

**CITY OF HUNTINGTON BEACH
SUPPLEMENTAL COMMUNICATION**

**Joan L. Flynn, City Clerk
Office of the City Clerk**

TO: Honorable Mayor and City Councilmembers

FROM: Joan L. Flynn, City Clerk 

DATE: 12/21/2015

SUBJECT: SUPPLEMENTAL COMMUNICATIONS FOR THE DECEMBER 21, 2015, REGULAR CITY COUNCIL/PFA MEETING AND HOUSING AUTHORITY, PARKING AUTHORITY AND SUCCESSOR AGENCY SPECIAL MEETING

Attached are the Supplemental Communications to the City Council (received after distribution of the Agenda Packet):

STUDY SESSION

PowerPoint presentation entitled *Preparing for El Nino 2015/2016*.

CONSENT CALENDAR

#10. Exhibit B to Attachment Agreement with Southern California Gas,

#13. Communications submitted by:

Dennis Chapman
Naomi Wheeler

Marilyn Camps

Tammy Melott

#21. Signature page submitted with Nahas Enterprises General Partner signature.

#22. Agreement for Purchase and Sale of Mariner's Point Fuel Dock.

#23. Purchase and Sale Agreement and Escrow Instructions for the Waterfront Hotel, LLC and PCH Beach Resort, LLC.

#24. Memorandum of Understanding regarding Beach Uses/Activities with PCH Beach Resorts, LLC and The Waterfront Hotel.

ADMINISTRATIVE ITEMS

#25. PowerPoint presentation submitted by Robert Handy, Chief of Police, entitled *Coyote Management Plan*.

#25. 4 Communications submitted.

ORDINANCES FOR INTRODUCTION

#28. PowerPoint presentation submitted by Travis Hopkins, Director of Public Works, entitled *Mandatory Commercial Organics Recycling*.

COUNCILMEMBER ITEMS

#29. 89 Communications submitted.

#30. Communication submitted by Darrin Witt.

Preparing for El Nino 2015/2016

Huntington Beach
City Council
Study Session
December 21, 2015



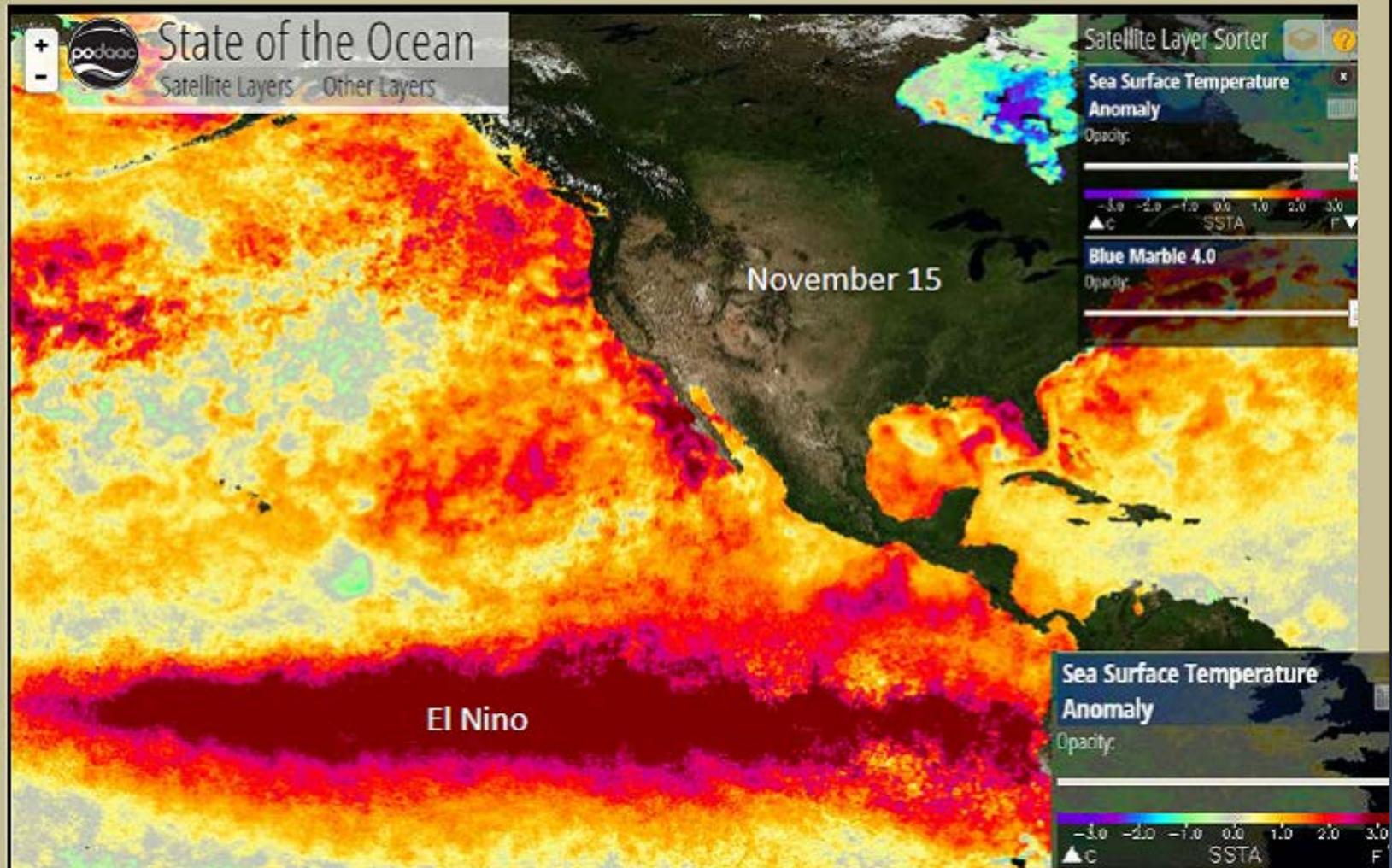
Preparing for El Nino 2015/2016

- Weather Outlook with El Nino
- Preparing for the Upcoming Storm Season
- Unusual High “King” Tides
- Sunset Beach Preparations
- What the Public Should Do

Weather Outlook/Impacts

- What is El Nino?
- Unusual High Tides
- Flooding from repeated storms
 - Areas that haven't flooded in 25 years
- Beach and coastal erosion

State of Pacific Ocean



El Nino Coordination

- El Nino working group convened
- Launched HB Emergency information webpage
- Emergency preparedness education
 - Material
 - Sandbag video
 - Public outreach
 - Update of Social Media including City Website, Facebook, nextdoor.com and twitter
 - Met with Visit HB to dispense information to upcoming visitors
- CERT Sand Bag Team
- Santa Ana River Homeless Outreach
- EOC Readiness/Regional Coordination

