of development for the Master Plan District as set out in the Master Plan.

"Master Plan" means the overall plan for the development of the Master Plan District attached to the Third Implementation Agreement as Exhibit C.

"Master Plan District" means the area more particularly described in Exhibit A to the Third Implementation Agreement and as shown in the map attached as Exhibit B to the Third Implementation Agreement.

"Master Plan EIR" means the environmental impact report certified as stated in the City Planning Commission determination dated May 24, 2001 for the development contemplated in the Master Plan.

"Master Plan Project" means each component of the Master Development which is defined as a project pursuant to the Specific Plan or, in the event, the Specific Plan does not govern the parcels to be developed, a component of the Master Development defined as a "Master Plan Project" by the Developer and the Agency.

"Master Plan Schedule of Performance" means the Schedule of Performance for each Master Plan Project attached as Exhibit E to the Third Implementation Agreement.

"Olympic East Parcel" means the parcel delineated as the Olympic East Parcel on the Map attached hereto as Exhibit B.

"Olympic West Parcel" means the parcel delineated as the Olympic West Parcel on the Map attached hereto as Exhibit B.

"Significant Hotel Parcel" means a parcel of real property of approximately 2.7 acres located on the Olympic West Parcel, as more particularly described Exhibit H attached to this Third Implementation Agreement and incorporated herein.

"Specific Plan" means the specific plan for the Original Olympic/Figueroa Properties approved by the City pursuant to Ordinance No. 2001-______.

Section 13. Attachment 15 Method of Financing. Section B.2.(a) of Attachment 15 shall be amended to delete the end of the sentence after the words Replacement Parcels and insert the following: "and the costs of residential relocation related to the acquisition of the Olympic/Figueroa Properties which are in excess of the statutorily required relocation payments, which costs shall not exceed One Hundred Thousand Dollars ($100,000) (the costs of which shall be Public Items pursuant to Section 7.15 of this Amended DDA and Paragraph C.6. below);"

Section 14. Master Plan Development Process: The Amended DDA was primarily focused on the development of the Arena, the Parking Facilities and related on and off-site improvements. The process for implementing the Master Plan was anticipated by the parties to be formalized at a later time. The parties now wish to establish a process for the development of each Master Plan Project by further amending the Amended DDA to add a new Article 19: Master Plan Development Process to read as follows:

ARTICLE 19: MASTER PLAN DEVELOPMENT PROCESS

Section 19.1 Master Development. Within the time set forth in the Master Plan Schedule of Performance, as defined below, and subject to the provisions of the Master Plan and the Specific Plan, the Developer shall develop the Master Development which shall include but not be limited to the development of at least 1,200 hotel rooms in a Convention Hotel, and at least 500 residential units, as well as a live theater of up to approximately 7,000 seats, a second hotel of up to 600 rooms, up to 1,115,000 gross square feet of retail, dining, entertainment and convention space, up to 305,000 gross square feet of office space, including medical offices and a sports medicine center, and a health/sports club of up to 120,000 gross square feet, and an open-air plaza.

Section 19.2 Development Priorities. The Master Development is a single phase project that is anticipated to occur incrementally as Master Projects are developed. However, the Agency, the City and the Developer agree that the development of the Convention Hotel is a high priority. The Parties shall use good faith efforts to explore the development of the Convention Hotel to enable the development of the Convention Hotel to occur in the early stages of the Master District development. In addition, other high priorities include the expansion of the Convention Center on the Convention Center Expansion Parcel, as well as the development of a live theater along with the development of Figueroa Central and Figueroa South. The Master Development may include a proposed parking structure which shall contain up to 3500 parking spaces. Approximately 2200 spaces in the proposed parking structure shall be applied to satisfy the code parking requirements of the Arena. In addition the proposed parking structure shall include a sufficient amount of dedicated parking spaces to satisfy the code parking requirements of the Convention Hotel. At one hundred twenty (120) day prior but not more than one hundred eighty (180) days prior to the commencement of construction of the proposed parking structure, the Developer shall provide the City written notice of the Developer's intent to commence construction of the parking structure. The Developer shall make a good faith effort to develop additional parking in reasonable proportion to the uses being developed under the Master Plan as determined in good faith by the Developer.

Section 19.3 Master Plan Schedule of Performance. Each Master Plan Project shall be developed by the Developer according to the Master Plan Schedule of Performance.

Section 19.4 Convention Hotel Standards. The Master Plan includes the development of a Convention Hotel with a least 1,200 rooms and a second hotel with approximately 600 rooms. The Parties agree that these hotels shall be first class hotels comparable to other first class hotels in the CBD and Bunker Hill Redevelopment Project Areas. The Parties agree that the AAA Diamond Rating system will be used for measuring the quality of the hotels constructed and that the minimum standard shall be four diamonds or equivalent for the Convention Hotel and three diamonds or equivalent for the second hotel. Additionally, the Convention Hotel shall contain not less than 80,000 square feet of meeting, banquet and ballroom area.

Section 19.5 Location of certain Master Plan Projects. The Convention Hotel shall be located on the Significant Hotel Parcel and the expansion of the Convention Center shall be located on the Convention Center Expansion Parcel. The Developer shall restrict the use of the Significant Hotel Parcel and the Convention Center Expansion Parcel to the development of the Convention Hotel and the Convention Center Expansion, respectively, for a period of twenty (20) years following the date of this Third Implementation Agreement unless otherwise mutually approved by the City and the Agency.

Section 19.6 Master Development Design Documents. In accordance with the Master Plan Schedule of Performance, the Developer shall cause its architect to proceed diligently to prepare design drawings and construction documents for each Master Plan Project, consistent with the Design Guidelines, including, without limitation, such drawings as may reasonably be required to show the location, bulk, height and other principal external features of the proposed Master Plan Project. In connection with its submittal to the Agency for its approval, the Developer shall provide to the Agency such elevations, sections, plot plans, specifications, diagrams and other design documents at each of the stages described in this Section 19.6 (the "Master Plan Project Documents"), as may reasonably be required by the Agency for its review. The Master Plan Project Documents shall incorporate the relevant mitigation measures adopted by the City in conjunction with its approval of the Master Plan EIR and any conditions imposed by the City in the entitlements process.

a. <u>Submittal and Review of Design and Construction Documents</u>. Within the times set forth in the Master Plan Schedule of Performance, the Developer shall submit to the Agency the Master Plan Project Documents in the following stages:

i. <u>Project Schematic Design Drawings</u>. The schematic design drawings for any Master Plan Project shall logically progress from the Master Plan, by clearly defining the development of the applicable Master Plan Project (as applied to each Master Plan Project, the "Project Schematic Design Drawings"). The Project Schematic Design Drawings shall include floor plans, elevations, features in public areas, proposed public art, landscape features, locations for signs as part of a comprehensive signage program, parking facilities with all spaces indicated, building sections indicating general construction techniques and design boards including major building materials under consideration, potential exterior materials, and the colors and textures that may be used. The Project Schematic Design Drawings shall also include key interior, exterior, and structural bay dimensions and a detailed tabulation of floor area by use.

ii. <u>Project Design Development Drawings</u>. The design development drawings for each Master Plan Project shall be based on the applicable approved Project Schematic Design Drawings and the Master Plan (the "Project Design Development Drawings"). The Project Design Development Drawings shall indicate estimated wall thickness, structural dimensions, and delineation of site features and elevations, the building core, materials and colors, fine art, landscaping, a refined exterior signage plan and other features. The drawings shall fix and describe all design features, as well as the size, character, and quality of the entire applicable Master Plan Project as to architectural, structural, and mechanical systems. Key details shall be provided in preliminary form. Samples of key materials to be used in publicly visible areas shall also accompany the Project Design Development Drawings submittal.

iii. <u>Project Final Construction Drawings</u>. With respect to each Master Plan Project, the final construction drawings are to be a continuation of the applicable approved Project Design Development Drawings (the "Project Final Construction Drawings"). The Project Final Construction Drawings must provide all the detailed information necessary to allow the Developer to obtain the superstructure building permit and must provide all the detailed information necessary to obtain a building permit to build the applicable Master Plan Project including complete building, site, landscape, exterior signage and fine art construction details, requirements, standards, and specifications. The

Developer shall provide additional material samples upon the reasonable request of the Agency.

b. Project Approvals. Within the times set forth in the Master Plan Schedule of Performance, the Agency shall have the right to review and approve the Master Plan Project Documents. The purpose of the Agency's review of the Master Plan Project Documents is to ensure consistency with the Master Plan and the provisions of the Amended DDA. Provided that the architectural submittals meet the requirements set forth in Section 19.6(a), the Agency shall be required to approve those Master Plan Project Documents which logically progress from concepts set forth in previously approved Master Plan Project Documents.

c. New Material Concerns. If the Agency determines that there are material changes which are not logical progressions from previously approved Master Plan Project Documents or which raise material concerns that were not reviewable in previously approved submittals of Master Plan Project Documents, in approving or disapproving such Master Plan Project Documents, the Agency shall act in its reasonable discretion. Any disapproval of the new Master Plan Project Documents shall be in writing and shall state the reasons for the Agency's disapproval.

d. Approval Process. The Agency shall approve or disapprove submittals under this Article 19 within the time specified in the Master Plan Schedule of Performance. Failure of the Agency to approve or disapprove such submittals within the time specified in the Master Plan Schedule of Performance shall be deemed to be approval of such submittals. In the event the Agency disapproves a submittal of the Master Plan Project Documents pursuant to Section 19.6(b), the Agency shall submit a list of reasons for such disapproval to the Developer, together with its notice of disapproval. Upon receipt of such a list, the Developer shall have fifteen (15) business days to resubmit a revised submittal. Again, upon their receipt of a revised submittal, the Agency shall have fifteen (15) business days (or in the event Agency Board action is required as soon as reasonably possible) to approve or disapprove of the revised design. If in the Agency's reasonable judgment, Agency board action is not required to consider the revised submittal, failure to approve or disapprove within fifteen (15) days shall be deemed to be approval of such change (unless the Agency is granted an extension of time by the Developer in its reasonable discretion.) Any time required for resubmittals to and additional review by the Agency shall automatically extend the times set forth in the Master Plan Schedule of Performance.

e. <u>No Change in Master Plan Project Documents</u>. Once the Agency has approved Project Final Construction Documents for a specific Master Plan Project, the Developer shall not make any changes in those documents which would materially impact the matters set forth in Section 19.6(a) without the prior written approval of the Agency, acting in their reasonable discretion.

f. <u>Additional Permits and Approvals</u>. Within the time specified in the Master Plan Schedule of Performance, Developer shall obtain all permits and approvals necessary to construct the Master Plan Project including any City approvals required by applicable law. All applications for such permits and approvals shall be consistent with the approved Master Plan Project Documents. The Developer shall not obtain a building permit for a Master Plan Project until the Agency has approved, the Project Final Construction Drawings for such Master Plan Project. The Developer acknowledges that execution of this Agreement by the Agency does not constitute approval by the City in its Governmental Capacity of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit, allocation and approval process. The Agency shall provide reasonable assistance to the Developer in securing such permits and approvals.

g. <u>Agency Review</u>. The Developer shall be solely responsible for all aspects of the Developer's conduct in connection with the Master Development, including, but not limited to, the quality and suitability of the Master Plan Project Documents, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Agency with reference to the Project is solely for the purpose of determining whether the Developer is properly discharging its obligations to the Agency, and should not be relied upon by the Developer or by any third parties as a warranty or representation by the Agency as to the quality of the design or construction of the Master Plan Project.

Section 19.7 <u>Construction of the Master Development</u>.

a. <u>Commencement of Construction</u>. The Developer shall commence construction of the Master Development within the time specified in the Master Plan Schedule of Performance and only after receipt of a building permit for the work to be undertaken. Demolition of the existing improvements or any Hazardous Substances Remediation work shall not constitute the commencement of construction.

b. <u>Completion of the Construction</u>. The Developer shall diligently prosecute to completion the construction of the

Master Development within the time specified in the Master Development Schedule of Performance using all commercially reasonable efforts to complete the Master Development.

c. Construction Pursuant to Plans. Each Master Plan Project shall be constructed substantially in accordance with the applicable approved Project Final Construction Drawings.

d. Change in Construction of Improvements. If the Developer desires to make any change in any Master Development Project which is not substantially consistent with the approved Project Final Construction Drawings for such Master Plan Project and which materially impacts the matters set forth in Section 19.6(a), the Developer shall submit the proposed change to the Agency and the City for their approval, acting in their sole discretion.

Section 19.8 Master Development Art Program. In accordance with the Master Plan Schedule of Performance for each Master Plan Project, the Developer shall deposit funds with the Agency in an amount equal to one percent (1%) of the total development costs, as defined by the Agency's 1993 Public Art Policy. The funds provided by the Developer shall be deposited into an interest-bearing trust fund (the "Cultural Facility Development Fund") along with the public art funds, including any accrued interest, previously deposited with the Agency by the Developer in connection with the construction of the Arena. The Developer shall develop and submit for Agency approval a cultural facility master plan within the time set forth in the Master Plan Schedule of Performance (the "Cultural Facility Master Plan"). The deposited funds, including any accrued interest, shall be used for the development of a cultural facility in accordance with the approved Cultural Facility Master Plan. In the event that the Developer fails to submit a Cultural Facility Master Plan for a cultural facility to the Agency within the specified time period or fails to receive Agency approval of the Cultural Facility Master Plan within the time period specified in the Master Plan Schedule of Performance, the Agency, in its sole discretion, may expend the funds in the Cultural Facility Development Fund on public art projects or facilities in accordance with the Agency's 1993 Public Art Policy. In addition to any other obligations of the Developer under this Section 19.8, the Developer agrees to maintain the artwork known as Daffodil Metamorphosis which is currently located on the Olympic East Parcel. The Developer may relocate Daffodil Metamorphosis to a new location within the Master Plan District with the prior approval of the Agency which shall not be unreasonably withheld.

Section 19.9 W/MBE Workforce Utilization. In the development and operation of the Master Development, the Developer shall implement the voluntary minority and women business enterprise program and the workforce utilization program described in Attachment No. 14 to the Amended DDA.

Section 19.10 Certificate of Project Completion. Promptly after completion of a Master Plan Project in accordance with this Article 19 relating solely to the obligations of Developer to design and construct the Master Plan Project (including the dates for beginning and completion thereof), the Agency will provide a Certificate of Completion so certifying. Such certification shall be conclusive determination that the covenants in this Article 19 with respect to the obligations of the Developer to construct the Master Plan Project and the dates for the beginning and completion thereof have been met. Such certification shall be in such form as will enable it to be recorded among the official records of the County of Los Angeles. Such certification and determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of deed of trust securing money loaned to finance any Master Plan Project or any part thereof and shall not be deemed a notice of completion under section 3093 of the California Civil Code.

Section 19.11 Affordable Housing and Job Training. The Community Benefits Program sets outs the Developer's goals for the development of affordable housing in the Master Plan District and the generation of employment opportunities for low-income individuals. The provision of affordable housing and employment services is a key component of the development of the Master Plan District. The City shall work with the Developer to monitor the Developer's compliance with the Community Benefits Program.

Section 19.12 Open Space Maintenance Fee. For the fifty (50) year period beginning with the date of the Third Implementation Agreement, the Developer shall pay, at its own cost and expense the South Park Open Space Maintenance Fee (the "Open Space Fee"). For residential development in the Master Plan District, the annual amount of the Open Space Fee will be equal to the product of One Hundred Seventy Dollars ($170) multiplied by the number of each market rate unit constructed in the Master Plan District, up to a maximum of Eighty Five Thousand Dollars ($85,000) per year. In addition, for commercial development within the Master Plan District, the annual amount of the Open Space Fee shall be twenty cents ($.20) per square foot of commercial space constructed in the Master Plan District. Twenty five percent (25%) of the total Open Space Fee collected from the Developer will be used for maintenance of Grand Hope Park (located at Ninth and Hope Streets) and seventy five percent (75%) of the amount collected will be used for maintenance of the Venice Hope Park (located at Venice and Hope Streets). The Developer may receive, with the prior written approval of the Agency, credits toward the payment of the Open Space Fee related to commercial development for the construction and maintenance of alternative open space areas within and outside of the Master Plan District, including but not limited to an onsite central plaza, as illustrated in the Design Guidelines (the "Plaza"). The Developer shall receive a fifty percent (50%) credit toward the commercial Open Space Fee payment for the construction and maintenance of the Plaza and a fifty percent (50%) credit for the construction and maintenance of alternative open space facilities. The credit shall be calculated by reducing the commercial Open Space Fee cost per square foot payment. For example, a fifty percent (50%) credit would reduce the commercial Open Space Fee to ten cents ($.10) per square foot. In order to receive Open Space Fee credit for the construction and maintenance of the Plaza, the Plaza must be subject to an open space covenant recorded against the Plaza parcel in a form reasonably acceptable to the Agency and the Developer. The open space covenant shall at a minimum require the Developer to open the Plaza to the public between 7:00 A.M. and 10:00 P.M. each day of the year; that the Developer may restrict public access to the Plaza for special events for up to thirty (30) days a year (additional special events may occur with prior written notification to the Agency) and that the Developer may close the Plaza as necessary for maintenance and repair. In order to receive Open Space Fee credit for the alternative open space facilities, the Developer shall fund or cause to be funded not less than One Million Dollars ($1,000,000) for the planning, construction and operation of open space facilities within a one (1) mile radius of the Master Plan District within five (5) years following the date of the Third Implementation Agreement. The Open Space Fee shall be payable for each Master Plan Project beginning the first July 1st following the earlier of the Developer's receipt of a temporary certificate of occupancy or certificate of occupancy for the applicable Master Plan Project. The Open Space Fee shall be payable by the Developer on each July 1st annually thereafter for the period specified in this Section 19.12 and shall be adjusted to reflect the completion of each additional Master Plan Project and any credits received by the Developer.

Section 19.13 Indemnity. In addition to any indemnification contained in the Amended DDA, the Developer does hereby indemnify, defend, and hold the City and the Agency and, their directors, officers, employees, agents, and its successors and assigns harmless against all claims which arise from events occurring in connection with a challenge to the Master Plan EIR, entry onto, ownership of, occupancy in, or construction on the Master Development by the Developer or the Developer's contractors, subcontractors, agents, employees or tenants. This indemnity obligation shall not extend to any claim arising solely from the City's or Agency's negligence or willful misconduct and shall survive termination of the Amended DDA.

Section 19.14 Additional Permits and Approvals. Within the time specified in the Master Plan Schedule of Performance, Developer shall obtain all permits and approvals necessary to construct the applicable Master Plan Project. All applications for such permits and approvals shall be consistent with the applicable approved Master Plan Project Documents.

Section 19.15 Prevailing Wages. In the construction of the Master Development, for all on-site and adjacent construction activities, the Developer shall pay and assure that all contractors and subcontractors pay "prevailing wages" as determined pursuant to the provisions of Sections 1770 et seq. of the Labor Code and in accordance with the Agency's "Policy on Payment of Prevailing Wages By Private Participants as Owner-Participants" dated February, 1986 and Attached as Attachment No. 20 to the Amended DDA. The Parties agree that the Developer may reasonably rely on the appropriate trade union's certification of a worker's apprenticeship status. The Parties agree that the Agency will make a good faith effort to monitor the Developer's prevailing wage compliance in a timely fashion so as to not unreasonably delay payments to contractors and subcontractors, including but not limited to retention payments.

Section 19.16 Non-Discrimination. In the construction of the Master Development, Developer, its contractors and subcontractors shall not discriminate against any employee or applicant for employment because of sex, marital status, race, color, religion, creed, national origin or ancestry.

Section 19.17 Rights of Access. Representatives of the Agency and the City shall have the reasonable right of access to the Master Plan District (accompanied by a Developer representative if requested by the Developer) without charges or fees, at normal construction hours during the period of construction, and with prior reasonable notice to the Developer, for the purposes of this Amended DDA, including but not limited to, the inspection of the work being performed in constructing the Master Development. Such representatives of the Agency or the City shall be those who are so identified by the Administrator of the Agency.

Section 19.18 Enforced Delay. Notwithstanding the provisions of Section 18.9 of this Amended DDA, the Master Plan Schedule of Performance shall be extended and a Party shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; freight embargoes; lack of transportation; or court order; or any other similar causes (other than lack of funds of the Developer or the Developer's inability to finance the construction of a Master Plan Project) beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any cause will be deemed granted if notice by the Party claiming such extension is sent to the other within ten (10) days from the commencement of the cause. In no event shall the Agency or the City be required to agree to cumulative delays in excess of three hundred sixty five (365) days.

Section 19.19 Sales Tax Origin. The Developer shall designate, and shall use good faith efforts to cause its contractors, subcontractors, vendors and other third parties under its control or with whom it enjoys privity of contract to designate the City of Los Angeles as the point of sale for California sales and use tax purposes (to the extent the payment of sales and use tax is required by applicable law), for all purchases of materials, fixtures, furniture, machinery, equipment and supplies for the Master Development during the construction thereof and for all sales of tickets, food, merchandise and other items in connection with Master Plan Project events and operations.

Section 19.20 Living Wage. In connection with the construction and operation of the Master Development, the Developer shall comply with the provisions of the City's Living Wage Ordinance and all regulations related thereto, to the extent applicable.

Section 19.21 Business Licenses. The Developer agrees to instruct all persons and entities with whom it contracts for services related to the construction and operation of the Master Development, in professions or fields to which the City's business license laws and taxes apply, that such persons or entities must obtain City business licenses, and instruct their subcontractors to obtain City business licenses.

Section 19.22 Financing of Master Plan Projects. The Developer contemplates that it will obtain financing to pay for some of the costs it will incur to develop, construct and operate the Master Development. Such financing and any other financing which may encumber any portion of the Master District shall be permitted only if the applicable loan documents require the lender thereunder to provide written notice to the Public Entities concurrently with the provision of any notice to the Developer of any event which has occurred which would trigger the commencement of any cure periods under such loan documents.

Section 19.23 Master Plan Project Lender Not Obligated to Construct Improvements. The holder of any mortgage, deed of trust or other security interest authorized or permitted by this Amended DDA which has provided financing for a Master Plan Project (each, a Master Plan Project Lender") shall in no way be obligated by the provisions of this Amended DDA to construct or complete any Master Plan Project;

provided, however, that if Master Plan Project Lender fails to construct or complete such Master Plan Project within the time periods permitted by this Amended DDA, the City and the Agency shall be entitled to the rights and remedies set forth in this Amended DDA for failure to complete or construct the Master Plan Project within the times permitted in this Amended DDA. Nothing in this Amended DDA shall be deemed to construe, permit or authorize any such Master Plan Project Lender to develop Master Plan Project or any part thereof for any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Amended DDA.

Section 19.24 Notice of Default to Master Plan Project Lender; Right to Cure; Reasonable Financing Amendments. Whenever the Public Entities shall deliver any notice or demand to the Developer pursuant to this Amended DDA with respect to any breach or default by the Developer, the Public Entities shall at the same time deliver to each Master Plan Project Lender of which the Public Entities have been notified a copy of such notice or demand. Each such Master Plan Project Lender shall (insofar as the rights of the Public Entities are concerned) have the right at its option within ninety (90) days after the receipt of the notice, to cure or remedy any such default and to add the cost thereof to the security interest debt and the lien on its security interest. If such default shall be a default which can only be remedied or cured by such Master Plan Project Lender upon obtaining possession, such Master Plan Project Lender shall seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall remedy or cure such default within ninety (90) days after obtaining possession, provided that in the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced, within such ninety (90) day period, such Master Plan Project Lender shall have such additional time as reasonably necessary to remedy or cure such default of the Developer. Nothing contained in this DDA shall be deemed to permit or authorize any Master Plan Project Lender to undertake or continue the construction or completion of any improvements other than (i) in accordance with this Amended DDA, and the Project Final Construction Drawings, and (ii) at no additional cost to the Public Entities. Any such Master Plan Project Lender completing any such improvements shall be entitled, upon written request, to a Certificate of Completion issued by the Agency. Such certification shall be conclusive determination that the applicable Master Plan Project has been completed in accordance with the covenants of Article 19. In addition, the Public Entities agree to execute reasonable and customary amendments to this Third Implementation Agreement requested in good faith by any Master Plan Project Lender as a condition to financing a Master Plan Project, provided, that, the Public Entities shall not be required to make any modifications which would adversely affect its rights in any material respect or increase its liabilities under the Amended DDA or which would be in violation of any applicable law.

Section 19.25 Discretion Retained By City. The Agency's execution of this Agreement does not constitute approval by the City and in no way limits the discretion of the City in the permit and approval process in connection with development of the Master Plan Development.

Section 15. Liability of Flower Holdings. By executing this Third Implementation Agreement, the Parties acknowledge and agree that the rights and obligations of the Flower Holdings hereunder shall be applicable only to the real property owned by Flower Holdings located within the Master Plan District and Flower Holdings shall have no liability with respect to the Developer's obligations with respect to any other real property located within the Master Plan District.

Section 16. No Other Changes, Consistency. Notwithstanding any changes and deletions contained herein, all other provisions of the Amended DDA remain the same. In the event of any conflict between the terms of the Amended DDA and this Third Implementation Agreement, the terms of this Third Implementation Agreement shall govern.

IN WITNESS WHEREOF, authorized representatives of LandCo Flower Holdings, the City and the Agency have duly executed this Third Implementation Agreement as of the day and year first above written.

AGENCY:

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, a public body, corporate and politic

By:____________________________
Administrator

APPROVED AS TO FORM:
Rockard J. Delgadillo
City Attorney

By:____________________________
Assistant City Attorney
Agency Counsel

GOLDFARB & LIPMAN

By:____________________________
Agency Special Counsel

CITY:

THE CITY OF LOS ANGELES
James K. Hahn
Mayor

By:____________________________

ATTEST:

J. Michael Carey, City Clerk

By:____________________________

APPROVED AS TO FORM:
Rockard J. Delgadillo
City Attorney

By:____________________________
Assistant City Attorney

LANDCO: LA ARENA LAND COMPANY, INC

By: ______________________________
Timothy J. Leiweke,
Executive Vice President

ARENA CO.: L.A. ARENA COMPANY, LLC

By: L.A. Arena Land Company, Inc.
Its Managing Member

By: ______________________________
Timothy J. Leiweke
Executive Vice President

FLOWER HOLDINGS: FLOWER HOLDINGS, LLC

By: L.A. Arena Land Company, Inc.
Its Managing Member

By: ______________________________
Timothy J. Leiweke
Executive Vice President

EXHIBIT E

CITY OF LOS ANGELES
CALIFORNIA

FRANK T. MARTINEZ
City Clerk

KAREN E. KALFAYAN
Executive Officer

When making inquiries relative to this matter refer to File No.

01-1817

ANTONIO R. VILLARAIGOSA
MAYOR

Office of the
CITY CLERK
Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
Council File Information - (213) 978-1043
General Information - (213) 978-1133
Fax: (213) 978-1040

HELEN GINSBURG
Chief, Council and Public Services Division

CD 9

PLACE IN FILES
OCT 2 1 2005
DEPUTY

October 6, 2005

Councilmember Perry
Chief Legislative Analyst
City Administrative Officer
City Attorney

Controller, Room 300
Accounting Division, F&A
Disbursement Division
Community Redevelopment Agency

RE: FOURTH IMPLEMENTATION AGREEMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE L.A. ARENA LAND COMPANY, INC., FLOWER HOLDINGS, LLC, AND L.A. ARENA COMPANY, LLC, FOR THE DEVELOPMENT OF THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICT, AND RELATED RECIPROCAL EASEMENT AGREEMENT

At the meeting of the Council held September 30, 2005, the following action was taken:

Attached report adopted	X
Attached motion adopted()	
Attached resolution adopted()	
Motion adopted to approve attached report	
Motion adopted to approve attached communication	
FORTHWITH	X
Findings adopted	
Negative Declaration adopted	
Categorically exempt	
Generally exempt	

Frank T. Martinez

City Clerk
et

10/20/05

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

File No. 01-1817

Your COMMITTEE HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT

reports as follows:

	Yes	No
Public Comments	XX	__

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to the Fourth Implementation Agreement to the Disposition and Development Agreement (DDA) with the L.A. Arena Land Company, Inc., Flower Holdings, LLC, and L.A. Arena Company, LLC, for the development of the Los Angeles Sports and Entertainment District, and related Reciprocal Easement Agreement.

Recommendation for Council action:

AUTHORIZE the Chief Executive Officer, Community Redevelopment Agency (Agency), or designee, and the Mayor, City of Los Angeles, to execute:

1. A Fourth Implementation Agreement to the DDA for the development of the Los Angeles Sports and Entertainment District, in the City Center and Amended Central Business District Redevelopment Project Area, by and among the Agency, the City of Los Angeles, the L.A. Arena Land Development Company, Inc., Flower Holdings, LLC, FIDM Residential, Inc., LA Arena Company, LLC and Figueroa South Land, LLC approving the proposed implementation of the project, subject to the approval of the City Attorney as to form and legality.

2. Amendments to the Reciprocal Easement dated March 26, 1998 and amended August 17, 2001, by and among the Agency, the City of Los Angeles and the L.A. Arena Land and Development Company, Inc., making it possible for the different phases of the project to constructed provided replacement parking is provided for Staples Center, subject to the approval of the City Attorney as to form and legality.

Fiscal Impact Statement: The Chief Legislative Analyst (CLA) reports that this action will not impact the General Fund. No funding is required for the requested actions.

Summary:

In a report to the Housing, Community, and Economic Development Committee dated September 16, 2005 (attached to the Council file), the CLA states that the Agency seeks authorization to execute the Fourth Implementation Agreement to the DDA with the L.A. Arena Land Company, Inc., Flower Holdings, LLC, L.A. Arena Company, LLC, FIDM Residential, Inc., and Figueroa South Land, LLC for the development of the Los Angeles Sports and Entertainment District. The Agency also seeks authorization to execute an amendment to the Reciprocal Easement Agreement between City of Los Angeles and the L.A. Arena Land Development Company, Inc. The requested modifications to the Reciprocal Easement Agreement would make it possible for different phases of the project to be constructed provided replacement parking is made available to the Staples Center.

The CLA reports that the Fourth Implementation Agreement is structured to ensure that the build-out of the project properties which have been sold or where development rights have been transferred by the developer to other development entities is consistent with the Amended DDA, the Los Angeles Sports and Entertainment District Master Agreement and Plan and the Community Benefits Program. The new development entities assume the obligations of the Developer. The Developer, however, retains the obligation to provide parking for the Arena and the expanded Convention Center.

