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Hugh Nguyen, Clerk-Recorder

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City of Lake Forest
25550 Commercentre Drive
Lake Forest, California 92630
Attn: City Manager

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Fee Exempt - Gov't Code §27383
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**CITY OF LAKE FOREST
SECOND AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF LAKE FOREST and IRVINE RANCH WATER DISTRICT**

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1. PARTIES AND DATE.

This Second Amendment to the Development Agreement between The City of Lake Forest and Irvine Ranch Water District ("Second Amendment") is entered into on the 15th day of November, 2016, by and between the City of Lake Forest, a municipal corporation ("City") and Irvine Ranch Water District, a California water district ("IRWD"). City and IRWD are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 City and IRWD have entered into that certain Development Agreement, recorded in the Orange County Clerk-Recorder's Office on October 22, 2008, as document No. 2008000486878 ("Development Agreement"), for the development of residential, government, park, and recreational uses on 82 acres ("Project") of certain property ("Property") identified in the Development Agreement.

2.2 Section 7.5 of the Development Agreement permits the Parties to amend the Development Agreement from time to time, by the written consent of both City and IRWD.

2.3 On April 19, 2011, the City adopted an ordinance approving an agreement for the implementation and modification of the Development Agreement ("First Amendment"). The First Amendment modified the Development Agreement to revise the timing of a land appraisal for property dedicated to the City by IRWD. The appraisal would be used to calculate a reimbursement from a community facilities district to IRWD. The First Amendment was recorded in the Orange County Clerk-Recorder's Office on June 22, 2011, as document No. 2011000302797.

2.4 Among other things, the Development Agreement requires IRWD to provide to the City an irrevocable offer of dedication ("IOD") to the City for 9 net useable acres, where the City may construct a new City Hall and Community Center ("Civic Center Site"). IRWD provided the City with an IOD for 11.9 gross acres and 9 net useable acres of land as a Civic Center Site, which the City accepted on or about April 28, 2011.

2.5 Following the City's acceptance of the IOD, the Parties were informed that the United States Army Corps of Engineers ("ACOE") had adopted a Special Area Management Plan ("SAMP") for the San Diego Creek. The SAMP designated, among other undeveloped land, a drainage feature on the Civic Center Site as an "Aquatic Resources Integrity Area," which contains habitat and wetlands that are integral to the watershed. The SAMP's result was that a portion of the 11.9 acre Civic Center Site previously dedicated to the City would be required to be preserved in its natural condition, thus reducing the Civic Center Site's net developable area.

2.6 Subsequently, the Parties have worked collaboratively with the ACOE and other regulatory agencies to obtain additional permits that minimize impacts to the resources identified in the SAMP and meets the City's programming needs.

2.7 In light of the regulatory issues affecting the Civic Center Site, the Parties have negotiated mutually acceptable revisions to the Development Agreement that, among other things, provides that IRWD will provide another IOD to the City, and addresses environmental mitigation and monitoring requirements and sequencing of the construction of the Civic Center Site pad.

2.8 The Second Amendment does not revise the permitted uses on the Property, density or intensity of the overall Project, or the height of the proposed buildings. On October 13, 2016, the City's Planning Commission recommended that the City Council adopt an ordinance approving the Second Amendment.

NOW, THEREFORE, based upon the foregoing facts, in consideration of the mutual covenants and agreements contained in this Second Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and IRWD hereby agree as follows:

3. TERMS.

3.1 Recitals. The above recitals are true and correct, and are incorporated by reference into this Second Amendment.

3.2 Definitions. Section 5 of the Development Agreement is hereby amended in its entirety to read as follows:

"5. DEFINITIONS. In this Agreement, unless the context otherwise requires, the following terms and phrases shall have the following meanings:

5.1 "Affordable Unit" means a unit of housing that is located within the City and is affordable to Moderate Income, Low Income, or Very Low Income Households, as those terms are defined herein. For purposes of interpreting and implementing cooperative agreements between Owner and the City's Redevelopment Agency on the Property, "Affordable Unit" shall be defined according to California Redevelopment Law.

5.2 "Agreement" shall mean this Development Agreement between the City and Owner. The term "Agreement" shall include any amendment properly approved and executed pursuant to Section 7.5.

5.3 "'A' Map" shall mean a Final Map approved by the City Council as a ministerial action for all or a portion of a Tentative Map, that shall consist of neighborhoods or areas which may be further subdivided with a 'B' Map or which may be developed upon the approval of the 'A' Map. If a portion of the 'A' Map shall be further subdivided with a 'B' Map, the Developer shall be required to satisfy, for those portions of the 'A' Map, only the conditions identified as 'A' Map conditions on the Tentative Map. If the 'A' Map creates a lot which shall not be further subdivided with a 'B' Map, then all other applicable Tentative Map conditions shall be satisfied.

5.4 "Approval Date" means the date on which the City Council conducted the first reading of the ordinance adopting this Agreement. That date is August 5, 2008.

5.5 "Area Plan" means an area plan for a planned community as defined in Section 9.184.020 of the City Municipal Code. An application for an Area Plan shall be submitted concurrently with the Owner's application for the First Tentative Map Submittal Package and shall include the following plans: Master Land Use Plan, Circulation Plan, Grading Concept Plan, Landscape Concept Plan, Open Space Plan, Fuel Modification Plan, Maintenance Responsibilities Plan, Drainage Master Plan, Sewer Master Plan, Water Distribution Master Plan, Development Phasing Plan, Public Facilities Phasing and Financing Plan, Private Recreational Facilities Plan, Design Plan, and Dry Utilities Plan. No Feature Plan (as defined in Section 9.184.020 of the City Municipal Code) shall be required prior to the approval of an Area Plan.

5.6 "'B' Map" shall mean a Final Map approved by the City as a ministerial action for all or a portion of the Tentative Map or each Planning Area within the approved "A" Map, for which no further subdivision is authorized under the Tentative Map.

5.7 "City" shall mean the City of Lake Forest, a California municipal corporation.

5.8 "City Council" shall mean the governing body of the City.

5.9 "City Facilities" shall mean the Sports Park, Community Center, City Hall, LFTM Improvements, and neighborhood parks as defined in this Agreement and as described in Section 9 and Exhibit "F," below.

5.10 "City Municipal Code" shall mean the Lake Forest Municipal Code. However, changes to the Lake Forest Municipal Code occurring between the Approval Date and the Effective Date shall not be considered part of the City Municipal Code for purposes of this Agreement without Owner's prior written consent.

5.11 "Civic Center Site" shall mean the land upon which the City Hall and Community Center may be constructed.

5.12 "Day" refers to a calendar day unless specifically stated as a "business day."

5.13 "Default" shall refer to a Major Default or Minor Default as defined herein.

5.14 "Development" shall mean the improvement of the Property for the purposes of completing the structures, improvements, and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public and private facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; the installation of landscaping; and other improvements.

5.15 "Development Approvals" shall mean all permits and other entitlements approved or issued by the City for the use of, construction upon, and/or development of the Property. For the purposes of this Agreement, Development Approvals shall be deemed to include, but are not limited to, the following actions, including revisions, addenda, amendments, and modifications to these actions:

- this Agreement;
- amendments to this Agreement;
- amendments to the General Plan;
- Specific Plan and Specific Plan amendments;
- tentative and final subdivision and parcel maps;
- conditional use permits, use permits and site development permits;
- zoning;
- Area Plans;
- grading and building permits;
- certificates of compliance and/or lot line adjustments;
- street, drainage, utility, stormwater, and landscape permits;
- occupancy permits; and
- environmental review documents for the Project.

5.16 "Development Impact Fees" shall mean all fees established and imposed upon the Project by the City pursuant to the Mitigation Fee Act as set forth in California Government Code Section 66000 et seq. and this Agreement, including Owner's Share of Design Budget (as defined in Section 9.3 of this Agreement). "Development Impact Fees" shall not include any fees that have not been established and imposed pursuant to the Mitigation Fee Act and this Agreement.

5.17 "Development Plan" means the Existing Land Use Regulations, this Agreement, the Subsequent Land Use Regulations to which Owner has consented in writing, and Subsequent Development Approvals.

5.18 "Effective Date" shall mean the later of: (i) date the ordinance adopting this Agreement becomes effective; or (ii) expiration of the period provided by applicable law, including but not limited to Government Code Section 65009, for challenging the General Plan Amendment.

5.19 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date, including the General Plan Amendment (including the range of units approved for the Project by the General Plan Amendment). However, changes to Land Use Regulations occurring between the Approval Date and the Effective Date shall not be considered part of the Existing Land Use Regulations without Owner's prior written consent. Owner has consented to the General Plan Amendment, which shall be considered part of the Existing Land Use Regulations.

5.20 "Fair Market Value" means the appraised value as determined by an appraiser mutually acceptable to the Owner and the City. If the parties cannot agree on an appraiser, each shall select an appraiser who shall appraise the site and Owner and City shall attempt to agree on the fair market value on the basis of the two appraisals. If Owner and the City cannot so agree, the two appraisers shall select a third appraiser who shall determine the fair market value of the site in question and whose appraisal shall be binding on the parties.

5.21 "Final Map(s)" refers to one or more final maps which may be filed with respect to any Tentative Map, including the First Tentative Map, as set forth in Section 66456 et seq. of the Subdivision Map Act and are referenced in this Agreement as either an 'A' Map or a 'B' Map.

5.22 "Financing District" refers to a community facilities district authorized pursuant to the Mello-Roos Act as a means to fund public improvements and/or the maintenance of those improvements.

5.23 "Financing District Determination Date" shall have the meaning ascribed to it in Section 9.4.4 below in this Agreement.

5.24 "Financing District Policy" means the "Long-Term Financing and Land Secured Debt Policy" adopted by the City Council and attached to this Agreement as Exhibit "D".

5.25 "First Amendment" shall mean the amendment to the Development Agreement, as approved by the City Council on April 19, 2011.

5.26 "First Tentative Map(s)" shall mean the first Tentative Map for the Project which is approved by the City Council following the Effective Date. Owner may submit more than one Tentative Map to be considered concurrently as the First Tentative Map(s).

5.27 "First Tentative Map(s) Submittal Package" shall mean the package of materials to be submitted with the Owner's application for the First Tentative Map(s), which shall include the Area Plan as defined in this Agreement, and project-level CEQA analysis.

5.28 "General Plan" shall mean the general plan of the City.

5.29 "General Plan Amendment" shall refer to the amendment of the City's General Plan on July 1, 2008, for the Opportunities Study Area (including the Property). A copy of the General Plan Amendment is attached as Exhibit "B".