Past Flooding



12th Street and Crest Street



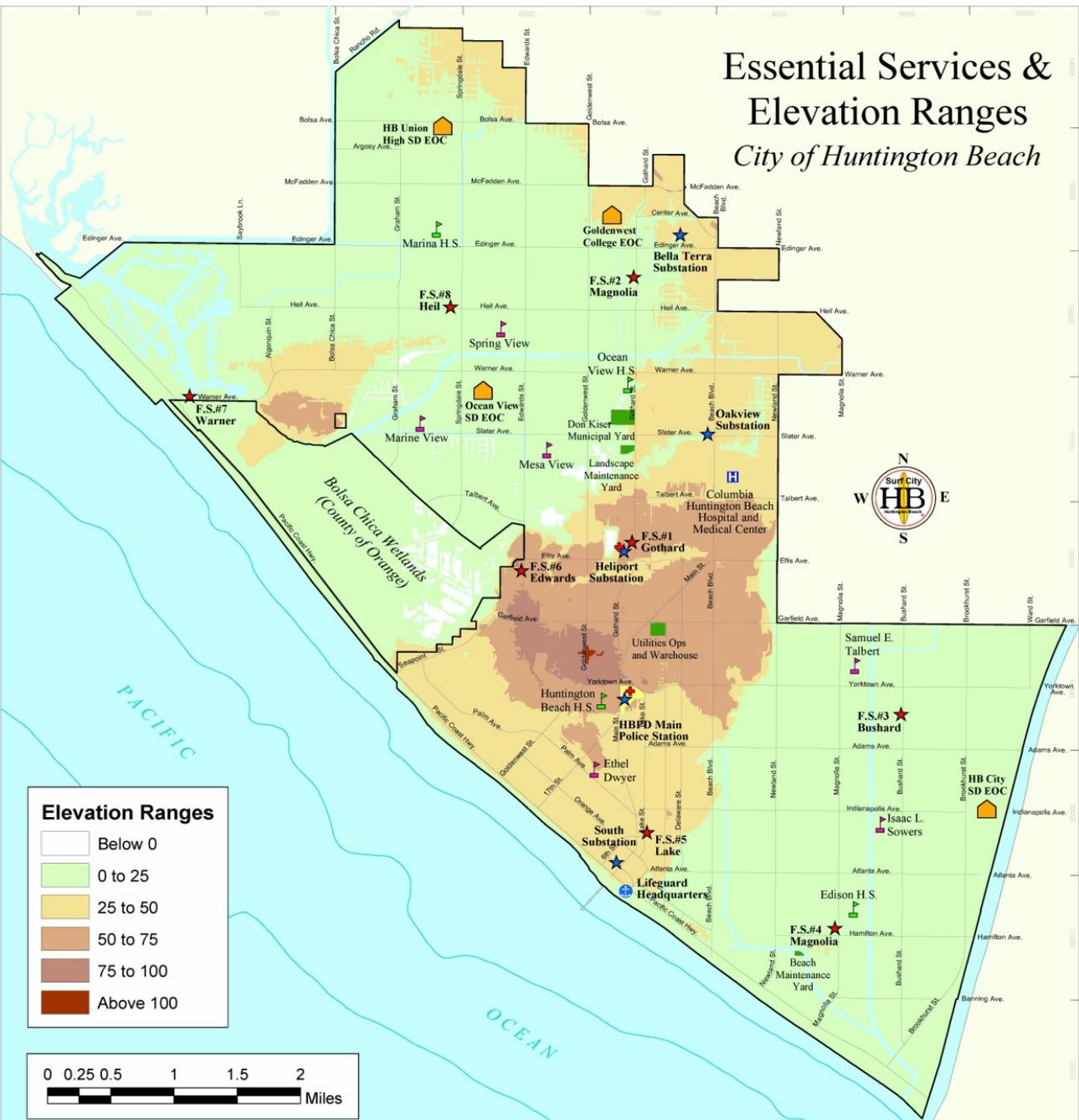
Main Street and 12th Street



New Britain Lane and Northport Drive

Essential Services & Elevation Ranges

City of Huntington Beach



Elevation Ranges

- Below 0
- 0 to 25
- 25 to 50
- 50 to 75
- 75 to 100
- Above 100



Marine Safety – Swift Water Rescue

Training, Preparation and Past Responses



2015 – Adams Avenue Bridge
at the Santa Ana River



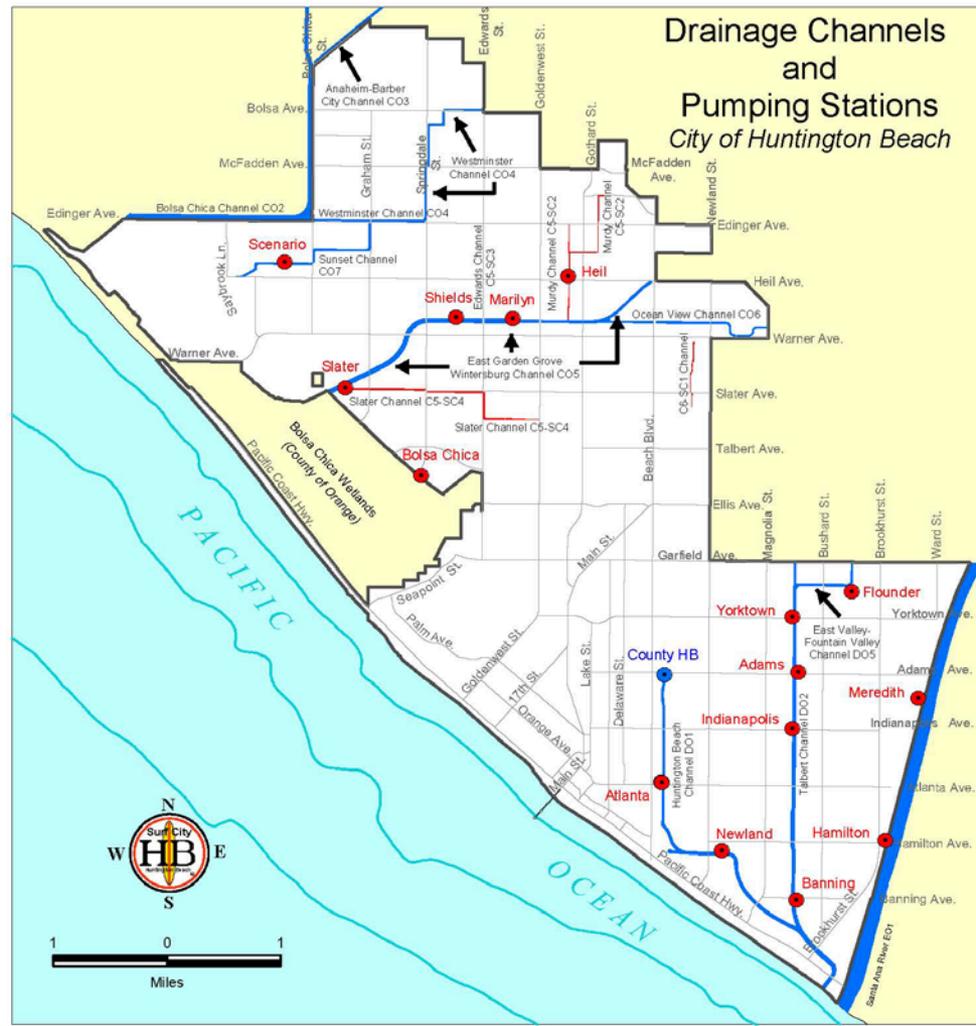
1997 – Del Mar Estates

Beach Operations

- 5 feet high by twenty feet wide temporary sand berm is erected at the beginning of the predicted storm season.
- Beach Operations crews are on standby to respond to emergencies.
- Beach Operations crews clear the storm drains that cross the beach at the beginning of the storm season and inspect and maintain these drains on a weekly basis or before a significant rain event.



Drainage Channels and Pumping Stations City of Huntington Beach



Pumping Station Type

- City Pumping Station
- County Pumping Station



City Boundary



Major Street Centerlines

Channel Types

- City
- County

CAUTION
WHEN USING THIS MAP

Information shown herein is a compilation of data from various sources and is provided as a convenience to the user. The City of Huntington Beach does not guarantee the completeness or accuracy. It is the user's responsibility to verify all information to their own satisfaction.



Storm Drain Facilities

Flood Control Stations	15
Pipelines	603,440 feet (114 miles)
Open Channels	27,853 feet (5.3 miles)
Catch Basins	1,847
Manholes	1,128
Half-Rounds	365
CDS Units	19
Air Bladders	4
Retention / Detention Basins	3

Flood Control

- Major engine services performed every 5 years, 10 performed this year.
- Minor engine services completed at the remaining stations every year.
- At Meredith Flood Station, three obsolete engines were replaced with new higher horsepower drives.
- At Yorktown Flood Station, Pump #1 was replaced.
- At Indianapolis Flood Station, Pump #1 was replaced.
- 2 Engines will be replaced at Slater Flood Control Facility
- Emergency generators will be installed at each flood control pump station.



Storm Drain Maintenance

- Cleaning and inspection of all catch basins.
- Cleaned all City-owned open storm drain channels.
- Half-round storm drain pipelines in the downtown area have been cleaned and inspected.
- Removed plant growth in storm drain channels that would interfere/hamper flow of storm water.
- City's three storm drain detention basins inspected and cleaned where necessary.



Public Works Maintenance Operations

- Maintains and delivers sand and sandbags at the Corp. Yard and Sand Bag Filling Stations for staff and residents.
- On call 24 hour emergency service for clearing of the public right-of-way.
- In-house staff and contractual crews help clean and clear debris from public right of way during and after storms.
- Tree crews take care of any downed trees or trees damaged due to storm activity.
