

Recording Requested By  
and When Recorded, Mail To:  
L.A. Event Center, LLC  
c/o Anschutz Entertainment Group, Inc.  
800 W. Olympic Blvd., Suite 305  
Los Angeles, CA 90015

Attention: Ted Fikre

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**DEVELOPMENT AGREEMENT**

**by and among**

**The City of Los Angeles**

**and**

**L.A. Event Center, LLC**

**and L.A. Parking Structures, LLC**

**Dated: \_\_\_\_\_, 2012**

## DEVELOPMENT AGREEMENT

This Development Agreement (“**Agreement**”) is executed this \_\_\_\_ day of \_\_\_\_ by and among the CITY OF LOS ANGELES, a municipal corporation (“**City**”), and L.A. Event Center, LLC, a Delaware limited liability company (the “**Event Center Owner**”) and L.A. Parking Structures, LLC, a Delaware limited liability company (the “**Garage Owner**”), pursuant to California Government Code Section 65864 et seq., and the implementing procedures of the City, with respect to the following:

### RECITALS

- A. The City and Event Center Owner recognize that the further development of the Property (defined below) will create significant opportunities for economic growth in the City of Los Angeles, the Southern California region and California generally.
- B. The Event Center Owner and Garage Owner wish to obtain reasonable assurances that the Project (defined below) may be developed in accordance with the Project Approvals (defined below) and the terms of this Agreement.
- C. The Event Center Owner will implement Public Benefits (defined below) above and beyond the necessary mitigation for the Project including benefits and other consideration as noted in Section 2.3.1.
- D. This Agreement is necessary to assure the Event Center Owner, Garage Owner and their Transferees (defined below), if any, that the Project will not be reduced in density, intensity, or use, or be subjected to new rules, regulations, ordinances or policies unless otherwise allowed by this Agreement.
- E. By entering into this Agreement, the City is encouraging the development of the Project as set forth in this Agreement in accordance with the goals and objectives of the City, while reserving to the City the legislative powers necessary to remain responsible and accountable to its residents.
- F. The City is the owner of an approximately 68 acre site generally bounded by Chick Hearn Court on the north; Figueroa Street on the east; Venice Boulevard on the south; and the Caltrans right of way adjacent to the 110 Freeway on the west (as further defined below, the “**Specific Plan area**”) which is subject to that certain Convention and Event Center Specific Plan adopted by the City pursuant to Ordinance No. \_\_\_\_\_ concurrently with the approval of this Agreement intended to regulate existing and future development in the Specific Plan area (the “**Specific Plan**”).
- G. Event Center Owner and Garage Owner (or their Transferees, if any) intend to develop certain improvements upon the Specific Plan area including the Event Center Improvements, the Garage Improvements and the Sign Improvements (each defined below), which improvements, together with all on-site and off-site infrastructure associated with such improvements, are collectively referred to in this Agreement as the “**Project**.”

H. In order to carry out the transaction contemplated above and the construction of the Project, the Owners (defined below) and the City have proposed to enter into certain Transaction Documents (defined below) pursuant to which the Owners shall have lease, easement, or contractual rights with respect to the development of the Project upon the Property, including without limitation, the following:

- (i) City, as ground lessor, and Event Center Owner, as ground lessee, intend to enter into a 55 year ground lease ("**Event Center Ground Lease**") with respect to that certain property legally described on Exhibit A attached hereto ("**Event Center Property**"), which property is generally referred to as Subarea 2 in the Specific Plan, and Event Center Owner intends to construct the Event Center and related improvements, as described in the Project Approvals (the "**Event Center Improvements**"), upon the Event Center Property and other portions of the Specific Plan area.
- (ii) In addition, City, as ground lessor, and Garage Owner, as ground lessee, intend to enter into two 55 year ground leases ("**Garage Ground Leases**") with respect to that certain property legally described on Exhibit B attached hereto ("**Garage Property**"), which property is generally referred to as a portion of Subarea 5(A) and all of Subarea 5(B) in the Specific Plan, and Garage Owner intends to construct the Garages, pedestrian bridges and related improvements as described in the Project Approvals (the "**Garage Improvements**") upon the Garage Property and other portions of the Specific Plan area.
- (iii) City, as grantor of certain easements, and Event Center Owner or its Transferee, as grantee and easement beneficiary, intend to enter into an Easement Agreement and Sign Agreement (collectively, the "**Sign Agreement**") with respect to that certain property legally described on Exhibit C attached hereto ("**Convention Center Property**"), which property is generally referred to as Subarea 1 and portions of Subarea 5(A) in the Specific Plan, and Sign Owner intends to construct certain signs thereon (the "**Sign Improvements**") in accordance with the rights and requirements of the Sign Regulations (defined below) for the benefit of the Project;

I. The Owners anticipate that the Event Center Improvements and Garage Improvements will be built out and operational by the year 2017, but are requesting a longer term in this Agreement (a) to allow sufficient time for development in the unlikely event of delays caused by unforeseen economic conditions and other unforeseen factors such as, but not limited to, unanticipated site conditions and the unavailability of materials or labor shortages; and (b) following issuance of a building permit for the Event Center and the Garages to allow continued vesting of the Project Approvals for the period set forth in Section 7.2 below.

J. For the foregoing reasons, the Parties desire to enter into a development agreement for the Project pursuant to the Development Agreement Act, as defined below, and the City's charter powers upon the terms and conditions set forth herein.

## AGREEMENT

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Act, as it applies to the City, and in consideration of the premises and mutual promises and covenants herein contained and other valuable consideration the receipt and adequacy of which the Parties hereby acknowledge, the Parties agree as follows:

### 1. DEFINITIONS.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context requires:

**1.1 “Agreement”** means this Development Agreement, including all exhibits attached hereto and all amendments and modifications hereto.

**1.2 “Applicable Law”** means the all federal, state, regional and/or local statutes, ordinances or regulations, including without limitation, the Los Angeles Municipal Code, that are or may be applicable to the Project, the Property or the Owners, or any one thereof, from time to time.

**1.3 “Applicable Rules”** means all of the rules, regulations, ordinances and officially adopted policies of the City in force as of the Effective Date, including, but not limited to, the Project Approvals and the Los Angeles Municipal Code as the same may have been modified or superseded pursuant to the Project Approvals. Additionally, notwithstanding the language of this Section or any other language in this Agreement, all specifications, standards and policies regarding the design and construction of public works facilities, if any, shall be those that are in effect at the time the applicable Project plans are being processed for approval and/or under construction.

**1.4 “Assignment Agreement”** means a written agreement between any Owner and a Transferee of such Owner, consistent with the terms of this Agreement, in which the parties agree to specific obligations of this Agreement being transferred from such Owner to the Transferee of such Owner.

**1.5 “Caltrans Add Areas”** means those three parcels of land owned as of the Effective Date by the California Department of Transportation and legally described on Exhibit F attached hereto, which may be transferred to the City and, upon such transfer, shall be included in the definition of the Garage Property, as applicable, as legally described in Exhibit B.

**1.6 “CEQA”** means the California Environmental Quality Act (Cal. Public Resources Code Sections 21000 et seq.) and the State CEQA Guidelines (Cal. Code of Regs., Title 14, Sections 15000 et seq.).

**1.7 “City”** means the City of Los Angeles, a charter city and municipal corporation.

**1.8 “City Agency”** means each and every agency, department, board, commission, authority, employee, and/or official acting under the authority of the City, including without limitation the City Council and the Planning Commission.

**1.9** “**City Council**” means the City Council of the City and the legislative body of the City pursuant to Section 65867 of the California Government Code.

**1.10** “**Conditions of Approval**” means the conditions of approval for the Project, including those adopted as part of the Specific Plan by the City Council on \_\_\_\_\_, 2012.

**1.11** “**Convention Center Property**” is defined in Recital H above. The legal description of the Convention Center Property may be modified as set forth in Section 3.7.

**1.12** “**Development Agreement Act**” means Article 2.5 of Chapter 4 of Division 1 of Title 7 (Sections 65864 et seq.) of the California Government Code.

**1.13** “**Director of Planning**” means the Director of City Planning for the City or his or her designee.

**1.14** “**Discretionary Action**” means an action, including any initial or subsequent approval pursuant to SB 292, which requires the exercise of judgment, deliberation or a decision on the part of the City and/or any City Agency, including any board, commission or department or any officer or employee thereof, in the process of approving or disapproving a particular activity, as distinguished from a Ministerial Action.

**1.15** “**EIR**” means the Environmental Impact Report for the Project, State Clearinghouse No.2011031049, certified by the City in accordance with the requirements of CEQA.

**1.16** “**Effective Date**” is the date on which this Agreement is attested by the City Clerk of the City of Los Angeles after execution by the Owners and the Mayor of the City of Los Angeles.

**1.17** “**Event Center Ground Lease**” is defined in Recital H above.

**1.18** “**Event Center Improvements**” in defined in Recital H above.

**1.19** “**Event Center Owner**” means L.A. Event Center, LLC, the signatory to this agreement and its successors in interest and Transferees succeeding to Event Center Owner’s interest in the Event Center Ground Lease.

**1.20** “**Event Center Property**” is defined in Recital H above.

**1.21** “**Garage Ground Leases**” is defined in Recital H above.

**1.22** “**Garage Improvements**” is defined in Recital H above.

**1.23** “**Garage Owner**” means L.A. Parking Structures, LLC, the signatory to this agreement its successors in interest and Transferees succeeding to Garage Owner’s interest in the Garage Ground Lease.

1.24 “**Garage Property**” is defined in Recital H above. The legal description of the Garage Property may be modified as set forth in Section 3.7.

1.25 “**General Plan**” means the General Plan of the City.

1.26 “**L.A. Live Community Facility District Mello-Roos Bonds**” is defined in that certain Implementation Agreement entered into by and among L.A. Convention Hall, LLC, L.A. Event Center, LLC, L.A. Parking Structures, LLC and the City.

1.27 “**Ministerial Permits and Approvals**” means the permits, approvals, plans, inspections, certificates, documents, licenses and all other actions required to be taken by the City in order for each Owner to implement, develop and construct the Project, including without limitation, building permits, foundation permits, public works permits, grading permits, stockpile permits, encroachment permits, approval of final street vacation and/or subdivision map act actions, bond financing, project plans, Alcohol Use Approvals and (as defined in the Specific Plan), Sign Approvals (as defined in the Sign Regulations) and other similar permits and approvals which are required by Applicable Law and any and all other actions required by the Project Approvals to implement the Project which merely require the City and/or any City Agency, including any board, commission or department or any office or employee thereof, to determine whether there has been compliance with Applicable Law. Ministerial Permits and Approvals shall not include any Discretionary Actions.

1.28 “**Mortgage**” has the meaning set forth in Section 6.1.1 below.

1.29 “**Municipal Code**” means the Los Angeles Municipal Code, as the same may have been amended or modified pursuant to the Project Approvals.

1.30 “**Owner**” means any one of Event Center Owner, Garage Owner or Sign Owner.

1.31 “**Owners**” means Event Center Owner, Garage Owner and Sign Owner, collectively.

1.32 “**Parties**” means the Owners and the City, collectively.

1.33 “**Party**” means any one of the Owners or the City.

1.34 “**Planning Commission**” means the City Planning Commission which is the planning agency of the City pursuant to Section 65867 of the California Government Code (Development Agreement Act).

1.35 “**Processing Fees**” means all processing fees and charges required by the City or any City Agency including, but not limited to, fees for land use applications, project permits, building applications, building permits, grading permits, encroachment permits, tract or parcel maps, air right lots, street vacations and certificates of occupancy which are necessary to accomplish the intent and purpose of this Agreement. Expressly exempted from Processing Fees are all linkage fees or exactions which may be imposed by the City on development projects pursuant to laws enacted after the Effective Date, except as specifically provided for in this Agreement and/or the Transactional Documents. Processing Fees include those linkage fees,

impact fees and exactions which are in effect as of the Effective Date, the amounts of which are subject to ongoing annual increases which shall be calculated at time of payment. The amount of the Processing Fees to be applied in connection with the development of the Project shall be the amount which is in effect on a City-wide basis at the time an application for the City action is made, unless an alternative amount is established by the City in a subsequent agreement.

**1.36 “Project”** means development within the City on the Property including, but not limited to the Event Center Improvements, the Garage Improvements and the Sign Improvements as described in the Project Approvals.

**1.37 “Project Approvals”** means those Discretionary Actions and Ministerial Actions authorizing the Project which have been requested by Event Center Owner and approved by the City and which are comprised of, without limitation: (1) certification of the EIR, (2) adoption of a General Plan map amendment to: (a) change the Regional Commercial land use designation of portions of STAPLES Center to Public Facilities; (b) amend the General Plan Land Use Map for the Central City Community Plan area to include a footnote establishing the Specific Plan as the land use regulatory document for the Specific Plan area and provide for correspondence of Public Facilities designation with the CEC (Convention and Event Center Specific Plan) zone (c) reclassify a segment of 12th Street from “collector street” to “local” street and (d) confirm the FAR, height and other development standards within the Specific Plan area shall be as set forth in the proposed Specific Plan; (2) adoption of a vesting zone change or zone change for the Specific Plan area from PF (Public Facilities) and C2 (Commercial) to CEC (Convention and Event Center Specific Plan) and corresponding modification to the Municipal Code to add the CEC Zone; (3) adoption of the Specific Plan to regulate development within the Specific Plan area; (4) adoption of the Sign Regulations; (5) approval of this Agreement; (6) approval of the Street Vacation; (7) approval of Modified Street designations to the Downtown Street Standards; (8) design review approval by the City’s Cultural Affairs Commission; and (9) Haul Route Approval.

**1.38 “Property”** means the Event Center Property, Garage Property and Convention Center Property collectively, and when referring to the Property under the control (by lease, agreement and/or easement) of any one Owner, means the portion of the Property under the control of such Owner. The legal description of the Property may be modified as set forth in Section 3.7.

**1.39 “Public Benefits”** means those public benefits to be provided by the Project as described in Section 3.2 of this Agreement that comprise enforceable additional consideration to the City for this Agreement.

**1.40 “Reserved Powers”** means the rights and authority excepted from this Agreement’s restrictions on the City’s police powers and which are instead reserved to the City. The Reserved Powers include the powers to enact regulations or take future Discretionary Actions after the Effective Date of this Agreement that may be in conflict with the Applicable Rules and Project Approvals, but: (1) are necessary to protect the public health and safety, and are generally applicable on a Citywide basis (except in the event of natural disasters as found by the City Council such as floods, earthquakes and similar acts of God); (2) are amendments to Chapter IX of the Los Angeles Municipal Code Section 91.0101 et seq. (Building Code) or

Chapter V of the Los Angeles Municipal Code, Section 57.0101 et seq. (Fire Code) regarding the construction, engineering and design standards for private and public improvements to be constructed on the Property (a) necessary to the health and safety of the residents of the City, and (b) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes and similar acts of God); (3) are necessary to comply with state or federal laws and regulations (whether enacted previous or subsequent to the Effective Date of this Agreement) as provided in Section 3.2.3.3 or; (4) constitute Processing Fees and charges imposed or required by the City to cover its actual costs in processing applications, permit requests and approvals of the Project or in monitoring compliance with permits issued or approvals granted for the performance of any conditions imposed on the Project, unless otherwise waived by the City.

**1.41** “**SB 292**” means California Senate Bill 292, enacted on September 9, 2011, which amended California Public Resources Code Section 21168.5 in connection with the Project.

**1.42** “**Sign Agreement**” is defined in Recital H above.

**1.43** “**Sign Improvements**” is defined in Recital H above.

**1.44** “**Sign Owner**” means L.A. Event Center, LLC and its successors in interest and Transferees succeeding to Event Center Owner’s interest in the Sign Agreement.

**1.45** “**Sign Property**” is defined in Recital H above.

**1.46** “**Sign Regulations**” means the provisions in the Specific Plan or in a separate sign district ordinance adopted by the City Council establishing sign regulations within the Specific Plan area to allow the proposed signage program.

**1.47** “**Specific Plan**” is defined in Recital F above.

**1.48** “**Specific Plan area**” means the property described in Recital F above. The Specific Plan area may be modified as set forth in Section 3.7.

**1.49** “**Street Vacation**” means the vacation of air space, surface and subsurface portions of Pico Boulevard and L.A. Live Way, vacation of air space over 12<sup>th</sup> Street, and vacation of portions of Bond Street; as authorized pursuant to Council File 12-0121, which shall be complete subsequent to the Effective Date upon adoption of one or more Resolutions to Vacate by the City Council.

**1.50** “**Transaction Documents**” means the Event Center Ground Lease, the Garage Ground Lease and the Sign Agreement together with such other ancillary documents or agreements that may be entered into by and among the City and the Owners in connection with the implementation of the Project.

**1.51** “**Term**” means the period of time for which this Agreement shall be effective in accordance with Section 7.2 below.

1.52 "Transferee" means individually or collectively, any Owner's Transferees of all or any portion of the Property.

## 2. RECITALS OF PREMISES, PURPOSE AND INTENT.

2.1 **State Enabling Statute.** 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 Act which authorizes any city to enter into binding development agreements establishing certain development rights in real property with persons having legal or equitable interests in this property. Section 65864 of the Development Agreement Act expressly provides as follows:

"The Legislature finds and declares that:

(a) The lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development to the consumer and discourage investment in and a commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the applicant for a development project that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval will strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic cost of development."

(c) The lack of public facilities, including but not limited to, streets, sewerage, transportation, drinking water, school and utility facilities, is a serious impediment to the development of new housing. Whenever possible, applicants and local governments may include provisions in agreements whereby applicants are reimbursed overtime for financing of public facilities."

Notwithstanding the foregoing, to ensure that the City remains responsive and accountable to its residents while pursuing the benefits of development agreements contemplated by the Legislature, the City: (1) accepts restraints on its police powers contained in development agreements only to the extent and for the duration required to achieve the mutual objectives of the Parties; and (2) to offset these restraints, seeks public benefits which go beyond those obtained by traditional City controls and conditions imposed on development project applications.

## 2.2 **City Procedures and Actions.**

**2.2.1 City Planning Commission Action.** The City Planning Commission held a duly noticed public hearing, and recommended certification of the EIR and approval of this Agreement and the Project Approvals on September 13, 2012.

**2.2.2 City Council Action.** The City Council on \_\_\_\_\_, 2012, after conducting a duly-noticed public hearing, certified the EIR, approved the Project Approvals and adopted Ordinance No. \_\_\_\_\_, to become effective on the thirty-first day after publication, or on the forty-first day after posting, approving this Agreement, found that its provisions are consistent with the City's General Plan, the Central City Community Plan, the Convention and Event Center Specific Plan, the Sign Regulations and the Municipal Code, and authorized the execution of this Agreement.

**2.2.3 Cultural Affairs Commission Action.** The Cultural Affairs Commission approved the Project plans on \_\_\_\_\_, 2012.

### **2.3 Purpose of This Agreement.**

**2.3.1 Public and Community Benefits.** This Agreement provides assurances that the local and regional Public Benefits identified in Section 3.2, below, which are additional consideration for this Agreement, will be achieved and developed. In addition to the Public Benefits, the Project is anticipated to provide other general community benefits that contribute positively to the City, including without limitation, modernization of the convention center at no risk to the City's general fund; provision of a venue that will allow for the return of NFL football to Los Angeles; sustainability measures that exceed Code requirements; increased tax revenues; installation of on-site and off-site improvements; enhancing the future economic vitality of downtown Los Angeles; development of the Project in direct proximity to existing public transit and transportation infrastructure; funding to improve the Pico Metro Station to improve passenger handling capacity; installation of pedestrian, bicycle facility and streetscape improvements; implementation of carbon neutrality and vehicle trip reduction measures associated with private automobile trips associated with spectator events at the Event Center Property; and creation of approximately 12,000 full time construction jobs and 4,123 permanent daily jobs during operations (equal to 1,866 full time equivalent jobs) through Project operation.

**2.3.2 Owner Objectives.** In accordance with the legislative findings set forth in the Development Agreement Act, and with full recognition of the City's policy of judicious restraints on its police powers, each Owner wishes to obtain reasonable assurances that the Project may be developed in accordance with the Applicable Rules and Project Approvals and with the terms of this Agreement and subject to the City's Reserved Powers. In the absence of this Agreement, each Owner would have no assurance that the Project as a whole can be completed or that its component of the Project can be completed for the uses and to the density and intensity of development set forth in this Agreement and the Project Approvals. This Agreement, therefore, is necessary to assure the Owners, individually and collectively that the Project will not be (1) reduced or otherwise modified in density, intensity or use from what is set forth in the Project Approvals, (2) subjected to new rules, regulations, ordinances or official policies or plans which are not adopted or approved pursuant to the City's Reserved Powers, or (3) subjected to delays for reasons other than Citywide health and safety enactments related to critical situations such as, but not limited to, the lack of water availability or sewer or landfill

capacity. The City acknowledges that the Owners have a collective interest in the completion of the entirety of the Project, and that the vested rights granted under this Agreement with respect to the Project and the Property as a whole are for the benefit of each Owner individually and the Owners collectively.

**2.3.3 Mutual Objectives.** Development of the Project in accordance with this Development Agreement will provide for the orderly development of the Property in accordance with the objectives set forth in the General Plan, the Central City Community Plan, the Specific Plan and the Applicable Rules. Moreover, this Agreement will eliminate uncertainty in planning for and securing orderly development of the Project and otherwise achieve the goals and purposes for which the Development Agreement Act was enacted. The Parties believe that such orderly development of the Project will provide Public Benefits and additional general community benefits, as described in Section 2.3.1, to the City through the imposition of development standards and requirements under the provisions and conditions of this Agreement. Additionally, although development of the Project in accordance with this Agreement will restrain the City's land use or other relevant police powers, and will provide the City with sufficient Reserved Powers during the Term hereof to remain responsible and accountable to its residents. In exchange for these and other benefits to City, the Owners, collectively, and each Owner individually will receive assurances that the Project and each component thereof may be developed during the Term of this Agreement in accordance with the Applicable Rules, Project Approvals and Reserved Powers, subject to the terms and conditions of this Agreement.

**2.4 Applicability of this Agreement.** This Agreement does not: (1) grant density or intensity in excess of that otherwise established in the Applicable Rules and Project Approvals; (2) eliminate future Discretionary Actions relating to the Project if the Specific Plan or other Applicable Rules require such Discretionary Action and such Discretionary Actions are initiated and submitted by any Owner after the Effective Date; (3) guarantee that any Owner will receive any profits from the Project; (4) prohibit the Project's participation in any benefit assessment district that is generally applicable to surrounding properties; or (5) amend the City's General Plan. This Agreement has a fixed Term. Furthermore, in any subsequent actions applicable to the Property or any portion thereof, the City may apply the new rules, regulations and official policies as are contained in its Reserved Powers.

### **3. AGREEMENT AND ASSURANCES.**

**3.1 Agreement and Assurance on the Part of the Owners.** Nothing in this Agreement shall be construed to require any Owner to proceed with the construction of or any other implementation of the Project or any portion thereof. However, in consideration for the City entering into this Agreement, and as an inducement for the City to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Section 2.3 of this Agreement, each Owner hereby agrees as follows:

**3.1.1 Description of Transportation Improvements.** The transportation improvements to be included within the scope of the Project are set forth in the Project Approvals.

**3.1.2 Maximum Height of the Project.** The Project shall be built in accordance with the maximum heights analyzed in the Project's EIR and set forth in the Specific Plan and the Project shall comply with and be limited as set forth in the Project Approvals.

**3.1.3 Maximum Floor Area of the Project.** The maximum Floor Area of the Event Center shall be consistent with the maximum floor area analyzed in the Project's EIR and set forth in the Specific Plan and the Project shall comply with, and be limited as set forth in, the Project Approvals.

**3.2 Public Benefits as Consideration for this Agreement.** In addition to the obligations identified in Sections 2.3.1 and 3.1, the Event Center Owner shall perform the Public Benefits or cause the Public Benefits to be performed as described below.

**3.2.1 Local Hiring and Job Training.**

**3.2.1.1 Project Labor Agreement.** The Event Center Owner shall require the contractor for the Project to enter into a Project Labor Agreement with the Los Angeles/Orange Counties Building and Construction Trades Council (the "PLA") to promote efficiency of demolition and construction operations during construction of the Project and provide for the orderly settlement of labor disputes and grievances without strikes or lockouts, thereby promoting the public interest in assuring the timely and economical completion of the Project. The Project Labor Agreement shall also establish a process for implementation of local workforce utilization goals, such as local hire goals and efforts to hire disadvantaged workers including: formerly homeless, individuals formerly in contact with the judicial system, veterans of Iraq and Afghanistan, emancipated youth, chronically unemployed or underemployed workers, single parents and individuals receiving public assistance.

