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City of Anaheim
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Anaheim, California 92805

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DEVELOPMENT AGREEMENT NO. 2020-00004
BETWEEN
THE CITY OF ANAHEIM
AND
ANAHEIM REAL ESTATE PARTNERS, LLC

Date: ____________________________

DEVELOPMENT AGREEMENT NO. 2020-00004
BETWEEN
THE CITY OF ANAHEIM
AND
ANAHEIM REAL ESTATE PARTNERS, LLC

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LIST OF EXHIBITS

Exhibit "A" Legal Description of the Property
Exhibit "A-1" Lot B Legal Description
Exhibit "B" Master Site Plan No. MIS2020-00751
Exhibit "B-1" Phasing Plan By Phase Including Infrastructure and Affordable Housing.
Exhibit "C" Final Site Plans for Phase 1
Exhibit "D" Arena Signs and Arena Special Sign District
Exhibit "E" ARTIC Signs and Transit Special Sign District
Exhibit "F" Honda Center Improvements and Honda Center Expansion
Exhibit "G" ARTIC Improvements and ARTIC Expansion
Exhibit "H" CFD Improvements
Exhibit "I" Minor Land Exchanges
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Exhibit "K" Maintenance Standards for Spring-Up Maintenance District
Exhibit "K-1" Maintenance Obligations for Meadow Park, Wellness Park and Landscaping Adjacent to Santa Ana River Trail
Exhibit "K-2" Form of Cooperation and Contribution Agreement for Operation and Maintenance of Shared City-Owned Intersections
Exhibit "L" Conditions of Approval
Exhibit "M" Meadow Park Joint Use and Operations Plan
Exhibit "N" Transit Special Sign District Coordinated Sign Program
Exhibit "O" Traffic Circulation Improvements/Smart Infrastructure
Exhibit "P" Development Impact Fees
Exhibit "P-1" Proposed Fees
Exhibit "Q" Platinum Triangle Acquisition Agreement
Exhibit "R" Housing Incentives Memorandum
Exhibit "S" Reserved.
Exhibit "T" CFD 08-1 Boundary Annexation
Exhibit "U" Depiction of Maximum Event Perimeter and Property Line
Exhibit "V" Reserved.
Exhibit "W-1" Portion of Douglass Road to be Abandoned
Exhibit "W-2" Portion of River Road and Katella Avenue to be Dedicated
Exhibit "W-3" Depiction of Bridges over Katella Avenue and Douglass Road

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DEVELOPMENT AGREEMENT NO. 2020-00004
BETWEEN
THE CITY OF ANAHEIM
AND ANAHEIM REAL ESTATE PARTNERS, LLC

This Development Agreement is entered into this _____ day of __________, 2022 ("Development Agreement Date"), by and between the City of Anaheim, a charter city and municipal corporation, duly organized and existing under the Constitution and laws of the State of California ("City") and Anaheim Real Estate Partners, LLC ("Owner"), pursuant to the authority set forth in Article 2.5 of Chapter 4 of Division 1 of Title 7, Sections 65864 through 65869.5 of the California Government Code (the "Development Agreement Statute").

RECITALS

This Development Agreement is predicated upon the following facts:

A. To strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development, the Legislature of the State of California adopted the Development Agreement Statute, Sections 65864, *et seq.*, of the Government Code. The Development Agreement Statute authorizes CITY to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property in order to, among other things: encourage and provide for the development of public facilities in order to support development projects; provide certainty in the approval of development projects in order to avoid the waste of resources and the escalation in project costs and encourage investment in and commitment to comprehensive planning which will make maximum efficient utilization of resources at the least economic cost to the public; provide assurance to the applicants of development projects (1) that they may proceed with their projects in accordance with existing policies, rules and regulations, subject to the conditions of approval of such projects and provisions of such development agreements, and (2) encourage private participation in comprehensive planning and reduce the private and public economic costs of development.

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

C. Since 1996, the Anaheim City Council has approved actions and California Environmental Quality Act environmental documents relating to the approximately 820-acre area generally bounded by the Santa Ana River on the east, the Anaheim City limits on the south, the Santa Ana Freeway (Interstate 5) on the west, and the Southern California Edison Company Easement on the north ("Platinum Triangle"). For the purposes of this Development Agreement, "Previous CEQA Analysis" includes all of the CEQA environmental documents described in these Recitals.

D. On May 30, 1996, the Anaheim Planning Commission certified Final EIR (State Clearinghouse No. 95041029) and adopted Mitigation Monitoring Program No. 92 ("FEIR No.

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320") and Area Development Plan No. 120 for the portion of the Anaheim Stadium property associated with the Sportstown Development.

E. On March 2, 1999, the Anaheim City Council adopted the Anaheim Stadium Area Master Land Use Plan ("Stadium Area MLUP"). The boundaries for the Stadium Area MLUP were generally the same as those for the Platinum Triangle, with the exception that the Stadium Area MLUP included 15 acres adjacent to I-5 that are not a part of the current Platinum Triangle boundaries. As part of the approval process for the Anaheim Stadium Area MLUP, the City Council certified Final EIR (State Clearinghouse Number 9611041) and adopted Mitigation Monitoring Program No. 106 ("FEIR No. 321") .

F. On May 25, 2004, the Anaheim City Council approved General Plan Amendment No. 2004-00419 setting forth the City's vision for development of the City of Anaheim (the "General Plan Amendment"), and certified Final Environmental Impact Report No. 330, adopting Findings of Fact and a Statement of Overriding Considerations, and associated Mitigation Monitoring Plans ("FEIR No. 330"), in conjunction with its consideration and approval of the General Plan Amendment, amendment of City's zoning code, and a series of related actions.

G. City desires that the Platinum Triangle be developed as a combination of high quality industrial, office, commercial and residential uses, as envisioned in the General Plan Amendment.

H. In order to carry out the goals and policies of the General Plan for the Platinum Triangle, on May 25, 2004, the City Council approved the Platinum Triangle Master Land Use Plan, setting forth the new vision for the Platinum Triangle.

I. To further implement the goals and policies of the General Plan for the Platinum Triangle, the City Council has established the Platinum Triangle Mixed-Use Overlay Zone ("PTMU Overlay Zone") consisting of approximately three hundred and eighty-three (383) acres within the Platinum Triangle as depicted in the Platinum Triangle Master Land Use Plan to provide opportunities for high quality well-designed development projects that could be stand-alone projects or combine residential with non-residential uses including office, retail, business services, personal services, public spaces and uses, and other community amenities within the area.

J. On October 25, 2005, the Anaheim City Council certified Final Subsequent Environmental Impact Report No. 332, adopting a Statement of Findings of Fact, a Statement of Overriding Considerations and the updated and modified Mitigation Monitoring Program No. 106A ("FSEIR No. 332") to provide for the implementation of the Platinum Triangle Master Land Use Plan, and in conjunction with its consideration and approval of General Plan Amendment No. 2004-00420, Miscellaneous Case No. 2005-00089, Zoning Code Amendment No. 2004-00036 and a series of related actions. Since certification of FSEIR No. 332, two addendums to the FSEIR have been adopted for the following projects: (1) Addendum No. 2. (June 2007); and (2) Addendum No. 3. Platinum Tower Project (August 2007).

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K. On August 21, 2007, the Anaheim City Council certified Final EIR (State Clearinghouse Number 2006111120) and adopted Mitigation Monitoring Program No. 143 ("FEIR No. 2006-00335") (2007 Certified FEIR) in conjunction with the approval of the Gene Autry Experience mixed-use project .

L. In 2007, the City embarked upon a process to adopt a General Plan Amendment; amendments to the PTMLUP, PTMU Overlay Zone, and the Platinum Triangle Standardized Development, and related zoning reclassifications to increase the development intensities within the Platinum Triangle ("Platinum Triangle Expansion Project"). In December 2007, the Anaheim City Council approved the recirculated FSEIR No. 334 and in April 2008, reapproved FSEIR NO. 334 in connection with the Platinum Triangle Expansion Project. However, following the approval of FSEIR No. 334, a lawsuit was filed challenging the adequacy of FSEIR No. 334. In consideration of the City's exemplary historical record in avoiding CEQA litigation and its commitment to proper environmental review, the City Council repealed the approval of the Platinum Triangle Expansion Project FSEIR No. 334 and various related actions and directed staff to prepare a new subsequent EIR for the project.

M. On September 28, 2010, the Anaheim City Council certified the Anaheim Regional Transportation Intermodal Center (ARTIC) Final EIR No. 2010-00343 (State Clearinghouse No. 2009071071) and adopted a Mitigation Monitoring Plan in support of the ARTIC project ("FEIR No. 343"). Since certification of FEIR No. 343, two addenda have been adopted for the following projects: (1) Addendum No. 1. ARTIC Conditional Use Permit No. 2010-05492 (May 2012); and (2) Addendum No. 2. ARTIC Special Sign District (February 2015).

N. On October 26, 2010, the Anaheim City Council adopted General Plan Amendment No. 2008-00471 and approved an amendment to the Platinum Triangle Master Land Use Plan (Miscellaneous Case No. 2007-00188) and certified EIR No. 2008-00339 (State Clearinghouse No. 2004121045) and adopted the Updated and Modified Mitigation Monitoring Plan No. 106C (MMP 106C) ("FSEIR No. 339) , to increase the maximum number of dwelling units permitted in the PTMU Overlay Zone to 18,909 dwelling units, increase the maximum number of commercial square footage to 4,909,682, increase the maximum number of office square footage to 14,340,522 and add 1,500,000 of square footage of institutional land uses. SEIR No. 339 tiered off of FSEIR No. 332. On February 7, 2017, the City Council adopted Resolution 2017-018 amending the General Plan and Resolution 2017-019 amending the PTMULP which, among other actions, included a reduction of the Office High and Low total square footage from 4,478,356 to 4,309,486 square feet. On February 28,2017, the City Council adopted Ordinance No. 6397 amending the PTMU Overlay Zone which reflected this reduced Office High and Low square footage. On February 9, 2021, the City Council adopted Ordinance No. 6506 as part of an annual zoning code update, which inadvertently reflected the 4,478,356 Office High and Low square footage in place prior to the adoption of Ordinance No. 6397. For clarification, references to the "Approved Project" in Addendum No. 11 for the Project reflect the reduced office square footage adopted by the City Council in 2017. Since certification of FSEIR No. 339, ten addenda have been adopted for the following projects: (1) Addendum No. 1, Katella Avenue/Interstate 5 (April 2012); (2) Addendum No. 2. Platinum Gateway Project (December 2012); (3) Addendum 3. Platinum Vista Apartments Project (August 2014); (4) Addendum 4. Amended A-Town Metro Project (August 2015); (5) Addendum No. 5. Jefferson

Stadium Park Project (June 2016); (6) Addendum No. 6. LT Platinum Center (August 2016); (7) Addendum No. 7. Gene Autry Way and State College Boulevard Improvements Project (March 2017); (8) Addendum No. 8. Orangewood Avenue Improvement Project (State College Boulevard to the Santa Ana River) (March 2018); (9) Addendum 9 – Orangewood Avenue Improvements from the Santa Ana River to the East of SR-57 (April 2022); (10) Addendum 10 – 710 E Katella proposed project application was withdrawn December 2021; and (12) Addendum 12 – Anaheim Fire Station No. 12 (August 2022) All ten adopted addenda concluded that these projects presented no changes or new information requiring preparation of a subsequent or supplemental EIR pursuant to Section 15162 of the CEQA Guidelines.

O. On April 3, 2012, the Anaheim City Council certified Final EIR No. 2011-00344 (State Clearinghouse No. 2011091007) and adopted Mitigation Monitoring Plan No. 303 (MMP 303) ("FEIR No. 344") in conjunction with the Honda Center Enhancement Project and associated actions.

P. On February 7, 2017, the City Council approved a Negative Declaration and Mitigation Monitoring Plan No. 339 ("2017 ND") in conjunction with adoption of amendments to the General Plan and the PTMLUP and other project actions to permit 153 single-family, attached condominium units.

Q. On September 29 and October 6, 2020, the City Council approved certain actions pertaining to the Stadium District Sub-Area A Project. This included adoption of a resolution approving and adopting a Sustainable Communities Environmental Assessment (SCEA) for the Stadium District Sub-Area A Project, prepared based on a CEQA Guidelines Appendix N: Infill Environmental Checklist Form, pursuant to the Public Resources Code (PRC) Section 21155.2(b) and Infill Project Checklist PRC 21094.5 and CEQA Guidelines Section 15183.3. The City Council also adopted an Updated and Modified Mitigation Monitoring Plan (MMP) No. 106D applicable to projects in Stadium District Sub-Area A. Together, the above actions constitute the "2020 SCEA."

R. Owner represents that it owns in fee or has an equitable interest in approximately ___________ acres of real property and has development rights over portions of property owned by City, as created in this Development Agreement, the Development Approvals and the ARTIC and Honda Center FMA Amendments (as defined herein), located in the City of Anaheim, County of Orange ("County"), State of California, (collectively the "Property") in the Platinum Triangle and zoned PTMU Overlay and more particularly shown and described on Exhibit "A" attached.

S. Owner desires to develop the Property in accordance with the provisions of this Development Agreement by developing a multi-phased, mixed use project, and is to consist of the Master Site Plan and Final Site Plans (collectively the "Project"). The Master Site Plan (MIS 2020-00751) is attached as Exhibit "B", and the Final Site Plans for Phase 1 (FSP 2020-00004, FSP 2020-00005, FSP 2020-00006, FSP 2020-00007 and FSP 2020-00008) are attached as Exhibit "C". Future Final Site Plans, as needed, will be filed, consistent with the Master Site Plan. The various phases of the Project as contemplated by Owner are specified in the attached Exhibit "B-1".

T. Owner and City agree and acknowledge that (i) development and operation of the Project is interrelated with the operations and maintenance of the Honda Center and ARTIC; (ii) development and operation of the Project relies upon amendments to the Honda Center Facilities Management Agreement (as amended and restated, the "Honda Center FMA") and the ARTIC Facilities Management Agreement (as amended and restated, the "ARTIC FMA") and (iii) these amendments and restatements must be effective in order for the Project to be developed and operated and in order for Owner to provide City with various public benefits and amenities, as set out in this Development Agreement.

U. Pursuant to the Honda Center FMA Amendment, (i) revenues (the "Arena Sign Revenue") derived from the operation of certain of the Project signs depicted on Exhibit "D", and located north of Katella Avenue (the "Arena Signs") and parking related revenues received by the Honda Center shall be applied to, among other uses, the cost of the maintenance and operations of and further capital improvements to the Honda Center including the Honda Center Improvements, and (ii) City shall (again, pursuant to the Honda Center FMA) receive a portion of the Arena Sign Revenue. Pursuant to the ARTIC FMA Amendment, revenues (the "ARTIC Sign Revenue") derived from the operation of certain of the Project signs depicted on Exhibit "E" and located south of Katella Avenue (the "ARTIC Signs") shall be applied, among other uses, to the cost of the Private Maintenance of and further capital improvements to ARTIC including the ARTIC Improvements. "Honda Center Improvements" and "ARTIC Improvements" are defined below in Sections 1.40 and 1.13, respectively. In order to facilitate the generation of the Arena Sign Revenue and the ARTIC Sign Revenue respectively, the Arena/Stadium Special Sign District and the ARTIC Special Sign District have been amended to create three sign districts: the Stadium Special District for Angel Stadium, the Arena Special Sign District for the Honda Center ("Arena Special Sign District") and the Transit Special Sign District for the multimodal public transit facility south of Katella Avenue (Transit Special Sign District"). The Arena Signs shall be authorized pursuant to the provisions of the Arena Special Sign District, and the ARTIC Signs shall be authorized pursuant to the provisions of the Transit Special Sign District. Owner and City agree that neither the Arena Special Sign District or the Transit Special Sign District include any digital advertising sign authorized by Anaheim Municipal Code Chapter 4.04.401 (Arena/Stadium Special Sign District) or any successor ordinance and located more than 1,000 feet from the Arena or any structure physically connected to the Arena.

V. As specified in more detail in Section 22 of this Development Agreement, Owner shall provide City and its citizens extensive public benefits in connection with the development of the Project. These public benefits include the following traditional public benefits: (i) parks improvements estimated to cost approximately $25 million; (ii) affordable housing, at a value estimated to be $35 million; (iii) public infrastructure improvements estimated to cost approximately $80 million; (iv) Owner's agreement to perform ongoing Private Maintenance (as defined below in Section 1.58) obligations of public facilities estimated to cost approximately $30 million; (v) a $5 million dollar Offsite Park Contribution Fee with the proceeds of this fee to be used to pay for park improvements in the City's sole discretion; (vi) construction and maintenance of an approximately 4-acre park, Meadow Park and approximately 4.7-acre Wellness Park; (vii) Owner's payment of approximately $80 million in Development Impact Fees; (viii) generation of millions of dollars in economic impact due to the development, construction and operation of the Project; and (ix) production of both affordable and market rate

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housing, to assist City in its efforts to comply with its Regional Housing Needs Assessment allocation. These traditional public benefits are estimated to provide benefits in excess of $255 million.

W. As specified in Section 22, Owner is obligated to provide City, its citizens and customers of the CITY-owned facility various Honda Center related improvements, including: (i) reinvestment into the Honda Center through an extension of "front door" improvements, i.e., Honda Center customer plazas at the North, South, East and West entries, a paseo and Urban Park, including a Media Wall, valued approximately $55 million; (ii) improvements to the Honda Center itself , at a cost estimated to be $25 million; and (iii) construction of parking structure decks B, C and D, totaling approximately $185 million; ((i) through (iii) collectively, the "Honda Center Expansion"); as well as (vi) ongoing reinvestment into the Honda Center over the term of this Development Agreement, totaling approximately $125 million. The Honda Center Expansion is also specified and depicted in the attached Exhibit "F" to this Development Agreement. These Honda Center improvements, which the Owner estimates will cost approximately $390 million, enhance the customer experience at the Honda Center.

X. As specified in Sections 7, 10, 11, and 22, Owner is obligated to provide City, its citizens and customers of the City-owned facility various ARTIC related improvements: (i) through payment of park impact fees, the funding of construction and maintenance during the period of Private Maintenance of Meadow Park, estimated to cost $12,171,015, subject to escalation, as specified below in Section 14.1; (ii) surface parking for ARTIC relocated to a privately built and maintained, publicly accessible parking garage and pedestrian bridge on the site of the Douglass Commerce Center owned by Owner but planned to be conveyed to the City ("ARTIC Garage") (Owner's construction of the ARTIC Garage is limited to construction of a garage consisting of 480 parking spaces), estimated to cost $20 million; (iii) Owner's commitment to provide a match of land, equity or cash if City and Owner are able to procure third-party funding to fund the Expanded ARTIC Garage; (iv) a relocated ARTIC passenger drop-off and bus/shuttle turn around access required for the development of Meadow Park; (v) dedicated public pedestrian enhanced walkway/bridge leading from ARTIC to the Honda Center, crossing over Katella Avenue with a pedestrian bridge (public benefits (iii) and (iv) are estimated to cost approximately $20 million) ((i) through (v) are, collectively, the "ARTIC Expansion" or "ARTIC Improvements"); as well as (vi) the Private Maintenance of ARTIC and Meadow Park estimated to cost approximately $20 million. The ARTIC Expansion is also specified and depicted in the attached Exhibit "G" to this Development Agreement. These ARTIC related public benefits are estimated to cost approximately $60 million.

Y. City desires to accomplish the goals and objectives set forth in the City's General Plan and the objectives for the PTMU Overlay Zone as set forth in subsection 18.20.010.020 of the Anaheim Municipal Code, and finds that the Project will accomplish said goals and objectives.

Z. Pursuant to the Master Site Plan and all Final Site Plans consistent with the Master Site Plan, Owner will submit tentative maps and/or vesting tentative maps, if required. Owner further anticipates the submission of detailed construction plans and other documentation required by City in order for the Owner to obtain its building, grading or construction right-of-way permit.