- Pot hole patrols quickly fill potholes to prevent pavement erosion.

Sandbag Filling Stations For Residents



- City Corporate Yard
17371 Gothard Street

- Edison Community Center
21377 Magnolia Street

- Warner Fire Station
3831 Warner Avenue

Unusual High Tides

- Recent high tides along southern California coast have been up to 13 inches higher than expected.
- Public Works staff have been monitoring high tides in the Sunset Beach area during recent high tide events.
- Tides exceeding eight inches above expected elevations have been recorded.
- Sunset Beach residents have stated that recent non-storm related tides are some of the highest they have ever seen.

Sunset Beach Tidal Flooding - 2012



King Tide: Huntington Harbor Floods Onto Pacific Coast Highway, 12-14-12

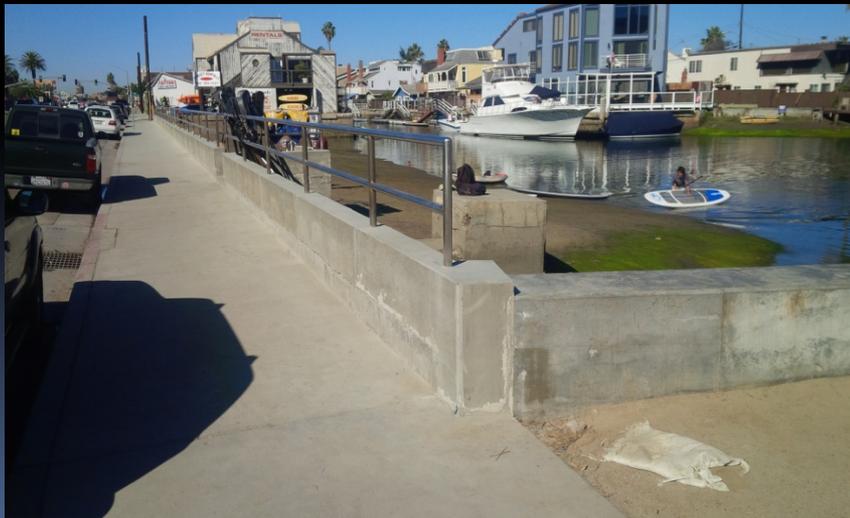


Sunset Beach Preparations

- Extended Sea Wall at PCH
- Inspected and replaced worn catch basin bladders used to prevent Huntington Harbor seawater from flowing onto residential streets and PCH during high tide and “King Tide” events.
- Coordination with Caltrans.
- Installed sand bags adjacent to, and sealed two sewer lift stations on PCH.



Sunset Beach - PCH Sea Wall



Bayview Drive - North of Broadway



Pumping From Public Alley
Note Crack In Concrete
Sea Wall Cap

Flooding at Trinidad Island



Typhoon Lane



Venture Drive



Sagamore Drive

Saybrook - Just South of Edinger



Prior To A Storm - Residents Should

- Assess storm and flood risk for your property
- Clean and repair gutters and private storm drains
- Repair roofs and trim trees
- Store loose items indoors
- Inspect sloped areas and retaining walls for cracking or slumping
- Place temporary sand bags
- Update family emergency plans and preparedness kits
- Review, update and/or purchase flood insurance policy
- Sign up with AlertOC, www.alertOC.com



Prior To A Storm - Harbor Residents Should

- Inspect private seawalls for required repairs to prevent high tides from leaking onto private property
- Plug drain line(s) in seawalls before high tide events
- Evaluate docks to ensure sufficient height of the pilings and that moorings are secure
- Consider pulling boats from water or moving them to a safer mooring



During A Storm

- Avoid areas subject to flooding
- Respect barricade signs and authorities
- Do not drive over flooded roads
- Keep your distance from downed power lines
- Listen and watch for flood reports and instructions
- Evacuate immediately if told to do so by authorities
- Turn off utilities at main switches or valves if instructed to do so
- Check in and look after children, elderly persons, persons with disabilities and pets
- Use 911 for emergencies only
- Call 714-536-5921 to report flooding, clogged catch basins, storm drains and culverts



SANDBAGS

FREE

to Huntington Beach & Sunset Beach Residents

Identification May Be Required – Bring ID/Driver License & current utility bill.