The CLA goes on to report that the Fourth Implementation Agreement modifies the Amended DDA to require the developer and project developer to enter into an Assignment and Assumption Agreement upon the close of escrow relative to the sale or a transfer of development rights for project properties. The Assignment Agreement provides that the obligations of the developer are now assumed by the new project developer (with the exception of Arena parking requirements which remain with the developer). Further, the subject Implementation Agreement requires the project developers to build-out project properties in keeping with the Master Plan Agreement, the Amended DDA, and the Community Benefits Program. The agreement also clarifies that a default of any individual developer is not considered a default by any non-defaulting developer or project developer. Should a default should occur, the obligation reverts to the developer. The agreement delineates the requirements of the developer and project site developers and limits their obligations.

The CLA further reports that the Fourth Implementation Agreement permits the Los Angeles Sports and Entertainment District Master Plan to advance to a new phase of implementation by allowing for the development of the various Project components by entities other than the Developer and to be constructed in a manner consistent with the DDA, the Master Plan, and the Community Benefits Program that would otherwise be the obligation of the Developer.

According to the CLA, the Reciprocal Easement Agreement requires the developer to provide parking for the benefit of the Staple Center and the Convention Center. The developer has the ability to move the parking obligation for the Figueroa properties to the Olympic Properties. The Amendment to the this Agreement releases this parking requirement with respect to the Figueroa Properties and enables project developers to proceed with the development of those properties. The developer still retains the obligation to provide parking for the benefit of the Staples Center and the Convention Center. On August 18, 2005, the Agency Board of Commissioners approved Agency staff recommendations relative to the Fourth Implementation Agreement to the DDA with the L.A. Arena Land Company, Inc., Flower Holdings, LLC, and L.A. Arena Company, LLC, for the development of the Los Angeles Sports and Entertainment District, and related Reciprocal Easement Agreement. The CLA concurs with this action.

At its meeting held September 21, 2005, the Housing, Community, and Economic Development Committee recommended that Council authorize the Agency to execute the Fourth Implementation Agreement to the DDA and the related Reciprocal Easement Agreement, as recommended by the Agency Board and the CLA, and as described above.

Respectfully submitted,

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE

MEMBER	VOTE
GARCETTI	YES
REYES	ABSENT
PARKS	YES

E.G. #

Bernard C. Parks Rpt

ADOPTED

SEP 30 2005

LOS ANGELES CITY COUNCIL

FORTHWITH

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9/26/05
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#011817a.wpd

COUNCIL VOTE

Sep 30, 2005 10:25:58 AM, #2

Items for Which Public Hearings Have Been Held - Items 8- 22
Voting on Item(s): 10-14,16-21
Roll Call

CARDENAS	Yes
GARCETTI	Yes
*GREUEL	Yes
HAHN	Yes
LABONGE	Yes
PARKS	Yes
PERRY	Yes
REYES	Absent
ROSENDAHL	Yes
SMITH	Absent
WEISS	Absent
ZINE	Yes
PADILLA	Yes
VACANT	Absent
VACANT	Absent

Present: 10, Yes: 10 No: 0

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT COMMITTEE

NOTIFICATION OF COUNCIL ACTION

Council File No. 01-1817

☒ Council Member(s) 9

☐ Interested Department

☐ Mayor (with/without file)

☒ Chief Legislative Analyst

☒ City Administrative Officer

☒ Controller

☐ City Clerk

  ☐ City Clerk, Chief Administrative Services

☐ Treasurer

☒ City Attorney (with blue sheet / without blue sheet)

☐ General Services Department

☐ Department of Transportation

☐ Personnel Department

☐ Los Angeles Housing Department

☐ Community Development Department, General Manager, Clifford Graves

  ☐ cc: Contact Person

☒ Community Redevelopment Agency

☐ Board of Public Works

☐ Workforce Investment Board

☐ Workforce Investment Board, Youth Council

☐

☐

REPORT OF THE
CHIEF LEGISLATIVE ANALYST

September 16, 2005

TO: Housing, Community and Economic Development Committee

FROM: Gerry F. Miller
Chief Legislative Analyst

SUBJECT: **Fourth Implementation Agreement to the Disposition and Development Agreement for the Development of the Los Angeles Sports and Entertainment District and Related Reciprocal Easement Agreement (CD 9).**

Summary:
The Community Redevelopment Agency (Agency) is seeking authorization to execute the Fourth Implementation Agreement to the Disposition and Development Agreement (DDA) with the L.A. Arena Land Company, Inc., Flower Holdings, LLC, L.A. Arena Company, LLC, FIDM Residential, Inc., and Figueroa South Land, LLC for the development of the Los Angeles Sports and Entertainment District (Project). The Agency is also seeking authorization to execute an amendment to the reciprocal Easement Agreement (REA) with the City of Los Angeles and the L.A. Arena Land Development Company, Inc. The requested modifications to the REA would make it possible for different phases of the project to be constructed provided replacement parking is made available to the Staples Center (Arena). The DDA has been amended from time to time; the Third Implementation Agreement (Amended DDA) was executed in September 2001.

<u>Fourth Implementation Agreement</u>
The Fourth Implementation Agreement is structured to ensure that the build-out of the Project properties which have been sold or where development rights have been transferred by the Developer (L.A. Arena Land Development Company, Inc.) to other development entities (Project Developers) is consistent with the Amended DDA, the Los Angeles Sports and Entertainment District Master Agreement and Plan (Master Agreement) and the Community Benefits Program. The new development entities assume the obligations of the Developer. The Developer, however, retains the obligation to provide parking for the Arena and the expanded Convention Center.

The Project is generally comprised of 27 acres located east and north of the Arena along Figueroa Street and Olympic Boulevard. The site was initially assembled by the Developer (L.A. Arena Land Company, LLC) for the provision of parking in support of the Arena and is current comprised of various surface parking lots.

The Amended DDA contains the terms and conditions governing the acquisition and disposition of

CD 9

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HOUSING, COMMUNITY &
ECONOMIC DEVELOPMENT

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CITY CLERK
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land utilized to the Arena; the design and construction and operation of the Arena; the future development of the Los Angeles Sports and Entertainment District (Project); provisions for public art, outreach and prevailing wage; and sets forth the Master Plan governing the development of the Project. The Third Implementation Agreement imposed various requirements on the project including:

- the provision of open space accessible to the public;
- hotel development standards and design guidelines;
- commercial, retail and office space;
- application of the Agency's 1% Public Art Fee to the development of an onsite cultural facility, subject to the approval of the Agency; and,
- Community Benefits Program (an implementation status report is attached to the Agency memorandum) as agreed to by the Developer including:
    - provision of affordable housing (20% or in lieu fee of $117,000/unit);
    - jobs outreach program/local hiring;
    - community protection;
    - provision of park and open spaces;
    - provision of childcare;
    - service worker retention;
    - responsible contracting; and,
    - prevailing wage and living wage for employees of the Project.

As prescribed, the Amended DDA required the Developer to construct the Arena, the parking facilities and all onsite and offsite improvements associated the Master Plan and the Community Benefits Program; and, contemplated the development of the Project by components. As provided under the Amended DDA, the Developer has partially assigned its development rights to the Fashion Institute of Design and Management (FIDM) and Figueroa South Land, LLC both of whom own land in the Project/Master Plan District. There is now a desire to further clarify the rights and obligations of the Developer and Project Developers under the DDA.

The Fourth Implementation Agreement modifies the Amended DDA to require the Developer and Project Developer to enter into an Assignment and Assumption Agreement upon the close of escrow relative to the sale or a transfer of development rights for Project properties. The Assignment Agreement provides that the obligations of the Developer (L. A. Arena Company) are now assumed by the new Project Developer (with the exception of Arena parking requirements which remain with the Developer). Further, the subject Implementation Agreement requires the Project Developers to build-out Project properties in keeping with the Master Plan/Agreement, the Amended DDA and the Community Benefits Program. The Agreement also clarifies that a default of any individual developer is not considered a default by any non-defaulting Developer or Project developer. Should a default should occur, the obligation reverts to the Developer. The Agreement delineates the requirements of the Developer and Project site developers and limits their obligations.

Thus, the Fourth Implementation Agreement permits the Los Angeles Sports and Entertainment District Master Plan (Master Plan) to advance to a new phase of implementation by allowing for the development of the various Project components by entities other than the Developer and to be constructed in a manner consistent with the DDA, the Master Plan and the Community Benefits Program that would otherwise be the obligation of the Developer.

<u>REA</u>

The REA requires the Developer to provide parking for the benefit of the Staple Center and the Convention Center. The Developer has the ability to move the parking obligation Figueroa Properties to the Olympic Properties (see attached map). The Amendment to the REA releases this parking requirement with respect to the Figueroa Properties and enables Project developers to proceed with the development of those properties. The Developer still retains the obligation to provide parking for the benefit of the Staples Center and the Convention Center. Under separate agreement, the Developer leased parking space from Convention Center.

Recommendations:

That the City Council take the following actions:

1. **Authorize** the Agency's Chief Executive Officer, or designee, and the Mayor, City of Los Angeles, to execute a Fourth Implementation Agreement to the Disposition and Development Agreement for the development of the Los Angeles Sports and Entertainment District by and among the Agency, the City of Los Angeles, the L.A. Arena Land Development Company, Inc., Flower Holdings, LLC, FIDM Residential, Inc., LA Arena Company, LLC and Figueroa South Land, LLC approving the proposed implementation of the Project, subject to the approval of the City Attorney as to form and legality; and,
2. **Authorize** the Agency's Chief Executive Officer, or designee, and the Mayor, City of Los Angeles, to execute amendments to the Reciprocal Easement (REA) dated March 26, 1998 and amended August 17, 2001, by and among the Agency, the City of Los Angeles and the L.A. Arena Land and Development Company, Inc. making it possible for the different phases of the Project to constructed provided replacement parking is provided for Staples Center; subject to the approval of the City Attorney as to form and legality.

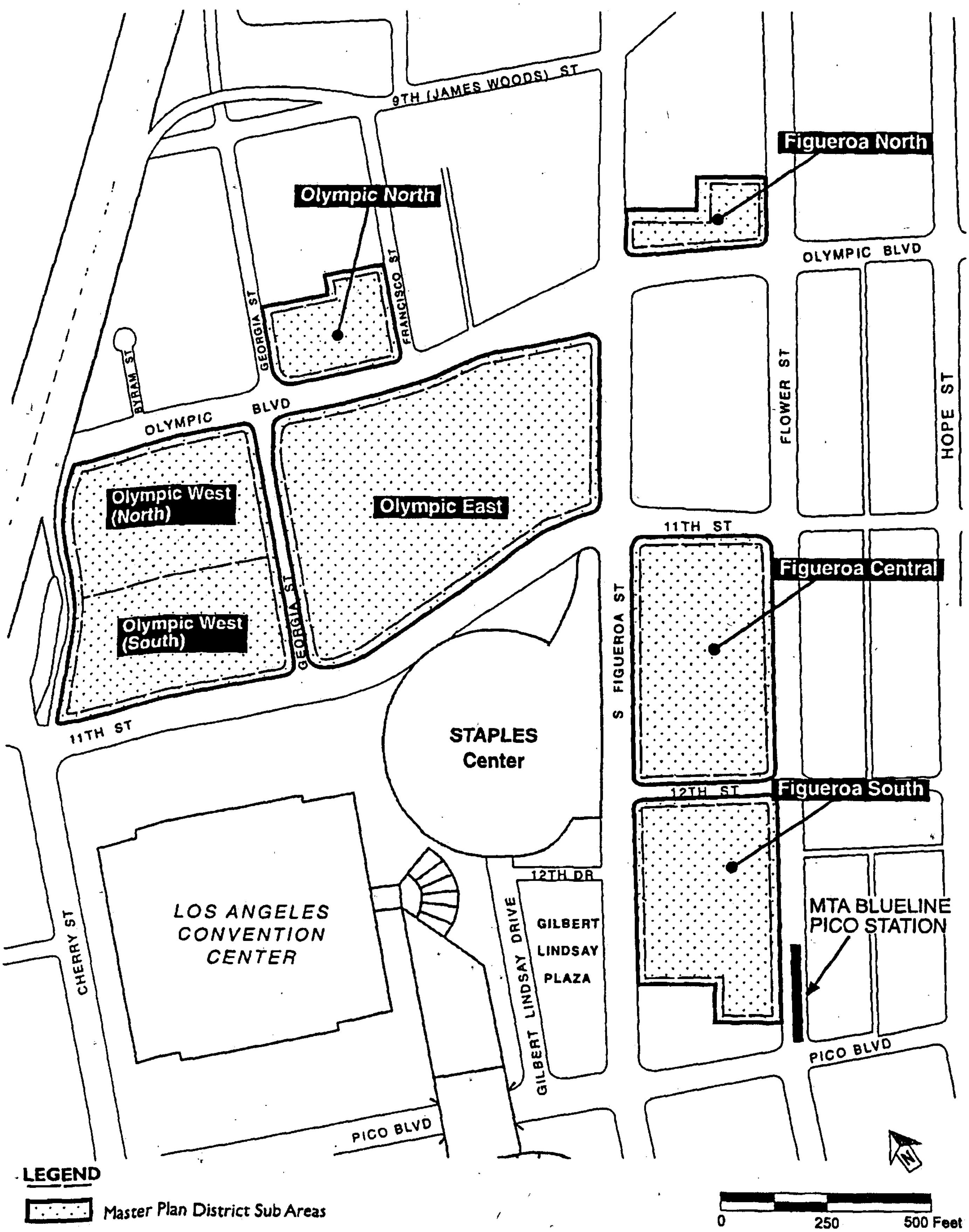
Fiscal Impact:

There is no General Fund impact. No funding is required for the requested actions.

Paul M. Smith
Legislative Analyst

GM:PS:ps
Attachment: Map
O:\PSMITH\HCED_Fourth_Implementation_Agreement_LASED.wpd

ATTACHMENT A



Chinatown/City Center
354 S. Spring Street, Suite 300
Los Angeles, CA 90013
(213) 977-1616
(213) 977-1990 FAX

Fax

To:	**JOHN WHITE**	**From:**	**Janet Walters**
			For Lillian Burkenheim
Phone:	**213-978-1080**	**Pages:**	29 (including cover sheet)
Fax:	**213-978-1079**	**Date:**	**9/9/2005**
Re: Arena	Signed 4th Implementation Agreement-L.A.	**cc:**	

☐ Urgent ☐ For review ☐ Reply ASAP ☐ Please comment

John,

Attached you will find a copy of the 4th Implementation Agreement. I am resending the Council Transmittal and Board Memo, along with the fourth Implementation Agreement by City Mail (hand delivery).

Janet Walters
Dept. Secretary
213-977-1616

FOURTH IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

This FOURTH IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT (this "Fourth Implementation Agreement") is made as of this 1st day of September, 2005, by and among the City of Los Angeles, a municipal corporation (the "City"), the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic (the "Agency"), L.A. Arena Land Company, Inc., a Delaware corporation ("LandCo"), Flower Holdings, L.L.C. ("Flower Holdings") (LandCo and Flower Holdings shall be individually or collectively referred to as the "Developer"), L.A. Arena Company, LLC , a Delaware limited liability company ("LAAC"), FIDM Residential, Inc., a California Corporation ("FIDM") and Figueroa South Land, LLC, an Oregon limited liability company ("Figueroa South Land").. The City, the Agency, LandCo, Flower Holdings, LAAC, FIDM and Figueroa South Land shall hereinafter be collectively referred to herein as the "Parties".

RECITALS

A. The City, the Agency and L.A. Arena Development Company LLC ("Development Co."), predecessor in interest to the Developer, entered into that certain Disposition and Development Agreement dated as of October 31, 1997 (the "DDA"). All initially capitalized terms used and not defined herein shall have the meanings set forth for them in the Amended DDA, as such term is defined in Recital E, below.

B. Pursuant to the DDA, the Developer, among other things, was to construct the Arena, the Parking Facilities and all onsite and offsite improvements in connection with the construction of those improvements.

C. Pursuant to that certain Assignment and Assumption Agreement by and between the Development Co. and LandCo dated as of March 23, 1998, Development Co. assigned to the LandCo and the LandCo assumed from Development Co., all of Development Co.'s rights and obligations under the DDA.

D. Pursuant to that certain Partial Assignment and Assumption Agreement by and between the Developer and LAAC dated as of March 26, 1998, the Developer assigned to LAAC and LAAC assumed from the Developer certain rights and obligations regarding the development of the Arena under the DDA.

E. The DDA was amended by that certain First Implementation to Disposition and Development Agreement dated March 26, 1998 by and among the City, the Agency, LandCo and LAAC, by that certain Second Implementation to Disposition and Development Agreement dated October 15, 1998 by and among the City, the Agency, LandCo and LAAC and by that certain Third Implementation to Disposition and Development Agreement dated March 1, 2002

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by and among the Agency, LandCo, Flower Holdings and LAAC (collectively the "Implementation Agreements"). The DDA as amended by the Implementation Agreements shall be hereinafter referred to as the "Amended DDA".

F. Section 10.4 of the Amended DDA required that the Developer submit a Master Plan for the Olympic/Figueroa Properties to the Agency and the City for their review and approval prior to any development of the Olympic/Figueroa Properties for uses other than Surface Parking and one Pylon Sign.

G. As part of the Third Implementation Agreement, the Developer submitted and the City and the Agency approved the Master Plan governing the development of the Master Plan District which included the development of at least 1,200 hotel rooms in a Convention Hotel, and at least 500 residential units, as well as a live theater of up to approximately 7,000 seats, a second hotel of up to 600 rooms, up to 1,115,000 gross square feet of retail, dining, entertainment and convention uses, up to 305,000 gross square feet of office space, including medical offices and a sports medicine center, and a health/sports club of up to 120,000 gross square feet, and an open-air plaza, all as more fully set out in the Master Plan and defined in the Third Implementation Agreement as the Master Development.

H. The Third Implementation Agreement anticipated that the Master Development would be developed in components. Each of these components was defined as a Master Plan Project.

I. The Developer intends to partially assign its rights and obligations under the Amended DDA to various developers (each a "Project Developer") in connection with the sale or transfer of parcels within the Master Plan District and development of each such parcel with one or more Master Plan Projects.

J. FIDM owns APNs 5138-002-025, 5138-002-025-0100, 5138-002-025-0200 and 5138-002-020, and Figueroa South Land owns APN 5138-015-027, 5138-015-042, 5138-015-043, 5138-015-039 and 5138-015-040, which properties are located within the Master Plan District. Developer has partially assigned its rights to, and each of FIDM and Figueroa South Land have partially assumed Developer's obligations under, the Amended DDA, as they relate to these properties.

K. Through this Fourth Implementation Agreement, the Parties wish to further amend the Amended DDA to clarify that the rights and obligations of the Developer and each Project Developer under the Amended DDA shall be independent of one another in connection with the development and use of the Project and a Master Plan Project within the Master Plan District. The Parties intend by this Fourth Implementation Agreement to recognize that a default by the Developer or a Project Developer in connection with the development and use of the Project or a Master Plan Project shall not be considered a default by any non-defaulting Developer or Project Developer. The Parties further wish to clarify certain provisions of the Amended DDA to facilitate the transfer of parcels within the Master Plan District and the implementation of Master Plan Projects.

L. Pursuant to the California Environmental Quality Act ("CEQA") and its implementing guidelines, the City (in its capacity as "lead agency") has prepared, reviewed and certified an environmental impact report (the "Master Plan EIR") as stated in the City Planning Commission determination dated May 24, 2001 for the development contemplated in the Master Plan, following conduct of a duly noticed public hearing. The Agency (in its capacity as "responsible agency") has reviewed and certified the Master Plan EIR. The Master Plan EIR has served as the environmental documentation for the City's and Agency's consideration and approval of this Fourth Implementation Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and conditions herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

AGREEMENT

Section 1. Article 12: Financing. Article 12 of the Amended DDA is amended to add the following sentences to the end of Section 12.1: "For purposes of this Article 12, the term "Project" shall mean the Arena, the Parking Facilities for the Arena and all on-site and off-site improvements constructed or to be constructed in connection therewith. Notwithstanding anything herein to the contrary, the provisions of Article 12 shall not apply to financing of the development of the Master Plan."

Section 2. Article 13: Continuing Covenants. For purposes of Sections 13.3, 13.4, and Section 13.11 of the Amended DDA, the obligations of the Developer shall also apply to each Project Developer in connection with the development of a Master Plan Project. For purposes of Section 13.2 and Sections 13.5 through Section 13.10 of the Amended DDA, the obligations of the Developer shall apply solely to the Developer, LAAC and any Affiliate of the Developer or LAAC (regardless if such entity is also considered a Project Developer) in connection with the Project but such obligations shall not apply to any other Project Developer.

Section 3. Article 14: Collateral Assignment. Section 14.8 of the Amended DDA is amended to add the following sentences to the end of Section 14.8:

> "A Project Developer in connection with the development of a Master Plan Project within the Master Plan District may collaterally assign its interest in the Amended DDA, the Master Development Agreement or any applicable Other Agreement to a lender financing all or any portion of the acquisition and development of such Project Developer's Master Plan Project. Such a collateral assignment by a Project Developer may be made without obtaining the consent of the Public Entities."

Section 4. Article 14: Assignment Documents. Section 14.12 of the Amended DDA shall be deleted in its entirety and replaced with the following:

"Section 14.12. Assignment Documents. At least 30 days prior to any assignment pursuant to Sections 14.11(a) or 14.11(b), the Developer shall provide to the Public Entities written notice of the assignment, together with a copy of the applicable assignment document substantially in the form attached as Exhibit 1 to the Fourth Implementation Agreement (the "Assignment Document") evidencing to the reasonable satisfaction of the Public Entities that (i) the assignee satisfies any criteria set forth in the provisions of this Article XIV which are applicable to such assignment and (ii) the assignment complies with the provisions of Section 14.9 as such section specifically relates to (x) the requirement that the assignee assumes the obligations of the Developer under the Amended DDA, the Master Development Agreement and any other applicable Other Agreement, to the extent such obligations relate solely to that portion of the Olympic/Figueroa Properties so transferred by the Developer as set forth in the Assignment Document, and (y) that the Developer represents that the assignment and assumption does not, and with the passage of time will not, breach any provisions of the Team Contract, the Amended DDA, the Gap Funding Agreement, the REA, the Master Development Agreement, or any Other Agreement, as such are applicable and relate to that portion of the Olympic/Figueroa Property so conveyed by Developer to assignee. As a condition to the conveyance of any parcel within the Olympic/Figueroa Properties to a Project Developer, the Developer and the Project Developer shall enter into the Assignment Document. In no event may the Developer or the Public Entities grant rights or impose obligations on an assignee of any of the Olympic/Figueroa Property in the Assignment Document which are contrary to the terms of the Amended DDA, the Master Development Agreement, or any other applicable Other Agreement. Furthermore, notwithstanding any provision of this Amended DDA to the contrary including Section 18.20, only those rights and obligations assigned by the Developer and assumed by the assignee in the Assignment Document shall be binding upon and inure to the benefit of the assignee and its successors and assigns and run in favor of the parcel being transferred and conveyed from and after the date such parcel is transferred by the Developer to the assignee.

Section 5. Article 15: Defaults, Remedies and Termination. Article 15 of the Amended DDA is amended to add a new Section 15.11. No Cross Default as follows:

"Section 15.11. No Cross Default. Notwithstanding any provision of this Article 15 or any other provision of the Amended DDA to the contrary, in no event shall a default by the Developer or a Project Developer under the Amended DDA, the Master Development Agreement or any other applicable Other Agreement constitute a default by any non-defaulting Developer or Project Developer, as applicable, with respect to such non-defaulting party's rights or obligations under the Amended DDA, the Master Development Agreement or any other applicable Other Agreement. Furthermore, the Public Entities rights to record a lien and enforce specific performance under the Amended DDA, the Master Development Agreement or any other applicable Other Agreement shall only apply to a defaulting Developer or

Project Developer, as applicable, and such defaulting party's parcel and any Master Plan Project located thereon."

Section 6. Article 17. Special Provisions: Litigation. Section 17.5 is amended to add the following sentence to the end of Section 17.5: "The obligations of the Developer in this Section 17.5 shall apply to the Developer or any Project Developer to the extent of any litigation affecting such Developer's or Project Developer's applicable portion of the Master Plan District."

Section 7. Article 17. Special Provisions: Gift Show. Section 17.9 is amended to add the following sentences to the end of Section 17.9:

"Notwithstanding any provision of Section 17.9 of the Amended DDA to the contrary, no parcel within the Master Plan District conveyed to a Project Developer shall be required to be used for any Gift Show parking or other use in connection with the Gift Show as described in Section 17.9 of the Amended DDA upon a transfer or conveyance of such parcel by the Developer to a Project Developer."

Section 8. Master Plan Uses. The Master Plan approved by the City and the Agency pursuant to the Third Implementation Agreement designated certain uses for parcels within the Master Plan District. Section 1 of the Third Implementation Agreement shall be amended to add the following sentence to the end of Section 1: " Notwithstanding any provision of this Section 1 or any other provision of the Amended DDA to the contrary, to the extent the use of a parcel within the Master Plan District is allowed under the Specific Plan (Ordinance No. 2001-174224), or with respect to the parcels identified as "Figueroa North" and "Olympic North" in Exhibit A to the Third Implementation Agreement (which are not governed by or made a part of the Specific Plan), (a) to the extent the use is permitted under or approved pursuant to the City of Los Angeles Municipal Code and (b) the use is approved on a project-by-project basis by the Agency, such use for that parcel shall also be allowed under the Master Plan."

Section 9. Attachment No. 1:Glossary. The definitions in Attachment No. 1 to the Amended DDA are hereby amended to add the following new terms:

"Assignment Document" shall have the meaning ascribed to it in Section 14.12.

"Project Developer" shall mean the developer of a Master Plan Project within the Master Plan District.

Section 10. Article 19 Master Development Process: Schedule. Section 19.3 of the Amended DDA shall be deleted in its entirety and replaced with the following:

"Master Plan Schedule of Performance. Each Master Plan Project shall be developed by the Developer or the Project Developer according to the Master Plan Schedule of Performance. Each Project Developer's obligations under the Master Plan Schedule of Performance shall relate solely to the development by such Project Developer of its respective Master Plan Project."

Section 11. Article 19 Master Development Process. Article 19 of the Amended DDA is amended by deleting Section 19.6 through Section 19.25 and replacing them with the following:

Section 19.6 Master Development Design Documents. The Parties anticipate that the Developer will convey parcels within the Master Plan District to one or more Project Developers for development of one or more Master Plan Projects and, in connection therewith, to assign to such Project Developer all or part of the Developer's rights and obligations under the Amended DDA relating to such portion of the Master Plan District being transferred to the respective Project Developer. In accordance with the Master Plan Schedule of Performance, the Developer and each Project Developer shall cause its architect to proceed diligently to prepare design drawings and construction documents for each Master Plan Project, consistent with the Design Guidelines, including, without limitation, such drawings as may reasonably be required to show the location, bulk, height and other principal external features of the proposed Master Plan Project. In connection with its submittal to the Agency for its approval, the Developer and/or each Project Developer for a Master Plan Project shall provide to the Agency such elevations, sections, plot plans, specifications, diagrams and other design documents at each of the stages described in this Section 19.6, as may reasonably be required by the Agency for its review (such submittals hereinafter referred to for each Master Plan Project as the "Master Plan Project Documents"). The Master Plan Project Documents shall incorporate the relevant mitigation measures adopted by the City in conjunction with its approval of the Master Plan EIR, if applicable, the Specific Plan and any conditions imposed by the City in the entitlements process.

a. Submittal and Review of Design and Construction Documents. Within the times set forth in the Master Plan Schedule of Performance, in connection with the development of a Master Plan Project, the Developer and/or each Project Developer shall submit to the Agency the Master Plan Project Documents in the following stages:

i. Project Schematic Design Drawings. The schematic design drawings for any Master Plan Project shall logically progress from the Master Plan, by clearly defining the development of the applicable Master Plan Project (as applied to each Master Plan Project, the "Project Schematic Design Drawings"). The Project Schematic Design Drawings shall include floor plans, elevations, features in public areas, proposed public art, landscape features, locations for signs as part of a comprehensive signage program, parking facilities with all spaces indicated, building sections indicating general construction techniques and design boards including major building materials under consideration, potential exterior materials, and the colors and textures that may be used. The Project Schematic Design Drawings shall also include key interior, exterior, and structural bay dimensions and a detailed tabulation of floor area by use.

ii. Project Design Development Drawings. The design development drawings for each Master Plan Project shall be based on the applicable approved Project Schematic Design Drawings and the Master Plan (the "Project Design Development Drawings"). The Project Design Development Drawings shall indicate estimated wall thickness, structural dimensions, and delineation of site features and elevations, the building core, materials and colors, fine art, landscaping, a refined exterior signage plan and other features. The drawings shall fix and describe all design features, as well as the size, character, and quality of the entire applicable Master Plan Project as to architectural, structural, and mechanical systems. Key details shall be provided in preliminary form. Samples of key materials to be used in publicly visible areas shall also accompany the Project Design Development Drawings submittal.

iii. Project Final Construction Drawings. With respect to each Master Plan Project, the final construction drawings are to be a continuation of the applicable approved Project Design Development Drawings (the "Project Final Construction Drawings"). The Project Final Construction Drawings must provide all the detailed information necessary to allow the Developer or a Project Developer to obtain the superstructure building permit and must provide all the detailed information necessary to obtain a building permit to build the applicable Master Plan Project including complete building, site, landscape, exterior signage and fine art construction details, requirements, standards, and specifications. The Developer and/or a Project Developer shall provide additional material samples upon the reasonable request of the Agency.

b. Project Approvals. Within the times set forth in the Master Plan Schedule of Performance, the Agency shall have the right to review and approve the Master Plan Project Documents. The purpose of the Agency's review of the Master Plan Project Documents is to ensure consistency with the Master Plan and the provisions of the Amended DDA. Provided that the architectural submittals meet the requirements set forth in Section 19.6(a), the Agency shall be required to approve those Master Plan Project Documents which logically progress from concepts set forth in previously approved Master Plan Project Documents.

c. New Material Concerns. If the Agency determines that there are material changes which are not logical progressions from previously approved Master Plan Project Documents or which raise material concerns that were not reviewable in previously approved submittals of Master Plan Project Documents, in approving or disapproving such Master Plan Project Documents, the Agency shall act in its reasonable discretion. Any disapproval of the new Master Plan Project Documents shall be in writing and shall state the reasons for the Agency's disapproval.

d. Approval Process. The Agency shall approve or disapprove submittals under this Article 19 within the time specified in the Master Plan Schedule of Performance. Failure of the Agency to approve or disapprove such submittals within the time specified in the Master Plan Schedule of Performance shall be deemed to be approval by the Agency of such submittals. In the event the Agency disapproves a submittal of the Master Plan Project Documents pursuant to Section 19.6(b), the Agency shall submit a list of reasons for such disapproval to the Developer or the Project Developer, as appropriate, together with its notice of disapproval. Upon receipt of such a list, the Developer or the Project Developer, as appropriate, shall have fifteen (15) business days to resubmit a revised submittal. Again, upon their receipt of a revised submittal, the Agency shall have fifteen (15) business days (or in the event Agency Board action is required as soon as reasonably possible) to approve or disapprove of the revised design. If in the Agency's reasonable judgment, Agency Board action is not required to consider the revised submittal, failure to approve or disapprove within fifteen (15) days shall be deemed to be approval of such change (unless the Agency is granted an extension of time by the Developer or the Project Developer, each in its reasonable discretion.) Any time required for resubmittals to and additional review by the Agency shall automatically extend the times set forth in the Master Plan Schedule of Performance.

e. No Change in Master Plan Project Documents. Once the Agency has approved Project Final Construction Documents for a Master Plan Project, neither the Developer nor the Project Developer of such Master Plan Project shall make any changes in those documents which would materially impact the matters set forth in Section 19.6(a) without the prior written approval of the Agency, acting in their reasonable discretion.

f. Additional Permits and Approvals. Within the time specified in the Master Plan Schedule of Performance, the Developer or the Project Developer, as appropriate, shall obtain all permits and approvals necessary to construct a Master Plan Project including any City approvals required by applicable law. All applications for such permits and approvals shall be consistent with the approved Master Plan Project Documents. Neither the Developer nor a Project Developer shall obtain a building permit for a Master Plan Project until the Agency has approved, the Project Final Construction Drawings for such Master Plan Project. The Developer for itself and for each of Developer's assignees acknowledges that execution of this Amended DDA by the Agency does not constitute approval by the City in its Governmental Capacity of any required permits, applications, or allocations, and in no way limits the discretion of the City in the permit, allocation and approval process. The Agency shall provide reasonable assistance to the Developer or Project Developer in securing such permits and approvals.

g. Agency Review. (i) The Developer shall be solely responsible for all aspects of the Developer's conduct in connection with the Master Development which may include the development of one or more Master Plan Projects, including, but not limited to, the quality and suitability of the Master Plan Project Documents for each Master Plan Project developed by the Developer, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Agency with reference to the Master Plan Project developed by the Developer is solely for the purpose of determining whether the Developer is properly discharging its obligations to the Agency, and should not be relied upon by the Developer or by any third parties as a warranty or representation by the Agency as to the quality of the design or construction of any Master Plan Project.