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AA. As consideration for the benefits gained from the vested rights acquired pursuant to the Development Agreement Statute, to conform with the requirements of the PTMU Overlay Zone, and to comply with the applicable mitigation measures imposed by Updated and Modified Mitigation Monitoring Program No. 106 C for the Project, City is requiring that Owner construct and install certain public improvements, including off-site traffic circulation improvements, and provide other public benefits.

BB. In order to avoid any misunderstandings or disputes which may arise from time to time between Owner and City concerning the proposed development of the Project and to assure each party of the intention of the other as to the processing of any land use entitlements which now or hereafter may be required for such development, the parties believe it is desirable to set forth their intentions and understandings in this Development Agreement. In order for both City and Owner to achieve their respective objectives, it is imperative that each be as certain as possible that Owner will develop and that City will permit Owner to develop the Project and public improvements as approved by City within the time periods provided in this Development Agreement.

CC. City, as a charter city, has enacted Ordinance No. 4377 on November 23, 1982, which makes City subject to the Development Agreement Statute. Pursuant to Section 65865 of the Development Agreement Statute, City adopted Resolution No. 82R-565 (the "Procedures Resolution") on November 23, 1982. The Procedures Resolution establishes procedures and requirements for the consideration of development agreements upon receipt of an application.

DD. On _______, 2022, as required by Section 1.0 of the Procedures Resolution, Owner submitted to the Planning Department an application for approval of a development agreement (the "Application"). The Application included a proposed development agreement.

EE. On _______, 2022, as required by Section 65867 of the Development Agreement Statute and Section 2.1 of the Procedures Resolution, the Planning Director gave public notice of the City Planning Commission's intention to consider a recommendation to the City Council regarding adoption of a development agreement.

FF. On _______, 2022, as required by Section 65867 of the Development Agreement Statute and Section 2.2 of the Procedures Resolution, the City Planning Commission held a public hearing on the Application.

GG. On that date, the City Planning Commission, after considering the requirements of CEQA, including Section 21166 of the California Public Resources Code and Section 15162 of the CEQA Guidelines, found and determined and recommended that the City Council find that the Previous CEQA Analysis, including the previously-certified FSEIR No. 339, together with the Updated and Modified Mitigation Monitoring Program No. 106C for the Platinum Triangle, and Addendum No. 11 are adequate to serve as the required environmental documentation for this Development Agreement, and related Project Actions, and satisfy all of the requirements of CEQA, and that no further environmental documentation need be prepared for this Development Agreement.

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HH. The Planning Commission further found that this Development Agreement meets the following standards set forth in Section 2.3 of the Procedures Resolution, to wit, that the Proposed Project: (a) is consistent with the City's existing General Plan (as amended pursuant to Resolution No. ____), (b) is compatible with the uses authorized in and the regulations prescribed for the applicable zoning district including specifically the PTMU Overlay Zone (as amended pursuant to Ordinance No. _____), (c) is compatible with the orderly development of property in the surrounding area and (d) is not otherwise detrimental to the health, safety and general welfare of the citizens of City. Based upon the aforesaid findings, the City Planning Commission recommended that the City Council approve the Application and this Development Agreement pursuant to Resolution No. PC.

II. On _______, 2022, as required by Section 65867 of the Development Agreement Statute and Section 3.1 of the Procedures Resolution, the City Clerk caused public notice to be given of the City Council's intention to consider adoption of a development agreement.

JJ. On _______, 2022, as required by Section 65867 of the Development Agreement Statute and Section 3.2 of the Procedures Resolution, the City Council held a public hearing on the Application.

KK. On that date, the City Council, after considering the requirements of CEQA, including Section 21166 of the California Public Resources Code and Section 15162 of the CEQA Guidelines, did find and determined that previously-certified FSEIR No. 339, together with the Updated and Modified Mitigation Monitoring Program No. 106C for the Platinum Triangle, and Addendum No. 11 are adequate to serve as the required environmental documentation for this Development Agreement, and related Project Actions, and satisfies all of the requirements of CEQA, and that no further environmental documentation need be prepared for this Development Agreement.

LL. On ____________________, 20___, the City Council found and determined that this Development Agreement: (i) is consistent with the City's existing General Plan; (ii) is not otherwise detrimental to the health, safety and general welfare of the citizens of City; (iii) is entered into pursuant to and constitutes a present exercise of the City's police power; and (iv) is entered into pursuant to and in compliance with the requirements of Section 65867 of the Development Agreement Statute and the Procedures Resolution.

MM. In preparing and adopting the General Plan and in granting the Development Approvals, City considered the health, safety and general welfare of the residents of City and prepared in this regard an extensive environmental impact report and other studies. Without limiting the generality of the foregoing, in preparing and adopting the General Plan and in granting the Development Approvals, the City Council carefully considered and determined the projected needs (taking into consideration the planned development of the Project and all other areas within the City) for water service, sewer service, storm drains, electrical facilities, traffic/circulation infrastructure, police and fire services, paramedic and similar improvements, facilities and services within the Platinum Triangle, and the appropriateness of the density and intensity of the development comprising the Project and the needs of the City and surrounding areas for other infrastructure.

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NN. On ____________________, 20___, the City Council adopted the Authorizing Ordinance authorizing the execution of this Development Agreement.

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Statute, as it applies to City, and pursuant to the Enabling Ordinance, the Procedures Resolution and the City's inherent powers as a charter city, and pursuant to the mutual promises and covenants herein contained, the parties agree as follows:

Section 1. DEFINITIONS.

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

1.1 Administrative Fees. "Administrative Fees" means fees charged by the City on a City-wide basis in effect at the time to cover the costs of City review of applications for any permit or other approval or review or inspection by City departments.

1.2 Affiliate. "Affiliate" means an entity or person that is directly or indirectly controlling, controlled by, or under common control with Owner. For the purposes of this definition, "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity or a person, whether through the ownership of voting securities, by contract, or otherwise.

1.3 Amphitheater. "Amphitheater" means the amphitheater to be constructed and operated by Owner on property adjacent to Meadow Park.

1.4 Amphitheater Parcel. "Amphitheater Parcel" means the property where the Amphitheater will be constructed.

1.5 Annexation Parcels. "Annexation Parcels" means the property identified in blue on Exhibit "T" titled CFD 08-1 Boundary Annexation. For the avoidance of doubt, Annexation Parcels does not include the property depicted as the three white buildings on Exhibit "T" titled "Exist ACC" with street addresses of 1600, 1500, and 1400 S. Douglass Road, Anaheim, CA 92806.

1.6 Annexation Public Facilities Capacity. "Annexation Public Facilities Capacity" means, as of any date, the greater of (i) the additional construction proceeds that can be generated from CFD 08-1 Bonds supported by the special tax revenues generated from the Annexation Parcels, or (ii) the special tax revenue collected in connection with levying the Annexation Parcels.

1.7 Arena Signs. "Arena Signs" means signs located north of Katella Avenue which generate Arena Sign Revenue, as depicted in Exhibit "D". Any spectacular digital Arena Sign adjacent to State Route 57 shall include the geographic designation of "Anaheim" in _______ size on the sign.

1.8 Arena Special Sign District. "Arena Special Sign District" means the sign district for the area surrounding the Honda Center as depicted in Exhibit "D" and as set forth in Anaheim Municipal Code section 4.04.

1.9 Arena Sign Revenue. "Arena Sign Revenue" means revenues derived from the operation of the Arena Signs, as specified in the Honda Center FMA Amendment.

1.10 ARTIC Expansion. The "ARTIC Expansion" are public improvements made to properties south of Katella Avenue, as specified in Recital O and Exhibit "G" to this Development Agreement.

1.11 ARTIC FMA. The "ARTIC FMA" is the ARTIC Facilities Management Agreement entered into between ATCM, LLC and City.

1.12 ARTIC FMA Amendment. The "ARTIC FMA Amendment" is the amended and restated ARTIC FMA.

1.13 ARTIC Garage. The "ARTIC Garage" means a parking structure to be constructed by Owner, consisting of approximately 480 parking spaces, to replace the presently existing 456 spaces that will be removed in connection with development of the Project, 15 spaces for Meadow Park, and a pedestrian bridge, connecting the ARTIC Garage with ARTIC as specified in Section 7.4 of this Development Agreement.

1.14 ARTIC Improvements. The "ARTIC Improvements" are public improvements made to ARTIC, as specified in Recital O and Exhibit "G" to this Development Agreement.

1.15 ARTIC Signs. "ARTIC Signs" means signs located south of Katella Avenue which generate ARTIC Sign Revenue, as depicted in Exhibit "E". Any spectacular digital Artic Sign adjacent to State Route 57 shall include the geographic designation of "Anaheim" in _______ size on the sign.

1.16 ARTIC Sign Revenue. "ARTIC Sign Revenue" means revenues derived from the operation of the ARTIC Signs, as specified in the ARTIC FMA Amendment.

1.17 Assessment District. "Assessment District" means a special district, assessment district or benefit area existing pursuant to State law or the charter powers of the City for purposes of financing the cost of public improvements, facilities, services and/or public facilities fees within a distinct geographic area of the City.

1.18 Authorizing Ordinance. "Authorizing Ordinance" means Ordinance No. ______ approving this Development Agreement.

1.19 CFD 08-1. "CFD 08-1" the City of Anaheim Community Facilities District No. 08-1 (Platinum Triangle) established pursuant Resolution No. 2008-53 encompassing certain of the land parcels in and around Angel Stadium and the Honda Center.

1.20 CFD 08-1 RMA. "CFD 08-1 RMA" means the Rate and Method of Apportionment [of Special Taxes] for City of Anaheim Community Facilities District No. 08-1

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(Platinum Triangle) authorized pursuant to Resolution No. 2008-53 governing the special taxes for CFD 08-1.

1.21 CFD Improvements. "CFD Improvements" means those improvements specified in Exhibit "H" to this Development Agreement.

1.22 City. "City" means the City of Anaheim, a charter city and municipal corporation, duly organized and existing under its charter and the Constitution and laws of the State of California.

1.23 City Support. "City Support" means City pledges to support, as set forth in Section 23(b), the allocation of the Project ATID Transportation Funds during the Term (as defined below in Section 1.67), which are collected from the Owner's Project hotels by City for reimbursement to Owner to partially fund the construction of the ARTIC Garage, including ARTIC Garage and the access bridge for Parking Deck A, as designed and constructed to allow for a possible future transit project connecting ARTIC to the Anaheim Resort.

1.24 Construction Inflation Index. "Construction Inflation Index" means, for a Fiscal Year, the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Engineering News Record Building Cost Index for the City of Los Angeles.

1.25 DA Ordinance. "DA Ordinance" is the ordinance approving this Development Agreement.

1.26 Development. "Development" means the improvement of the Property for purposes of effecting the structures, improvements and facilities comprising the Project, including, without limitation: grading, the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction of structures and buildings and the installation of landscaping.

1.27 Development Agreement. "Development Agreement" means this Development Agreement and any subsequent amendments to this Development Agreement which have been made in compliance with the provisions of this Development Agreement, the Development Agreement Statute, the Enabling Ordinance, and the Procedures Resolution.

1.28 Development Agreement Date. "Development Agreement Date" means the later of (i) the date of recordation in the office of the County Recorder of this Development Agreement, or a memorandum thereof, or (ii) the effective date of the Authorizing Ordinance.

1.29 Development Agreement Statute. "Development Agreement Statute" means Sections 65864 through 65869.5 of the California Government Code as it exists on the Development Agreement Date.

1.30 Development Approvals. "Development Approvals" means the Master and Final Site Plans and all site specific plans, maps, permits and other entitlements to use of every kind

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and nature contemplated by the Master and Final Site Plans which are approved or granted by City in connection with development of the Property, including, but not limited to: master plans, Platinum Triangle Implementation plans, mitigation measures, site plans, tentative and final subdivision maps, variances, conditional use permits and demolition, grading, building and other similar permits. To the extent any of such site specific plans, maps, permits and other entitlements to use are amended from time to time, "Development Approvals" shall include, if Owner and City agree in writing, such matters as so amended. If this Development Agreement is required by law to be amended in order for "Development Approvals" to include any such amendments, "Development Approvals" shall not include such amendments unless and until this Development Agreement is so amended.

1.31 Development Impact Fees. "Development Impact Fees" means all fees, including Proposed Fees as defined below in Section 1.61 contributions, exactions, dedications, reservations, or impositions, other than taxes or assessments, whether established for or imposed upon the Project individually or as part of a class of projects, that are imposed by City on the Project in connection with any Project Approval for any purpose, including, without limitation, defraying all or a portion of the cost of public services and/or facilities construction, improvement, operation and maintenance attributable to the burden created by the Project. Development Impact Fees do not include: (i) any City processing fees, specified in Section 14.3.3; (ii) any mitigation measure (unless the mitigation measure consists of payment of a Development Impact Fee); (iii) taxes or special assessments; (iv) any utility connection fees in effect from time to time generally applicable on a City-wide basis to similar land uses as the Project; or (v) any fees, taxes, assessments, or impositions imposed by other entities that the City collects on behalf of such other entities, including without limitation school fees, all of which shall be due and payable by Developer as and when due in accordance with this Development Agreement and applicable law.

1.32 Enabling Ordinance. "Enabling Ordinance" means Ordinance No. 4377 enacted by the City on November 23, 1982.

1.33 Encroachment License. "Encroachment License" is a license granted by the City, and approved by the Public Works Director, providing air space and access rights to Owner for the bridge structures over public streets associated with the Project, including the bridges over Katella Avenue and Douglass Road.

1.34 Existing Honda Center FMA. "Existing Honda Center FMA" is the agreement entered into between Anaheim Arena Management, LLC and City, as amended by the First Amendment, Second Amendment and the Amended and Restated Third Amendment.

1.35 Existing Land Use Regulations. "Existing Land Use Regulations" mean the ordinances and regulations adopted by the City of Anaheim in effect on the Development Agreement Date, including the adopting ordinances and regulations that govern the permitted uses of land, the density and intensity of use, and the design, improvement, construction standards and specifications applicable to the development of the Property, including, but not limited to, the General Plan, the Zoning Code, the Platinum Triangle Master Land Use Plan, Updated and Modified Mitigation Monitoring Program No. 106C, and all other ordinances of the City establishing subdivision standards, park regulations, impact or development fees and

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building and improvement standards, but only to the extent the Zoning Ordinance and such other regulations are not inconsistent with this Development Agreement. Existing Land Use Regulations do not include non-land use regulations, which includes taxes.

1.36 Expanded ARTIC Garage Funding. "Expanded ARTIC Garage Funding" means grants or funds secured by City to be used to construct the Expanded ARTIC Garage, as provided in Section 7.4 of this Development Agreement.

1.37 Expanded ARTIC Garage. "Expanded ARTIC Garage" means a parking structure which shall contain greater than 480 parking spaces, as determined in Section 7.3.2 and as provided in Section 7.4 of this Development Agreement.

1.38 Final Site Plan. "Final Site Plan" mean various components of the Project as described in this Development Agreement and conditions with respect thereto, as set forth as Exhibit "C" attached. The Final Site Plans included in Exhibit "C" are for Phase 1 only. The parties acknowledge that there will be multiple Final Site Plans processed for the Project including for Phases 2, 3, 4 and 5 which have not been submitted as of the Development Agreement Date

1.39 Gross Floor Area/GFA. "Gross Floor Area" or "GFA" means the gross floor area of any buildings which are part of the Permitted Development.

1.40 Honda Center Expansion. "Honda Center Expansion" are improvements made in the vicinity of the Honda Center, as specified in Recital W and Exhibit "F" to this Development Agreement.

1.41 Honda Center FMA Amendment. "Honda Center FMA Amendment" is the amended and restated Honda Center FMA.

1.42 Honda Center Improvements. "Honda Center Improvements" are improvements made to the Honda Center, as specified in Recital W and Exhibit "F" to this Development Agreement.

1.43 Reserved.

1.44 Lot B. "Lot B" is the approximately 2.4 acre property owned by City, more particularly shown and described in attached Exhibit "A-1".

1.45 Lot B Building. "Lot B Building" is a possible building to be built by Owner, consisting of a maximum of 170,000 square feet of institutional uses.

1.46 Master and Final Site Plans. "Master and Final Site Plans" means, collectively, the Master Site Plan and all Final Site Plans.

1.47 Master Site Plan. "Master Site Plan" means various components of the Project as described in this Development Agreement and conditions with respect thereto, as set forth as Exhibit "B" attached.

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1.48 Meadow Park. “Meadow Park” means a minimum 4.0-acre public park to be designed by Owner and City, and constructed, operated, and managed by Owner in compliance with the terms set forth in Exhibit M and maintained during the period of Private Maintenance by Owner as set forth in Sections 11.3, 11.4, and 11.5 and Exhibit M and Exhibit K-1.

1.49 Merchant Builder. “Merchant Builder” means any entity purchasing or ground leasing a portion of the Project from Owner for the purpose of constructing various components of the Project, e.g., hotels, residential units or mixed use buildings.

1.50 Minor Land Exchanges. “Minor Land Exchanges” pertains to land City is exchanging for property necessary for City’s use and means the exchanges of approximately equal amounts of land between City and Owner to adjust boundaries or convey land (i) around the Honda Center apron identified in the Honda Center FMA; (ii) around the proposed hotel site south of Katella Avenue; (iii) underlying proposed Parking Deck D; and (iv) to allow for Owner to own land for the Amphitheater. Exhibit “I” to this Development Agreement conceptually depicts the Minor Land Exchanges.

1.51 Mortgage. “Mortgage” means a mortgage, deed of trust or sale and leaseback arrangement or other transaction in which the Property, or a portion thereof or an interest therein, is pledged as security.

1.52 Mortgagee. “Mortgagee” means the holder of the beneficial interest under a Mortgage, or the owner of the Property, or interest therein, under a Mortgage.

1.53 New CFD. “New CFD” means a new community facilities district which will acquire/fund the New CFD Improvements as described in Section 14.6 hereof.

1.54 New CFD Improvements. “New CFD Improvements” means those public facilities authorized under the Mello Roos Act of 1982 which may be funded and maintained through the New CFD, as specified in attached Exhibit “J”.

1.55 Operating Memoranda. “Operating Memoranda” means clarifications to this Development Agreement approved in writing by City and Owner.

1.56 Owner. “Owner” is Anaheim Real Estate Partners, LLC, and any person or entity with which or into which Anaheim Real Estate Partners, LLC may merge, and any person or entity who may acquire substantially all of the assets of Anaheim Real Estate Partners, LLC, and any person or entity who receives any of the rights or obligations under this Development Agreement in accordance with the provisions of Section 30 of this Development Agreement.

1.57 Parking Areas. “Parking Areas” means all parking structure(s), and/or all surface parking servicing the Project.

1.58 Parking Utilization Study. “Parking Utilization Study” means a study prepared to determine whether the number of provided parking spaces for the Project may be reduced, as specified in Section 7.3.2 of this Development Agreement.

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1.59 Permitted Development. "Permitted Development" includes all buildings and the Parking Areas as identified in Section 7 and as further set forth in the Master and all Final Site Plans. This Development Agreement establishes maximum and minimum characteristics for all Permitted Development as set forth in the Master and Final Site Plans.

1.60 Platinum Triangle. "Platinum Triangle" means that portion of the City of Anaheim generally bounded on the east by the Santa Ana River, on the south by the Anaheim city limits, on the west by the Santa Ana Freeway, and on the north by the Southern California Edison Easement as shown in Platinum Triangle Master Land Use Plan approved by City Council Resolution No.___________ and Ordinance No. _______________. .

1.61 Previous CEQA Analysis. "Previous CEQA Analysis" means all of the CEQA environmental documents described in the Recitals.

1.62 Private Maintenance. "Private Maintenance" means Owner's or its assignee's or designee's obligation to maintain during the respective terms of the Honda Center FMA Amendment or the ARTIC FMA Amendment as set forth in each FMA various public or private facilities, including but not limited to Meadow Park, Katella Avenue, and the ARTIC Garage bridges, access bridge to Lot D, private streets (including roadway, lighting, landscape/irrigation medians and parkways, drainage, traffic signals and signs, pavement markings, curbs, gutters and sidewalks), plazas, smart infrastructure, and streetlights as set forth herein in Section 11.3.5 and to maintain the Honda Center and ARTIC.