City of Huntington Beach Corporate Yard

17371 Gothard Street

West side of Gothard Street, between Warner & Slater Avenues

8:00AM-4:00PM Monday-Friday

Two additional locations are available for your convenience:

Edison Community Center

21377 Magnolia Street

Warner Fire Station

3831 Warner Avenue

Questions? Contact Public Works at (714) 960-8861.

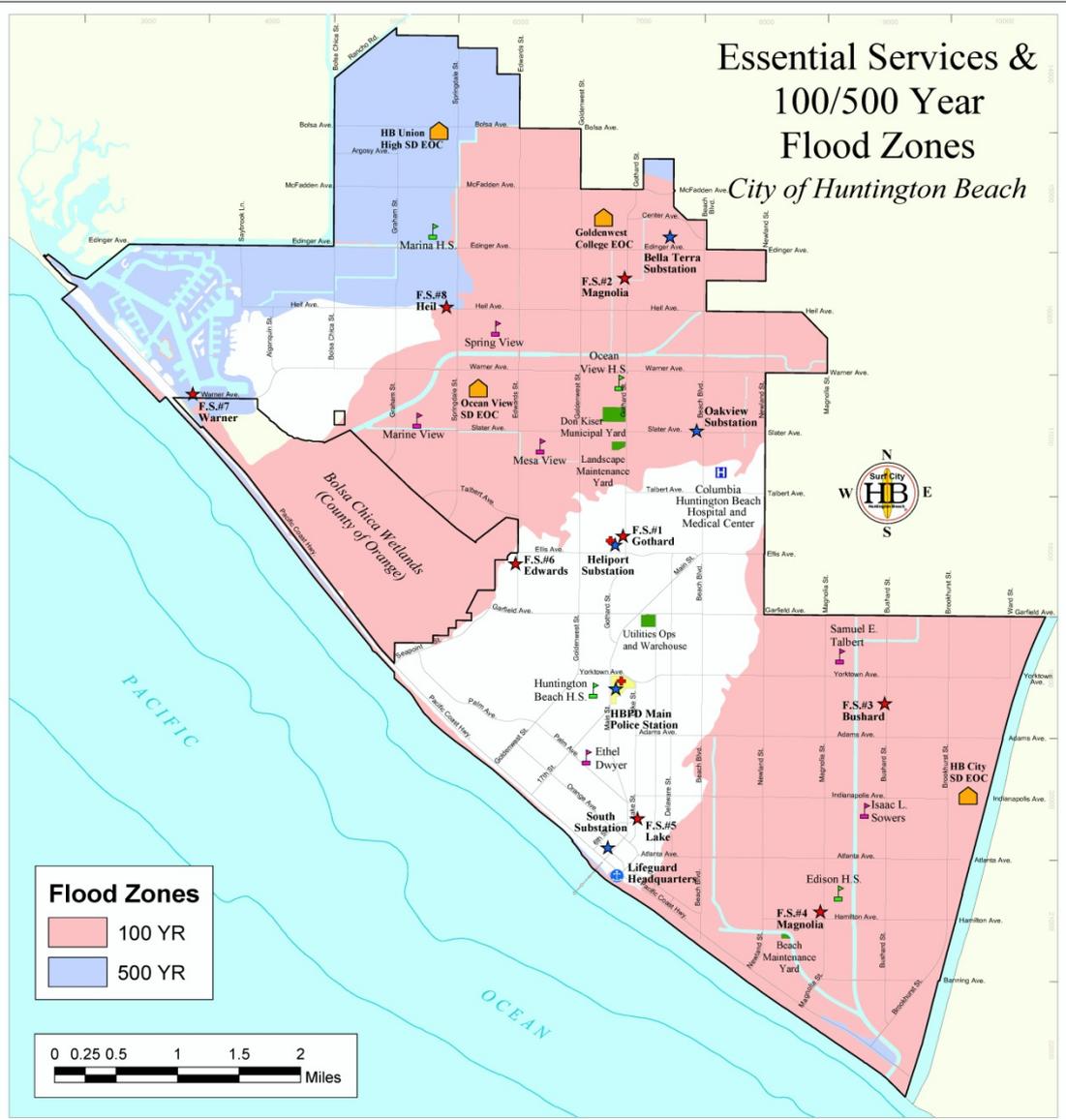
-  Bags are for residents only – no businesses, please.
-  There is a limit of 20 bags per household.
-  The City provides the sand and sandbags. Bring a shovel and be prepared to fill your own sandbags. Resident is responsible for lawfully disposing of sand and sandbags after use.
-  Elderly and disabled residents may call the HB Fire Department CERT Message Line at (714) 536-5974 to arrange for free sandbag delivery.
-  For information on flood preparedness, call the Emergency Management & Homeland Security Office at (714) 374-1565.



QUESTIONS?

Essential Services & 100/500 Year Flood Zones

City of Huntington Beach



Flood Zones

- 100 YR
- 500 YR



- | | |
|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
|  Middle Schools |  School District EOC Facilities |
|  High Schools |  Hospitals |
|  Police Stations |  Helicopter Pads |
|  Fire Stations |  Civic Center |
|  Marine Safety Headquarters |  City Yards |

Information Services Department



HB GIS
November 2015



CITY:
 COUNTY:
 JURISDICTION:
 SITE NUMBER/ID:
 SITE TYPE:

HUNTINGTON BEACH, CA
 ORANGE COUNTY
 CITY OF HUNTINGTON BEACH
 MH5256-B
 (E) 28.5' A.G.L. CONCRETE STREET
 LIGHT, SOLAR POWER, BASE

REVISIONS:			
REV.	DATE	REVISED BY:	INITIAL

PROPRIETARY INFORMATION:
 THE INFORMATION CONTAINED IN THIS SET OF CONSTRUCTION DOCUMENTS IS PROPRIETARY BY NATURE. ANY USE OR DISCLOSURE OTHER THAN THAT WHICH RELATES TO THE GAS COMPANY IS STRICTLY PROHIBITED.