(ii) Each Project Developer that is not the Developer shall be solely responsible for all aspects of the Project Developer's conduct in connection with the Master Plan Project being developed by such Project Developer, including, but not limited to, the quality and suitability of the Master Plan Project Documents for each Master Plan Project developed by the respective Project Developer, the supervision of construction work, and the qualifications, financial condition, and performance of all architects, engineers, contractors, subcontractors, suppliers, consultants, and property managers. Any review or inspection undertaken by the Agency with reference to a particular Master Plan Project is solely for the purpose of determining whether the Project Developer is properly discharging its obligations to the Agency, and should not be relied upon by the Project Developer or by any third parties as a warranty or representation by the Agency as to the quality of the design or construction of any Master Plan Project.

Section 19.7 Construction of the Master Development.

a. Commencement of Construction. The Developer shall commence construction of the Master Development and each Project Developer shall commence construction of a Master Plan Project within the time specified in the Master Plan Schedule of Performance and only after receipt of a building permit for the work to be undertaken.

Demolition of the existing improvements or any Hazardous Substances Remediation work shall not constitute the commencement of construction.

b. Completion of the Construction. The Developer and each Project Developer shall diligently prosecute to completion the construction of its respective Master Plan Project within the Master Development within the time specified in the Master Development Schedule of Performance using all commercially reasonable efforts to complete the Master Development.

c. Construction Pursuant to Plans. Each Master Plan Project shall be constructed substantially in accordance with the applicable approved Project Final Construction Drawings.

d. Change in Construction of Improvements. If the Developer or a Project Developer desires to make any changes to a Master Plan Project which is not substantially consistent with the approved Project Final Construction Drawings for such Master Plan Project and which materially impacts the matters set forth in Section 19.6(a), the applicable Developer or the Project Developer shall submit the proposed change to the Agency and the City for their approval, each acting in its sole discretion.

Section 19.8 Master Development Art Program. In accordance with the Master Plan Schedule of Performance for each Master Plan Project, the Developer shall deposit funds with the Agency in an amount equal to one percent (1%) of the total development costs, as defined by the Agency's 1993 Public Art Policy, for each Master Plan Project developed by the Developer. Unless otherwise agreed to among the Agency, the Developer and a particular Project Developer, each Project Developer shall deposit funds with the Agency in an amount equal to one percent (1%) of the total development costs, as defined by the Agency's 1993 Public Art Policy, for each Master Plan Project developed by such Project Developer. The funds provided by the Developer or the Project Developer, as appropriate, shall be deposited into an interest-bearing trust fund (the "Cultural Facility Development Fund") along with the public art funds, including any accrued interest, previously deposited with the Agency by the Developer in connection with the construction of the Arena. The Developer shall develop and submit for Agency approval a cultural facility master plan within the time set forth in the Master Plan Schedule of Performance (the "Cultural Facility Master Plan"). The deposited funds, including any accrued interest, shall be used for the development of a cultural facility in accordance with the approved Cultural Facility Master Plan. In the event that the Developer fails to submit a Cultural Facility Master Plan for a cultural facility to the Agency within the specified time period or fails to receive Agency approval of the Cultural Facility Master Plan within the time period specified in the Master Plan Schedule of Performance, the Agency, in its sole discretion, may expend the funds in the Cultural Facility

Development Fund on public art projects or facilities in accordance with the Agency's 1993 Public Art Policy. In addition to any other obligations of the Developer under this Section 19.8, the Developer agrees to maintain the artwork known as Daffodil Metamorphosis which is currently located on the Olympic East Parcel. The Developer may relocate Daffodil Metamorphosis to a new location within the Master Plan District with the prior approval of the Agency which shall not be unreasonably withheld. It is acknowledged and agreed by the Parties that a Project Developer's sole obligation under this Section 19.8 and in Attachment 19 of the Amended DDA shall be to deposit with the Agency the amount of the art fee established herein as it relates solely to the respective Master Plan Project being developed by such Project Developer, unless otherwise agreed to among the Agency, the Developer and such Project Developer. The Developer shall perform all other obligations set forth in this Section 19.8 and in Attachment 19 of the Amended DDA.

Section 19.9 W/MBE Workforce Utilization. In connection with the development and operation of each Master Plan Project, the Developer and each Project Developer shall implement the voluntary minority and women business enterprise program and the workforce utilization program described in Attachment No. 14 to the Amended DDA as it relates to such Developer or Project Developer's Master Plan Project.

Section 19.10 Certificate of Project Completion. Promptly after completion of a Master Plan Project in accordance with this Article 19 relating solely to the obligations of the Developer and each Project Developer to design and construct its respective Master Plan Project (including the dates for beginning and completion thereof), the Agency will provide a Certificate of Completion so certifying. Such certification shall be conclusive determination that the covenants in this Article 19 with respect to the obligations of the Developer and each Project Developer to design and construct its respective Master Plan Project and the dates for the beginning and completion thereof have been met. Such certification shall be in such form as will enable it to be recorded among the official records of the County of Los Angeles. Such certification and determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer or the Project Developer to any holder of a lien of a deed of trust securing a loan or loans to finance any Master Plan Project or any part thereof and shall not be deemed a notice of completion under section 3093 of the California Civil Code.

Section 19.11 Affordable Housing and Job Training. The Community Benefits Program sets out the Developer's goals for the development of affordable housing in the Master Plan District and the generation of employment opportunities for low-income individuals. The provision of affordable housing and employment services is a key component of the development of the Master Plan District. The Master Development Agreement provides certain development rights to the Developer in the Master Plan District while also containing certain affordable housing obligations for the Developer. The Developer has requested that the City amend and restate the Master Development Agreement for the Master Plan District (the "Amended and Restated Master Development Agreement"). To the extent that the City adopts the Amended and Restated Master Development Agreement for the Master Plan District, the affordable housing obligations of the Developer and each Project Developer relating to each Master Plan Project shall be governed by the provisions of the Amended and Restated Master Development Agreement.

Section 19.12 Open Space Maintenance Fee. For the fifty (50) year period beginning with the date of the Third Implementation Agreement, the Developer and each Project Developer shall pay, at its own cost and expense the South Park Open Space Maintenance Fee (the "Open Space Fee") to the extent of the Developer's and each Project Developer's development of a Master Plan Project. For residential development in the Master Plan District, unless otherwise agreed to between the Agency and the Developer or each Project Developer, the annual amount of the Open Space Fee will be equal to the product of One Hundred Seventy Dollars ($170) multiplied by the number of each market rate unit constructed in the Master Plan District. In addition, for commercial development within the Master Plan District, the annual amount of the Open Space Fee shall be twenty cents ($.20) per square foot of commercial space constructed in the Master Plan District. Unless otherwise agreed to between the Agency and the Developer or each Project Developer, twenty five percent (25%) of the total Open Space Fee collected from the Developer and each Project Developer will be used for maintenance of Grand Hope Park (located at Ninth and Hope Streets) and seventy five percent (75%) of the amount collected will be used for the creation and maintenance of the Venice Hope Park (located at Venice and Hope Streets). The Developer and each Project Developer may receive, with the prior written approval of the Agency, credits toward the payment of the Open Space Fee related to commercial development for the construction and maintenance of alternative open space areas within and outside of the Master Plan District, including but not limited to an onsite central plaza, as illustrated in the Design Guidelines (the "Plaza"). The Developer shall receive a fifty percent (50%) credit toward the commercial Open Space Fee payment due from the Developer for the construction and maintenance of the Plaza and a fifty percent (50%) credit for the construction and maintenance of alternative open space facilities. The credit shall be calculated by reducing the commercial Open Space Fee cost per square foot payment which would be due from the Developer as a result of the Developer's development of commercial space. For example, a fifty percent (50%) credit would reduce the commercial Open Space Fee to ten cents ($.10) per square foot. In order to receive Open Space Fee credit for the construction and maintenance of the Plaza, the Plaza must be subject to an open space covenant recorded against the Plaza parcel in a form reasonably acceptable to the Agency and the Developer. The open space covenant shall at a minimum require the Developer to open the Plaza to the public between 7:00 A.M. and 10:00 P.M. each day of the year; that the Developer may restrict public access to the Plaza for special events for up to thirty (30) days a year (additional special events may occur with prior written notification to the Agency) and that the Developer may close the Plaza as necessary for maintenance and repair. In order to receive Open Space Fee credit for the alternative open space facilities, the Developer (or a Project Developer if such Project Developer is requesting a credit) shall fund or cause to be funded not less than One Million Dollars ($1,000,000) for the planning, construction and operation of open space facilities within a one (1) mile radius of the Master Plan District within five (5) years following the date of the Third Implementation Agreement. The Open Space Fee shall be payable for each Master Plan Project beginning the first July 1st following the earlier of the Project Developer's receipt of a temporary certificate of occupancy or certificate of occupancy for the applicable Master Plan Project. The Open Space Fee shall be payable by the Developer and each Project Developer on each July 1st annually thereafter for the period specified in this Section 19.12 and shall be adjusted to reflect the completion of each additional Master Plan Project and any credits received by the Developer or each Project Developer.

Section 19.13 Indemnity. In addition to any indemnification contained in the Amended DDA, the Developer and each Project Developer do hereby indemnify, defend, and hold the City and the Agency and their respective directors, officers, employees, agents, successors and assigns harmless from all claims which arise from events occurring in connection with a challenge to the Master Plan EIR, the Specific Plan and the Master Development Agreement, and from events occurring in connection with entry onto, ownership of, occupancy in, or construction within the Master Plan District by the Developer or a Project Developer or the Developer's and Project Developer's contractors, subcontractors, agents, employees or tenants, to the extent of any claims arising during the Developer or any Project Developer's ownership, operation and use of a parcel within the Master Plan District and to the extent related to such Developer or Project Developer's Master Plan Project or the parcel upon which the Master Plan Project is located. The indemnity obligations of each Project Developer under this Section 19.13 shall be applicable only to claims relating to the parcel within the Master Plan District owned by the Project Developer and any Master Plan Project located thereon from and after the date of acquisition by the Project Developer. Furthermore, the indemnity obligation shall not extend to any claim arising solely from the City's or Agency's gross negligence or willful misconduct and shall survive termination of this Amended DDA.

Section 19.14 Additional Permits and Approvals. Within the time specified in the Master Plan Schedule of Performance, the Developer and each Project Developer shall obtain all permits and approvals necessary to construct their respective Master Plan Project. All applications for such permits and approvals shall be consistent with the approved Master Plan Project Documents as applicable to such Master Plan Project.

Section 19.15 Prevailing Wages. In connection with the construction of the Master Development and of each Master Plan Project by the Developer and each Project Developer, for all on-site and adjacent construction activities, the Developer and each Project Developer shall pay and assure that all contractors and subcontractors pay "prevailing wages" as determined pursuant to the provisions of Sections 1770 et seq. of the Labor Code and in accordance with the Agency's "Policy on Payment of Prevailing Wages By Private Participants as Owner-Participants" dated February, 1986 and Attached as Attachment No. 20 to the Amended DDA. The Parties agree that the Developer and each Project Developer of each Master Plan Project may reasonably rely on the appropriate trade union's certification of a worker's apprenticeship status . The Parties agree that the Agency will make a good faith effort to monitor the Developer's and each Project Developer's prevailing wage compliance in a timely fashion so as to not unreasonably delay payments to contractors and subcontractors, including but not limited to retention payments.

Section 19.16 Non-Discrimination. In connection with the construction of the Master Development and each Master Plan Project, Developer and each Project Developer, their contractors and subcontractors shall not discriminate against any employee or applicant for employment because of race, color, religion, creed, national origin, ancestry, sex, sexual orientation, age, disability, medical condition, Acquired Immune Deficiency Syndrome (AIDS) - acquired or perceived, retaliation for having filed a discrimination complaint, or marital status of any person

Section 19.17 Rights of Access. Representatives of the Agency and the City shall have the reasonable right of access to each Master Plan Project (accompanied by the appropriate Developer or Project Developer representative if requested by the Developer or Project Developer, as applicable) without charges or fees, during normal hours through the construction period, and with prior reasonable notice to the Developer or Project Developer, for the purposes of this Amended DDA, including, but not limited to, the inspection of the work being performed in constructing the Master Plan Project. Such representatives of the Agency or the City shall be those who are so identified by the Chief Executive Officer of the Agency.

Section 19.18 Enforced Delay. Notwithstanding the provisions of Section 18.9 of this Amended DDA, the Master Plan Schedule of Performance in connection with the development of a Master Plan Project shall be extended and a Party shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; quarantine restrictions; freight embargoes; lack of transportation; or court order; or any other similar causes (other than lack of funds of the Developer or a Project Developer or the Developer's or Project Developer's inability to finance the construction of its Master Plan Project) beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any cause will be deemed granted if notice by the Party claiming such extension is sent to the other within ten (10) days from the commencement of the cause of such delay. In no event shall the Agency or the City be required to agree to cumulative delays in excess of three hundred sixty five (365) days.

Section 19.19 Sales Tax Origin. The Developer and each Project Developer shall designate, and shall use good faith efforts to cause their contractors, subcontractors, vendors and other third parties under its control or with whom it enjoys privity of contract to designate the City of Los Angeles as the point of sale for California sales and use tax purposes (to the extent the payment of sales and use tax is required by applicable law), for all purchases of materials, fixtures, furniture, machinery, equipment and supplies for the Master Development during the construction thereof. Prior to obtaining the first building permit for each Master Plan Project, the respective Project Developer shall meet with the City's Department of Finance to review the process that the Project Developer's contractors should follow to designate the City of Los Angeles as the point of sale for California sales and use tax purposes.

Section 19.20 Living Wage. In connection with the construction and operation of the Master Development and each Master Plan Project, the Developer and each Project Developer shall comply with the provisions of the City's Living Wage Ordinance and all regulations related thereto, to the extent applicable.

Section 19.21 Business Licenses. The Developer and each Project Developer agrees to instruct all persons and entities with whom it contracts for services related to the construction and operation of the Master Development and each Master Plan Project, in professions or fields to which the City's business license laws and taxes apply, that such persons or entities must obtain City business licenses, and instruct their subcontractors to obtain City business licenses.

Section 19.22 Financing of Master Plan Projects. The Parties contemplate that the Developer and/ each Project Developer will obtain financing to pay for some of the costs it will incur to develop, construct and operate each Master Plan Project. Such financing and any other financing which may encumber any parcels in the Master Plan District shall contain provisions in the applicable loan documents that require the lender thereunder to use good faith efforts to provide written notice to the Public Entities concurrently with the provision of any notice to the Developer or a Project Developer, as borrower, of any event which has occurred which would trigger the commencement of any cure periods under such loan documents. The Developer or a Project Developer may obtain financing and encumber property within the Master Plan District without the prior approval of the Public Entities. Notwithstanding the foregoing, the Developer may not encumber the Convention Center Expansion Parcel or the Significant Hotel Parcel without the prior written consent of the Public Entities.

Section 19.23 Master Plan Project Lender Not Obligated to Construct Improvements. The holder of any mortgage, deed of trust or other security interest authorized or permitted by this Amended DDA which has provided financing for a Master Plan Project (each, a "Master Plan Project Lender") shall in no way be obligated by the provisions of this Amended DDA to construct or complete any Master Plan Project upon a default by the Developer or a Project Developer regardless of whether or not the default could be cured by the Master Plan Project Lender taking title to the parcel through foreclosure or otherwise; provided, however, that if a Master Plan Project Lender elects to commence or continue the construction of a Master Plan Project following a default by the Project Developer but fails to complete such Master Plan Project within the time periods permitted by this Amended DDA, the City and the Agency shall be entitled to the rights and remedies set forth in this Amended DDA for failure to complete the Master Plan Project within the times permitted in this Amended DDA. Nothing in this Amended DDA shall be deemed to construe, permit or authorize any such Master Plan Project Lender to develop any Master Plan Project or any part thereof for any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Amended DDA.

Section 19.24 Notice of Default to Master Plan Project Lender; Right to Cure; Reasonable Financing Amendments. Whenever the Public Entities shall deliver any notice or demand to the Developer or a Project Developer pursuant to this Amended DDA with respect to any breach or default by such Developer or Project Developer, the Public Entities shall at the same time deliver to the Master Plan Project Lender of the Developer or Project Developer of which the Public Entities have been notified a copy of such notice or demand. Each such Master Plan Project Lender shall (insofar as the rights of the Public Entities are concerned) have the right at its option within ninety (90) days after the receipt of the notice, to cure or remedy any such default and to add the cost thereof to the security interest debt and the lien on its security interest. If such default shall be a default which can only be remedied or cured by such Master Plan Project Lender upon obtaining possession, such Master Plan Project Lender shall seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall remedy or cure such default within ninety (90) days after obtaining possession, provided that in the case of a default which cannot with diligence be remedied or cured, or the remedy or cure of which cannot be commenced, within such ninety (90) day period, such Master Plan Project Lender shall have such additional time as reasonably necessary to remedy or cure such default of the Developer. Nothing contained in this Section 19.24 or any other provision of the Amended DDA shall be deemed to require, permit or authorize any Master Plan Project Lender to undertake or continue the construction or completion of any improvements other than (i) in accordance with this Amended DDA, and the Project Final Construction Drawings, and (ii) at no additional cost to the Public Entities. Any such Master Plan Project Lender electing to complete any such improvements shall be entitled, upon written request, to a Certificate of Completion issued by the Agency. Such certification shall be conclusive determination that the applicable Master Plan Project has been completed in accordance with the covenants of Article 19 of the Amended DDA. In addition, the Public Entities agree to execute reasonable and customary amendments to this Amended DDA requested in good faith by any Master Plan Project Lender as a condition to financing a Master Plan Project, provided, that, the Public Entities shall not be required to make any modifications which would adversely affect its rights in any material respect or increase its liabilities under the Amended DDA or which would be in violation of any applicable law. Nothing in this Article 19 shall delay or otherwise restrict the City's rights and remedies under the Gap Funding Agreement or Other Agreements with regard to the Developer's obligations thereunder relating to the operation and development of the Arena.

Section 19.25 Discretion Retained By City. The Agency's execution of this Amended DDA does not constitute approval by the City and in no way limits the discretion of the City in the permit and approval process in connection with development of the Master Plan Development.

Section 12. Article 19 Master Development Process: Additional Provisions. Article 19 of the Amended DDA is amended to add a new Section 19.26 and Section 19.27 as follows:

Section 19.26 Limitation of Liability. The Parties acknowledge and agree that the rights and obligations of a Project Developer under this Amended DDA shall be applicable only to the Master Plan Project developed or to be developed by such Project Developer and such Project Developer shall have no liability with respect to the Developer's or other Project Developers' obligations with respect to any other real property within the Master Plan District.

Section 19.27 Consent. From and after the effective date of the Fourth Implementation Agreement, any future amendment of the Amended DDA which does not materially adversely affect the Project Developer's rights in any respect in connection with the development and use of its Master Plan Project or materially increase its liabilities under the Amended DDA, shall not require the consent or signature of such Project Developer or its successors or assigns.

Section 13. FIDM and Figueroa South Land as Project Developers. For purposes of the Amended DDA and this Fourth Implementation Agreement, FIDM and Figueroa South Land shall each be considered a Project Developer and shall not be considered the Developer.

Section 14. Effectiveness of Fourth Implementation Agreement. This Fourth Implementation Agreement is dated for convenience only and shall only become effective on the date which is the latest of (i) the date this Fourth Implementation Agreement is executed by the Developer, (ii) the date this Fourth Implementation Agreement is approved and executed by the

Agency and (iii) the date this Fourth Implementation Agreement is approved and executed by the City.

Section 15. Counterparts. This Fourth Implementation Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

Section 16. No Other Changes, Consistency. Notwithstanding any changes and deletions contained herein, all other provisions of the Amended DDA remain the same. In the event of any conflict between the terms of the Amended DDA and this Fourth Implementation Agreement, the terms of this Fourth Implementation Agreement shall govern.

IN WITNESS WHEREOF, authorized representatives of the Parties have duly executed this Fourth Implementation Agreement as of the day and year first above written.

AGENCY:

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, a public body, corporate and politic

Dated:____________

By:_________________________________
Chief Executive Officer

APPROVED AS TO FORM:
Rockard J. Delgadillo
City Attorney

By:_________________________________
Assistant City Attorney
Agency Counsel

GOLDFARB & LIPMAN

By:_________________________________
Agency Special Counsel

CITY:

THE CITY OF LOS ANGELES
Antonio Villaraigosa
Mayor

Dated:____________

By:_________________________________

ATTEST:

J. Michael Carey, City Clerk

By: _____________________________

APPROVED AS TO FORM:
Rockard J. Delgadillo
City Attorney

LANDCO: L.A. ARENA LAND COMPANY, INC

Dated:__________

By:____________________
Timothy J. Leiweke,
President

LAAC: L.A. ARENA COMPANY, LLC

Dated:__________

By:____________________
Timothy J. Leiweke,
President

FLOWER HOLDINGS: FLOWER HOLDINGS, L.L.C.

Dated:__________

By:____________________
Timothy J. Leiweke,
President

FIDM: FIDM RESIDENTIAL, INC.

Dated:__________

By:____________________

Its:____________________

FIGUEROA SOUTH LAND:

Figueroa South Land, LLC,
an Oregon limited liability company

By: Figueroa South I Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

Dated: __________

By:____________________
Gary A. Rimole
Secretary/Treasurer

803\24\218611.8

5. Interpretation. Except as amended herein, the REA remains in full force and effect. In the event of a conflict between the terms of this First Amendment and the terms of the REA, the terms of this First Amendment shall prevail.

6. The Parties may execute this First Amendment in one or more identical counterparts, all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by the signatures of their duly authorized representatives as of the day and year first above written.

Approved as to Form and Legality:

__________, 2005

Rockard J. Delgadillo, City Attorney

By: ____________________
Senior Assistant City Attorney

CITY OF LOS ANGELES

By: ____________________
Mayor

Attest: ______________, City Clerk

By: ____________________
Deputy

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES

By: ____________________
Administrator

L.A. ARENA LAND COMPANY, INC.,
a Delaware Corporation.

By: ____________________
Name: Ted Tanner
Its: Vice President

FLOWER HOLDINGS, LLC,
a Delaware Limited Liability Company

By: ____________________
Name: Ted Tanner
Its: Executive Vice President

FIDM RESIDENTIAL, INC.
a California corporation

By: ____________________
Name:
Its:

FIGUEROA SOUTH LAND, LLC
an Oregon Limited Liability Company

By: Figueroa South Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

By: [signature]
Name: Gary A. Finkle
Its: Secretary/Treasurer

LA\1470613.1

Oregon
STATE OF ~~CALIFORNIA~~)
) SS.
COUNTY OF Multnomah)

On August 10, 2005 before me, Susan L. Gadotti, a notary public in and for said State, personally appeared Gary A. Funicle, personally known to me (or 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.

WITNESS my hand and official seal.

Susan L. Gadotti
Signature (Seal)

OFFICIAL SEAL
SUSAN L. GADOTTI
NOTARY PUBLIC-OREGON
COMMISSION NO. 376231
MY COMMISSION EXPIRES FEBRUARY 29, 2008

LA\1470613.1

LANDCO: L.A. ARENA LAND COMPANY, INC

Dated:____________ By: ____________
Timothy J. Leiweke,
President

LAAC: L.A. ARENA COMPANY, LLC

Dated:____________ By: ____________
Timothy J. Leiweke,
President

FLOWER HOLDINGS: FLOWER HOLDINGS, L.L.C.

Dated:____________ By: ____________
Timothy J. Leiweke,
President

FIDM: FIDM RESIDENTIAL, INC.

Dated:____________ By:____________

Its:____________

FIGUEROA SOUTH LAND: Figueroa South Land, LLC,
an Oregon limited liability company

By: Figueroa South 1 Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

Dated: ____________ By:____________
Gary A. Finicle
Secretary/Treasurer

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6. The Parties may execute this First Amendment in one or more identical counterparts, all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by the signatures of their duly authorized representatives as of the day and year first above written.

Approved as to Form and Legality:

_______, 2005

Rockard J. Delgadillo, City Attorney

By: ______________________
Senior Assistant City Attorney

CITY OF LOS ANGELES

By: ______________________
Mayor

Attest: ______________, City Clerk

By: ______________________
Deputy

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES

By: ______________________
Administrator

L.A. ARENA LAND COMPANY, INC.,
a Delaware Corporation.

By: [signature]
Name: Ted Tanner
Its: Vice President

FLOWER HOLDINGS, LLC,
a Delaware Limited Liability Company

By: [signature]
Name: Ted Tanner
Its: Executive Vice President

FIDM RESIDENTIAL, INC.
a California corporation

By: ______________________
Name:
Its:

FIGUEROA SOUTH LAND, LLC
an Oregon Limited Liability Company

By: Figueroa South I Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

By: ______________________
Name: Gary A. Finicle
Its: Secretary/Treasurer

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

On August 10, 2005 before me, Janice M. Nicols, a notary public in and for said State, personally appeared Ted Tanner, personally known to me ~~(or 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.

WITNESS my hand and official seal.

Janice M. Nicols
Signature (Seal)

JANICE M. NICOLS
Commission # 1356606
Notary Public - California
Los Angeles County
My Comm. Expires May 18, 2006

LA\1470613.1

LANDCO: L.A. ARENA LAND COMPANY, INC

Dated:_____________ By:_______________________________
Timothy J. Leiweke,
President

LAAC: L.A. ARENA COMPANY, LLC

Dated:_____________ By:_______________________________
Timothy J. Leiweke,
President

FLOWER HOLDINGS: FLOWER HOLDINGS, L.L.C.

Dated:_____________ By:_______________________________
Timothy J. Leiweke,
President

FIDM: FIDM RESIDENTIAL, INC.

Dated: 8-10-05 By: [signature]
Its: President + CEO

FIGUEROA SOUTH LAND:

Figueroa South Land, LLC,
an Oregon limited liability company

By: Figueroa South 1 Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc.,an Oregon corporation, its General Partner

Dated: _____________

By:_______________________
Gary A. Finicle
Secretary/Treasurer

803\24\218611.8

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IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by the signatures of their duly authorized representatives as of the day and year first above written.

Approved as to Form and Legality:

__________, 2005

Rockard J. Delgadillo, City Attorney

By: ____________________
Senior Assistant City Attorney

CITY OF LOS ANGELES

By: ____________________
Mayor

Attest: ______________, City Clerk

By: ____________________
Deputy

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES

By: ____________________
Administrator

L.A. ARENA LAND COMPANY, INC., a Delaware Corporation.

By: ____________________
Name: Ted Tanner
Its: Vice President

FLOWER HOLDINGS, LLC, a Delaware Limited Liability Company

By: ____________________
Name: Ted Tanner
Its: Executive Vice President

FIDM RESIDENTIAL, INC. a California corporation

By: [signature]
Name: [illegible]
Its: President 8/10/05

FIGUEROA SOUTH LAND, LLC an Oregon Limited Liability Company

By: Figueroa South 1 Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

By: ____________________
Name: Gary A. Finicle
Its: Secretary/Treasurer

LA\1470613 1

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On August 10, 2005 before me, CECIL D. UY, a notary public in and for said State, personally appeared DONIAN HOHBERG, personally known to me (~~or 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.

WITNESS my hand and official seal.