5.30 "Greater OSA Boundaries" refers to an area consisting of approximately 956 acres of undeveloped land, including the Property, within both the City and the 65 dB CNEL Noise Contour depicted in the Airport Environs Land Use Plan line as it existed prior to 2005, all as illustrated in Exhibit "A" to Lake Forest Resolution No. 2003-17.

5.31 "Implementing Agreement" refers to any agreement entered into by Owner and the City for the implementation of obligations established in this Agreement.

5.32 "Land Use Regulations" shall mean all ordinances, resolutions, codes, rules, regulations and official policies of the City governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, timing and phasing of development, the maximum height and size of buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement, construction, and initial occupancy standards and specifications applicable to the Project. "Land Use Regulations" do not include any City ordinance, resolution, code, rule, regulation or official policy governing:

5.32.1 The conduct or taxation of businesses, professions, and occupations applicable to all businesses, professions, and occupations in the City;

5.32.2 Taxes and assessments of general application upon all residents of the City, provided that the taxes and assessments are not imposed for the purpose of taxing the right, power or privilege of developing or improving land (e.g., excise tax) or to directly finance the acquisition or dedication of open space or any other public improvement in respect of which the Owner is paying any fee (directly or through a Financing District) or providing any improvement pursuant to this Agreement;

5.32.3 The control and abatement of nuisances.

5.33 "LFTM Fees" means fees imposed to fund LFTM Improvements pursuant to the LFTM Ordinance.

5.34 "LFTM Improvements" means those traffic and transportation improvements specified in the LFTM Ordinance.

5.35 "LFTM Ordinance" means Ordinance No. 186, as adopted by the Lake Forest City Council on July 1, 2008. The LFTM Ordinance shall be considered one of the Existing Land Use Regulations.

5.36 "LFTM Program" means the Lake Forest Transportation Mitigation Program, as described in the LFTM Ordinance.

5.37 "Major Default" refers to the material and substantial failure by (1) Owner to timely meet Owner's Facilities Obligations, or (2) City's failure to issue Subsequent Development Approvals in accordance with its obligations under this Agreement, or (3) either Party to provide the agreed upon cooperation needed to implement the Public Benefits and/or the development of the Property pursuant to the Development Plan, including but not limited to a failure to comply with the terms of any Implementing Agreement. For purposes of this Agreement, a failure by Owner to timely meet Owner's Facilities Obligations shall include, but not be limited to, a failure to timely dedicate land for Public Facilities as required by this Agreement or any Implementing Agreement, and a dedication of land for Public Facilities that has a cloud on title or is in a location or condition that is inconsistent with the requirements of this Agreement or any Implementing Agreement. This definition is not intended to expand or limit the legal definition of "materiality," but only to establish the agreement of the Parties as to the nature of a default which could lead to an early termination of this Agreement.

5.38 "Mello-Roos Act" means the Mello-Roos Community Facilities Act of 1982 as amended (Section 53311 et seq. of the California Government Code).

5.39 "Minor Default" means a failure by Owner or City to comply with the terms and conditions of this Agreement which is not a "Major Default" as defined herein.

5.40 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender, and their successors and assigns.

5.41 "Neighborhood Parks" shall have the meaning as described in Attachment 1 to Exhibit "F".

5.42 "Opportunities Study Area" means the approximately 838 acres of undeveloped land, including the Property, within the City which is the subject of the General Plan Amendment. Although the Opportunities Study Area has previously been considered to include as much as 956 acres within the Greater OSA Boundaries, only those properties which are the subject of the General Plan Amendment are considered to constitute the Opportunities Study Area for purposes of this Agreement.

5.43 "OSA Landowners" refers to all owners of property within the Opportunities Study Area.

5.44 "Owner" refers to the Irvine Ranch Water District, a California water district, and Owner's successors and assigns as set forth in Section 14.14.

5.45 "Owner's Facilities Obligations" refers to the requirement of Owner to contribute to the City Facilities and the School Facilities, as those terms are defined in this Agreement (including Section 9.2 and Exhibit "F," including the attachments thereto), through the payment of the Sports Park, City Hall and Community Center Facilities Fees as described in Exhibit "F", payment of LFTM fees, deposits of funds, reimbursement from financing district special tax and bond proceeds, and/or dedication of land.

5.46 "Owner's Vested Right" refers to Owner's guaranteed right to develop the Property as set forth in this Agreement, with particular reference to Section 8.

5.47 The "Parties" means the City and Owner. A "Party" refers to either the City or the Owner.

5.48 "Planning Area" means each development parcel as defined on the First Tentative Map.

5.49 "Project" means the development of the Property as set forth in the Development Plan.

5.50 "Property" means the real property described in Exhibit "A".

5.51 "Public Benefits" refers to those benefits provided to the City and the community by Owner pursuant to Section 9 and Exhibit "F," below.

5.52 "Public Facilities" refers to the City Facilities and the School Facilities, as those terms are defined in this Agreement.

5.53 "Public Facilities Area of Benefit" refers to the area within both the City and the 65 dB CNEL Noise Contour depicted in the pre-2005 Airport Environs Land Use Plan.

5.54 "Reservation of Authority" means the rights and authority specifically reserved to City which limits the assurances and rights provided to the Owner under this Agreement. The Reservation of Authority is described in Section 8.10.

5.55 "Second Amendment" shall mean the amendment to the Development Agreement, as approved by the City Council on November 15, 2016.

5.56 "Sports Park, City Hall and Community Center Facilities Fee" shall have the meaning ascribed to it on Exhibit "F".

5.57 "Subsequent Development Approvals" means all Development Approvals and permits approved, granted, or issued after the Effective Date for the Project which are required or permitted by the Existing Land Use Regulations, the Subsequent Land Use Regulations to which Owner has consented in writing, and this Agreement. Subsequent Development Approvals include, without limitation, all development review approvals required under the Subdivision Map Act, the City's subdivision ordinance and/or other provisions of the City Municipal Code, site development permits, excavation, grading, building, construction, encroachment or street improvement permits, occupancy certificates, utility connection authorizations, drainage, landscape, or other permits or approvals necessary for the grading, construction, marketing, use and occupancy of the Project.

5.58 "Subsequent Land Use Regulations" means those Land Use Regulations which are both adopted and effective after the Approval Date and which are not included within the definition of Existing Land Use Regulations. "Subsequent Land Use Regulations" include any Land Use Regulations adopted by moratorium, by initiative, City action, or otherwise.

5.59 "Tentative Map" shall mean any tentative map, as defined in the Subdivision Map Act and the City Municipal Code, for the Project, including the First Tentative Map. With the approval of any Tentative Map, the City shall identify the conditions that shall be satisfied to process an 'A' Map and the conditions that shall be satisfied to process a 'B' Map.

5.60 "Term" means the term of this Agreement as set forth in Section 7.2 of this Agreement.

5.61 "Unit" means a dwelling unit or 1,000 square feet of non-residential space in an area designated by the Land Use Approvals for residential use, provided that only non-residential space meeting the definition of "chargeable covered and enclosed space" in Government Code Section 65995(b)(2) shall be included in calculating or referring to Units under this definition. This definition is provided solely for the purposes of determining the uses which may be built as a part of the Project and for calculating the Sports Park, City Hall and Community Center Facilities Fee described in Exhibit F, and is not intended to allow for conversion of non-residential uses to residential uses."

3.3 Notices. Section 7.10 of the Development Agreement is hereby amended in its entirety to read as follows:

"Notices. All notices, demands, and correspondence required or permitted by this Agreement shall be in writing and delivered in person or mailed by first class or certified mail, postage prepaid, addressed as follows:

If to City, to:
City of Lake Forest
25550 Commercentre Drive
Lake Forest, California 92630
Attn: City Manager

With a copy to:
Matthew E. Richardson
Best Best & Krieger LLP
18101 Von Karman Avenue, Suite 1000
Irvine, California 92612

If to Owner, to:
Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92618
Attn: General Manager

Lewis Operating Corp.
1156 N. Mountain Ave.
Upland, CA 91786
Attn: Leon Swails

With a copy to:
Hewitt & O'Neil LLP
19900 MacArthur Blvd., Suite 1050

Irvine, CA 92612
Attn: John P. Yeager, Esq.

With a copy to:
Bowie, Arneson, Wiles, and Giannone
4920 Campus Drive
Newport Beach, CA 92660
Attn: Joan C. Arneson, Esq.

City or Owner may change its address by giving notice in writing to each of the other names and addresses listed above. Thereafter, notices, demands, and correspondence shall be addressed and transmitted to the new address. Notice shall be deemed given upon personal delivery or, if mailed, two (2) business days following deposit in the United States mail."

3.4 Compliance with CEQA. Section 8.19 of the Development Agreement is hereby amended in its entirety to read as follows:

"The City Council has found that the environmental impacts of the Project have been addressed in the Serrano Summit Area Plan 2009-01 and Tentative Tract Map No. 17331 Environmental Impact Report (SCH No. 2011051009) certified by City for the General Plan Amendment and this Agreement (the "EIR"). Where the California Environmental Quality Act requires that an additional environmental analysis be performed in connection with a future discretionary approval granted by the City for the Project, the City, consistent with Section 8.18, shall provide the cooperation needed to expeditiously complete those actions."

3.5 Major Default Defined. Section 12.1 of the Development Agreement is hereby amended in its entirety to read as follows:

"A Major Default, as defined in Section 5.37 of this Agreement, may establish cause for early termination of this Agreement. This provision does not limit the right of either Party to pursue other non-termination remedies permitted by this Section 12 for Minor Defaults."

3.6 Exhibit "F", Public Benefits. Exhibit "F" (not including the attachments thereto) to the Development Agreement is hereby amended in its entirety to read as set forth in the attached Exhibit "A" to this Second Amendment and incorporated herein by reference.

3.7 Attachment 5 to Exhibit "F". Attachment 5 is hereby added to Exhibit "F" of the Development Agreement and set forth in the attached Exhibit "B" to this Second Amendment and incorporated herein by reference.

3.8 Attachment 6 to Exhibit "F". Attachment 6 is hereby added to Exhibit "F" of the Development Agreement and set forth in the attached Exhibit "C" to this Second Amendment and incorporated herein by reference.

3.9 Attachment 7 to Exhibit "F". Attachment 7 is hereby added to Exhibit "F" of the Development Agreement and set forth in the attached Exhibit "D" to this Second Amendment and incorporated herein by reference.

3.10 Remaining Provisions of Development Agreement. Except as otherwise specifically set forth in this Second Amendment, the remaining provisions of the Development Agreement shall remain in full force and effect.