**3.2.1.2 Local Hiring.** The Event Center Owner has established local hiring goals of 30% for construction, 10% of which would include disadvantaged workers, and 50% for operations of the Project.

**3.2.1.2.1 Compliance.** Compliance with the construction local hiring goal shall be measured based on the total number of hours performed during the construction of the Project and not on the total number of hours performed by a particular contractor or subcontractor. Records of compliance with the local hiring goal during Project operations shall be maintained pursuant to Section V of the First Source Hiring Policy, attached hereto as Exhibit D. The Event Center Owner shall report on compliance with the local hiring goals as part of the Annual Report prepared according to Section 4.1 of this Agreement. If Event Center Owner does not meet the goals described in this Section after completion of construction Event Center Owner shall contribute \$25,000 to the Small Business Enterprise Development Fund described in Section 3.2.4.3 below.

**3.2.1.2.2 Construction.**

- (a) The Event Center Owner shall implement its local hiring goal during construction of the Project through requirements established by the PLA required under Section 3.2.1.1 above. The PLA shall require that the contractor include the provisions and goals for local hiring in every contract with subcontractors performing construction on the Project site in connection with the Project.
- (b) The PLA shall provide a definition of "local hire," which shall include at a minimum as a first priority individuals whose primary place of residence is within five (5) miles of the Project and who live within census tracts with high poverty (more than 40% of the population is below the poverty line), high unemployment (exceeds 150% of the average for Los Angeles County), and high housing costs (35% or more of the population spends 50% or more of their income on housing).
- (c) The Event Center Owner shall report or cause to be reported quarterly to the Bureau of Contract Administration and, through the Annual Report prepared according to Section 4.1 of this Agreement, annually on the progress of its compliance with the local construction hiring requirements of this Section. In compiling these local hire reports, the Event Center Owner shall be entitled to rely on information provided by contractors and subcontractors performing work on the Project, without responsibility to perform independent investigation, unless the Event Center Owner receives an allegation or discovers evidence that a contractor or subcontractor's reporting is inaccurate. Local hire reports shall detail each contractor and subcontractor working on the Project site, and shall include, at a minimum: (i) the zip code for the place of residency of each local hire; (ii) the hours of construction work performed by each local hire; and (iii) the total hours performed by all construction workers on the Project site.

**3.2.1.2.3. Operations.**

- (a) The Event Center Owner shall implement its local hiring goal during the operations of the Project through the First Source Hiring Policy, attached hereto at Attachment D.
- (b) For the purposes of operations of the Project, a "local hire" shall be an individual whose primary place of residence is within the areas identified in Section IV.A.4 of the First Source Hiring Policy.
- (c) Reporting to the City regarding the 50% local hiring goal for the operations of the Project shall be made in accordance with Section V.A.1 of the First Source Hiring Policy.

**3.2.1.3. First Source Referral System.** The Event Center Owner shall provide a total of \$500,000 in seed funding to a nonprofit organization which may include, but shall not be limited to, trade unions, community based organizations such as the YWCA/Job Corps program, City work source centers, LA Trade Tech's hospitality division and others, as approved by the City, which shall include the Planning Department, the Community Development Department, and the affected Council Offices, to staff and operate the First Source Referral System, as described in the First Source Hiring Policy attached hereto as Exhibit D. The First Source Referral System will work with employers and with appropriate community-based job training organizations to provide the referrals described in this Section. The Event Center Owner shall provide the funding required by this Section as follows: (i) 50% within 12 months after the issuance of the building permit for the Event Center Improvements; and (ii) 50% prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements.

**3.2.1.3.1 First Source Hiring Policy.** The Event Center Owner and its service contractors providing services at the Event Center shall participate in the First Source Hiring Policy attached hereto as Exhibit D. Qualified individuals who are targeted for employment opportunities as set forth in Section IV.A.4 of the First Source Hiring Policy will have the opportunity to interview for job openings in the Project. Under the First Source Hiring Policy, the First Source Referral System will promptly refer qualified, trained applicants to employers for available jobs. The terms of the First Source Hiring Policy shall be part of any contract with the Event Center Owner and service contractors providing services at the Event Center, as well as the requirement that all Employers (as defined in the First Source Hiring Policy) attend an orientation regarding the First Source Hiring Policy conducted by the First Source Referral System. Should the City determine that the First Source Referral System is not fulfilling its obligations under the First Source Hiring Policy, an alternative organization shall be identified by the Event Center Owner and approved by the City, through the Planning Department and the Community Development Department, to fulfill the obligations of the First Source Hiring Policy. The Event Center Owner shall report on how the First Source Referral System, or any identified alternative organization, is fulfilling its obligations under the First Source Hiring Policy as part of the Annual Report prepared according to Section 4.1 of this Agreement.

**3.2.1.3.2. Customized Job Training Program.** The First Source Referral System will coordinate job training programs with appropriate community-based job training organizations. Prior to hiring for jobs within the Project, Employers may request specialized job training for applicants they intend to hire, tailored to the Employers' particular needs by working with the First Source Referral System. The First Source Referral System will then work with the appropriate community-based job training organizations to ensure that these applicants are provided with the requested training.

### **3.2.2 Living Wage Program.**

**3.2.2.1. Living Wage Goal.** The Event Center Owner has established a Living Wage Goal of maintaining 100% of the jobs in the operation of the Project as living wage jobs. Living wage jobs shall be measured annually from the date of the temporary or final certificate of occupancy for the Event Center Improvements, whichever is earlier, and shall be reported as part of the Annual Report prepared according to Section 4.1 of this Agreement.

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

1. Jobs covered by the City's Living Wage Ordinance;
2. Jobs for which the employee is paid on a salaried basis at least \$22,256 per year if the employee is provided with employer sponsored health insurance, or \$24,856 per year otherwise (these amounts will be adjusted in concert with the cost of living adjustments to wages required under the City's Living Wage Ordinance);
3. Jobs for which the employee is paid at least \$10.70 per hour if the worker is provided with employer sponsored health insurance or \$11.95 per hour otherwise (these amounts will be adjusted in concert with cost of living adjustments to wages required under the City's Living Wage Ordinance);
4. Jobs covered by a collective bargaining agreement.

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

**3.2.2.3. Event Center Owner Compliance if Goal is Not Met.** In the event that actual performance is less than 80% of the goal for two consecutive years, the Event Center Owner shall include in its Annual Report prepared according to Section 4.1. of this Agreement, proposed additional steps that it will take to meet the Living Wage Goal. In the event that actual performance over a three consecutive-year period averages less than 80% of the goal over that three-year period, then Event Center Owner shall either: (i) increase the participation of minority, women and disabled veteran owned businesses described in Section 3.2.4.1 below by an additional one percent (1%); or (2) contribute \$50,000 to the Small Business Enterprise Development Fund described in Section 3.2.4.3 below and \$50,000 to the First Source Referral System.

**3.2.2.4. Reporting Requirement.** The Event Center Owner will provide as part of its Annual Report prepared according to Section 4.1 of this Agreement a report on the percentage of jobs in the Project that are living wage jobs. The report will contain data

regarding each employer in the Project. Data regarding particular employers will not include precise salaries; rather, such data will only include the number of jobs and the percentage of these jobs that are living wage jobs, as defined above. If the report indicates that the Living Wage Goal is not being met, the Event Center Owner will include as part of the report a discussion of the reasons why that is the case. In compiling this report, the Event Center Owner shall be entitled to rely on information provided by employers without responsibility to perform any independent investigation.

### **3.2.3. Economic Development and Neighborhood Protection.**

**3.2.3.1. Neighborhood Protection and Land Use Analysis Plan.** The Event Center Owner shall guarantee \$2,000,000 through cash, bond or irrevocable letter of credit, payable to the Planning Department, for the development and implementation of neighborhood protection and land use planning initiatives to be implemented in the vicinity of the Project, with 50% of the payment to be made three (3) months after the Effective Date of this Agreement and the following 50% to be made prior to issuance of the either the demolition permit or building permit, whichever occurs first, for the Event Center Improvements. Expenditures from this fund shall be made at the sole discretion of the Director of Planning in consultation with the affected Council Offices. The following communities will be eligible for the expenditure of funds: Pico Union, South Los Angeles and Central City, with \$500,000 of the expenditures allocated to Pico Union and South Los Angeles.

**3.2.3.2. Pico Union Streetscape Improvements.** Prior to the issuance of a demolition permit for the West Hall of the Convention Center, the Event Center Owner shall submit to the Director of Planning a plan, which shall be prepared at no cost to the City, for the implementation of streetscape improvements (such as street trees, sidewalk scoring, street furniture, street lighting, etc.) for a length of 500 feet beginning from the Specific Plan boundary and running west, and shall cover both sides of the following streets:

1. Olympic Blvd
2. Chick Hearn Court/11<sup>th</sup> Street
3. 12<sup>th</sup> Street
4. West Pico Blvd.

The landscaping, fixtures, and materials used shall be comparable to those used within the Specific Plan area and the streetscape improvement plan shall describe them detail.

The Event Center Owner shall fund or cause to be funded \$500,000 towards the implementation of the streetscape improvements prior to the issuance of a building permit for the Event Center Improvements. Prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, the Event Center Owner shall complete the streetscape improvements.

### 3.2.4. Small Business Development

#### 3.2.4.1 Definitions.

1. Small Business Enterprise (SBE): A business enterprise that meets the following criteria:
  - a. A business (personal or professional services, manufacturer, supplier, vendor) whose three (3) year average annual gross revenues does not exceed \$7 million.
  - b. A business (construction contractors) whose three (3) year average annual gross revenues does not exceed \$14 million.
2. Minority or Women Business Enterprise (MBE or WBE): A business enterprise that meets both of the following criteria:
  - a. A business that is at least 51% owned by one or more minority persons or women, in the case of any business whose stock is publicly held, at least 51% of the stock is owned by one or more minority persons or women; and
  - b. A business whose management and daily business operations are controlled by one or more minority persons or women.

For the purpose of this program, the term "Minority person" shall mean African Americans; Hispanic Americans; Native Americans (including American Indians, Eskimos, Aleuts, and Native Hawaiians); Asian-Pacific Americans (including persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas); and Subcontinent Asian Americans (including persons whose origins are from India, Pakistan and Bangladesh).

3. Disabled Veteran Business Enterprise (DVBE): A business enterprise that meets the following criteria:
  - a. A business that is at least 51% owned by one or more disabled veterans.
  - b. A business whose daily business operations must be managed and controlled by one or more disabled veterans.

For the purpose of this program, the term "Disabled Veteran" shall mean a veteran of the U.S. military, naval, or air service; the veteran must have a service-connected disability of at least 10% or more; and the veteran must reside in California.

### **3.2.4.2 MBE/WBE/DVBE Participation Goal.**

**3.2.4.2.1. Participation Goal.** The Event Center Owner has established a goal that contracts and subcontracts awarded during the construction and operations of the Project be awarded to: Small Business Enterprise (SBE) firms in a dollar amount that is equal to 25%, Minority Business Enterprise (MBE) firms in a dollar amount that is equal to 20%, Women Business Enterprise (WBE) firms in a dollar amount that is equal to 5%, and Disabled Veteran Business Enterprise (DVBE) firms in a dollar amount that is equal to 3% of the aggregate sum of all contracts to be awarded. Contracts and subcontracts awarded to MBE, WBE and DVBE firms that meet the criteria of SBE firms shall also be counted toward the SBE participation goal. Contracts and subcontracts awarded to SBE firms that meet the criteria of MBE, WBE or DVBE firms shall also be counted towards the MBE, WBE or DVBE participation goals, as applicable.

**3.2.4.2.2. Compliance.** The Event Center Owner shall include the provisions and participation goals of this Section in every contract let by the Event Center Owner in connection with the construction and operations of the Project, and shall require the inclusion of these provisions and goals in every subcontract entered into by any such contractors. If Event Center Owner does not annually meet the SBE participation goals described in this Section, then Event Center Owner shall contribute \$25,000 to the Small Business Enterprise Development Fund described in Section 3.2.4.3 below. If Event Center Owner does not annually meet the participation goals for any of the MBE, WBE or DVBE firms then Event Center Owner shall either: (i) increase the goal participation in the other MBE, WBE or DVBE categories by a percentage corresponding with the percentage under the missed target; or (2) contribute \$25,000 to the Small Business Enterprise Development Fund described in Section 3.2.4.3 below.

**3.4.2.3. Reporting.** The Event Center Owner shall provide or cause to be provided on a quarterly basis to the Bureau of Contract Administration, as well as part of its Annual Report prepared according to Section 4.1. of this Agreement, a compliance report, which shall include the following:

- a. The total of all payments under all contracts subject to this Section during the reporting period;
- b. The total of all payments to SBE, MBE, WBE and DVBE contractors and subcontractors during the reporting period; and
- c. The names, addresses, total contract payments and evidence of certification for each SBE, MBE, WBE and DVBE contractor and subcontractor.

Recognized certifications are State of California, Southern California Minority Business Development Council, Women's Business Enterprise

Council – West, or City of Los Angeles. The Event Center Owner shall be entitled to rely on certifications as to the eligibility of a SBE, MBE, WBE or DVBE firm provided by such contractors and subcontractors, and no further certification shall be required.

**3.2.4.3. Small Business Enterprise Development Fund.** Prior to the issuance of a temporary or permanent Certificate of Occupancy for the Event Center Improvements, the Event Center Owner shall provide seed funding in the amount of \$200,000 to a nonprofit organization approved by the City, including the Planning Department and Community Development Department, that supports the development and growth of Small Business Enterprises, as defined above, in the vicinity of the Project, including the areas of Pico Union, Downtown and South Los Angeles. Funds shall be used to support the development of SBE participation in the construction and operation of the Project. Funds are intended to leverage existing funding available to non-profit organizations that currently support the development and growth of SBEs. The Event Center Owner shall report on how these funds are being used as part of the Annual Report prepared according to Section 4.1 of this Agreement.

### **3.2.5. Green Space, Parks, and Recreation Funding.**

**3.2.5.1 Funding and Selection.** Prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, the Event Center Owner shall fund or cause to be funded (i) at least \$750,000 for the creation or improvement of a minimum of one (1) acre of green space, parks and recreation facilities, including but not limited to land acquisition, park design and construction, soccer field development and the development of community gardens within a five (5) mile radius of the Project; (ii) \$700,000 to the Department of Recreation and Parks for improvements to Pershing Square; (iii) \$300,000 for downtown pedestrian wayfinding improvements; and (iv) \$1,000,000 to the Mayor's 50 Parks Initiative.

**3.2.5.1.1 Green Space, Parks and Recreation Facilities.** 10% of the contribution for each green space, park or recreation facility created or improved, shall be allocated to the maintenance of that green space, park or recreation facility. The Event Center Owner, after consultation with the City's Department of Recreation and Parks, shall select the location of park, recreation and green space facilities to be created or improved. Each park, recreation facility or green space development created shall be open and free of charge to the public and, to the extent appropriate, provide opportunities for physical recreation appropriate for all ages and physical ability levels. Park and recreation facilities shall be created or improved in a manner such that a responsible entity approved by the City shall own, operate and maintain such facilities. The one (1) acre of park and recreation facilities created or improved pursuant to this Agreement shall be completed and operating within five (5) years of the issuance of the temporary or final certificate of occupancy for the Event Center Improvements, whichever is earlier.

**3.2.5.1.2. Pershing Square Improvements.** The Pershing Square Improvements shall include lighting, signage and wayfinding, entrance and exit improvements, street furniture for immediate improvements to assist Event Center attendees utilizing the park and parking garage, and a visioning process for future design upgrades to the park and parking garage in central Downtown which will be utilized by patrons of the Event Center.

**3.2.5.1.3. Downtown Pedestrian Wayfinding Improvements.** Downtown Pedestrian Wayfinding Improvements shall include improvements to wayfinding and signage in Downtown to assist pedestrians with finding Downtown neighborhoods, landmarks and destinations. Event Center Owner shall work with Council District 14, the Department of Transportation, the Bureau of Engineering and others as necessary to identify, replace/remove outdated signage, develop and install a new wayfinding signage plan, improve crosswalk stamping and other pedestrian projects to reduce clutter and enhance the pedestrian environment.

**3.2.5.2. Dog Park.** Prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, the Event Center Owner shall fund or cause to be funded the development and maintenance of a dog park near the intersection of L.A. Live Way and Chick Hearn Court, subject to obtaining any required City approvals. The dog park shall be privately owned, operated and maintained by the Event Center Owner or one of its affiliates. The dog park shall be open to the public Monday through Sunday, during established and posted hours. The Event Center Owner, in its sole discretion, may adjust the operating days and hours of the dog park to best accommodate actual usage.

**3.2.5.2.1. Timing.** The dog park created pursuant to this Agreement shall be completed and operating within five (5) years of the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, whichever is earlier. If the dog park is not completed and operating by that time, then the Event Center Owner shall contribute an additional \$25,000 to the creation or improvement of green space, parks and recreation facilities described in Section 3.2.5.1. above.

### **3.2.6. Youth Programs.**

**3.2.6.1. College Scholarship Program.** Prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, the Event Center Owner shall allocate \$1,000,000 for the creation of a college scholarship program for students who reside within a five (5) mile radius of the Project as defined in Section IV.A.4 of the First Source Hiring Policy attached hereto as Exhibit D (the “**Targeted Areas**”).

**3.2.6.2. Job Shadowing Program.** Prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, the Event Center Owner shall establish a job shadowing program designed to introduce and expose students to careers in the sports, entertainment and hospitality industries. The Event Center Owner

shall invite schools within the Targeted Areas to participate in the program. The Event Center Owner shall operate the job shadowing program for the Term of this Agreement.

**3.2.6.3. Summer Youth Employment Program.** Prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, the Event Center Owner shall allocate \$50,000 in seed funding to support a summer youth employment program for students residing in the Targeted Areas. The Event Center Owner shall either facilitate youth employment on-site or provide funding to a nonprofit organization approved by the City that provides stipends of a minimum of \$50 per student to a minimum of 20 students per year as part of an existing summer youth employment program that is at least four (4) weeks in length. The Event Center Owner shall ensure that stipends are provided as part of the summer youth employment program for the Term of this Agreement.

**3.2.6.4. Paid College Intern Program.** Prior to the issuance of a temporary or final certificate of occupancy for the Event Center Improvements, the Event Center Owner shall prepare an outreach program for the (i) promotion of existing college internship opportunities to area colleges and universities within the Targeted Areas, and (ii) development of a paid college internship program for interns from the communities within the Targeted Areas. The Event Center Owner shall ensure that the paid college internship program provides a minimum of 10 students per year for the Term of this Agreement with paid college internships which shall pay at a minimum the wage required under the City's Living Wage Ordinance.

**3.2.7. Enhanced Design.** The Event Center Owner shall enhance the design detailing for Gilbert Lindsay Plaza and the edge of the L.A. Live Way and Bond Street Garages adjacent to the freeway by augmenting the design team with high caliber designers or architects, selected to the reasonable satisfaction of the Director of Planning.

**3.2.8. Streetcar Assessment District.** The Event Center Owner agrees to support the establishment of the proposed Community Facilities District No.9 (Downtown Streetcar).

**3.3 SB 292 Compliance.** SB 292 imposes duties on the Event Center Owner and the City for spectator trip reduction and to reduce greenhouse gas emissions. To comply with SB 292, the City Council is approving through this Agreement a Trip Reduction Compliance Program and a Carbon Neutrality Compliance Program, which are attached hereto at Exhibit E-1 and Exhibit E-2 respectfully. The Event Center Owner shall comply with the Trip Reduction Compliance Program and the Carbon Neutrality Compliance Program.

**3.4 Agreement and Assurances on the Part of the City.** In consideration for each Owner entering into this Agreement, and as an inducement for each Owner to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purpose and intentions set forth in Section 2.3 of this Agreement, the City hereby agrees as follows:

**3.4.1 Entitlement to Develop.** Each Owner has the vested right to develop the Project subject to the terms and conditions of this Agreement, the Applicable Rules, Project Approvals and the Reserved Powers. Each Owner's vested rights under this Agreement shall include, without limitation, the right to remodel, renovate, rehabilitate, rebuild, or replace the Project or any portion thereof throughout the applicable Term for any reason, including, without limitation, in the event of damage, destruction, or obsolescence of the Project or any portion thereof, subject to the Applicable Rules, Project Approvals and Reserved Powers. To the extent that all or any portion of the Project is remodeled, renovated, rehabilitated, rebuilt, or replaced, each Owner may locate that portion of the Project at any other location of the Property, subject to the requirements of the Project Approvals, the Applicable Rules and the Reserved Powers.

**3.4.2 Consistency in Applicable Rules.** Based upon all information made available to the City up to or concurrently with the execution of this Agreement, the City finds and certifies that no Applicable Rules prohibit or prevent or encumber the full completion and occupancy of the Project in accordance with the uses, densities, designs, heights, sign regulations, permitted demolition and other development entitlements incorporated and agreed to herein and in the Project Approvals. Additionally, the City further finds and certifies that upon execution of this Agreement, development of this Project will be exempt from any revised ordinance related to signage pursuant to Council File 08-2020 because during preparation of the EIR for this Project, the City considered significant aspects of the Project's proposed signage in relation to its site, surrounding property and its general environmental setting.

**3.4.3 Changes in Applicable Rules.**

**3.4.3.1. Non-Application of Changes in Applicable Rules.** Any change in, or addition to, the Applicable Rules, including, without limitation, any change in any applicable General Plan, zoning or building regulation, adopted or becoming effective after the Effective Date of this Agreement, including, without limitation, any such change by means of ordinance including but not limited to adoption of a specific plan or overlay zone, City Charter amendment, initiative, referendum, resolution, motion, policy, order or moratorium, initiated, or instituted for any reason whatsoever and adopted by the City, the Mayor, City Council, Planning Commission or any other Board, Commission, Department or Agency of the City, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which would conflict in any way with the Applicable Rules, Project Approvals, or this Agreement, shall not be applied to the Project unless these changes represent an exercise of the City's Reserved Powers, or are otherwise agreed to in this Agreement. Notwithstanding the foregoing, each Owner may, in its sole discretion, give the City written notice of its election to have any subsequent change in the Applicable Rules applied to some portion or all of the Property as it may own or control, in which case such subsequent changes in the Applicable Rules shall be deemed to be contained within the Applicable Rules insofar as that portion of the Property is concerned. In the event of any conflict or inconsistency between this Agreement and the Applicable Rules, the provisions of this Agreement shall control.

**3.4.3.2. Changes in Building and Fire Codes.** Notwithstanding any provision of this Agreement to the contrary, except as specifically set forth in the Specific Plan, development of the Project shall be subject to changes occurring from time to time in the

California Building Code and other uniform construction codes. In addition, development of the Project shall be subject to changes occurring from time to time in Chapters V and IX of the Municipal Code regarding the construction, engineering and design standards for both public and private improvements provided that these changes are (1) necessary to the health and safety of the residents of the City, and (2) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or City Council, such as floods, earthquakes and similar disasters).

**3.4.3.3. Changes Mandated by Federal or State Law.** This Agreement shall not preclude the application to the Project of changes in, or additions to, the Applicable Rules, including rules, regulations, ordinances and official policies, to the extent that these changes or additions are mandated to be applied to developments such as this Project by state or federal regulations, pursuant to the Reserved Powers. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, these provisions shall be modified or suspended as may be necessary to comply with state or federal laws or regulations.

**3.4.4 Subsequent Development Review.** The City shall not require any Owner to obtain any approvals or permits for the development of the Project in accordance with this Agreement other than those permits or approvals that are required by the Applicable Rules, the Reserved Powers and/or the Project Approvals. The Parties agree that this Agreement does not modify, alter or change the City's obligations pursuant to CEQA and acknowledge that future Discretionary Actions may require additional environmental review pursuant to CEQA. In the event that additional environmental review is required by CEQA, the City agrees to utilize tiered environmental documents to the fullest extent permitted by law, as determined by the City, and as provided in California Public Resources Code Sections 21093 and 21094.