Signature (Seal)

CECIL D. UY
Commission # 1412298
Notary Public — California
Los Angeles County
My Comm. Expires Apr 19, 2007

LA\1470613.1

Community Redevelopment Agency
CITY OF LOS ANGELES

CRA/LA
Building communities with jobs & housing

DATE /

FILE CODE /

354 South Spring Street / Suite 800
Los Angeles / California 90013-1258

T 213 977 1600 / F 213 977 1665
www.crala.org

CRA File No. 4829
Council District: 9
Contact Person: D. Riccitiello
(213) 977-1794

Honorable Council of the City of Los Angeles
John Ferraro Council Chamber
200 N. Spring Street
Room 340, City Hall
Los Angeles, CA. 90012

Attention: John White, Office of the City Clerk

COUNCIL TRANSMITTAL:
Transmitted herewith, is a Board Memorandum adopted by the Agency Board on August 18, 2005, for City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

VARIOUS ACTIONS RELATED TO:
APPROVAL OF THE FOURTH IMPLEMENTATION AGREEMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE L.A. ARENA LAND COMPANY, INC, FLOWER HOLDINGS, L.L.C. AND L.A. ARENA COMPANY, L.L.C., FOR THE DEVELOPMENT OF THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICTS AND RELATED RECIPROCAL EASEMENT AGREEMENT CITY CENTER AND AMENDED CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT.

RECOMMENDATION
That City Council approves recommendation(s) on the attached Board Memorandum.

ENVIRONMENTAL REVIEW
The City of Los Angeles Planning Department was the Lead Agency pursuant to the California Environmental Quality Act (CEQA) for the preparation of the environmental document. The City of Los Angeles Planning Commission, on May 23, 2001, certified the Final EIR for the Los Angeles Sports and Entertainment District Project, made written findings for each significant environmental effect of the Project and adopted a Statement of Overriding Considerations. The Agency, as the Responsible Agency under CEQA, reviewed the environmental studies, and on August 17, 2001 made findings and also adopted a Statement of Overriding Consideration. The proposed action is consistent with that previously approved environmental action.

FISCAL IMPACT STATEMENT
There is no fiscal impact to the City's General Fund, as a result of this action.

AUG 24 2005
Housing, Community and Economic Development

Richard Benbow
Richard Benbow, Acting Chief Executive Officer

cc: John White, Office of the City Clerk (Original & 9 Copies on 3-hole punch)
Lisa Johnson, Scott Eritano, Office of the CAO
Paul Smith, Ivania Sobalvarro, Office of the CLA
Robert R. Ovrom, Office of the Mayor
Neil Blumenkopf, Office of the City Attorney

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CA

5

MEMORANDUM

CT6990

DATE: AUGUST 18, 2005

TO: AGENCY COMMISSIONERS

FROM: RICHARD L. BENBOW, ACTING CHIEF EXECUTIVE OFFICER

RESPONSIBLE PARTIES: LILLIAN BURKENHEIM, PROJECT MANAGER
DAVID RICCITIELLO, REGIONAL ADMINISTRATOR

SUBJECT: VARIOUS ACTIONS, INCLUDING APPROVAL OF THE FOURTH IMPLEMENTATION AGREEMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH THE L.A. ARENA LAND COMPANY, INC, FLOWER HOLDINGS, L.L.C. AND L.A. ARENA COMPANY, L.L.C., FOR THE DEVELOPMENT OF THE LOS ANGELES SPORTS AND ENTERTAINMENT DISTRICTS AND RELATED RECIPROCAL EASEMENT AGREEMENT
CITY CENTER AND AMENDED CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECTS
(CD 9)
DOWNTOWN REGION

PROJECT REVIEW: JANUARY 13, 2005

RECOMMENDATION

That the Agency, subject to City Council Review and approval, authorize the Chief Executive Officer or designee to:

1. Execute a Fourth Implementation Agreement to the Disposition and Development Agreement by and among the Agency, the City, L.A. Arena Land Company, Flower Holdings, L.L.C., the L.A. Arena Company, L.L.C., FIDM Residential, Inc., and Figueroa South Land, LLC approving the proposed implementation of the Project (See location map–Attachment A)

2. Execute amendments to the Reciprocal Easement Agreement (the "REA") dated March 26, 1998 and amended August 17, 2001, by and among the Agency, the City of Los Angeles and the L.A. Arena Land Development Company, Inc. making it possible for the different phases of the project to be constructed provided replacement parking is provided for Staples Center (the "Arena").

SUMMARY

The Los Angeles Sports and Entertainment District (the "Project") is located adjacent to Staples Center and the Los Angeles Convention and Exhibition Center, in the South Park area of the Amended Central Business District and City Center Redevelopment Project Areas and the former Central Business District Project Area. Generally, the development sites that make up the Project are located east and north of the Arena along Figueroa Street and Olympic Boulevard.. The Project site was assembled by both the Agency and the Developer initially to provide parking for the Arena, and is currently occupied by various surface parking lots. The total acreage involved is approximately 27 acres. The proposed actions take the next step in the implementation of the Los Angeles Sports and Entertainment District Master Plan ("District") (Attachment B) and by allowing for the development of the various sites within the District to be built by different entities in addition to the Developer.

The Disposition and Development Agreement for the Arena, as amended by three other implementation agreements (the "Amended DDA") contains the terms and conditions governing the acquisition and disposition of land for the Arena; the design construction and operation of Arena; the future development of the Project; and provisions for public art, outreach, and prevailing wages. The Third Implementation Agreement imposed requirements on the proposed Project including providing publicly accessible open space, hotel development standards and design guidelines, and applying the Agency's 1% Public Art Fee to the development of an onsite cultural facility with the approval of the Agency. Additionally, the Third Implementation Agreement acknowledges a Public Benefits Program agreed to by the Developer that addresses the development of affordable housing, jobs outreach, parks and open spaces, childcare, prevailing wage and living wages for employees of the Project. Attachment C outlines the progress that the Developer has made to comply with the Community Benefits Program. Each project developer that assumes the development of a specific site within the Project will also be obligated to comply with the Community Benefits Program as well as all the other specific requirements of the Amended DDA.

In accordance with the Amended DDA, the Developer was required to construct the Arena, the parking facilities and all onsite and offsite improvements in connection with the District. The Developer has and plans to transfer or sell specific components of the Master Plan to project developers. The Fourth Implementation Agreement ensures that the Developer and project developers are required to develop their properties consistent with the Master Plan and the Amended DDA and further clarifies that a default of any individual project developer is not considered a default of the other developers. The Fourth Implementation Agreement delineate the requirements of the Developer and the Project Developer and limit their obligations.

The REA imposed a parking requirement on the Figueroa Properties for the benefit of the Staple Center and the Convention Center. Under the REA, the Developer had the ability to move the parking obligation to the Olympic Properties. The Amendment to the REA releases the Figueroa Properties from the parking burden enabling project developers to proceed with development of those properties.

RE:

August 17, 2001 – Approval of the Third Implementation Agreement to the Disposition and Development Agreement with the L.A. Area Land Company.

September 5, 2001 - City Council approval.

SOURCE OF FUNDS

No funding is required for this action.

PROGRAM AND BUDGET IMPACT

The proposed actions conform with the City Center and the Amended Central Business District Work Program and Budget for FY 2006.

ENVIRONMENTAL REVIEW

The City of Los Angeles Planning Department was the Lead Agency pursuant to the California Environmental Quality Act (CEQA) for the preparation of the environmental document. The City of Los Angeles Planning Commission, on May 23, 2001, certified the Final EIR for the Los Angeles Sports and Entertainment District Project, made written findings for each significant environmental effect of the Project and adopted a Statement of Overriding Considerations. The Agency, as the Responsible Agency under CEQA, reviewed the environmental studies; and on August 17, 2001 made findings and also adopted a Statement of Overriding Consideration. The proposed action is consistent with that previously approved environmental action.

BACKGROUND

The City of Los Angeles, the Agency and the L.A. Arena Development Company LLC entered into a Disposition and Development Agreement ("DDA") dated October 31, 1997. The DDA was amended by a First Implementation to the Disposition and Development Agreement dated March 26, 1998, and by a Second Implementation to Disposition and Development Agreement dated October 15, 1998 ("Amended DDA"). The Amended DDA required that the L.A. Arena Company submit a Master Plan for the Olympic/Figueroa Properties to the Agency and to the City for review and approval. On August 17, 2001, the Agency approved a Master Plan for the Project. The Master Plan contemplates a mixed-use development including a major convention hotel; retail; entertainments; restaurants and convention uses of up to a combined total of 1,110,000 square feet. Additionally the proposed development would include a 7,000-seat live performance theater; up to 870,000 square feet of residential (minimally 500 units) and up to 300,000 square feet of office space. The development also included an open-air plaza to feature year-round events; a site reserved for the future expansion of the Los Angeles Convention Center; and approximately 5,300 parking spaces. A Reciprocal Easement Agreement ("REA") ties the different development sites together to allow for parking, access, and management of the spaces for the benefit of Staples Center. The Master Plan governs all the properties included the Project Site.

As each of the developments moves forward, they will need to comply with the provisions previously set forth in the DDA and The Third Implementation Agreement, which also sets forth a number of community benefits and requirements for any development that occurs within the Master Plan area. These requirements include the following:

- Development Guidelines
- Design approvals
- Percent for Art requirement that will be collected by the Agency and used for a Cultural facility within the Master Plan area.
- MBE/WBE workforce utilization and outreach.
- Prevailing Wage
- Job training
- Twenty percent Affordable Housing caused to be developed within three miles of site by a non-profit housing developer.
- South Park Open Space Fee paid yearly.
- Living Wage
- Purchase of goods and services within the City of Los Angeles
- Vendors have current Los Angeles Business Licenses

In accordance with the DDA, when a Developer closes escrow with the L.A. Arena Development Company, LLC they will enter into an Assignment and Assumption Agreement where they acknowledge that the obligations of L.A. Arena Company are now assumed by the site Developer. As each Assignment and Assumption Agreement is completed, the new site Developer, becomes a signatory of the subsequent agreements. Over the last year, Williams and Dame and the Fashion Institute of Design and Management have acquired property from the L.A. Area Company. Hanover is ready to close escrow on the property located at the northeast corner of Olympic Boulevard and Figueroa Street, subject to the approval of the Fourth Implementation Agreement, the REA and the Development Agreement.

Richard L. Benbow
Acting Chief Executive Officer

There is no conflict of interest known to me, which exists with regard to any Agency officer or employee concerning this action.

Attachments: A – Location Map
B – Master Plan
C – Community Benefits Plan progress

EXHIBIT F

First American

clarityfirst® **Recorded Document**

The Recorded Document images are displayed in the subsequent pages for following request:

State	County	Document Number
CA	**Los angeles**	**2005.3119739**

Limitation of Liability for Informational Report

IMPORTANT – READ CAREFULLY: THIS REPORT IS NOT AN INSURED PRODUCT OR SERVICE OR A REPRESENTATION OF THE CONDITION OF TITLE TO REAL PROPERTY. IT IS NOT AN ABSTRACT, LEGAL OPINION, OPINION OF TITLE, TITLE INSURANCE COMMITMENT OR PRELIMINARY REPORT, OR ANY FORM OF TITLE INSURANCE OR GUARANTY. THIS REPORT IS ISSUED EXCLUSIVELY FOR THE BENEFIT OF THE APPLICANT THEREFOR, AND MAY NOT BE USED OR RELIED UPON BY ANY OTHER PERSON. THIS REPORT MAY NOT BE REPRODUCED IN ANY MANNER WITHOUT FIRST AMERICAN'S PRIOR WRITTEN CONSENT. FIRST AMERICAN DOES NOT REPRESENT OR WARRANT THAT THE INFORMATION HEREIN IS COMPLETE OR FREE FROM ERROR, AND THE INFORMATION HEREIN IS PROVIDED WITHOUT ANY WARRANTIES OF ANY KIND, AS-IS, AND WITH ALL FAULTS. AS A MATERIAL PART OF THE CONSIDERATION GIVEN IN EXCHANGE FOR THE ISSUANCE OF THIS REPORT, RECIPIENT AGREES THAT FIRST AMERICAN'S SOLE LIABILITY FOR ANY LOSS OR DAMAGE CAUSED BY AN ERROR OR OMISSION DUE TO INACCURATE INFORMATION OR NEGLIGENCE IN PREPARING THIS REPORT SHALL BE LIMITED TO THE FEE CHARGED FOR THE REPORT. RECIPIENT ACCEPTS THIS REPORT WITH THIS LIMITATION AND AGREES THAT FIRST AMERICAN WOULD NOT HAVE ISSUED THIS REPORT BUT FOR THE LIMITATION OF LIABILITY DESCRIBED ABOVE. FIRST AMERICAN MAKES NO REPRESENTATION OR WARRANTY AS TO THE LEGALITY OR PROPRIETY OF RECIPIENT'S USE OF THE INFORMATION HEREIN.

This page is part of your document - DO NOT DISCARD

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RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA

8:21 AM DEC 19 2005

TITLE(S) :

LEAD SHEET

FEE **D.T.T.**

FREE ZZ

47

CODE
20

CODE
19

CODE
9____

Assessor's Identification Number (AIN)
To be completed by Examiner OR Title Company in black ink. **Number of AIN's Shown**

THIS FORM IS NOT TO BE DUPLICATED

7

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

05 3119739

The Community Redevelopment Agency
of the City of Los Angeles
354 South Spring Street
Suite 800
Los Angeles, CA 90013
Attn: Chief Executive Officer

No fee for recording pursuant to
Government Code Section 27383

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

MEMORANDUM OF FOURTH IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

THIS MEMORANDUM OF FOURTH IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT (the "Memorandum") is made as of this 1st day of September, 2005, by and among the City of Los Angeles, a municipal corporation (the "City"), the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic (the "Agency"), L.A. Arena Land Company, Inc., a Delaware corporation ("LandCo"), Flower Holdings, LLC, a Delaware limited liability company ("Flower Holdings") (LandCo and Flower Holdings shall be individually or collectively referred to as the "Developer"), L.A. Arena Company, LLC, a Delaware limited liability company ("LAAC"), FIDM Residential, Inc., a California corporation ("FIDM") and Figueroa South Land, LLC, an Oregon limited liability company ("Figueroa South Land"). The City, the Agency, LandCo, Flower Holdings, LAAC, FIDM and Figueroa South Land shall hereinafter be collectively referred to herein as the "Parties". This Memorandum is to confirm that the Parties have entered into that certain Fourth Implementation Agreement to Disposition and Development Agreement dated as of September 1, 2005 (the "Agreement"). The Agreement imposes certain conditions (including but not limited to, operating covenants, and transfer restrictions) on the real property described in <u>Exhibit A</u> attached hereto and incorporated herein (the "Property"). The Agreement is a public document and may be reviewed at the principal office of the Agency.

This Memorandum shall incorporate herein all of the terms and provisions of the Agreement as though fully set forth herein. This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend or supplement the Agreement, of which this is a memorandum.

This Memorandum may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

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IN WITNESS WHEREOF, the Parties have caused this Memorandum to be duly executed as of the date first above written.

AGENCY:

Dated: 12/7/05

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, a public body, corporate and politic

By: [signature]
Chief Executive Officer

APPROVED AS TO FORM:
Rockard J. Delgadillo
City Attorney

By: [signature]
for ~~Assistant~~ City Attorney
Agency Counsel

GOLDFARB & LIPMAN LLP

By: [signature]
Agency Special Counsel

CITY:

Dated: 12-14-05

THE CITY OF LOS ANGELES, a municipal corporation
Antonio Villaraigosa
Mayor

By: [signature] DEC 13 2005

ATTEST:

Frank T. Martinez, City Clerk

By: [signature]

CITY OF LOS ANGELES FOUNDED 1781

APPROVED AS TO FORM:
Rockard J. Delgadillo
City Attorney

By: Laura M. Cadogan
~~Assistant~~ City Attorney
Deputy

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California California
County of Los Angeles } ss.

On 12/13/2005 (Date), before me, Jacquelyn E. Hoard (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),
personally appeared Antonio R. Villaraigosa (Name(s) of Signer(s)),

☒ personally known to me
☐ proved to me on the basis of satisfactory evidence

JACQUELYN E. HOARD
Commission # 1421881
Notary Public - California
Los Angeles County
My Comm. Expires Jun 28, 2007

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.

Place Notary Seal Above

WITNESS my hand and official seal.

Jacquelyn E. Hoard
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document: Memorandum of Fourth Implementation Agreement To Disposition and Development Agreement

Document Date: 12/13/2005 Number of Pages: 2

Signer(s) Other Than Named Above: Annie Johnson; Timothy J. Leiweke; Tom Webben; Rockard J. Delgadillo

Capacity(ies) Claimed by Signer

Signer's Name: Antonio R. Villaraigosa

☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: Mayor - City of Los Angeles

Signer Is Representing: Self

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

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THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA

ALL PURPOSE ACKNOWLEDGMENT

State of California }

County of Los Angeles }

On DECEMBER 8, 2005 before me, TIMIKO VALENTINA MARTINEZ, NOTARY PUBLIC
DATE
personally appeared KEVIN SULLIVAN
NAME OF SIGNER

Personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument he executed the instrument.

TIMIKO VALENTINA MARTINEZ
Commission # 1523411
Notary Public - California
Los Angeles County
My Comm. Expires Oct 31, 2008

WITNESS my hand and official seal

Timiko Valentina Martinez
SIGNATURE OF NOTARY

ATTENTION NOTARY: Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to an unauthorized document.

Title of Type of Document. MEMORANDUM OF FOURTH IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT
Number of Pages 3 + EX A
Date of Document: SEPTEMBER 1, 2005
Signer(s) Other Than Names Above: ANTONIO VILLARAIGOSA, MAYOR
ROCKARD J DELGADILLO, CITY ATTORNEY
TOM WEBBER, GOLDFARB AND LIPMAN LP
TIMOTHY J LEIWEKE, LANDCO, INC., LAAC LLC, FLOWER HOLDINGS, LLC
GARY A. FINICLE, FIGUEROA SOUTHLAND
Regarding: CONVENTION CENTER HOTEL
CITY BLOCK BOUNDED BY OLYMPIC BOULEVARD AND FIGUEROA, 11TH AND GEORGIA STREETS
LOS ANGELES, CA

05 3119739

6

LANDCO:

L.A. ARENA LAND COMPANY, INC., a Delaware corporation

Dated:____________

By: Timothy J. Leiweke
Timothy J. Leiweke,
President

LAAC:

L.A. ARENA COMPANY, LLC, a Delaware limited liability company

Dated:____________

By: Timothy J. Leiweke
Timothy J. Leiweke,
President

FLOWER HOLDINGS:

FLOWER HOLDINGS, LLC, a Delaware limited liability company

Dated:____________

By: Timothy J. Leiweke
Timothy J. Leiweke,
President

FIDM:

FIDM RESIDENTIAL, INC., a California corporation

Dated:____________

By:____________________________

Its:____________________________

FIGUEROA SOUTH LAND:

FIGUEROA SOUTH LAND, LLC,
an Oregon limited liability company

By: Figueroa South Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

Dated: ______________

By:__________________________
Gary A. Finicle
Secretary/Treasurer

05 3119739

7

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On October 26, 2005 before me, Janice M. Nicols, a notary public in and for said State, personally appeared Timothy J. Leiweke, personally known to me ~~(or 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.

WITNESS my hand and official seal.

Janice M. Nicols

Signature (Seal)

JANICE M. NICOLS
Commission # 1356605
Notary Public - California
Los Angeles County
My Comm Expires May 16, 2006

05 3119739

8

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On October 26, 2005 before me, Janice M. Nicols, a notary public in and for said State, personally appeared Timothy J. Leiweke, personally known to me ~~(or 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.

WITNESS my hand and official seal.

Janice M. Nicols

Signature (Seal)

JANICE M NICOLS
Commission # 1356605
Notary Public - California
Los Angeles County
My Comm Expires May 16, 2006

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9

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On October 26, 2005 before me, Janice M. Nicols, a notary public in and for said State, personally appeared Timothy J. Leiweke, personally known to me ~~(or 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.

WITNESS my hand and official seal.

Janice M. Nicols

Signature (Seal)

JANICE M. NICOLS
Commission # 1356605
Notary Public - California
Los Angeles County
My Comm Expires May 16, 2006

05 3119739

10

LANDCO: L.A. ARENA LAND COMPANY, INC., a Delaware corporation

Dated:____________ By:______________________________
Timothy J. Leiweke,
President

LAAC: L.A. ARENA COMPANY, LLC, a Delaware limited liability company

Dated:____________ By:______________________________
Timothy J. Leiweke,
President

FLOWER HOLDINGS: FLOWER HOLDINGS, LLC, a Delaware limited liability company

Dated:____________ By:______________________________
Timothy J. Leiweke,
President

FIDM: FIDM RESIDENTIAL, INC., a California corporation

Dated: 11-7-05 By:______________________________

Its: VP CFO

FIGUEROA SOUTH LAND: FIGUEROA SOUTH LAND, LLC, an Oregon limited liability company

By: Figueroa South Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

Dated: ______________ By:______________________________
Gary A. Finicle
Secretary/Treasurer

05 3119739

STATE OF CALIFORNIA)
) ss.
COUNTY OF Los Angeles)

On November 7, 2005 before me, CECIL D. UY, a notary public in and for said State, personally appeared ANNIE JOHNSON, personally known to me (~~or 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.

WITNESS my hand and official seal.

Signature (Seal)

CECIL D UY
Commission # 1412298
Notary Public — California
Los Angeles County
My Comm. Expires Apr 19, 2007

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LANDCO: L.A. ARENA LAND COMPANY, INC., a Delaware corporation

Dated:____________ By:________________________________
Timothy J. Leiweke,
President

LAAC: L.A. ARENA COMPANY, LLC, a Delaware limited liability company

Dated:____________ By:________________________________
Timothy J. Leiweke,
President

FLOWER HOLDINGS: FLOWER HOLDINGS, LLC, a Delaware limited liability company

Dated:____________ By:________________________________
Timothy J. Leiweke,
President

FIDM: FIDM RESIDENTIAL, INC., a California corporation

Dated:____________ By:________________________________

Its:________________________________

FIGUEROA SOUTH LAND: FIGUEROA SOUTH LAND, LLC, an Oregon limited liability company

By: Figueroa South Development Limited Partnership, an Oregon limited partnership, its Manager

By: WDD California, Inc., an Oregon corporation, its General Partner

Dated: 11-1-05 By:________________________________
Gary A Finicle
Secretary/Treasurer

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STATE OF OREGON)
) ss.
COUNTY OF MULTNOMAH)

On November 1, 2005 before me, Susan L. Gadotti, a notary public in and for said State, personally appeared Gary A. Finicle, personally known to me (or 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.

WITNESS my hand and official seal

Susan L. Gadotti

Signature (Seal)

OFFICIAL SEAL
SUSAN L. GADOTTI
NOTARY PUBLIC-OREGON
COMMISSION NO. 376231
MY COMMISSION EXPIRES FEBRUARY 23, 2008

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EXHIBIT A

Legal Description of the Property

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LEGAL DESCRIPTION

PARKING STRUCTURE SITE

(PORTION OF OLYMPIC WEST)

Lots 2 and 3 of Vesting Tentative Tract Map No. 53383, in the City of Los Angeles, County of Los Angeles, State of California, on file with the Planning Department of said City being a portion of Lot 2 of Tract No. 52791, in said City, as per map filed in Book 1241, Pages 27 through 31, inclusive, of Maps, Records of said County, described as follows:

Beginning at a point on the southwesterly line of said Lot 2 of Tract No. 52791, said point being the intersection of said southwesterly line with a curve concave to the northwest, and being concentric with and 6.50 feet southeasterly of that certain curve in the northwesterly line of said Lot 2 having a radius of 379.50 feet and being the POINT OF BEGINNING of this description; thence northeasterly parallel and concentric with said northwesterly line, the following four courses:

1. northeasterly 46.49 feet along said concentric curve, having a radius of 386.00 feet, through a central angle of 06 degrees 54 minutes 02 seconds,
2. North 28 degrees 15 minutes 05 seconds East 89.02 feet to the beginning of a curve, concave to the southeast and having a radius of 344.00 feet,
3. northeasterly 146.37 feet along said curve through a central angle of 24 degrees 22 minutes 43 seconds,
4. North 52 degrees 37 minutes 48 seconds East 29.96 feet to the beginning of a 15' x 15' cut corner as per City of Los Angeles Standard Plan S-470-0, on file in the Office of the City Engineer of said City, the easterly terminus of said cut corner being in a line parallel with and 62.00 feet southwesterly of the centerline of Olympic Boulevard, as shown on said Tract No. 52791;

thence leaving said parallel and concentric line, North 85 degrees 27 minutes 42 seconds East 25.21 feet along said cut corner to said parallel; thence South 61 degrees 42 minutes 25 seconds East 380.27 feet along said parallel line to the beginning of a 15' x 15' cut

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January 15, 2002
DJM.DJM

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PSOMAS

corner as per said City of Los Angeles Standard Plan S-470-0, the southerly terminus of said cut corner being in a line parallel with and 35 00 feet northwesterly of the centerline of Georgia Street, as shown on said Tract No. 52791; thence South 16 degrees 44 minutes 24 seconds East 21.23 feet along said cut corner to said parallel line; thence South 28 degrees 13 minutes 37 seconds West 302.16 feet along said parallel line to said southwesterly line of Lot 2; thence North 61 degrees 51 minutes 25 seconds West 462.43 feet to the POINT OF BEGINNING.

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 142,802 square feet (3.28 acres)

This Legal Description is shown on the accompanying "Exhibit Map –Parking Structure Site" and is made a part hereof for reference purposes.

This legal description has been developed from geometry as shown on said Vesting Tentative Tract No. 53384, and as such may not reflect the final geometry of the project.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No 5490
Exp 9-30-2004
STATE OF CALIFORNIA

Robert C. Olson

Robert C. Olson, PLS 5490

Psomas

Date: 01.15.2002

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January 15, 2002
DJM DJM

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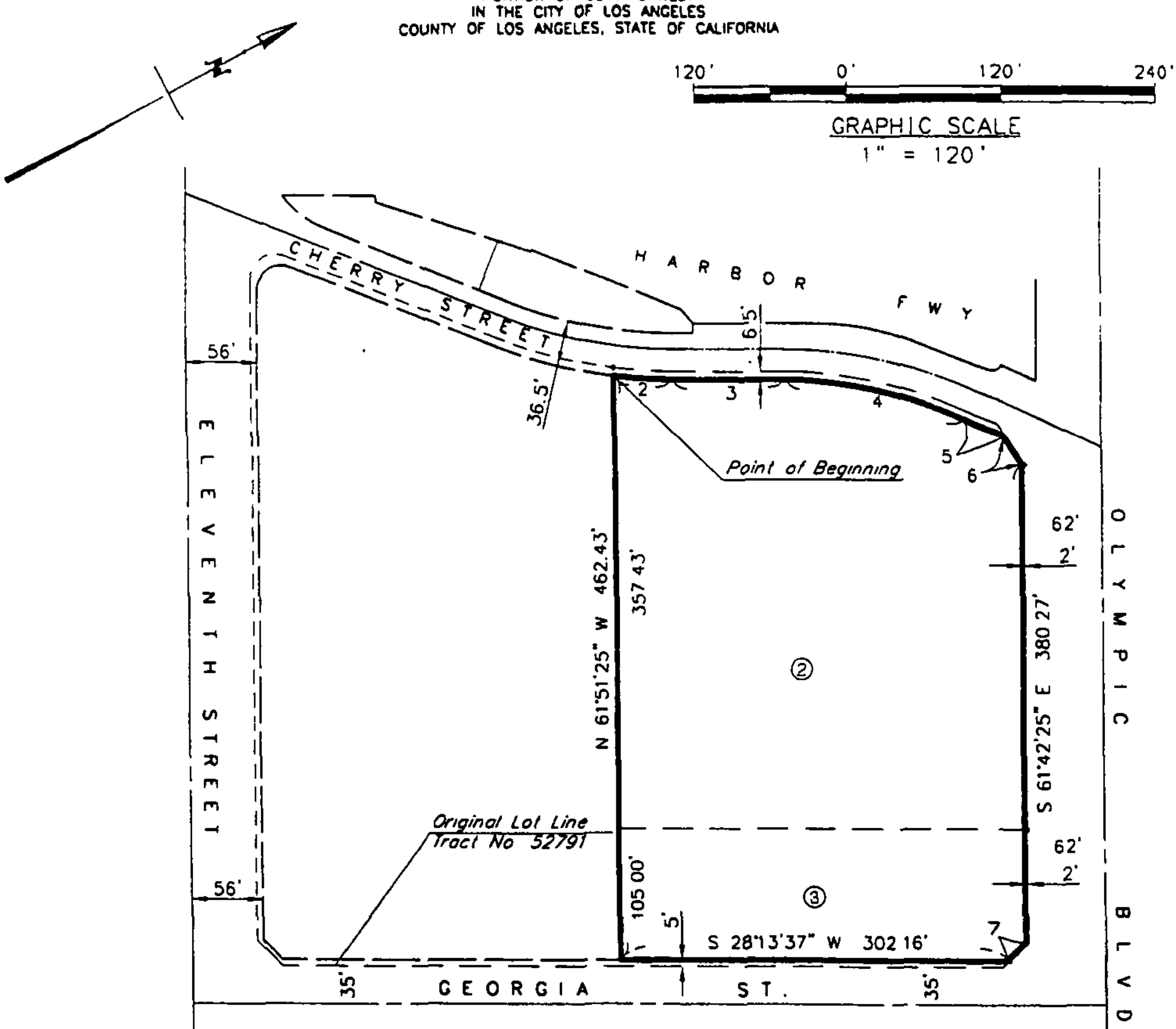
SCALE: 1" = 120

SHEET 1 OF 1 SHEET

EXHIBIT MAP
PARKING STRUCTURE SITE

PORTION OF OLYMPIC WEST
IN THE CITY OF LOS ANGELES
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



TANGENT TABLE		
#	BEARING	LENGTH
3	N 28°15'05" E	89.02'
5	N 52°37'48" E	29.96'
6	N 85°27'42" E	25.21'
7	S 16°44'24" E	21.23'

CURVE TABLE			
#	RADIUS	LENGTH	DELTA
2	386.00'	46.49'	6°54'02"
4	344.00'	146.37'	24°22'43"

L.A. ENTERTAINMENT DISTRICT

DATE: 09/20/01 REV: 01/04/02
JOB No: 1LAE0101 TASK 14

PSOMAS

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PSOMAS

LEGAL DESCRIPTION

CONVENTION CENTER EXPANSION SITE

(PORTION OF OLYMPIC WEST)

Parcel 1

Lot 4 of Vesting Tentative Tract Map No. 53383, in the City of Los Angeles, County of Los Angeles, State of California, on file with the Planning Department of said City, being a portion of Lot 3 of Tract No. 52791, in said City, as per map filed in Book 1241, Pages 27 through 31, inclusive, of Maps, Records of said County, described as follows:

Beginning at a point on the northeasterly line of said Lot 3 of Tract No. 52791, said point being the intersection of said northeasterly line with a curve concave to the northwest, and being concentric with and 6.50 feet southeasterly of that certain curve in the northwesterly line of said Lot 3 having a radius of 379.50 feet, said point being the POINT OF BEGINNING; thence along said northeasterly line, South 61 degrees 51 minutes 25 seconds East 462.43 feet to a line parallel with and 35.00 feet northwesterly of the centerline of Georgia Street, as shown on said Tract No. 52791; thence South 28 degrees 13 minutes 37 seconds West 265.00 feet along said parallel line to the beginning of a 15' x 15' cut corner as per said City of Los Angeles Standard Plan S-470-0, the westerly terminus of said cut corner being in a line parallel with and 56.00 feet northeasterly of the centerline of Eleventh Street, as shown on said Tract No. 52791; thence South 73 degrees 11 minutes 06 seconds West 21.23 feet along said cut corner to said parallel line; thence North 61 degrees 51 minutes 25 seconds West 514.66 feet along said parallel line to the beginning of a curve, concave to the east, having a radius of 20.00 feet, and being tangent at its northeasterly terminus with a line parallel with and 6.50 feet southeasterly of that certain course in said northwesterly line of Lot 3 having a bearing of North 49 degrees 37 minutes 05 seconds East; thence northerly 38.91 feet along said curve, through a central angle of 111 degrees 28 minutes 30 seconds to said parallel line; thence parallel and concentric with said northwesterly line of Lot 3, the following two courses:

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1. North 49 degrees 37 minutes 05 seconds East 170.28 feet to the beginning of a curve, concave to the northwest and having a radius of 386.00 feet,
2. northeasterly 97.47 feet along said curve through a central angle of 14 degrees 28 minutes 02 seconds to the POINT OF BEGINNING.