[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to the Development Agreement between the City of Lake Forest and Irvine Ranch Water District be duly executed as of the day and year first written above.

CITY OF LAKE FOREST

By: 
Andrew Hamilton
Mayor


IRVINE RANCH WATER DISTRICT


By: 
Mary Aileen Matheis
Board President

ATTEST:

By: 
Stephanie D. Smith, MMC
City Clerk



By: 
Leslie Bonkowski
Board Secretary



APPROVED AS TO FORM:

By: 
Best Best & Krieger LLP
City Attorney

By: _____
Bowie, Arneson, Wiles
& Giannone
District Counsel

signed in counterpart

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to the Development Agreement between the City of Lake Forest and Irvine Ranch Water District be duly executed as of the day and year first written above.

CITY OF LAKE FOREST

IRVINE RANCH WATER DISTRICT

By: _____
Andrew Hamilton
Mayor

By: _____
Mary Aileen Matheis
Board President


ATTEST:

By: _____
Stephanie D. Smith, MMC
City Clerk

By: _____
Leslie Bonkowski
Board President

APPROVED AS TO FORM:

By: _____
Stephanie D. Smith, MMC
City Clerk

By:  _____
Bowie, Arneson, Wiles
& Giannone
District Counsel

Signed in counterpart

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of Orange)
On January 4, 2017 before me, Leslie Bonkowski
Date Here Insert Name and Title of the Officer
personally appeared Mary Aileen Matheis
Name(s) of Signer(s)

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 Leslie Bonkowski
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended 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: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

**EXHIBIT "A" TO SECOND AMENDMENT
EXHIBIT "F" TO DEVELOPMENT AGREEMENT**

EXHIBIT "F"¹

PUBLIC BENEFITS

In addition to complying with the Project conditions of approval which are designed to mitigate the significant environmental impacts of the Project, Owner has committed by this Agreement to contribute to the development of certain "Public Benefits."² The Public Benefits consist of contributions toward the "Public Facilities" (consisting of the City Facilities and the School Facilities) as described in this Exhibit "F" (collectively, "Owner's Facilities Obligations"). Any work on City Facilities shall be subject to prevailing wages. City shall have no obligation to construct the Public Facilities in any particular order or sequence, except as required by the EIR, and provided that City shall use LFTM Fees paid by Owner to construct the LFTM Improvements as they become necessary.

A. City Facilities. Owner shall make contributions towards the development of the City Facilities, as follows:

1. Sports Park, City Hall and Community Center Facilities Fees. Owner shall pay a fee in the amount of \$27,365 (the "Sports Park, City Hall and Community Center Facilities Fee") or as adjusted per Section 9.5 of this Agreement for each Unit constructed as part of the Project, subject to adjustment and the fee credit described in subparagraph A.4 below. The Sports Park, City Hall and Community Center Facilities Fees shall be due concurrently with the issuance of the building permit for each Unit, unless a different schedule is mutually agreed upon by the City and Owner. Subject to the City's issuance of fee credits for land dedications under subparagraph A.2 below, the City may commit the remainder of the Sports Park, City Hall and Community Center Facilities Fee to construction of facilities on land dedicated by Owner or other OSA Landowners or on other land in the Public Facilities Area of Benefit.

2. Civic Center Land Dedication. Owner's and City's obligations related to the Civic Center Site, as that term is defined in this paragraph, are described herein:

Owner previously delivered to City, and City accepted and executed, an Irrevocable Offer of Dedication of eleven and nine tenths (11.9) gross acres ("Prior IOD") in order to meet its obligation to deliver to the City nine (9) useable Net Acres (as defined below). Because a portion of the property dedicated in the Prior IOD was subsequently determined to be not useable, Owner shall additionally deliver to the City, an Irrevocable Offer of Dedication of point sixty-seven (0.67) useable Net Acres, not

¹Capitalized terms used in this Exhibit F shall have the same meaning as those terms are given in the body of this Agreement.

²In the case of the LFTM Program discussed below, the Public Benefits include Project mitigation and additional and/or accelerated improvements beyond Project mitigation which have been blended into a single improvement program.

including any onsite mitigation/preservation area required by resource agencies (e.g., Army Corps of Engineers, Regional Water Quality Control Board, etc.) ("New IOD").

Through the combination of the Prior IOD and New IOD, Owner shall dedicate to City eight point thirteen (8.13) useable Net Acres of land generally located and improved as described in Attachments 2, 3, and 5 to this Exhibit "F" (the "Civic Center Site"). The land dedicated by the Prior IOD and New IOD shall serve as a credit against Owner's Sports Park, City Hall, and Community Center Facilities Fees as detailed below in this Paragraph A.2. Owner shall deliver the New IOD for the Civic Center Site no later than sixty (60) days after the date on which this Second Amendment becomes effective ("Second Amendment Effective Date"). City shall have five years from delivery of the New IOD to accept and execute the New IOD. Acceptance and execution of the New IOD shall be required prior to City exercising Self-Help provisions referenced in paragraph A(4)(d) of this Exhibit "F".

If, due to reasons other than the Owner's delay or Force Majeure, the City does not accept the New IOD within the deadline described in this Paragraph, ownership of the point sixty seven (0.67) useable Net Acres of the Civic Center Site provided in the New IOD shall remain with the Owner and shall be developable consistent with the Development Plan. In such event, Owner shall pay the fees for Owner's Facilities Obligations and other applicable fees and meet Neighborhood Park dedication and improvement requirements on additional Units constructed on the Civic Center Site.

Subject to the acceleration and self-help provisions, below, and as part of Owner's Civic Center Site Obligations, as that term is defined, below, in paragraph A(4)(d) of this Exhibit "F", it is understood that the Civic Center Site shall be delivered by Owner to the City uncertified as to compaction. City will recertify site after taking title. If City provides Owner with an indemnification regarding the grading, Owner shall assign all rights and insurance contained within the grading and soils contractors' contract with Owner to the City, subject to City's approval of the language in the contracts regarding indemnification, warranty, and insurance.

Subject to the acceleration and self-help provisions, below, and as part of Owner's Civic Center Site Obligations, as that term is defined, below, in paragraph A(4)(d) of this Exhibit "F", the Civic Center Site shall contain an eight point thirteen (8.13) acre rough graded pad with a slope per City's approved rough grading plans, and such non-buildable slope(s) shall not be included in the "net" pad area calculations if allowed on the grading plan), street access to the perimeter of the site, wet and dry utilities to the perimeter of the site (including a sewer line point of connection to provide fully functional sewer service for all of the Civic Center Site, and connection to Project area storm drainage system.

The Property will be bounded by Indian Ocean Drive on the northwest, the existing industrial uses on the north, and the regional trail on the east, as shown on the map on Attachment 2 to Exhibit "F". The building envelope of requisite street frontage, site depth, vertical elevation, and utility requirements will be as depicted on Attachments 3 and 5 to Exhibit "F". The exact boundary of the site will be determined by the grading

plan and the City's site plan, and both parties acknowledge that the actual gross acreage offered for dedication to the City through the Prior IOD and New IOD will exceed eight point thirteen (8.13) acres, will run to certain property lines and right-of-way boundaries, and will include some slope banks adjacent to the Civic Center pad. Acreage calculated with the formula in this paragraph shall be referred to in this Agreement as "Net Acres". The location of the Civic Center Site and the improvements required under this Agreement may be modified with the mutual consent of Owner and City.

Within 30 days of the Effective Date, City shall provide Owner all draft biological and wetlands reports in City's possession.³ Owner shall submit a preliminary Civic Center Site property map ("Property Map") within 120 days of the Effective Date of this Agreement. The Property Map shall depict locations for onsite and offsite storm drain detention facilities to service the Civic Center Site, including a quantification of the total number of acres of each of the storm drain detention facilities. Upon receipt of the Property Map, City shall have 45 days to review and approve or disapprove the Property Map and select either the onsite or offsite site storm drain detention facilities depicted thereon. Owner and City shall use their best efforts to revise/re-submit and re-review the Property Map and to pursue in good faith agreement and City approval of the specific location and parameters of the Civic Center Site, consistent with the general parameters provided above within 30 days following Owner's revision and re-submittal of the Property Map. Upon approving the Property Map, City shall within 30 days provide Owner a proposed site plan and conceptual grading plans.

As part of the Second Amendment, Owner has provided City with a revised preliminary Civic Center Site property map ("Revised Property Map"), attached as Attachment 5 to this Exhibit "F".

Owner shall receive credit against (i) its Sports Park, City Hall and Community Center Facilities Fee obligation under this paragraph in the amount of \$1,450,000 per Net Acre for Point Eight One Five (0.815) Net Acre of this dedication under the Prior IOD and the New IOD, and (ii) the total acreage of the offsite storm drain detention facilities, should City elect to accept the offsite storm drain detention facilities depicted on the Revised Property Map, in the amount of \$1,450,000 per Net Acre, all subject to adjustment as described in subparagraph A.4 below.

Subject to the acceleration and self-help provisions below, and as part of Owner's Civic Center Site Obligations, as that term is defined, below, in paragraph (A)(4)(d), Owner shall complete the following work on the Civic Center Site:

- all requisite grading including remedial work
- all requisite off-site detention basin construction, if City selects to utilize off-site detention
- jurisdictional wetlands and Coastal Sage Scrub habitat permitting and mitigation authorization, including the initial materials and planting, and to the extent

³The requirements of this entire paragraph have been completed by the Parties.

available, Coastal Sage Scrub re-vegetation planting areas within the Project

City shall be responsible for the landscaping and maintenance of the slope banks within the Property, to include the gross property acreage as described on the Revised Property Map. City shall also provide Owner:

- any off site sources of suitable fill material that City may have, subject to availability
- land off site for jurisdictional wetlands and Coastal Sage Scrub habitat mitigation for the Civic Center Site that cannot otherwise be provided on site, subject to availability
- funding for monitoring, and maintenance of mitigation areas impacted by the Civic Center Site as required by the regulatory agencies.

City shall commence construction of the Civic Center within 24 months after the earlier of (i) issuance of building permits for 70% of the total overall units approved by the City as part of the First Tentative Map process for the five (5) OSA member projects, or (ii) no later than 12 years from the Effective Date of the Development Agreement, and shall diligently continue construction until completed.