**3.4.4.1. Project Construction Beyond 2017 EIR Buildout Year.** The Parties agree and acknowledge that the EIR describes buildout of the Event Center by 2017 and that economic conditions or business factors, including without limitation, the timing of attracting an NFL team may influence the ability to complete construction of the Event Center by 2017. Therefore, with respect to any request for issuance of a building permit to initiate construction of the Event Center after December 31, 2016, the Director of Planning shall make an administrative determination as to whether the EIR together with any addendum thereto is sufficient for the issuance of the permit or approval or whether, as required by CEQA Section 21166 or CEQA Guidelines Sections 15162, 15163 and 15164, there have been substantial changes in circumstances or new information of substantial importance that would require additional environmental review.

**3.4.5 Special Taxes and Assessments.** Except as specifically set forth below, each Owner shall have the right, to the extent permitted by law, to protest, oppose and vote against any and all special taxes, assessments, levies, charges and/or fees imposed with respect to any assessment districts, infrastructure financing, Mello-Roos or community facilities districts, community taxing districts, maintenance districts, or other similar districts. Notwithstanding the foregoing, pursuant to the terms and conditions of the Transaction Documents, the Owners contemplate the formation of certain Mello-Roos districts in connection with the Project, and the

City and each Owner agrees to cooperate in the formation and not to protest, oppose or vote against the formation or modification of such district.

**3.4.6 Effective Development Standards.** The City agrees that it is bound to permit the uses, intensity of use and density on this Property which are permitted by this Agreement and the Project Approvals, insofar as this Agreement and the Project Approvals so provide or as otherwise set forth in the Applicable Rules or the Reserved Powers. The City hereby agrees that it will not unreasonably withhold or unreasonably condition any Discretionary Action which must be issued by the City in order for the Project to proceed, provided that the Owner requesting such Discretionary Action reasonably and satisfactorily complies with all City-wide standard procedures, actions, payments of Processing Fees and criteria generally required of developers by the City for processing requests for development consistent with this Agreement.

**3.4.7 Moratoria or Interim Control Ordinances.** In the event an ordinance, resolution, policy, or other measure is enacted, whether by action of the City, by initiative, or otherwise, which relates directly or indirectly to the Project or to the rate, amount, timing, sequencing, or phasing of the development or construction of the Project on all or any part of the Property, City agrees that such ordinance, resolution, or other measure shall not apply to the Property or this Agreement, unless such changes: (1) are found by the City to be necessary to the public health and safety of the residents of the City, and (2) are generally applicable on a Citywide basis (except in the event of natural disasters as found by the Mayor or the City Council, such as floods, earthquakes and similar disasters).

**3.4.8 Time Period of Subdivision Map Act and Project Approvals.** The City acknowledges that the construction of the Project may be subject to unavoidable delays due to factors outside of the control of each Owner and that in addition, construction of the Event Center Improvements, Garage Improvements and/or Sign Improvements may be subject to unavoidable delays on the basis of delay in any one of such components of the Project. Therefore, in the event a map is applied for pursuant to the Subdivision Map Act with respect to the Project or any component thereof, pursuant to California Government Code Section 66452.6(a), the City agrees that the duration of the Vesting Tentative Tract Map and any new tract or parcel map which are consistent with the Project Approvals, shall automatically be extended for the Term of this Agreement. The City further agrees that the duration of all of the Project Approvals shall automatically be extended for the Term of this Agreement.

**3.4.9 Processing Fees.** With respect to the portion of the Project under its control, each Owner shall pay all Processing Fees for Ministerial Permits and Approvals.

**3.4.10 Timeframes and Staffing for Processing and Review.** The City agrees that expeditious processing of Ministerial Permits and Approvals and Discretionary Actions, if any, are critical to the implementation of the Project. In recognition of the importance of timely processing and review of Ministerial Permits and Approvals, the City agrees to work with the Owners to establish time frames for processing and reviewing such Ministerial Permits and Approvals and to comply with timeframes established in the Project Approvals. The City agrees to expedite all Ministerial Permits and Approvals and Discretionary Actions requested by each Owner, if any.

**3.4.11 Other Governmental Approvals.** Each Owner may apply for such other permits and approvals as may be required for development of the Project in accordance with the provisions of this Agreement from other governmental or quasi-governmental agencies having jurisdiction over the Property. The City shall reasonably cooperate with each Owner in its endeavors to obtain such permits and approvals. Each Party shall take all reasonable actions, and execute, with acknowledgment or affidavit, if required, any and all documents and writings that may be reasonably necessary or proper to achieve the purposes and objectives of this Agreement.

**3.5 Timing of Development.** The Parties acknowledge that no Owner can at this time predict when or at what rate the Property would be developed. These decisions depend upon numerous factors that are not all within the control of the Owner, such as market orientation and demand, availability of financing, and competition. Because the California Supreme Court held in Pardee Construction Co. v. City of Camarillo, 37 Cal. 3d 465 (1984), that the failure of the parties therein to provide for the timing of development permitted a later adopted initiative restricting the timing of development and controlling the Parties' agreement, the Owners and the City do hereby acknowledge that each Owner has the right to otherwise develop the component of the Project under its control in an order and at a rate and times as such Owner deems appropriate within the exercise of its sole and subjective business judgment, subject to any restrictions that may exist in the Project Approvals or the Event Center Ground Lease. The City acknowledges that this right is consistent with the intent, purpose and understanding of the Parties to this Agreement.

**3.6 Assignment.** Each Owner shall have the right, in accordance with the assignment provisions of the Event Center Ground Lease, the Garage Ground Lease and/or the Sign Agreement, as applicable, to assign all of its right, title and interest under one or more of such agreements. Notwithstanding anything to the contrary in this Agreement, a Transferee of all or any portion of the Property shall only be responsible for satisfying the obligations set forth in the applicable Assignment Agreement which related solely to the development of that portion of the Property transferred, assigned or conveyed to such Transferee and which the Transferee has agreed to perform pursuant to the Assignment Agreement applicable to such Transferee's portion of the Property.

**3.7 Modifications to Descriptions of Property.** Each of the Specific Plan area, the Convention Center Property and the Garage Property is proposed to be modified with the addition of (a) certain areas proposed to be vacated pursuant to the Street Vacation and (b) the Caltrans Add Areas. Upon the recordation of each Resolution to Vacate with respect to the Street Vacations and upon the grant by Caltrans to the City of one or more of the Caltrans Add Areas, such property shall be automatically, and without further action of the Parties, be deemed included as part of the Specific Plan are, the Convention Center Property and the Garage Property as the case may be, and each part thereof as of the Effective Date. To reflect these changes, prior to the issuance of the certificate of occupancy for the Event Center, the Parties shall revise the legal descriptions for each of the Convention Center Property and the Garage Property with a final legal description and shall record the updated legal description as a correction to the legal descriptions set forth in Exhibit B and Exhibit C to this Agreement. City Council approval shall not be required in connection with the foregoing correction of the legal descriptions.

#### **4. PERIODIC REVIEW.**

**4.1 Annual Review.** During the Term of this Agreement, the City shall review annually each Owner's compliance with this Agreement by such Owner and/or any Transferee. This periodic review shall be limited in scope to good faith compliance with the provisions of this Agreement as provided in the Development Agreement Act and each Owner, and/or any Transferee shall have the burden of demonstrating such good faith compliance relating solely to such parties' portion of the Property and any development located thereon. The Annual Review shall be in the form of an Annual Report prepared and submitted by the Director of Planning. The Report shall include: the status of the Project, and compliance with the Public Benefits and SB 292, and a summary of performance of such Owner's obligations.

**4.2 Pre-Determination Procedure.** Submission by each Owner and/or Transferee, of evidence of compliance with this Agreement, in a form which the Director of Planning may reasonably establish, shall be made in writing and transmitted to the Director of Planning not later than sixty (60) days prior to the yearly anniversary of the Effective Date. If the public has comments regarding compliance, such comments must be submitted to the Director of Planning at least sixty (60) days prior to the yearly anniversary of the Effective Date. All such public comments and final staff reports shall, upon receipt by the City, be made available as soon as possible to each Owner and/or any Transferees.

**4.2.1 Special Review.** The City may order a special review of compliance with this Agreement upon reasonable evidence of material non-compliance with the terms of the Agreement.

**4.3 Director of Planning's Determination.** On or before the yearly anniversary of the Effective Date of the Agreement, the Director of Planning shall make a determination regarding whether or not each Owner, and/or any Transferee of such Owner, has complied in good faith with the provisions and conditions of this Agreement. This determination shall be made in writing with reasonable specificity, and a copy of the determination shall be provided to the Owners, and/or any Transferee, in the manner prescribed in Section 7.10.

**4.4 Appeal by Owner.** In the event the Director of Planning makes a finding and determination of non-compliance with respect to any Owner, such Owner, any other Owner and/or any Transferee as the case may be, shall be entitled to appeal that determination to the Planning Commission. After a public hearing on the appeal, the Planning Commission shall make written findings and determinations, on the basis of substantial evidence, whether or not such Owner, and/or any Transferee as the case may be, has complied in good faith with the provisions and conditions of this Agreement. A finding and determination of compliance by the Planning Commission shall be final and effective as provided in Charter Section 245. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

**4.5 Period to Cure Non-Compliance.** If, as a result of this Annual Review procedure, it is found and determined by the Director of Planning or the Planning Commission or City Council, on appeal, that any Owner, and/or any Transferee of such Owner, as the case may be, has not complied in good faith with the provisions and conditions of this Agreement, the

City, after denial of any appeal or, where no appeal is taken, after the expiration of the appeal period described in Section 7.3, shall submit to such Owner, and/or any Transferee, as the case may be, by registered or certified mail, return receipt requested, a written notice of non-compliance in the manner prescribed in Section 7.10, stating with specificity those obligations of such Owner and/or any Transferee of such Owner, as the case may be, which have not been performed, with a copy to each other Owner or Transferee, as the case may be. Upon receipt of the notice of non-compliance, such Owner, and/or any Transferee of such Owner, as the case may be, shall promptly commence to cure the identified items of non-compliance at the earliest reasonable time after receipt of the notice of non-compliance and shall complete the cure of such items of non-compliance not later than sixty (60) days after receipt of the notice of non-compliance, or any longer period as is reasonably necessary to remedy such items of non-compliance, by mutual consent of the City and such Owner provided that such Owner shall continuously and diligently pursue the remedy at all times until the item of non-compliance is cured. Each other Owner shall have the right, but not the obligation, to remedy the items of non-compliance of any other Owner or Transferee in accordance with the provisions of this Section, provided that any Owner or Transferee not then in default under this Agreement shall have an additional period of sixty (60) days following the termination of the period provided to the non-compliant Owner to seek to remedy such non-compliance. Any Owner and/or Transferee curing the default of any other Owner and/or Transferee hereunder shall be entitled to obtain reimbursement from the non-compliant Owner or Transferee, together with interest thereon at the statutorily established rate.

**4.6 Failure to Cure Non-Compliance Procedure.** If the Director of Planning finds and determines that such Owner or a Transferee has not cured an item of non-compliance pursuant to this Section, and that the City intends to terminate or modify this Agreement or those transferred or assigned rights and obligations, as the case may be, the Director of Planning shall make a report to the Planning Commission. The Director of Planning shall then set a date for a public hearing before the Planning Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after the public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that (i) Owner and/or any Transferee is in default with respect to this Agreement and (ii) the default has not been cured pursuant to this Section and (iii) that the City may terminate or modify this Agreement, and further finds that the City should terminate or modify this Agreement or those transferred or assigned rights and obligations, as the case may be, the finding and determination shall be appealable to the City Council in accordance with Section 7.3 hereof. In the event of a finding and determination of compliance, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council's review of Commission and Council actions).

**4.7 Termination or Modification of Agreement.** The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, after the final determination of noncompliance by the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 7.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 7.3.

**4.8 Reimbursement of Costs.** Each Owner shall reimburse the City for its pro rata share of the actual costs, reasonably and necessarily incurred by the City, to accomplish the required annual review.

**4.9 Evidence of Compliance Applicable to a Particular Portion of the Property.** Notwithstanding anything to the contrary in this Section 4 or any other provision of this Agreement, a Transferee of all or any portion of the Property shall only be responsible for submitting evidence of compliance with this Agreement as it relates solely to that portion of the Property transferred, assigned, or conveyed to such Transferee in an Assignment Agreement authorized by Section 6.2 of this Agreement.

**4.10 City's Rights and Remedies Against Owners.** The City's rights in Section 4 of this Agreement relating to compliance with this Agreement by Owner shall be limited to only those rights and obligations assumed by Owner under this Agreement and as expressly set forth in the applicable Assignment Agreement authorized by Section 6.2 of this Agreement.

**4.11 Owner Written Request for Confirmation.** From time to time, an Owner of any portion of the Property may, separate from the annual review process, submit a written request for confirmation from the Director of Planning that certain obligations of this Agreement have been satisfied. Subject to the time limits and process requirements of Section 4.3, the Director of Planning shall issue a written confirmation stating either that such obligations have been satisfied or setting forth the reasons why subject obligation have not been satisfied.

## **5. DEFAULT PROVISIONS.**

### **5.1 Default by Owner.**

**5.1.1 Default.** In the event any Owner or a Transferee of any portion of the Property fails to perform its obligations under this Agreement applicable to its portion of the Property as specified in the applicable Assignment Agreement, in a timely manner and in compliance pursuant to Section 4 of this Agreement, the City shall have all rights and remedies provided for in this Agreement, including, without limitation, modifying or terminating this Agreement, which rights shall relate exclusively to the defaulting party and such defaulting party's portion of the Property, provided that the City has first complied with all applicable notice and opportunity to cure provisions in Section 5.1.2 and given notice as provided in Section 4.3 hereof, and provided further that the Owner identified by the City as in default may appeal such declaration in the manner provided in, and subject to all terms and provisions of, Sections 4.4 and 4.5. In no event shall a default by any Owner or a Transferee of any portion of the Property constitute a default by any non-defaulting Event Center Owner or Transferee with respect to such non-defaulting parties' obligations hereunder nor affect such non-defaulting parties' rights hereunder, or respective portion of the Property. Further, in the event any Owner or a Transferee of any portion of the Property fails to perform its obligations under this Agreement applicable to its portion of the Property, as specified in the applicable Assignment Agreement, in a timely manner and in compliance with this Agreement, the City's rights and remedies provided for in this Agreement, including, without limitation, modifying or terminating this Agreement, shall relate exclusively to the defaulting party and such defaulting party's portion of the Property, provided that the City has first complied with all applicable notice and

opportunity to cure provisions in Section 5.1.2. In no event shall a default by any Owner or Transferee of any portion of Property constitute a default by any non-defaulting Owner or Transferee with respect to such non-defaulting parties' obligations hereunder nor affect such non-defaulting parties' rights hereunder, or respective portion of the Property.

**5.1.2 Notice of Default.** The City through the Director of Planning shall submit to any Owner or Transferee, as applicable, against whom a default is alleged, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 7.10, identifying with specificity those obligations of such Owner or Transferee, as applicable, which have not been performed, with a copy to each other Owner or Transferee, as the case may be. Upon receipt of the notice of default, such Owner or Transferee shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of the default(s) not later than sixty (60) days after receipt of the notice of default, or a longer period as is reasonably necessary to remedy the default(s), provided that such Owner or Transferee, as applicable, shall continuously and diligently pursue the remedy at all times until the default(s) is cured. In the case of a dispute as to whether such Owner is in default or has cured the default, the Parties shall submit the matter to dispute resolution pursuant to Section 7.5 of this Agreement. Each other Owner shall have the right, but not the obligation, to remedy the alleged default of any other Owner in accordance with the provisions of this Section, provided that any Owner not then in non-compliance under this Agreement shall have an additional period of sixty (60) days following the termination of the sixty (60) day period provided to the allegedly defaulting Owner to seek to remedy such default. Any Owner or Transferee curing the default of any other Owner or Transferee hereunder shall be entitled to obtain reimbursement from the non-compliant Owner, together with interest thereon at the statutorily established rate.

**5.1.3 Failure to Cure Default Procedures.** If after the cure period has elapsed (Section 4.5), the Director of Planning finds and determines that the defaulting Owner, or its Transferees, remains in default and that the City intends to terminate or modify this Agreement with respect to the defaulting Owner, or those transferred or assigned rights and obligations of the defaulting Owner, as the case may be, the Director of Planning shall make a report to the Planning Commission and then set a public hearing before the Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If after public hearing, the Planning Commission finds and determines, on the basis of substantial evidence, that such Owner, or its Transferees, remains in default and that the City intends to terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, such Owner, any other Owner and/or their respective Transferees, shall be entitled to appeal that finding and determination to the City Council in accordance with Section 7.3. In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

**5.1.4 Termination or Modification of Agreement.** The City may terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, relating solely to the defaulting Owner or Transferee and such defaulting party's portion of the Property after such final determination of the City Council or, where no appeal is taken,

after the expiration of the appeal periods described in Section 7.3 relating to the defaulting party's rights and obligations. There shall be no termination or modification of this Agreement unless the City Council acts pursuant to Section 7.3.

**5.1.5 Transaction Documents.** Notwithstanding anything in this Agreement to the contrary, the City acknowledges and agrees that no default by any Owner hereunder shall constitute a default by any party under any of the Transaction Documents, and no default by any party under any of the Transaction Documents shall constitute a default by any Owner under this Agreement.

**5.2 Default by the City.**

**5.2.1 Default.** In the event the City does not accept, process, or render a decision on necessary development permits, entitlements, or other land use or building approvals for use as provided in this Agreement upon compliance with the requirements thereof, or as otherwise agreed to by the Parties, or the City otherwise defaults under the provisions of this Agreement, each Owner and any Transferee shall have all rights and remedies provided herein or by applicable law, which shall include compelling the specific performance of the City's obligations under this Agreement provided that such Owner or Transferee, as the case may be, has first complied with the procedures in Section 5.2.2. No part of this Agreement shall be deemed to abrogate or limit any immunities or defenses the City may otherwise have with respect to claims for monetary damages.

**5.2.2 Notice of Default.** Each Owner or Transferee, as the case may be, shall first submit to the City a written notice of default stating with specificity those obligations that have not been performed. Upon receipt of the notice of default, the City shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of the default(s) not later than one hundred and twenty (120) days after receipt of the notice of default, or a longer period as is reasonably necessary to remedy such default(s), provided that the City shall continuously and diligently pursue the remedy at all times until the default(s) is cured. In the case of a dispute as to whether the City has cured the default, the Parties shall submit the matter to dispute resolution pursuant to Section 7.5 of this Agreement.

**5.3 No Monetary Damages.** It is acknowledged by the Parties that the City would not have entered into this Agreement if it were liable in monetary damages under or with respect to this Agreement or the application thereof. The Parties agree and recognize that, as a practical matter, it may not be possible to determine an amount of monetary damages which would adequately compensate any Owner for its investment of time and financial resources in planning to arrive at the kind, location, intensity of use and improvements for the Project, nor to calculate the consideration the City would require to enter into this Agreement to justify the exposure. Therefore, the Parties agree that each of the Parties may pursue any remedy at law or equity available for any breach of any provision of this Agreement, except that the Parties shall not be liable in monetary damages and the Parties covenant not to sue for or claim any monetary damages for the breach of any provision of this Agreement.

## 6. MORTGAGEE RIGHTS AND ASSIGNMENT.

### 6.1 Mortgagee Rights

**6.1.1 Encumbrances on the Property.** The Parties hereto agree that this Agreement shall not prevent or limit any Owner from encumbering the Property or any estate or interest therein, portion thereof, or any improvement thereon, in any manner whatsoever by one or more mortgages, deeds of trust, sale and leaseback, or other form of secured financing (“**Mortgage**”) with respect to the construction, development, use or operation of the Project and parts thereof. The Planning Department acknowledges that the lender(s) providing such Mortgages may require certain Agreement interpretations and modifications and agrees, upon request, from time to time, to meet with such Owner and representatives of such lender(s) to negotiate in good faith any such request for interpretation or modification. The Planning Department will not unreasonably withhold its consent to any such requested interpretation or modification, provided such interpretation or modification is consistent with the intent and purposes of this Agreement.

**6.1.2 Mortgagee Protection.** To the extent legally permissible, this Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value. Any acquisition or acceptance of title or any right or interest in or with respect to the Property or any portion thereof by the holder of a Mortgage (a “**Mortgagee**”), pursuant to foreclosure, trustee’s sale, deed in lieu of foreclosure, lease or sublease termination or otherwise, shall be subject to all of the terms and conditions of this Agreement except that any such Mortgagee, including its affiliate, who takes title to the Property or any portion thereof shall be entitled to the benefits arising under this Agreement provided Mortgagee complies with Section 6.1.3 below.

**6.1.3 Mortgagee Not Obligated.** Notwithstanding the provisions of this Section 6, Mortgagee will not have any obligation or duty pursuant to the terms set forth in this Agreement to perform the obligations of any Owner or other affirmative covenants of such Owner hereunder, or to guarantee such performance, except that the Mortgagee and its successor shall have no vested right to develop the Project without fully complying with the terms of this Agreement and executing and delivering to the City, in a form and with terms reasonably acceptable to the City, an assumption agreement of such Owner’s obligations hereunder.

**6.1.4 Request for Notice to Mortgage.** The Mortgagee of any Mortgage or deed of trust encumbering the Property, or any part or interest thereof, who has submitted a request in writing to the City in the manner specified herein for giving notices shall be entitled to receive written notification from the City of any notice of non-compliance by any Owner in the performance of such Owner’s obligations under this Agreement.

**6.1.5 Mortgagee’s Time to Cure.** If the City timely receives a request from a Mortgagee requesting a copy of any notice of non-compliance given to any Owner under the terms of this Agreement, the City shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of non-compliance to such Owner. The Mortgagee shall have the

right, but not the obligation, to cure the non-compliance for a period of sixty (60) days after the Mortgagee receives written notice of non-compliance, or any longer period as is reasonably necessary, not to exceed 120 days, to remedy such items of non-compliance, by mutual consent of the City and Mortgagee provided that Mortgagee shall continuously and diligently pursue the remedy at all times until the item of non-compliance is cured.

**6.1.6 Disaffirmation.** If this Agreement is terminated as to any portion of the Property by reason of (i) any default or (ii) as a result of a bankruptcy proceeding, or if this Agreement is disaffirmed by a receiver, liquidator, or trustee for any Owner or its property, the City, if requested by any Mortgagee, shall negotiate in good faith with such Mortgagee for a new development agreement for the Project as to such portion of the Property with the most senior Mortgagee requesting such new agreement. This Agreement does not require any Mortgagee or the City to enter into a new development agreement pursuant to this Section.

**6.2 Assignment.** The Property, as well as the rights and obligations of the Owners, or any one or more of them, under this Agreement, may be transferred or assigned in whole or in part by such Owner(s) to a Transferee without the consent of the City, subject to the conditions set forth below in Sections 6.2.1 and 6.2.2. Upon such assignment the assignor shall be released from the obligations so assigned.

**6.2.1 Conditions of Assignment.** No such assignment shall be valid until and unless the following occur:

**6.2.1.1. Written Notice of Assignment Required.** Each assigning Owner, or any successor transferor, shall provide prior written notice to the City of its intention to assign or transfer any of its interests, rights or obligations under this Agreement and a complete disclosure of the identity of the Transferee, including copies of the Articles of Incorporation in the case of corporations and the names of individual partners in the case of partnerships. Any failure by an Owner or any successor transferor to provide the notice shall be curable in accordance with the provisions in Section 5.1.

**6.2.1.2. Automatic Assumption of Obligations.** Unless otherwise stated elsewhere in this Agreement to the contrary, a Transferee of Property or any portion thereof expressly and unconditionally assumes all of the rights and obligations of this Agreement transferred or assigned by an Owner and which are expressly set forth in the applicable Assignment Agreement.

**6.2.2 Liability Upon Assignment.** Each Transferee of any portion of the Property shall be solely and only liable for performance of such Transferee's obligations applicable to its portion of the Property under this Agreement as specified in the applicable Assignment Agreement. Upon the assignment or transfer of any portion of the Property together with any obligations assignable under this Agreement, the Transferee shall become solely and only liable for the performance of those assigned or transferred obligations so assumed and shall have the rights of a "Owner" under this Agreement; which such rights and obligations shall be set forth specifically in the Assignment Agreement executed by the transferring Owner and the Transferee, as of the date of such transfer, assignment or conveyance of the applicable portion of the Property. The failure of a Transferee of any portion of the Property to perform such Owner's

obligations set forth in the applicable Assignment Agreement may result, at the City's option, in a declaration that this Agreement has been breached and the City may, but shall not be obligated to, exercise its rights and remedies under this Agreement solely as it relates to the defaulting Transferee's portion of the Property as provided for in Section 5.1 hereof, subject to such defaulting Transferee's right to notice and opportunity to cure the default in accordance with provisions of Section 5.1 hereof. Any partial termination of this Agreement as it relates to that Transferee's holding is severable from the entire Agreement, and shall not affect the remaining entirety of the Agreement.