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 141,272 square feet (3.24 acres)

Parcel 2

Lots 4 and 5 of Tract No. 52791 in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book 1241, Pages 27 through 31 inclusive, of Maps, Records of said County, described as follows:

Beginning at the most westerly corner of said Lot 5; thence along the northwesterly line of said Lots 4 and 5 the following seven (7) courses:

1) North 28°20'34"East 73.89 feet;
2) South 61°51'25"East 5.21 feet;
3) North 45°58'29"East 128.26 feet;
4) North 61°51'25"West 1.60 feet;
5) North 50°11'24"East 126 80 feet;
6) North 76°45'25"East 15.05 feet;
7) South 61°43'37"East 7.87 feet to most easterly corner of said Lot 4;

thence along the southeasterly line of said Lots 4 and 5 the following five (5) courses:

1) South 28°15'05"West 17.13 feet to the beginning of a curve, concave northwesterly, and having a radius of 349.50 feet,

PSOMAS

2) Southwesterly 130 34 feet along said curve, through a central angle of 21°22'00",

3) South 49°37'05"West 4.07 feet,

4) South 50°22'59"West 151.33 feet to the beginning of a curve, concave northwesterly, and having a radius of 84.88 feet,

5) Southwesterly 44 77 feet along said curve, through a central angle of 30°13'06" to the Point of Beginning.

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 11,600 Square Feet (0.27 Acres)

This Legal Description is shown on the accompanying "Exhibit Map – Convention Center Expansion Site" and is made a part hereof for reference purposes.

This legal description has been partly developed from geometry as shown on said Vesting Tentative Tract Map No. 53384, and as such may not reflect the final geometry of the project.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No. 5490
Exp 9-30-2004
STATE OF CALIFORNIA

Robert C. Olson

Robert C. Olson, PLS 5490
Psomas

Date: 01/14/2002

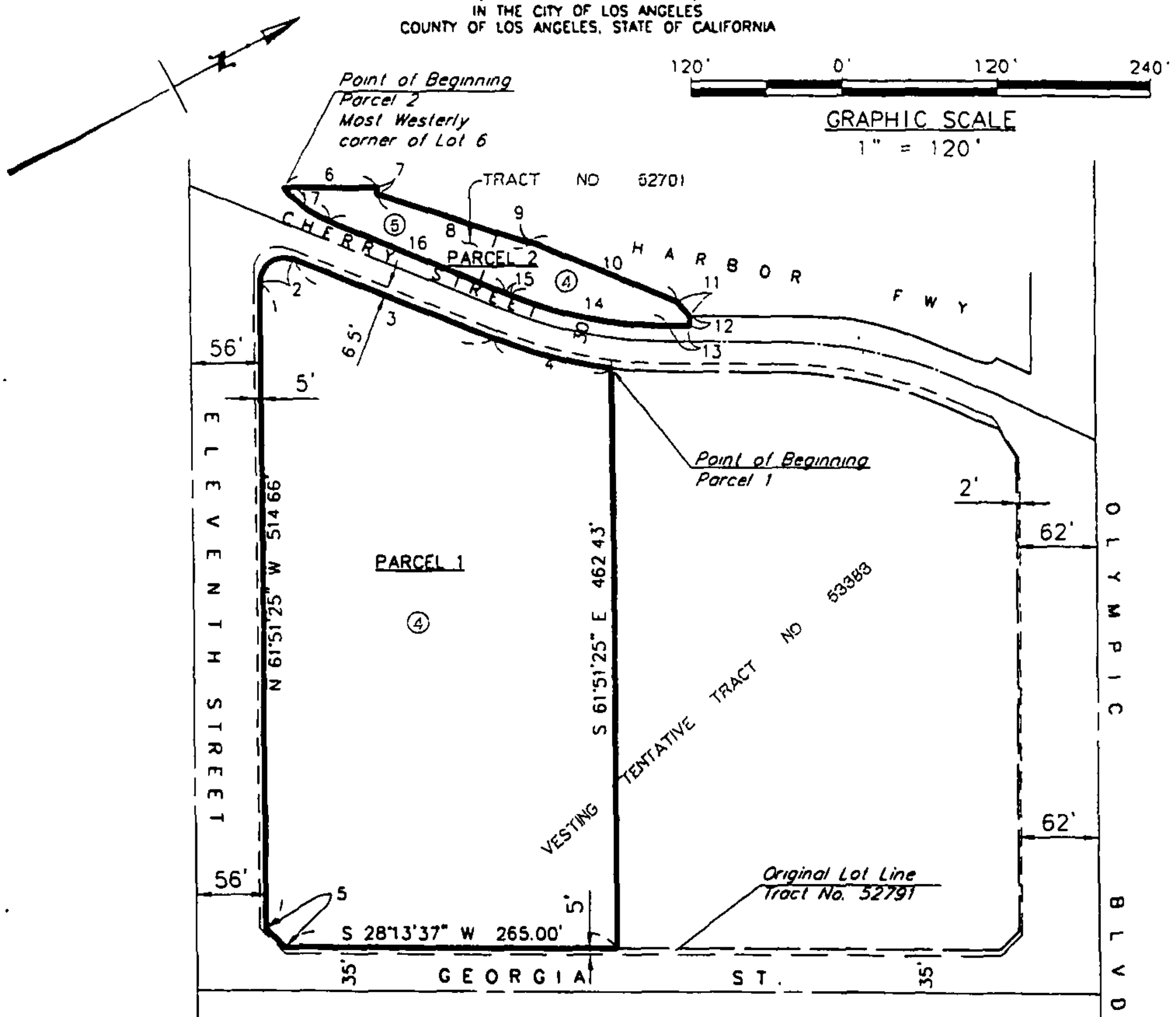
05 3119739

CALE 1" = 120'

SHEET 1 OF 1 SHEET

EXHIBIT MAP
CONVENTION CENTER EXPANSION SITE

(PORTION OF OLYMPIC WEST)
IN THE CITY OF LOS ANGELES
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



TANGENT TABLE		
#	BEARING	LENGTH
3	N 49°37'05" E	170.28'
5	S 73°11'06" W	21.23'
6	N 28°20'34" E	73.89'
7	S 61°51'25" E	5.21'
8	S 45°58'29" W	128.26'
9	N 61°51'25" W	1.60'
10	S 50°11'24" W	126.80'

TANGENT TABLE		
#	BEARING	LENGTH
11	S 76°45'25" W	15.05'
12	S 61°43'37" E	7.87'
13	S 28°15'05" W	17.13'
15	S 49°37'05" W	4.07'
16	N 50°22'59" E	151.33'

CURVE TABLE			
#	RADIUS	LENGTH	DELTA
2	20.00'	38.91'	111°28'30"
4	386.00'	97.47'	14°28'02"
14	349.50'	130.34'	21°22'00"
17	84.88'	44.77'	30°13'06"

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L.A. ENTERTAINMENT DISTRICT

DATE: 09/18/01 REV: 01/04/02
JOB No: 1LAE0101 TASK 14

PSOMAS

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PSOMAS

LEGAL DESCRIPTION

OLYMPIC EAST

Lots 5, 6, 7, 8, 9 and 10 of Vesting Tentative Tract Map No. 53383, in the City of Los Angeles, County of Los Angeles, State of California, on file with the Planning Department of said City, being a portion of Lot 1 of Tract No. 52791, in said City, as per map filed in Book 1241, Pages 27 through 31, inclusive, of Maps, Records of said County, and a portion of 11th Street, 102 feet wide, as shown on said Tract No. 52781, described as follows:

Beginning at the centerline intersection of 11th Street, 102 feet wide, and Georgia Street, 64 feet wide, as shown on said Tract No. 52791; thence North 28°13'37" East 354.43 feet along the centerline of said Georgia Street; thence leaving said centerline South 61°42'23" East 39.00 feet to the True Point of Beginning; thence South 28°13'37" West 297.34 feet, parallel with the centerline of said Georgia Street; thence South 16°53' 14" East 21.17 feet, to a beginning of a non-tangent curve, concave to the north, having a radius of 558.00 feet and to which beginning a radial line bearing South 27°13'36" West; thence easterly 238.75 feet along said curve through a central angle of 24°30'52", thence South 87°17'17" East 186.83 feet to the beginning of a curve, concave to the south, and having a radius of 25.00 feet; thence northeasterly 12.89 feet along said curve through a central angle of 29°31'50" to the beginning of a reverse curve, concave to the north, and having a radius of 25.00 feet; thence northeasterly 13.39 feet along said curve through a central angle of 30°41'00"; thence South 88°26'27" East 68.81 feet; thence South 86°27'43" East 46.93 feet to the beginning of a curve, concave to the south, and having a radius of 640.93 feet; thence northeasterly 209.50 feet along said curve through a central angle of 18°43'41"; thence on a non-tangent line, North 75°18'52" East 23.76 feet; thence North 37°41'36" East 89.13 feet; thence North 38°45'29" East 53.82 feet; thence North 38°47'42" East 234.06 feet; thence North 37°41'36" East 71.23 feet; thence North 18°56'48" West 18.70 feet; thence North 75°35'13" West 198.25 feet, to a beginning of a curve, concave to the north, and having a radius of 218.00 feet; thence northwesterly

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PSOMAS

48.48 feet along said curve through a central angle of 12°44'35", to a beginning of a reverse curve, concave to the south and having a radius of 188.00 feet; thence westerly 41.81 feet along said curve through a central angle of 12°44'35"; thence North 75°35'13" West 17.77 feet, to the beginning of a curve, concave to the northeast and having a radius of 1436.94 feet; thence northwesterly 148.59 feet along said curve through a central angle of 05°55'29"; thence on a non-tangent line, South 27°30'25" West 276.27 feet; thence North 85°21'49" West 181.17 feet; thence North 52°17'35" West 223.33 feet to the True Point of Beginning.

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 292,400 Square Feet (6.71 Acres)

This Legal Description is shown on the accompanying "Exhibit Map –Olympic East" and is made a part hereof for reference purposes.

This legal description has been developed from geometry as shown on said Vesting Tentative Tract Map No. 53384, and as such may not reflect the final geometry of the project.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No 5490
Exp 9-30-2004
STATE OF CALIFORNIA

Robert C. Olson, PLS 5490
Psomas

Date: 01.14.2002

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January 14, 2002
MEK

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SCALE. 1" = 150'

SHEET 1 OF 1 SHEET

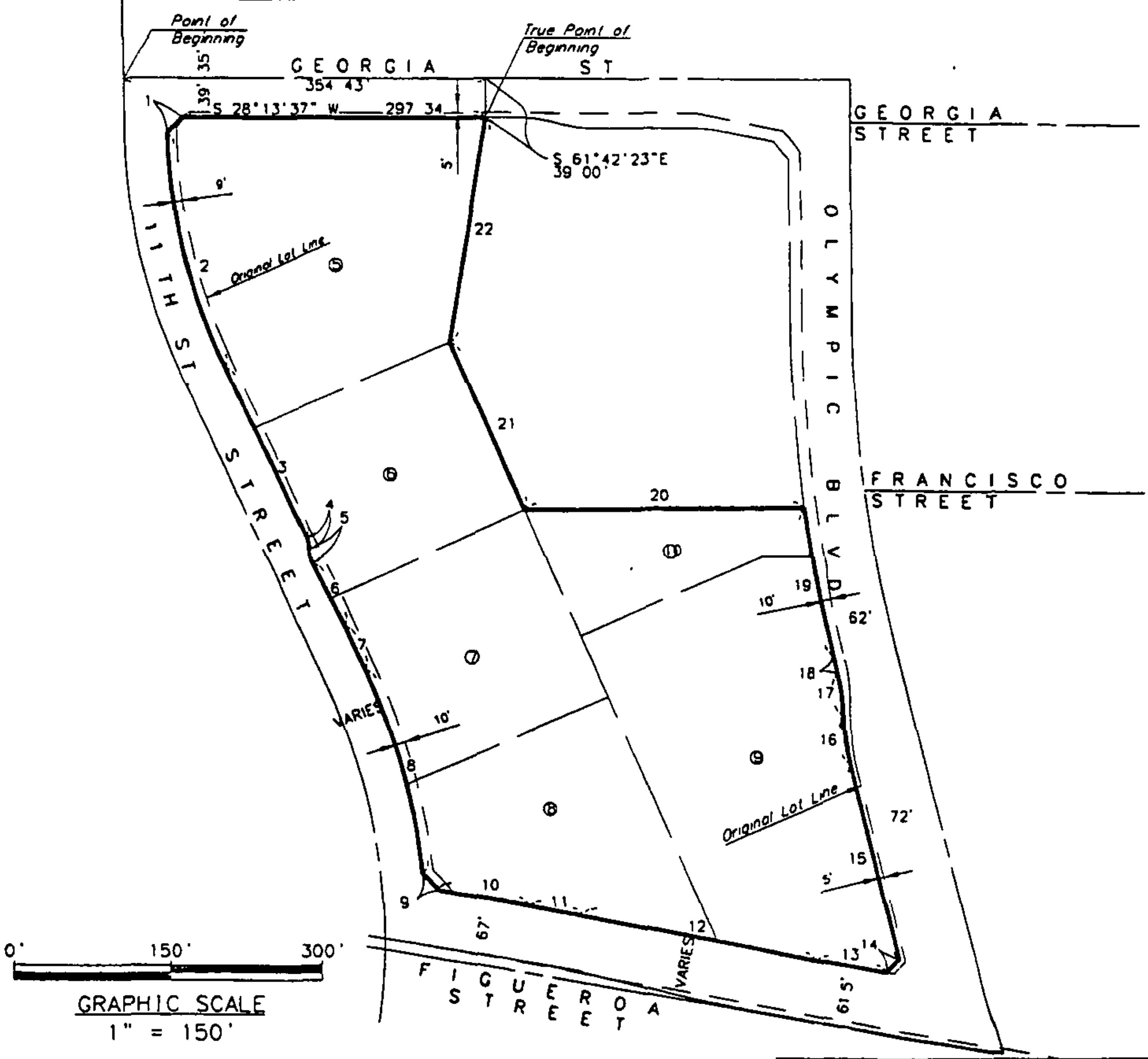
EXHIBIT MAP
OLYMPIC EAST

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

TANGENT TABLE		
#	BEARING	LENGTH
1	S 16°53'14" E	21 17'
3	S 87°17'17" E	186 83'
6	S 88°26'27" E	68 81'
7	S 86°27'43" E	46 93'
9	N 75°18'52" E	23 76'
10	N 37°41'36" E	89 13
11	N 38°45'29" E	53 82'
12	N 38°47'42" E	234 06'
13	N 37°41'36" E	71 23'

TANGENT TABLE		
#	BEARING	LENGTH
14	N 18°56'48" W	18 70'
15	N 75°35'13" W	198 25'
18	N 75°35'13" W	17 77'
20	S 27°30'25" W	276 27'
21	N 85°21'49" W	181 17'
22	N 52°17'35" W	223 33'

CURVE TABLE			
#	RADIUS	LENGTH	DELTA
2	558 00	238 75	24°30'52"
4	25 00	12 89	29°31'50"
5	25 00	13.39	30°41'00"
8	640.93	209 50	18°43 41"
16	218 00	48 48	12°44'35"
17	188 00	41.81	12°44'35"
19	1436 94	148 59	05°55'29"



GRAPHIC SCALE
1" = 150'

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L.A. ENTERTAINMENT DISTRICT

DATE: 09/20/01 REV: 01/15/02
JOB No: 1LAE0101 TASK 14

PSOMAS

11444 West Olympic Boulevard
Suite 750
West Los Angeles, CA 90064
(310)954-3700 (310)954-3777 (FAX)

05 3119739

25

PSOMAS

LEGAL DESCRIPTION

PROPOSED HOTEL SITE

OLYMPIC EAST

Lot 11 of Vesting Tentative Tract Map No. 53383, being a portion of Lot 1 of Tract No. 52791 in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book 1241, Pages 27 through 31 inclusive, of Maps, Records of said County, described as follows:

Beginning at the centerline intersection of 11th Street, 102 feet wide, and Georgia Street, 64 feet wide, as shown on said Tract No. 52791; thence North 28°13'37" East 354.43 feet along the centerline of said Georgia Street; thence leaving said centerline South 61°42'23" East 39.00 feet to the True Point of Beginning; thence North 28°13'37"East 34.99, feet parallel with the centerline of said Georgia Street, to the beginning of a curve, concave to the southeast, and having a radius of 130.00 feet; thence northeasterly 36.17 feet along said curve through a central angle of 15°56'33"to the beginning of a reverse curve, concave to the northwest, having a radius of 130.00 feet and being tangent at its northeasterly terminus with a line parallel with and 49.00 feet southeasterly of the centerline of said Georgia Street; thence northeasterly 36.17 feet along said curve through a central angle of 15°56'33" to said parallel line; thence North 28°13'37"East 100.00 feet along said parallel line to the beginning of a curve, concave to the southeast, and having a radius of 130.00 feet; thence northeasterly 23.63 feet along said curve through a central angle of 10°24'55"; thence North 38°38'32"East 54.81 feet; thence North 78°28'04"East 23.04 feet to a line parallel with and 62.00 feet southwesterly of the centerline of Olympic Boulevard, 100 feet wide, as shown on said Tract No. 52791; thence parallel and concentric with said centerline of Olympic Boulevard the following two (2) courses:

1) South 61°42'25"East 144.19 feet to the beginning of a curve, concave to the northeast, and having a radius of 1,436.94 feet;
2) Southeasterly 199.51 feet along said curve, through a central angle of 07°57'19";

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thence South 27°30'25"West 276.27 feet, thence North 85°21'49"West 181.17 feet; thence North 52°17'35"West 223 33 feet to the True Point of Beginning

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 116,898 Square Feet (2.6836 Acres)

This Legal Description is shown on the accompanying "Exhibit Map – Proposed Hotel Site" and is made a part hereof for reference purposes.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California

Robert C. Olson, PLS 5490
Psomas

Date: 01.14.2002

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January 14, 2002
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SCALE: 1" = 100'

SHEET 1 OF 1 SHEET

EXHIBIT MAP
PROPOSED HOTEL SITE

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

100' 0' 100' 200'

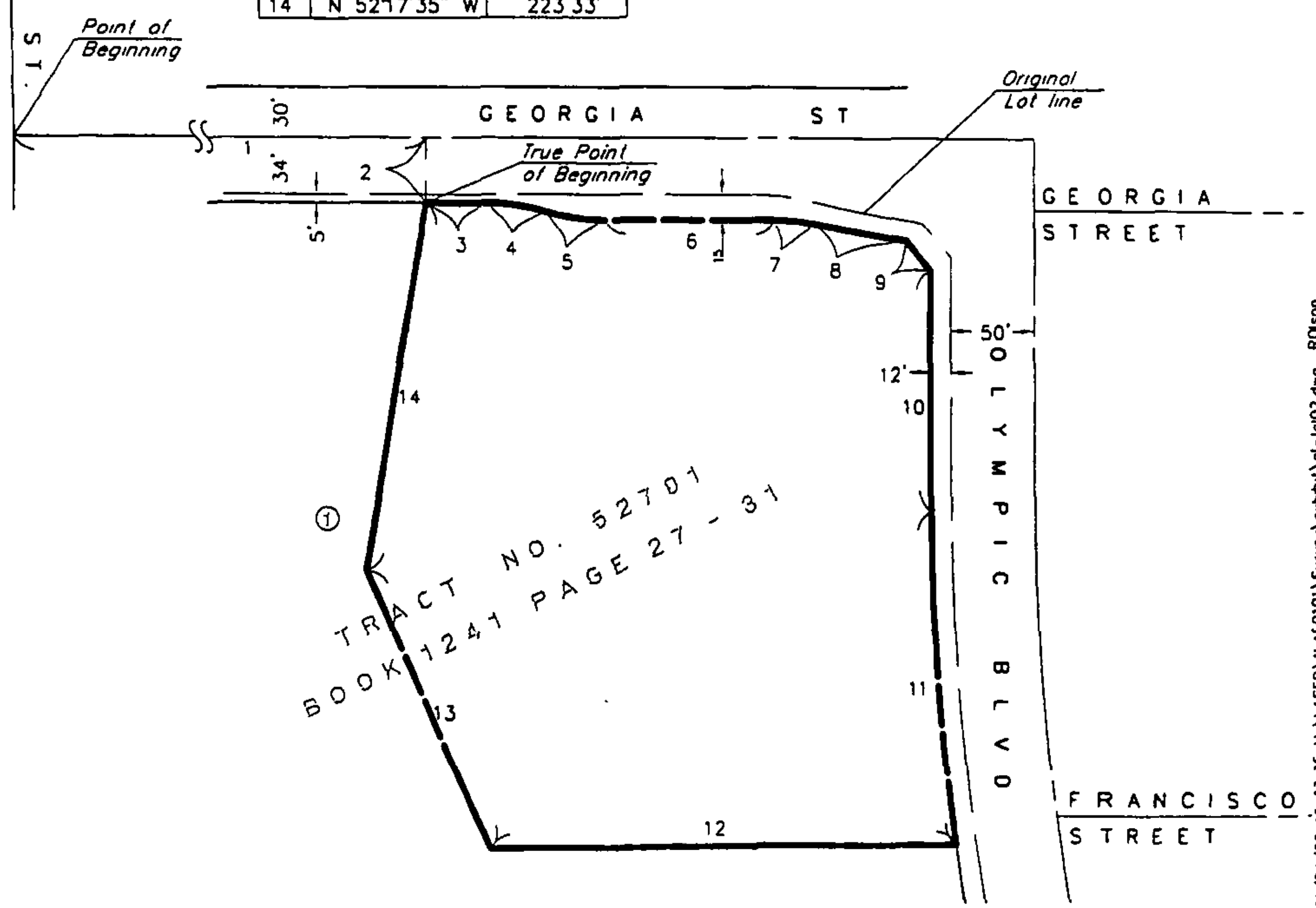
GRAPHIC SCALE
1" = 100'

TANGENT TABLE

#	BEARING	LENGTH
1	N 28°13'37" E	354.43'
2	S 61°42'23" E	39.00'
3	N 28°13'37" E	34.99'
6	N 28°13'37" E	100.00'
8	N 38°38'32" E	54.81'
9	N 78°28'04" E	23.04'
10	S 61°42'25" E	144.19'
12	S 27°30'25" W	276.27'
13	N 85°21'49" W	181.17'
14	N 52°17'35" W	223.33'

CURVE TABLE

#	RADIUS	LENGTH	DELTA
4	130.00	36.17	15°56'33"
5	130.00	36.17	15°56'33"
7	130.00	23.63'	10°24'55"
11	1436.94	199.51	7°57'19"



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DATE: 09/04/01 REV. 01/04/02
JOB No: 1LAE0101 TASK 14

L.A. ENTERTAINMENT DISTRICT

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PSOMAS

LEGAL DESCRIPTION

FIGUEROA SOUTH AND CENTRAL PARCELS

Figueroa South

A parcel of land, in the City of Los Angeles, County of Los Angeles, State of California, as shown on Vesting Tentative Tract No 53384, having a revision date of December 3, 2001, filed with the Planning Department of said City and described as follows:

Beginning at the most southerly corner of the northwesterly 5.00 feet of Lot 8 of Carson and Curriers Subdivision of Block 89 Ord's Survey, in said City, as per map recorded in Book 55 Page 3 of Miscellaneous Records, Records of said County; thence parallel with the northwesterly line of said lot, North 37 degrees 41 minutes 36 seconds East, 233.33 feet to the beginning of a 15' x 15' cut corner as per City of Los Angeles Standard Plan S-470-0, on file in the Office of the City Engineer of said City, the easterly terminus of said cut corner being the southerly line of proposed 12th Street, 82 feet wide, as shown on said Vesting Tentative Tract No. 53384; thence North 78 degrees 02 minutes 09 seconds East, 22.87 feet along said cut corner to said southerly line; thence along said southerly the following three courses:

1. South 61 degrees 37 minutes 19 seconds East, 8.88 feet to the beginning of curve, concave northerly, and having a radius of 285.00 feet,
2. easterly 177.33 feet along said curve, through a central angle of 35 degrees 38 minutes 59 seconds to the beginning of a reverse curve, concave southerly, and having a radius of 215.00 feet,
3. easterly 139.06 feet along said curve, through a central angle of 37 degrees 03 minutes 29 seconds to the beginning of a 15' x 15' cut corner as per said City of Los Angeles Standard Plan S-470-0, the southerly terminus of said cut corner being a line parallel with and 50.00 feet northwesterly of the centerline of Flower Street; thence South 10 degrees 13 minutes 05 seconds East 20.08 feet along said

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January 4, 2002
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cut corner to said parallel line, thence South 37 degrees 45 minutes 58 seconds West, 504.69 feet to the southwesterly line of the northeasterly 25 feet of Lot 15, of said Carson and Curriers Subdivision of Block 89 Ord's Survey; thence North 52 degrees 11 minutes 40 seconds West, 155.13 feet to the centerline of that certain alley, 20 feet wide, as shown on said Carson and Curriers Subdivision of Block 89 Ord's Survey; thence along said centerline, North 37 degrees 42 minutes 55 seconds East, 124.99 feet to the southeasterly prolongation of the southwesterly line of said Lot 8; thence along said prolongation and southwesterly line, North 52 degrees 13 minutes 35 seconds West, 160.36 feet to the point of beginning.

Together with the subsurface of the southerly 35 feet of said proposed 12th Street, 82 feet wide, lying 10 feet below the proposed improved surface of said 12th Street.

Containing 120,000 surface square feet and 12,656 subsurface square feet.

__Figueroa Central__

A parcel of land, in the City of Los Angeles, County of Los Angeles, State of California, as shown on Vesting Tentative Tract No. 53384, having a revision date of December 3, 2001, filed with the Planning Department of said City and described as follows:

Beginning at the most southerly corner of the northwesterly 5.00 feet of Lot 1 of J. Downey Harvey and Leman T. Garnsey Subdivision of South Half of Block 81 Ord's Survey, in said City, as per map recorded in Book 11 Page 60 of Miscellaneous Records, Records of said County; thence parallel with the northwesterly line of said Lot 1, North 37 degrees 41 minutes 36 seconds East, 574.04 feet to the beginning of a curve, concave

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January 4, 2002
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southerly, having a radius of 20 00 feet, and being tangent at its southeasterly terminus with a curve concentric with and 53 00 feet southwesterly of the curved centerline of 11th Street, 102 feet wide, as shown on Tract No. 52791, in said City, as per map filed in Book 1241, Pages 27 through 31, inclusive of Maps, of said Records, said curved centerline being concave southwesterly, and having a radius of 599.93 feet; thence northeasterly, easterly, and southeasterly 30.50 feet along said curve, through a central angle of 87 degrees 23 minutes 25 seconds to the beginning of said concentric curve, having a radius of 546.93 feet; thence southeasterly 67.33 feet along said concentric curve, through a central angle of 7 degrees 03 minutes 14 seconds to a tangent line parallel with and 48 00 feet southwesterly of the centerline of 11th Street as shown on said Tract No. 52791; thence South 47 degrees 51 minutes 46 seconds East, 200.07 feet to the beginning of a curve, concave northerly, and having a radius of 1048.00 feet; thence southeasterly 16.15 feet along said curve, through a central angle of 00 degrees 52 minutes 58 seconds, to the beginning of a 15' x 15' cut corner as per City of Los Angeles Standard Plan S-470-0, on file in the Office of the City Engineer of said City, the southerly terminus of said cut corner being a line parallel with and 50 feet northwesterly of the centerline of Flower Street; thence on a non-tangent line, South 05 degrees 41 minutes 40 seconds East 21.78 feet along said cut corner to said parallel line; thence along said parallel line, South 37 degrees 45 minutes 58 seconds West 529.34 feet to the beginning of a 15' x 15' cut corner as per said City of Los Angeles Standard Plan S-470-0, the westerly terminus of said cut corner being the curved northerly line of proposed 12th Street, 82 feet wide, as shown on said Vesting Tentative Tract No. 53384; thence South 80 degrees 35 minutes 56 seconds West, 22.00 feet along said cut corner to said curved northerly line, being the beginning of the non-tangent curve, concave southerly, having a radius of 297.00 feet, and to which beginning a radial line bears North 31 degrees 59 minutes 26 seconds East; thence along said northerly line, the following two courses:

1. westerly 203.52 feet along said curve, through a central angle of 39 degrees 15 minutes 44 seconds to the beginning of a reverse curve, concave northerly, and having a radius of 203.00 feet,

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January 4, 2002
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2. westerly 121.70 feet along said curve, through a central angle of 34 degrees 20 minutes 54 seconds to the beginning of a 15' x 15' cut corner as per said City of Los Angeles Standard Plan S-470-0, the northerly terminus of said cut corner being said parallel line with the northwesterly line of said Lot 1

thence North 11 degrees 32 minutes 57 seconds West, 19 58 feet to said parallel line; thence along said parallel line, North 37 degrees 41 minutes 36 seconds East 113.47 feet to the point of beginning.