The Civic Center Site shall be used for Civic Center purposes, including those municipal services commonly provided by general law cities at city hall and civic center complexes, consistent with the requirements of City's Municipal Code. The following land uses shall not be included in plans for the Civic Center Site ("Restricted Uses"):

- Animal Shelter
- Dog Park
- Skate Park
- Roller Hockey Facility
- A maintenance yard whose primary purpose is maintenance and repair of vehicles and/or machinery. Day-to-day maintenance, upkeep and repair of City and Police vehicles and/or machinery shall be permitted.
- A fire station with the primary function of providing firefighting and paramedic services. Administrative offices of the Orange County Fire Authority or other fire department or fire authority shall be permitted.
- A permanent jail facility, excluding holding or similar cells as part of a sub-station of the Orange County Sheriff or other police department or law enforcement agency.
- A parking structure exceeding the greater of 3 stories or 36 feet in height.
- Storage or overnight parking of trash trucks.

- Third party retail uses requiring permits, but excluding vending machines.

- High Hazard Group H occupancy as defined and described in Section 307 of the 2007 California Building Code.

- Any use that violates the City's noise ordinance, contained in section 11.16 of the Lake Forest Municipal Code.

- Any use, purpose or activity not associated with those uses, purposes or activities normally associated with a civic center, including, but not limited to, city governance, community activities and gatherings, special community events, and related public uses and activities.

Development of the Civic Center shall be subject to review and permitting otherwise applicable to development under City's Municipal Code.

Owner shall have the right to review and comment on the City's site plan, architecture, and site circulation. Prior to any public hearing on the Civic Center project, the City shall review Project plans with the Owner. The City acknowledges Owner's desire to create view opportunities for its development, consistent with the parameters depicted in Attachment 3 to this Exhibit "F".

Should the City attempt to sell, transfer or otherwise develop the Civic Center Site with Restricted Uses prior to the completion of the Civic Center, Owner shall have the right to repurchase the Civic Center Site at the original purchase price, less any unused credits or liens and encumbrances. Owner shall give written notice to City of its intent to repurchase the Civic Center Site, including an accounting of credits used, after which City shall have sixty (60) days to rescind its decision to sell, transfer or otherwise develop the Civic Center Site with restricted Uses. Upon repurchase of the Civic Center Site, Owner will thereafter pay Development Impact Fees and affordable housing in lieu fees for future building permits with no credits being granted. The repurchase price shall exclude any restructuring of the park credits, and shall only include the payment of fee amounts that have already been waived in securing a building permit prior to the repurchase. City shall receive payment for the waived fees already used by Owner at the time of closing on the repurchase. Escrow shall close on the repurchase of the Property within sixty (60) days after Owner gives notice to the City. City shall remove exceptions and encumbrances put on title unless otherwise approved by Owner.

3. Neighborhood Parks. In addition to Owner's dedication of land and/or payment of fees for the City Facilities described above, Owner shall dedicate to the City on a schedule determined in connection with the City's approval of Owner's First Tentative Map, neighborhood parkland at a rate of three net useable acres per 1,000 residents. Of this parkland, Owner shall dedicate to the City (i) 2.95 Net Useable Acres of parkland located adjacent to Serrano Creek (the "Passive/Nature Park") generally located and improved as described in Attachment 1 to this Exhibit "F", and (ii) the remainder onsite. Parkland dedicated by Owner shall be improved by Owner subject to

the Neighborhood Parks Improvement Criteria, described in Attachment 1 to this Exhibit "F."⁴ Owner shall receive credit against the neighborhood parks requirement equal to 1.15 acres for each improved acre. All onsite neighborhood parks shall be planned and reviewed under the City's park planning process, and shall meet the criteria described below and in Attachment 1 to this Exhibit. The minimum size of neighborhood parks for which the City shall be required to provide credit shall be 0.5 acres.

Any land dedicated or otherwise conveyed to the City for the neighborhood parks shall: (i) be free and clear from all assessments, liens, and other monetary obligations or encumbrances, as shown by an American Land Title Association (ALTA) policy of title insurance; and (ii) be delivered in an improved condition, as described in this Paragraph A(3) and in Attachment 1 to this Exhibit "F".

4. General Requirements for City Facilities.

a) Adjustments to Costs of City Facilities. The City shall, on July 1st of each year, commencing in 2009, apply an inflation escalator to: (i) the Sports Park, City Hall and Community Center Facilities Fee described in subparagraphs A.1 above, to the extent that they remain unpaid; and (ii) the amount of credit provided against Owner's Facilities Fee Obligation per qualifying acre of land dedicated by Owner, to the extent that the City has not accepted Owner's irrevocable offer of dedication, based upon the change in the Engineering News-Record (ENR) Building Cost Index for the Los Angeles area between the Effective Date and the date of the annual July 1 adjustment. In the event that the ENR Building Cost Index ceases to be published, the City shall select a successor third-party index which is designed to reflect generally-accepted changes in the cost of construction in Southern California.

b) Title and Condition of City Facilities Sites. Any land dedicated or otherwise conveyed to the City for the City Facilities or neighborhood parks shall: (i) be free and clear from all assessments, liens, and other monetary obligations or encumbrances, as shown by an American Land Title Association (ALTA) policy of title insurance; and (ii) be delivered in "superpad" condition (consisting of rough grading with drainage approved by the City Engineer, all necessary utility infrastructure stubbed to property boundaries, adjacent street improvements completed, and any required environmental remediation completed). However, land dedicated or otherwise conveyed to the City for neighborhood parks shall be delivered to the City in an improved condition, as described above in Paragraph A(3) and in Attachment 1 to this Exhibit "F". Land dedicated as part of the Owner's Civic Center Site Obligations, as that term is defined, below, in paragraph A(4)(d) of this Exhibit "F" shall be delivered in the condition described in paragraph A(2) of this Exhibit "F".

⁴For purposes of this Agreement, one residential unit shall be assumed to generate 2.91 residents.

c) Concurrent Processing. Owner shall include the Civic Center Site in (i) its analysis and applications for the Project's project level CEQA analysis and (ii) surveys, analysis, submittals, and applications to all resource agencies and regulatory agencies for the Project, provided that City provides the necessary information to Owner in a timely manner. All project level CEQA approvals shall be completed for the Civic Center Site in conjunction with the CEQA approvals for the Owner's Project, provided that City provides the necessary information to Owner within the deadlines described in this Agreement. Owner and City agree to pursue City's review of Owner's project level entitlements, as incorporating the Civic Center, with an application made to City within nine (9) months of the Effective Date and to use their reasonable efforts to complete First Tentative Map entitlements within 18 months of the Effective Date and final "A" Map entitlements within 24 months of the Effective Date. All resource agency permits, if any, shall be prepared for the Property by the Owner in conjunction with those required for the Owner's Project. The City shall cooperate with such approvals. The costs of these applications shall be paid by Owner.

Should the City's plans not be available and ready to submit within the timeframes outlined above and prior to Owner's submittal of relevant applications for Subsequent Approvals to the City, Owner will remove any reference to the Civic Center in its Project applications and proceed with its Project applications, excluding plans for the Civic Center Site.

Owner has submitted to the City a revised Area Plan, an amended use permit, and a revised First Tentative Map that, among other things, reflect the Revised Property Map. The City's costs, including but not limited to staff and consultant expenses, of reviewing and processing any Development Approval shall be paid by Owner. This includes the obligation to pay any and all costs associated with the City's completion of environmental review for the Second Amendment, the revised Area Plan, the amended use permit, and the revised First Tentative Map in accordance with the California Environmental Quality Act.

d) Acceleration and Self-help Provisions. If Owner has not commenced construction of the Civic Center Site improvements within thirty (30) months of the Effective Date, City may submit to Owner a written request for Owner to determine whether the Civic Center Site improvements can be constructed onsite ("Onsite") or offsite ("Offsite"). Onsite shall mean that construction of the Civic Center Site improvements will not result in extensive improvements beyond the Civic Center Site on the remainder of the Property, excluding normal construction access to the Civic Center Site and development of shared and adjacent slopes. Offsite shall mean that construction of the Civic Center Site improvements will result in extensive improvements beyond the Civic Center Site on the remainder of the Property, excluding normal construction access to the Civic Center Site and development of shared and adjacent slopes. City's construction of the entirety of Indian Ocean Drive, including the roundabout

that intersects Indian Ocean Drive, as provided in Attachment "6" to this Exhibit "F", shall not constitute an "offsite" improvement for purposes of this Paragraph (A)(4)(d). Owner shall respond in writing to City's request ("Owner's Response") within 15 days of the date of the request.

If Owner's Response concludes that construction of the Civic Center Site improvements are Offsite, Owner may elect to (i) perform Accelerated Owner Completion (as defined below) or (ii) permit City to perform Owner's obligations for grading, preparation, delivery, permitting, and insuring title to the Civic Center Site ("Owner's Civic Center Site Obligations") as a City public works project (as defined below). Owner shall inform City of its election in Owner's Response. Should Owner elect to permit City to perform Owner's Civic Center Site Obligations as a City public works project, Owner reserves the right to review plans for any Offsite improvements beyond the Civic Center Site on the remainder of the Property, and Owner agrees to cooperate in good faith in any such review.

If Owner's Response concludes that the Civic Center Site improvements are Onsite, City may elect to (i) require Owner to perform Accelerated Owner Completion (as defined below), or (ii) perform Owner's Civic Center Site Obligations as a City public works project (as defined below).

Before commencement of either Accelerated Owner Completion or City's performance of Owner's Civic Center Site Obligations as a City public works project, Owner shall deliver and City shall accept and execute the New IOD. As outlined above in this Section A(4)(d), the parties shall pursue one of the following alternatives:

(i) Accelerated Owner Completion. As specified above in Section A(4)(D), City may demand acceleration of, or Owner may elect to accelerate, Owner's Civic Center Site Obligations. Owner shall commence Owner's Civic Center Site Obligations within 10 days of the later of (i) receipt of City's Civic Center Site grading plans and bid package, (ii) City's deposit into a City deposit account of the estimated funds necessary to advance Owner for payment of obligations during the accelerated completion of Owner's Civic Center Site Obligations, to be reimbursed to City as provided below in this Section A(4)(d), or (iii) 120 days from the date of Owner's Response (if Offsite) or upon 120 days' notice to Owner from the City ("Notice of Intent to Accelerate Owner's Civic Center Site Obligations") (if Onsite).

City's deposit shall be calculated as follows. Owner shall obtain three (3) hard cost bids from reputable licensed contractors engaged in constructing similar improvements. Of the three (3) bids, City's deposit shall be the average of the two (2) bids that are closest in amount to each other, plus a ten percent (10%)

contingency, plus ten percent (10%) for Owner's overhead/contract administration fee, plus amounts to provide ordinary bonding and sureties for City construction projects (the "Total City Deposit").