**6.2.3 Release of Owner.** With respect to a transfer and assignment of all or a portion of any Owner's interest in the Property and the related rights and obligations hereunder, upon the effective date of any such transfer and assignment, as evidenced by the execution of an Assignment Agreement pursuant to this Section 6.2.3 between such Owner and the Transferee and delivery of such Assignment Agreement to the City, such Owner shall automatically be released from any further obligations to the City under this Agreement with respect to the Property so transferred.

**6.2.4 Release of Property Transferee.** A Transferee shall not be liable for any obligations to the City under this Agreement relating to any portion of the Property other than that portion transferred to such Transferee, and no default by an Owner under this Agreement with respect to such other portions of the Property shall be deemed a default by such Transferee with respect to the portion of the Property transferred to such Transferee.

## **7. GENERAL PROVISIONS.**

**7.1 Effective Date.** The Effective Date of this Agreement shall be the date on which this Agreement is attested by the City Clerk of the City of Los Angeles after execution by the Owners and Mayor of the City of Los Angeles.

**7.2 Term.** The Term of this Agreement shall commence on the Effective Date and shall expire upon the final maturity date of the last of the L.A. Live Community Facility District Mello-Roos Bonds to be issued in connection with the Project, unless said Term is otherwise terminated or modified by circumstances set forth in this Agreement or by mutual consent of the Parties hereto. Following the expiration of this Term, this Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Property, approved concurrently with, or subsequent to, the Effective Date of this Agreement. The Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from any enactments pursuant to the Reserved Powers or moratoria, or from legal actions, or appeals which enjoin performance under this Agreement or act to stay performance under this Agreement (other than bankruptcy or similar procedures), or from any actions taken pursuant to Section 7.5 (Dispute Resolution), or from any litigation related to the Project or Project Approvals, this Agreement or the Property.

**7.3 Appeals to City Council.** Where an appeal by any Owner or its Transferees, as the case may be, to the City Council from a finding and/or determination of the Planning Commission is created by this Agreement, such appeal shall be taken, if at all, within twenty (20)

days after the mailing of such finding and/or determination to Owner, or its Transferees. The City Council shall act upon the finding and/or determination of the Planning Commission within eighty (80) days after such mailing, or within such additional period as may be agreed upon by such Owner or its Transferees, as the case may be, and the City Council. The failure of the City Council to act shall not be deemed to be a denial or approval of the appeal, which shall remain pending until final City Council action.

**7.4 Enforced Delay; Extension of Time of Performance.** In addition to specific provisions of this Agreement, whenever a period of time, including a reasonable period of time, is designated within which either Party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days during which such Party is actually prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of causes beyond the reasonable control of the Party to be excused, including: war; insurrection; riots; floods; earthquakes; fires; casualties; acts of God; litigation and administrative proceedings against the Project (not including any administrative proceedings contemplated by this Agreement in the normal course of affairs (such as the Annual Review)); any approval required by the City (not including any period of time normally expected for the processing of such approvals in the ordinary course of affairs); restrictions imposed or mandated by other governmental entities; enactment of conflicting state or federal laws or regulations; judicial decisions; the exercise of the City's Reserved Powers; or similar bases for excused performance which are not within the reasonable control of the Party to be excused (financial inability excepted). With respect to any Owner in bankruptcy or receivership initiated by or on behalf of such Owner or, if not dismissed within ninety (90) days, by any third parties against such Owner, this Section shall not be applicable to any such proceedings as affects such Owner. If written notice of such delay is given to either party within thirty (30) days of the commencement of such delay, an extension of time for such cause will be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

## **7.5 Dispute Resolution.**

**7.5.1 Dispute Resolution Proceedings.** The Parties may agree to dispute resolution proceedings to fairly and expeditiously resolve disputes or questions of interpretation under this Agreement. These dispute resolution proceedings may include: (a) procedures developed by the City for expeditious interpretation of questions arising under development agreements; (b) non-binding arbitration as provided below or (c) any other manner of dispute resolution which is agreed upon by the Parties involved in the dispute.

**7.5.2 Arbitration.** Any dispute between the Parties that is to be resolved by arbitration shall be settled and decided by arbitration conducted by an arbitrator who must be a former judge of the Los Angeles County Superior Court or Appellate Justice of the Second District Court of Appeals or the California Supreme Court. This arbitrator shall be selected by mutual agreement of the parties.

**7.5.3 Arbitration Procedures.** Upon appointment of the arbitrator, the matter shall be set for arbitration at a time not less than thirty (30) nor more than ninety (90) days from the effective date of the appointment of the arbitrator. The arbitration shall be conducted under

the procedures set forth in Code of Civil Procedure Section 638, et seq., or under such other procedures as are agreeable to both Parties, except that provisions of the California Code of Civil Procedure pertaining to discovery and the provisions of the California Evidence Code shall be applicable to such proceeding.

**7.5.4 Extension of Term.** The Term of this Agreement as set forth in Section 7.2 shall automatically be extended for the period of time in which the Parties, or any of them, are engaged in dispute resolution to the degree that such extension of the Term is reasonably required because activities which would have been completed prior to the expiration of the Term are delayed beyond the scheduled expiration of the Term as the result of such dispute resolution.

**7.5.5 Legal Action.** Any Party may, in addition to any other rights or remedies, institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation, or enforce by specific performance the obligations and rights of the Parties hereto. Notwithstanding the above, the City's right to seek specific performance shall be specifically limited to compelling an Owner to complete, demolish or make safe any particular improvement(s) on public lands which is required as a Mitigation Measure or Condition of Approval. No Owner shall have any liability (other than the potential termination of this Agreement) if the contemplated development fails to occur.

**7.5.6 Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of California, and the venue for any legal actions brought by any party with respect to this Agreement shall be the County of Los Angeles, State of California for state actions and the Central District of California for any federal actions.

**7.6 Amendments.** This Agreement may be amended from time to time by mutual consent in writing of the Parties to this Agreement in accordance with Government Code Section 65868, and any Transferee of the Property or any portion thereof, in the event such amendment affects the rights and obligations of the Transferee under this Agreement in connection with the development, use and occupancy of its portion of the Property and/or any improvements located thereon, provided, however, that consent of each of Event Center Owner and City shall be required in connection with any amendment. Any amendment to this Agreement which relates to the Term, permitted uses, substantial density or intensity of use, height, or size of buildings, provisions, obligations for reservation and dedication of land, conditions, restrictions and requirements relating to subsequent Discretionary Action or any conditions or covenants relating to the use of the Property, which are not provided for under the Applicable Rules or Project Approvals, shall require notice and public hearing before the Parties may execute an amendment thereto. Each Owner, or a Transferee as applicable, shall reimburse the City for its actual costs, reasonably and necessarily incurred, to review any amendments requested by such Owner or a Transferee, including the cost of any public hearings.

**7.7 Covenants.** The provisions of this Agreement shall constitute covenants which shall run with the land comprising the Property for the benefit thereof, subject to the provisions of any Assignment Agreement (if applicable) and the burdens and benefits hereof shall bind and inure to the benefit of the Parties hereto and all successors and assigns of the Parties, including any Transferee of an Owner.

## **7.8 Cooperation and Implementation.**

**7.8.1 Processing.** Upon satisfactory completion by any Owner of all required preliminary actions and payment of appropriate Processing Fees, including the fee for processing this Agreement, the Planning Department shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Property in accordance with the terms of this Agreement. Such Owner shall, in a timely manner, provide the Planning Department with all documents, plans, fees and other information necessary for the Planning Department to carry out its processing obligations pursuant to this Agreement. Each Owner acknowledges and agrees that the issuance of a Certificate of Occupancy by the City for the improvements authorized by the Project is contingent on such Owner implementing all mitigation measures required by the Mitigation Monitoring and Reporting Program to the EIR to be implemented prior to the issuance of a Certificate of Occupancy. Each Owner waives the right to challenge that the City is prohibited from withholding a Certificate of Occupancy based upon a failure by such Owner to implement such mitigation measures.

**7.8.2 Other Governmental Permits.** Each Owner shall apply in a timely manner for such other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the development of, or provision of services to, the Project. The City shall cooperate with such Owner in its endeavors to obtain such permits and approvals and shall, from time to time at the request of such Owner, attempt with due diligence and in good faith to enter into binding agreements with any such entity to ensure the availability of such permits and approvals, or services, provided such agreements are reasonable and not detrimental to the City. These agreements may include, but are not limited to, joint powers agreements under the provisions of the Joint Exercise of Powers Act (Government Code Section 6500, *et seq.*), or the provisions of other laws to create legally binding, enforceable agreements between such parties. To the extent allowed by law, such Owner shall be a party to any such agreement, or a third party beneficiary thereof, entitled to enforce for its own benefit on behalf of the City, or in its own name, the rights of the City or such Owner thereunder or the duties and obligations of the parties thereto. Each Owner shall reimburse the City for all costs and expenses incurred in connection with seeking and entering into any such agreement provided that such Owner has requested such agreement. Each Owner or Transferee, as the case may be, shall defend the City in any challenge by any person or entity to any agreement, and shall reimburse the City for any costs and expenses incurred by the City in enforcing any agreement. Any fees, assessments, or other amounts payable by the City thereunder shall be borne by such Owner or Transferee, as the case may be, except where such Owner or Transferee, as the case may be, has notified the City in writing, prior to the City entering into an agreement, that it does not desire for the City to execute an agreement.

**7.8.3 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 Agreement, the Parties hereby agree to affirmatively cooperate in defending said action. Each Owner and the City agree to cooperate in any legal action seeking specific performance, declaratory relief or injunctive relief, to set court dates at the earliest practicable date(s) and not cause delay in the prosecution/defense of the action, provided such cooperation shall not require any Party to waive any rights.

**7.8.4 Relationship of the Parties.** It is understood and agreed by the Parties hereto that the contractual relationship created between the Parties hereunder is that the Owners, and each of them, is an independent contractor and not an agent of the City. Further, the City and the Owners hereby renounce the existence of any form of joint venture or partnership between them and agree that nothing herein or in any document executed in connection herewith shall be construed as making the City and the Owners, or any one or more of them, joint venturers or partners.

## **7.9 Indemnification.**

**7.9.1 Obligation to Defend, Indemnify, and Hold Harmless.** Each Owner hereby agrees to defend, indemnify, and hold harmless the City and its agents, officers, and employees, from any claim, action, or proceeding ("Proceeding") against the City or its agents, officers, or employees (i) to set aside, void, or annul, all or any part of any Project Approval, or (ii) for any damages, personal injury or death which may arise, directly or indirectly, from such Owner or such Owner's contractors, subcontractors', agents', or employees' operations in connection with the construction of the Project, whether operations be by such Owner or any of such Owner's contractors, subcontractors, by anyone or more persons directly or indirectly employed by, or acting as agent for such Owner or any of such Owner's contractors or subcontractors. In the event that the City, upon being served with a lawsuit or other legal process to set aside, void or annul all or part of any Project Approval; fails to promptly notify any Owner of the Proceeding, or fails to cooperate fully in the defense of the Proceeding, such Owner shall thereafter be relieved of the obligations imposed in this Section 7.9. However, if any Owner has actual notice of the Proceeding, it shall not be relieved of the obligations imposed hereunder, notwithstanding the failure of the City to provide prompt notice of the Proceeding. The City shall be considered to have failed to give prompt notification of a Proceeding if the City, after being served with a lawsuit or other legal process challenging the Approvals, unreasonably delays in providing notice thereof to the any Owner. As used herein, "unreasonably delays" shall mean any delay that materially adversely impacts such Owner's ability to defend the Proceeding. The obligations imposed in this Section 7.9 shall apply notwithstanding any allegation or determination in the Proceedings that the City acted contrary to applicable laws. Nothing in this Section shall be construed to mean that any Owner shall hold the City harmless and/or defend it from any claims arising from, or alleged to arise from, intentional misconduct or gross negligence in the performance of this Agreement

**7.9.2 Defending the Project Approvals.** The Owners shall have the obligation to timely retain legal counsel to defend against any proceeding to set aside, void, or annul, all or any part of any Project Approval. The City shall have the right if it so chooses, to defend the Proceeding utilizing in-house legal staff, in which case the Owners shall be liable for all legal costs and fees reasonably incurred by the City, including charges for staff time charged. In the event of a conflict of interest which prevents any Owner's legal counsel from representing the City, and in the event the City does not have the in-house legal resources to defend against the Proceeding, the City shall also have the right to retain outside legal counsel provided that retaining outside legal counsel causes no delays, in which case the Owners shall be liable for all legal costs and fees reasonably incurred by the City. Provided that an Owner is not in breach of the terms of this Section 7.9, the City shall not enter into any settlement of the Proceeding which

involves modification to any Project Approval or otherwise results in any Owner incurring liabilities or other obligations, without the consent of all such Owners

**7.9.3 Breach of Obligations.** Actions constituting a breach of the obligations imposed in this Section 7.9 shall include, but not be limited to: (i) the failure to timely retain qualified legal counsel to defend against the Proceedings; (ii) the failure to promptly pay the City for any attorneys fees or other legal costs for which the City is liable pursuant to a judgment or settlement agreement in the Proceeding seeking to set aside, void or annul all or part of any Project Approval; or (iii) the breach of any other obligation imposed in this Section 7.9, in each case after written notice from the City and a reasonable period of time in which to cure the breach, not to exceed thirty-days. For purposes of this Section 7.9, an Owner shall be considered to have failed to timely retain qualified legal counsel if such counsel is not retained within fourteen (14) days following the City's provision of the notice of Proceedings to the Owners required hereunder. In the event that any Owner breaches the obligations imposed in this Section 7.9, the City shall have no obligation to defend against the Proceedings, and by not defending against the Proceedings, the City shall not be considered to have waived any rights in this Section 7.9.

**7.9.4 Cooperation.** The City shall cooperate with the Owners and each of them in the defense of the Proceeding; provided however, that such obligation of the City to cooperate in its defense shall not require the City to (i) assert a position in its defense of the Proceeding which it has determined, in its sole discretion, has no substantial merit; (ii) advocate in its defense of the Proceeding legal theories which it has determined, in its sole discretion, lack substantial merit; or (iii) advocate in its defense of the Proceeding legal theories which it has determined, in its sole discretion, are contrary to its best interests, or to public policy. Nothing contained in this section shall require any Owner to refrain from asserting in its defense of the Proceeding positions or legal theories that do not satisfy the foregoing requirements.

**7.9.5 Contractual Obligation.** The Owners each acknowledge and agree that the obligations imposed in this Section 7.9 are contractual in nature, and that the breach of any such obligation may subject the Owners, each individually, but not joint and severally, or any of them, to a breach of contract claim by the City.

**7.9.6 Waiver of Right to Challenge.** Each Owner hereby waives the right to challenge the validity of the obligations imposed in this Section 7.9.

**7.9.7 Survival.** The obligations imposed in this Section 7.9 shall survive any judicial decision invalidating the Project Approvals.

**7.9.8 Preparation of Administrative Record.** Owners and the City acknowledge that SB 292 requires an administrative record to be prepared in accordance with California Public Resources Code Section 21168.6.5(g). The Owners shall reimburse the City for all reasonable costs associated with preparation of the administrative record, including reasonable charges for staff time, as more particularly set forth in the Supplemental Fee Agreement dated August 8, 2012 by and between the City and Event Center Owner.

**7.9.9 Deposit.** Following the filing of a lawsuit, or other legal process seeking to set aside, void or annul all or part of any Project Approval, the Owners shall be required, following written demand by the City, to place funds on deposit with the City, which funds shall be used to reimburse the City for expenses incurred in connection with defending the Project Approvals. For Project Approvals which included the certification of an environmental impact report by the City, the amount of said deposit shall be ten thousand (\$10,000) dollars. For all other Project Approvals, the amount of the deposit shall be five thousand (\$5,000) dollars. The City, at its sole discretion, may require a larger deposit upon a detailed showing to the Owners of the basis for its determination that the above stated amounts are insufficient. Any unused portions of the deposit shall be refunded to the Owner(s) making the deposit within thirty (30) days following the resolution of the challenge to the Project Approvals. All Deposits must be paid to the City within thirty (30) days of the Owners' receipt of the City's written demand for the Deposit.

**7.10 Notices.** Any notice or communication required hereunder between the City or any one or more of the Owners must be in writing, and shall be given either personally or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Any Party hereto may at any time, by giving ten (10) days' written notice to the other Party hereto, designate any other address in substitution of the address, or any additional address, to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to the City:

City of Los Angeles  
Attention: Director of Planning  
200 North Spring Street  
Los Angeles, CA 90012

with copies to:

Los Angeles City Attorney's Office  
Real Property/Environment Division  
Los Angeles City Attorney's Office  
7<sup>th</sup> Floor, City Hall East  
200 North Main Street  
Los Angeles, CA 90012

If to Event Center Owner:

L.A. Event Center, LLC  
c/o Anschutz Entertainment Group, Inc.  
800 W. Olympic Blvd., Suite 305  
Los Angeles, CA 90015  
Attention: Ted Fikre

If to Garage Owner:

L.A. Parking Structures, LLC

c/o Anschutz Entertainment Group, Inc.  
800 W. Olympic Blvd., Suite 305  
Los Angeles, CA 90015  
Attention: Ted Fikre

If to Sign Owner:

L.A. Parking Structures, LLC  
c/o Anschutz Entertainment Group, Inc.  
800 W. Olympic Blvd., Suite 305  
Los Angeles, CA 90015  
Attention: Ted Fikre

**7.11 Recordation.** As provided in Government Code Section 65868.5, this Agreement shall be recorded with the Registrar-Recorder of the County of Los Angeles within ten (10) days following its execution by all Parties. The Owners shall provide the City Clerk with the fees for such recording prior to or at the time of such recording should the City Clerk effectuate recordation.

**7.12 Constructive Notice and Acceptance.** Every person who now or hereafter owns or acquires any right, title, interest in or to any portion of the Property, is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Property.

**7.13 Successors and Assignees.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties, any subsequent owner of all or any portion of the Property and their respective Transferees, including, without limitation their respective successors and assigns.

**7.14 Severability.** If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of either Party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition, or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

**7.15 Time of the Essence.** Time is of the essence for each provision of this Agreement of which time is an element.

**7.16 Waiver.** No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought and refers expressly to this Section. No waiver of any right or remedy with respect to any occurrence or event shall be deemed a waiver of any right or remedy with respect to any other occurrence or event.

**7.17 No Third Party Beneficiaries.** The only Parties to this Agreement are the City and the Owners and their successors-in-interest. There are no third party beneficiaries and this Agreement is not intended and shall not be construed to benefit or be enforceable by any other person whatsoever.

**7.18 Entire Agreement.** This Agreement sets forth and contains the entire understanding and agreement of the Parties and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein and no testimony or evidence of any such representations, understandings, or covenants shall be admissible in any proceedings of any kind or nature to interpret or determine the provisions or conditions of this Agreement.

**7.19 Legal Advice; Neutral Interpretation; Headings, Table of Contents.** Each Party acknowledges that it has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any Party based upon any attribution to such Party as the source of the language in question. The headings and table of contents used in this Agreement are for the convenience of reference only and shall not be used in construing this Agreement.

**7.20 Estoppel Certificate.** At any time, and from time to time, any Owner may deliver written notice to City and City may deliver written notice to any Owner requesting that such Party certify in writing that, to the knowledge of the certifying Party (i) this Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Agreement has not been amended, or if amended, the identity of each amendment and (iii) the requesting Party is not in breach of this Agreement, or if in breach, a description of each such breach (an "**Estoppel Certificate**"). The Director of Planning shall be authorized to execute, on behalf of the City, any Estoppel Certificate requested by an Owner which complies with this Section. City acknowledges that an Estoppel Certificate may be relied upon by Transferees or successors in interest to such Owner who requested the certificate and by Mortgagees holding an interest in the portion of the Property in which that Owner has a legal interest.

**7.21 Length of Agreement; Counterparts.** This Agreement is executed in duplicate originals, each of which is deemed to be an original. This Agreement, not counting the Cover Page and Table of Contents, consists of 41 pages and six Exhibits which constitute the entire understanding and agreement of the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

CITY OF LOS ANGELES, a municipal corporation of the State of California

APPROVED AS TO FORM:  
CARMEN A. TRUTANICH, City Attorney

By: \_\_\_\_\_  
Antonio Villaraigosa, Mayor

By: \_\_\_\_\_  
Laura Cadogan Hurd, Deputy City Attorney

DATE:

DATE:

ATTEST:  
JUNE LAGMAY, City Clerk

By: \_\_\_\_\_  
Deputy

DATE:

**Exhibit "A"**

**Legal Description of Event Center Property**

Attached.

LEGAL DESCRIPTION

EVENT CENTER

That portion of Lot 1 of Tract No. 28165, in the City of Los Angeles, County of Los Angeles, State of California as shown on the map filed in Map Book 814, Pages 66 through 69, inclusive, Records of said County, lying northerly and westerly of the following described line:

Beginning at a point on the northwesterly line of said Lot 1, distant thereon South 28°31'52" West 800.07 feet from the northeasterly terminus of said northwesterly line; thence South 61°21'58" East 777.22 feet; thence North 28°38'02" East 261.42 feet; thence North 61°21'58" West 7.10 feet; thence North 28°38'02" East 123.14 feet; thence South 61°21'58" East 15.97 feet; thence North 28°38'02" East 355.54 feet; thence North 61°27'12" West 73.04 feet; thence North 28°32'48" East 84.42 feet to the northeasterly line of said Lot 1.

This Legal Description is described on the accompanying exhibit "Exhibit Map Event Center", is made a part hereof for reference purposes and was prepared as a convenience and is not intended for the use in the division and/or conveyance of land in violation of the Subdivision Map Act of the State of California.