1.63 Proposed Fees. "Proposed Fees" means the Development Impact Fees specified in Section 14.1 of this Development Agreement.

1.64 Procedures Resolution. "Procedures Resolution" is Resolution No. 82R-565 adopted by City pursuant to Section 65865 of the Development Agreement Statute.

1.65 Project. "Project" means the development project contemplated by the Master and Final Site Plans with respect to the Property, including but not limited to on-site and off-site improvements, as such development project is further defined, enhanced or modified pursuant to the provisions of this Development Agreement and the Development Approvals.

1.66 Property. "Property" means that certain real property shown and described on Exhibit "A" to this Development Agreement.

1.67 Reserved.

1.68 Series B Offering. "Series B Offering" means Anaheim Public Financing Authority Taxable Lease Revenue Bonds (Anaheim Arena Improvement Project) 2021 Series B in the approximate authorized amount of [$____________].

1.69 Spring-Up Maintenance District. "Spring-Up Maintenance District" means a maintenance district that would automatically, subject to approval by the City, come into existence if Owner transfers any portion of the Property except Lot B as shown in Exhibit A-1 to cover all ongoing maintenance obligations of Owner in effect during the period of Private Maintenance over public or public use improvements, including Meadow Park, bridges, smart

infrastructure, streetlights and private streets and plazas. These maintenance costs shall burden the Property, excluding Meadow Park, ARTIC and Honda Center properties and related parking structures. The maintenance standards for the Spring-Up Maintenance District are specified in Exhibit K, and the schedule of payment for each parcel or lot of the Property shall be determined one hundred twenty (120) days prior to Owner's provision of written notice to City that Owner is contemplating a transfer of any portion of the Property.

1.70 Support Commercial Uses. "Support Commercial Uses" are commercial\retail uses which may include retail uses, banking or financial offices, food service, restaurants, service establishments and other similar uses in keeping with the nature of the Project and the required uses needed to support the occupants of office buildings, other office development, sports and entertainment venues and residential development in the Platinum Triangle as permitted in Chapter 18.20 (PTMU) Overlay Zone of the Anaheim Municipal Code.

1.71 Reserved.

1.72 Term. "Term" is defined in Section 3, and is a twenty (20) year period, subject to modification or extensions, as specified in Section 3.

1.73 Third Party Challenge. "Third Party Challenge" means legal action instituted by a third party challenging the validity of any provision of this Development Agreement and/or the Development Approvals.

1.74 Transit Special Sign District. "Transit Special Sign District" means the sign district surrounding the multimodal public transit facility south of Katella Avenue as depicted in Exhibit "E".

1.75 Wellness Park. "Wellness Park" means an approximately 4.7-acre private park to be constructed and maintained in perpetuity by Owner in accordance with the standards outlined in Exhibit K-1, with a recorded public use easement to authorize perpetual public use of and access to the Wellness Park.

1.76 Zoning Code. "Zoning Code" refers to Title 18 of the Anaheim Municipal Code.

Section 2. CONDITIONS PRECEDENT TO EFFECTIVENESS OF DEVELOPMENT AGREEMENT AND PROVISION OF PUBLIC BENEFITS.

2.1 Owner and City agree and acknowledge that this Development Agreement shall not be effective and shall be null and void unless the following conditions precedent occur on or before the City holds the second reading of the DA Ordinance: (i) Anaheim Arena Management, LLC and City enter into the Honda Center FMA Amendment; (ii) ATCM, LLC and City enter into the ARTIC FMA Amendment; (iii) City's compliance with California law in order to allow the Minor Land Exchanges specified in Section 7.7 of this Development Agreement to be consummated; and (iv) City's approval of the Series B Offering. These conditions precedent are solely for the benefit of Owner, and can be waived, if at all, in the sole and absolute discretion of Owner.

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2.2 Owner and City agree and acknowledge that as a condition precedent to Owner's obligation to provide Private Maintenance and the Honda Center Improvements, (i) City shall consider at a noticed public hearing, adopt and issue all necessary ordinances, approvals and clearances to allow the development, construction and operation of the Arena Signs; and (ii) Caltrans does issue all necessary certifications, approvals and clearances to allow the development, construction and operation of the Arena Signs. Owner acknowledges and agrees that Caltrans has independent authority to approve and issue all necessary certifications, approvals and clearances and that City's only obligation, in relation to this subpart (ii), is to support Owner's application to Caltrans. These conditions precedent are solely for the benefit of Owner, and can be waived, if at all, in the sole and absolute discretion of Owner.

2.3 Owner and City agree and acknowledge that as conditions precedent to Owner's obligation to provide Private Maintenance and the ARTIC Expansion, (i) City shall consider at a noticed public hearing, adopt and issue all necessary ordinances, approvals and clearances to allow the development, construction and operation of the ARTIC Signs; and (ii) the California High Speed Rail Authority does issue all necessary certifications, approvals and clearances to allow the development, construction and operation of the ARTIC Signs. Owner acknowledges and agrees that the California High Speed Rail Authority has independent authority to approve and issue all necessary certifications, approvals and clearances and that City's only obligation, in relation to this subpart (ii), is to support Owner's application to California High Speed Rail Authority. These conditions precedent are solely for the benefit of Owner, and can be waived, if at all, in the sole and absolute discretion of Owner.

Section 3. TERM.

3.1 The term ("Term") of this Development Agreement shall be that period of time during which this Development Agreement shall be in effect and bind the parties. The Term shall commence on the Development Agreement Date and shall extend for a period of twenty (20) years thereafter, terminating at the end of the day on the twentieth anniversary of the Development Agreement Date, subject to the periodic review and the modification or termination provisions defined in Section 27 and Section 289, respectively.

3.2 This Development Agreement may be terminated by Owner or City and be of no force and effect if the Orange County Transportation Authority ("OCTA") fails to approve an amendment to the OCTA Master Plan of Arterial Highways prior to issuance of the first building permit for the Project allowing for abandonment of the portion of Douglass Road between Katella Avenue and Cerritos Road shown on Exhibit ("W-1"). The Parties may, through mutual consent, avoid termination of the Development Agreement pursuant to this subsection if the Parties formally amend the Project to make approval of the amendment to the Master Plan of Arterial Highways unnecessary. City and Owner agree that in the event the MPAH amendment is not approved the Parties will consult and use reasonable efforts regarding a potential amendment to the Project prior to either Party providing a notice of termination of the Development Agreement.

3.3 This Development Agreement shall terminate and be of no force and effect upon the occurrence of the entry of a final judgment or issuance of a final order, after all appeals have been exhausted, directed to City as a result of any lawsuit filed against City to set aside,

withdraw or abrogate the approval of the City Council of this Development Agreement or if termination occurs pursuant to the provisions of the Procedures Resolution and such termination is so intended thereby.

3.4 If not already terminated by reason of any other provision in this Development Agreement, or for any other reason, this Development Agreement shall automatically terminate and be of no further force and effect upon completion of the Project pursuant to the terms of this Development Agreement and any further amendments thereto and the issuance of all occupancy permits and acceptance by City of all dedications and improvements as required by the development of the Project.

Section 4. BINDING COVENANTS.

The provisions of this Development Agreement to the extent permitted by law shall constitute covenants which shall run with the Property for the benefit thereof, and the benefits of this Development Agreement shall bind and inure to the benefit of the parties and all successors in interest to the parties.

Section 5. EFFECT OF AGREEMENT.

As a material part of the consideration of this Development Agreement, unless otherwise provided herein, the parties agree that the Existing Land Use Regulations and Proposed Fees shall be applicable to development of the Project. In connection with all subsequent discretionary actions by City required to implement the Master and Final Site Plans and any discretionary actions which City takes or has the right to take under this Development Agreement relating to the Project, including any review, approval, renewal, conditional approval or denial, City, shall exercise its discretion or take action in a manner which complies and is consistent with the Master and Final Site Plans, the Existing Land Use Regulations and such other standards, terms and conditions expressly contained in this Development Agreement. City shall accept and timely process, in the normal manner for processing such matters as may then be applicable, all applications for further approvals with respect to the Project called for or required under this Development Agreement, including, any necessary Final Site Plan, tentative map, vesting tentative map, final map and any grading, construction or other permits filed by Owner in accordance with the Development Approvals.

Section 6. PROJECT LAND USES.

6.1 The Property shall be used for such uses as may be permitted by the Development Approvals and the Existing Land Use Regulations. The density and intensity of use, developable GFA, footprint square footage, the maximum height and size of proposed buildings and structures, lot sizes, set back requirements, zoning, public improvements, and the provisions for reservation or dedication of land for public purposes shall be those set forth in the Development Approvals, the Existing Land Use Regulations and this Development Agreement pursuant to Section 65865.2 of the Development Agreement Statute.

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Section 7. PERMITTED DEVELOPMENT.

7.1 Description of Permitted Development. The Permitted Development shall be as set forth on the Master and Final Site Plans. The Project shall be constructed substantially in conformance with the Master and Final Site Plans. The parties acknowledge that Final Site Plans for Phases 2-5 of the Project are subject to review and approval by the City Planning Commission, whose review is limited to reviewing and ensuring conformance with the provisions of the approved Master Plan, PTMU Overlay Zone and the Platinum Triangle Master Land Use Plan. Owner agrees that City may withhold and not issue further Development Approvals to authorize development and construction of Phases 2 through 5 of the Project until such time as Owner or City have obtained approval or all necessary clearances from Caltrans for SR-57 off-ramp improvements proposed as part of the Project. Notwithstanding the foregoing, City, in its sole reasonable discretion, shall have the ability to issue further Development Approvals for development and construction of portions of Phases 2 through 5 of the Project if, based upon City review and approval of a sensitivity analysis, demonstrating that there is adequate capacity in all required public and private facilities to support development of portions of Phases 2 through 5 of the Project. Owner and City agree that neither the Arena Special Sign District or the Transit Special Sign District include any digital advertising sign authorized by Anaheim Municipal Code Chapter 4.04.401 (Arena/Stadium Special Sign District) or any successor ordinance and located more than 1,000 feet from the Arena or any structure physically connected to the Arena.

7.2 *Pardee* Finding. Development of the Project is permitted to occur in phases as described and contemplated in the Development Approvals, Exhibit "B-1" and the Master and Final Site Plans. The parties wish to avoid the result of *Pardee Construction Co. v. City of Camarillo*, 37 Cal.3d 465 (1984), where the failure of the parties there to expressly provide for the timing of development resulted in the court's determination that a later-adopted initiative restricting the timing of development prevailed over the parties' agreement. Accordingly, the parties acknowledge and agree that Owner shall have the right, subject to the provisions of the Development Agreement, the Development Approvals and the Master and Final Site Plans and the phasing plan specified in Exhibit "B-1", to develop the Project at such time and in such phases as is set forth in this Development Agreement and in the manner Owner deems appropriate in the exercise of its subjective business judgment.

7.3 Parking Areas. The Parking Areas shall be constructed so that there will be sufficient parking spaces available within the Property to serve the Project, as depicted and substantially in conformance with the Master and Final Site Plans and the supporting Shared Use Parking Study. Owner shall provide a minimum total of 5,700 parking spaces plus an additional minimum of 1,100 off-site parking spaces for employees ("Employee Parking Lot"), for a total of 6800 parking spaces, which is sufficient to meet the 3900-space requirement specified in the Zoning Code for the Honda Center within the Arena District portion of the Project. On the Employee Parking Lot property owned by City and ground leased to Owner, Owner acknowledges and agrees that City shall reserve a 15' wide bike trail easement along the southern boundary of the Employee Lot, as identified in Exhibit "B", for the potential future use as a public bike trail ("Bike Trail Easement"). Owner shall be allowed to use the Bike Trail Easement for employee parking, unless and until (i) City provides written evidence to Owner that a bike trail will be able to connect to an existing bike trail to the west, and (ii) City

determines to construct this bike trail. City shall provide written notice to Owner twelve (12) months in advance of such construction of the bike trail, and Owner shall be required to find off-site replacement parking for the area impacted by the Bike Trail Easement, estimated to be 100 spaces. If Owner acquires the Employee Parking Lot property, the parties agree that the Bike Trail Easement shall be recorded against the Employee Lot Property. Owner shall provide a minimum of 701 parking spaces ("Minimum Transit District Parking"), as potentially modified by a future Parking Utilization Study (defined below), plus the continued use of 405 spaces off-site in the Anaheim Stadium parking area ("Off-Site Stadium Transit Parking") for a total of 1106 spaces, but up to a maximum of 1755 spaces (1,350 spaces in the ARTIC Garage plus the 405 Off-Site Stadium Transit Parking spaces), which is sufficient to meet the 1,082 parking spaces required by the prior-issued Conditional Use Permit for ARTIC ("ARTIC CUP") transit customers. The City recognizes upon commencement of construction of the Meadow Park and before the opening of the ARTIC Garage ("Interim Parking Condition"), the total transit customer parking, inclusive of the 405 spaces off-site in the Anaheim Stadium parking area, may fall below 1,082 spaces but shall be greater than the minimum 900 spaces required by agreement with OCTA/Metrolink. City acknowledges and agrees that the Parking Areas, and the number of parking spaces provided in the Parking Areas, both on-and off-site, satisfies the current parking obligations specified in the Honda Center FMA Amendment, the ARTIC CUP in relation to parking exclusively south of East Katella Avenue, and the Shared Use Parking Study. The Parties agree that the Project will not include more parking than required by the City's Municipal Code.

7.3.1 Owner shall take all actions necessary to obtain building permits, construct and complete Parking Decks B, C and D along with the Employee Parking Lot, totaling a minimum of 6,800 parking spaces, no later than the first final building and zoning inspection for a building in Phase 1 ("Minimum Phase 1 Parking"). Owner is considering installation of solar panels on the roofs of Parking Decks B, C and D. If Owner chooses to install solar panels, City acknowledges and agrees that approval of the solar panels shall be considered to be ministerial, with approval of the construction to be issued by the City Building Official. It is contemplated that City may ultimately acquire Parking Decks B, C and D. If City acquires Parking Decks B, C and D, City shall provide a perpetual parking easement in favor of Owner, for use by Owner and its subsequent owners, lessees and licensees of all facilities of the Project, north of Katella Avenue, except for the Project's residential units and hotels. The Minimum Phase 1 Parking shall remain open and operating until the ARTIC Garage is complete and open for operation in Phase 4, as discussed below. Each subsequent Project phase after Phase 1 ("Subsequent Phase") shall require an updated Parking Supply and Demand Study ("Parking Study") with the submittal of the Final Site Plan(s) in that Phase. The Parking Study shall follow the methodology applied in the original Parking Study approved with the Project, but applied to each particular phase. In connection with each Subsequent Phase, Owner shall also prepare an interim construction parking and access plan ("Construction Access Plan") with the submittal of the Final Site Plan in that phase. Both the Parking Study and Construction Access Plan for each Subsequent Phase shall be reviewed and approved by Public Works Director prior to the issuance of building permits for that Subsequent Phase.

7.3.2 Notwithstanding the foregoing, the parties agree that in the future, due to changes in technology or enhanced public transportation options, operation of the Project may require fewer parking spaces. The parties agree that during the term of this Development

Agreement, Owner shall prepare or retain a consultant to prepare a parking utilization study ("Parking Utilization Study") to determine whether the number of provided parking spaces for the Project may be reduced. Owner shall prepare the Parking Utilization Study prior to the development of Phase 4 of the Project. Owner shall pay for the costs of preparation of the Parking Utilization Study. The Parking Utilization Study shall analyze the use of the actual parking in the Project after buildout and occupancy of Phases 1 through 3 of the Project and prior to Phase 4, and shall be applied to the Parking Study to determine the ultimate number of parking spaces for the ARTIC Garage. The Parking Utilization Study also may be used to determine whether a reduction in the number of parking spaces may be warranted for other Project parking areas. Any reduction in required parking spaces that may be approved by City, as an Operating Memoranda, based on the Parking Utilization Study, shall reduce the Minimum Transit District Parking, but in no event shall such reduction result: (1) in the provision of less than 480 parking spaces in the ARTIC Garage ("Minimum Reduced Parking"), based upon (i) 456 spaces which currently exist at lot A; (ii) the 15 spaces required for Meadow Park; (iii) the 9 spaces required for employee parking for the proposed future transit project connecting ARTIC to the Anaheim Resort or (2) result in any of the 1,082 ARTIC required parking spaces being satisfied in parking structures or surface parking constructed as part of the Project north of Katella Boulevard, or (3) reduce transit parking south of Katella to fewer than 900 parking spaces at any time during or after construction of the Project.

7.3.3 Prior to issuance of the first building permit for the Project, the Owner shall record a covenant against the Property in a form approved by the City Attorney's Office that requires Owner, its assignees or transferees to provide traffic control on all private streets on the Property. No later than the first final building and zoning inspection for the Project, Owner shall record a covenant against the Property in a form approved by the City Attorney's Office that requires Owner, its assignees or transferees to reimburse the City for the hourly rates (fully burdened*)* for costs associated with the use of Police Department employees including police officers, police sergeants, full-time traffic controllers, part-time traffic controllers, traffic control supervisor(s), traffic control assistants (TCA's); and/or Public Works Traffic Management Center staff that may be needed on-site before, during and after an event for traffic control on or related to public streets, City-Owned shared intersections, and/or Developer operated intersections. City shall provide all appropriate information to document City's actual costs. In connection with City approval of the Phase 1 Final Site Plans and any subsequent Final Site Plans, Owner shall submit for City approval, an Event Traffic Management Plan. No later than the first final building and zoning inspection for the Project, Owner shall also enter into an agreement with City, in a form substantially in the form of Exhibit "K-2", wherein Owner shall be responsible to fund a proportionate share of ongoing operation and maintenance costs for shared (i.e. serve both the Project and the City) City-owned intersections that the City operates and that are adjacent to and serve the Project. As part of the such agreement, Owner shall not be subject to any liability or any indemnity obligation to City regarding any claims or losses arising from the City's operation and maintenance costs associated with the City-owned intersections covered by the agreement.

7.4 ARTIC Garage. The ARTIC Garage shall be completed and operational no later than the first final building and zoning inspection for any non-residential building in Phase 4. If the ARTIC Garage is required for any phase earlier than Phase 4, it shall be completed and operational prior to issuance of the first final building and zoning inspection for any non-

residential building in that phase. Owner is responsible for designing and constructing the ARTIC Garage. Owner shall prepare, submit to the City and obtain approval of the Final Site Plan that includes the ARTIC Garage or Expanded ARTIC garage and obtain a building permit for the ARTIC Garage or Expanding Artic Garage, as applicable, no later than eighteen (18) months prior to commencement of construction of any non-residential building in Phase 4. The ARTIC Garage shall contain a minimum of the Minimum Reduced Parking as defined above. The number of parking spaces of the ARTIC Garage may be increased if City or Owner are able to obtain grants or secure other funding sources ("Expanded ARTIC Garage Funding") to fund the additional amount of the increased design and construction costs to expand the ARTIC Garage ("Expanded ARTIC Garage"). If City acquires Expanded ARTIC Garage Funding allowing the Owner to construct the Expanded ARTIC Garage, Owner shall construct the Expanded ARTIC Garage, and shall receive prompt reimbursement from City upon completion of the Expanded ARTIC Garage. Approval by the Anaheim Transportation Committee of use of ATID Transportation Funds generated solely from hotels constructed as part of the Project and as further described in Section 23(b) does not constitute Expanded ARTIC Garage Funding. Owner's timeframe for completing the Expanded ARTIC Garage shall be extended for a period of one (1) year beyond the requirement for completion of the ARTIC Garage.