Owner shall be paid from the deposit account within thirty (30) days of City's receipt of an invoice from Owner which must be received by City on the first day of the calendar month, plus an overhead/contract administration fee of ten percent (10%) of those invoices. Owner agrees to reimburse the City for the full amount withdrawn from the Total City Deposit, according to the schedule set forth below. Funds remaining in the deposit shall be remitted to City one year following City's acceptance of the Civic Center Site improvements.

(ii) City public works project/Self-help. City may pursue completion of the Civic Center pad as a City public works project, subject to City's normal regulations and processes for City construction projects. City shall commence work on the Civic Center Site as a City public works project upon 30 days' notice to Owner from City ("Notice of Intent to Exercise Self-help"). Owner shall have the right to review and comment on the City's bid specifications and the City Engineer's estimate prior to the City's call for bids, and Owner may participate as a bidder in the bid process. City shall award the Civic Center Site contract to the lowest responsible bidder, pursuant to the City's public contract regulations. The bid award and final contract price may include up to a ten percent (10%) contingency. Owner agrees to reimburse the City for the Civic Center Site construction contract costs, including contingency amendments of up to ten percent (10%), if approved, and an overhead/contract administration fee to the City of ten percent (10%), according to the schedule set forth below.

Owner shall provide City all reasonable access to the Civic Center Site and the remainder of the Property (which does not include the Civic Center Site or areas identified as Irvine Ranch Water District Operating Facilities, as depicted in Attachment 7 to this Exhibit "F"), which shall be referred to as "Remainder of the Property") necessary to implement this self-help provision. Such reasonable access includes, without limitation, Owner providing City with a temporary construction license and/or entry permit to allow City, among other things, to enter the Remainder of the Property to haul and remove fill material from the Remainder of the Property consistent with approved grading plans for the project. The amount of fill material that City may remove from the Remainder of the Property will be consistent with approved grading plans and provided in the temporary construction license and/or entry permit and shall be consistent with the limits analyzed in the

EIR and any CEQA documentation prepared for the Second Amendment. Such fill material will be placed on the Civic Center Site so that City may perform Owner's Civic Center Site Obligations, including rough grading the Civic Center Site. Owner shall not unreasonably withhold such temporary construction license and/or entry permit or the amount of fill necessary for City to rough grade the Civic Center Site.

Owner shall reimburse the City for amounts deposited to fund the Accelerated Owner Completion of the Civic Center Site or the Owner's Civic Center Site Obligations incurred by the City in completing the Civic Center Site as a City public works project according to a schedule approved in connection with Owner's revised Area Plan, and in any event, Owner shall reimburse City at the earlier of (a) the close of escrow in the event that Owner sells, assigns, transfers, or conveys any portion the Remainder of the Property, or (b) within six (6) months of Owner's receipt of grading permits for the Remainder of the Property.

Following Owner or Owner's assignee's or transferee's reimbursement, as provided in the immediately preceding paragraph of this Section A(4)(d)(ii), the City may incur additional expenses related to City's performance of Owner's Civic Center Site Obligations, as provided in Attachment 6 of this Exhibit "F". Should City incur additional expenses related to City's performance of Owner's Civic Center Site Obligations, as provided in Attachment 6 of this Exhibit "F", City shall be reimbursed on a quarterly basis by (1) the new Owner, transferee, or assignee, if Owner sells, assigns, or conveys the Remainder of the Property, as provided in the immediately preceding paragraph of this Section (A)(4)(d)(ii); or (2) the Owner, if the Owner receives grading permits for the Remainder of the Property, as provided in the immediately preceding paragraph of this Section (A)(4)(d)(ii).

Should City exercise self-help and pursue completion of Owner's Civic Center Site Obligations as a City public works project, such City-completion shall be subject to the provisions of Attachment 6 to this Exhibit "F", "City Completion of Civic Center".

e) Maintenance of City Facilities. Owner shall provide the City with funds to pay for the Owner's proportionate share of the City's annual maintenance costs of the community center and sports park, with one of the following options: (i) Owner shall pay a fee in the amount of \$760 for each residential unit concurrently with the issuance of the building permit for that residential unit; or (ii) Owner shall pay the costs through the formation of a Financing District for maintenance purposes. Owner shall select one of these options at the time of Owner's submission of its First Tentative Map for the Project. Notwithstanding Owner's selection of one of the preceding options, the City may, in lieu of either such option, add an improvement to the list of LFTM Improvements for Alton Parkway, notwithstanding Section A(5)(a) of this Exhibit

F, provided the cost of such added improvement does not increase the LFTM Fee by more than \$760 per residential unit. City shall also decide whether to include Alton Parkway in LFTM before First Tentative Map approval.

5. LFTM Improvements.

a) Payment of LFTM Fees. Owner agrees that it shall pay the LFTM fees applicable to the Property, as provided in the LFTM Ordinance. Payment may be made as provided in Section 9.4 of this Agreement. City shall not add new improvements to the list of LFTM Improvements, provided that City may substitute less expensive alternative improvements for LFTM Improvements. City shall use LFTM fees paid by Owner to construct the LFTM Improvements, subject to City's authority to substitute less expensive alternative improvements for LFTM Improvements. The City's failure to timely complete the acquisitions or improvements shall not be cause for the City to refuse to issue Subsequent Development Approvals for the Project.

b) Notice of LFTM Program to Developers and Purchasers of the Property. Owner shall include notice of the LFTM Program obligations pursuant to this Agreement in each instrument conveying any portion of the Property to a developer, merchant builder, or corporate or institutional purchaser of a portion of the Property.

c) Subsequent Improvements Required by CEQA. If, during subsequent environmental review of the Project or Project components, the City determines under subsections (a)(2) or (a)(3) of Section 15165 of the CEQA Guidelines that additional traffic mitigation not included in LFTM is required, the City shall either fund those improvements or adopt a statement of overriding considerations finding that the Project benefits offset and outweigh the unanticipated impacts.

d) Effect of Third-Party Funding for Traffic Improvements on LFTM Fee. The City shall make a reasonable effort to obtain third-party funding for LFTM Improvements, provided that the City shall not be obligated to seek such funding to the extent that obtaining funding for LFTM Improvements would reduce the funding available to the City for non-LFTM transportation improvements, and shall reduce the costs of the LFTM Improvements to reflect any funding received for LFTM Improvements from the State of California, County of Orange, North Irvine Transportation Mitigation Program (NITM), voter-approved transportation funding programs (not including assessment districts, Community Facilities Districts, or other financing vehicles established to provide funds for improvements and other obligations of the Opportunities Study landowners), or the Foothill Circulation Phasing Plan ("FCPP").

School Facilities. Owner shall comply with its obligations under the agreement between Owner and the Saddleback Valley Unified School District, attached as Attachment 4 to this Exhibit "F". Owner's failure to comply with such agreement shall

constitute a Major Default for purposes of this Agreement.

EXHIBIT "B" TO SECOND AMENDMENT
ATTACHMENT 5 TO EXHIBIT "F" OF DEVELOPMENT AGREEMENT
REVISED PROPERTY MAP

Exhibit "B"-1

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EXHIBIT "B"

LEGAL DESCRIPTION

**CITY OF LAKE FOREST
PORTIONS OF PARCEL 2 OF
AMENDED MAP OF PARCEL MAP NO. 89-218**

Those certain parcels of land situated in the City of Lake Forest, County of Orange, State of California, being those portions of Parcel 2 of Amended Map of Parcel Map No. 89-218 as shown on a map thereof filed in Book 274, Pages 27 through 29 inclusive, of Parcel Maps in the Office of the County Recorder of said Orange County, described as follows:

PARCEL 1

COMMENCING at the northwesterly terminus of that certain course in the northeasterly line of said Parcel 2 of Amended Map of Parcel Map No. 89-218 shown as "North 68°23'41" West 291.74 feet", also being an angle point in the northeasterly line of that certain parcel of land accepted by the City of Lake Forest as described in Certificate of Acceptance of Irrevocable Offer of Dedication in Fee Simple of Real Estate recorded May 9, 2012 as Instrument No. 2012000265051 of Official Records in said Office of the County Recorder of Orange County; thence along said northeasterly line North 37°52'42" West 394.70 feet to a point on a non-tangent curve concave southeasterly and having a radius of 619.00 feet, a radial line of said curve from said point bears South 37°22'31" East, said point being the **TRUE POINT OF BEGINNING**; thence along the northwesterly line of said City of Lake Forest parcel through the following courses: along said curve southwesterly 399.99 feet through a central angle of 37°01'27"; thence tangent from said curve South 15°36'02" West 71.16 feet to the beginning of a tangent curve concave easterly and having a radius of 68.00 feet; thence along said curve southerly 15.62 feet through a central angle of 13°09'46" to an intersection with a non-tangent curve concave southwesterly and having a radius of 73.00 feet, a radial line of said curve from said intersection bears South 76°56'13" West; thence leaving said northwesterly line, along said curve northerly 18.78 feet through a central angle of 14°44'17" to a point of reverse curvature with a curve concave easterly and having a radius of 72.00 feet, a radial line of said curve from said point bears North 62°11'56" East; thence along said curve northerly 59.53 feet through central angle of 47°22'26" to a point of compound curvature with a curve concave southeasterly and having a radius of 695.00 feet, a radial line of said curves from said point bears South 70°25'38" East; thence along said curve northeasterly 367.08 feet through a central angle of 30°15'43"; thence tangent from said curve North 49°50'05" East 18.09 feet to the beginning of a tangent curve concave southeasterly and having a radius of 519.00 feet; thence along said curve northeasterly 40.36 feet through a central angle of 04°27'19" to said northeasterly line of Parcel 2 having a bearing of "North 37°52'42" West" and passing through the true point of beginning; thence along said northeasterly line, non-tangent from said curve South 37°52'42" East 0.81 feet to the **TRUE POINT OF BEGINNING**.

CONTAINING: 6506 Square Feet.