*[Handwritten Signature]*

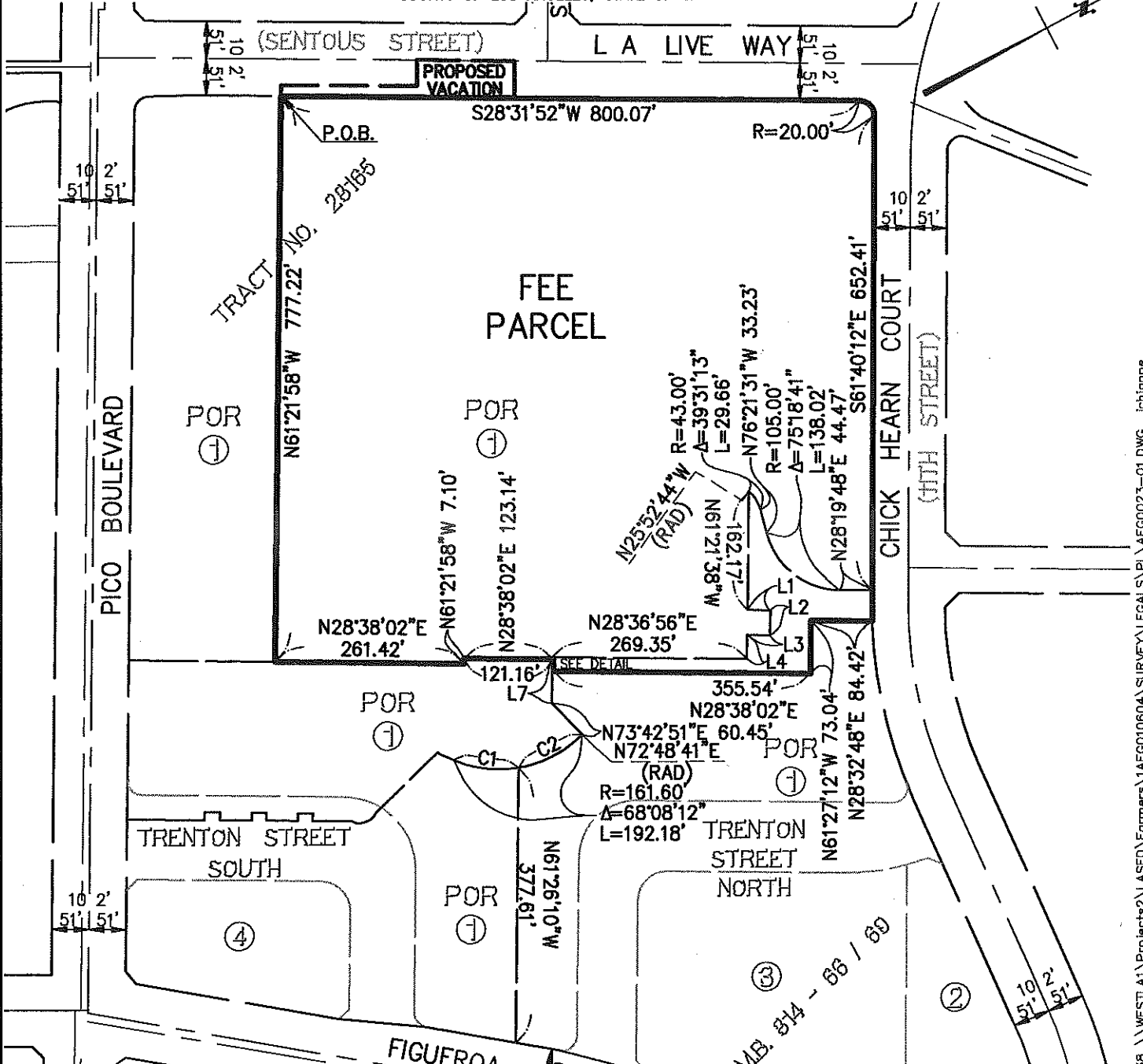
John Chiappe Jr., PLS 7230

PSOMAS

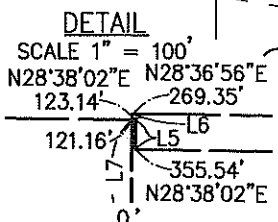
Date: 8/28/2012

# EXHIBIT MAP EVENT CENTER

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



LINE	BEARING	DISTANCE
L1	N28°38'22"E	31.50'
L2	N61°21'38"W	34.73'
L3	N28°38'22"E	31.50'
L4	N61°21'38"W	32.62'
L5	N61°21'58"W	15.97'
L6	N61°37'17"W	3.24'
L7	N61°37'17"W	60.13'



DATE: 08/28/12 REVISED ON:  
JOB No: 1AEG010604 TASK 103

**Convention &  
Event Center Project**

GRAPHIC SCALE  
1" = 200'

AEG0023-01

**PSOMAS**  
555 South Flower Street, Suite 4400  
Los Angeles, CA 90071  
(213)223-1400 (213)223-1444 (FAX)

Plotted: 08/28/12 13:09:38 \\WESTL1\Projects2\LAESD\Farmers\1AEG010604\SURVEY\LEGALS\PL\AEG0023-01.DWG jchiappe

**Exhibit "B"**

**Legal Description of Garage Property**

Attached.

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LEGAL DESCRIPTION

BOND STREET GARAGE

Parcel 2 of Official Map No. 2, in the City of Los Angeles, County of Los Angeles, State of California as per map recorded in Book 5, Pages 38, 39 and 40, of Official Maps, Records of said County and recorded as Instrument No. 89-958587, Official Records of said County.

This Legal Description is described on the accompanying exhibit "Exhibit Map Bond Street Garage", is made a part hereof for reference purposes and was prepared as a convenience and is not intended for the use in the division and/or conveyance of land in violation of the Subdivision Map Act of the State of California.



A large, stylized handwritten signature in black ink, appearing to read "John Chiappe Jr.", written over a horizontal line.

John Chiappe Jr., PLS 7230  
PSOMAS

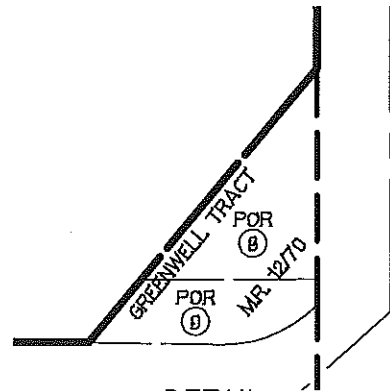
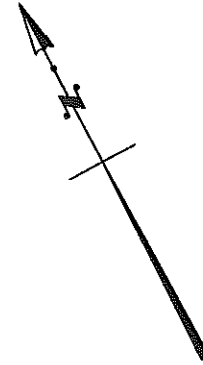
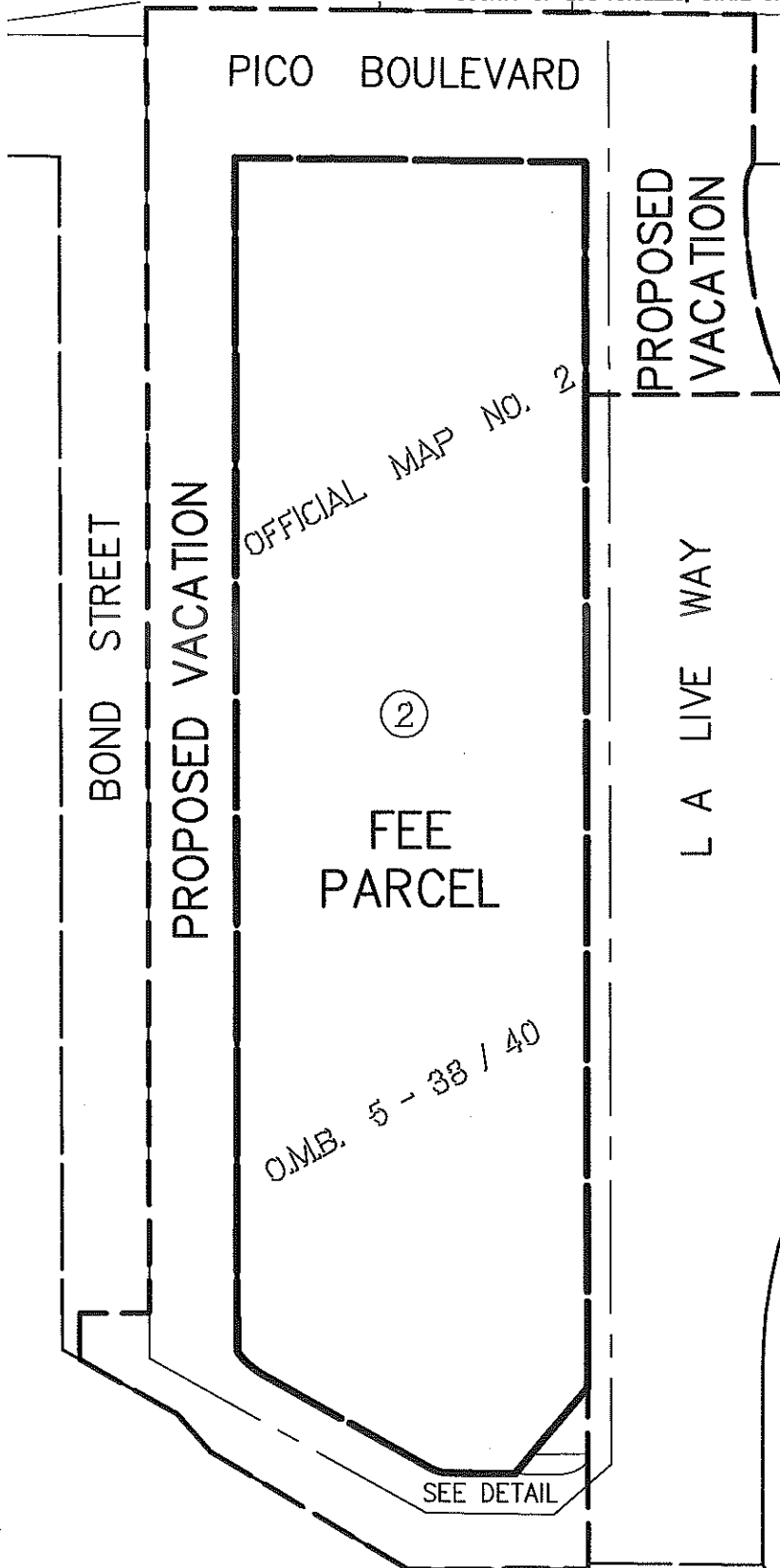
Date: 8/29/2012

SCALE: 1" = 60'

SHEET 1 OF 1 SHEET

# EXHIBIT MAP BOND STREET GARAGE

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



DETAIL  
SCALE 1" = 20'



GRAPHIC SCALE  
1" = 60'

DATE: 08/29/12 REVISED ON:  
JOB No: 1AEG010604 TASK 103

X-5101 | **Convention & Event  
Center Project**

AEG0023-05

## PSOMAS

555 South Flower Street, Suite 4400

Los Angeles, CA 90071

(213)223-1400 (213)223-1444 (FAX)

Plotted: 08/29/12 08:24:24 \\WESTLAI\Projects2\LAEG010604\Survey\Legals\PL\AEG0023-05.DWG jchioppe

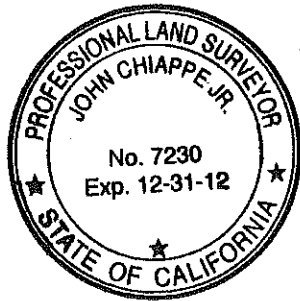
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LEGAL DESCRIPTION

L A LIVE WAY GARAGE

Lots 5 and 6 of Tract No. 28165, in the City of Los Angeles, County of Los Angeles, State of California as shown on the map filed in Map Book 814, Pages 66 through 69, inclusive, Records of said County.

This Legal Description is described on the accompanying exhibit "Exhibit Map L A LIVE Way Garage", is made a part hereof for reference purposes and was prepared as a convenience and is not intended for the use in the division and/or conveyance of land in violation of the Subdivision Map Act of the State of California.



A handwritten signature in black ink, appearing to read "John Chiappe Jr.", written over a horizontal line.

John Chiappe Jr., PLS 7230  
PSOMAS

Date: 8/28/2012

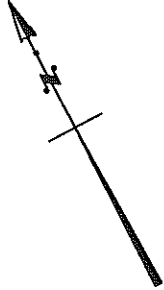
# EXHIBIT MAP L A LIVE WAY GARAGE

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

11TH STREET

CHICK HEARN COURT

(11TH STREET)



TRACT NO. 28165  
FEE PARCEL  
(5)

PROPOSED VACATION

L A LIVE WAY

12TH STREET

PROPOSED VACATION

(SENTOUS STREET)

FEE PARCEL  
(6)

M.B. 814 - 66 / 69

(7)



GRAPHIC SCALE

1" = 140'

PICO BOULEVARD

DATE: 08/28/12 REVISED ON:  
JOB No: 1AEG010604 TASK 103

10' 2'  
5' 1'

X-S01  
**Convention &  
Event Center Project**

AEG0023-06

## PSOMAS

555 South Flower Street, Suite 4400

Los Angeles, CA 90071

(213)223-1400 (213)223-1444 (FAX)

**Exhibit "C"**

**Legal Description of Convention Center Property**

Attached.

LEGAL DESCRIPTION

CONVENTION CENTER PROPERTY

1  
2  
3  
4  
5 Lot 1 and 4, Trenton Street South, 116.00 feet and 90.00 feet wide, portions of LA Live  
6 Way (formerly Sentous Street), 102.00 feet wide, as shown on Tract No. 28165, in the  
7 City of Los Angeles, County of Los Angeles, State of California as per map filed in Book  
8 814, Pages 66 through 69, inclusive, of Maps, Records of said County, Parcel 1, as shown  
9 on Official Map No. 2 in said City, as per map recorded June 14, 1989 as Instrument No.  
10 89-958587, Official Records of said County and in Book 5, Pages 38, 39 and 40 of  
11 Official Maps, Records of said County, portions of Lots 25, 27, 28, 29, 30, 32 and 34 in  
12 Block 1 of Wright's Subdivision of the Sisters of Charity Tract, in said City, as per map  
13 recorded in Book 5, Page 431, of Miscellaneous Records, Records of said County,  
14 portions of Lots 3, 4, 6, 8, 10, 12, 14, 16, 18, 20, 21, 22, 23, the Alley in Block 2 of said  
15 Wright's Subdivision of the Sisters of Charity Tract and portions of Virginia Street,  
16 Wright Street and Cherry Street as shown on said Wright's Subdivision of the Sisters of  
17 Charity Tract and portions of De Long Street (formerly Virginia Street), Lots 4, 5, 6, 7  
18 and 8 of Block 3 of the Harvey Tract, in said City, as per map recorded in Book 10, Page  
19 77 of said Miscellaneous Records and portions of Lots 8, 9 and 10 of Block 8 of the  
20 Greenwell Tract, in said City, as per map recorded in Book 12, Page 70 of said  
21 Miscellaneous Records, described as follows:

22  
23 Beginning at the most westerly corner of Lot 6 of said Tract No. 28165, thence  
24 northeasterly and northwesterly along the generally northwesterly line of said Lot 6, the  
25 following seven (7) courses:

- 26 1) North 28°31'40" East 119.24 feet; thence
- 27 2) North 61°19'17" West 48.03 feet; thence
- 28 3) North 28°09'53" East 82.05 feet; thence
- 29 4) North 34°48'14" East 43.25 feet; thence
- 30 5) North 60°06'41" East 70.32 feet; thence
- 31 6) North 33°52'27" East 75.17 feet; thence

**P S O M A S**

1 7) North  $42^{\circ}58'29''$  East 180.47 feet to the southwesterly line of said Twelfth Street;  
2 thence northwesterly along said southwesterly line, North  $61^{\circ}17'56''$  West 53.62 feet to a  
3 line which bears at right angles to said southwesterly line and which passes through the  
4 most westerly corner of Lot 5 of said Tract No. 28165; thence northeasterly North  
5  $28^{\circ}42'04''$  East 60.00 feet to said most westerly corner of Lot 5 of Tract No. 28165;  
6 thence northeasterly along the generally northwesterly line of said Lot 5, the following  
7 ten (10) courses:

- 8 1) North  $72^{\circ}48'20''$  East 39.99 feet; thence
- 9 2) North  $37^{\circ}16'27''$  East 97.20 feet; thence
- 10 3) North  $37^{\circ}16'49''$  East 82.77 feet; thence
- 11 4) North  $28^{\circ}55'54''$  East 20.17 feet; thence
- 12 5) North  $35^{\circ}03'43''$  East 19.85 feet; thence
- 13 6) North  $41^{\circ}16'58''$  East 3.20 feet; thence
- 14 7) North  $46^{\circ}09'05''$  East 62.90 feet to the beginning of a non-tangent curve, concave  
15 northwesterly, having a radius of 320.00 feet and to which beginning a radial line  
16 bears South  $35^{\circ}40'02''$  East; thence
- 17 8) northeasterly along said curve 129.59 feet through a central angle of  $23^{\circ}12'14''$ ;  
18 thence
- 19 9) South  $61^{\circ}18'07''$  East 5.13 feet; thence
- 20 10) North  $41^{\circ}25'41''$  East 49.03 feet to the southwesterly line of Eleventh Street as  
21 shown on said Tract No. 28165; thence southeasterly along said southwesterly line of  
22 Eleventh Street and its southeasterly prolongation, South  $42^{\circ}57'23''$  East 70.56 feet to a  
23 line parallel with and 25.00 feet southeasterly of the northwesterly line of said LA Live  
24 Way (formerly Sentous Street); thence South  $40^{\circ}19'34''$  East 103.93 feet to the  
25 northwesterly terminus of the northeasterly line of said Lot 1 of Tract No. 28165, shown  
26 as having a bearing and distance of "South  $61^{\circ}51'43''$  East 666.02 feet"; thence  
27 southeasterly along said northeasterly line, South  $61^{\circ}40'12''$  East 666.07 feet to the  
28 beginning of a curve, concave northerly, having a radius of 651.00 feet and being tangent  
29 at its easterly terminus to the westerly prolongation of the northerly line of said Lot 2 of  
30 Tract No. 28165; thence easterly along said curve, 279.64 feet, through a central angle of  
31  $24^{\circ}36'41''$  to said westerly prolongation of the northerly line of Lot 2; thence easterly

**P S O M A S**

1 along said northerly line, South 86°16'53" East 335.75 feet to the beginning of a curve,  
2 concave southerly and having a radius of 549.00 feet; thence easterly, southeasterly and  
3 southwesterly along the northerly, northeasterly and southeasterly line of said Lots 2 and  
4 3 of Tract No. 28165 the following three (3) courses:

5 1) 159.30 feet through a central angle of 16°37'29"; thence  
6 2) South 15°26'42" East 17.92 feet; thence  
7 3) South 37°52'59" West 545.96 feet; thence South 42°31'20" West 123.63 feet to  
8 the northeasterly terminus of the southeasterly line of said Lot 1 of Tract No. 28165,  
9 shown as having a bearing and distance of "South 37°41'37" West 187.38 feet"; thence  
10 southwesterly along said southeasterly line, South 37°52'59" West 187.39 feet to the  
11 southwesterly terminus of said line shown as having a bearing and distance of "South 37°  
12 41'37" West 187.38 feet"; thence South 33°10'49" West 121.97 feet to the northeasterly  
13 terminus of the southeasterly line of said Lot 4 of Tract No. 28165, shown as having a  
14 bearing and distance of "South 37°41'37" West 281.98 feet"; thence southwesterly along  
15 said southeasterly line and its southwesterly prolongation, South 37°52'59" West 357.31  
16 feet to the northeasterly prolongation of the southeasterly line of said Parcel 1 of Official  
17 Map No. 2; thence southwesterly along said southeasterly line and its northeasterly  
18 prolongation, South 28°08'53" West 1298.16 feet to the southwesterly line of said Parcel  
19 1 of Official Map No. 2; thence northwesterly along said southeasterly line, North  
20 61°09'52" West 558.76 feet to the westerly corner of said Parcel 1 of Official Map No. 2;  
21 thence along the generally westerly line of said Parcel 1 of Official Map No. 2, North  
22 27°41'44" East 2.11 feet to the beginning of a non-tangent curve, concave easterly,  
23 having a radius of 400.00 feet and to which beginning a radial line bears South 83°02'46"  
24 West; thence northerly along said curve and the generally easterly line of Parcels S-1 and  
25 S-3 of Instrument No. 94-415105, recorded March 1, 1994 of Official Records of said  
26 County, 28.11 feet through a central angle of 4°01'37"; thence continuing along said  
27 generally easterly line of Parcels S-1 and S-3 of Instrument No. 94-415105, the following  
28 three (3) courses:

29 1) North 73°43'51" East 5.00 feet; thence  
30 2) North 28°50'08" East 51.00 feet to the beginning of a curve, concave westerly and  
31 having a radius of 240.00 feet; thence

**P S O M A S**

1 3) northerly along said curve, 161.85 feet through a central angle of 38°38'23" to a  
2 point of compound curvature, said curve being concave westerly, having a radius of  
3 1968.00 feet and to which beginning a radial line bears North 80°11'45" East; thence  
4 northerly along said curve 78.78 feet through a central angle of 2°17'37" to the southerly  
5 terminus of westerly line of Instrument No. 94-415111, recorded March 1, 1994 of said  
6 Official Records, also being the beginning of a non-tangent curve concave westerly,  
7 having a radius of 486.33 feet and to which beginning a radial line bears South 85°33'28"  
8 East; thence northerly along said curve and said westerly line of Instrument No. 94-  
9 415111, 284.98 feet through a central angle of 33°34'29"; thence northerly along said  
10 westerly line of Instrument No. 94-415111, North 29°07'57" West 168.28 feet to the  
11 southeasterly terminus of the easterly line of Parcel S-2 of Instrument No. 94-415105,  
12 recorded March 1, 1994 of said Official Records; thence northwesterly along said  
13 easterly line, North 29°07'56" West 65.56 feet to the southerly terminus of the westerly  
14 line of Instrument No. 94-415107, recorded March 1, 1994 of said Official Records;  
15 thence northerly along said westerly line of Instrument No. 94-415107 the following two  
16 (2) courses:

17 1) North 29°08'06" West 66.07 feet; thence

18 2) North 20°16'08" West 86.06 feet; thence North 01°13'32" East 51.15 feet to the  
19 intersection of the southeasterly prolongation of the southwesterly line of the  
20 Relinquishment Document recorded January 6, 1964 as Instrument No. 3869 of said  
21 Official Records and the southeasterly line of the Relinquishment to the City of Los  
22 Angeles as shown on Instrument No. 91-1010554, of said Official Records; thence  
23 northwesterly along said southeasterly prolongation and said southwesterly line, North  
24 62°10'56" West 122.35 feet; thence continuing along the southwesterly and southerly  
25 lines of said Relinquishment Document the following five (5) courses:

26 1) North 31°11'38" West 78.27 feet; thence

27 2) North 13°35'02" West 17.37 feet; thence

28 3) North 32°53'07" West 38.25 feet; thence

29 4) North 27°49'04" East 15.75 feet; thence

30 5) South 62°10'56" East 24.00 feet to the northwesterly line of said Parcel 2 of  
31 Official Map No. 2; thence northeasterly along said northwesterly line of Parcel 2 of

**P S O M A S**

1 Official Map No. 2 and its northeasterly prolongation North 27°49'04" East 489.07 feet  
2 to the southwesterly line of said Lot 6 of Tract No. 28165, being the beginning of a non-  
3 tangent curve, concave southerly, having a radius of 608.25 feet and to which beginning a  
4 radial line bears North 21°03'11" East; thence northwesterly along said curve and  
5 southwesterly line of said Lot 6 of Tract No. 28165, 24.26 feet through a central angle of  
6 2°17'08" feet to a point of reverse curvature, said curve being concave northerly and  
7 having a radius of 591.75 feet; thence northwesterly along said curve and southwesterly  
8 line of said Lot 6 of Tract No. 28165, 39.63 feet through a central angle of 3°50'15" to  
9 the Point of Beginning.

10

11 Excepting therefrom Lots 5 and 6 of said Tract No. 28165.

12

13 Also exception therefrom Parcel 2 of said Official Map No. 2.

14

15 Also excepting therefrom that portion of said Lot 1 of Tract No. 28165 lying  
16 northeasterly of the following described line:

17

18 Beginning at a point on the northeasterly line of said Lot 1, distant thereon South  
19 61°40'12" East 652.41 feet from the northwesterly terminus of said line shown as "South  
20 61°51'43" East 666.02 feet" on said Tract No. 28165; thence South 28°19'48" West  
21 44.47 feet to the beginning of a curve concave northerly and having a radius of 105.00  
22 feet; thence southwesterly, westerly and northwesterly 138.02 feet along said curve  
23 through a central angle of 75°18'41"; thence North 76°21'31" West 33.23 feet to the  
24 beginning of a curve concave southerly and having a radius of 43.00 feet; thence westerly  
25 29.66 feet along said curve through a central angle of 39°31'13"; thence on a non-tangent  
26 line South 61°21'38" East 162.17 feet; thence North 28°38'22" East 31.50 feet; thence  
27 South 61°21'38" East 34.73 feet; thence South 28°38'22" West 31.50 feet; thence South  
28 61°21'38" East 32.62 feet; thence South 28°36'56" West 269.35 feet; thence South  
29 61°37'17" East 63.37 feet; thence North 73°42'51" East 60.45 feet, to the beginning of a  
30 non-tangent curve concave westerly, having a radius of 161.60 feet and to which  
31 beginning a radial line bears North 72°48'41" East; thence southwesterly along said

**P S O M A S**

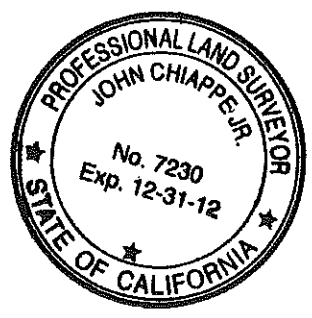
1 curve 100.58 feet through a central angle of 35°39'46"; thence South 61°26'10" East  
2 377.61 feet to the southeasterly line of said Lot 1.