ADVANCED METER
 THE GAS COMPANY TOWER
 555 W. 5TH STREET
 LOS ANGELES, CA 90013



DEVELOPMENT SERVICES
 A&E SERVICES
 2749 Saturn Street
 Brea, California 92821
 (714)729-8404 (714)333-4441 fax
 www.core.us.com

PROJECT INFORMATION:

28.5' STREET LIGHT
 CONCRETE, SOLAR, BASE

SHEET TITLE:

TITLE SHEET

LICENSURE:

DATE:

DESIGNER: A.J. 12/16/15

CAD DRAFTING: H.A.

CHECKED BY: P.C.

SCALE: AS SHOWN

SHEET NUMBER: REVISION:

T-1

A

PROJECT SUMMARY:

SITE ADDRESS:
 IN PUBLIC R.O.W. SOUTH OF 120 PACIFIC COAST HWY., HUNTINGTON BEACH, CA, 92648.

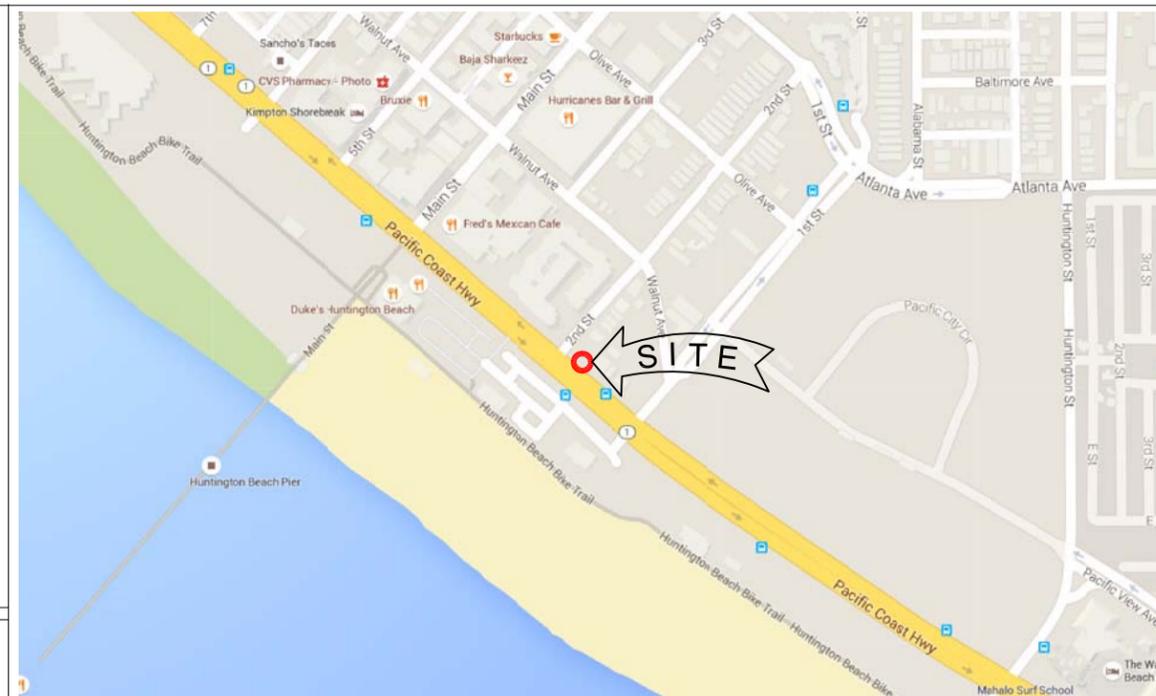
APPLICANT:
 SOUTHERN CALIFORNIA GAS CO.
 555 W. 5TH ST., 28TH FLOOR, LOS ANGELES, CA 90013
 REPRESENTATIVE: KRYSTAL TOLBERT
 PHONE: (213) 244-4537

PROPERTY OWNER:
 CITY OF HUNTINGTON BEACH / PUBLIC WORKS DEPT.
 2000 MAIN ST., HUNTINGTON BEACH, CA 92648
 PHONE: (714) 536-5431

PUBLIC RIGHT OF WAY
LATITUDE: 33.65802500
LONGITUDE: -118.00022500
OCCUPANCY CLASSIFICATION: UTILITY / WIRELESS ANTENNA
ZONING CLASSIFICATION:
CONSTRUCTION TYPE:
PROJECT DESCRIPTION:
 SOUTHERN CALIFORNIA GAS CO. PROPOSES TO INSTALL ACLARA EQUIPMENT MOUNTED ON A NEW CONCRETE POLE, 28'-6" ABOVE GROUND LEVEL.

SHEET NO:	DESCRIPTION:
T-1	TITLE SHEET
T-2	GENERAL NOTES
A-1	SITE PLAN
A-2	ELEVATIONS
A-3	EQUIPMENT DETAILS
A-4	MOUNTING DETAILS
A-5	MATERIALS LIST
E-1	ELECTRICAL DIAGRAM

SHEET INDEX:



VICINITY MAP
 NOT TO SCALE

THOMAS GUIDE: LOS ANGELES
 PAGE: 887
 GRID: J2

CONSULTING TEAM:

SAC/ZONING/PERMITTING:	CONSTRUCTION PROJECT MANAGER
SOUTHERN CALIFORNIA GAS CO. KRYSTAL TOLBERT 555 W. 5TH ST., 28TH FLOOR LOS ANGELES, CA 90013 PHONE: (213) 244-4537	SOUTHERN CALIFORNIA GAS CO. DEREK SAMPSON 555 W. 5TH ST., 28TH FLOOR LOS ANGELES, CA 90013 (213) 332-6472
CONTRACTOR	NETWORK CONSTRUCTION ENGINEER
A.M. ORTEGA 11001 BEECH AVENUE, FONTANA, CA 92337 PHONE: (951) 360-1352 FAX: (619) 922-1352	SOUTHERN CALIFORNIA GAS CO. JUAN MALDONADO 555 W. 5TH ST., 28TH FLOOR LOS ANGELES, CA 90013 (213) 244-2324
CONTACT: SHANE GAY DATE: 12-16-15	

APPROVALS:

THE FOLLOWING PARTIES HEREBY APPROVE AND ACCEPT THESE DOCUMENTS AND AUTHORIZE THE CONTRACTOR TO PROCEED WITH THE CONSTRUCTION DESCRIBED HEREIN. ALL CONSTRUCTION DOCUMENTS ARE SUBJECT TO REVIEW BY THE LOCAL BUILDING DEPARTMENT AND ANY CHANGES AND MODIFICATIONS THEY MAY IMPOSE.