7.5 Life of Subdivision Maps and Other Development Approvals. The terms of all subdivision maps approved by City for the Project shall automatically be extended such that all subdivision maps shall remain in effect for a period of time coterminous with the Term of this Development Agreement. Owner shall have the right to process vesting tentative and vesting parcel maps, with all such maps being able to be recorded in phases. The term of all other Development Approvals shall be automatically extended such that the Development Approvals shall remain in effect for a period of time coterminous with the Term of this Development Agreement provided that the term of such Development Approval may be further extended pursuant to applicable California law.

7.6 Written Verification of Sufficient Water Supply. Any and all tentative subdivision maps approved for the Project shall comply with Government Code Section 66473.7, if, and to the extent, required by Government Code Section 65867.5(c).

7.7 Minor Land Exchanges. Subject to compliance with California law, Owner and City agree to exchange an equal amount of land to adjust boundaries or convey land: (i) around the Honda Center apron identified in the Existing Honda Center FMA; (ii) around the proposed hotel site south of Katella Avenue; (iii) underlying the proposed Parking Deck D; and (iv) to allow for Owner to own land for the Amphitheater (collectively "Minor Land Exchanges"). The Minor Land Exchanges shall be completed within 120 days from the second reading and adoption of the Ordinance No. _________ approving this Development Agreement with the exception that the Amphitheater Parcel will be conveyed by the City to the Owner not later than June 30, 2025. Exhibit "I" conceptually depicts the Minor Land Exchanges. The Parties shall process all necessary approvals required under the Subdivision Map Act to enable building permits to be issued on newly-created lots which are created due to the completion of the Minor Land Exchanges. Concerning the conveyance of a portion of the Honda Center apron, referenced in this Section 7.7, Owner agrees to convey easements to City in order for City to access land beneath the surface, occupied by a portion of the basement of the Honda Center and necessary for CITY to access the exterior of the Honda Center for repair and maintenance

activities. Owner and City will cooperate such that the final exchanges of land will result in property lines that consider and incorporate physical improvements that are or will be owned by each party on their respective properties.

7.8 Dedications/Abandonments Related to River Road, Katella Avenue and Douglass Road. In addition to any dedications contemplated in Section 13 below, in order to make the parcels compatible with the development boundaries of the Project, the Parties agree to take the following actions to effectuate roadway dedications and/or abandonments: (1) City agrees and shall process for abandonment a portion of Douglass Road (as shown on Exhibit "W-1"); such vacation shall occur no earlier than OCTA approval of an amendment to the OCTA Master Plan of Arterial Highways ("MPAH") allowing for abandonment of the portion of Douglass Road between Katella Avenue and Cerritos Road shown on Exhibit ("W-1"); and (2) Owner agrees and shall irrevocably offer for dedication to the City a portion of River Road and Katella Avenue (as shown on Exhibit "W-2"); such dedication shall occur no earlier than approval of the MPAH amendment allowing for the addition of River Road. A public utilities and access easement in favor of the City shall be reserved for all existing public City-owned utilities as shown on Exhibit "W-1" that are located in the portion of Douglass Road that is proposed for abandonment by City . The process to abandon/dedicate the portions of the roads contemplated above shall be completed within thirty (30) days or as soon as reasonably possible thereafter of traffic being rerouted on River Road (between Katella Avenue and Stanley Cup Way, and Douglass Road north of Stanley Cup Way. In recognition of Owner's dedication of the portion of River Road and Katella Avenue shown in Exhibit "W-2", City shall not require compensation for its abandonment of the portion of Douglass Road. However, to the extent that the abandonments/dedications contemplated in this Section 7.8 result in the City losing eligibility for gas tax funding provided pursuant to _________, Owner shall pay City for such lost gas tax revenue annually for the duration of the Development Agreement up to maximum amount of $10,000 per year. The Parties shall cooperate regarding compliance with and completion of any required statutory procedures and/or requirements necessary to effectuate the abandonments/dedications. Owner and City will cooperate and Owner shall, at its expense, prepare any exhibits or documents necessary to request and/or receive OCTA approval of an amendment to the MPAH to reflect the removal of the portion of Douglass Road and the addition of River Road. OCTA approval must be obtained prior to the abandonment of Douglass Road and dedication of River Road. Prior to any temporary closure of the portion of Douglass Road shown in Exhibit "W-1" as part of construction of Phase 1 of the Project, Owner shall construct and provide temporary public vehicular access to River Road between Katella Avenue and Cerritos Avenue or other interim alternate routes from River Road to Stanley Cup Way to Douglass Road acceptable to the City. The temporary public vehicular access easement shall be in form that is subject to approval by the City Attorney.

7.9 Encroachment License. City, upon approval of the Public Works Director, shall grant Owner an Encroachment License providing air space and access rights to Owner for the bridge structures that the Owner will construct over public streets associated with the Project, including the bridges over Katella Avenue and Douglass Road, as depicted on Exhibit "W-3". Owner shall grant to City public access rights, in perpetuity, for use of any stairway or other form of access to bridge structures. City, upon approval of the Public Works Director, shall grant Owner an Encroachment License for the following: (i) infrastructure improvements between Stanley Cup Way and Cerritos Avenue within the existing Douglass Road right of way and (ii)

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construction of the Market Hall Building within the existing Douglass Road right of way and for construction of all/or portions of the Paseo needed prior to the Douglass Road abandonment being completed (provided vehicular access from Katella Avenue to Cerritos Avenue is maintained).

7.10 Potential Development of Lot B. Subject to compliance with California and Federal law, Owner and City agree to negotiate in good faith an option for Owner to either buy or ground lease from City Lot B, as shown in Exhibit "A-1", to develop Lot B, with a maximum of 170,000 square feet of institutional use ("Lot B Building") under the following terms: (i) Owner shall make available for perpetual use by the public the ARTIC Garage which shall include at Owner's sole cost additional (beyond the Minimum Required Parking) necessary employee, guest and ADA accessible spaces in a minimum amount of _____ spaces (with ____spaces available for multiday parking similar to what is currently allowed on Lot B) to ensure there is adequate parking for the Lot B Building and Owner shall remain in compliance with the requirements of Section 7.3; (ii) City and Owner shall each have the right, in its sole discretion, to approve or deny any terms within the option or lease agreement and (iii) Owner shall be responsible at its sole cost to obtain City approval of a conditional use permit for the building, design and construct the improvements required for the Lot B Building. This Section 7.10 does not obligate the City in any way to convey the Property to Owner , and does not obligate Owner in any way to develop Lot B, but if City conveys an interest in Lot B to Owner, the provisions of this Development Agreement shall govern Development of Lot B.

Section 8. DENSITY OF PERMITTED BUILDINGS.

The Permitted Buildings shall be between the minimum and maximum sizes, and shall not exceed the maximum heights and maximum footprints set forth on the Master and Final Site Plans and the Existing Land Use Regulations.

Section 9. ENFORCEMENT.

Unless this Development Agreement is terminated or cancelled pursuant to the provisions of this Development Agreement, this Development Agreement or any amendment hereto, shall be enforceable by any party notwithstanding any change hereafter in any applicable general plan, specific plan, zoning ordinance, subdivision ordinance or building ordinance adopted by City which alters or amends the rules, regulations or policies of Development of the Project as provided in this Development Agreement pursuant to Section 65865.4 of the Development Agreement Statute; provided, however, that the limitations of this Section 9 shall not apply to changes mandated by State or Federal laws or other permissible changes or new regulations as more particularly set forth in Section 25.

Section 10. PUBLIC IMPROVEMENTS AND SERVICES.

For all purposes under this Agreement, public improvements and facilities consist solely of work performed by Owner and/or its contractors or agents that (1) will be used by the public and (2) either (a) is paid for with public funds or (b) is paid for with private funds but only to the extent that such work is specifically designated as a public improvement in this Agreement. In addition to performing any other obligations heretofore imposed as conditions of approval set

forth in Exhibit "L", as material consideration for the City's entering into this Development Agreement, Owner shall undertake the construction and installation of all forms of public improvements required to support the Project including smart infrastructure, public and private streets, sewer, storm drain, and water system improvements and to enhance area-wide traffic circulation and emergency police and fire protection service within the time periods as set forth below in this Development Agreement, the Development Approvals including the Conditions of Approval and the Project Traffic Study and in conformance with the Existing Land Use Regulations.

City shall cooperate with Owner for the purpose of coordinating design and construction of all public improvements constructed under the Development Approvals or this Development Agreement to existing or newly constructed public improvements, whether located within or outside of the Property. For any public improvements that require separate approval by Caltrans, City will serve as applicant and shall participate in meetings with Caltrans staff and Owner coordinated by Owner, at Owner's sole cost. City will also provide a letter authorizing Owner to represent the City in discussions with Caltrans when the City is not otherwise present. Owner shall be responsible for (i) the preparation of all design, engineering and construction plans for submission to City and Caltrans; (ii) obtaining any permits from Caltrans or any other regulatory agency and (iii) constructing such improvements and paying all costs. Owner shall reimburse City for its actual costs, including consultant and legal fees, for City actions to coordinate on the design and construction of public improvements.

Owner shall be responsible for and use good faith efforts to acquire any right(s)-of-way necessary to construct the public facility improvements required by, or otherwise necessary to comply with the conditions of, this Development Agreement or any Development Approvals. Such good faith efforts shall include: (1) obtaining an independent appraisal of the value of the necessary right-of-way, (2) making an offer to purchase the necessary property interests, (3) and engaging in commercially reasonable efforts to acquire the property. Should it become necessary due to Owner's failure or inability to acquire said right(s)-of-way within six (6) months after Owner begins its efforts to so acquire said right(s)-of-way, City shall use reasonable efforts to negotiate the purchase of the necessary right(s)-of-way to construct the public improvements as required by, or otherwise necessary to comply with the conditions of this Development Agreement and, if necessary and in accordance with the procedures established by State law, and the limitations hereinafter set forth in this Section 10 and Section 11, City may, in its sole discretion, subject to engaging in a meet and confer process with Owner, use its powers of eminent domain to condemn said required right(s)-of way. Owner agrees to pay City for all City costs, including but not limited to appraisal, right-of-way consultant, legal fees and costs and property acquisition costs associated with said acquisition and condemnation proceedings. If the City cannot make the proper findings or if for some other reason under the condemnation laws City is prevented from acquiring the necessary right(s)-of-way to enable Owner to construct the public improvements required by, or otherwise necessary to comply with the conditions of, this Development Agreement, then the parties agree to amend this Development Agreement to modify Owner's obligations accordingly and still be consistent with environmental review documents FSEIR 332, EIR No. 2008-00339 and Addendum 11. Any such required modification shall involve the substitution of other considerations or obligations by Owner (of similar value) as are negotiated in good faith between the parties. Nothing contained in this

Section 10 nor in Section 11 shall be deemed to constitute a determination or resolution of necessity by City to initiate condemnation proceedings.

10.1 Construction Parking and Access, Construction Schedule.

10.1.1 Owner shall prepare, for each Subsequent Phase, an interim construction parking and access plan ("Construction Access Plan") with the submittal of the Final Site Plan in that phase. Both the Parking Study and Construction Access Plan for each Subsequent Phase shall be subject to review and approval by the City prior to the issuance of building permits in that phase.

10.2 Utilities (Water, Electrical, Gas, Sewer, Drainage and Telecommunications). Owner shall construct the public improvements necessary for the provision of requisite water, electrical, gas, telecommunications, sewer and drainage requirements for Project as more fully set forth in the Development Approvals. Owner shall construct and relocate utilities as may be required to provide services to the Permitted Development on the Property or that are displaced by the construction of the Permitted Development. As Owner submits detailed construction plans in order to obtain building, grading or right of way permits for the Permitted Development and/or the size and nature of the Project varies, the utilities that Owner will construct or relocate may be revised by the City Engineer in compliance with the requirements of federal and California law and City and local agency standards and are reconstructed accordingly by the Owner as approved by and the satisfaction of the City Engineer. City shall cooperate with Owner on the leasing of conduit for private IT infrastructure in Douglass, Katella and River Roads, as such infrastructure may serve both private and public facilities in the Project.

10.3 Water Service. Owner will provide engineering studies to size the water mains for ultimate development within the Project. Said engineering studies will be conducted as required by the Development Approvals. The studies shall be subject to the approval of the General Manager, Public Utilities Department or authorized designee. Alternatively, at Owner's election, the water system may be constructed incrementally, provided that said incremental phasing is adequate to provide municipal demands and fire flow protection for the proposed development phasing. Owner will conform with Rule 15D of the Water Utility's Rates, Rules and Regulations which provides for, in part, a fee based on GFA and the advancement of additional funds to construct the upgraded water facilities. Owner shall be entitled to reimbursement in accordance with the terms of Rule 15D for the advancement of additional funds to construct the upgraded water facilities.

10.4 Sanitary Sewer and Storm Drains. Prior to final building and zoning inspections for the first building within the Permitted Development, Owner will construct all sanitary sewers and storm drains and appurtenant structures (including treatment control BMP's as required by the WQMP serving areas being approved for occupancy) to serve the ultimate development of the Property as provided by area wide engineering studies to be conducted as required by the Development Approvals. On-site (i.e. not in the City right of way) sanitary sewer and storm drain systems shall be privately owned and maintained unless otherwise approved in writing by the City Engineer. All studies shall be subject to the approval of the City Engineer. Owner will construct improvements identified in said studies. The systems may be constructed incrementally subject to the approval of the City Engineer and where consistent with City

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Engineer approved studies, City master plans for installation of sanitary sewer and storm drains, Platinum Triangle utility installation plans and approved Final Site Plans, and provided that said incremental phasing is constructed to provide full capacity at the earliest time that full capacity may be necessary and that the incremental phasing is adequate to provide capacity for the proposed development phasing.

10.5 Conveyance of Utility Easements. Owner shall prepare and convey to City public utilities easements, in a form acceptable to the City Attorney's office, for any water, electrical, gas, sewer, storm drain, drainage or telecommunications facilities constructed in private streets, including those that may be constructed in Douglass Road after the vacation contemplated in Section 7.8. Owner shall submit the draft easements for City review prior to ____________ and shall submit the final fully executed easements to City prior to _____________. OWNER agrees that CITY may either record the final fully executed easements or direct that Owner record such easements in which case Owner shall do so within seven (7) business days of receiving such request.

10.6 Timing, Phasing and Sequence of Public Improvements and Facilities. The timing, phasing and sequence of the construction of public improvements and facilities or the payment of fees therefor shall be constructed or paid in accordance with the timing, phasing and sequence set forth in this Development Agreement, including specifically Exhibit "C", Sections 10.1.1 and 11.3.1 , and the Master and the approved Final Site Plans. City will cooperate with Owner for the purpose of coordinating all public improvements and facilities constructed under this Development Agreement or any Development Approvals, that are within the jurisdiction of the City.

10.7 Traffic Circulation Improvements. In order to assist City in providing for area-wide traffic circulation and to mitigate traffic impacts from and as required by this Project, Owner shall cause to be made or constructed the traffic circulation improvements to public and private streets identified for the Project including all applicable measures from the Updated and Modified Mitigation Monitoring Program 106C approved in conjunction with Subsequent EIR No. 339, the _________ traffic study prepared by ______ and dated ______, 2022 and the Mitigation Monitoring Plan No. _________________, as shown on the Master and Final Site Plans. In addition, City will cooperate with Owner on the integration of "smart infrastructure" in the public rights of way at Owner's expense pursuant to Section 7.3.3 to assist in the management of traffic and security on adjacent public roads at Katella Avenue, River Road and Ball Road upon mutual agreement of the final design. Such "smart infrastructure" is specified in Exhibit "O" to this Development Agreement.

10.8 Public and Fire Access Easements. In addition to the public access easements related to public use of Wellness Park, Owner shall prepare and convey to City public access easements for public use, in perpetuity, of private streets within the Project, the plazas and gardens within the Project, access to the bridges that cross Katella Avenue and Douglass Road, access to the public restrooms at the Amphitheater, and fire access to the Amphitheater and Meadow Park in a form acceptable to the City, Attorney's office. Owner shall submit the draft easements for City review prior to _________ and shall submit the final easements to City prior to __________________. Owner agrees that City may either record the final fully executed

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easements or direct that Owner record such easements in which case Owner shall do so within seven (7) business days of receiving such request.

10.9 Prevailing Wage. To the full extent required by applicable federal and state law, Owner and its contractors, subcontractors and agents shall comply with California Labor Code Section 1720 et seq. and the regulations adopted pursuant thereto ("Prevailing Wage Laws"), and shall be responsible for carrying out the requirements of such provisions. This requirement is applicable to: (1) design and construction of Meadow Park as required in Section 11.1, (2) design and construction of utilities within the public right of way as required in Section 10.2, (3) design and construction of traffic circulation improvements within the public right of way as set forth in Section 10.7, (4) design and construction of Parking Areas as set forth in Section 7.3, (5) design and construction of any additional public improvements constructed that are in whole or part paid for with public funds including the ARTIC Garage, and (6) design and construction of any public improvements constructed with CFD funding as required in Sections 14.5 and 14.6. Owner covenants to take no action which would cause City to violate any applicable Prevailing Wage Laws.

10.10 Reserved.

10.11 Construction of Public Improvements. Public improvements and facilities that are required to be constructed as part of this Development Agreement and the Development Approvals shall be designed and constructed in keeping with the then-current (i.e. at the time of actual design and construction of the public improvements) Platinum Triangle Acquisition and Funding Agreement, if, and as applicable, the acquisition and funding agreement for the New CFD, if, and as applicable, City-wide standards and requirements of the City agency which shall accept their dedication. In connection with all of the public improvements and facilities, Owner shall not permit any contractor it hires to start work unless and until it is duly licensed in California and qualified to complete the work (the "Contractor") and Owner will require any direct contractors to flow down this requirement to their subcontractors. The Contractor shall contract directly with Owner pursuant to an agreement to be entered into by Owner and Contractor (the "Construction Contract"), which shall: (i) be a guaranteed maximum price contract, GMP, lump sum, unit price or other type of contract mutually agreed upon by the parties; (ii) require the Contractor or Owner to obtain and maintain performance and payment bonds for 100% of the cost of construction for performance and payment for labor and materials (and include the City and Owner as dual obligees under the bonds) for the public improvements and facilities only (and not to include cost of construction of any private improvements and facilities in connection with the Project), or provide a letter of credit or other security satisfactory to the City, in accordance with the requirements of the Anaheim Municipal Code and the California Public Contract Code; (iii) require the Contractor to obtain and maintain customary insurance, including workers compensation in statutory amounts, employer's liability, general liability, builders all-risk with the City named as additional insured; (iv) require, as condition of payment, that the Contractor release the City from any and all claims relating to the construction, including but not limited to mechanics liens and stop notices; (v) subject to the rights of any Mortgagee that forecloses on the Property, include the City as a third-party beneficiary, with all rights to rely on the work, receive the benefit of all warranties, and enforce the terms and conditions of the Construction Contract as if the City were an original party thereto; and (vi) require that the City be included as a third-party beneficiary, with all rights to rely on the work

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product, receive the benefit of all warranties and covenants, and prospectively assume Contractor's rights in the event of any termination of the Construction Contract, relative to all work performed by the Project's architect and engineer. For all public improvements and facilities that are to be constructed by Owner, and which Owner may receive reimbursement from City, the Construction Contract shall be a guaranteed maximum price contract, GMP, lump sum, unit price or other type of contract mutually agreed upon by the parties. For all public improvement and facilities that are to be constructed by Owner, and which Owner may receive reimbursement from CFD 08-1, the maximum amount paid out of CFD funds for CFD 08-1 Improvements (as defined in Section 14.5) will be the sum of (i) the remaining aggregate budgeted costs of the projects identified as 1C, 7A, 7B, and 7C in the amount of [$_______________ less the costs of improvements associated with these projects that have been funded with CFD 08-1 funds] described on the document titled Anaheim Platinum Triangle Implementation Plan of Public Works Backbone Facilities Improvements dated March 2016, as such amounts would be updated by the [Construction Inflation Index or other identifiable index], and (ii) the Annexation Public Facilities Capacity. Owner acknowledges and agrees it shall be responsible for complying with all City procurement laws applicable to Owner's construction of public improvements and facilities, including Meadow Park, required to be constructed as part of this Development Agreement and Development Approvals. The parties agree that, to the extent that applicable City procurement laws require competitive bidding for Owner-Contractor agreements, Owner may prequalify bidders, and, to the extent that applicable City procurement laws require competitive bidding for Contractor-subcontractor agreements, Owner may allow its Contractor(s) to prequalify bidders.