City of Lake Forest
Portions of Parcel 2 of
Amended Map of Parcel Map No. 89-218

Exhibit "B"

49

50 **PARCEL 2**

51

52 **COMMENCING** at the northwesterly terminus of that certain course in the northeasterly
53 line of said Parcel 2 of Amended Map of Parcel Map No. 89-218 shown as
54 "North 68°23'41" West 291.74 feet", also being an angle point in the northeasterly line of
55 that certain parcel of land accepted by the City of Lake Forest as described in Certificate
56 of Acceptance of Irrevocable Offer of Dedication in Fee Simple of Real Estate recorded
57 May 9, 2012 as Instrument No. 2012000265051 of Official Records in said Office of the
58 County Recorder of Orange County; thence along said northeasterly line
59 North 37°52'42" West 394.70 feet to a point on a non-tangent curve concave
60 southeasterly and having a radius of 619.00 feet, a radial line of said curve from said point
61 bears South 37°22'31" East; thence along the northwesterly line of said City of Lake
62 Forest parcel through the following courses: along said curve southwesterly 399.99 feet
63 through a central angle of 37°01'27"; thence tangent from said curve
64 South 15°36'02" West 71.16 feet to the beginning of a tangent curve concave easterly
65 and having a radius of 68.00 feet; thence along said curve southerly 15.62 feet through a
66 central angle of 13°09'46" to an intersection with a non-tangent curve concave
67 southwesterly and having a radius of 73.00 feet, a radial line of said curve from said
68 intersection bears South 76°56'13" West; thence continuing along said northwesterly line
69 and said curve having a radius of 68.00 feet, southerly 31.38 feet through a central angle
70 of 26°26'29" to the **TRUE POINT OF BEGINNING**, a radial line of said curve from said
71 point bears North 65°59'47" East; thence continuing along said northwesterly line through
72 the following courses: continuing along said curve southeasterly 6.99 feet through a
73 central angle of 05°53'18" to a point of reverse curvature with a curve concave
74 southwesterly and having a radius of 73.00 feet, a radial line of said curve from said point
75 bears South 60°06'29" West; thence along said curve southerly 19.29 feet through central
76 angle of 15°08'25" to a point of reverse curvature with a curve concave northeasterly and
77 having a radius of 14.00 feet, a radial line of said curve from said point bears
78 North 75°14'54" East; thence along said curve southeasterly 14.38 feet through central
79 angle of 58°51'09"; thence radially from said curve South 16°23'45" West 62.00 feet to a
80 point on a non-tangent curve concave southeasterly and having a radius of 14.00 feet, a
81 radial line of said curve from said point bears South 16°23'45" West; thence along said
82 curve westerly 14.38 feet through a central angle of 58°51'10" to a point of reverse
83 curvature with a curve concave northwesterly and having a radius of 73.00 feet, a radial
84 line of said curve from said point bears North 42°27'25" West; thence along said curve
85 southwesterly 16.99 feet through central angle of 13°20'17" to a point of reverse curvature
86 with a curve concave southeasterly and having a radius of 76.00 feet, a radial line of said
87 curve from said point bears South 29°07'08" East; thence along said curve southwesterly
88 60.06 feet through central angle of 45°16'50"; thence tangent from said curve
89 South 15°36'02" West 102.47 feet to the beginning of a tangent curve concave
90 northwesterly and having a radius of 1029.00 feet; thence along said curve southerly
91 13.92 feet through a central angle of 00°46'31"; thence tangent from said curve
92 South 16°22'33" West 160.54 feet; thence South 06°37'49" West 81.07 feet; thence

**City of Lake Forest
Portions of Parcel 2 of
Amended Map of Parcel Map No. 89-218**

Exhibit B

93 leaving said northwesterly line, North 73°36'15" West 31.47 feet to a point on a non-
94 tangent curve concave westerly and having a radius of 70.95 feet, a radial line of said
95 curve from said point bears North 82°41'40" West; thence along said curve northerly
96 34.30 feet through a central angle of 27°42'00" to an intersection with a non-tangent curve
97 concave northwesterly and having a radius of 46.00 feet, a radial line of said curve from
98 said intersection bears North 52°58'00" West; thence along said curve northerly 35.55
99 feet through a central angle of 44°16'37" to a point of reverse curvature with a curve
100 concave easterly and having a radius of 92.00 feet, a radial line of said curve from said
101 point bears North 82°45'23" East; thence along said curve northerly 44.54 feet through
102 central angle of 27°44'15" to a point of reverse curvature with a curve concave
103 northwesterly and having a radius of 526.00 feet, a radial line of said curve from said point
104 bears North 69°30'22" West; thence along said curve northerly 37.62 feet through central
105 angle of 04°05'53"; thence tangent from said curve North 16°23'45" East 262.14 feet to
106 the beginning of a tangent curve concave southeasterly and having a radius of 72.00 feet;
107 thence along said curve northeasterly 58.26 feet through a central angle of 46°21'32" to
108 a point of reverse curvature with a curve concave northwesterly and having a radius of
109 70.00 feet, a radial line of said curve from said point bears North 27°14'43" West; thence
110 along said curve northeasterly 24.10 feet through central angle of 19°43'33" to a point of
111 reverse curvature with a curve concave southeasterly and having a radius of 17.00 feet,
112 a radial line of said curve from said point bears South 46°58'16" East; thence along said
113 curve easterly 18.80 feet through central angle of 63°22'01" to a line bearing
114 North 16°23'45" East and passing through the true point of beginning; thence non-tangent
115 from said curve North 16°23'45" East 30.23 feet to said northwesterly line of said City of
116 Lake Forest parcel and the **TRUE POINT OF BEGINNING**.

117
118
119
120

CONTAINING: 20,719 Square Feet.

121
122

SUBJECT TO all Covenants, Rights, Rights-of-Way and Easements of Record.

123
124

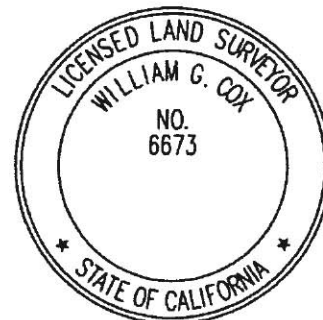
EXHIBIT "B" attached and by this reference made a part hereof.

125
126

127 William G. Cox 2-6-17
128 William G. Cox, L.S. 6673 Date

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133
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135

Michael Baker International
14725 Alton Parkway
Irvine, California 92618
JN 133020



H:\pdata\133020\CADD\Mapping\Exhibits\CLF Parcels\LEGAL\133020-LGL-Xfer_Parcels.docm

NOTE

() DENOTES RECORD DATA PER INSTRUMENT NO. 2012000265051, O.R.
[] DENOTES RECORD DATA PER AMD. MAP OF P.M. NO. 89-218, P.M.B. 274/27-29

AMENDED MAP OF
PARCEL MAP
NO. 89-218
P.M.B 274/27-29

COMMERCENTRE DRIVE

INDIAN OCEAN DRIVE

(FUTURE STREET)

PARCEL 2
PARCEL MAP NO. 88-201
P.M.B. 257/21-23

NE'LY LINE PARCEL 2 OF
AMD. MAP OF P.M. NO. 89-218 &
INSTRUMENT NO. 2012000265051, O.R.

P.O.C.
PCL. 1 & 2

(394.70')
(N37°52'42"W)

T.P.O.B.
PCL. 1
(SEE SHEET 2
FOR DETAIL)

[291.74']
[N68°23'41"W]

PARCEL 2

PARCEL 1
6506 SF

T.P.O.B.
PCL. 2
(SEE SHEET 3
FOR DETAIL)

(FUTURE STREET)

PARCEL 2

CITY OF LAKE FOREST
CERTIFICATE OF ACCEPTANCE
INSTRUMENT NO.
2012000265051, O.R.

SERRANO CREEK

PARCEL 2
20,719 SF

PARCEL 2

SCALE: 1"=200'

EXHIBIT "B"

SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

CITY OF LAKE FOREST
PORTIONS OF PARCEL 2 OF
AMD. MAP OF P.M. NO. 89-218

SHEET 1 OF 3 SHEETS

Michael Baker

INTERNATIONAL

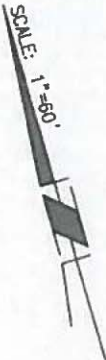
14725 Alton Parkway, Irvine CA 92618
(949) 472-3505 MBAKERINTL.COM

JANUARY 4, 2017

133020

NOTES

1. SEE SHEET 3 FOR DATA TABLES.
- () DENOTES RECORD DATA PER INSTRUMENT NO. 2012000265051, O.R.



PARCEL 2
AMENDED MAP OF
P.M. NO. 89-218
P.M.B. 274/27-29

PARCEL 2
P.M. NO. 88-201
P.M.B. 257/21-23

T.P.O.B.
PARCEL 1

NE'LY LINE PCL. 2 OF
AMD. MAP OF P.M. NO.
89-218 & INST. NO.
2012000265051, O.R.

CITY OF LAKE FOREST
CERTIFICATE OF ACCEPTANCE
INSTRUMENT NO.
2012000265051, O.R.

NW'LY LINE, INST. NO.
2012000265051, O.R.

N70°25'38"W
(RAD) P.C.C.

(FUTURE STREET)

$\Delta=30^{\circ}15'43''$ R=695.00' L=367.08'
 $\Delta=37^{\circ}01'27''$ R=619.00' L=399.99'
 $\Delta=37^{\circ}01'23''$ R=619.00' L=399.98'

PARCEL 1
6506 SF

N87°33'44"W (RAD) R=68'
N65°59'47"E (RAD)

N62°11'56"E
(RAD) P.R.C.
N76°56'13"E
(RAD) R=73'

N60°06'29"E
(RAD) P.R.C.
N75°14'54"E
(RAD) P.R.C.

T.P.O.B.
PARCEL 2

EXHIBIT "B"
SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

CITY OF LAKE FOREST
PORTIONS OF PARCEL 2 OF
AMD. MAP OF P.M. NO. 89-218

SHEET 2 OF 3 SHEETS

Michael Baker

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JANUARY 4, 2017

133020

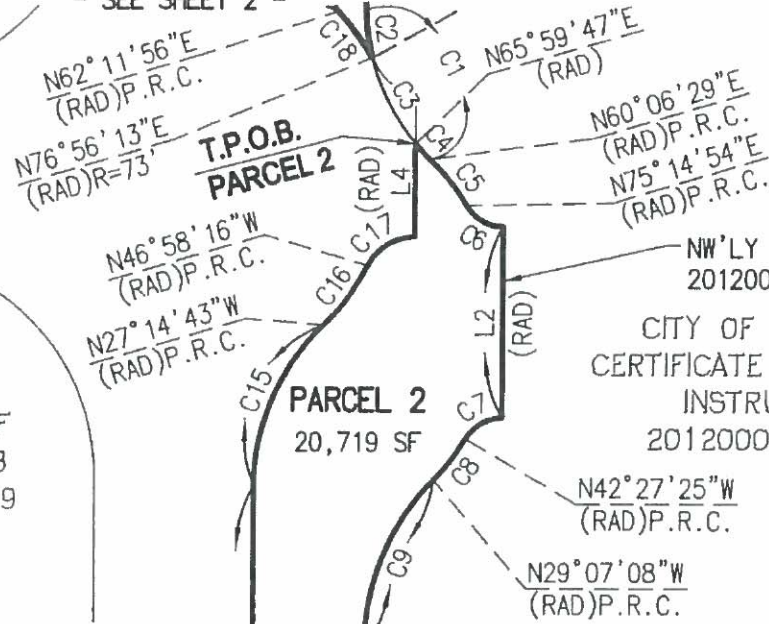
- SEE SHEET 3 -

- SEE SHEET 1 -

- SEE SHEET 2 -

(FUTURE STREET)

PARCEL 2
AMENDED MAP OF
P.M. NO. 89-218
P.M.B. 274-27-29



NW'LY LINE, INST. NO.
2012000265051, O.R.
CITY OF LAKE FOREST
CERTIFICATE OF ACCEPTANCE
INSTRUMENT NO.
2012000265051, O.R.