	PRINT NAME	SIGNATURE	DATE
LANDLORD	<u>PUBLIC R.O.W.</u>		
PRECON. MGR			
DEVELOP. MGR			
CONST. MGR			
PROJECT. MGR			
SR. RF ENGINEER			
RF ENGINEER			
OPERATIONS			
SAC REP.			

PERMIT #:

REVISION HISTORY

REVISION A: INITIAL DESIGN.

APPLICABLE CODES:

CALIFORNIA ADMINISTRATIVE CODE
 2013 CALIFORNIA BUILDING CODE
 UNIFORM MECHANICAL CODE
 ANSII/TIA/EIA-222-F LIFE SAFETY CODE NFPA-101
 2013 NATIONAL ELECTRIC CODE
 LOCAL BUILDING CODE
 CITY/COUNTY ORDINANCES

GENERAL NOTES AND CONDITIONS

REVISIONS:			
REV.	DATE	REVISED BY:	INITIAL

INTENT

1. THIS CONSTRUCTION DRAWINGS DESCRIBE THE WORK TO BE DONE AND THE MATERIALS TO BE FURNISHED FOR CONSTRUCTION.
2. THE INTENTION OF THE DOCUMENT IS TO INCLUDE ALL LABOR AND MATERIALS REASONABLY NECESSARY FOR THE PROPER EXECUTION AND COMPLETION OF THE WORK AS STIPULATED IN THE CONTRACT.
3. MINOR DEVIATIONS FROM THE DESIGN LAYOUT ARE ANTICIPATED AND SHALL BE CONSIDERED AS PART OF THE WORK. NO CHANGES THAT ALTER THE CHARACTER OF THE WORK WILL BE MADE OR PERMITTED BY THE OWNER WITHOUT ISSUING A CHANGE ORDER.
4. THE DRAWINGS ARE GRAPHIC AND PICTORIAL PORTIONS OF THE CONTRACT DOCUMENTS SHOWING THE DESIGN, LOCATION AND DIMENSIONS OF THE WORK, GENERALLY INCLUDING PLANS, ELEVATIONS, SECTIONS, DETAILS, SCHEDULES AND DIAGRAMS.
5. IN CASE OF INCONSISTENCY BETWEEN OTHER PARTS OF THE CONTRACT, THE CONTRACTOR SHALL PERFORM THE WORK IN ACCORDANCE WITH THE OWNER'S INTERPRETATION.
6. WHERE DRAWINGS REFER TO STANDARD SPECIFICATIONS, THE LATEST OR MOST RECENT EDITION SHALL APPLY.

CHANGE ORDER PROCEDURE

1. CHANGE ORDER MAY BE INITIATED BY THE OWNER AND/OR THE CONTRACTOR INVOLVED. THE CONTRACTOR, UPON VERBAL REQUEST FROM THE OWNER SHALL PREPARE A WRITTEN PROPOSAL DESCRIBING THE CHANGE IN WORK OR MATERIALS AND ANY CHANGES IN THE CONTRACT AMOUNT AND PRESENT TO THE OWNER WITHIN 72 HOURS FOR APPROVAL. SUBMIT REQUESTS FOR SUBSTITUTIONS IN THE FORM AND IN ACCORDANCE WITH PROCEDURES REQUIRED FOR CHANGE ORDER PROPOSALS. ANY CHANGES IN THE SCOPE OF WORK OR MATERIALS WHICH ARE PERFORMED BY THE CONTRACTOR WITHOUT A WRITTEN CHANGE ORDER AS DESCRIBED AND APPROVED BY THE OWNER SHALL PLACE FULL RESPONSIBILITY OF THESE ACTIONS ON THE CONTRACTOR.

CODE COMPLIANCE

1. ALL WORK SHALL BE IN ACCORDANCE WITH APPLICABLE LOCAL, STATE AND FEDERAL REGULATIONS. THESE SHALL INCLUDE BUT NOT BE LIMITED TO THE LATEST VERSION OF THE FOLLOWING:

CALIFORNIA ADMINISTRATIVE CODE
 2013 CALIFORNIA BUILDING CODE
 2013 NATIONAL ELECTRIC CODE
 2013 UNIFORM MECHANICAL CODE
 ANSI/EIA-222-F LIFE SAFETY CODE NFPA-101
 LOCAL BUILDING CODE
 CITY AND COUNTY ORDINANCES

ADMINISTRATION

1. BEFORE THE COMMENCEMENT OF ANY WORK, THE CONTRACTOR WILL ASSIGN A PROJECT MANAGER WHO WILL ACT AS A SINGLE POINT OF CONTACT FOR ALL PERSONNEL INVOLVED IN THIS PROJECT. THIS PROJECT MANAGER WILL BE DEVELOPING A MASTER SCHEDULE FOR THE PROJECT WHICH WILL BE SUBMITTED TO THE OWNER PRIOR TO THE COMMENCEMENT OF ANY WORK.
2. SUBMIT A BAR TYPE PROGRESS CHART NOT MORE THAN THREE (3) DAYS AFTER THE DATE ESTABLISHED FOR COMMENCEMENT OF THE WORK ON THE SCHEDULE, INDICATING A TIME BAR FOR EACH MAJOR CATEGORY OF WORK TO BE PERFORMED AT THE SITE, PROPERLY SEQUENCED AND COORDINATED WITH OTHER ELEMENTS OF WORK AND SHOWING COMPLETION OF THE WORK SUFFICIENTLY IN ADVANCE OF THE DATE ESTABLISHED FOR SUBSTANTIAL COMPLETION OF THE SITE.
3. PRIOR TO COMMENCING CONSTRUCTION, THE OWNER SHALL SCHEDULE AN ON-SITE MEETING WITH ALL MAJOR PARTIES. THIS WOULD INCLUDE BUT NOT LIMITED TO, THE OWNER, PROJECT MANAGER, CONTRACTOR, AND LAND OWNER REPRESENTATIVE.
4. THE CONTRACTOR SHALL BE EQUIPPED WITH SOME MEANS OF CONSTANT COMMUNICATIONS, SUCH AS A MOBILE PHONE OR BEEPER. THIS EQUIPMENT WILL NOT BE SUPPLIED BY THE OWNER, NOR WILL WIRELESS SERVICE BE ARRANGED.
5. DURING CONSTRUCTION, THE CONTRACTOR MUST ENSURE THAT EMPLOYEES AND SUBCONTRACTORS WEAR HARD HATS AT ALL TIMES. THE CONTRACTOR WILL COMPLY WITH ALL SCG SAFETY REQUIREMENTS IN THEIR AGREEMENT.
6. PROVIDE WRITTEN DAILY UPDATES AND PHOTOGRAPHS OF ON-SITE PROGRESS TO THE PROJECT MANAGER VIA E-MAIL.
7. A COMPLETE INVENTORY OF CONSTRUCTION MATERIALS AND EQUIPMENT IS REQUIRED PRIOR TO THE START OF CONSTRUCTION.
8. NOTIFY THE OWNER / PROJECT MANAGER IN WRITING NO LESS THAN 48 HOURS IN ADVANCE OF CONCRETE POURS, TOWER ERECTIONS, AND EQUIPMENT CABINET PLACEMENTS.
9. CLOSEOUT PACKAGE IS DUE COMPLETE WITH DETAILED TOP PHOTOS UPON SITE PUNCHWALK WITH PROJECT MANAGER (SEE PROJECT MANAGER FOR SAMPLE CLOSEOUT PACKAGE).