10.12 Maintenance of Public and Private Infrastructure Improvements. Except for the public infrastructure set forth on Exhibits "H" and "J," Owner is obligated to maintain, repair and replace the public and private infrastructure improvements. Owner's maintenance obligation shall be to the satisfaction of the City, consistent with the design plans and standards to be followed by the City so that the improvements retain a first class appearance and shall also be performed in a manner such that the infrastructure improvements shall not constitute a nuisance. All replacement parts, restoration and repairs shall be at least equal in quality to the original condition of the infrastructure improvements. Owner shall conduct maintenance inspection of the improvements at least once a year and shall retain proof of such inspection and make such inspection reports available to the City within thirty (30) days upon request. City, after 10 day written notice to Owner and if Owner fails to commence the repair within that 10 day period and complete the repair within a reasonable period of time, shall have the right, but not the obligation, to make the repair and obtain reimbursement from the Owner for the costs of such repair.

Section 11. PUBLIC IMPROVEMENTS AND SERVICES—PARKS, AMPHITHEATER AND BIKE TRAIL LANDSCAPED AREA

11.1 Public Parks. Because the Property is located within the Platinum Triangle Mixed Use Overlay Zone, and greater than eight (8) acres with residential development totaling approximately 1,500 dwelling units, Owner is required to provide and construct an on-site park of a minimum size of 44 square feet for each residential unit, or 66,000 square feet of parkland. In addition, Owner must pay park in lieu fees pursuant to Anaheim Municipal Code Section 18.20.110. In order to satisfy these obligations, Owner shall, no later than the first final building

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and zoning inspection of occupancy in Phase 3, record a public use easement to authorize perpetual public use of Wellness Park and public access to five parking spaces adjacent to the Wellness Park, in a form acceptable to the City Attorney's office, over the Wellness Park, and Owner shall not receive any parkland dedication credits. City acknowledges and agrees that Owner's construction and maintenance of Wellness Park complies with the public park dedication requirements specified herein. Consistent with existing Code requirements and policies, no credit shall be given for Wellness Park improvements. Owner shall construct, own (subject to the public use easement described hereinabove), manage and maintain Wellness Park in perpetuity. Owner shall pay the required park impact fees, in an amount currently estimated at twelve million one hundred seventy one thousand fifteen dollars ($12,171,015), subject to escalation, as specified below in Section 14.1 of this Development Agreement, to City. Through the Owner's design, construction, management and maintenance of Wellness Park, the use of a portion of City's Property for the design, construction, management, and maintenance of Meadow Park by Owner, the payment of park impact fees, and the dedication of a public use easement for perpetual public use of Wellness Park, City acknowledges and agrees that Owner has satisfied all City requirements concerning the payment of park impact fees and construction of park improvements for the Project.

11.2 Design and Construction Timeline for Wellness Park. Owner shall provide the design and engineering plans for the Wellness Park with submission of the Final Site Plan for the final phase of residential development in Phase 4. Owner shall commence construction of Wellness Park concurrently with issuance of the first building permit for the first residential unit in the final phase of residential development of Phase 4. Owner shall complete the Wellness Park not later than the first final building and zoning inspection for the first residential unit in the final phase of residential development of Phase 4.

11.3 Design, Construction, and Maintenance of Meadow Park, modified ARTIC drop-off and the Katella Bridge. Owner shall construct and thereafter maintain, during the Private Maintenance period, Meadow Park, the modified ARTIC drop-off area and the Amphitheater in accordance with the provisions of this Development Agreement.

11.3.1 Owner shall commence design and engineering and initiate coordination meetings with the City staff for Meadow Park, modified ARTIC drop-off and Katella Bridge no later than first final building and zoning inspection for a non-parking building in Phase 1. The Owner shall submit design and engineering plans for the Meadow Park and the Katella Bridge with Final Site Plan submission for Phase 2. Owner shall commence construction of Meadow Park and Katella Bridge no later than the first final building and zoning inspection for the first phase of residential units in Phase 2. Owner shall complete Meadow Park and the Katella Bridge no later than the first final building and zoning inspection for the second phase of residential units in Phase 3. Owner shall include 15 surface-level parking spaces for Meadow Park adjacent to Meadow Park, which shall remain in use until the ARTIC Garage is operational.

11.3.2 City and Owner agree to collaborate in the preparation of a final design, engineering and construction plans for Meadow Park facilities to identify complementary space within or adjacent to Meadow Park for future improvements to the Santa Ana River for recreation purposes. Final design, engineering and construction plans are subject to City approval. The design shall consider installation of infrastructure to allow for multiple temporary

fence perimeters. In addition, the design shall account for circulation and access related to infrastructure for temporary fence placement. Meadow Park shall, at minimum, contain the following improvements: (1) children's nature-oriented active play area, (2) urban oriented natural landscape features, (3) large event space that can be divided and used for multiple concurrent events, (4) access to and directional signage for public restrooms within the Amphitheater structure, (5) space that can accommodate placement of temporary bathroom structures, (6) a pathway system that is designed to accommodate delivery of a temporary stage system and an area with utility and wireless internet capability where the temporary stage can be placed, (7) shade structures and shaded benches throughout the park (to the extent they do not interfere with the event staging areas), (8) walking paths throughout the park, (9) passive activity spaces with infrastructure for table games and outdoor classes, (10) picnic areas, (11) fitness zones/challenge course, (12) spaces for food trucks, (13) facilities that provide an opportunity for photos and advertisement of Meadow Park through social media, (14) public art and (15) pet stations and "pet friendly facilities." During construction of Meadow Park, Owner and City shall cooperate on project management issues and Owner shall request and obtain City consent prior to approving or making any modifications to the approved construction plans and materials for Meadow Park. Concurrent with the design of Meadow park and prior to the submission of a Final Site Plan for Phase 4, Owner shall consult with City regarding the design of the Amphitheater to ensure that it is compatible with the design of Meadow Park.

11.3.3 Upon completion of the ARTIC Garage, 15 spaces of the ARTIC Garage shall be available for Meadow Park users. These spaces shall (1) be available at no charge; (2) include signage indicating that the spaces are for Meadow Park users; and (3) be ADA-compliant and be located on the ground floor of the ARTIC Garage.

11.3.4 City acknowledges and agrees that the total amount of park impact fees paid by Owner shall be used to reimburse Owner for costs actually and solely incurred in the design and construction of Meadow Park. City's obligation to reimburse Owner for design and construction costs for Meadow Park from park impact fees shall be limited to the amount of park impact fees actually paid by Owner for the Project at the time of a request for reimbursement and shall never exceed the cumulative amount of park impact fees paid by Owner for the Project. City acknowledges and agrees that the 15 parking spaces for Meadow Park in the ARTIC Garage is subject to the reimbursement provisions of this Section 11.3.4, at a cost of $30,000 per parking space, totaling $450,000. This reimbursement shall not apply to Owner's costs of design and construction of the proposed Amphitheater adjacent to Meadow Park, the bridge across Katella Boulevard or to access the ARTIC Garage. In the event that City or City and Owner apply for and receive a grant or grants to partially or fully fund the design and construction of Meadow Park inclusive of the fifteen (15) parking spaces in the ARTIC Garage, any such grant funds received shall reduce the amount of park impact fees that City is obligated to reimburse Owner as required herein.

11.3.5 Upon completion of construction, during the Private Maintenance period Owner shall maintain Meadow Park and the landscaped area adjacent to the Santa Ana River Bike Trail between River Road and the Santa Ana River ("Bike Trail Landscape") at Owner's sole expense in accordance with the maintenance standards and maintenance covenant set forth in Exhibit "K-1 including but not limited to: maintenance, repair and replacement (prior to the end of useful life) of lighting, signage, amenities, landscaping (including fertilizing, mowing,

trimming, weed removal), subsurface and above-ground irrigation facilities, fencing, artificial turf, architectural elements of the park, and any and all other improvements or features; regular removal of debris; waste and graffiti abatement; and restoration of any and all landscaping, hardscape, concrete pavers, trees, and other park improvements or features that may become damaged during any excavations, repair or replacement of public facilities or utilities. Owner shall, at its sole cost and expense, perform or cause to be performed all work required herein in conformance with approved final as-built plans and with Exhibit "K-1", and in accordance with all applicable federal, state and local laws and standards including the Anaheim Municipal Code and any right of way construction or encroachment permits required by City. All improvements shall be kept in clean, good, safe, working, and workmanlike condition as detailed in Exhibit "K-1". Owner's maintenance of Meadow Park and the Bike Trail Landscape area shall comply with the maintenance requirement set forth in this Section 11.3.5 and the Meadow Park Joint Use, Operations and Maintenance Plan including replacement and repair of equipment and fixtures.

11.4 Spring Up Maintenance District. Prior to Owner's conveyance of any portion of the Property other than Lot B to an entity unrelated to Owner, Owner shall prepare all documents for, vote in favor of and take any actions necessary to create a Spring-Up Maintenance District to fund and provide maintenance of Wellness Park as required herein in perpetuity, Meadow Park and Bike Trail Landscape area during the period of Private Maintenance, in accordance with the maintenance standards in this Development Agreement including Exhibit K and Exhibit K-1. The estimated amount of costs and schedule of payment for each parcel or lot of the Property upon establishment of the Spring-Up Maintenance District will be determined thirty (30) days prior to Owner's provision of written notice to City that Owner is contemplating a transfer of any portion of the Property. The Spring-Up Maintenance District shall become effective immediately, after (i) Owner's conveyance of a portion of the Property other than Lot B to an entity unrelated to Owner or (ii) upon Owner's failure to maintain Meadow Park or the Bike Trail Landscape area as required herein including Exhibit K and Exhibit K-1. The parties agree that the parcels on which the Honda Center, Meadow Park, ARTIC and the ARTIC Garage occupy shall not be required to pay any assessment as part of the Spring-Up Maintenance District. Owner agrees that 15 parking spaces of ARTIC Garage shall, in perpetuity, be available for visitors to Meadow Park and shall have signage as required in Section 11.3.3.

11.5 Meadow Park and Amphitheater Joint Use, Operation and Maintenance Plan. The Parties agree that notwithstanding Owner's obligation to maintain and operate Meadow Park as set forth herein, City and Owner shall negotiate in good faith to prepare and execute, prior to first Final Site Plan for any development within Phase 2, a Meadow Park Joint Use, Operation and Maintenance Plan that addresses all issues set forth in Exhibit "M attached hereto including scheduling of events and usage of Meadow Park consistent with the terms set forth in Sections 11.6, 11.7, and 11.8, criteria and procedures for identifying when the Maximum Event Perimeter will be utilized, and the sale of alcoholic beverages within Meadow Park. Owner acknowledges the operational requirements include noise and time restrictions as required by the Development Approvals that are applicable to use of the Amphitheater that are intended to ensure that use of the Amphitheater is compatible with the use of adjacent and nearby properties. In addition, the operational requirements include provisions that obligate the Owner to include reference to Section 13.080.020 of the Anaheim Municipal Code in agreements with performers scheduled to perform at the Amphitheater. In the event that City receives complaints regarding the content of

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or conduct prohibited by Section 13.08.020 at events at the Amphitheater and/or Meadow Park, then Owner's representative will meet and confer with the City's Community Services Director or designee to discuss procedures that would assist in achieving compliance with Section 13.08.020 and that would apply prospectively to events at the Amphitheater and Meadow Park. Owner shall make a good faith efforts to incorporate the procedures identified through the meet and confer process for future events at the Amphitheater and Meadow Park. The Parties agree that the Meadow Park Joint Use, Operation and Maintenance Plan will include a provision that states that Meadow Park is a public park available for public and City use. The Meadow Park Joint Use, Operation and Maintenance Plan will allow for limited private use of Meadow Park for events associated with the Amphitheater. The Director of Community Services is authorized to execute the Meadow Park Joint Use, Operation and Maintenance Plan on behalf of the City; provided, however, the Director of Community Services or the City Manager may, in their discretion, refer the proposed Meadow Park Joint Use, Operation and Maintenance Plan to the City Council for consideration and action to approve, approve with modifications or deny the Plan.

11.6 Owner Events at Meadow Park. Owner may schedule up to twenty-five (25) event days at the Amphitheater per year that include private use of some portion of Meadow Park ("Owner Event Days"). During Owner Event Days, a portion of Meadow Park beyond the Amphitheater and Amphitheater seating bowl may be closed off to the public and exclusively used by ticketed patrons and Owner Event Days staff. Unless otherwise agreed to in writing between City and Owner, Owner will not close off a greater portion of Meadow Park to City and the public beyond the maximum perimeter fence line ("Maximum Event Perimeter") shown on Exhibit "U" for Owner Event Days. Owner and City agree that the Maximum Event Perimeter identified in Exhibit "U" depicts the maximum portion of Meadow Park that may be closed off on Owner Event Days. Owner agrees that the Maximum Event Perimeter shall not be the default perimeter for Owner Event Days; Owner will only close off the portion of Meadow Park that is operationally necessary to run a particular Owner Event Day in light of the size, scope, and nature of the event. Owner and City agree that the Meadow Park Joint Use, Operation and Maintenance Plan will include criteria and procedures for determining when the size, scope, and nature of an Owner Event Day will justify closure up to the Maximum Event Perimeter and when the size, scope, and nature will necessitate a smaller perimeter. Owner may schedule as many events as Owner deems appropriate at the Amphitheater up to the border identified as "Property Line" in Exhibit U. City and Owner agree that Owner events at the Amphitheater up to the Property Line may also utilize the areas of Meadow Park identified as "Access Rights" on Exhibit U. Owner's use of the "Access Rights" areas for events where no other portion of Meadow Park is closed off for private use shall not count towards the annual maximum of twenty-five (25) Owner Event Days listed above. Notwithstanding the foregoing in this section, capacity for Amphitheater events within the Maximum Event Perimeter and within the Property Line area shall be determined by the fire marshal occupancy standards for such space as applicable.

11.7 City Events at Amphitheater. Owner shall maintain the calendar for the Amphitheater for scheduling Events. Notwithstanding Owner's right to maintain the calendar, City has the right to reserve and use the Amphitheater for City events or City sponsored community group events a minimum of six (6) times per calendar year on weekend days or weekend evenings (i.e. weekend days and weekend evenings are defined as occurring on a

Friday, Saturday, or Sunday). Owner and City agree that the City events and City sponsored community group events shall be uses for events of the City or other community groups, and not events, such as concerts of a touring artist or the like, which would otherwise be in competition with the other Owner Event Days uses at the Amphitheater. Each day of such City event or City sponsored community group event will be deemed to be one City event. Any two (2) days booked on one weekend would constitute two (2) of the City's six (6) annual event days. Such uses may be booked by City up to twelve (12) months in advance and must be confirmed by City as proceeding at least ninety (90) days in advance. When booking City's six (6) events per calendar year, City shall be entitled to three (3) of its first choice dates. Scheduling of the City's remaining three (3) events per year shall be subject to the calendar protocol described below. City also has the right to reserve and use the Amphitheater for City events or City sponsored community group events on available days not otherwise booked beyond the minimum six (6) per year, subject to the calendar protocol. City and Owner shall mutually agree upon a written protocol for placing holds and a reasonable challenge system to handle any booking conflicts that may arise and further agree to recognize and in good faith attempt to accommodate the legitimate interests of the other with respect to scheduling of events. Owner will provide an updated event calendar for the Amphitheater on a quarterly basis, following which additional available dates may be booked by City. The Parties recognize that the use described in this Section are uses for events of the City or public events, and not events, such as concerts of a touring artist or the like, which would otherwise be in competition with the Owner's use of the Amphitheater.

11.8 Costs and Services for City Events at Amphitheater. Owner agrees that Owner will provide use of the Amphitheater and Amphitheater staff for the City events and City sponsored community group events contemplated in Section 11.7 for no rental or use fee. City shall be entitled to retain all revenues relating to City events or City sponsored community group events. City and community groups will provide their own lighting and sound equipment for use at City or community group events. Such lighting and sound equipment shall be provided by a vendor/operator consistent with industry standards as determined by Owner. For the first six (6) City events and City sponsored community group events held in a calendar year, City shall reimburse Owner for fifty per cent (50%) of all out-of-pocket costs (with no markup) actually incurred by the Owner in connection with hosting a City or City sponsored community group event. For City events and City sponsored community group events seven (7) through twelve (12) in a calendar year, City shall reimburse Owner for all out-of-pocket costs (with no markup) actually incurred by the Owner in connection with hosting a City or City sponsored community group event. For all City events and City sponsored events beyond a total of twelve (12) in a calendar year, City shall reimburse Owner for all out-of-pocket costs at market rate. Costs incurred by Owner may include direct costs for set up and break down of facility, systems, and equipment, and other costs directly related to such City or City sponsored community group events (including costs for ushers, security personnel, facility and system operators, and custodial personnel). The Parties recognize that not all of the City events or City sponsored community events at the Amphitheater will require all of the aforementioned services. City in consultation with Owner shall determine which services are necessary for City and City sponsored community group events. City shall pay directly the costs of any municipal services such as police or emergency medical personnel incurred in connection with hosting a City or City sponsored community group event. City shall have the right to market, promote, sell, and control the pricing of tickets for City or City sponsored community group events and to control the seating assignments. In connection therewith, City may use the Owner's ticketing system in

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accordance with Owner's written agreement with its ticketing vendor to make such tickets available to the attendees of City or City sponsored community group events and Owner shall be reimbursed for any fees or expenses incurred.

11.8.1 To the extent food and beverages (alcoholic and/or non-alcoholic) are made available at City events or City sponsored community group events at the Amphitheater, City may request that Owner provide such food and beverages in which case Owner shall retain all associated revenues. Notwithstanding the foregoing, City is not required to utilize Owner's food and beverage services for City and City sponsored community events at the Amphitheater; City and community groups may elect to provide these services directly or may utilize outside food and beverage vendors at City's discretion. If City and/or community groups provide their own food and beverage services, then City and/or community groups will retain all associated revenue.

11.8.2 To the extent that City or community groups elect to provide alcoholic beverages at City events or City sponsored community group events, City and/or community groups will obtain all appropriate temporary licensing and regulatory approvals. City agrees that any alcoholic beverages provided directly by City or City sponsored community groups (or by vendors thereof) as part of a City and/or City sponsored community group event will be provided/sold in the Meadow Park portion of such event and not within the Amphitheater; provided, however, that such beverages may still be consumed by event-goers within the Amphitheater.

11.9 Compliance with Naming Policy. City and Owner agree that the naming of the park as Meadow Park as agreed to in this Development Agreement satisfies Anaheim Parks, Recreation and Community Services Policy No.A-033 Policy related to the naming of public parks. Signage within Meadow Park shall comply with the signage requirements set forth in the Transit District Signage Plan as set forth in Exhibit "N".

Section 12. REIMBURSEMENT PROVISION.

In the event Owner is required to construct public improvements which are supplemental to the requirements of the Project for the benefit of other properties, City will work with Owner to establish mechanisms for proportional reimbursement from owners of the benefited properties. For public improvements that are within CFD 08-1, the proportional benefit shall be calculated based on the estimated improvement budget cap(s) set forth in CFD 08-1 or the New CFD. All costs associated with establishing said reimbursement mechanisms shall be paid by Owner.

Section 13. DEDICATIONS AND EXACTIONS.