PARCEL 2
20,719 SF

LINE DATA TABLE		
NO.	BEARING	LENGTH
L1	(N15°36'02"E)	(71.16')
L2	(N16°23'45"E)	(62.00')
L3	N73°36'15"W	31.47'
L4	N16°23'45"E	30.23'
L5	N49°50'05"E	18.09'
L6	S37°52'42"E	0.81'

CURVE DATA TABLE			
NO.	DELTA	RADIUS	LENGTH
C1	(45°29'33")	(68.00')	(53.99')
C2	13°09'46"	68.00'	15.62'
C3	26°26'29"	68.00'	31.38'
C4	05°53'18"	68.00'	6.99'
C5	(15°08'25")	(73.00')	(19.29')
C6	(58°51'09")	(14.00')	(14.38')
C7	(58°51'10")	(14.00')	(14.38')
C8	(13°20'17")	(73.00')	(16.99')
C9	(45°16'50")	(76.00')	(60.06')
C10	(00°46'31")	(1029.00')	(13.92')
C11	27°42'00"	70.95'	34.30'
C12	44°16'37"	46.00'	35.55'
C13	27°44'15"	92.00'	44.54'
C14	04°05'53"	526.00'	37.62'
C15	46°21'32"	72.00'	58.26'
C16	19°43'33"	70.00'	24.10'
C17	63°22'01"	17.00'	18.80'
C18	14°44'17"	73.00'	18.78'
C19	47°22'26"	72.00'	59.53'
C20	04°27'19"	519.00'	40.36'

NOTE
() DENOTES RECORD DATA
PER INSTRUMENT NO.
2012000265051, O.R.



EXHIBIT "B"

SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

CITY OF LAKE FOREST
PORTIONS OF PARCEL 2 OF
AMD. MAP OF P.M. NO. 89-218

NW'LY LINE, INST. NO.
2012000265051, O.R.

SHEET 3 OF 3 SHEETS

Michael Baker

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JANUARY 4, 2017 133020

EXHIBIT "C" TO SECOND AMENDMENT

**ATTACHMENT 6 TO EXHIBIT "F" OF DEVELOPMENT AGREEMENT
CITY COMPLETION OF OWNER'S CIVIC CENTER SITE OBLIGATIONS**

ATTACHMENT 6 TO EXHIBIT "F"

CITY COMPLETION OF OWNER'S CIVIC CENTER SITE OBLIGATIONS

Pursuant to Paragraph A(4)(d) of Exhibit "F" of this Agreement, under certain circumstances, City may exercise self-help and pursue completion of Owner's Civic Center Site Obligations as a City public works project, subject to City's normal regulations and processes for City construction projects. Should City make such an election, City and Owner's performance shall be as follows:

A. Cost to Develop Separate Plans

Owner's consultant(s) will provide design plans for the Civic Center Site and Owner's portion of the Project on the Remainder of the Property. In order for City to perform Owner's Civic Center Site Obligations, the plans will need to be separated so that the plans for the Civic Center Site design are separate from plans for the Owner's portion of the Project on the Remainder of the Property. To separate the previously designed plans into two sets of plans, Parties shall each bear fifty percent (50%) of the costs for Owner's consultant(s) to separate the previously designed plans.

B. Environmental Mitigation

1. Mitigation on the Civic Center Site⁵

At its sole cost, Owner shall be responsible for environmental mitigation on the Civic Center Site, as provided in Paragraph A(2) of Exhibit "F" of this Agreement, before, during, and after the construction of the Civic Center Site improvements, until such required environmental mitigation on the Civic Center Site is fulfilled. The environmental mitigation on the Civic Center Site is provided in the following documents, studies, and regulatory permits:

The plans and studies include, without limitation:

- Mitigation Monitoring and Reporting Program of the Serrano Summit Area Plan 2009-01 and Tentative Tract Map No. 17331 Environmental Impact Report (SCH No. 2011051009) ("EIR");⁶ and
- Final Compensatory Habitat Mitigation and Monitoring Plan for the Lake Forest Civic Center Project, dated July 2015 ("HMMP").

The regulatory permits include, without limitation (collectively, the "Environmental Permits):

⁵For purposes of this Section B of Attachment 6 to Exhibit "F", Mitigation on the Civic Center Site and Mitigation off of the Civic Center Site shall be areas described in the EIR, HMMP, and Environmental Permits, as those terms are defined in this Section B.

⁶This EIR is the same as that introduced in Section 8.19 of the Agreement.

- California Department of Fish and Wildlife Streambed Alteration Agreement (Notification No. 1600-2014-0005-R5) ("Streambed Alteration Agreement") signed by the Department on December 12, 2015. As part of the mitigation requirements under the Streambed Alteration Agreement, Owner shall be required to, among other things, plant materials along and on the slope of the new stream bed and mitigation area;
- California Regional Water Quality Control Board Section 401 Water Quality Certification (WQC, File No. 302014-01) issued September 11, 2015 ("Section 401 Certification"); and
- United States Army Corps of Engineers Section 404 Individual Permit (Corps File No. SPL-2013-00406-SME) issued April 6, 2016

Any mitigation measures that Owner performs on the Civic Center Site shall be in accordance with the EIR, HMMP, and Environmental Permits, and Owner shall indemnify City for any and all penalties, fines, charges, fees, or other assessments imposed against City for Owner's performance.

At its sole cost, City shall be responsible for any and all environmental monitoring on the Civic Center Site before, during, and after City's completion of Owner's Civic Center Site Obligations, until such environmental mitigation on the Civic Center Site is fulfilled. The requirements for environmental monitoring on the Civic Center Site are provided in EIR, HMMP, and Environmental Permits.

Notwithstanding the foregoing, prior to the rough grading of the Civic Center Site, City shall advance costs to perform Owner's obligations to contract with a qualified archaeologist, paleontologist, and biologist to monitor the Civic Center Site and Borrow Site, as defined below in Section "F". The monitoring work of the qualified archaeologist, paleontologist, and biologist shall be carried out in accordance with, among other things, the EIR. City shall be responsible for paying up to Fifteen Thousand Dollars (\$15,000) for the cost to contract with a qualified archaeologist, paleontologist, and biologist for their monitoring services. Owner shall reimburse City for any costs beyond Fifteen Thousand Dollars (\$15,000) that the City incurs in contracting with a qualified archaeologist, paleontologist, and biologist for their monitoring services, as provided in Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

Notwithstanding the foregoing, and also prior to the rough grading of the Civic Center Site, City shall advance costs to perform Owner's obligations to conduct biological field surveys and implement biological mitigation measures, as required in the EIR. Such biological surveys and implementation of biological mitigation measures shall be carried out in accordance with, among other things, the EIR. Owner shall reimburse City for the cost to conduct biological field surveys and implement biological mitigation measures, as provided in Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

2. Mitigation off of the Civic Center Site

Exhibit "C"-3

At its sole cost, City shall be responsible for any and all mitigation and monitoring off of the Civic Center Site before, during, and after City's completion of Owner's Civic Center Site Obligations, until such offsite environmental mitigation and monitoring requirements off of the Civic Center Site are fulfilled. Requirements for mitigation and monitoring off of the Civic Center Site are also provided in the EIR, HMMP, and any and all applicable regulatory permits, including, without limitation, the Environmental Regulatory Permits.

C. Construction of Split Streambed

Per the Streambed Alteration Agreement, a new stream will be created on the Civic Center Site. A splitter box will passively split perennial flows evenly between the new created stream channel and the avoided portion of the existing stream.

1. Design

At its sole cost, Owner shall design the new stream and associated upstream improvements including, but not limited to, the new storm drain outlet and splitter box, as described in the Streambed Alteration Agreement.

2. Construction

At its sole cost, the City shall construct the new stream. City shall advance costs and construct the upstream improvements associated with the new stream, including, without limitation, the new storm drain outlet and splitter box. Owner shall reimburse City for the cost to construct the upstream improvements associated with the new stream, including, without limitation, the new storm drain outlet and splitter box, as provided in Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

3. Maintenance

At its sole cost and in perpetuity, the City shall maintain the new stream and the associated upstream improvements associated with the new stream, including without limitation, the new storm drain and the splitter box.

D. Grading of Civic Center Site

1. Rough Grading

At its sole cost, Owner shall design rough grading plans as part of Owner's Civic Center Site Obligations. The Civic Center Site rough grading plans shall reflect:

- An eight point thirteen (8.13) acre rough graded pad; with
- A slope that meets requirements included in City's approved rough grading plans for the Civic Center Site;
- Street access to the perimeter of the site;

- Wet and dry utilities to the perimeter of the site (including a sewer line point of connection to provide fully functional sewer service for all of the Civic Center Site);
- Connection to Project area storm drainage system; and
- Extension of the subterranean drainage feature on the Civic Center Site and the splitter box associated with the new stream, as provided in the Streambed Alteration Agreement.

City shall advance costs and perform the rough grading work pursuant to the rough grading plans. Owner shall reimburse City for the cost to rough grade the Civic Center Site as provided in Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

2. Precise Grading

At its sole cost, City shall design and perform the precise grading for the Civic Center Site.

E. Interim Condition Design

At its sole cost, Owner shall design an interim condition design for the Remainder of the Property. The "interim condition" refers to the period after City has completed removing fill material from the Borrow Site, as defined below, and before Owner begins improving the Remainder of the Property. City shall advance costs and implement the interim condition design, subject to Owner's reimbursement in accordance with Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

F. Borrow Site Maintenance

In order to perform Owner's Civic Center Site Obligations, including rough grading the Site, Owner shall permit City to enter the Remainder of the Property to haul and remove fill material from the Remainder of the Property. The amount of fill material that City may remove from the Remainder of the Property will be provided in a temporary construction license or entry permit that Owner will grant to City, as previously described in Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement. The portion of the Remainder of the Property from which City may remove fill material is referenced as the "Borrow Site."