3  
4 Also excepting therefrom that portion of said Lot 1 of Tract No. 28165 lying  
5 northwesterly and northerly of the following described line:

6  
7 Beginning at a point on the northwesterly line of said Lot 1, distant thereon South  
8 28°31'52" West 800.07 feet from the northwesterly terminus of said line shown as  
9 "North 28°21'02" East 927.28 feet" on said Tract No. 28165; thence South 61°21'58"  
10 East 777.22 feet; thence North 28°38'02" East 261.42 feet; thence North 61°21'58" West  
11 7.10 feet; thence North 28°38'02" East 123.14 feet; thence South 61°21'58" East 15.97  
12 feet; thence North 28°38'02" East 355.54 feet; thence North 61°27'12" West 73.04 feet;  
13 thence North 28°32'48" East 84.42 feet to the northeasterly line of said Lot 1.

14  
15 Also excepting therefrom any public right of way for street purposes that currently exists  
16 within the above described property.

17  
18  
19 This Legal Description is described on the accompanying exhibit "Exhibit Map  
20 Convention Center Property", is made a part hereof for reference purposes and was  
21 prepared as a convenience and is not intended for the use in the division and/or  
22 conveyance of land in violation of the Subdivision Map Act of the State of California.



A handwritten signature in black ink, appearing to read "John Chiappe Jr.", written over a horizontal line.

John Chiappe Jr., PLS 7230  
PSOMAS

Date: 8/30/2012

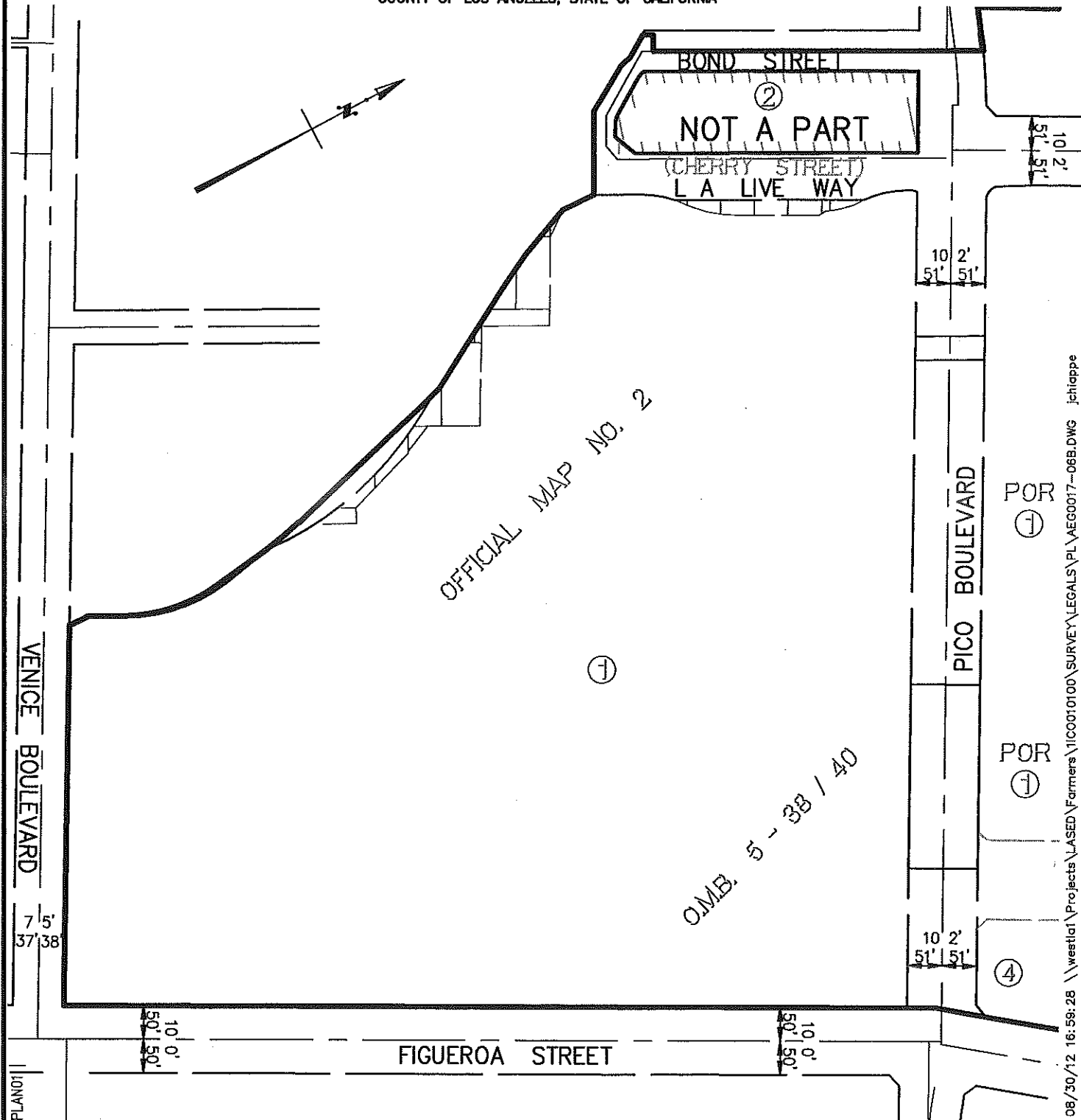


SCALE: 1" = 200'

SHEET 2 OF 2 SHEETS

# EXHIBIT MAP CONVENTION CENTER PROPERTY

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



X-S101 | C-SPEC-PLAN011

DATE: 08/30/12 REVISED ON:  
JOB No: 1AEG010604 TASK 103



GRAPHIC SCALE  
1" = 200'

## Convention & Event Center Project

AEG0017-06B

# PSOMAS

555 South Flower Street, Suite 4400

Los Angeles, CA 90071

(213)223-1400 (213)223-1444 (FAX)

Plotted: 08/30/12 16:59:28 \\westlcl\Projects\LA\SED\Farmers\1100010100\SURVEY\LEGALS\PL\AEG0017-06B.DWG jchlappe

## Exhibit "D"

### First Source Hiring Policy

#### SECTION I. PURPOSE.

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

#### SECTION II. DEFINITIONS.

Capitalized terms not defined herein shall have the same meaning as set forth in the Development Agreement. As used in this policy, the following capitalized terms have the following meanings. All definitions include both the singular and plural form.

"Employers" shall mean the Event Center Owner and its services contractors conducting operations within the Project.

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

"High Poverty" shall mean a census tract where more than 40% of the population is below the poverty line.

"High Unemployment" shall mean a census tract where 14.75% of the population or more are unemployed (L.A. County average is currently 11.8%).

"High Housing Costs" shall mean a census tract where 35% or more of the population spends 50% or more of their income on housing.

"Targeted Job Applicants" shall mean job applicants described in Section IV.A.4.

#### SECTION III. EMPLOYER RESPONSIBILITIES

- A. Coverage. This First Source Hiring Policy shall apply to hiring by Employers for all jobs for which the work site is located within the Project, except for jobs for which hiring procedures are governed by a collective bargaining agreement which conflicts with this First Source Hiring Policy.
- B. Long Range Planning. Within a reasonable time after the information is available following execution of a lease by Event Center Owner with an NFL team, each Employer shall provide to the First Source Referral System information regarding the approximate number and type of jobs that will need to be filled and the basic qualifications necessary.

### C. Hiring Process.

1. Notification of job opportunities. Prior to hiring for any job for which the job site will be in the Project, the Employer will notify the First Source Referral System of available job openings and provide a description of job responsibilities and qualifications, including expectations, salary, work schedule, type of employment, required standard of appearance, and any special requirements (e.g. language skills, driver's license, etc.). Job qualifications shall be limited to skills directly related to performance of job duties, in the reasonable discretion of the Employer.
2. Referrals. The First Source Referral System will as quickly as possible refer to the Employer Targeted Job Applicants who meet the Employer's qualifications. The First Source Referral System will also, as quickly as possible, provide to the Employer an estimate of the number of qualified applicants it can refer.
3. Hiring. The Employer may at all times consider applicants referred or recruited through any source. When making initial hires for the commencement of the Employer's operations in the Project, the Employer will hire only Targeted Job Applicants for a six-week period following the notification of job opportunities. During such periods, however, Employers may hire Targeted Job Applicants recruited or referred through any source. During such periods, Employers will use normal hiring practices, including interviews, to consider all applicants referred by the First Source Referral System.
4. Goal. Any Employer who has filled at least 50% of jobs available during a particular six-month period during the operation of the Project with Targeted Job Applicants (whether referred by the First Source Referral System or not) shall be deemed to be in compliance with this First Source Hiring Policy for all hiring during that six month period. Any Employer who complied with remaining provisions of this First Source Hiring Policy is in compliance with this First Source Hiring Policy even if it has not met the 50% hiring goals during a particular six-month period.
5. No Referral Fees. Employers shall not be required to pay any fee, cost or expense of the First Source Referral System or any potential employees referred to the Employer by the First Source Referral System in connection with such referral.

### SECTION IV. RESPONSIBILITIES OF FIRST SOURCE REFERRAL SYSTEM.

- A. The First Source Referral System will perform the following functions related to this First Source Hiring Policy:
  1. Receive Employer notifications of job openings, immediately initiate recruitment and pre-screening activities, and provide an estimate to

Employers of the number of qualified applicants it is likely to refer, as described above.

2. Recruit Targeted Job Applicants to create a pool of applicants for jobs who match Employer job specifications.
3. Coordinate with various job training centers.
4. Screen and refer Targeted Job Applicants according to qualifications and specific selection criteria submitted by Employers. Targeted Job Applicants shall be referred in the following order:
  - a. First Priority: Individuals who reside within 5 miles of the Project site and reside in a census tract with High Poverty, High Unemployment and High Housing Costs as defined.
  - b. Second Priority: Individuals who reside within 5 miles of the Project site and reside in a census tract with High Poverty and High Unemployment as defined above.
  - c. Third Priority: Individuals who reside within 5 miles of the Project site and reside in a census tract with High Unemployment.
  - d. Fourth Priority: Individuals who reside in the City of Los Angeles and reside in a census tract with High Poverty.
5. Maintain contact with Employers with respect to Employers' hiring decisions regarding applicants referred by the First Source Referral System.
6. Assist Employers with reporting responsibilities as set forth in Section V of this First Source Hiring Policy, below, including but not limited to supplying reporting forms and recognizing Targeted Job Applicants.
7. Prepare and submit compliance reports to the City as set forth in Section V of this First Source Hiring Policy, below.

## SECTION V. REPORTING REQUIREMENTS.

### A. Reporting Requirements and Recordkeeping.

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

Annual Report prepared according to Section 4.1 of the Development Agreement.

2. Recordkeeping. During the time that this First Source Hiring Policy is applicable to any Employer, that Employer shall retain records sufficient to report compliance with this First Source Hiring Policy, including records of referrals from the First Source Referral System, job applications, and number of Targeted Job Applicants hired. To the extent allowed by law, and upon reasonable notice, these records shall be made available to the City for inspection upon request. Records may be redacted so that individuals are not identified by name and so that other confidential information is excluded.
3. Failure to Meet Goal. In the event an Employer has not met the 50% hiring goal during operation of the Project during a particular six month period, the City may require the Employer to provide reasons it has not met the goal and the City may determine whether the Employer has nonetheless adhered to this Policy.

#### SECTION VI. GENERAL PROVISIONS.

- A. Term. This First Source Hiring Policy shall be effective with regard to any particular Employer for the Term of this Agreement.
- B. Meet & Confer, Enforcement. If the First Source Referral System or the City believes that an Employer is not complying with this First Source Hiring Policy, then the First Source Referral System, the City, and the Employer shall meet and confer in a good faith attempt to resolve the issue. If the issue is not resolved through the meet and confer process within a reasonable period of time, the City may enforce the First Source Hiring Policy against the Event Center Owner pursuant to the terms of the Development Agreement.
- C. Miscellaneous.
  1. Compliance with State and Federal Law. This First Source Hiring Policy shall only be enforced to the extent that it is consistent with the laws of the State of California and the United States. If any provision of this First Source Hiring Policy is held by a court of law to be in conflict with state or federal law, the applicable law shall prevail over the terms of this First Source Hiring Policy, and the conflicting provisions of this First Source Hiring Policy shall not be enforceable.
  2. Indemnification. The First Source Referral System shall, jointly and severally, indemnify, hold harmless and defend the Event Center Owner and any Employer, and their officers, directors, partners, agents, employees and funding sources, if required by any such funding source (the "Indemnified Parties") from and against all fines, suits, liabilities, proceedings, claims, costs, damages, losses and expenses, including but not limited, to attorney's fees and court costs, demands, actions, or causes of

action, of any kind and of whatsoever nature, whether in contract or in tort, arising from, growing out of, or in any way related to the breach by the First Source Referral System or their affiliates, officers, directors, partners, agents, employees, subcontractors (the "First Source Parties") of the terms and provisions of this First Source Hiring Policy or the negligence, fraud or willful misconduct of First Source Parties. The indemnification obligations of the First Source Parties shall survive the termination or expiration of this First Source Hiring Policy with respect to any claims arising as the result of events occurring during the effective term of this First Source Hiring Policy.

3. Compliance with Court Order. Notwithstanding the provisions of this First Source Hiring Policy, Employers shall be deemed in compliance with this Policy if subject to a court order or other administrative order or decree, arising from a labor relations dispute, which governs the hiring of workers and contains provisions which conflict with terms of this Policy.
4. Severability Clause. If any term, provision, covenant, or condition of this First Source Hiring Policy is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.
5. Binding on Successors. This First Source Hiring Policy shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest, and assigns of each of the parties. Any reference in this Policy to a specifically named party shall be deemed to apply to any successor in interest, heir, administrator, executor, or assign of such party.
6. Material Terms. The provisions of this First Source Hiring Policy are material terms of any deed, lease, or contract in which it is included.

## Exhibit "E"

### SB 292 Trip Reduction Compliance Program and Carbon Neutrality Compliance Program

#### EXHIBIT E-1 TRIP REDUCTION PROGRAM

##### 1. OVERVIEW

Under SB 292, the Convention and Event Project ("Project") must meet two key requirements. First, the Project must achieve and maintain carbon neutrality by reducing to zero the net new emissions of greenhouse gases from private automobile trips to the stadium. This requirement is the subject of the Carbon Neutrality Compliance Program.

The other key requirement in SB 292 is the trip reduction program which is the subject of this Trip Reduction Compliance Program. SB 292 imposes certain duties on the operator of the Event Center (the "Event Center Operator") and the City of Los Angeles ("City"), including the requirement that the Event Center Operator must take steps to achieve and maintain an Event Center spectator trip ratio that is no more than 90 percent of the trip ratio at any other stadium serving a team in the National Football League ("Best NFL Trip Ratio"). For this purpose, "trip ratio" means the total annual number of private automobiles arriving at the Event Center for spectator events, divided by the total annual number of spectators at the events.

To carry out SB 292, the City, in consultation with the Los Angeles Department of Transportation ("LADOT"), has developed and adopted a reporting protocol ("Trip Reporting Protocol") for the required annual report ("SB 292 Report"). Among other things, the Trip Reporting Protocol (as set forth in Section 7, below), includes, but is not limited to, the criteria and guidelines to determine the trip ratio.

##### 2. TRIP REDUCTION PLANNING AND IMPLEMENTATION

**2.1. Preliminary Trip Data.** Data regarding average vehicle ridership, nonpassenger automobile modes of arrival, and trip reduction measures undertaken at other NFL stadiums (collectively, "Preliminary Trip Data") shall be collected in the manner set forth in Part A of the Trip Reporting Protocol. No later than three months after the conclusion of the first full NFL season that occurs after the start of construction of the New Hall, the Event Center Operator shall prepare a summary of the results of collection of the Preliminary Trip Data ("Preliminary Summary") and a determination of the NFL stadiums with the three lowest trip ratios. The Preliminary Summary shall not include any specific data that other NFL teams or stadiums owners and operators have requested to remain confidential. The Event Center Operator shall submit the Preliminary Summary to LADOT for its review and validation, and the Event Center Operator shall make the Preliminary Summary available to the public on the Event Center Project website.

**2.2. Pre-Opening Trip Data.** At least one year prior to the first anticipated NFL game at the Event Center, the Event Center Operator shall prepare a pre-opening trip data summary (collectively “Pre-Opening Summary”) that shall be collected in the manner set forth in Part A of the Trip Reporting Protocol. The Event Center Operator shall submit the Pre-Opening Summary to LADOT for its review and validation, in conjunction with the trip reduction implementation Plan (see Section 2.3, below). Following LADOT’s validation, the Event Center Operator shall make the Pre-Opening Summary available to the public on the Event Center Project website.

**2.3. TRIP.** At least one year prior to the first anticipated NFL game at the Event Center, the Event Center Operator shall prepare and submit to LADOT a trip reduction implementation plan (“TRIP”) in the manner set forth in Part B of the Trip Reporting Protocol. Following review and approval of the TRIP, LADOT shall forward the TRIP to the City Planning Commission for review as part of the periodic reporting and review required under Section 4 of the Development Agreement. Following LADOT approval of the TRIP and prior to consideration by the Planning Commission, the TRIP shall be made publicly available on the Planning Department website and the Event Center Project website.

### **3. SB 292 REPORTS**

Within three months after the conclusion of the second season during which an NFL team has played its home games at the Event Center (“NFL Season”) and for each NFL Season thereafter until at least the fifth NFL Season, the Event Center Operator shall prepare and submit to LADOT for review and approval an SB 292 Report. The SB 292 Report shall describe the measures that the Event Center Operator has undertaken to reduce private automobile trips to the Event Center based on the Trip Reporting Protocol, the trip ratio at the Event Center, and the results of those measures. The SB 292 Report shall also include a summary of publicly available data and other data gathered by the Event Center Operator regarding average vehicle ridership, nonpassenger automobile modes of arrival, and trip reduction measures undertaken at other stadiums serving a team in the National Football League.

Following its review and approval, LADOT shall forward the SB292 Reports to the City Planning Commission for review as part of the periodic reporting and review required under Section 4 of the Development Agreement. The SB 292 Reports shall be made available to the public on the Planning Department website prior to consideration by the City Planning Commission.

Under SB 292, the City has the ability to require the Event Center Operator to implement additional measures to reduce spectator private automobile trips to the Event Center pursuant to Public Resources Code Section 21168.5.6(i)(2)(D). If, after the conclusion of the fifth NFL Season, the City requires such measures, the Event Center Operator shall submit an SB 292 Report until the earlier of: (i) after the tenth NFL Season, or (ii) the date that LADOT determines that the Event Center Operator has achieved the Best NFL Trip Ratio for two consecutive NFL Seasons.

#### **4. ADEQUACY OF DATA REVIEW**

Following LADOT's review of the SB 292 Report submitted after the fourth NFL Season, LADOT shall determine whether adequate data is available to determine whether the Event Center Operator has achieved the Best NFL Trip Ratio. If LADOT concludes that adequate data does not exist, LADOT shall take necessary steps to collect, or cause to be collected, the data reasonably necessary to make the determination. The Event Center Operator shall pay the reasonable costs of collecting the data.

#### **5. DETERMINATION OF BEST NFL TRIP RATIO**

Following LADOT's review of the SB 292 Report (prepared by Operator and submitted to LADOT after the fifth NFL season), LADOT shall determine the trip ratio at the Event Center and the lowest trip ratio at any other stadium serving an NFL team. If LADOT determines that the Event Center has achieved the Best NFL Trip Ratio, LADOT shall report to the City Council that the Event Center Operator has fully complied with the requirements of SB 292 and this Agreement. If LADOT determines that the Event Center has not achieved the Best NFL Trip Ratio, within six months of receipt of the SB 292 Report, LADOT shall require the Event Center Operator to implement additional feasible measures pursuant to Public Resources Code Section 21168.6.5(i)(2)(E) that LADOT determines will be sufficient to achieve the Best NFL Trip Ratio. Such six-month time period shall be suspended during the time period that the City is preparing any necessary CEQA documentation for such measures. Any party may appeal LADOT's determination to the City Council.

#### **6. COMPLIANCE COSTS**

The Event Center Operator shall be responsible for all costs of all studies, surveys and data collection, including but not limited to the Preliminary Trip Data, Preliminary Summary, Pre-Opening Summary, and SB 292 Reports) and will reimburse the City for its reasonable costs of reviewing and validating such studies, surveys and data.

#### **7. TRIP REDUCTION PROTOCOL**

This Trip Reduction Protocol has been developed and monitored with LADOT as the lead agency. Implementation of the protocol will be conducted under the guidance, review, and approval of LADOT.

##### **PART A: OTHER STADIUMS**

The Event Center Operator shall assemble information from other NFL stadiums to identify trip reduction measures employed and to determine trip ratios at such stadiums. ("Trip ratio" means the total annual number of private automobiles arriving at the stadium for spectator events divided by the total annual number of spectators at the events.)

This will be a three step process. The first two steps will use information from existing available sources, that will be used to screen to a "top tier" (approximately three) of stadiums with respect

to trip ratio. Further research of this “top tier” will include surveys that will be conducted at the stadiums.

Step 1. Conduct Initial Research

The initial research shall be a primarily qualitative evaluation that will include the following:

Conducting literature & internet searches;

Contacting NFL stadiums;

Talking to other knowledgeable resources/institutions; and

Reviewing all NFL Stadiums for non-auto infrastructure & service provision.

Developing screening criteria. Initial criteria to include, for example:

Stadium seat capacity;

Typical year event schedule and attendance;

No. of parking spaces (controlled by stadium, and in surrounding area);

No. of bike parking spaces;

Distance to transit;

Types and extent of non-auto measures implemented;

Level of proximate public transit service;

Level of additional public transit (e.g. Express Bus, Charter Bus);

Type of rideshare programs;

Distance to City Center or major suburban center;

Mode share of patrons (where initially available); and

Preliminary estimated trip ratio (where initially available).

Documenting results of initial research.

Preparing a shortlist of approximately 10 NFL Stadiums with the lowest trip ratios.

Step 2. Conduct Further Research on Stadiums with Lowest Trip Ratios

Conduct phone interviews, and gather further / more detailed data for screening criteria for the NFL Stadiums outside of Los Angeles with the Lowest Trip Ratios (approximately 10).

- Contact NFL Stadium;
- Contact NFL Team;
- Contact City Planning Department;
- Contact City Transportation Department;
- Contact State Transportation Department;
- Contact Transit Operators; and
- Contact other relevant agencies/institutions.

Shortlist a “top tier” highest performing locations (approximately 3 locations depending on range of trip ratios).

Step 3. Final Research on “Top Tier”

Conduct site visits and final detailed data collection/verification on the tier of NFL Stadiums with the lowest trip ratio (approximately 3) as follows:

- Visit Stadium/Team;
- Visit City Planning Department;
- Visit City Transportation Department;
- Visit State Transportation Department; and
- Visit Transit Operators.

Conduct sample surveys at locations to provide additional information to calculate and verify trip ratios. (Surveys shall be designed and implemented by professional qualified survey firm).

Step 4. Determine Best in NFL

For all of final best candidates from Step 3 above:

- Identify Average Vehicle Ridership/Average Vehicle Occupancy, and patron arrival mode splits;

- Calculate trip ratio;
- Document use of non-auto modes;
- Document trip reduction measures; and
- Prepare Best in NFL Report with accompanying Trip Ratio Target and Trip Reduction Measures.

The Report shall be processed as set forth in Sections 2 or 3, above, as relevant.

Process and Timeline

Above process needs to be conducted/completed at following times (which assumes that construction of the New Hall starts in 2013):

- |         |   |
|---------|---|
| 2013-14 | To establish trip ratio goals for SB 292 Planning and TMP Planning and the Trip Implementation Plan.  |
| 2016    | To finalize trip ratio target and review of trip reduction measures used at other NFL stadiums to be used in the development of the Trip Reduction Implementation Plan prior to stadium opening year in 2017. |
| 2020    | During the fourth Year, to update information for LADOT verification (per SB 292) in Steps 3 & 4, above as required in Section 4, above.  |
| 2021    | During the fifth Year, to prepare the SB 292 Report for submission to City, to determine if additional measures are required as provided in Section 5, above.   |

The full process defined above would be conducted for 2013, 2016, 2020.

Each year, the top three stadiums would be monitored (review of available information) for any substantive changes in circumstances regarding transportation systems or programs.

Also, each year, if information becomes generally available regarding major new developments (e.g. new stadium, new transit line at a locations, etc.), such information will be noted for possible changes in the tier of three NFL Stadiums with the lowest trip ratios.