Prior to issuance of the first building permit for the Project or recordation of the first Final Map for the Project, Owner shall irrevocably offer for dedication within each Phase of the Project, the rights-of-way, including the public connector streets, collector streets, public use easements for perpetual public park use or access (including use of the plazas and bridges) or private roadway access, public utility easements, parking easements and other dedications as more fully set forth in the Master and Final Site Plans for the uses set forth in the Master and Final Site Plans. These dedications shall be in fee or as an easement at the discretion of City,

and upon completion and acceptance by City of the associated improvements in compliance with the specifications as approved by City, City shall accept Owner's offer of dedication. Nothing contained in this Development Agreement, however, shall be deemed to preclude City from exercising the power of eminent domain with respect to the Property or the Project, or any part thereof.

Section 14. FEES, TAXES, AND ASSESSMENTS.

14.1 Fees, Taxes and Assessments. Owner shall be responsible for the payment of Development Impact Fees shown in Exhibit "P" in the amount and at the times set forth in the Existing Land Use Regulations and for newly proposed fees currently under consideration by the City at the time of approval of this Development Agreement as set forth in Exhibit "P-1" ("Proposed Fees"), as said amounts and timing may be modified in accordance with this Development Agreement. Notwithstanding the foregoing, Owner shall not, under any circumstances, pay Platinum Triangle Supplemental Fees on property that currently resides within the Core boundaries of CFD 08-1 and the Annexation Parcels. The Development Impact Fees set forth in Exhibit "P" and the Proposed Fees set forth in Exhibit "P-1" shall be frozen for a period of five (5) years from the Development Agreement Date. After the expiration of this five-year period, Development Impact Fees shall be subject to increase during the terms of this Development Agreement as set forth in the enabling statutes, ordinances and resolutions related to each Development Impact Fee. Proposed Fees shall be subject to increase during the terms of this Development Agreement as set forth in the enabling statutes, ordinances and resolutions related to each Proposed Fee. The rates of fees, taxes or assessments shall be the rates in existence at the time, said fees, taxes or assessments are normally required to paid to the City, except as otherwise provided in this Development Agreement. During the Term, City shall only impose the Development Impact Fees or Proposed Fees on the Project, specified in Exhibit "P" and Exhibit "P-1". If Owner constructs any public facilities which otherwise would be funded through payments of Development Impact Fees, Owner shall be entitled to offsets, or credits, towards its payment of Development Impact Fees, as established in the Anaheim Municipal Code.

14.2 Reserved.

14.3 Excluded Development Fees. The following fees shall not be included among the fees which would otherwise fall within the definition of Existing Land Use Regulations:

14.3.1 Water Utilities Fees. Owner will pay all applicable fees in accordance with the Water Utilities Rates, Rules and Regulations in effect at the time of application for service including Rule 15D which provides for, in part, a fee based on GFA to construct the necessary water facility improvements within the Platinum Triangle.

14.3.2 Electrical Utilities Fees. Owner will pay all fees in accordance with the Electrical Utilities Rates, Rules and Regulations in effect at the time of application for service.

14.3.3 City Processing Fees. Owner shall pay all standard City-wide processing fees for building permits, zoning review, plan review and approval, encroachment and grading permits, inspection and technology usage and other similar fees associated with the Development

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of the Project which are in existence at the time of approval of this Development Agreement at the rate in existence at the time said fees are normally required to be paid to City.

14.4 Platinum Triangle Infrastructure Assessment District. Prior to the date a building or grading permit is issued relating to implementation of the Master or Final Site Plans, or within a period of ninety (90) days from the date of execution of this Development Agreement, whichever occurs first, Owner shall execute and record an unsubordinated covenant in a form approved by the City Attorney's Office wherein Owner agrees not to contest the formation of any assessment district(s) which may be formed to finance Platinum Triangle infrastructure, which district(s) could include the Property. The covenant shall run with the land and bind Owner and its successors and assigns, but shall not preclude Owner from contesting (i) the determination of benefit of such improvements to the Property, (ii) the properties included in said district or area, (iii) the manner in which said fee is determined or (iv) the manner in which said improvement costs are spread.

14.5 CFD 08-1. As specified in Exhibit "H", Owner shall construct certain public roads, utility improvements, and other public infrastructure which qualify (i) as authorized facilities under CFD 08-1 ("CFD 08-1 Improvements"), and (ii) for acquisition by City/CFD 08-1 with either (i) proceeds of newly issued bonds by CFD 08-1 ("CFD 08-1 Bonds"), (ii) through special taxes levied and collected in accordance with the CFD 08-1 RMA and not otherwise used to pay debt service on outstanding bonds issued by CFD 08-1, or (iii) through Owner's prepayments of CFD 08-1 special taxes deposited into the Construction Fund (as defined in the CFD 08-1 RMA). City agrees to use good faith, diligent efforts to acquire such CFD 08-1 Improvements and reimburse Owner for such CFD 08-1 Improvements in a timely manner, including, without limitation, issuing CFD 08-1 Bonds when new development within CFD 08-1 generates special taxes sufficient to satisfy the debt service on any newly issued CFD 08-1 Bonds. City and Owner shall execute a Platinum Triangle Acquisition Agreement ("Acquisition Agreement"), in substantially the form of which is attached in Exhibit "Q", which provides, in part, for the City's acquisition of the CFD 08-1 Improvements, the Owner's conveyance of the CFD Improvements to the City/CFD 08-1, and the reimbursement of the Owner for any such CFD 08-1 Improvements. Owner shall have the option of pre-paying its CFD 08-1 special taxes as provided in CFD 08-1 RMA. Owner agrees that it will support and not contest, vote in favor of, and execute necessary documents for the City to modify the CFD 08-1 boundaries to include within CFD 08-1 all of Owner's parcels identified as Annexation Parcels. In consideration thereof, City agrees that the Special Taxes (as defined in the CFD 08-1 RMA) collected in connection with levying Owner's Annexation Parcels within the Platinum Triangle and/or the construction proceeds from CFD 08-1 Bonds supported by the special tax revenues generated from the Owner's Annexation Parcels within the Platinum Triangle shall be allocated to CFD 08-1 Improvements and used first by the City to reimburse Owner for the construction of the CFD 08-1 Improvements pursuant to the terms of the Platinum Triangle Acquisition Agreement. Maximum amount to be reimbursed to the Owner from any CFD proceeds shall not exceed the special tax bonding capacity generated by the Project or the pre-payment amount of the Owner's CFD obligation.

14.6 New CFD. City agrees to assist the Owner in forming a new CFD ("New CFD"), the boundaries of which shall be coextensive with those of the Property, in order to fund, pursuant to the Mello-Roos Community Facilities Act of 1982, (i) the City/New CFD's

acquisition of authorized facilities; and (ii) impact fees as described in Exhibit "J" (collectively, "New CFD Improvements") which are not eligible for fee credits for fees paid through either the Development Impact Fee or Proposed Fee programs or not being acquired by City/CFD 08-1 pursuant to Section 14.5 above. Owner agrees that the property parcels on which the Honda Center, Meadow Park, ARTIC and Parking Decks A, B, C and D are located shall be exempt from the payment of special taxes under the New CFD or any alternative financing authority authorized in this Section 14.6. City agrees to use good faith, diligent efforts to establish and form the New CFD, including the scheduling of necessary public hearings in connection with the adoption of a resolutions of formation and intent to issue bonds. Owner agrees to cooperate in the formation of the New CFD and agrees that it will not contest and will, for and on behalf of all of Owner's property within the boundaries of the New CFD, vote in favor of formation of the New CFD. In the alternative, City agrees that Owner may pursue other financing alternatives, including requesting The California Municipal Financing Authority ("CMFA"), to form the New CFD. In connection therewith, City agrees to use good faith efforts to consider issuance of consents to the formation of the New CFD by CMFA and agrees to use good faith efforts to take all necessary and appropriate actions to assist Owner and CMFA in its formation. Owner shall reimburse City for all City costs, including consultant costs and legal fees, incurred for actions taken to create the New CFD or create financing alternatives through CMFA or a similar authority or public agency acceptable to the City.

14.7 Accounting of Funds. City will comply with applicable requirements of Government Code Section 65865 relating to accounting of funds.

14.8 Imposition of Increased Fees, Taxes or Assessments. Except as expressly set forth or reserved in this Development Agreement, City shall not, without the prior written consent of Owner, impose any additional fee, tax or assessment on the Project or any portion thereof as a condition to the implementation of the Project or any portion thereof. Nothing contained herein shall be construed to prohibit City from imposing fees, taxes or assessments on the Property which are unrelated to the approval or implementation of the Project. Notwithstanding the foregoing, this Development Agreement shall not limit City's right and power to impose taxes on the Property or Project provided that any taxes imposed are adopted pursuant to all applicable laws and that said tax qualifies as a City-Wide Tax. For the purposes of this Section 14.8 a "City-Wide Tax" means a general or special tax generally applicable to a category of development or use of one or more kinds, wherever the same may be located in the City, including but not limited to, a general or special tax adopted in accordance with California Const, Art XIII C and D et seq. (otherwise known as Proposition 218); provided, however, that a general or special tax which only applies to or impacts the Project shall not be considered a City-Wide Tax.

Section 15. COVENANTS, CONDITIONS AND RESTRICTIONS.

If Owner conveys a portion of the Property to an unrelated party, Owner agrees to record unsubordinated covenants, conditions and restrictions (CC&Rs) applicable to the Property in a form and content satisfactory to the Planning and Building Director, City Engineer and the City Attorney incorporating the requirements and obligations set forth in this Development Agreement including Exhibit "K-1".

Section 16. NEXUS/REASONABLE RELATIONSHIP CHALLENGES.

Owner consents to, and waives any right it may have now or in the future to challenge the legal validity of the conditions, requirements, policies or programs required by Existing Land Use Regulations or this Development Agreement including, without limitation, any claim that they constitute an abuse of the police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax.

Section 17. TIMING OF DEVELOPMENT.

Timing of Development shall be as set forth in the Master and Final Site Plans. Subject to the provisions of Section 7.2 of this Development Agreement, Owner agrees to use commercially reasonable efforts to apply for and obtain all required permits, to apply for and obtain financing for construction of the Project, and upon approval of financing for the Project or each phase thereof to commence and complete construction of the Project or phase thereof during the time period set forth in the Master Plan. In the event Owner is not able to complete construction of the Project within the time frame set forth in the Master Plan, Owner agrees to complete Phase 1 within five (5) years of the Development Agreement Date, complete Phase 2 within ten (10) years of the Development Agreement Date, Phase 3 within fifteen (15) years of the Development Agreement Date, and complete Phases 4 and 5 prior to expiration of this Development Agreement. For purposes of this Development Agreement, a completion of a phase means, at a minimum, that temporary certificates of occupancy have been issued for 90% of the square footage or number of dwelling units specified in the applicable Final Site Plan[s], subject to Owner's abandonment of a portion of a Final Site Plan, as specified below in this Section 17. If Owner, in its sole and absolute discretion, chooses to not complete all of the square footage or dwelling units in a Final Site Plan, Owner shall provide written notice to City of this intention. In such a situation, Owner shall be deemed to have abandoned the right to construct the square footage and dwelling units which Owner chooses not to complete, and Owner shall not have the ability to complete the portions of the applicable Final Site Plan which was abandoned. Such an abandonment shall have no effect upon (i) the portions of the Master Site Plan and Final Site Plan which have been completed, (ii) any other Final Site Plan which has been approved by City.

Section 18. EXISTING USES.

City and Owner agree that those existing legally established uses on the Property may be retained until the Project is implemented. When those existing uses are demolished, no credit for any such demolished square footage for which Interim Development Fees have not been paid will be given Owner against Interim Development Fees due on a square footage basis as provided for in this Development Agreement. Owner will pay the full Interim Development Fees for Permitted Development constructed pursuant to the Master and Final Site Plans.

Section 19. FUTURE APPROVALS.

19.1 Basis for Denying or Conditional Granting Future Approvals. Before Owner can begin grading on the Property or other development of the Property, Owner must secure several

additional permits and/or approvals from City. The parties agree that to the extent said Development Approvals are ministerial in nature, City shall not, through the enactment or enforcement of any subsequent ordinances, rules, regulations, initiatives, policies, requirements, guidelines, or other constraints, withhold such approvals as a means of blocking construction or of imposing conditions on the Project which were not imposed during an earlier approval period unless City has been ordered to do so by a court of competent jurisdiction. Notwithstanding the previous sentence, City and Owner will use their best efforts to ensure each other that all applications for and approvals of grading permits, building permits or other developmental approvals necessary for Owner to develop the Project in accordance with the Master and Final Site Plans are sought and processed in a timely manner.

19.2 Standard of Review. The rules, regulations and policies that apply to any additional Development Approvals which Owner must secure prior to the Development of the Property shall be the Existing Land Use Regulations, as defined in this Development Agreement.

19.3 Future Amendments to Master and Final Site Plans. Future amendments to all or a portion of the Master or Final Site Plans which increase the intensity or density of the Development of the Property, or change the permitted uses of the Property, and are not among those described in Section 20.4 may subject the portion or portions of the Project being amended or affected by the amendment to any change in the City's General Plan, zoning designations and rules applicable to the Property and further environmental review and possible mitigation of adverse impacts under CEQA in effect at the time of such amendment. Any such amendment to the Master and Final Site Plans shall be processed concurrently with the processing of an amendment to this Development Agreement. It is the desire and intent of both parties, except as set forth herein, that any such future amendment of the Master and Final Site Plans will not alter, affect, impair or otherwise impact the rights, duties and obligations of the parties under this Development Agreement with respect to the unamended portions of the Master and Final Site Plans. Amendments to Master and Final Site Plans, which do not otherwise qualify as Operating Memoranda pursuant to Section 20.6, shall be subject to approval of the Planning Director.

Section 20. AMENDMENT.

20.1 Initiation of Amendment. Either party may propose an amendment to this Development Agreement.

20.2 Procedure. Except as set forth in Section 20.4 below, the procedure for proposing and adopting an amendment to this Development Agreement shall be the same as the procedure required for entering into this Development Agreement in the first instance. Such procedures are set forth in Sections 2, 3 and 5 of the Procedures Resolution.

20.3 Consent. Except as provided elsewhere within this Development Agreement, any amendment to this Development Agreement shall require the consent of both parties. No amendment of this Development Agreement or any provision hereof shall be effective unless set forth in writing and signed by duly authorized representatives of each party.

20.4 Amendments. Subject to the foregoing provisions of this Section 20, the parties acknowledge that refinements and further development of the Project may demonstrate that

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changes are appropriate with respect to the details and performance of the parties under this Development Agreement. The parties desire to retain a certain degree of flexibility with respect to the details of the Development of the Project and with respect to those items covered in general terms under this Development Agreement. If and when the parties find that changes or adjustments are necessary or appropriate to further the intended purposes of this Development Agreement, they may, unless otherwise required by law, effectuate such changes or adjustments as specified in the Development Approvals.

20.5 Effect of Amendment to Development Agreement. The parties agree that except as expressly set forth in any such amendment, an amendment to this Development Agreement will not alter, affect, impair, modify, waive or otherwise impact any other rights, duties or obligations of either party under this Development Agreement.

20.6 Operating Memoranda. The provisions of this Development Agreement require a close degree of cooperation and flexibility between the City and Owner. The development of the Project may demonstrate that clarifications or modifications to this Development Agreement are appropriate with respect to the details of performance of the City and Owner, including changes necessitated due to financing considerations. If and when, from time to time during the Term of this Development Agreement, City and Owner agree that such clarifications are necessary or appropriate, City and Owner shall effectuate such clarifications through operating memoranda approved in writing by City and Owner ("Operating Memoranda"), which, after execution, shall be attached as addenda and become a part hereof, and may be further clarified from time to time as necessary with future approval by City and Owner. No such Operating Memoranda shall constitute an amendment to this Development Agreement requiring public notice or hearing and are considered ministerial clarifications. Operating Memoranda may be used when the Operating Memorandum: (i) does not increase the density or intensity of the Project or such increases do not generate new significant environmental impacts under CEQA; (ii) does not change the permitted uses of the Project, unless such uses are consistent with the Existing Land Use Regulations; (iii) does not increase the maximum size of buildings of the Project unless these increases are consistent with the Existing Land Use Regulations and do not increase the total amount of development approved in the Master Plan; or (iv) does not reduce improvement and construction standards for the Project. The City Manager shall have the authority and shall make the determination on behalf of City whether a requested clarification may be effectuated pursuant to this Section 20.6 or whether the requested clarification is of such a character to constitute an amendment hereof pursuant to Section 20.4 above. The City Manager shall, upon consultation with the City Attorney as to the form of the Operating Memorandum, be authorized to execute any Operating Memoranda hereunder on behalf of City. The City Manager may also refer any proposed Operating Memoranda to the City Council for consideration and action to approve or deny any proposed Operating Memorandum.

Section 21. NON-CANCELLATION OF RIGHTS.

Subject to defeasance pursuant to Sections 27, 28 or 29, the Master and Final Site Plans and other Development Approvals as provided for in this Development Agreement shall be final and the rights once granted thereby shall be vested in the Property upon recordation of this Development Agreement.

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Section 22. BENEFITS TO CITY.

The direct and indirect benefits to the City (including, without limitation, the existing and future anticipated residents of the City) pursuant to this Development Agreement include, but are not limited to, the following:

a. The participation of Owner in the accelerated, coordinated and more economic construction, funding and dedication to the public, as provided in this Development Agreement, of certain of the vitally needed on-site and area-wide public improvements and facilities, and assurances that the entire Project will be developed as set forth in the Master and Final Site Plans and this Development Agreement in order to encourage development of the Platinum Triangle.

b. The public benefits, totaling approximately $255,000,000 include the following traditional public benefits: (i) parks improvements ($25M); (ii) affordable housing ($35M) (ii) public infrastructure improvements ($80M); (iii) Owner's agreement to perform ongoing Private Maintenance obligations of public facilities including Meadow Park and ARTIC ($30M) (iv) a five million dollar ($5,000,000) Offsite Park Contribution Fee, with the proceeds of this Fee to be used in the City's sole discretion to pay for park improvements; (v) Owner's payment of approximately $80 million in Development Impact Fees; and (vi) the generation of millions of dollars in economic impact due to the development, construction and operation of the Project.

c. The: (i) construction of the Honda Center Improvements and the Honda Center Expansion totaling approximately $390,000,000 (ii) pursuant to a maintenance easement encumbering Owner's interest in the property underlying the Honda Center Expansion, Owner's obligation to maintain the Honda Center Expansion (the "Honda Center Expansion Maintenance Easement") and (iii) construction and perpetual maintenance of the Wellness Park.

d. The: (i) construction of the ARTIC Improvements and the ARTIC Expansion and (ii) pursuant to a maintenance easement encumbering Owner's interest in Project property located south of Katella Avenue, Owner's obligation to maintain the ARTIC Expansion throughout the term of the ARTIC FMA (the "ARTIC Expansion Maintenance Easement").

e. Owner shall provide Affordable Units as defined in Chapter 18.52 of the Zoning Code and the California Health & Safety Code, as follows:

i. Affordable Housing in Phase 2: City and Owner agree to negotiate in good faith on a Housing Incentives Agreement for Phase 2 to provide for the development of 35 Moderate Income residential units onsite, as defined in Chapter 18.52 of the Zoning Code and the California Health and Safety Code, as further identified in the Housing Incentives Memorandum Application (Exhibit R). The Housing Incentives Agreement for Phase 2 shall be completed prior to the approval of the first Final Site Plan for residential units in Phase 2.

ii. Affordable Housing in Phase 3: City and Owner agree to negotiate in good faith on a Housing Incentives Agreement for Phase 3 to provide for the development of a total of 160 affordable residential units, including 65 Very Low Income, 65 Low Income, and 30 Moderate Income units on the Property, as defined in Chapter 18.52 of the Zoning Code and the California Health and Safety Code, and as further identified in the Housing Incentives Memorandum (Exhibit R). The Housing Incentives Agreement for Phase 3 shall be completed prior to the approval of the first Final Site Plan for residential units in Phase 3.