WARRANTIES AND BONDS

1. THE CONTRACTOR IS RESPONSIBLE FOR APPLICATION AND PAYMENT OF CONTRACTOR LICENSES AND BONDS.
2. SEE MASTER CONTRACTOR SERVICES AGREEMENT FOR ADDITIONAL DETAILS.

GENERAL NOTES

1. IDEMNIFICATION CLAUSE: THE CONTRACTOR AGREES AND SHALL: ASSUME SOLE AND COMPLETE RESPONSIBILITY OF THE JOBSITE CONDITIONS DURING THE COURSE OF CONSTRUCTION OF THIS PROJECT, INCLUDING THE SAFETY OF ALL PERSONS AND PROPERTIES. THAT THESE REQUIREMENTS SHALL APPLY CONTINUOUSLY AND NOT BE LIMITED TO NORMAL WORKING HOURS AND CONDITIONS. THE CONTRACTOR FURTHER AGREES TO DEFEND INDEMNITY AND HOLD SOCIAL GAS REPRESENTATIVES AND ENGINEERS HARMLESS FROM ANY AND ALL LIABILITY, REAL OR ALLEGED IN CONNECTION WITH THE PERFORMANCE OF THE WORK ON THIS PROJECT.
2. PRIOR TO THE BEGINNING OF ANY CONSTRUCTION AND THROUGHOUT THE COURSE OF CONSTRUCTION WORK, THE CONTRACTOR SHALL FULLY COMPLY WITH "CALIFORNIA OCCUPATIONAL SAFETY AND HEALTH" ACT OF 1973 INCLUDING ALL REVISIONS AND AMENDMENTS THERETO.
3. ALL WORK SHALL CONFORM TO THE LATEST EDITION OF GO 95, 12B, AND THE STANDARD "SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION", AS ADOPTED BY THE CITY, COUNTY OR STATE AS MODIFIED BY STANDARD PLANS AND ADDENDUM.
4. THE EXISTENCE AND LOCATION OF UTILITIES AND OTHER AGENCIES FACILITIES AS SHOWN HEREON ARE OBTAINED BY A SEARCH OF AVAILABLE RECORDS. OTHER FACILITIES MAY EXIST, THE CONTRACTOR SHALL VERIFY PRIOR TO THE START OF CONSTRUCTION AND SHALL USE EXTREME CARE AND PROTECTIVE MEASURES TO PREVENT DAMAGE TO THESE FACILITIES. THE CONTRACTOR IS RESPONSIBLE FOR THE PROTECTION OF ALL UTILITY OR AGENCY FACILITIES WITHIN THE LIMITS OF WORK, WHETHER THEY ARE SHOWN ON THIS PLAN OR NOT.
5. THE CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICE ALERT (800) 227-2600, AT LEAST TWO WORKING DAYS PRIOR TO THE START OF ANY EXCAVATION.
6. THE CONTRACTOR SHALL NOTIFY THE CITY, COUNTY OR STATE ENGINEER INSPECTION DEPARTMENT (213) 482-7030, AT LEAST TWO WORKING DAYS BEFORE THE START OF ANY WORK REQUIRING THEIR INVOLVEMENT.
7. ALL WORK AREA AND STREET TRAFFIC CONTROL SHALL BE IN ACCORDANCE WITH THE SPECIFICATIONS OF THE WORK AREA TRAFFIC CONTROL BOOK AND SPECIFICATIONS FROM THE CITY, COUNTY OR STATE.
8. THE CITY, COUNTY OR STATE SHALL SPECIFY THE EXPIRATION PERIOD OF THE PERMIT FOR THIS CONSTRUCTION PROJECT.
9. THE MINIMUM COVER FOR ALL CONDUITS PLACED UNDERGROUND SHALL BE 36 INCHES TO THE FINISHED GRADE AT ALL TIMES.
10. ALL SHRUBS, PLANTS OR TREES THAT HAVE BEEN DAMAGED OR DISTURBED DURING THE COURSE OF THE WORK, SHALL BE REPLANTED AND/OR REPLACED SO AS TO RESTORE THE WORK SITE TO ITS ORIGINAL CONDITION.
11. VAULTS, PEDESTALS, CONDUITS AND OTHER TYPES OF SUBSTRUCTURE ARE EITHER SPECIFIED ON THIS PLAN OR WILL BE SPECIFIED BY THE CONSTRUCTION ENGINEER. ANY AND ALL DEVIATIONS FROM THE SPECIFIED TYPES OF MATERIAL MUST BE APPROVED BY THE SYSTEM ENGINEER, IN WRITING BEFORE INSTALLATION THEREOF.
12. ALL RECONSTRUCTION, RESURFACING, PAVEMENT DELINEATION AND OTHER IMPROVEMENTS ARE TO BE RESTORED TO THE SAME OR IMPROVED CONDITION BASED ON GENERAL NOTE NO. 3 ABOVE.

INSURANCE AND BONDS

1. THE CONTRACTOR SHALL AT THEIR OWN EXPENSE CARRY AND MAINTAIN FOR THE DURATION OF THE PROJECT ALL INSURANCE AS REQUIRED AND LISTED.
2. THE CONTRACTOR SHALL NOT COMMENCE WITH THEIR WORK UNTIL THEY HAVE PRESENTED AN ORIGINAL CERTIFICATE OF INSURANCE STATING ALL COVERAGES TO THE OWNER.
3. THE OWNER SHALL BE NAMED AS AN ADDITIONAL INSURED ON ALL POLICIES.
4. REFER TO THE MASTER AGREEMENT FOR REQUIRED INSURANCE LIMITS.