Together with the subsurface of the northerly 47 feet of said proposed 12th Street, 82 feet wide, lying 10 feet below the proposed improved surface of said 12th Street.

Containing 200,820 surface square feet and 16,926 subsurface square feet.

This legal description is delineated on the accompanying "Exhibit Map" and is made a part hereof for reference purposes.

This legal description has been developed from geometry as shown on said Vesting Tentative Tract No. 53384, and as such may not reflect the final geometry of the project.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

Prepared under the direction of

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No. 5490
Exp 9-30-2004
STATE OF CALIFORNIA

Robert C. Olson

Robert C. Olson, PLS 5490
PSOMAS

01.04.2002

Sheet 4 of 4

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January 4, 2002
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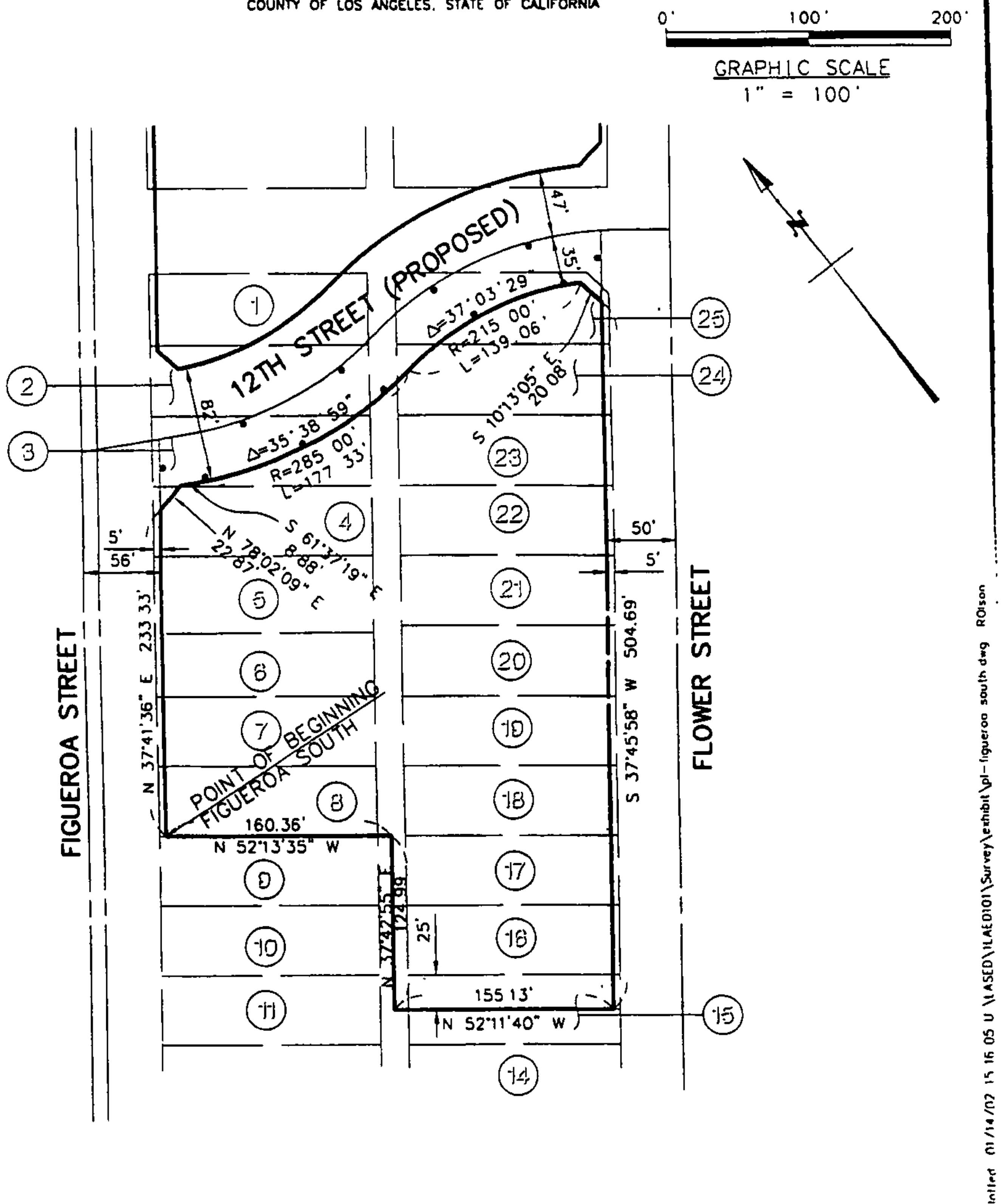
SCALE: 1" = 100'

SHEET 2 OF 2 SHEET

EXHIBIT MAP
FIGUEROA SOUTH

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



INDICATES ADJOINING SUBSURFACE AREA

L.A. ENTERTAINMENT DISTRICT

DATE: 09/12/01 REV: 01/14/02
JOB No: 1LAE0101 TASK 14

PSOMAS

11444 West Olympic Boulevard
Suite 750
West Los Angeles, CA 90064
(310)954-3700 (310)954-3777 (FAX)

05 3119739

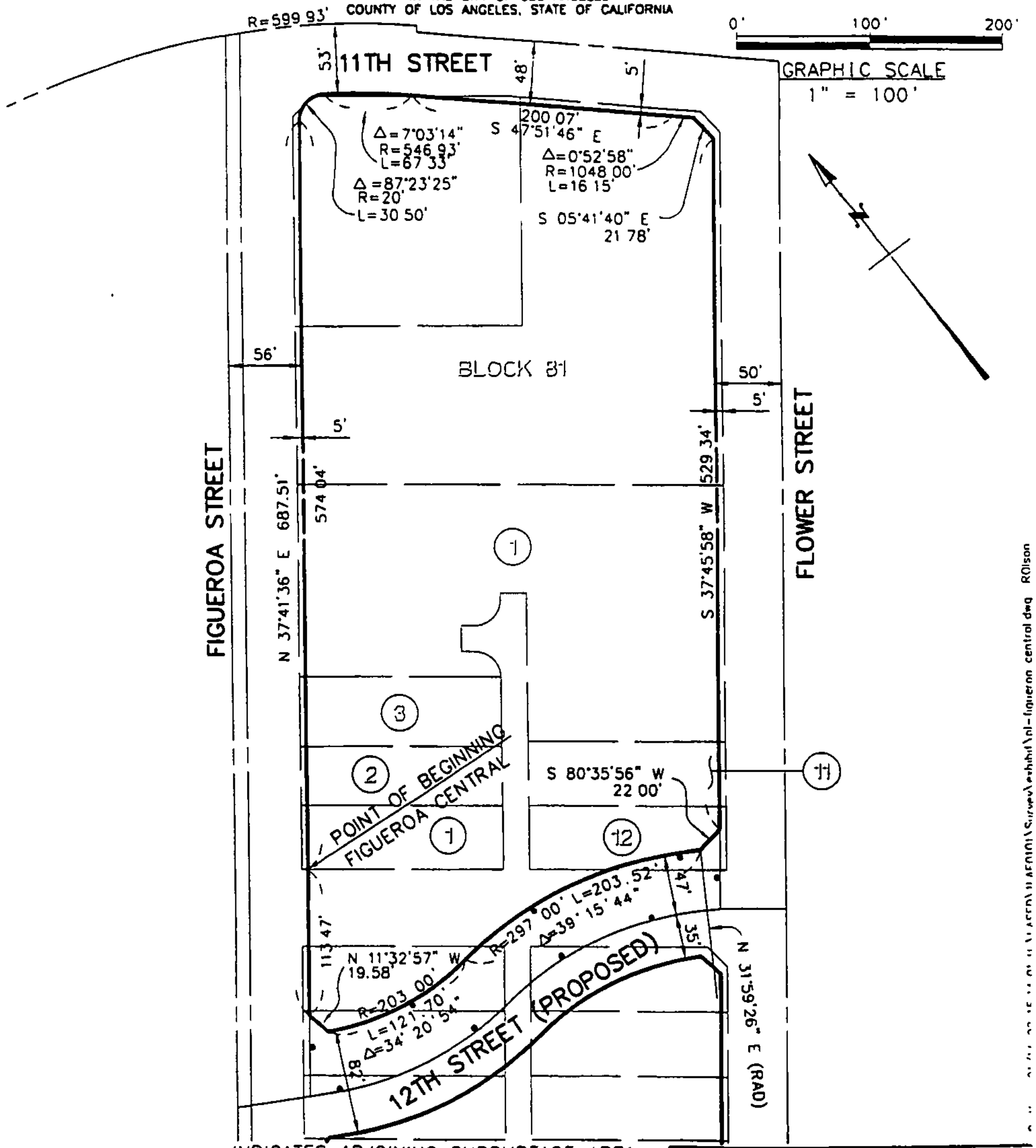
33

SCALE 1" = 100'

SHEET 1 OF 2 SHEET

EXHIBIT MAP
FIGUEROA CENTRAL

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



INDICATES ADJOINING SUBSURFACE AREA

L.A. ENTERTAINMENT DISTRICT

DATE: 09/12/01 REV: 01/14/02
JOB No: 1LAE0101 TASK 14

PSOMAS

1 1444 West Olympic Boulevard
Suite 750
West Los Angeles, CA 90064

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PSOMAS

LEGAL DESCRIPTION

FIGUEROA NORTH

Those portions of Lots 16, 17, 18, 19, 20, and 21 of Eugene Meyers Subdivision of Block 65 of Ord's Survey, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 5, Page 330, of Miscellaneous Records, Records of said County, and that portion of Lot A of Tract No. 4200, in said City, as per map recorded in Book 53, Page 79, of Maps, of said Records, described as follows:

Beginning at the most northerly corner of said Lot 21; thence South 52 degrees 13 minutes 08 seconds East 158.53 feet to a line parallel with and 48.00 feet northwesterly of the centerline of Flower Street, 90 feet wide, as it presently exists; thence South 37 degrees 45 minutes 58 seconds West 195.63 feet along said parallel line to a point distant northeasterly 15.00 feet along said line from the intersection with a line parallel with and 6.00 feet northeasterly of the northeasterly line of the public street easement described in deed recorded in Book 17934, Page 309, of Official Records of said County; thence South 82 degrees 05 minutes 37 seconds West 21.46 feet to a point distant northwesterly 15.00 feet from said intersection, along a direct line from said intersection to the most easterly corner of the northwesterly 12.00 feet of the southwesterly 12.00 feet of said Lot A; thence North 53 degrees 34 minutes 44 seconds West 297.88 feet along said direct line to said most easterly corner; thence North 37 degrees 41 minutes 35 seconds East 1 18.00 feet along the southeasterly line of the northwesterly 12.00 feet of said Lot A to the northeasterly line thereof; thence South 52 degrees 13 minutes 02 seconds East 154.47 feet to the most westerly corner of said Lot 20; thence North 37 degrees 43 minutes 46 seconds East 100.06 feet to the most northerly corner of said Lot 21 and the point of beginning.

Containing 51,504 square feet

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This legal description are delineated on accompanying "EXHIBIT MAP FIGUEROA NORTH" and is made a part hereof for reference purposes

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California

Prepared under the direction of

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No. 5490
Exp. 9-30-2004
STATE OF CALIFORNIA

Robert C. Olson, PLS 5490
PSOMAS

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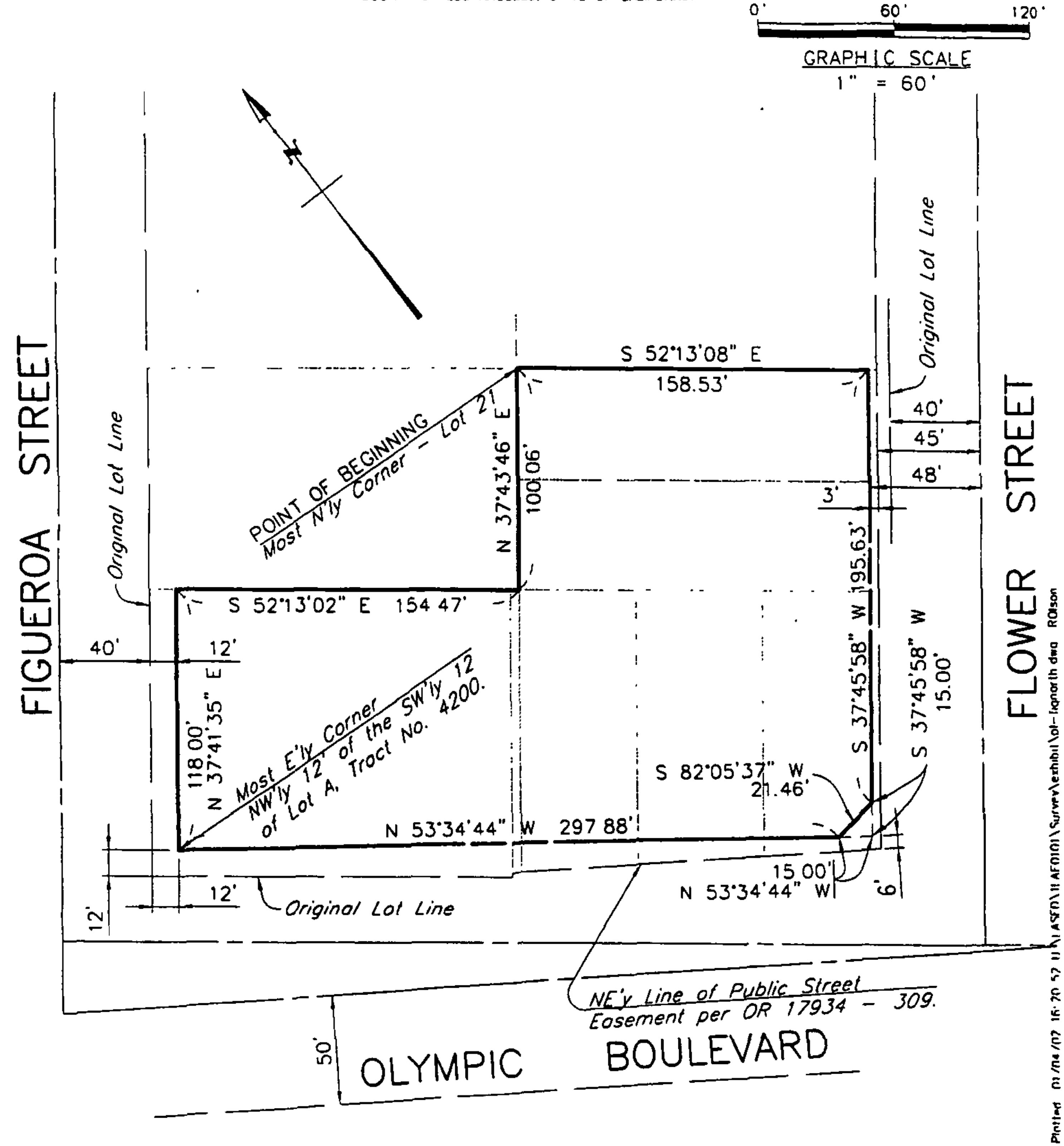
SCALE: 1" = 60'

SHEET 1 OF 1 SHEET

EXHIBIT MAP
FIGUEROA NORTH

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



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L.A. ENTERTAINMENT DISTRICT

DATE: 10/30/01 REV: 01/04/02
JOB No: 1LAE0101 TASK 14

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LEGAL DESCRIPTION

OLYMPIC NORTH

Those portions of Lots 8, 9, 10, 11, and 12 of the Resubdivision of the Francisco Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 54, Page 64 of Miscellaneous Records, Records of said County, and those portions of Lots 16, 17, 18, and 19 of F. J. Nettleton's Subdivision of the Ellis Tract, in said City, as per map recorded in Book 10, Page 13 of said Miscellaneous Records, described as follows:

Beginning at the most northerly corner of said Lot 8; thence South 61 degrees 37 minutes 22 seconds East 146.40 feet to a line parallel with and 35.00 feet northwesterly of the centerline of Francisco Street, 60 feet wide, as shown on said Francisco Tract; thence South 28 degrees 21 minutes 47 seconds West 236.92 feet to the beginning of a non-tangent curve, concave to the northeast, having a radius of 1,322.94 feet, and to which beginning a radial line bears South 21 degrees 56 minutes 19 seconds West, said curve being concentric with and 2.00 feet northeasterly of the curved southwesterly line of said Lot 12; thence northwesterly 146.72 feet along said concentric curve through a central angle of 06 degrees 21 minutes 16 seconds to a point of tangency with a line parallel with and 2.00 feet northeasterly of the southwesterly line of said Lot 16; thence North 61 degrees 42 minutes 25 seconds West 125.25 feet along said parallel line to the beginning of a curve, concave to the east, having a radius of 20.00 feet, and being tangent at its northeasterly terminus with a line parallel with and 35.00 feet southeasterly of the centerline of Georgia Street, 60 feet wide, as shown on said F. J. Nettleton's Subdivision of the Ellis Tract; thence northerly 31.43 feet along said curve through a central angle of 90 degrees 02 minutes 18 seconds to said parallel line, thence North 28 degrees 19 minutes 53 seconds East 179.02 feet along said parallel line to the northeasterly line of said Lot 19; thence South 61 degrees 37 minutes 22 seconds East 145.38 feet to the most

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easterly corner of said Lot 19; thence North 28 degrees 21 minutes 47 seconds East 46.44 feet to the most northerly corner of said Lot 8 and the point of beginning.

Excepting therefrom that portion of said Lot 10 all minerals, ores, precious ores or useful metals, substances and hydrocarbons of every kind and characters, including in part, petroleum, oil, gas, asphaltum and tar, in or under said land lying below a depth of 500 feet from the surface, but without the right to enter upon the surface of said land, as per deed recorded August 14, 1978 as Instrument No. 78-893726.

Containing 64,318 square feet

This legal description are delineated on accompanying "EXHIBIT MAP OLYMPIC NORTH" and is made a part hereof for reference purposes.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

Prepared under the direction of

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No 5490
Exp. 9-30-2004
STATE OF CALIFORNIA

Robert C. Olson

Robert C Olson, PLS 5490
PSOMAS

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January 4, 2002
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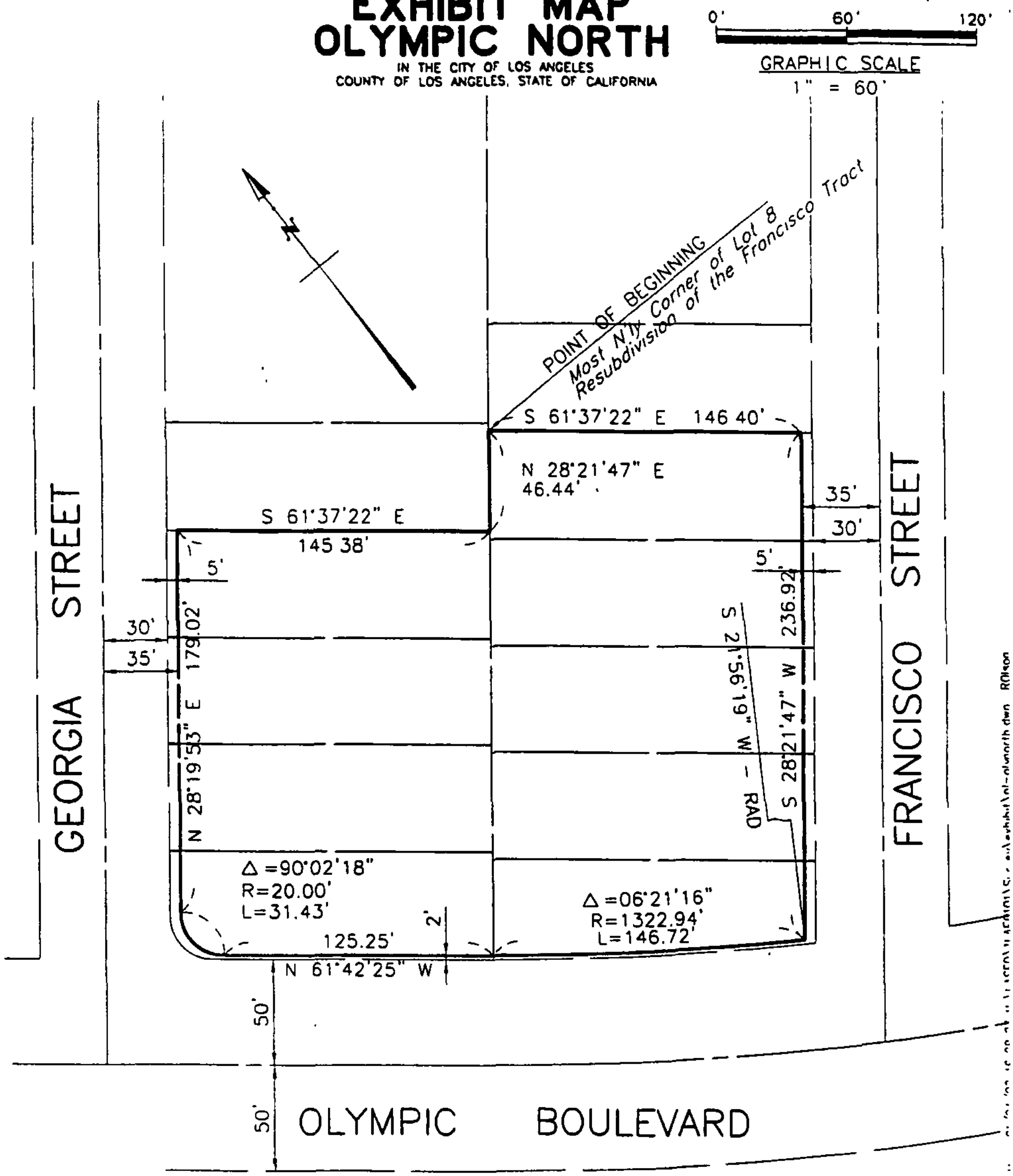
SCALE 1" = 60'

SHEET 1 OF 1 SHEET

EXHIBIT MAP
OLYMPIC NORTH

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



L.A. ENTERTAINMENT DISTRICT

DATE: 09/12/01 REV. 01/04/02
JOB No: 1LAE0101 TASK 14

PSOMAS

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EXHIBIT A-1

CONVENTION CENTER EXPANSION PARCEL

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LEGAL DESCRIPTION

CONVENTION CENTER EXPANSION SITE

(PORTION OF OLYMPIC WEST)

Parcel 1

Lot 4 of Vesting Tentative Tract Map No 53383, in the City of Los Angeles, County of Los Angeles, State of California, on file with the Planning Department of said City, being a portion of Lot 3 of Tract No. 52791, in said City, as per map filed in Book 1241, Pages 27 through 31, inclusive, of Maps, Records of said County, described as follows:

Beginning at a point on the northeasterly line of said Lot 3 of Tract No. 52791, said point being the intersection of said northeasterly line with a curve concave to the northwest, and being concentric with and 6.50 feet southeasterly of that certain curve in the northwesterly line of said Lot 3 having a radius of 379.50 feet, said point being the POINT OF BEGINNING; thence along said northeasterly line, South 61 degrees 51 minutes 25 seconds East 462.43 feet to a line parallel with and 35.00 feet northwesterly of the centerline of Georgia Street, as shown on said Tract No. 52791; thence South 28 degrees 13 minutes 37 seconds West 265.00 feet along said parallel line to the beginning of a 15' x 15' cut corner as per said City of Los Angeles Standard Plan S-470-0, the westerly terminus of said cut corner being in a line parallel with and 56.00 feet northeasterly of the centerline of Eleventh Street, as shown on said Tract No. 52791; thence South 73 degrees 11 minutes 06 seconds West 21.23 feet along said cut corner to said parallel line; thence North 61 degrees 51 minutes 25 seconds West 514.66 feet along said parallel line to the beginning of a curve, concave to the east, having a radius of 20.00 feet, and being tangent at its northeasterly terminus with a line parallel with and 6.50 feet southeasterly of that certain course in said northwesterly line of Lot 3 having a bearing of North 49 degrees 37 minutes 05 seconds East; thence northerly 38.91 feet along said curve, through a central angle of 111 degrees 28 minutes 30 seconds to said parallel line, thence parallel and concentric with said northwesterly line of Lot 3, the following two courses:

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1. North 49 degrees 37 minutes 05 seconds East 170.28 feet to the beginning of a curve, concave to the northwest and having a radius of 386.00 feet,
2. northeasterly 97.47 feet along said curve through a central angle of 14 degrees 28 minutes 02 seconds to the POINT OF BEGINNING

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 141,272 square feet (3.24 acres)

Parcel 2

Lots 4 and 5 of Tract No. 52791 in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book 1241, Pages 27 through 31 inclusive, of Maps, Records of said County, described as follows:

Beginning at the most westerly corner of said Lot 5; thence along the northwesterly line of said Lots 4 and 5 the following seven (7) courses:

1) North 28°20'34"East 73.89 feet;
2) South 61°51'25"East 5.21 feet;
3) North 45°58'29"East 128.26 feet;
4) North 61°51'25"West 1.60 feet;
5) North 50°11'24"East 126.80 feet;
6) North 76°45'25"East 15.05 feet;
7) South 61°43'37"East 7.87 feet to most easterly corner of said Lot 4;

thence along the southeasterly line of said Lots 4 and 5 the following five (5) courses:

1) South 28°15'05"West 17.13 feet to the beginning of a curve, concave northwesterly, and having a radius of 349.50 feet,

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2) Southwesterly 130.34 feet along said curve, through a central angle of 21°22'00",

3) South 49°37'05"West 4 07 feet,

4) South 50°22'59"West 151.33 feet to the beginning of a curve, concave northwesterly, and having a radius of 84.88 feet,

5) Southwesterly 44.77 feet along said curve, through a central angle of 30°13'06" to the Point of Beginning.

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 11,600 Square Feet (0.27 Acres)

This Legal Description is shown on the accompanying "Exhibit Map – Convention Center Expansion Site" and is made a part hereof for reference purposes.

This legal description has been partly developed from geometry as shown on said Vesting Tentative Tract Map No. 53384, and as such may not reflect the final geometry of the project.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No 5490
Exp. 9-30-2004
STATE OF CALIFORNIA

Robert C. Olson

Robert C. Olson, PLS 5490
Psomas

Date: 01/14/2002

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January 14, 2002
DJM DJM

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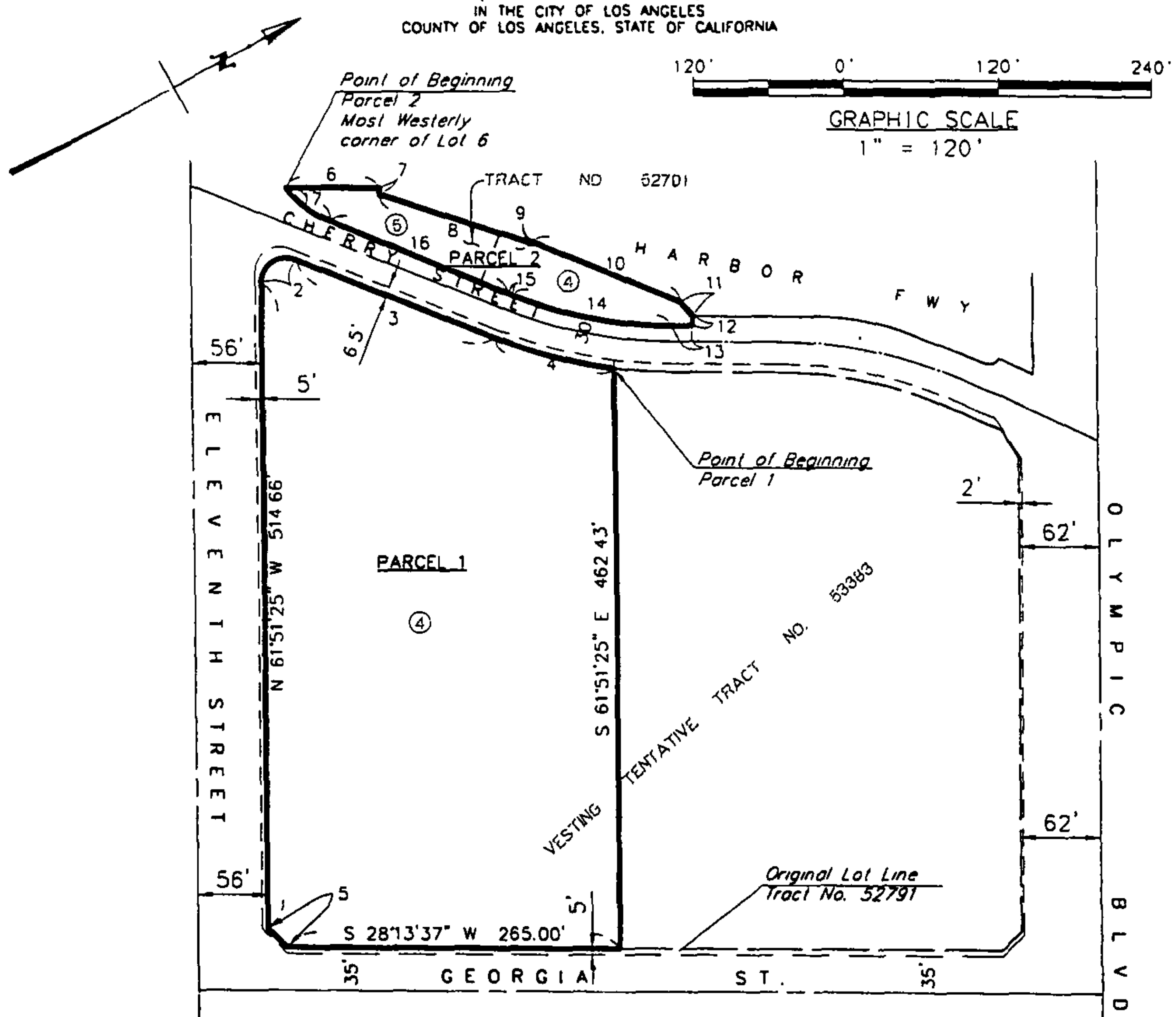
SCALE. 1" = 120' SHEET 1 OF 1 SHEET

EXHIBIT MAP
CONVENTION CENTER EXPANSION SITE

(PORTION OF OLYMPIC WEST)
IN THE CITY OF LOS ANGELES
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



TANGENT TABLE		
#	BEARING	LENGTH
3	N 49°37'05" E	170.28'
5	S 73°11'06" W	21.23'
6	N 28°20'34" E	73.89'
7	S 61°51'25" E	5.21'
8	S 45°58'29" W	128.26'
9	N 61°51'25" W	1.60'
10	S 50°11'24" W	126.80'

TANGENT TABLE		
#	BEARING	LENGTH
11	S 76°45'25" W	15.05'
12	S 61°43'37" E	7.87'
13	S 28°15'05" W	17.13'
15	S 49°37'05" W	4.07'
16	N 50°22'59" E	151.33'

CURVE TABLE			
#	RADIUS	LENGTH	DELTA
2	20.00'	38.91'	111°28'30"
4	386.00'	97.47'	14°28'02"
14	349.50'	130.34'	21°22'00"
17	84.88'	44.77'	30°13'06"

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L.A. ENTERTAINMENT DISTRICT

DATE: 09/18/01 REV. 01/04/02
JOB No. 1LAE0101 TASK 14

PSOMAS

11444 West Olympic Boulevard
Suite 750
West Los Angeles CA 90064

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EXHIBIT A-2

SIGNIFICANT HOTEL PARCEL

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LEGAL DESCRIPTION

PROPOSED HOTEL SITE

OLYMPIC EAST

Lot 11 of Vesting Tentative Tract Map No. 53383, being a portion of Lot 1 of Tract No. 52791 in the City of Los Angeles, County of Los Angeles, State of California, as per map filed in Book 1241, Pages 27 through 31 inclusive, of Maps, Records of said County, described as follows.