**PART B: FARMERS FIELD**

1. Prepare Trip Reduction Implementation Plan

The Trip Reduction Implementation Plan (“TRIP”) required by the Development Agreement shall be based on the trip ratio data collected under Part A above and shall include a summary of trip reduction measures used at other NFL stadiums. To the extent appropriate to the stadium and its location, similar measures to those used at other NFL stadiums shall be included in the TRIP unless determined to be infeasible or not cost-effective. Further, the other measures considered in the Project’s Transportation Study shall be included in the TRIP, which shall set

forth the details for use of such measures, including the relative mix of public transit and other non-auto modes incentives and measures and how such incentives and measures will be made available to spectators.

2. Record Key Transportation Parameters

The Event Center Operator will keep records on an annual basis of the following information for NFL games and other ticketed spectator events, for purposes of supporting trip ratio calculations and for annual reporting.

All such information will be obtained directly from the Event Center Operator or NFL team (i.e. on-site or at team controlled facilities).

Seats sold and recorded attendance.

No. of parking spaces sold – a) on-site, and in team controlled facilities,  
b) off-site (in Parking Supply area).

No. of rideshare parking spaces sold/used.

No. of hybrid/low emission parking spaces sold/used.

No. of electric vehicle charging stations used.

No. of transit tickets/passes sold (by type of transit)

No. of transit shuttles operated.

No. of bicycles self parked.

No. of bicycles handled in valet operation.

Zip code origins of ticket purchases.

3. Confirm Sampling Procedures to Collect Data on Travel to Stadium (Patron Survey)

Define sample structure and interview process.

Identify number of responses needed.

Define number and types of events to sample, and annualization procedure.

The survey methodology will be developed, and the survey undertaken, by a qualified professional survey firm. The survey shall be a statistically valid sample, and will be based on a short, focused questionnaire designed to elicit the information necessary to calculate the trip ratio.

4. Conduct Patron Survey

The Patron Survey will be conducted in:

Year 1;

Year 2;

Year 3;

Year 4;

Year 5; and

Subsequent years as necessary.

The survey will collect information on the following parameters:

Mode of travel (with supporting detail of auto and non-auto trips).

Origin of travel (e.g. home, work, hotel, etc.).

Zip code of origin of travel.

Parking location.

5. Calculate Trip Ratio

Calculate trip ratio from survey.

Convert to annual trip ratio per SB 292.

Document and verify results with appropriate backup information, including the data collected in Part B1.

LADOT review and approve (including verification by LADOT staff).

6. Prepare SB 292 Report

The SB 292 Report will include information on:

Trip ratio;

Mode breakdown;

Annual VMT estimate;

Measures undertaken to reduce trips, and results (use mode breakdown and trip ratio);

Summary of operating parameters (see #B1 above); and

Comparison data from other stadiums (from Part A above).

The SB 292 Reports shall be made publically available as set forth in Sections 2 and 3, above, of this Exhibit E-2 to the Development Agreement.

## EXHIBIT E-2

### CARBON NEUTRALITY COMPLIANCE PROGRAM

#### 1. OVERVIEW

Under SB 292, the Convention and Event Project (“Project”) must meet two key requirements. First, the Project must achieve and maintain carbon neutrality by reducing to zero the net new emissions of greenhouse gases<sup>1</sup> from private automobile trips to the stadium (“Carbon Neutrality”). Although the term “carbon” is used in SB 292 and in this Compliance Program, the requirement pertains to reducing greenhouse gas emissions that affect climate change. These emissions are measured in metric tons of carbon dioxide equivalent (“CO<sub>2</sub>e”), which takes into account the differing potential of various greenhouse gases to affect the earth’s climate. SB 292 provides that the requirement for Carbon Neutrality must be included in the conditions of approval imposed on the Project by the City of Los Angeles (“City”) and must be achieved by the end of the first season during which a National Football League team has played at the stadium (“Season”). The CO<sub>2</sub>e of greenhouse gas emissions produced by private automobile trips to spectator events at the stadium is referred to in this Compliance Program as “Output.” Measures to offset Output that are allowed under this Compliance Program are generally referred to as Offset Measures.

The other key requirement in SB 292 is the trip reduction program. Following the fifth Season, the Project must achieve and maintain a private vehicle trip ratio that is no more than 90 percent of the trip ratio at any other stadium serving a team in the National Football League (“Best in the NFL”). Reports to the City are required following the second Season. The requirements imposed by the City for Best in the NFL are set forth in the Trip Reduction Compliance Program. However, the methodology used for determining trips to the stadium is relevant to the calculation of the Output that must be offset to achieve Carbon Neutrality. Therefore, where relevant below, cross-references are provided to the Trip Reduction Compliance Program.

This Compliance Program, as required by SB 292, must place the highest priority on use of feasible measures on the Project site or in connection with the operation of the Project that are not otherwise required (“Project Measures”) and local emission reduction measures (“Local Measures”) in the neighboring communities of the Event Center (“Neighboring Communities”)<sup>2</sup>. The City and the Operator understand the multi-faceted goal of delivering CO<sub>2</sub>e emissions reductions while simultaneously delivering the benefits to the local community that a community-based project can provide. Therefore, the Operator shall use a portfolio of Local

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<sup>1</sup> For purposes of SB 292 compliance, greenhouse gas emissions is as defined in subdivision (g) of Section 38505 of the Health and Safety Code.

<sup>2</sup> Neighboring Communities include those areas within a three mile radius of the Project or within “high poverty zip codes” within a five mile radius of the Project.

Measures and other Offset Measures Credits that optimizes the overall goals of emissions reductions and community benefits. Only after use of feasible Project Measures, Local Measures and other Offset Measures, purchased offset credits ("Purchased Credits") shall be allowed. See Section 5, below for the priority order in which Offset Measures may be used and Section 6 for the selection process for Local Measures.

It is anticipated that the stadium will not be completed and operational for approximately five years. Given various factors, including, but not limited to, the ongoing determination of spectator vehicle miles travelled, the applicable CO<sub>2</sub>e emission factors, lead times for selection of Local Measures and acquisition of Purchased Credits, and verification of efficacy of Offset Measures, it is not possible at the time of the approval of the Project and adoption of conditions of approval to identify exactly which Offset Measures will be available and feasible. In addition, Carbon Neutrality must be maintained over the long-term, which requires the establishment of an ongoing process for continued compliance. Therefore, this Compliance Program establishes required Local Measures and the process for making a determination of CO<sub>2</sub>e emissions and use of Offset Measures at various intervals or compliance periods ("Compliance Periods").

## **2. OFFSET BANK**

Most, if not all, Offset Measures will result in long-term carbon reductions over a number of years. To properly and efficiently account for Carbon Neutrality on an ongoing basis, including the multi-year value of CO<sub>2</sub>e reductions, the Operator and the City shall jointly establish a banking method of accounting for both Output and Offset Measures ("Offset Bank"). The Operator shall be responsible for maintaining the accounting of the Offset Bank on an ongoing basis. The City shall undertake compliance audits, which shall be made public, and certify compliance reports as set forth in Section 5. The Offset Bank shall be credited with the amount of verified CO<sub>2</sub>e reduction over the lifetime of the measure ("Offset Value") determined by the City as set forth in Section 5. The Operator shall not be allowed to borrow against CO<sub>2</sub>e reductions that have not yet occurred. However, at any time after approval of the Project, the Operator may accumulate credits from Campus Measures (as defined in Section 4.1) and Operator Off-Site Measures (as defined in Section 4.3), as well as Purchased Credits for later application. During each Compliance Period, the Offset Bank shall be debited with the Project's annual amount of Output (as determined in accordance with the Section 3) against the credits from Offset Measures, if any. Any unused credits shall be carried forward to the next Compliance Period until exhausted. If at the end of a Compliance Period the debits of Output exceed the credits of Offset Measures, the Operator shall undertake sufficient additional Offset Measures during the following Compliance Period to achieve Carbon Neutrality.

## **3. OUTPUT**

The determination of Carbon Neutrality starts with the calculation of Output, which is the aggregate of CO<sub>2</sub>e emissions produced by private automobile trips to spectator events at the stadium. Output shall be determined using the estimate of total vehicle miles travelled by private vehicles going to spectator events at the stadium ("VMT") and the most accurate Emissions Model (defined below) and ongoing changes in technology and legal requirements that result in lower Output.

3.1 VMT. Until there is data from operations of the stadium, the VMT shall be 98,960,435 miles per year, which is the amount set forth in the EIR (“EIR VMT”). As VMT data becomes available under the Trip Reduction Compliance Program, VMT for subsequent Compliance Periods shall be recalculated following each annual SB 292 Report required by the Trip Reduction Compliance Program based on data from such SB 292 Report. Following the final year in which an annual SB 292 Report is required under the Trip Reduction Compliance Program, VMT for subsequent years shall be the VMT reported in such final annual SB 292 Report (“Stabilized VMT”).

The Stabilized VMT shall be adjusted upward or downward as of the end of each Compliance Period based on the increase or decrease in spectator attendance during the Compliance Period.

Stabilized VMT also shall be reduced as of the end of each Compliance Period for any additional trip reduction measures implemented by the Operator (“Trip Measures”), whether or not such additional measures are in connection with the Trip Reduction Compliance Program under SB 292.

3.2 Emissions Model and Other Reduction in Output. The amount of CO<sub>2</sub>e emissions from the VMT shall be determined using the CalEEMod model or such other model or protocol that the City determines will most accurately calculate CO<sub>2</sub>e emissions from the VMT (“Emissions Model”). Further, Output shall be reduced as of the end of any Compliance Period by CO<sub>2</sub>e emissions reductions that result from changes in technology or legal requirements (i.e., low carbon fuels, or cleaner vehicles).

#### 4. **OFFSET MEASURES**

Offset Measures shall be used in the following order of priority:

4.1 Local Measures by Third Parties. Under SB 292, feasible Local Measures associated with Neighboring Communities shall be used prior to use of Purchased Credits. For purposes of this Compliance Program, Neighboring Communities include those areas within a three mile radius of the Project or within “high poverty zip codes” within a five mile radius of the Project. The Operator shall fund Local Measures proposed by community groups, organizations or businesses as set forth in Section 6.

4.2 On-Site Campus Measures. SB 292 also provides that the highest priority shall be placed on on-site measures. Measures undertaken by the Operator, an affiliate of the Operator, or the City in connection with the construction or operations of the overall convention, sports and entertainment campus of the Event Center, the Convention Center, STAPLES Center and L.A. Live (“Campus Measures”) shall be allowed as Offset Measures. Campus Measures include, but are not limited to (i) project design features, programs, projects, voluntary goals of the Clinton Global Initiative or other measures that are additional to requirements of a governmental agency; (ii) operational measures, such as trip reduction measures for STAPLES Center or L.A. Live, or priority parking that increases use of various low emissions vehicles; and (iii) facilities and improvements constructed or funded in connection with the Project (such as the Metro Pico Station, on-site electric charging stations,

intersection improvements, the LADOT ExpressPark or Mobility Hub Programs), but only to the extent of use by persons other than spectators at the Event Center. Use of Campus Measures as Offset Measures shall be subject to the provisions of Section 6.1.

4.3 Operator Off-Site Measures. Off-site measures undertaken by the Operator or an affiliate of the Operator, at other venues, sites or properties, whether or not used for sports or entertainment purposes, to the extent such measures were not in effect as of the effective date of the Development Agreement and are not required by law or regulation at the time such measures are proposed (“Operator Off-Site Measures”), shall be used prior to the use of Purchased Credits as follows:

4.3.1 Basin Measures. Operator Off-Site Measures within the City or within the boundaries of the South Coast Air Quality Management District (“SCAQMD”) basin, shall be allowed. Examples include, but are not limited to, measures undertaken in connection with the Home Depot Center, or projects that develop technology that reduces CO<sub>2</sub>e emissions or produce renewable energy within the SCAQMD boundaries.

4.3.2 California Measures. After SCAQMD basin Operator Off-Site Measures are used, other Operator Off-Site Measures undertaken outside the boundaries of the SCAQMD basin but within California shall be allowed.

4.4 Purchased Credits. After the Offset Measures above are used, then Purchased Credits shall be used. The highest priority shall be placed, to the extent feasible, on those that produce emission reductions within the City or the boundaries of the SCAQMD. See Section 7 regarding use of Purchased Credits.

4.5 Operator Off-Site Measures Outside of California. In the event that Purchased Credits and all other Offset Measures are not sufficient to achieve Carbon Neutrality, other Operator Off-Site Measures at other venues, sites or properties outside the State of California shall be allowed.

4.6 New Measures. Given the goal of Carbon Neutrality over an extended period of time and the inevitability of advances in technology or innovation in means of offsetting CO<sub>2</sub>e, the Operator may propose at any time for the City’s approval the use of new or additional efforts not otherwise described in this Compliance Program (“New Measures”). Proposed New Measures shall be allowed as Offset Measures to the extent the City determines the Offset Value as set forth in Section 6. Any New Measures shall be applied in the priority order among the Offset Measures as the City determines to be appropriate.

4.7 Offset Value. The Offset Value of Offset Measures shall be determined in accordance with Section 5.4.

4.8 Accumulation. At any time following adoption of this Compliance Program by the City, the Operator or an affiliate of the Operator may implement any of the Offset Measures and the Offset Values associated with such measures shall be accumulated in the Offset Bank as set forth in Section 2.

## 5. COMPLIANCE AND OFFSET VALUES

5.1 Compliance Officer. The Director of City Planning or his or her designee shall be the Compliance Officer for the City. The Compliance Officer may use an outside consultant to assist in determining compliance and Offset Values.

5.2 Compliance Periods.

5.2.1 Initial Compliance Period. Prior to commencement of stadium operations, the Operator shall prepare a compliance plan (“Initial Compliance Plan”) for the first two years of operations (“Initial Compliance Period”) which sets forth anticipated Output based on EIR VMT, the Emissions Model and Offset Measures to be undertaken. The Compliance Officer shall determine if the Compliance Plan for the Initial Compliance Period is sufficient to satisfy the Carbon Neutrality requirement. Evaluation, selection, and funding of Local Measures shall occur no later than one year prior to the anticipated start of first NFL Season. Prior to the first NFL regular season home game of the first NFL Season, the Operator shall apply Offset Measures, which may be accumulated in the Offset Bank, or fund any Purchased Credits to the extent needed.

5.2.2 Second Compliance Period. The Second Compliance Period shall run from the end of the second Season through the end of the fifth Season. The timing of this period will allow for data on Adjusted VMT from operations as reported under the Trip Reduction Compliance Program to be used in determining Output. It will also inform the selection of future Local Measures and other Offset Measures based on experience and data from the first Compliance Period. To the extent needed to achieve Carbon Neutrality, the Operator shall fund Local Measures, apply Offset Measures which may be accumulated in the Offset Bank or obtain Purchased Credits within one year following the commencement of the Second Compliance Period.

5.2.3 Subsequent Compliance Periods. After the end of the Second Compliance Period, subsequent Compliance Periods shall occur every five years. To the extent needed to achieve Carbon Neutrality, the Operator shall fund Local Measures, apply accumulated Offset Measures, or obtain Purchased Credits within one year following the commencement of each Subsequent Compliance Period. Provided, however, at such time as Carbon Neutrality has been fully satisfied by Offset Measures, compliance shall be subject to the provisions set forth in Section 5.3.5.

### 5.3 Compliance Process.

5.3.1 Initial Status Report. Within 60 days following the end of the first NFL Season, the Operator shall prepare a report that includes the Output during such first NFL Season, the status of funded Local Measures and other Offset Measures, and an assessment of Carbon Neutrality as of the end of the first NFL Season. The status report shall be made publicly available on the Event Center Project website.

5.3.2 Compliance Reports. Within 60 days following the end of a Compliance Period, the Operator shall submit a compliance report ("Compliance Report") to the Compliance Officer which sets forth the total Output during the Compliance Period as a debit to the Offset Bank and the Offset Values for each Offset Measure as credits to the Offset Bank. Further, the Compliance Report shall include changes in VMT and other changes in Output, the status of previously funded Local Measures and use of other Offset Measures during the Compliance Period. The Compliance Report shall be made publicly available on the Planning Department website.

5.3.3 Compliance Plan. At the time of submission of the Compliance Report, the Operator shall submit a Compliance Plan for the following Compliance Period. The Compliance Plan shall set the anticipated overall target for Carbon Neutrality and shall include the identification of (i) any changes in VMT or other changes in anticipated Output, including but not limited to revisions to the Emissions Model, and (ii) any anticipated Offset Measures that may be needed during the following Compliance Period to maintain Carbon Neutrality. To the extent additional Offset Measures are required, use of such Offset Measures shall be subject to the priority order set forth in Section 4 and the selection process set forth in Section 6. The Compliance Plan shall be made publicly available on the Planning Department website.

5.3.4 Compliance Audit. Within 90 days after submission of the Compliance Report and Compliance Plan, the Compliance Officer shall conduct an audit of compliance with this Carbon Neutrality Compliance Program ("Compliance Audit"). The Compliance Audit shall determine whether there is an unused credit balance which shall be carried forward and applied against Output for the following Compliance Period or whether there is a need for additional Offset Measures to maintain Carbon Neutrality. The Compliance Audit shall also include recommendations for adjustments in the Compliance Plan. The Compliance Audit shall be made publicly available on the Planning Department website.

5.3.5 Full Satisfaction of Carbon Neutrality Requirement. Notwithstanding anything in this Compliance Program to the contrary, but subject to the requirements of Section 4 regarding the priority for use of Offset Measures and Section 6.1 regarding minimum expenditures on Local Measures, at such time as the Operator has accumulated sufficient Offset Measures in the Offset Bank to fully achieve the Carbon Neutrality the Operator may submit a final Compliance Report ("Final Compliance Report") that demonstrates full compliance with the carbon offset requirements of SB 292, including remaining Output, an accounting of use of Offset Measures and evidence of compliance with Section 6.1. The Compliance Officer shall conduct an audit and determine whether Carbon Neutrality has been fully

achieved. If the Compliance Officer finds that Carbon Neutrality has not been fully achieved, this Compliance Program shall remain in effect. If Carbon Neutrality has been fully achieved, the Compliance Officer shall issue a written determination of full compliance (“Compliance Determination”). Thereafter, the Operator shall have no further obligation under this Compliance Program. The Final Compliance Report and the Compliance Determination shall be publicly available on the Planning Department’s website. In addition, the Operator shall have the right to record a copy of the Compliance Determination against the Event Center parcel.

5.4 Offset Values and Reductions in Output. The Compliance Officer shall determine the Offset Value of Offset Measures and such Offset Values shall be credited to the Offset Bank as follows.

5.4.1 Measures Proposed By Operator. For each Project Measure, Campus Measure, or Operator Off-Site Measure that is anticipated to be completed or operational at the time of the opening of the Stadium, the Compliance Officer shall determine the Offset Value no later 12 months before the start of stadium operation, including any Offset Measures that were implemented after adoption of this Compliance Program. For any additional Project Measures, Campus Measures or Operator Off-Site Measures undertaken thereafter, the City shall determine the Offset Value within 60 days after a request by the Operator. The Operator shall submit proposed Offset Values for each Offset Measure, including back up data and information reasonably required by the Compliance Officer.

5.4.2. Third Party Local Measures. Prior to the start of the first Compliance Period, the Compliance Officer, the Operator and the advisory panel established under Section 6 shall work with the California Climate Registry to develop specific tools for calculating the Offset Value of the Local Measures. If guidance is developed and adopted for Local Measures, it shall be publicly available on the Event Center Project website and shall be included in requests for proposals issued under Section 6. The Offset Values for Local Measures shall be theCO<sub>2</sub>e value certified by two greenhouse gas emission experts chosen by the City at the time of selection of the Local Measure for funding as set forth in Section 6. The Compliance Officer may rely on such values without additional verification.

5.4.3 Purchased Credits. The Offset Values for Purchased Credits shall be the values set by acquisition and verification process set forth in Section 7 and the Compliance Officer may rely on such values without independent verification.

5.4.4 Changes in Output. The Compliance Officer shall determine any changes in Output under Section 3 above.

## 6. SELECTION OF LOCAL MEASURES

### 6.1 Overview.

If Project Measures do not result in Carbon Neutrality, Local Measures with verifiable benefits, and that are feasible, cost effective, and provide for high Offset Values, economic efficiency and economies of scale, shall be considered.

An independent advisory panel ("Advisory Panel") shall evaluate Local Measures proposed by community groups, organizations or businesses through a request for proposal ("RFP") process. The Advisory Panel shall prioritize and recommend proposed Local Measures to the Operator based on specified criteria, including feasibility and effectiveness on a cost per ton basis. The Operator shall undertake feasible Local Measures recommended by the Advisory Panel subject to the following. To the extent the Operator has undertaken (or intends to undertake) Campus Measures, the Operator shall be permitted to apply reductions from such Campus Measures to achieve Carbon Neutrality; provided, however, that (a) the Operator must demonstrate to the reasonable satisfaction of the Advisory Panel that such Campus Measures are more cost-effective on a cost per ton basis than any third party Local Measures recommended by the Advisory Panel that the Operator elects not to pursue, and (b) in any event, the Operator shall expend a minimum of 17.5% of its total SB292 carbon reduction offset budget ("Offset Budget") on recommended local measures other than Campus Measures.

No later than one year prior to the anticipated first NFL game at the stadium, the Operator shall establish the Offset Budget. The cost of the Purchased Credits ("Credit Cost") shall be established based on the actual cost of the credits. The Offset Budget shall be the net present value of the Credit Cost for all Purchased Credits necessary to achieve Carbon Neutrality during this Compliance Program only from Purchased Credits without application of Offset Measures.

## 6.2 Process.

6.2.1 Preferences. The Operator shall administer the selection process of Local Measures. In the evaluation and selection of any Local Measure preference shall be given, in order of priority, to:

1. Community-based non-profits serving the Neighboring Communities in which the Proposed Project is located.
2. Other non-profit organizations with a mission to carry out carbon offset projects, including those listed in the required Local Measures, or other construction or development projects that protect the environment by reducing environmental impacts or providing open space.
3. Projects that generate and commit to local hiring within a five mile radius of the stadium or as defined by the Project's local hiring agreements.
4. Certified MBE/WBE/DBE/SBE firms located in the County of Los Angeles.
5. In the case of for-profit entities, a prior track record of teaming with non-profit organizations described in 1 or 2 above.
6. Projects that both have Offset Value and address other co-pollutants.

7. Use of new, innovative technologies provided that anticipated Offset Values are assured.

6.2.2 RFP/RFQ. Operator shall issue a request for proposals (“RFP”) from sponsors of potential Local Measures (“Sponsors”). To maximize the likelihood of success of both the selection process and the Offset Value of any proposed Local Measure (“Proposed Project”), the Operator may elect to first use a Request for Qualifications (“RFQ”) from Sponsors. Any RFP/RFQ issued shall be well publicized, using multiple methods, to community-based organizations and small businesses in the neighboring communities. If utilized, the RFQ process will be re-opened periodically to ensure access to potential new Sponsors.

6.2.3 Required Sponsor Qualifications. To be eligible for selection, Sponsors must have:

1. At least three years of operating experience as organization with projects in the nature of the Proposed Project.
2. Successfully completed a project of reasonably similar cost, size and nature of the Proposed Project.
3. Track record of local hiring.
4. Not been in default under any agreement.
5. Obtained binding commitments for at least 25 % of the cost of the Proposed Project.
6. Demonstrated the ability that the Proposed Project would start achieving proposed emission reductions within 18 months of the date the Proposed Project is selected.
7. Project Manager for the Proposed Project with at least three years of relevant experience.
8. Paid all applicable City business license taxes when due.
9. Financial statements for two years that demonstrate sound financial status.
10. All federal tax obligations shall be current and on file with the IRS (e.g., 900 forms for a non-profit organization).
11. Ability to deliver and maintain all certificates of insurance for the duration of Proposed Project.