1. During Construction

During City's construction of the Civic Center Site, City shall maintain best management practices for the control of pollutants in discharges of storm water caused by City's activities on the Borrow Site. The City shall maintain the temporary and permanent best management practices shown in the portion of the rough grading plans, relating to the Borrow Site (collectively, the "BMPs"). City shall not be responsible for maintaining any best management practices to control pollutants in discharges of storm water caused by non-City activities on the Borrow Site or activities off the Borrow Site

that may discharge from the Borrow Site.

2. After Construction

For a period of three (3) years following City's completion of the Civic Center, including, without limitation, City Hall and the Community Center, City shall maintain the BMPs related to the Borrow Site. For purposes of this Section F(2) of this Attachment 6 of Exhibit "F", City shall be deemed to have completed the Civic Center once the City Council accepts completion of the Civic Center, including City Hall and the Community Center. At the end of the three-year maintenance period for the Borrow Site BMPs, Owner shall maintain all BMPs.

Notwithstanding the foregoing, if Owner sells, transfers, assigns, conveys, or otherwise encumbers the Remainder of the Property during or prior to the expiration of the three-year period following City's completion of the Civic Center, including, without limitation, City Hall and the Community Center, the new owner, transferee, or assignee shall maintain the BMPs related to the Borrow Site.

Prior to selling, transferring, assigning, conveying, or otherwise encumbering the Remainder of the Property, Owner shall deem the BMPs in "acceptable condition". In the event Owner does not sell, transfer, assign, convey, or otherwise encumber the Remainder of the Property following the three-year period after City completes the Civic Center, including, without limitation, City Hall and the Community Center, Owner shall assume maintenance of the BMPs related to the Borrow Site.

G. Retaining Walls

1. Design

At Owner's sole cost, Owner shall design permanent retaining walls to surround portions of the Civic Center Site. Fully engineered retaining wall design plans shall be included in the rough grading plans for the Civic Center Site, as approved by City. City shall specifically have discretion to approve the aesthetic features and characteristics of the retaining walls.

2. Construction

During City's rough grading of the Civic Center Site, as provided in Section D of this Attachment 6 of Exhibit "F," City shall advance costs and construct permanent retaining walls to surround portions of the Civic Center Site.

3. Reimbursement

Owner shall reimburse City for the cost to construct retaining walls in accordance with Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

H. Sewers

1. Onsite⁷

At its sole cost, City shall design and construct any and all required sewer facilities, and appurtenances thereto on the Civic Center Site.

2. Offsite

At its sole cost, Owner shall design and construct any and all required sewer facilities and appurtenances that are not on the Civic Center Site and related to the Remainder of the Property.

I. Water

1. Onsite

At its sole cost, City shall design and construct any and all required onsite potable and recycled water pipes, facilities, and appurtenances thereto on the Civic Center Site.

2. Offsite

At its sole cost, Owner shall design and construct any and all required potable and recycled water pipes, facilities, and appurtenances thereto that are not on the Civic Center Site and related to the Remainder of the Property.

J. Storm Drain

1. Onsite

At its sole cost, City shall design and construct any and all required onsite storm drain facilities and appurtenances thereto on the Civic Center Site.

2. Offsite

At its sole cost, Owner shall design and construct any and all storm required drain facilities and appurtenances thereto that are not on the Civic Center Site and related to the Remainder of the Property.

K. Dry Utilities

At its sole cost, Owner shall coordinate with utility agencies to design plans for the construction and installation of any and all dry utilities, including, without limitation, gas, electric, and cable utilities to the Civic Center Site and to the Remainder of the

⁷For purposes of Sections H- through K of this Attachment 6 of Exhibit "F", "Onsite" shall mean on the Civic Center Site, and "Offsite" shall mean on the Remainder of the Property.

Property.

1. Onsite

At its sole cost, City shall coordinate with utility agencies to design, construct, and install any and all required dry utilities on the Civic Center Site.

2. Offsite

At its sole cost, Owner shall coordinate with utility agencies to install any and all required dry utilities that are not on the Civic Center Site and related to the Remainder of the Property.

L. Construction of Indian Ocean Drive

1. Design

At its sole cost, Owner shall design the entirety of Indian Ocean Drive, as depicted and described in the Serrano Summit Final Area Plan, dated January 2012, including any amendment(s) thereto, including the roundabout that intersects Indian Ocean Drive.

2. Construction

City shall advance costs and construct the entirety of Indian Ocean Drive, including the roundabout, in substantial conformance with the approved street improvement plans.

3. Reimbursement

Owner shall reimburse City for the cost to construct the entirety of Indian Ocean Drive and the roundabout in accordance with Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

M. Landscaping

1. Design

At its sole cost, Owner shall design the streetscape landscaping on the west side parkway of Indian Ocean on the Civic Center Site, which design shall be coordinated with the landscape design on the Remainder of the Property.

2. Construction

At its sole cost, City shall design, construct, and install the landscaping on the east side parkway of Indian Ocean. City shall advance costs and construct and install the landscaping in the roundabout that intersects Indian Ocean. City shall have no obligation to construct or install the landscaping on the west side parkway of Indian Ocean.

3. Reimbursement

Owner shall reimburse City for the cost to construct and install landscaping in the roundabout that intersects Indian Ocean in accordance with Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement. The Parties agree that Owner shall not reimburse City for the cost to design, construct, or install the landscaping on the east side parkway of Indian Ocean.

4. Ownership and Maintenance

The Serrano Summit Final Area Plan, dated January 2012, including any amendment(s) thereto, shall govern the maintenance responsibilities of the landscaped areas in the Civic Center Site.

N. Temporary Fencing

1. Design and Construction

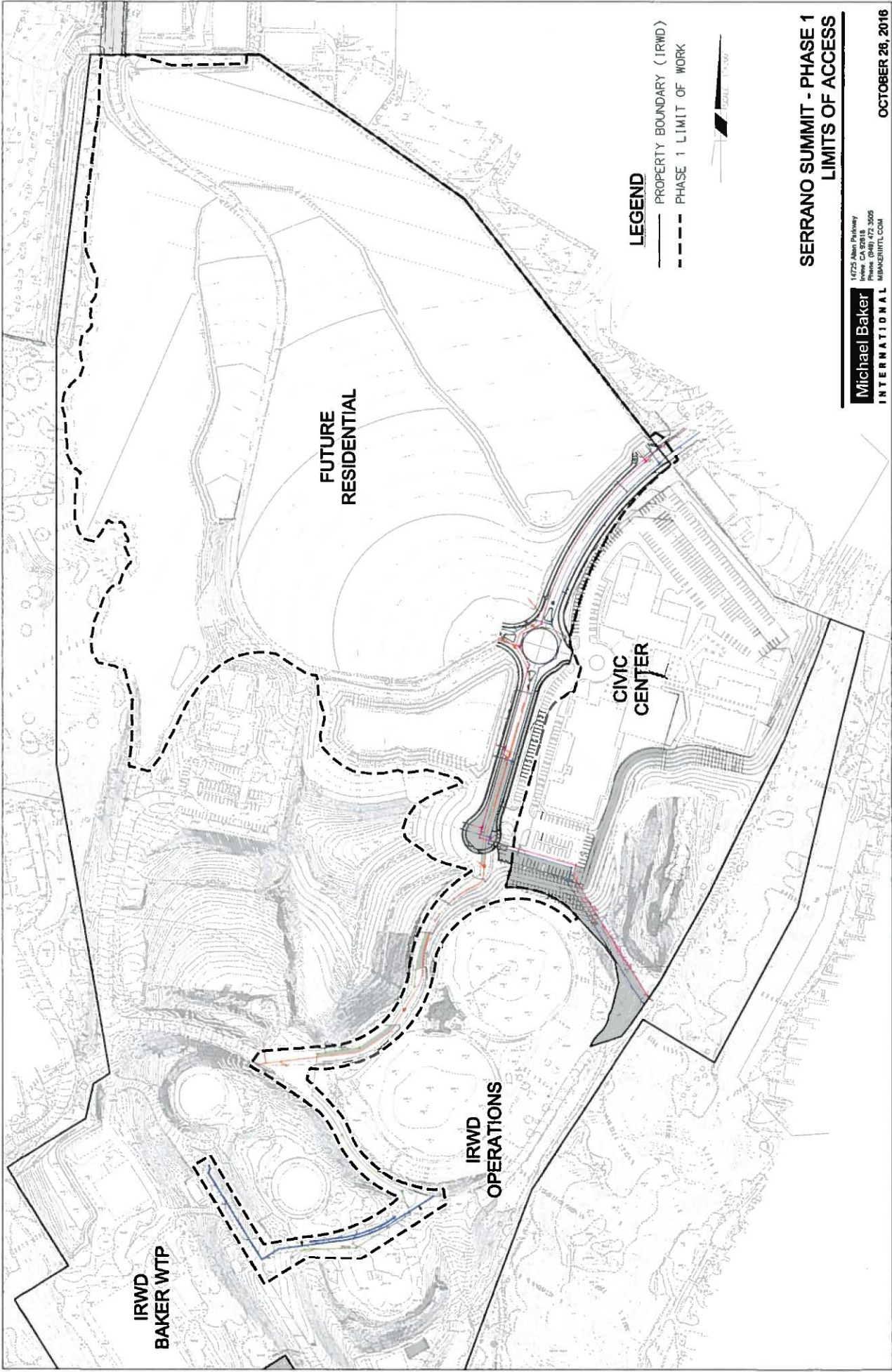
Following City's construction of Indian Ocean Drive, at its sole cost, City shall design and erect a temporary fence on the Remainder of the Property along Indian Ocean to prevent public access to the Remainder of the Property from Indian Ocean. Owner shall reimburse City for the cost to design and erect a temporary fence in accordance with Paragraph A(4)(d)(ii) of Exhibit "F" of this Agreement.

2. Site Security

Until the completion of Indian Ocean, Owner shall allow City to utilize Owner's gates (not including gates used for access to Irvine Ranch Water District Operating Facilities, as depicted in Attachment 7 to Exhibit "F") for access into the Civic Center Site. Owner shall be responsible for access to and security of the Remainder of the Property at all times, including, without limitation, before, during, and after the Civic Center Site improvements are completed.

EXHIBIT "D" TO SECOND AMENDMENT

**ATTACHMENT 7 TO EXHIBIT "F"
DEPICTION OF IRVINE RANCH WATER DISTRICT OPERATING FACILITIES**



LEGEND

- PROPERTY BOUNDARY (IRWD)
- - - PHASE 1 LIMIT OF WORK



**SERRANO SUMMIT - PHASE 1
LIMITS OF ACCESS**

**Michael Baker
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OCTOBER 26, 2016