Beginning at the centerline intersection of 11th Street, 102 feet wide, and Georgia Street, 64 feet wide, as shown on said Tract No. 52791; thence North 28°13'37" East 354.43 feet along the centerline of said Georgia Street; thence leaving said centerline South 61°42'23" East 39.00 feet to the True Point of Beginning; thence North 28°13'37"East 34.99, feet parallel with the centerline of said Georgia Street, to the beginning of a curve, concave to the southeast, and having a radius of 130.00 feet; thence northeasterly 36.17 feet along said curve through a central angle of 15°56'33"to the beginning of a reverse curve, concave to the northwest, having a radius of 130.00 feet and being tangent at its northeasterly terminus with a line parallel with and 49.00 feet southeasterly of the centerline of said Georgia Street; thence northeasterly 36.17 feet along said curve through a central angle of 15°56'33" to said parallel line; thence North 28°13'37"East 100.00 feet along said parallel line to the beginning of a curve, concave to the southeast, and having a radius of 130.00 feet; thence northeasterly 23.63 feet along said curve through a central angle of 10°24'55"; thence North 38°38'32"East 54.81 feet; thence North 78°28'04"East 23.04 feet to a line parallel with and 62.00 feet southwesterly of the centerline of Olympic Boulevard, 100 feet wide, as shown on said Tract No. 52791; thence parallel and concentric with said centerline of Olympic Boulevard the following two (2) courses:

1) South 61°42'25"East 144.19 feet to the beginning of a curve, concave to the northeast, and having a radius of 1,436.94 feet;
2) Southeasterly 199.51 feet along said curve, through a central angle of 07°57'19";

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thence South 27°30'25"West 276.27 feet; thence North 85°21'49"West 181.17 feet, thence North 52°17'35"West 223.33 feet to the True Point of Beginning

Excepting therefrom all crude oil, petroleum, gas and all kindred substances and other minerals situated 500 feet below the surface of said land, without right of surface entry as reserved in various conveyances of record.

Containing 116,898 Square Feet (2.6836 Acres)

This Legal Description is shown on the accompanying "Exhibit Map – Proposed Hotel Site" and is made a part hereof for reference purposes.

This legal description is not intended to be used in the conveyance of land in violation of the Subdivision Map Act of the State of California.

Robert C. Olson

Robert C. Olson, PLS 5490

Psomas

PROFESSIONAL LAND SURVEYOR
ROBERT C. OLSON
No. 5490
Exp. 9-30-2004
STATE OF CALIFORNIA

Date: 01.14.2002

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January 14, 2002
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SCALE. 1" = 100'

SHEET 1 OF 1 SHEET

EXHIBIT MAP
PROPOSED HOTEL SITE

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

100' 0' 100' 200'

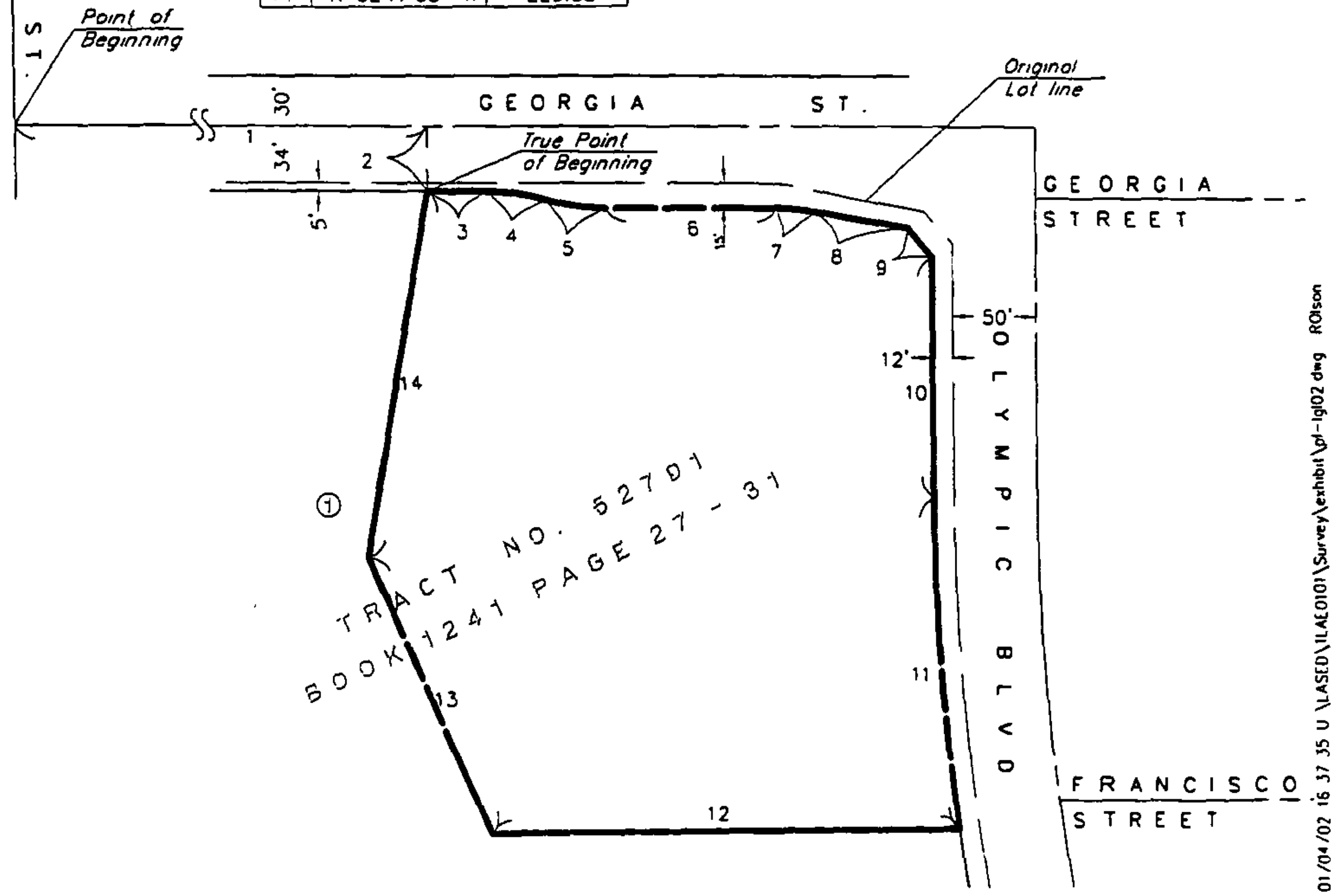
GRAPHIC SCALE
1" = 100'

TANGENT TABLE

#	BEARING	LENGTH
1	N 28°13'37" E	354 43'
2	S 61°42'23" E	39 00'
3	N 28°13'37" E	34 99'
6	N 28°13'37" E	100 00'
8	N 38°38'32" E	54.81'
9	N 78°28'04" E	23 04'
10	S 61°42'25" E	144 19'
12	S 27°30'25" W	276.27'
13	N 85°21'49" W	181 17'
14	N 52°17'35" W	223.33'

CURVE TABLE

#	RADIUS	LENGTH	DELTA
4	130 00	36 17	15°56'33"
5	130 00	36.17	15°56'33"
7	130 00	23 63	10°24'55"
11	1436 94	199.51	7°57'19"



DATE. 09/04/01 REV 01/04/02
JOB No: 1LAE0101 TASK 14

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PSOMAS

L.A. ENTERTAINMENT DISTRICT

EXHIBIT G

First American

clarityfirst® **Recorded Document**

The Recorded Document images are displayed in the subsequent pages for following request:

State	County	Document Number
CA	**Los angeles**	**2006.1810547**

Limitation of Liability for Informational Report

IMPORTANT – READ CAREFULLY: THIS REPORT IS NOT AN INSURED PRODUCT OR SERVICE OR A REPRESENTATION OF THE CONDITION OF TITLE TO REAL PROPERTY. IT IS NOT AN ABSTRACT, LEGAL OPINION, OPINION OF TITLE, TITLE INSURANCE COMMITMENT OR PRELIMINARY REPORT, OR ANY FORM OF TITLE INSURANCE OR GUARANTY. THIS REPORT IS ISSUED EXCLUSIVELY FOR THE BENEFIT OF THE APPLICANT THEREFOR, AND MAY NOT BE USED OR RELIED UPON BY ANY OTHER PERSON. THIS REPORT MAY NOT BE REPRODUCED IN ANY MANNER WITHOUT FIRST AMERICAN'S PRIOR WRITTEN CONSENT. FIRST AMERICAN DOES NOT REPRESENT OR WARRANT THAT THE INFORMATION HEREIN IS COMPLETE OR FREE FROM ERROR, AND THE INFORMATION HEREIN IS PROVIDED WITHOUT ANY WARRANTIES OF ANY KIND, AS-IS, AND WITH ALL FAULTS. AS A MATERIAL PART OF THE CONSIDERATION GIVEN IN EXCHANGE FOR THE ISSUANCE OF THIS REPORT, RECIPIENT AGREES THAT FIRST AMERICAN'S SOLE LIABILITY FOR ANY LOSS OR DAMAGE CAUSED BY AN ERROR OR OMISSION DUE TO INACCURATE INFORMATION OR NEGLIGENCE IN PREPARING THIS REPORT SHALL BE LIMITED TO THE FEE CHARGED FOR THE REPORT. RECIPIENT ACCEPTS THIS REPORT WITH THIS LIMITATION AND AGREES THAT FIRST AMERICAN WOULD NOT HAVE ISSUED THIS REPORT BUT FOR THE LIMITATION OF LIABILITY DESCRIBED ABOVE. FIRST AMERICAN MAKES NO REPRESENTATION OR WARRANTY AS TO THE LEGALITY OR PROPRIETY OF RECIPIENT'S USE OF THE INFORMATION HEREIN.

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RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
08/15/06 AT 08:00am

TITLE(S) :

LEAD SHEET

FEE

FEE $ 74 JJ	
DAF $ 4	2T
C-20	21

D.T.T.

CODE
20

CODE
19

CODE
9

Assessor's Identification Number (AIN)
To be completed by Examiner OR Title Company in black ink. **Number of AIN's Shown**

THIS FORM IS NOT TO BE DUPLICATED

RECORDED BY:
FIRST AMERICAN TITLE COMPANY
LOS ANGELES

WHEN RECORDED MAIL TO

2

L A Arena Land Company, LLC
1100 S Flower Street, Suite 3100
Los Angeles, CA 90015
Attention: Ted Tanner

06 1810547

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT (DDA)

08/15/06

166943-21

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RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO

L A Arena Land Company, LLC
1100 S Flower Street, Suite 3100
Los Angeles, CA 90015
Attention Ted Tanner

Assessor's Parcel Numbers 5138-015-026 and 5138-015-028 to 038 inclusive

PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT

(DDA)

This PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT ("**Agreement**"), dated as of August 11, 2006 (the "**Effective Date**") is made by and among (i) L A ARENA LAND COMPANY, LLC, a Delaware limited liability company ("**LandCo**"), FLOWER HOLDINGS, L L C , a Delaware limited liability company ("**Flower**"), and L.A. ARENA COMPANY, LLC, a Delaware limited liability company ("**LAAC**") (collectively, "**Assignor**"), and (ii) JM Fig LLC, a Delaware limited liability company, as to a 45% interest as tenant-in-common, MG Fig LLC, a Delaware limited liability company, as to a 5% interest as tenant-in-common, HS Fig LLC, a Delaware limited liability company, as to a 17% interest as tenant-in-common, and CLAD Resources Borrower, LLC, a Delaware limited liability company, as to a 33% interest as tenant-in-common ("**Assignee**"), with reference to the following facts·

RECITALS

SEE EXHIBIT "A" ATTACHED

3 B

A L A Arena Development Company, LLC, a Colorado limited liability company ("**Development Co** "), the City of Los Angeles, a municipal corporation (the "**City**"), and the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic (the "**Agency**"), entered into a Disposition and Development Agreement, dated as of October 31, 1997 (the "**DDA**"), pursuant to which Development Co , Agency, and City agreed, among other things, to effectuate the Redevelopment Plan for the Central Business District of the City of Los Angeles through the construction of a state-of-the-art sports and entertainment facility and a surrounding entertainment district

B. Development Co and LandCo entered into an Assignment and Assumption Agreement, dated March 23, 1998, pursuant to which Development Co. assigned, and LandCo assumed, all of Development Co 's rights and obligations under the DDA

C LandCo and LAAC entered into a Partial Assignment and Assumption Agreement, dated March 26, 1998, pursuant to which LandCo assigned to LAAC, and LAAC assumed from LandCo, certain rights and obligations regarding the development of the Arena under the DDA

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D The DDA has been amended by those certain (i) First Implementation to Disposition and Development Agreement, dated March 26, 1998, (ii) Second Implementation to Disposition and Development Agreement, dated October 15, 1998, (iii) Third Implementation to Disposition and Development Agreement, dated March 1, 2002, and (iv) Fourth Implementation to Disposition and Development Agreement ("**Fourth IA**"), dated September 1, 2005 (collectively, the "**Implementation Agreements**") The DDA as amended by the Implementation Agreements shall be referred to herein as the "**Amended DDA** " Capitalized terms used and not defined herein shall have the meanings set forth in the Amended DDA

E LandCo and Flower, on the one hand (together "**Seller**"), and Assignee's assignor, on the other hand, have entered into that certain Agreement of Purchase and Sale, dated May 12, 2006, as amended ("**Purchase Agreement**"), pursuant to which Seller has agreed to sell to Assignee, and Assignee has agreed to purchase from Seller, certain real property legally described on **Exhibit "A"**, attached hereto and made a part hereof (the "**Property**"), that is included within the Olympic/Figueroa Properties

F Effective as of the Effective Date, and pursuant to Section 14 12 of the Amended DDA, as set forth in Section 3 b of the Fourth IA, Assignor desires to assign and transfer, and Assignee desires to accept and assume, those certain rights and obligations under the Amended DDA expressly set forth in, and pursuant to the terms and conditions of, this Agreement, and following such assignment, only those rights and obligations so expressly assigned shall be binding upon and inure to the benefit to Assignee and its successors and assigns Assignor and Assignee acknowledge and agree that (i) pursuant to Section 15 11 of the Amended DDA, as set forth in Section 4 of the Fourth IA, in no event shall Assignee be held liable for, or in default of, any obligation set forth in the Amended DDA that has not been expressly assigned to, and assumed by, Assignee pursuant to this Agreement, and (ii) to the extent set forth as one of the "Assigned Obligations" (as defined below), Section 14 of the Third Implementation Agreement (adding a new Article 19 entitled "Master Plan Development Process"), as amended by the Fourth Implementation Agreement, pertains to the Property.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows

1 Assignment of Assigned Rights and Assigned Obligations Effective as of the Effective Date, and pursuant to the terms and conditions of this Agreement and the Purchase Agreement, Assignor hereby assigns and transfers to Assignee:

(a) That portion of Assignor's right, title, and interest, in, to, and under the Amended DDA, including without limitation all rights to receive payment thereunder, all rights to enforce the Amended DDA, and all other rights and benefits, to the extent that such right, title, or interest pertains to the Property (collectively, "**Assigned Rights**"), and

(b) Those certain obligations set forth on **Exhibit "B"**, attached hereto and incorporated herein (collectively, "**Assigned Obligations**").

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2 Rights and Obligations Not Assigned. Notwithstanding any provision herein to the contrary, all rights and obligations under the Amended DDA not assigned to Assignee pursuant to Section 1 hereof will continue to inure to the sole benefit, and be the sole obligation, of Assignor Assignor and Assignee acknowledge and agree that, as between Assignor and Assignee, Assignor shall be solely responsible for all obligations under the Amended DDA that are not Assigned Obligations ("**Non-Assigned Obligations**"), and Assignee shall have no obligation, responsibility, or liability for the Non-Assigned Obligations.

3. Assumption of Assigned Rights and Assigned Obligations. Effective as of the Effective Date, and pursuant to the terms and conditions of this Agreement and the Purchase Agreement, Assignee hereby accepts the Assigned Rights and assumes the Assigned Obligations accruing from and after the Effective Date

4 Assignor Representations and Warranties Assignor hereby represents and warrants to Assignee that as of the Effective Date

(a) Assignor has not received any notice from the City, Agency, or any other governmental or quasi-governmental authority with respect to, any breach or default of any of the Assigned Obligations or any other provision of the Amended DDA,

(b) To the best of Assignor's knowledge, Assignor is not aware of any breach or default by any other party to the Amended DDA, or any party to which the Amended DDA has been partially assigned, nor with the giving of notice and/or passage of time, could any other party to the Amended DDA, or any party to which the Amended DDA has been partially assigned, be deemed to be in default of its obligations under the Amended DDA, and

(c) Assignor has not heretofore assigned, transferred, or conveyed any of the Assigned Rights or Assigned Obligations to any other party, and Assignor has complied with all obligations under the Amended DDA and all other applicable laws, codes, regulations, or requirements necessary or required to assign the Assigned Rights and Assigned Obligations to Assignee pursuant to this Agreement

5 Representations and Warranties to City and Agency Assignor represents to the City and Agency that the assignment and assumption set forth herein does not, and with the passage of time will not, breach any provisions of the Team Contract, the Amended DDA, the Gap Funding Agreement, the REA, the Master Development Agreement, or any Other Agreement, as such are applicable and relate to that portion of the Olympic/Figueroa Property so conveyed by "Developer" to Assignee

6. Indemnity

(a) Assignor hereby agrees to indemnify, defend, and hold harmless Assignee from and against all claims, liabilities, obligations, losses, damages, penalties, actions, judgments, expenses, and disbursements of any kind or nature whatsoever, including reasonable attorneys' fees, (collectively, "**Claims**") to the extent arising out of, in connection with, or with respect to (i) the failure of Assignor to meet or satisfy any of the Assigned Obligations required to be met or satisfied prior to the Effective Date, (ii) any breach by Assignor under the Amended

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DDA, and (iii) any breach or inaccuracy of any representations or warranties made by Assignor herein

(b) Assignee hereby agrees to indemnify, defend, and hold harmless Assignor from and against all Claims to the extent arising out of, in connection with, or with respect to, the failure of Assignee to meet or satisfy any of the Assigned Obligations first required to be met or satisfied after the Effective Date

7 Third Party Beneficiaries Except as expressly provided in this Section 7, no party other than Assignor and Assignee shall have right, benefit, or obligation under this Agreement as a third-party beneficiary or otherwise. Notwithstanding the foregoing.

(a) Assignor and Assignee hereby agree to indemnify, defend, and hold harmless the City and the Agency from and against all Claims to the extent arising out of any dispute between Assignor and Assignee relating to the performance of either party's obligations under this Agreement or the Amended DDA

(b) Assignor shall not request, obtain, or consent to any amendments or modifications to the Amended DDA without obtaining the prior, written consent of Assignee (not to be unreasonably withheld, conditioned, or delayed) if any such amendment or modification would or could (as determined in the reasonable discretion of Assignee) adversely affect Assignee's rights or obligations under the Amended DDA and/or ownership, development, operation, or management of the Property

(c) This Section 7 may not be amended without the prior written consent of the City and Agency, and shall survive the term of this Agreement

8 Miscellaneous

(a) Headings The headings in this Agreement are for convenience of reference only and are not part of the substance hereof.

(b) Complete Agreement, Recitals; Exhibits This Agreement and the Purchase Agreement contain the complete and final agreement with respect to the assignment of the Assigned Rights and the assignment and assumption of the Assigned Obligations The recitals set forth herein and all exhibits attached hereto are incorporated herein by reference

(c) Benefit This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns and, if applicable, heirs and administrators

(d) Counterparts This Agreement may be executed in multiple originals and by counterpart

(e) Governing Law. This Agreement shall be construed under the laws of the State of California, without resort to choice of law principles

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(f) Amendments Subject to Section 7 above, no alteration, amendment or modification hereof shall be valid, unless executed by an instrument in writing by the parties hereto with the same formality as this Agreement

(g) Further Assignments Nothing in this Agreement shall imply any right to make further assignments of the Amended DDA other than in accordance with the Amended DDA

IN WITNESS WHEREOF, the parties have caused this Partial Assignment and Assumption Agreement to be duly executed by their officers duly authorized as of the Effective Date

ASSIGNOR:

L.A. ARENA LAND COMPANY, LLC,
a Delaware limited liability company

By ____________
Name TED TANNER
Title SVP

L.A. ARENA COMPANY, LLC,
a Delaware limited liability company

By ____________
Name TED TANNER
Title VP

FLOWER HOLDINGS, L.L.C.
a Delaware limited liability company

By ____________
Name TED TANNER
Title VP

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

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8

ASSIGNEE:

JM Fig LLC, a Delaware limited liability company

By: JM Fig Equity LLC, a Delaware limited liability company, its sole member

By: API CA Holdings LLC, a California limited liability company, its sole member

By API Properties Corporation, a California corporation, its sole member

By: ______________________________

Robert M Schardt, Vice President

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9

California All Purpose Acknowledgment

State of California)
) ss
County of Placer)

On 8-9-06, before me, **Suzanne M. Ayers**, Notary Public, personally appeared **Robert M. Schardt**, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal

Suzanne M. Ayers

SUZANNE M AYERS
COMM #1676844
NOTARY PUBLIC CALIFORNIA
PLACER COUNTY
COMM EXPIRES JULY 19, 2010

08/15/06

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10

ASSIGNEE:

MG Fig LLC, a Delaware limited liability company
By: MG Fig Equity LLC, a Delaware limited liability company, its sole member
By. API CA Holdings LLC, a California limited liability company, its sole member
By API Properties Corporation, a California corporation, its sole member
By: ______________________
Robert M Schardt, Vice President

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11

California All Purpose Acknowledgment

State of California)
) ss
County of Placer)

On 8-9-06, before me, **Suzanne M. Ayers**, Notary Public, personally appeared **Robert M. Schardt**, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument

Witness my hand and official seal.

SUZANNE M AYERS
COMM # 1676844
NOTARY PUBLIC CALIFORNIA
PLACER COUNTY
COMM EXPIRES JULY 19, 2010

Suzanne M Ayers

08/15/06

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12

ASSIGNEE:

HS Fig LLC, a Delaware limited liability company
By HS Fig Equity LLC, a Delaware limited liability company, its sole member
By API CA Holdings LLC, a California limited liability company, its sole member
By. API Properties Corporation, a California corporation, its sole member
By: ______________________________
Robert M. Schardt, Vice President

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13

California All Purpose Acknowledgment

State of California)
) ss
County of Placer)

On 8-9-06, before me, **Suzanne M. Ayers**, Notary Public, personally appeared **Robert M. Schardt**, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal

SUZANNE M. AYERS
COMM #1676844
NOTARY PUBLIC - CALIFORNIA
PLACER COUNTY
COMM EXPIRES JULY 19, 2010

Suzanne M Ayers

08/15/06

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14

ASSIGNEE:

CLAD Resources Borrower, LLC, a Delaware limited liability company
By: CLAD Resources, LLC, a Delaware limited liability company
By: ______________________
Name ______________________
Title ______________________

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

On August 10, 2006, before me, Nicole Gomez, a Notary Public in and for said state, personally appeared **HENRY SHAHERY**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

NICOLE GOMEZ
Commission # 1585044
Notary Public - California
Los Angeles County
My Comm. Expires Jun 5, 2009

Nicole Gomez

Notary Public in and for said State

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16

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 9 2006 before me, Janice M. Nicols Notary Public,
Date Name and Title of Officer (e g , "Jane Doe, Notary Public")

personally appeared Ted Tanner
Name(s) of Signer(s)

☒ personally known to me

~~☐ (or proved to me on the basis of satisfactory evidence)~~

JANICE M. NICOLS
Commission # 1667485
Notary Public - California
Los Angeles County
My Comm. Expires May 16, 2010

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

WITNESS my hand and official seal

Place Notary Seal Above

Janice M. Nicols
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document ____________

Document Date ____________ Number of Pages ____________

Signer(s) Other Than Named Above ____________

Capacity(ies) Claimed by Signer(s)

Signer's Name ____________
☐ Individual
☐ Corporate Officer — Title(s) ____________
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other ____________

Signer Is Representing ____________

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name ____________
☐ Individual
☐ Corporate Officer — Title(s) ____________
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other ____________

Signer Is Representing ____________

RIGHT THUMBPRINT OF SIGNER
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17

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 9, 2006 (Date) before me, Janice M Nicols Notary Public (Name and Title of Officer (e g, "Jane Doe Notary Public"))

personally appeared Ted Tanner (Name(s) of Signer(s)),

☑ personally known to me

~~☐ (or proved to me on the basis of satisfactory evidence)~~

JANICE M. NICOLS
Commission # 1667485
Notary Public - California
Los Angeles County
My Comm. Expires May 16, 2010

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

WITNESS my hand and official seal

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document ______

Document Date ______ Number of Pages ______

Signer(s) Other Than Named Above ______

Capacity(ies) Claimed by Signer(s)

Signer's Name ______
☐ Individual
☐ Corporate Officer — Title(s) ______
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other ______

Signer Is Representing ______

RIGHT THUMBPRINT OF SIGNER
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Signer's Name ______
☐ Individual
☐ Corporate Officer — Title(s) ______
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other ______

Signer Is Representing ______

RIGHT THUMBPRINT OF SIGNER
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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On August 9, 2006 before me, Janice M. Nicols, Notary Public
Date — Name and Title of Officer (e g "Jane Doe Notary Public")

personally appeared Ted Tarrer
Name(s) of Signer(s)

☒ personally known to me

~~☐ (or 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

JANICE M NICOLS
Commission # 1667485
Notary Public - California
Los Angeles County
My Comm. Expires May 16, 2010

WITNESS my hand and official seal

Place Notary Seal Above

Janice M. Nicols
Signature of Notary Public

OPTIONAL

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

Description of Attached Document

Title or Type of Document ______

Document Date ______ Number of Pages ______

Signer(s) Other Than Named Above ______

Capacity(ies) Claimed by Signer(s)

Signer's Name ______
- ☐ Individual
- ☐ Corporate Officer — Title(s) ______
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other ______

Signer Is Representing ______

RIGHT THUMBPRINT OF SIGNER
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Signer's Name ______
- ☐ Individual
- ☐ Corporate Officer — Title(s) ______
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other ______

Signer Is Representing ______

RIGHT THUMBPRINT OF SIGNER
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EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Los Angeles, County of Los Angeles, State of California, described as follows

Lots 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13 of Tract No 53384, in the City of Los Angeles, as per map recorded in Book 1279 Pages 4 through 19 inclusive of Maps, in the office of the county recorder of said county

EXCEPT therefrom Lots 1 through 6 inclusive of Carson and Currier's Subdivision of Block 89 of Ord's Survey, as per map recorded in Book 55 Page 3 of Miscellaneous Records, all oil, gas and mineral substances, together with the right to explore for and extract such substances, as excepted and reserved in that certain Order of Condemnation recorded May 22, 2001 as Instrument No 01-876760, Official Records

APN 5138-015-026 and 5138-015-028 to 038

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EXHIBIT "B"

ASSIGNED OBLIGATIONS

Effective as of the Effective Date, and in accordance with the terms and conditions set forth in that certain Partial Assignment and Assumption Agreement (DDA), dated August 11, 2006, Assignor shall assign to Assignee, and Assignee shall assume from Assignor, the obligations set forth below but only to the extent such obligations directly affect and relate to the Property and are first required to be met or satisfied after the Effective Date Notwithstanding any provision herein to the contrary, Assignor shall be solely responsible for all obligations set forth below to the extent such obligations do not directly affect or relate to the Property or are not first required to be met or satisfied after the Effective Date, and Assignee shall have not obligation with respect thereto