6.2.4 Submission Requirements.

The RFP shall include the following Sponsor information:

1. Project Description, including the relationship to a Neighboring Community.
2. Project Schedule, including key milestones.
3. Project Budget.
4. Applicable staff or development team members' relevant qualifications, including education and years of experience.
5. Certification that the Local Measure will be carried out in a Neighboring Community.
6. Amount requested, total cost of the project, and yearly emission reduction value.
7. Estimated MTCO<sub>2</sub>e annual and total offset of the Proposed Project which shall be prepared by an air quality expert.
8. Cost per MTCO<sub>2</sub>e
9. Useful life of the offset produced by the Proposed Project.
10. Explanation regarding how the yearly emissions reduction value was measured with accompanying studies and/or expert declarations.
11. While verification of credits from Proposed Projects is not required by a third-party, in the event the Sponsor seeks third party verification of carbon credits or renewable energy credits for the Proposed Project, the Sponsor must sign a commitment that all emissions credits estimated in RFP Response will belong to the Operator without additional investment. Additional credits beyond that proposed in initial RFP proposal can be negotiated.
12. Certified MBE/WBE/DBE/SBE and Workforce Utilization compliance forms that are no less than the requirements established for the Project.
13. If Sponsor is a non-profit organization, IRS tax exempt letter.
14. Commitment to:
  - a. Comply with all other City contracting requirements imposed on the stadium project.
  - b. Start achieving proposed emissions reductions or to return funding within 18 months of selection.
  - c. Enter into a Project Labor Agreement for any aspect of work or operations in connection with the Proposed Project.

15. Provide evidence that carbon credits associated with the Proposed Project are the property of Sponsor and can be transferred to the Operator without the potential for “double-counting” through transfers to multiple parties.
16. Provide a qualitative risk assessment for the Proposed Project, demonstrating consideration of scenarios where the Proposed Project may fail to achieve the designated carbon emissions reduction.
17. Provide the regulatory and mandatory code references that would apply to the Proposed Project with an accompanying strategy for compliance.
18. Provide a qualitative description of the community benefits for the Proposed Project, including environmental, health, education, and jobs at a minimum.
19. Indemnification of the Operator in connection with the Proposed Project.

6.3 Advisory Panel. To assist the Operator in the evaluation of Local Measures, the Advisory Panel shall review any RFP submissions and make recommendations to the Operator. The Operator shall make the final decision regarding selection of Local Measures. Members of the Advisory Panel may be reinstated for any number of consecutive terms. The Advisory Panel shall be formed and made up of the following members:

1. Representative of the Compliance Officer;
2. Representative of the Operator;
3. Representative of a non-profit with experience in emission reduction measures selected by the Mayor;
4. Greenhouse gas emission expert selected by the Natural Resources Defense Council or other similar environmental protection organization;
5. Greenhouse gas emission expert selected by the Operator;
6. Business or economic expert selected by the City Administrative Officer; and
7. Representative of a Neighboring Community selected by the Member of the City Council in whose district the Event Center is located.

The recommendation of the Advisory Panel of a Local Measure must include a certification by the two greenhouse gas emission experts of the probable MTCO<sub>2e</sub>.

6.4 Timing. The selection of all Local Measures for the first Compliance Period shall be made at least one year prior to the anticipated start of first NFL Season. Selection for

the Second and Subsequent Compliance Periods shall be made within six months following the start of such Compliance Period.

6.5 Verification of Local Measures. In order to encourage use of Local Measures, no post-project verification shall be required. Rather the Offset Value certified by the two greenhouse gas emission experts shall be conclusive. See Section 5.4.2.

## 7. PURCHASED CREDITS

SB 292 provides that Purchased Credits shall be employed only after other Offset Measures have been used.

### 7.1 Sources.

Purchased Credits shall be obtained from the California Climate Registry (“Registry”). If credits are not available from the Registry, Purchased Credits shall be obtained by the Operator from carbon credit programs including, but not limited to, the following voluntary carbon registries:

- The Gold Standard
- American Carbon Registry
- Verified Carbon Standard
- Other third-party verified voluntary credits or California State or SCAQMD accredited carbon credit exchange programs that are third party verified, either existing now or as may become available over the course of the Project, i.e., SoCal Climate Solutions Exchange (under SCAQMD Rule 2701) or California Carbon Allowance.

First priority shall be given to Purchased Credits for measures that have been undertaken and verified within the boundaries of the City or SCAQMD before Purchased Credits for measures from outside of the boundaries of the City or the SCAQMD.

### 7.2 Timing for Obtaining Purchased Credits.

At any time after adoption of this Compliance Program by the City, the Operator may, at its election, obtain Purchased Credit for some or all of the balance of anticipated Purchased Credits that would be required throughout the remainder of the term of this Compliance Program. Purchased Credits shall be accumulated in the Offset Bank as set forth in Section 2. At a minimum, the Operator shall obtain a sufficient amount of Purchased Credits to achieve Carbon Neutrality during any Compliance Period.

### 7.3 Transfer of Purchased Credits.

In the event the Operator determines that Purchased Credits accumulated in the Offset Bank are not needed, it may sell, transfer or assign some or all of such credits. The Offset Bank shall be debited by the amount of any credits sold, transferred or assigned. The Operator may

transfer into the Offset Bank any credits in the nature of Purchased Credits that it may hold from other sources subject to the verification requirements of this Compliance Program.

## **8. ADMINISTRATION**

### **a. Transfer of City Duties.**

The City and Operator acknowledge that the Department of City Planning ("DCP") is responsible for carrying out the City's duties under this Compliance Program, including but not limited to, performance of Compliance Audits, service on the Advisory Panel, and establishment of the Offset Bank. Notwithstanding, upon instruction of the DCP Director, DCP's duties under this Program may be transferred to (or shared by) any other City department. No amendment to this Program (or to the Development Agreement for the Project) shall be required or requested to effect such transfer or sharing of City duties.

### **b. Reimbursement of City Costs.**

The Operator shall be responsible for all reasonable consultant fees (and related costs) incurred by City in carrying out its duties under this Compliance Program, including but not limited to, performance of Compliance Audits, service on the Advisory Panel, and establishment of the Offset Bank.

**Exhibit "F"**

**Legal Description of Caltrans Add Areas**

Attached.

LEGAL DESCRIPTION

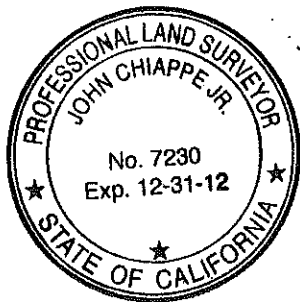
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A portion of Block 2 of the Sentous Tract in the City of Los Angeles, County of Los Angeles, State of California as shown on the map recorded in Book 12, Page 24, of Miscellaneous Records, Records of said County, described as follows:

Beginning at the intersection of the southwesterly line of Twelfth Street, 60.00 feet wide, as shown on said Sentous Tract and a line parallel with and 148.60 feet northwesterly of the southeasterly line of Lot 6 of Tract No. 28165, in said City, as per map filed in Book 814, Pages 66 through 69, inclusive, of Maps, Records of said County; thence southwesterly along said parallel line to the northwesterly line of said Lot 6; thence northeasterly along said northwesterly line to said southwesterly line of Twelfth Street; thence northwesterly along said southwesterly line to the Point of Beginning.

This Legal Description is described on the accompanying Exhibit "A-1" Add Area "A", is made a part hereof for reference purposes and was prepared as a convenience and is not intended for the use in the division and/or conveyance of land in violation of the Subdivision Map Act of the State of California.



A large, stylized handwritten signature in black ink, appearing to read "John Chiappe Jr.", written over a horizontal line.

John Chiappe Jr., PLS 7230

PSOMAS

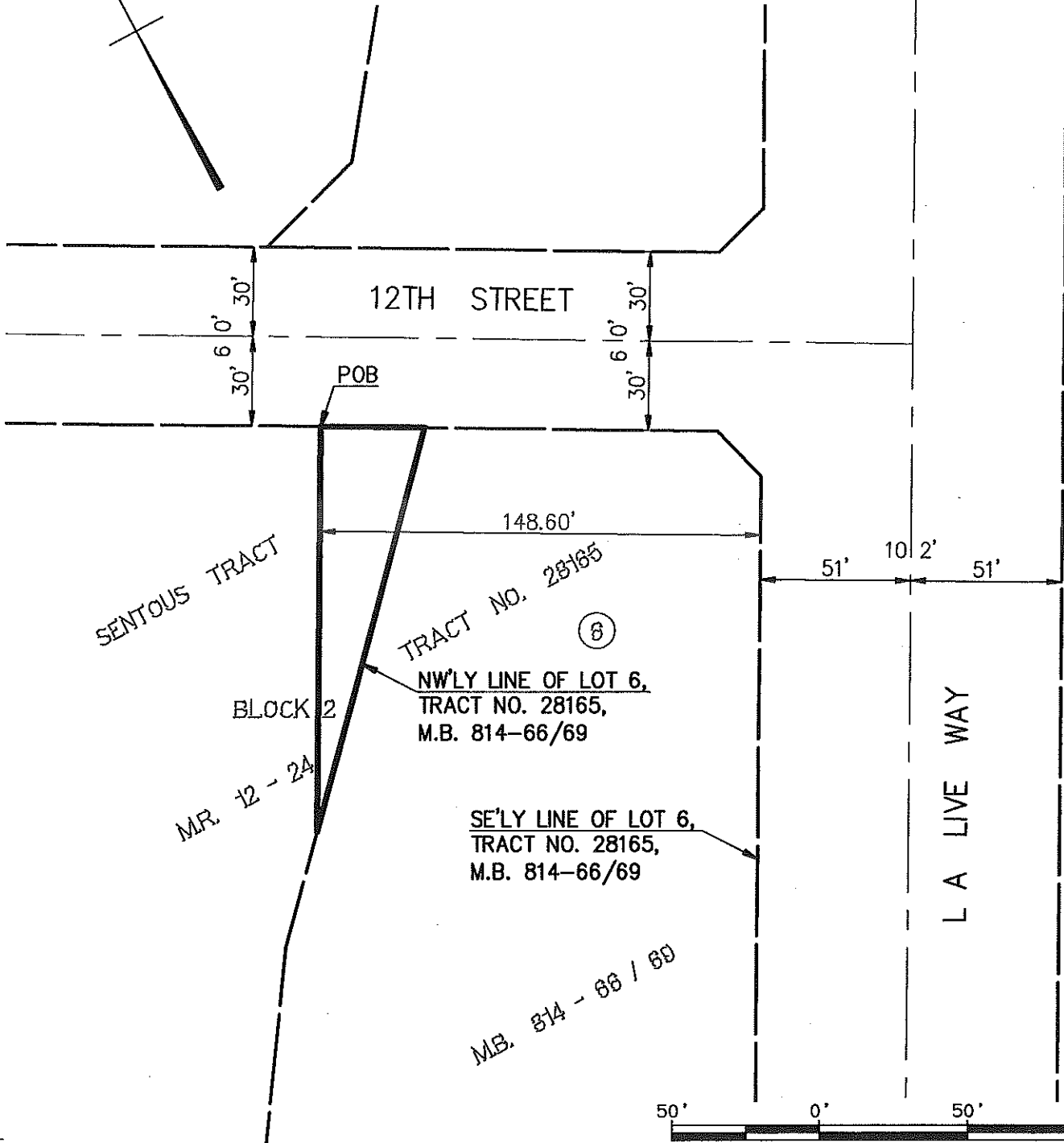
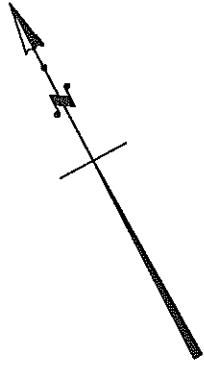
Date: 3/30/2012

SCALE: 1" = 50'

SHEET 1 OF 1 SHEET

# EXHIBIT 'A-1' ADD AREA 'A'

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



GRAPHIC SCALE

1" = 50'

DATE: 03/29/12 REVISED ON:  
JOB No: 11C0010100 TASK 101

X-5101 | C-SPEC-PLAN01

## Convention & Event Center Project

AEG0017-03

### PSOMAS

555 South Flower Street, Suite 4400  
Los Angeles, CA 90071  
(213)223-1400 (213)223-1444 (FAX)

Plotted: 03/29/12 12:53:16 \\westat\Projects\LA\SED\Farmers\11C0010100\SURVEY\LEGALS\PL\AEG0017-03.DWG jchioppe

LEGAL DESCRIPTION

ADD AREA B

A portion of Block 3 of the Sentous Tract, in the City of Los Angeles, County of Los Angeles, State of California as shown on the map recorded in Book 12, Page 24, of Miscellaneous Records, Records of said County, described as follows:

Beginning at the intersection of a line which bears at right angles to the centerline of L A Live Way, 102.00 feet wide, formerly Sentous Street, distance thereon 218.56 feet from the centerline intersection of Twelfth Street, 60.00 feet wide, as shown on Tract No. 28165, in said City, as per map filed in Book 814, Pages 66 through 69, inclusive, of Maps, Records of said County and a line parallel with and 119.35 feet northwesterly of the southeasterly line of Lot 5 of said Tract No. 28165; thence southwesterly along said parallel line to the northwesterly line of said Lot 5; thence northeasterly along said northwesterly line to said line which bears at right angles; thence northwesterly along said line to the Point of Beginning.

This Legal Description is described on the accompanying Exhibit "B-1" Add Area "B", is made a part hereof for reference purposes and was prepared as a convenience and is not intended for the use in the division and/or conveyance of land in violation of the Subdivision Map Act of the State of California.



A handwritten signature in black ink, appearing to read "John Chiappe Jr.", written over a horizontal line.

John Chiappe Jr., PLS 7230

PSOMAS

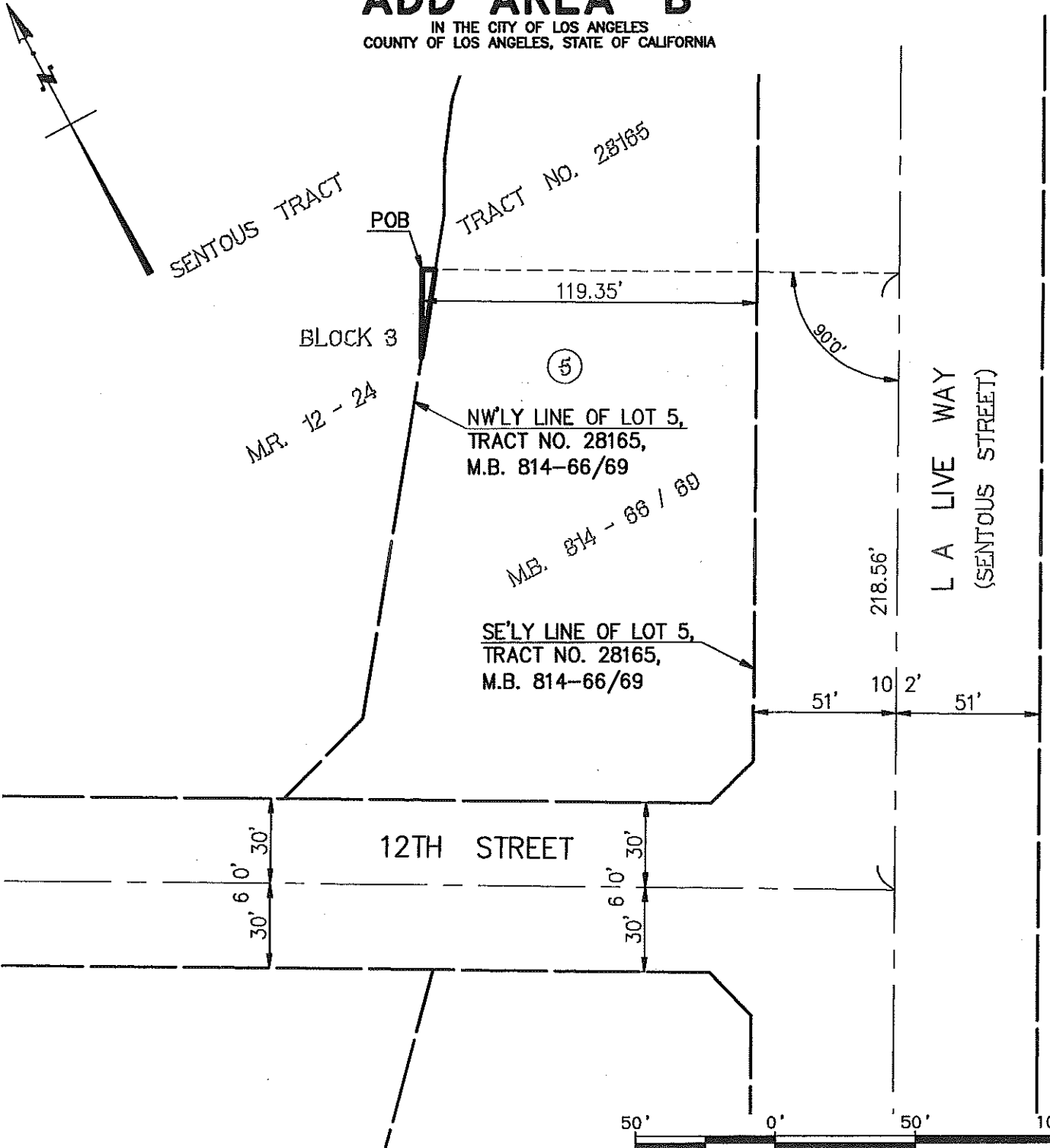
Date: 3/30/2012

SCALE: 1" = 50'

SHEET 1 OF 1 SHEET

# EXHIBIT 'B-1' ADD AREA 'B'

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



X-S101 | C-SPEC-PLAN01

## Convention & Event Center Project

DATE: 03/29/12 REVISED ON:  
JOB No: 11C0010100 TASK 101

### PSOMAS

555 South Flower Street, Suite 4400  
Los Angeles, CA 90071  
(213)223-1400 (213)223-1444 (FAX)

AEG0017-04

Plotted: 03/29/12 13:46:36 \\west01\Projects\LA SED\Farmers\11C0010100\SURVEY\LEGALS\PL\AEG0017-04.DWG jhloppe

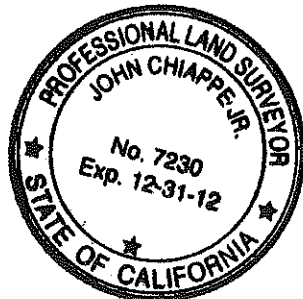
LEGAL DESCRIPTION

ADD AREA C

A portion of the Sentous Tract and Winfield Street, 60.00 feet wide, in the City of Los Angeles, County of Los Angeles, State of California as shown on the map recorded in Book 12, Page 24, of Miscellaneous Records, Records of said County, described as follows:

Beginning at the intersection of a line which bears at right angles to the centerline of L A Live Way, 102.00 feet wide, formerly Sentous Street, distance thereon 326.56 feet from the centerline intersection of Twelfth Street, 60.00 feet wide, as shown on Tract No. 28165, in said City, as per map filed in Book 814, Pages 66 through 69, inclusive, of Maps, Records of said County and a line parallel with and 101.35 feet northwesterly of the southeasterly line of Lot 5 of said Tract No. 28165; thence southwesterly along said parallel line to the northwesterly line of said Lot 5; thence northeasterly along said northwesterly line to said line which bears at right angles; thence northwesterly along said line to the Point of Beginning.

This Legal Description is described on the accompanying Exhibit "C-1" Add Area "C", is made a part hereof for reference purposes and was prepared as a convenience and is not intended for the use in the division and/or conveyance of land in violation of the Subdivision Map Act of the State of California.



A handwritten signature in black ink, appearing to read "John Chiappe Jr.", written over a horizontal line.

John Chiappe Jr., PLS 7230

PSOMAS

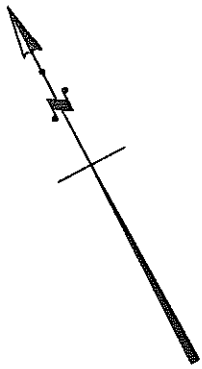
Date: 3/30/2012

SCALE: 1" = 50'

SHEET 1 OF 1 SHEET

# EXHIBIT 'C-1' ADD AREA 'C'

IN THE CITY OF LOS ANGELES  
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA



SENTOUS TRACT

POB

MR. 12 - 24

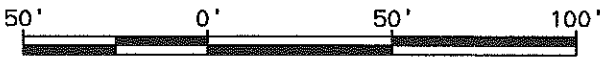
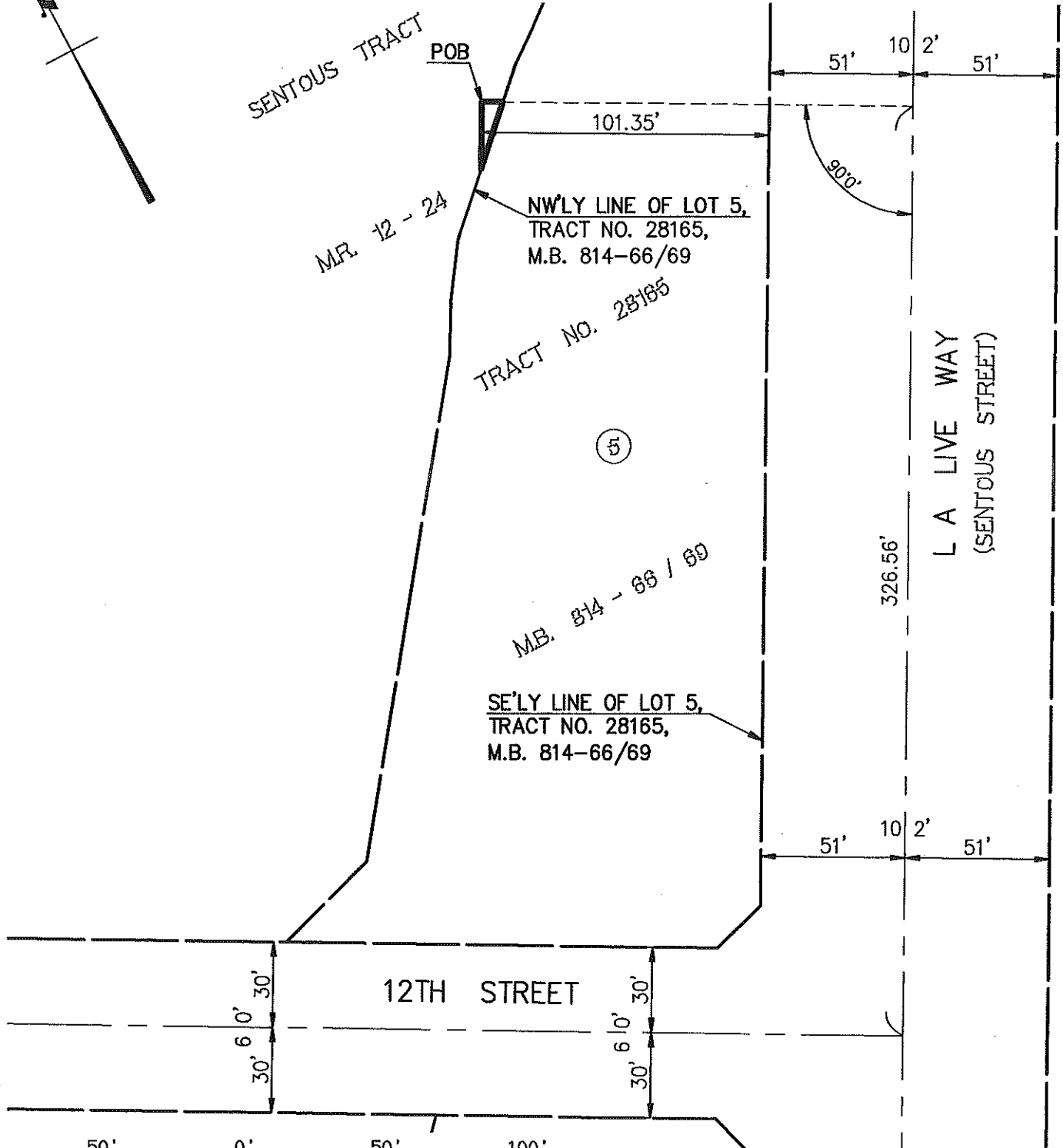
NW'LY LINE OF LOT 5,  
TRACT NO. 28165,  
M.B. 814-66/69

TRACT No. 28165

5

M.B. 814 - 66 / 69

SE'LY LINE OF LOT 5,  
TRACT NO. 28165,  
M.B. 814-66/69



GRAPHIC SCALE  
1" = 50'

DATE: 03/30/12 REVISED ON:  
JOB No: 11C0010100 TASK 101

X-S101 | C-SPEC-PLAN01 |

## Convention & Event Center Project

AEG0017-05

# PSOMAS

555 South Flower Street, Suite 4400  
Los Angeles, CA 90071  
(213)223-1400 (213)223-1444 (FAX)

Plotted: 03/30/12 12:32:35 \\westcal\Projects\LA\SED\Farmers\11C0010100\SURVEY\LEGALS\PL\AEG0017-05.DWG jchlapp