iii. Option for Affordable Housing at Offsite Location: Owner may, pursuant to requirements of Government Code Section 65915(g)(2)(G) and consistent with Zoning Code chapters/sections 18.52.050 and 18.52.080.0208, request that City approve relocation of all, or a portion of, the affordable housing obligation to a site within the City that is: (1) within ¼ mile of the Project boundary; and (2) within or adjacent to the Platinum Triangle ("Offsite Location"). The City may approve or deny such request as part of its consideration of the Housing Incentives Agreement for Phases 2 or Phase 3. In the event that necessary Development Approvals for an Offsite Location require City approval of a General Plan Amendment, Platinum Triangle Master Land Use Plan amendment, or Reclassification to a residential zone, in order to allow multi-family residential development, Owner shall increase the number of affordable housing units to be constructed from 195 units to 225 units, consisting of 65 Very Low Income units, 80 Low Income units and 80 Moderate Income units, equal to 15% of 1,500 total residential units. If the affordable housing is to be constructed on the Offsite Location, all such affordable units are to be completed no later than completion of Phase 3 of the Project. The unit mix and bedroom types shall be provided at a similar mix of units and bedroom types as the market rate units in the project, and shall be subject to approval by the Housing & Community Development Director.

iv. Minor Amendments to Housing Incentives Memorandum and Housing Incentive Agreements: City and Owner acknowledge that it may be beneficial to the public interest to allow minor amendments to approved Housing Incentive Memorandum and/or Housing Incentive Agreements. Minor amendments to the Housing Incentives Memorandum or Housing Incentive Agreements may be approved by the City Manager, or his/her designee, as long as the minor amendments do not reduce the total number of Affordable Units or the number of units provided at Very Low, Low, and Moderate Income levels as specified hereinabove.

f. Owner shall pay to City the Development Impact Fees and the Offsite Park Contribution Fee, in an amount of five million dollars ($5,000,000) prior to the issuance of the first certificate of occupancy for the Project. City shall use the proceeds of the Offsite Park Contribution Fee to fund park improvements with the location and timing of construction of such improvements to be determined in City's sole discretion.

g. Owner shall be responsible for design, construction, operation and maintenance (including scheduling of events) at the privately-owned Amphitheater adjacent to

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Meadow Park and shall comply with operational and security requirements set for forth in Exhibits "K", "K-1" and "M". Owner acknowledges the operational requirements include noise and time restrictions as required by the Development Approvals that are applicable to use of the Amphitheater that are intended to ensure that use of the Amphitheater is compatible with the use of adjacent and nearby properties. In addition, the operational requirements include provisions that obligate the Owner to require that the content of performances at the Amphitheater is appropriate for the general public. Concurrent with the design of Meadow park and prior to the submission of a Final Site Plan for Phase 4, Owner shall consult with City regarding the design of the Amphitheater to ensure that it is compatible with the design of Meadow Park. City or City's designee has the right to use the Amphitheater as outlined in Sections 11.7 and 11.8. The Parties recognize that the use described in this Section and Sections 11.7 and 11.8 are uses for events of the City or public events, and not events, such as concerts of a touring artist or the like, which would otherwise be in competition with the Owner's use of the Amphitheater.

h. Owner's agreement to provide maintenance for the private streets (including roadway, lighting, landscape/irrigation medians and parkways, drainage, traffic signals and signs, pavement markings, curbs, gutters and sidewalks), plazas, smart infrastructure, the bridges that cross Katella Avenue and that provide access to ARTIC Garage as set forth herein and in the Spring-Up Maintenance District Plan.

i. The considerations set forth in Sections 10, 11, and 13.

Section 23. BENEFITS TO OWNER.

a. Owner has expended and will continue to expend large amounts of time and money on the planning and infrastructure construction for the Project. Owner asserts that Owner would not make any additional expenditures, or the advanced expenditures required by this Development Agreement, without this Development Agreement and that any additional expenditures which Owner makes after the Development Agreement Date will be made in reliance upon this Development Agreement. Without limiting the generality of the foregoing, this Development Agreement provides for the completion of public improvements and facilities prior to the time when they would be justified economically in connection with the phasing of the Project, and of a size which would be justified only by the magnitude of the Project provided for by the Master and Final Site Plans and this Development Agreement. The benefit to Owner under this Development Agreement consists of the assurance that Owner will preserve the right to develop the Property as planned and as set forth in the Master and Final Site Plans and this Development Agreement. The parties acknowledge that the public benefits to be provided by Owner to City pursuant to this Development Agreement are in consideration for and reliance upon assurances that the Property can be developed in accordance with the Master and all Final Site Plans and this Development Agreement.

b. City shall support and recommend to the ATID Transportation Committee that during the Term of the Development Agreement the ATID Transportation Committee approve appropriation of the transportation portion (i.e. 25 percent of the two percent assessment) of the Anaheim Tourism Improvement District funds ("ATID Transportation Funds") generated by the payment of the ATID Assessment made by Owner through occupancies of the newly constructed Project hotels within the Project ("Project ATID Transportation Funds") to a specified fund to be

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spent as set forth in this Section 23(b). If approved by the ATID Transportation Committee, the Project ATID Transportation Funds shall be payable to and be used solely by Owner to partially fund the construction of ARTIC Garage and the access bridge for ARTIC Garage, as designed and constructed to allow for the future transit project. If the ATID Transportation Committee approves appropriation of the ATID Transportation Funds to Owner, they shall be disbursed to Owner upon the commencement of operations of the first hotel of the Project and in a manner consistent with applicable ATID Transportation Committee and City policies related to expenditure of ATID Transportation Funds. The ATID Transportation Funds shall, if approved by the Anaheim Transportation Committee, continue to be disbursed to Owner until the twentieth (20th) anniversary of City's issuance of the last certificate of occupancy for the second hotel of the Project The parties acknowledge and agree that this disbursement obligation shall extend beyond the Term of this Development Agreement. Owner acknowledges that approval of the use of the Project ATID Transportation Funds as specified herein is subject to approval of the ATID Transportation Committee and that City's obligation herein is limited to making the recommendation and supporting the recommendation as one member of the ATID Transportation Committee.

c. City and Owner shall collaborate and use best efforts to attempt to secure grants to offset or partially fund the costs of ARTIC Improvements and the Expanded ARTIC Garage. If such grants are obtained, City shall expend such grant funds to reimburse or pay Owner for part of the costs of the ARTIC Improvements as defined in Sections 1.10 and 1.14 and Exhibit "G", and for part or all of the costs of the Expanded ARTIC Garage. If any such grant funds obligate the City, as opposed to the Owner, to construct the Expanded ARTIC Garage, City's financial obligation for construction of the Expanded ARTIC garage shall be limited to the amount of the grant funds and Owner shall be solely responsible for any excess costs for construction of the Expanded ARTIC Garage.

d. City agrees that if the Owner requests special inspection services during construction of the Project and assuming the City has sufficient staff/contract inspection capacity to provide such special inspection services, City and Owner will prepare and enter into an agreement whereby City will provide special inspection services at the then applicable costs charged by the City for such special inspection services. The City Manager is authorized to sign the special inspection services agreement on behalf of the City.

Section 24. UNDERTAKINGS AND ASSURANCES CONTEMPLATED AND PROMOTED BY DEVELOPMENT AGREEMENT STATUTE.

The mutual undertakings and assurances described above and provided for in this Development Agreement are for the benefit of City and Owner and promote the comprehensive planning, private and public cooperation and participation in the provision of public facilities, and the effective and efficient development of infrastructure and facilities supporting development which was contemplated and promoted by the Development Agreement Statute. City agrees that it will not take any actions which are intended to circumvent this Development Agreement; provided, however, that any action of the electorate shall not be deemed an action for purposes of this Section.

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Section 25. RESERVED AUTHORITY.

25.1 State and Federal Laws and Regulations. In the event that the State or Federal laws or regulations enacted after this Development Agreement has been entered into, prevent or preclude compliance with one or more provisions of the Development Agreement, such provisions of the Development Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Development Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce. Notwithstanding the foregoing, City shall not adopt or undertake any rule, regulation or policy which is inconsistent with this Development Agreement until City makes a finding that such rule, regulation or policy is reasonably necessary to comply with such State and Federal laws or regulations.

25.2 Model Codes. This Development Agreement shall not prevent City from applying new rules, regulations and policies contained in model codes, including, but not limited to, the Anaheim Building Code as adopted in Title 15, Section 15.02.

25.3 Public Health and Safety. This Development Agreement shall not prevent City from adopting new rules, regulations and policies, including amendments or modifications to model codes described in Section 25.2 which directly result from findings by City that failure to adopt such rules, regulations or policies would result in a condition injurious or detrimental to the public health and safety. Notwithstanding the foregoing, City shall not adopt any such rules, regulations or policies which prevent or preclude compliance with one or more provisions of this Development Agreement until City makes a finding that such rules, regulations or policies are reasonably necessary to correct or avoid such injurious or detrimental condition.

Section 26. CANCELLATION.

26.1 Initiation of Cancellation. Either party may propose cancellation of this Development Agreement.

26.2 Procedure. The procedure for proposing a cancellation of and canceling this Development Agreement shall be the same as the procedure required for entering into this Development Agreement in the first instance. Such procedures are set forth in Sections 2, 3 and 5 of the Procedures Resolution and Section 65868 of the Government Code.

26.3 Consent of Owner and City. Any cancellation of this Development Agreement shall require the mutual consent of Owner and City.

Section 27. PERIODIC REVIEW.

27.1 Time for Review. City shall, at least every twelve (12) months after the Development Agreement Date, review the extent of good faith compliance by Owner with the terms of this Development Agreement. Owner's failure to comply with the timing schedules set forth in the Final Master Site Plan and this Development Agreement shall constitute rebuttable evidence of Owner's lack of good faith compliance with this Development Agreement. Such periodic review shall determine compliance with the terms of this Development Agreement

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pursuant to California Government Code Section 65865.1 and other successor laws and regulations.

27.2 Owner's Submission. Each year, not less than forty-five (45) days nor more than sixty (60) days prior to the anniversary of the Development Agreement Date, Owner shall submit evidence to the City Council of its good faith compliance with the terms and conditions of this Development Agreement. Owner shall notify the City Council in writing that such evidence is being submitted to City pursuant to the requirements of Section 6.2 of the Procedures Resolution. Owner shall pay to City a reasonable processing fee in an amount as City may reasonably establish from time to time on each occasion that Owner submits its evidence for a periodic review.

27.3 Findings. Within forty-five (45) days after the submission of Owner's evidence, the City Council shall determine, on the basis of substantial evidence, whether or not Owner has, for the period under review, complied in good faith with the terms and conditions of this Development Agreement. If the City Council finds that Owner has complied, the review for that period shall be deemed concluded. If the City Council finds and determines, on the basis of substantial evidence, that Owner has not complied in good faith with the terms and conditions of this Development Agreement for the period under review, Owner shall be given at least sixty (60) days to cure such non-compliance and if the actions required to cure such non-compliance take more than sixty (60) days, then City shall give Owner additional time provided that Owner is making reasonable progress towards such end. If during the cure period, Owner fails to cure such noncompliance or is not making reasonable good faith progress towards such end, then the City Council may, at its discretion, proceed to modify or terminate this Development Agreement or establish a time schedule for compliance in accordance with the procedures set forth in Section 29.

27.4 Initiation of Review by City Council. In addition to the periodic review set forth in this Development Agreement, the City Council may at any time initiate a review of this Development Agreement upon the giving of written notice thereof to Owner. Within thirty (30) days following receipt of such notice, Owner shall submit evidence to the City Council of Owner's good faith compliance with this Development Agreement and such review and determination shall proceed in the manner as otherwise provided in this Development Agreement.

Section 28. EVENTS OF DEFAULT.

28.1 Defaults by Owner. Within forty-five (45) days after the submission of Owner's evidence, the City Council shall determine on the basis of substantial evidence, whether or not OWNER has, for the period under review, complied in good faith with the terms and conditions of this Development Agreement. If the City Council finds that Owner has so complied, the review for that period shall be deemed concluded. If the City Council finds and determines, on the basis of substantial evidence, that Owner has not complied in good faith with the terms and conditions of this Development Agreement for the period under review, Owner shall be given at least sixty (60) days to cure such non-compliance and if the actions required to cure such non-compliance take more than sixty (60) days, then City shall give Owner additional time provided that Owner is making reasonable progress towards such end. If during the cure period

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Owner fails to cure such non-compliance or is not making reasonable progress towards such end, then the City Council may, at its discretion, proceed to modify or terminate this Development Agreement or establish a time schedule for compliance in accordance with the procedures set forth in Section 29.

28.2 Specific Performance Remedy. Due to the size, nature and scope of the Project, it will not be practical or possible to restore the Property to its pre-existing condition once implementation of this Development Agreement begins. After such implementation, Owner may be foreclosed from other choices it may have had to utilize the Property and provide for other benefits. Owner has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Development Agreement and will be investing even more significant time in implementing the Project in reliance upon the terms of this Development Agreement, and it is not possible to determine the sum of the money which would adequately compensate Owner for such efforts. For the above reasons, City and Owner agree that damages would not be an adequate remedy if City fails to carry out its obligations under this Development Agreement. Therefore, specific performance of this Development Agreement is the only remedy which would compensate Owner if City fails to carry out its obligations under this Development Agreement, and City agrees that Owner shall be entitled to specific performance in the event of a default by City hereunder.

28.3 Liquidated Damages and other City Remedy. City and Owner acknowledge that, if Owner fails to carry out its obligations under this Development Agreement, to develop Phases 2 through 4 of the Project, City will not receive all of the benefits it has negotiated through the Owner's obligations under this Development Agreement, and it would be impracticable or extremely difficult to fix, prior to signing this Development Agreement, the actual damages which would be suffered by City if Owner fails to perform its obligations under this Development Agreement to complete construction of Phases 2 through 4 of the Project as specified in Section 17 of this Development Agreement. Therefore, liquidated damages is an appropriate remedy which would compensate City if Owner fails to carry out its obligations under this Development Agreement to complete construction of Phases 2 through 4 of the Project, and Owner agrees that City shall be entitled to the following liquidated damages if Owner has commenced construction of Meadow Park or the Katella Bridge, and thereafter fails to commence and complete Development of: (i) any required Public Improvements as set forth in Sections 10 and Section 11 as part of the Phase in which they are required to be constructed or earlier, (ii) the affordable housing as set forth in Section 22(e), (iii) the private commercial development within Phases 2 through 4 of the Project or (iv) if the Owner fails to timely pay the Offsite Park Contribution Fee as required in Section 22(f). City's liquidated damages shall solely consist of Owner's conveying to City, through a grant deed, the entire parcel or parcels underlying the proposed Parking Deck A including the access ramps thereto and any improvements thereon. Also, if Owner is able to complete Phase 2, as specified in Section 17, even if Caltrans has not approved or provided the necessary clearances for SR 57 off-ramp improvements, City shall be entitled to liquidated damages specified herein if Owner does not timely complete construction of Phases 3 and 4. In addition, if Owner fails to comply with public improvement completion requirements set forth in Section 10 and Section 11 , provide the dedications or benefits to the City as set forth in Sections 13 and 22, City shall have the right to refuse to issue any Development Approvals which Owner would otherwise have been entitled to pursuant to this Development Agreement. If City issues a Development Approval pursuant to

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this Development Agreement in reliance upon a specified condition being satisfied by Owner in the future, and if Owner then fails to satisfy such condition, City shall be entitled to specific performance for the sole purpose of causing Owner to satisfy such condition.

Section 29. MODIFICATION OR TERMINATION.

If pursuant to Section 28.1, City elects to modify or terminate this Development Agreement or establish a revised time schedule for compliance as herein provided, then City shall proceed as set forth in this Section 29.

29.1 Notice to Owner. City shall give notice to Owner of City Council's intention to proceed to modify or terminate this Development Agreement or establish a time schedule for compliance within ten (10) days of making the City's findings.

29.2 Public Hearing. The City Council shall set and give notice of a public hearing on modification, termination or a time schedule for compliance to be held within forty (40)days after the City Council gives notice to Owner.

29.3 Decision. The City Council shall announce its findings and decisions on whether this Development Agreement is to be terminated, how this Development Agreement is to be modified or the provisions of the Development Agreement with which Owner must comply and a time schedule therefor not more than ten (10) days following completion of the public hearing.

29.4 Standard of Review. Any determination by City to terminate this Development Agreement because Owner has not complied in good faith with the terms of this Development Agreement must be based upon a finding by the City Council, based on the preponderance of evidence, that Owner is in default and has not cured that default in the timeframe permitted by Sections 27 and 28 above, as applicable.

29.5 Implementation. Amending or terminating this Development Agreement shall be accomplished by City enacting an ordinance. The ordinance shall recite the reasons which, in the opinion of the City, make the amendment or termination of this Development Agreement necessary. Not later than ten (10) days following the adoption of the ordinance, one copy thereof shall be forwarded to Owner. This Development Agreement shall be terminated or this Development Agreement as modified shall become effective on the effective date of the ordinance terminating or modifying this Development Agreement.

29.6 Schedule for Compliance. Setting a reasonable time schedule for compliance with this Development Agreement may be accomplished by City enacting a resolution. The resolution shall recite the reasons which, in the opinion of City, make it advisable to set a schedule for compliance and why the time schedule is reasonable. Not later than ten (10) days following adoption of the resolution, one copy thereof shall be forwarded to Owner. Compliance with any time schedule so established as an alternative to amendment or termination shall be subject to periodic review as provided in this Development Agreement and lack of good faith compliance by Owner with the time schedule shall be basis for termination or modification of this Development Agreement.

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Section 30. ASSIGNMENT.

30.1 Right to Assign. Owner shall have the right to sell, mortgage, hypothecate, assign or transfer this Development Agreement, and any and all of its rights, duties and obligations hereunder, to any person, partnership, joint venture, firm or corporation at any time during the term of this Development Agreement, provided that any such sale, mortgage, hypothecation, assignment or transfer must be pursuant to a sale, assignment or other transfer of the interest of Owner in the Property, or a portion thereof. In the event of any such sale, mortgage, hypothecation, assignment or transfer, (a) Owner shall notify City of such event and the name of the transferee, together with the corresponding entitlements being transferred to such transferee and (b) the agreement between Owner and such transferee shall provide that either Owner or the transferee or both shall be liable for the performance of all obligations of Owner pursuant to this Development Agreement and the Development Approvals. Owner shall also provide to the City, for review and approval (which shall not be unreasonably withheld) by the City Manager, a summary of the development qualifications/experience and financial capability of the assignee or transferee to complete the portions of the Project and obligations assigned or transferred. Such transferee and/or Owner shall notify City in writing which entity shall be liable for the performance of such obligations, and upon the express written assumption of any or all of the obligations of Owner under this Development Agreement by such assignee, transferee or purchaser shall, without any act of or concurrence by City, relieve Owner of its legal duty to perform said obligations under this Development Agreement with respect to the Property or portion thereof, so transferred, provided that Owner is not in default under the terms of this Development Agreement at the time of assignment or transfer. If Owner transfers its interest to an Affiliate, such a transfer shall not require City's consent. If Owner effectuates a partial transfer to a Merchant Builder, such partial transfer shall not require City's consent. In such situations, Owner shall provide written notice of its transfer to an Affiliate or partial transfer to a Merchant Builder, within thirty (30) days after the consummation of this transfer.