1 Assignee shall assume Assignor's obligations with respect to Hazardous Substances (defined in the Amended DDA) introduced onto the Property by Assignee (or its agents or contractors) from and after the Effective Date pursuant to the first sentence of Section 9 6(b) of the Amended DDA, provided, however, that Assignor shall reasonably cooperate with Assignee in obtaining any reimbursement for the cost and expense of Public Items (defined in the Amended DDA) related to Hazardous Substances introduced onto the Property prior to the time the Property came under the possession and/or control of Assignor as set forth in the second sentence of Section 9(b) of the Amended DDA and Attachment No 15 to the Amended DDA. Assignee shall assume Assignor's obligations (a) to execute an indemnity agreement with the City and/or the Agency in connection with the environmental condition of the Property upon the provision of a construction license and/or easement by the City and/or Agency for the Property pursuant to the third sentence of Section 9(b) of the Amended DDA, and (b) under that certain Environmental Indemnity Agreement, by and among the City of Los Angeles, the Community Redevelopment Agency of the City of Los Angeles, the Los Angles Convention and Exhibition Center Authority, and Assignor, dated January 31, 2000 ("EIA"), to the extent such obligations both (x) apply to Property, and (y) relate to Claims (defined in the EIA) arising from the action or inaction of Assignee from and after the Effective Date,

2 Assignee shall assume the obligations set forth in Sections 13.3 (Sales Tax), 13.4 (Living Wage), and 13 11 (Non Discrimination) of the Amended DDA, solely with respect to the ownership and development of the Property by Assignee,

3. Assignee shall assume the assignment provisions set forth in Sections 14.9 and 14 12 of the Amended DDA, as applicable to the Property; provided, however, that Assignee shall not be required to make any representation with respect to the Team Contract, Gap Funding Agreement, the REA, or any Other Agreement,

4 Assignee shall assume the default, remedies and termination provisions set forth in Article XV of the DDA; provided, however, that the obligations of Assignee and any rights and remedies of the Assignor as "Developer" or the City or Agency set forth in Article XV, including, the right of the City or Agency to record a lien and enforce specific performance under the Amended DDA or applicable Other Agreement (as defined in the Amended DDA)

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shall relate specifically to (a) a default by Assignee in the performance of its assumed obligations under the Amended DDA set forth herein and (b) the Property;

5 Assignee shall assume the obligations of the "Developer" in Section 17 5 of the Amended DDA to the extent of any litigation arising out of Assignee's ownership, use, and development of the Property and the Project and which arises from facts and circumstances first occurring from and after the Effective Date,

6 Assignee shall assume the obligation to adhere to the procedures for the submittal, review and approval of any Master Plan Project Documents submitted by Assignee in connection with the development of a project (the "Project") on the Property, and all other requirements of a "Developer" with respect to the approval of plans for the Project and the development of the Property as set forth in Sections 19 6 and 19.7 of the Amended DDA, which procedures and requirements Assignee acknowledges and agrees to perform within the time specified in the Master Plan Schedule of Performance described in Section 19 3 of the Amended DDA, solely as such procedures, requirements and schedule of performance apply specifically to Assignee in the development of the Property,

7 Assignee shall assume the obligation to pay an art fee as it relates to Assignee's ownership and development of the Property equal to one percent (1%) of the total development cost for the Project in accordance with Section 19 8 of the Amended DDA within the time specified in the Master Plan Schedule of Performance as applicable to the development of the Property Other than the art fee set forth in the immediately preceding sentence, Assignee is not assuming any other obligation set forth in Section 19 8 or Attachment 19 of the Amended DDA in connection with the Art Program,

8 Assignee shall assume the W/MBE program and workforce utilization obligations set forth in Section 19 9, and more particularly described on Attachment 14 of the Amended DDA, as such obligations relate to the construction, use and operation of the Project by Assignee,

9 Assignee shall assume the requirement to pay the annual Open Space Fee attributable to the Property pursuant to the terms of Section 19.12 of the Amended DDA,

10 Assignee shall assume any requirement to provide open space applicable to the development of the Property and set forth in the Exhibit D – Design Guidelines of the Amended DDA, to the extent imposed by the City and the Agency and reflected in the final Master Plan Project Documents for the Project approved by the City and the Agency;

11 Assignee shall assume the limited indemnity obligations under Section 19.13 of the Amended DDA to the extent of any claims or events arising out of Assignee's ownership, use and development of the Property and the Project, and any challenge to the Master Plan EIR or the Development Agreement set forth therein to the extent such challenges relate to the Property and arise from facts and circumstances first occurring from and after the Effective Date,

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12 Assignee shall assume the obligations of Sections 19 14 (Permits and Approvals), 19 15 (Prevailing Wage), 19 16 (Non-Discrimination), 19 17 (Rights of Access), 19.19 (Sales Tax Origin), 19.20 (Living Wage), and 19.21 (Business License) of the Amended DDA to the extent such provisions pertain to the construction, use and operation of the Property and the Project thereon by Assignee, unless otherwise agreed to between Assignee, the City and Agency,

13 Assignee shall assume the notice requirements to be contained in any applicable loan documents evidencing the financing the Project as set forth in Section 19 22 of the Amended DDA, and

14 Assignee shall assume the affordable housing provisions of the Community Benefits Program as set forth in Section 19 11 of the Amended DDA to the extent applicable to the development of the Property and the Project Notwithstanding anything in the preceding sentence to the contrary, the terms of the Development Agreement shall govern the requirements and provisions for satisfying any affordable housing obligations which are applicable to the Property and assumed by Assignee hereunder

08/15/06

EXHIBIT H

This page is part of your document - DO NOT DISCARD

COUNTY OF LOS ANGELES CALIFORNIA

20131804584

Pages: 0013

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

12/26/13 AT 08:00AM

FEES:	69.00
TAXES:	0.00
OTHER:	0.00
PAID:	69.00

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SEQ:
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DAR - Title Company (Hard Copy)

THIS FORM IS NOT TO BE DUPLICATED

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12/26/2013
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RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Allen Matkins Leck Gamble Mallory
1901 Avenue of the Stars, Suite 1800
Los Angeles, California 90067-6019
Attention: Alain M. R'bibo, Esq.

Assessor's Parcel Numbers: 5138-015-026 and 5138-015-028 to 038 inclusive.

ASSIGNMENT AND ASSUMPTION AGREEMENT

(DDA)

This ASSIGNMENT AND ASSUMPTION AGREEMENT ("**Agreement**"), dated as of December 26, 2013, (the "**Effective Date**") is made by and between FIG CENTRAL FEE OWNER LLC, a Delaware limited liability company ("**Assignor**"), and TOHIGH CONSTRUCTION INVESTMENT, LLC, a Delaware limited liability company ("**Assignee**"), with reference to the following facts:

R E C I T A L S:

A. L.A. Arena Development Company, LLC, a Colorado limited liability company ("**Development Co.**"), the City of Los Angeles, a municipal corporation (the "**City**"), and the Community Redevelopment Agency of the City of Los Angeles, a public body corporate and politic (the "**Agency**"), entered into a Disposition and Development Agreement, dated as of October 31, 1997 (the "**DDA**"), pursuant to which Development Co., Agency and City agreed, among other things, to effectuate the Redevelopment Plan for the Central Business District of the City of Los Angeles through the construction of a state-of-the-art sports and entertainment facility and a surrounding entertainment district.

B. The DDA has been amended by that certain (i) First Implementation Agreement to Disposition and Development Agreement, dated March 26, 1998, (ii) Second Implementation Agreement to Disposition and Development Agreement, dated October 15, 1998, (iii) Third Implementation Agreement to Disposition and Development Agreement, dated March 1, 2002, (iv) Fourth Implementation Agreement to Disposition and Development Agreement, dated September 1, 2005, (v) Fifth Implementation Agreement to Disposition and Development Agreement, dated January 26, 2007, (vi) Sixth Implementation Agreement to Disposition and Development Agreement ("**Sixth Implementation Agreement**"), dated [UNDATED], 2007, and (vii) Seventh Implementation Agreement to Disposition and Development Agreement, dated November 19, 2010 (each, an "**Implementation Agreement**" and collectively, the "**Implementation Agreements**"). The DDA as amended by the Implementation Agreements shall be referred to herein as the "**Amended DDA.**" Capitalized terms used and not defined herein shall have the meanings set forth in the Amended DDA.

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373185-00001/12-9-13/amr/ejw

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C. Assignor assumed certain rights and obligations under the DDA (as amended by all Implementation Agreements which were in effect as of the date of such assumption) pursuant to that certain Partial Assignment and Assumption Agreement (DDA), by and between L.A. Arena Land Company, LLC, a Delaware limited liability company (**"LandCo"**), Flower Holdings, L.L.C., a Delaware limited company (**"Flower"**) and L.A. Arena Company, LLC a Delaware limited liability company (**"LAAC"**), collectively as assignor, and Assignor's predecessor-in-interest, collectively, JM Fig, LLC, a Delaware limited liability company, as to a 45% interest as tenant-in-common, MG Fig LLC, a Delaware limited liability company, as to a 5% interest as tenant-in-common, HS Fig LLC, a Delaware limited liability company, as to a 17% interest as tenant in common, and CLAD Resources Borrower, LLC, a Delaware limited liability company, as to a 33% interest as tenant in common, collectively, as assignee, dated as of August 11, 2006 and recorded on August 15, 2006 in the Official Records of Los Angeles County, California, as Instrument No. 06 1810547. The only Implementation Agreement to which Assignor is a party is the Sixth Implementation Agreement.

D. Assignor and Assignee recognize that some of the rights and obligations under the Amended DDA pertain to the Olympic/Figueroa Properties and some of the rights and obligations under the Amended DDA pertain to the Arena Site and the Additional Areas.

E. Assignor and Assignee have entered into that certain Agreement of Purchase and Sale and Joint Escrow Instructions dated as of November 11, 2013 (the **"Purchase Agreement"**). Pursuant to the Purchase Agreement, Assignor has agreed to sell to Assignee, and Assignee has agreed to purchase from Assignor, certain real property described in **Exhibit "A"**, attached hereto and made a part hereof (the "**Property**," as more particularly described in the Purchase Agreement) that is included within the Olympic/Figueroa Properties.

F. As of the Effective Date, Assignor desires to assign all of its rights and obligations under the Amended DDA to Assignee. Assignee desires to assume such rights and obligations.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Assignment of Amended DDA. As of the Effective Date, Assignor hereby assigns and transfers to Assignee all of Assignor's right, title and interest in, to and under the Amended DDA, including, without limitation, all those obligations of Assignor under the Amended DDA (the "**Assigned Obligations**") as more particularly set forth in Exhibit "B" attached hereto and made a part hereof (collectively, the "**Assumed Rights and Obligations**"). Assignee expressly acknowledges that Section 14 of the Third Implementation Agreement (adding a new Article 19 entitled "Master Plan Development Process"), as amended by the Fourth Implementation Agreement, pertains to the Property.

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2. Assumption of Amended DDA. As of the Effective Date, Assignee hereby assumes the Assumed Rights and Obligations, and agrees to be bound by all of the terms, covenants, conditions, provisions and agreements in the Amended DDA.

3. Indemnity. Assignee hereby agrees to indemnify, defend, and hold harmless Assignor from and against any and all claims, liabilities, obligations, losses, damages, penalties, actions, judgments, expenses, and disbursements of any kind or nature whatsoever, including reasonable attorneys' fees, which arise out of or in connection with the Amended DDA.

4. Third Party Beneficiaries. Except as expressly provided in this Section, no person other than the parties hereto shall have any right, benefit or obligation under this Agreement as a third-party beneficiary or otherwise. Assignor and Assignee hereby grant the City and the Agency the following rights:

(i) Assignor and Assignee hereby agree to indemnify, defend, and hold harmless the City and the Agency from and against all claims, liabilities, obligations, losses, damages, penalties, actions, judgments, expenses and disbursements of any kind or nature whatsoever (including reasonable attorney fees) to the extent arising out of any dispute between Assignor and Assignee relating to the performance of either party's obligations under this Agreement or the Amended DDA.

(ii) This Section 4 may not be amended without the prior written consent of the City and Agency, and shall survive the term of this Agreement.

(iii) Assignor and Assignee expressly agree that as between themselves, to the extent that either Assignor or Assignee incurs or suffers any cost or expense arising out of the indemnification obligation to the City or Agency set forth in this Section 4 without being at fault therefor, then such faultless party shall have the right to seek reimbursement from the party at fault for all such costs or expenses incurred by the faultless party.

5. Miscellaneous.

(i) Headings. The headings in this Agreement are for convenience of reference only and are not part of the substance hereof.

(ii) Complete Agreement; Recitals; Exhibits. This Agreement and the Purchase Agreement contain the complete and final agreement with respect to the matters herein set forth and supersede all prior agreements between the parties hereto respecting such matters. The recitals set forth herein and all exhibits attached hereto are incorporated herein by reference.

(iii) Benefit. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns and, if applicable, heirs and administrators.

(iv) Counterparts. This Agreement may be executed in multiple originals and by counterpart.

(v) Governing Law. This Agreement shall be construed under the laws of the State of California, without resort to choice of law principles.

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(vi) Amendments. Subject to Section 4, no alteration, amendment or modification hereof shall be valid, unless executed by an instrument in writing by the parties hereto with the same formality as this Agreement.

(vii) Further Assignments. Nothing in this Agreement shall imply any right to make further assignments of the Amended DDA other than in accordance with the Amended DDA.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

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IN WITNESS WHEREOF, the parties have caused this Assignment and Assumption Agreement to be duly executed by their officers duly authorized as of the Effective Date.

ASSIGNOR:

FIG CENTRAL ~~FEE OWNER~~ LLC,
a ~~Delaware limited liability~~ company

By:
Name: Joseph Manian
Title: Authorized Signatory

Executed in Counterpart

ASSIGNEE:

TOHIGH CONSTRUCTION INVESTMENT, LLC,
a Delaware limited liability company

By: ______________________________
Name: ____________________________
Title: _____________________________

717909.01/WLA
373185-00001/12-9-13/amr/ejw

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COURTNEY K. CHAN
Notary Public, State of New York
No. 01CH6252247
Qualified in Kings County
Commission Expires Dec. 5, 2015

STATE OF New York)

COUNTY OF Kings)

On December 16th, 2013, before me, Courtney K Chan, a Notary Public, personally appeared Joseph Moinian, 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 NY that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ____________ (Seal)

STATE OF ____________)

COUNTY OF ____________)

On ____________, 2013, before me, ____________, a 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 ________ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ____________ (Seal)

717909 01/WLA
373185-00001/12-9-13/amr/ejw

8

IN WITNESS WHEREOF, the parties have caused this Assignment and Assumption Agreement to be duly executed by their officers duly authorized as of the Effective Date.

ASSIGNOR:

FIG CENTRAL FEE OWNER LLC,
a Delaware limited liability company

By:________________________
Name:______________________
Title:_______________________

Executed In Counterpart

ASSIGNEE:

TOHIGH CONSTRUCTION INVESTMENT, LLC,
a Delaware limited liability company

By: ________________________
Name: Yiming Li
Title: Chairman

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STATE OF California)

COUNTY OF San Francisco)

On December 19, 2013, before me, Patricia Ortega, a Notary Public, personally appeared Yiming Li, 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 Patricia Ortega (Seal)

PATRICIA ORTEGA
COMM. # 1894285
NOTARY PUBLIC - CALIFORNIA
CONTRA COSTA COUNTY
MY COMM. EXP. JULY 27, 2014

PATRICIA ORTEGA
COMM. # 1894285
NOTARY PUBLIC - CALIFORNIA
CONTRA COSTA COUNTY
MY COMM. EXP. JULY 27, 2014

STATE OF ________________)

COUNTY OF ________________)

On ________________, 2013, before me, ________________________, a 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 ________ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ________________________ (Seal)

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EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

REAL PROPERTY IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

LOTS 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 AND 13 OF TRACT NO. 53384, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1279 PAGES 4 THROUGH 19 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS AMENDED BY A CERTIFICATE OF CORRECTION RECORDED MARCH 5, 2010 AS INSTRUMENT NO. 20100307746, OF OFFICIAL RECORDS. EXCEPTING THEREFROM LOTS 1 THROUGH 6, INCLUSIVE, OF CARSON AND CURRIER'S SUBDIVISION OF BLOCK 89 OF ORB'S SURVEY, AS PER MAP RECORDED IN BOOK 55, PAGE 3 OF MISCELLANEOUS RECORDS, ALL OIL, GAS AND MINERAL SUBSTANCES, TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT, OR OTHER MEANS OF EXPLORING FOR, REACHING, OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS EXCEPTED AND RESERVED IN THAT CERTAIN ORDER OF CONDEMNATION RECORDED MAY 22, 2001, AS INSTRUMENT NO. 01-876760, OFFICIAL RECORDS.

EXHIBIT "B"

ASSIGNED OBLIGATIONS

1. Assignee shall assume Assignor's obligations with respect to Hazardous Substances (defined in the Amended DDA) pursuant to the first sentence of Section 9.6(b) of the Amended DDA. Assignee shall assume Assignor's obligations (a) to execute an indemnity agreement with the City and/or the Agency in connection with the environmental condition of the Property upon the provision of a construction license and/or easement by the City and/or Agency for the Property pursuant to the third sentence of Section 9(b) of the Amended DDA, and (b) under that certain Environmental Indemnity Agreement, by and among the City of Los Angeles, the Community Redevelopment Agency of the City of Los Angeles, the Los Angeles Convention and Exhibition Center Authority, and Assignor, dated January 31, 2000 ("EIA"), to the extent such obligations both (x) apply to Property, and (y) relate to Claims (defined in the EIA) arising from the action or inaction of Assignor or Assignee;

2. Assignee shall assume the obligations set forth in Sections 13.3 (Sales Tax), 13.4 (Living Wage), and 13.11 (Non Discrimination) of the Amended DDA, solely with respect to the ownership and development of the Property by Assignee;

3. Assignee shall assume the assignment provisions set forth in Sections 14.9 and 14.12 of the Amended DDA, as applicable to the Property; provided, however, that Assignee shall not be required to make any representation with respect to the Team Contract, Gap Funding Agreement, the REA, or any Other Agreement;

4. Assignee shall assume the default, remedies and termination provisions set forth in Article XV of the DDA; provided, however, that the obligations of Assignee and any rights and remedies of the Assignor as "Developer" or the City or Agency set forth in Article XV, including, the right of the City or Agency to record a lien and enforce specific performance under the Amended DDA or applicable Other Agreement (as defined in the Amended DDA) shall relate specifically to (a) a default by Assignee in the performance of its assumed obligations under the Amended DDA set forth herein and (b) the Property;

5. Assignee shall assume the obligations of the "Developer" in Section 17.5 of the Amended DDA to the extent of any litigation arising out of Assignee's ownership, use, and development of the Property and the Project;

6. Assignee shall assume the obligation to adhere to the procedures for the submittal, review and approval of any Master Plan Project Documents submitted by Assignee in connection with the development of a project (the "Project") on the Property, and all other requirements of a "Developer" with respect to the approval of plans for the Project and the development of the Property as set forth in Sections 19.6 and 19.7 of the Amended DDA, which procedures and requirements Assignee acknowledges and agrees to perform within the time specified in the Master Plan Schedule of Performance described in Section 19.3 of the Amended DDA, solely as such procedures, requirements and schedule of performance apply specifically to Assignee in the development of the Property;

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7. Assignee shall assume the obligation to pay an art fee as it relates to Assignee's ownership and development of the Property equal to one percent (1%) of the total development cost for the Project in accordance with Section 19.8 of the Amended DDA within the time specified in the Master Plan Schedule of Performance as applicable to the development of the Property. Other than the art fee set forth in the immediately preceding sentence, Assignee is not assuming any other obligation set forth in Section 19.8 or Attachment 19 of the Amended DDA in connection with the Art Program;

8. Assignee shall assume the W/MBE program and workforce utilization obligations set forth in Section 19.9, and more particularly described on Attachment 14 of the Amended DDA, as such obligations relate to the construction, use and operation of the Project by Assignee;

9. Assignee shall assume the requirement to pay the annual Open Space Fee attributable to the Property pursuant to the terms of Section 19.12 of the Amended DDA;

10. Assignee shall assume any requirement to provide open space applicable to the development of the Property and set forth in the Exhibit D -- Design Guidelines of the Amended DDA, to the extent imposed by the City and the Agency and reflected in the final Master Plan Project Documents for the Project approved by the City and the Agency;

11. Assignee shall assume the limited indemnity obligations under Section 19.13 of the Amended DDA to the extent of any claims or events arising out of Assignee's ownership, use and development of the Property and the Project, and any challenge to the Master Plan EIR or the Development Agreement set forth therein to the extent such challenges relate to the Property;

12. Assignee shall assume the obligations of Sections 19.14 (Permits and Approvals), 19.15 (Prevailing Wage), 19.16 (Non-Discrimination), 19.17 (Rights of Access), 19.19 (Sales Tax Origin), 19.20 (Living Wage), and 19.21 (Business License) of the Amended DDA to the extent such provisions pertain to the construction, use and operation of the Property and the Project thereon by Assignee, unless otherwise agreed to between Assignee, the City and Agency;

13. Assignee shall assume the notice requirements to be contained in any applicable loan documents evidencing the financing the Project as set forth in Section 19.22 of the Amended DDA

14. Assignee shall assume the affordable housing provisions of the Community Benefits Program as set forth in Section 19.11 of the Amended DDA to the extent applicable to the development of the Property and the Project. Notwithstanding anything in the preceding sentence to the contrary, the terms of the Development Agreement shall govern the requirements and provisions for satisfying any affordable housing obligations which are applicable to the Property and assumed by Assignee hereunder; and

15. Assignee shall assume any and all other rights and obligations of Assignor under the Amended DDA which are not specifically enumerated in this Exhibit B.

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SPL INC.

GOVERNMENT CODE 27361.7

I certify under penalty of perjury that the notary seal on the document to which this statement is attached reads as follows:

Name of Notary : PATRICIA ORTEGA

Notary Identification Number : 1894205

Vender Identification Number : VS 11

County Where Bond Is Filed : CONTRA COSTA

Date Commission Exp : 7-27-14

Place of Execution : NORWALK, CA

SPL, Inc. as agent

DATE: 12 / 26 / 13

Signature

State of California)
County of ______________)
On__________________before me,__________personally appeared,____________
who proved to me 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

I CERTIFY UNDER PENALTY OF PERJURY THAT THIS MATERIAL IS A TRUE COPY OF THE ORIGINAL MATERIAL CONTAINED IN THE DOCUMENT:

Place of Execution :______________________________

SPL, Inc. as agent

DATE:______/______/______

Signature

Revised 9/6/06 R.1
DR_001_2_Penalties_in_1_R1

MILLER NASH LLP
Bernie Kornberg
bernie.kornberg@millernash.com
340 Golden Shore, Suite 450
Long Beach, California 90802
Telephone: 562.435.8002
Facsimile: 562.435.7967

Attorneys for Debtor
Strategic Actions for a Just Economy

UNITED STATES BANKRUPTCY COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re: OCEANWIDE PLAZA LLC, Debtor	Case No. 2:24-bk-11057-DS Chapter 11 **DECLARATION OF MARIA PATIÑO GUTIERREZ IN SUPPORT OF OBJECTION OF STRATEGIC ACTIONS FOR A JUST ECONOMY (On behalf of Coalition)TO DEBTOR'S PLAN OF LIQUIDATION** Date: April 9, 2026 Time: 10:00 a.m. Judge: Hon. Deborah J. Saltzman

I, Maria Patiño Gutierrez, declare as follows:

1. I am employed by Strategic Actions for a Just Economy ("SAJE"). I hold the position of Deputy Director, Policy and Advocacy.

2. In my capacity at SAJE, I am familiar with the Community Benefits Agreement signed between the "Coalition" and the Developer for Los Angeles Sports and Entertainment District project - LASED. I work with coalition partners and Legal Aid Foundation of Los Angeles (LAFLA), who have helped SAJE to maintain and collect records, including those relating to agreements entered into by the Coalition in connection with the LASED project, including the Oceanwide Plaza property.

3. At the time the Coalition consisted of the unincorporated association of the following public benefit organizations: Central American Resource Center (CARECEN); Coalition L.A.; Concerned Citizens of South Central Los Angeles; Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA); Environmental Defense – Environmental Justice Project Office (subject to paragraph 12); Esperanza Community Housing Corporation; H.E.R.E. Local 11; Los Angeles Alliance for a New Economy (LAANE); and Strategic Actions for a Just Economy (SAJE).

4. SAJE is a community-based nonprofit organization that was a signatory to, and participant in, agreements with the developers of the LASED relating to community benefits and development obligations. SAJE was selected to be the representative of the Coalition in enforcing the Community Benefit Agreement.

5. The records attached hereto as Exhibits B, C, D, and E were obtained and are maintained by SAJE through LAFLA's help as former and current legal advisor of the CBA. As a result, these records are kept as part of SAJE's regular practice of documenting agreements, implementation documents, and correspondence related to SAJE's enforcement and monitoring of development-related obligations.

6. The records attached as Exhibit B consist of a true and correct copy of the Cooperation Agreement dated May 29, 2001, entered into between the prior developers and a coalition of community organizations, including SAJE.

7. The records attached as Exhibit C consist of a true and correct copy of the Community Benefits Program, which is incorporated as an exhibit to the Cooperation Agreement and sets forth the substantive community benefit obligations undertaken by the developers.

8. The records attached as Exhibit D consist of a true and correct copy of the Third Implementation Agreement to the Disposition and Development Agreement dated September 5, 2001, which implements and reaffirms the obligations contained in the Community Benefits Program.

9. The records attached as Exhibit E consist of true and correct copies of documents relating to the Fourth Implementation Agreement to the Disposition and Development Agreement

dated September 1, 2005, including contemporaneous explanatory materials generated in connection with that agreement.

10. Each of the records attached as Exhibits B, C, D, and E was:

- made at or near the time of the events described therein,
- made by, or from information transmitted by, persons with knowledge of those events,
- kept in the course of SAJE's regularly conducted activities, and
- made as regular practice of SAJE.

11. SAJE relies on these records in the ordinary course of its activities, including but not limited to monitoring compliance with development obligations, engaging with public agencies, and participating in legal and administrative proceedings.

12. The records attached as Exhibits B, C, D, and E have been maintained in SAJE's files since their receipt from the City's Public Record Act's Request and have not been altered in any material respect.

13. I am competent to testify to the matters stated in this declaration.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on March 21, 2026

Dated: March 21, 2026

By: Maria Patiño Gutierrez
Maria Patiño Gutierrez

4929-4169-9482.1

DECLARATION VERIFYING SOFTWARE GENERATED SIGNATURE(S)

(Attach this declaration immediately after the signature page of any document that is being Filed and that contains a Software Generated Signature, as those terms are defined in LBR 9011-1(b).)

I, *(print name of declarant)* Bernie Kornberg, declare as follows:

1. I have personal knowledge of the matters set forth in this declaration and, if called upon to testify, I could and would testify competently hereto. I am over 18 years of age.

2. I am an attorney admitted to practice in this district, or alternatively I am an attorney who has been granted leave to appear pro hac vice per LBR 2090-1.

3. As set forth in the table below, either–
   a. Oral verification: I have obtained oral verification from the following person(s), whose Software Generated Signature (as defined in LBR 9011-1(b)(4)(B)) appear(s) on the accompanying document, that the signer intended to sign this document electronically, or alternatively
   b. Explanation: I provide the following explanation why no such verification is provided (*e.g.,* that the signer is represented by a different attorney who will provide a separate declaration confirming their client's oral verification):

	Name of signer	Date of oral* verification	-OR- Explanation why no verification is provided
1.	Maria Patiño Gutierrez	03/23/26	☐ See explanation below.
2.			☐ See explanation below.
3.			☐ See explanation below.
4.			☐ See explanation below.
5.			☐ See explanation below.

Explanation(s) *(if applicable)*:

☐ see attached continuation sheet

*Verification must be oral. For the avoidance of doubt, verification must be oral, and any written verification is insufficient even if it includes a purported holographic signature, so as to protect against persons who might have access to the hardware and software of the alleged signer and could use such access to create (A) false Software Generated Signatures and (B) false images of holographic signatures purporting to verify those electronic signatures. *See* LBR 9011-1(b)(4)(B).

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

3/23/26	Bernie Kornberg	/s/ Bernie Kornberg
Date	*Printed Name*	*Signature*

MILLER NASH LLP
Bernie Kornberg
bernie.kornberg@millernash.com
340 Golden Shore, Suite 450
Long Beach, California 90802
Telephone: 562.435.8002
Facsimile: 562.435.7967

Attorneys for Debtor
Strategic Actions for a Just Economy

UNITED STATES BANKRUPTCY COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re: OCEANWIDE PLAZA LLC, Debtor	Case No. 2:24-bk-11057-DS Chapter 11 **REQUEST FOR JUDICIAL NOTICE IN SUPPORT OF OBJECTION OF STRATEGIC ACTIONS FOR A JUST ECONOMY (on behalf of the Coalition) TO THE DEBTOR'S PLAN OF LIQUIDATION** Date: April 9, 2026 Time: 10:00 a.m. Judge: Hon. Deborah J. Saltzman

Please take notice that, pursuant to Federal Rule of Evidence 201, Strategic Actions for a Just Economy ("SAJE") respectfully requests that the Court take judicial notice of the existence and contents of four recorded public documents maintained in the Official Records of Los Angeles County, California, as further identified below. Each document is a matter of public record whose authenticity is readily verifiable from the county recorder's index and whose existence and contents are not subject to reasonable dispute.

1. A document titled "MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT". This document was recorded on March 27, 1998, by the Recorder's Office of Los Angeles County, California, as Instrument Number 98 501504. This

document is attached to the exhibit document as Exhibit "A".

2. A document titled "MEMORANDUM OF FOURTH IMPLEMENTATION AGREEMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT". This document was recorded on December 19, 2005, by the Recorder's Office of Los Angeles County, California, as Instrument Number 05 3119739. This document is attached to the exhibit document as Exhibit "F".

3. A document titled "PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT (DDA)". This document was recorded on August 15, 2006, by the Recorder's Office of Los Angeles County, California, as Instrument Number 06 1810547. This document is attached to the exhibit document as Exhibit "G".

4. A document titled "ASSIGNMENT AND ASSUMPTION AGREEMENT (DDA)". This document was recorded on December 26, 2013, by the Recorder's Office of Los Angeles County, California, as Instrument Number 20131804584. This document is attached to the exhibit document as Exhibit "H".

Dated: March 21, 2026 MILLER NASH LLP

By: */s/ Bernie Kornberg*
Bernie Kornberg
Strategic Actions for a Just Economy