30.2 Release Upon Transfer. It is understood and agreed by the parties that the Property may be subdivided following the Development Agreement Date. One or more of such subdivided parcels may be sold, mortgaged, hypothecated, assigned or transferred to persons for development by them in accordance with the provisions of this Development Agreement. Effective upon such sale, mortgage, hypothecation, assignment or transfer, the obligations of Owner shall become several and not joint, except as to Owner's obligations set forth in Section 10 and Section 11. Upon the sale, transfer, or assignment of Owner's rights and interests under this Development Agreement as permitted pursuant to Section 30.1 above, Owner shall be released from its obligations under this Development Agreement with respect to the Property, or portion thereof so transferred, provided that (a) Owner is not then in default under this Development Agreement, (b) Owner has provided to City the notice of such transfer specified in Section 30.1 above, (c) the transferee executes and delivers to City a written agreement in which (i) the name and address of the transferee is set forth and (ii) the transferee expressly and unconditionally assumes all the obligations of Owner under this Development Agreement and the Development Approvals with respect to the property, or portion thereof, so transferred and (d) the transferee provides City with security equivalent to any security provided by Owner to secure performance of its obligations under this Development Agreement or the Development Approvals. Non-compliance by any such transferee with the terms and conditions of this Development Agreement shall not be deemed a default hereunder or grounds for termination

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hereof or constitute cause for City to initiate enforcement action against other persons then owning or holding interest in the Property or any portion thereof and not themselves in default hereunder. Upon completion of any phase of development of the Project as determined by City, City may release that completed phase from any further obligations under this Development Agreement. The provisions of this Section shall be self-executing and shall not require the execution or recordation of any further document or instrument. Any and all successors, assigns and transferees of Owner shall have all of the same rights, benefits and obligations of Owner as used in this Development Agreement and the term "Owner" as used in this Development Agreement shall refer to any such successors, assigns and transferees unless expressly provided herein to the contrary.

Section 31. NO CONFLICTING ENACTMENTS.

By entering into this Development Agreement and relying thereupon, Owner is obtaining vested rights to proceed with the Project in accordance with the terms and conditions of this Development Agreement, and in accordance with, and to the extent of, the Development Approvals. By entering into this Development Agreement and relying thereupon, City is securing certain public benefits which enhance the public health, safety and general welfare. City therefore agrees that except as provided in Section 25, neither the City Council nor any other agency of City shall enact a rule, regulation, ordinance or other measure which relates to the rate, timing or sequencing of the Development or construction of all or any part of the Project and which is inconsistent or in conflict with this Development Agreement.

Section 32. GENERAL.

32.1 Force Majeure. The Term of this Development Agreement and the time within which Owner shall be required to perform any act under this Development Agreement shall be extended by a period of time equal to the number of days during which performance of such act is delayed unavoidably by strikes, lock-outs, Acts of God, epidemics and pandemics, including COVID 19-induced restrictions, failure or inability to secure materials or labor by reason of priority or similar regulations or order of any governmental or regulatory body, initiative or referenda, moratoria, enemy action, civil disturbances, fire, unavoidable casualties, or any other cause beyond the reasonable control of Owner.

32.2 Construction of Development Agreement. The language in all parts of this Development Agreement shall in all cases, be construed as a whole and in accordance with its fair meaning. The captions of the paragraphs and subparagraphs of this Development Agreement are for convenience only and shall not be considered or referred to in resolving questions of constructions. This Development Agreement shall be governed by the laws of the State of California. The parties understand and agree that this Development Agreement is not intended to constitute, nor shall be construed to constitute, an impermissible attempt to contract away the legislative and governmental functions of City, and in particular, the City's police powers. In this regard, the parties understand and agree that this Development Agreement shall not be deemed to constitute the surrender or abnegation of the City's governmental powers over the Property.

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32.3 Severability. If any provision of this Development Agreement shall be adjudged to be invalid, void or unenforceable, such provision shall in no way affect, impair or invalidate any other provision hereof, unless such judgment affects a material part of this Development Agreement, the parties agree that they would have entered into the remaining portions of this Development Agreement not adjudged to be invalid, void or illegal. In the event that all or any portion of this Development Agreement is found to be unenforceable, this Development Agreement or that portion which is found to be unenforceable shall be deemed to be a statement of intention by the parties; and the parties further agree that in such event they shall take all steps necessary to comply with such public hearings and/or notice requirements as may be necessary in order to make valid this Development Agreement or that portion which is found to be unenforceable. Notwithstanding any other provisions of this Development Agreement, in the event that any material provision of this Development Agreement is found to be unenforceable, void or voidable, Owner or City may terminate this Development Agreement in accordance with the provisions of the Development Agreement Statute and the Procedures Resolution.

32.4 Cumulative Remedies. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation, including suits for declaratory relief, specific performance (subject to the provisions of Section 28.2) and relief in the nature of mandamus. All of the remedies described above shall be cumulative and not exclusive of one another, and the exercise of any one or more of the remedies shall not constitute a waiver or election with respect to any other available remedy.

32.5 Hold Harmless Agreement. Owner and City mutually agree to, and shall hold each other, each other's elective and appointive councils, boards, commissions, officers, partners, agents, representatives and employees harmless from any liability for damage or claims for damage for personal injury, including death, and from claims for property damage which may arise from the activities of the other's or the other's contractors', subcontractors', agents', or employees' which relate to the Project whether such activities be by Owner or City, or by any of the Owner's or the City's contractors, subcontractors, or by any one or more persons indirectly employed by, or acting as agent for Owner any of the Owner's or the City's contractors or subcontractors. Owner and City agree to and shall defend the other and the other's elective and appointive councils, boards, commissioners, officers, partners, agents, representatives and employees from any suits or actions at law or in equity for damage caused or alleged to have been caused by reason of the aforementioned activities which relate to the Project.

32.6 Cooperation in the Event of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Development Agreement and/or the Development Approvals ("Third Party Challenge"), the parties agree to cooperate fully with each other in defending said action and the validity of each provision of this Development Agreement, however, Owner shall be liable for all legal expenses and costs incurred in defending any such action. Owner shall be entitled to choose legal counsel to defend against any such legal action and shall pay any attorneys' fees awarded against City or Owner, or both, resulting from any such legal action. Owner shall be entitled to any award of attorneys' fees arising out of any such legal action.

32.7 Continued Processing. The filing of any Third Party Challenge shall not delay or stop the development, processing or construction of the Project or approval of any Development Approvals, unless the third party obtains a court order preventing the activity. City shall not stipulate to or cooperate in the issuance of any such order without the prior written consent of Owner. In the event of a court order issued as a result of a successful Third Party Challenge, City shall, to the extent permitted by such court order and Applicable Law, in good faith seek to comply with the court order in such a manner as will maintain the integrity of the Development Approvals and avoid or minimize to the greatest extent possible (i) any impact to the development of the Project as provided for in, and contemplated by, the Development Approvals, the Existing Land Use Regulations and this Development Agreement, or (ii) any conflict with the Development Approvals, the Existing Land Use Regulations and this Development Agreement, or frustration of the intent or purpose of the Development Approvals, the Existing Land Use Regulations and this Development Agreement.

32.8 Tolling of Agreement and Project Approvals. Any Third Party Challenge filed attacking City's approval of this Development Agreement or any Development Approval, shall toll the expiration date of this Development Agreement and all Development Approvals for the length beginning with the day the litigation is filed until such time as the Third Party Challenge is finally resolved.

32.9 Public Agency Coordination. City and Owner shall cooperate and use their respective best efforts in coordinating the implementation of the Development Approvals with other public agencies, if any, having jurisdiction over the Property or the Project.

32.10 Initiative Measures. Both City and Owner intend that this Development Agreement is a legally binding contract which will supersede any initiative, measure, moratorium, referendum, statute, ordinance or other limitation (whether relating to the rate, timing or sequencing of the Development or construction of all or any part of the Project and whether enacted by initiative or otherwise) affecting parcel or subdivision maps (whether tentative, vesting tentative or final), building permits, occupancy certificates or other entitlements to use approved, issued or granted within the City, or portions of the City, and which Agreement shall apply to the Project to the extent such initiative, measure, moratorium, referendum, statute, ordinance or other limitation is inconsistent or in conflict with this Development Agreement. Should an initiative, measure, moratorium, referendum, statute, ordinance, or other limitation be enacted by the citizens of City which would preclude construction of all or any part of the Project, and to the extent such initiative, measure, moratorium, referendum, statute, ordinance or other limitation be determined by a court of competent jurisdiction to invalidate or prevail over all or any part of this Development Agreement, Owner shall have no recourse against City pursuant to the Development Agreement, but shall retain all other rights, claims and causes of action under this Development Agreement not so invalidated and any and all other rights, claims and causes of action as law or in equity which Owner may have independent of this Development Agreement with respect to the Project. The foregoing shall not be deemed to limit Owner's right to appeal any such determination that such initiative, measure, referendum, statute, ordinance or other limitation invalidates or prevails over all or any part of this Development Agreement. City agrees to cooperate with Owner in all reasonable manners in order to keep this Development Agreement in full force and effect, provided Owner shall reimburse City for its out-of-pocket expenses incurred directly in

connection with such cooperation and City shall not be obligated to institute a lawsuit or other court proceedings in this connection.

32.11 Attorneys' Fees. In the event of any dispute between the parties involving the covenants or conditions contained in this Development Agreement, the prevailing party shall be entitled to recover reasonable expenses, attorney's fees and costs.

32.12 No Waiver. No delay or omission by either party in exercising any right or power accruing upon non-compliance or failure to perform by the other party under any of the provisions of this Development Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party of any of the covenants or conditions to be performed by the other party shall not be construed as a waiver of any succeeding breach of non-performance of the same or other covenants and conditions hereof.

32.13 Authority to Execute. The person executing this Development Agreement on behalf of Owner warrants and represents that he/she has the authority to execute this Development Agreement on behalf of his/her partnership and represents that he/she has the authority to bind Owner to the performance of Owner's obligations hereunder.

32.14 Notice.

32.14.1 To Owner. Any notice required or permitted to be given by City to Owner under or pursuant to this Development Agreement shall be deemed sufficiently given if in writing and delivered personally to an officer of Owner or mailed with postage thereon fully prepaid, registered or certified mail, return receipt requested, addressed; to Owner as follows:

William Foltz
President/COO of ocVIBE
2101 East Coast Highway, 3rd Floor
Corona del Mar, CA 92625

With copies to:

John C. Condas, Esq.
Allen Matkins Leck Gamble
Mallory & Natsis LLP
1900 Main Street, Fifth Fl.
Irvine, CA 92614

Bernard Schneider
2101 East Coast Highway, 3rd Fl.
Corona del Mar, CA 92625

or such changed address as Owner shall designate in writing to City.

32.14.2 To City. Any notice required or permitted to be given to City under or pursuant to this Development Agreement shall be made and given in writing, if by mail addressed to:

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City Council
City of Anaheim
c/o City Clerk
P.O. Box 3222
Anaheim, California 92803

With copies to:

City Manager
City of Anaheim
P.O. Box 3222
Anaheim, California 92803

City Attorney
City of Anaheim
P.O. Box 3222
Anaheim, California 92803

or such changed address as City shall designate in writing to Owner.

Alternatively, notices to City may also be personally delivered to the City Clerk, at the Anaheim Civic Center, 200 S. Anaheim Blvd., Anaheim, California, together with copies marked for the City Manager and the City Attorney or, if so addressed and mailed, with postage thereon fully prepaid, registered or certified mail, return receipt requested, to the City Council in care of the City Clerk at the above address with copies likewise so mailed to the City Manager and the City Attorney, respectively and also in care of the City Clerk at the same address. The provisions of this Section shall be deemed permissive only and shall not detract from the validity of any notice given in a manner which would be legally effective in the absence of this Section.

32.15 Captions. The captions of the paragraphs and subparagraphs of this Development Agreement are for convenience and reference only and shall in no way define, explain, modify, construe, limit, amplify or aid in the interpretation, construction or meaning of any of the provisions of this Development Agreement.

32.16 Consent. Any consent required by the parties in carrying out the terms of this Development Agreement shall not unreasonably be withheld.

32.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable to the other to the extent contemplated hereunder in the performance of all obligations under this Development Agreement and the satisfaction of the conditions of this Development Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Development Agreement to carry out the intent and to fulfill the provisions of this Development Agreement or to evidence or consummate the transactions contemplated by this Development Agreement.

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32.18 Subsequent Amendment to Authorizing Statute. This Development Agreement has been entered into in reliance upon the provisions of the Development Agreement Statute in effect as of the Development Agreement Date. Accordingly, subject to Section 25.1 above, to the extent that subsequent amendments to the Government Code would affect the provisions of this Development Agreement, such amendments shall not be applicable to this Development Agreement unless necessary for this Development Agreement to be enforceable or unless this Development Agreement is modified pursuant to the provisions set forth in this Development Agreement and Government Code Section 65868 as in effect on the Development Agreement Date.

32.19 Governing Law. This Development Agreement, including, without limitation, its existence, validity, construction and operation, and the rights of each of the parties shall be determined in accordance with the laws of the State of California.

32.20 Effect on Title. Owner and City agree that this Development Agreement shall not continue as an encumbrance against any portion of the Property as to which this Development Agreement has terminated.

32.21 Mortgagee Protection. Entering into or a breach of this Development Agreement shall not defeat, render invalid, diminish, or impair the lien of Mortgagees having a mortgage on any portion of the Property made in good faith and for value, unless otherwise required by law. No Mortgagee shall have an obligation or duty under this Development Agreement to perform Owner's obligations, or to guarantee such performance prior to any foreclosure or deed in lieu thereof.

32.22 Notice of Default to Mortgagee, Right of Mortgagee to Cure. If the City Clerk timely receives notice from a Mortgagee requesting a copy of any notice of default given to Owner under the terms of this Development Agreement, City shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to Owner. The Mortgagee shall have the right, but not the obligation, for a period up to ninety (90) days after the receipt of such notice from City to cure or remedy, or to commence to cure or remedy the default unless a further extension of time to cure is granted in writing by City. If the default is of a nature which can only be remedied or cured by such Mortgagee upon obtaining possession, such Mortgagee shall seek to obtain possession with diligence and continually through foreclosure, a receiver or otherwise, and shall thereafter remedy or cure the default or non-compliance within thirty (30) days after obtaining possession. If any such default or non-compliance cannot, with diligence, be remedied or cured within such thirty (30) day period, then such Mortgagee shall have such additional time as may be reasonably necessary to remedy or cure such default or non-compliance if such Mortgagee commences cure during such thirty (30) day period, and thereafter diligently pursues and completes such cure.

32.23 Bankruptcy. Notwithstanding the foregoing provisions of Section 32.21, if any Mortgagee is prohibited from commencing or pursues and prosecuting foreclosure or other appropriate proceedings in the nature thereof by any process or injunction issued by any court or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving City, the times specified in this Section for commencing or prosecuting foreclosure or other proceedings shall be extended for the period of the prohibition.

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32.24 Disaffirmance.

32.24.1 City agrees that in the event of termination of this Development Agreement by reason of any default by City, or by reason of the disaffirmance hereof by a receiver, liquidator or trustee for Owner or its property, City, if requested by any Mortgagee, shall enter into a new Development Agreement for the Project with the most senior Mortgagee requesting such new agreement, for the remainder of the Term, effective as of the date of such termination, upon the terms, provisions, covenants and agreements as herein contained to the extent and subject to the law then in effect, and subject to the rights, if any, of any parties then in possession of any part of the Property, provided:

32.24.2 The Mortgagee shall make written request upon City for the new Development Agreement for the Project within thirty (30) days after the date of termination;

32.24.3 The Mortgagee shall pay to City at the time of the execution and delivery of the new Development Agreement for the Project expenses, including reasonable attorneys' fees, to which City shall have been subjected by reason of Owner's default; and

32.24.4The Mortgagee shall perform and observe all covenants in this Development Agreement intended to be performed by Owner, and shall further remedy any other conditions which Owner under the terminated agreement was obligated to perform under its terms, to the extent the same are curable or may be performed by the Mortgagee.

32.24.5Nothing herein contained shall require any Mortgagee to enter into a new agreement pursuant to Section 32.24.1 above, nor to cure any default of Owner referred to above.

32.25 No Third Party Beneficiaries. This Development Agreement and all provisions hereof is made and entered into for the sole protection and benefit of City, Owner and their successors and assigns. No other person shall have right of action based upon any provision in this Development Agreement.

32.26 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties that the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Development Agreement. No partnership, joint venture or other association of any kind is formed by this Development Agreement. The only relationship between City and Owner is that of a government entity regulating the development of private property and the owner of such private property.

32.27 Restrictions. Owner shall place in any agreements to sell or convey any interest in the Property or any portion thereof, provisions making the terms of this Development Agreement binding on any successors in interest of Owner and express provision for Owner or City, acting separately or jointly, to enforce the provisions of this Development Agreement and to recover attorneys' fees and costs for such enforcement.

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32.28 Recitals. The recitals in this Development Agreement constitute part of this Development Agreement and each party shall be entitled to rely on the truth and accuracy of each recital as an inducement to enter into this Development Agreement.

32.29 Recording. The City Clerk shall cause a copy of this Development Agreement to be executed by City and recorded in the Official Records of Orange County no later than ten (10) days after City approves this Development Agreement.

32.30 Title Report. City is required to sign this Development Agreement only after Owner has provided City with a satisfactory preliminary title report evidencing and showing Owner's legal and equitable ownership interest in the Property, current within six (6) months, unencumbered except for the exceptions (hereinafter the "Permitted Exceptions") set forth in the preliminary title report for the Property dated May 24, 2007 (the "Preliminary Title Report"). Any instrument of monetary encumbrance such as a deed of trust or a mortgage entered into subsequent to the date of the Preliminary Title Report and prior to the Development Agreement Date, shall contain language expressly subordinating such instruments of monetary encumbrance to the provisions of this Development Agreement. Owner shall present evidence, satisfactory to City, of Owner's legal title to Property, subject only to the Permitted Exceptions and any such subordinated instruments of monetary encumbrance, at the time of recordation of this Development Agreement, or a memorandum thereof.

32.31 Entire Agreement. This Development Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Development Agreement, and this Development Agreement supersedes all previous negotiations, discussions and agreements between the parties, and no parol evidence of any prior or other agreement shall be permitted to contradict or vary the terms hereof.

32.32 Successors and Assigns. The burdens of the Development Agreement shall be binding upon, and the benefits of the Development Agreement inure to all successors in interest and assigns of the parties to the Development Agreement.

32.33 Owner's Title of Property. Neither party shall be bound by any provision of this Development Agreement unless and until Owner shall record this Development Agreement or a memorandum thereof, in the office of the County Recorder of the County sufficient to cause this Development Agreement and the obligations contained herein to attach to and encumber Owner's fee title to the Property.

32.34 Exhibits. All exhibits, including attachments thereto, are incorporated in this Development Agreement in their entirety by this reference.

32.35 Delegation. The City Manager shall have the authority to take ministerial actions to implement and enforce this Agreement on behalf of the City; provided, however, that (i) in no event shall the City Manager (or designee) have the authority, without City Council approval or express delegation of authority, to approve modifications or amendments to this Agreement that substantially change the uses or Development permitted on the site or add to the City's obligations or materially impair or jeopardize its rights hereunder; (ii) in no event shall the City Manager (or designee) have the authority, without City Council approval or express delegation

of authority, to approve waivers that materially impair or jeopardize the City's rights hereunder; (iii) the City Manager (or designee) shall have the right, even if he or she has the authority to act hereunder without seeking City Council approval, to seek such approval, and in such event the City shall not be deemed to be in default hereunder; and (iv)any document evidencing the City Manager's (or designee's) exercise of the authority hereunder shall be subject to review and approval as to form by the City Attorney. The delegation of authority set forth in this Section 32.34 is in addition to and does not modify the authority granted to the City Manager to approve Operating Memoranda pursuant to Section 20.6.

IN WITNESS WHEREOF, City and Owner have executed this Development Agreement as of the date and year first above written.

"CITY"

DATE OF EXECUTION:	CITY OF ANAHEIM a municipal corporation
	By: ________________________
	"CITY"
ATTEST:	
By: ________________________ City Clerk of Anaheim	
DATE OF EXECUTION:	ANAHEIM REAL ESTATE PARTNERS, LLC
________________________	By:________________________________
	Printed Name: William Foltz
	Its: Chief Executive Officer
	"DEVELOPER"

APPROVED AS TO FORM:
ROBERT FABELA, CITY ATTORNEY

By: ______________________

Dated: ___________________

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CITY OF ANAHEIM,
a municipal corporation
By: ______________________
Mayor

Title: ______________________________

ATTEST:

____
City Clerk

APPROVED AS TO FORM:

____
City Attorney

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