CLEAN UP

1. THE CONTRACTOR SHALL AT ALL TIMES KEEP THE SITE FREE FROM ACCUMULATION OF WASTE MATERIALS OR RUBBISH CAUSED BY THEIR EMPLOYEES AT WORK. AT THE COMPLETION OF THE WORK, THEY SHALL REMOVE ALL RUBBISH FROM AND ABOUT THE BUILDING AREA, INCLUDING ALL THEIR TOOLS, SCAFFOLDING AND SURPLUS MATERIALS AND SHALL LEAVE THEIR WORK CLEAN AND READY FOR USE.
2. VISUALLY INSPECT EXTERIOR SURFACES AND REMOVE ALL TRACES OF SOIL, WASTE MATERIALS, SMUDGES AND OTHER FOREIGN MATTER.
3. REMOVE ALL TRACES OF SPLASHED MATERIALS FROM ADJACENT SURFACES.
4. IF NECESSARY TO ACHIEVE A UNIFORM DEGREE OF CLEANLINESS, HOSE DOWN THE EXTERIOR OF THE STRUCTURE.

SUBSTANTIAL COMPLETION

1. SUBSTANTIAL COMPLETION IS THE STAGE OF WORK IS SUFFICIENTLY COMPLETE IN ACCORDANCE WITH THE CONTRACT SO THE OWNER CAN FULLY UTILIZE THE WORK FOR ITS INTENDED USE. SUCH TIME, CONTRACTOR SHALL SUBMIT TO OWNER A REQUEST FOR FINAL PAYMENT AND FINAL COMPLETION REPORT ITEMIZING AND DETAILED INVENTORY OF WORK TO COMPLETION AND AS-BUILT DOCUMENTS/DRAWINGS.
2. OWNER WILL ONLY RELEASE FINAL PAYMENT UPON SATISFACTORY REVIEW AND CONTRACTOR COMPLIANCE OF THE FINAL PAYMENT REQUIREMENTS.

CONFLICTS

1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFICATION OF ALL MEASUREMENTS AT THE SITE BEFORE ORDERING ANY MATERIALS OR DOING ANY WORK. NO EXTRA CHARGE OR COMPENSATION SHALL BE ALLOWED DUE TO DIFFERENCE BETWEEN ACTUAL DIMENSIONS AND DIMENSIONS INDICATED IN THE CONSTRUCTION DRAWINGS. ANY SUCH DISCREPANCY IN DIMENSION WHICH MAY BE FOUND SHALL BE SUBMITTED TO THE OWNER FOR CONSIDERATION BEFORE THE CONTRACTOR PROCEEDS WITH THE WORK IN THE AFFECTED AREAS.
2. THE BIDDER, IF AWARDED THE CONTRACT, WILL NOT BE ALLOWED ANY EXTRA COMPENSATION BY REASON OF ANY MATTER OR THING CONCERNING WHICH BIDDER MIGHT HAVE FULLY INFORMED THEMSELVES PRIOR TO THE BIDDING.
3. NO PLEA OF IGNORANCE OF CONDITIONS THAT EXIST, OR OF DIFFICULTIES OR CONDITIONS THAT MAY BE ENCOUNTERED OR OF ANY OTHER RELEVANT MATTER CONCERNING THE WORK TO BE PERFORMED IN THE EXECUTION OF THE WORK WILL BE ACCEPTED AS AN EXCUSE FOR ANY FAILURE OR OMISSION ON THE PART OF THE CONTRACTOR TO FULFILL EVERY DETAIL OF ALL REQUIREMENTS OF THE CONTRACT DOCUMENTS GOVERNING THE WORK.

STRUCTURAL NOTES

1. DESIGN CRITERIA:
 2013 CALIFORNIA BUILDING CODE.
 ASCE 7-10 MINIMUM DESIGN LOADS FOR BUILDINGS
 OTHER STRUCTURES.
 INTERNATIONAL BUILDING CODE (IBC) 2012
 TIA-222 G STANDARD.
 2013 AASHTO LTS - 6TH EDITION.
 G.O.95
2. DURING CONSTRUCTION, THE CONTRACTOR SHALL NOTIFY THE ENGINEER OF ANY UNUSUAL OR UNFORESEEN CONDITION PRIOR TO CONTINUING WITH CONSTRUCTION. SHOULD ANY CONDITION ARISE WHERE THE INTENT OF THE DRAWINGS IS IN DOUBT, OR WHERE THERE APPEARS TO BE DISCREPANCY BETWEEN THE DRAWINGS AND THE CONDITION IN THE FIELD, THE ENGINEER SHALL BE NOTIFIED PRIOR TO CONTINUING THE WORK.
3. PORTLAND CEMENT SHALL CONFORM TO ASTM C-150 TYPE II. AGGREGATE FOR STONE CONCRETE SHALL CONFORM TO ASTM C-33. AGGREGATE FOR LIGHTWEIGHT CONCRETE SHALL CONFORM TO ASTM C-330. AGGREGATE ASTM C-33: MAXIMUM SIZE 1 1/2" FOR FOOTINGS AND 1" FOR ALL OTHER WORK.
4. ALL REINFORCING BARS, ANCHOR BOLTS, PRESTRESSING TENDONS AND ALL OTHER CONCRETE INSERTS SHALL BE WELL SECURED IN POSITION PRIOR TO PLACING CONCRETE.
5. THE MAXIMUM SLUMP SHALL BE BETWEEN THE RANGE OF 3" TO 5" FOR FOOTINGS, SLABS ON EARTH AND MASS CONCRETE.

STANDARD SYMBOLS

	BUILDING
	BOLLARD
	CABLE TV LINE
	CENTER LINE
	CONCRETE BLOCK WALL
	CURB, GUTTER & SIDEWALK
	DRIVEWAY
	EDGE OF PAVEMENT
	EDGE OF DIRT
	ELECTRIC VAULT
	FENCE
	CHAINLINK FENCE
	FIRE HYDRANT
	GAS LINE
	GAS VALVE
	GATE VALVE
	GUY POLE
	JOINT POLE
	MANHOLE
	OIL LINE
	POWER LINE
	PROPERTY LINE
	PULLBOX
	RAILROAD TRACK
	RETAINING WALL
	RIGHT OF WAY
	SANITARY SEWER
	STORM DRAIN LINE
	STREET LIGHT LINE
	STREET SIGN
	SERVICE PEDESTAL
	TELCO LINE
	WATER LINE
	WATER METER

PROPRIETARY INFORMATION:
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ADVANCED METER
 THE GAS COMPANY TOWER
 555 W. 5TH STREET
 LOS ANGELES, CA 90013



DEVELOPMENT SERVICES
 A&E SERVICES

2749 Saturn Street
 Brea, California 92821
 (714)729-8404 (714)333-4441 fax
 www.core.us.com

PROJECT INFORMATION:

28.5' STREET LIGHT
 CONCRETE, SOLAR, BASE

SHEET TITLE:

GENERAL
 NOTES &
 SYMBOLS

LICENSURE:

DATE:

DESIGNER: A.J.

CAD DRAFTING: H.A. 12/16/15

CHECKED BY: P.C.

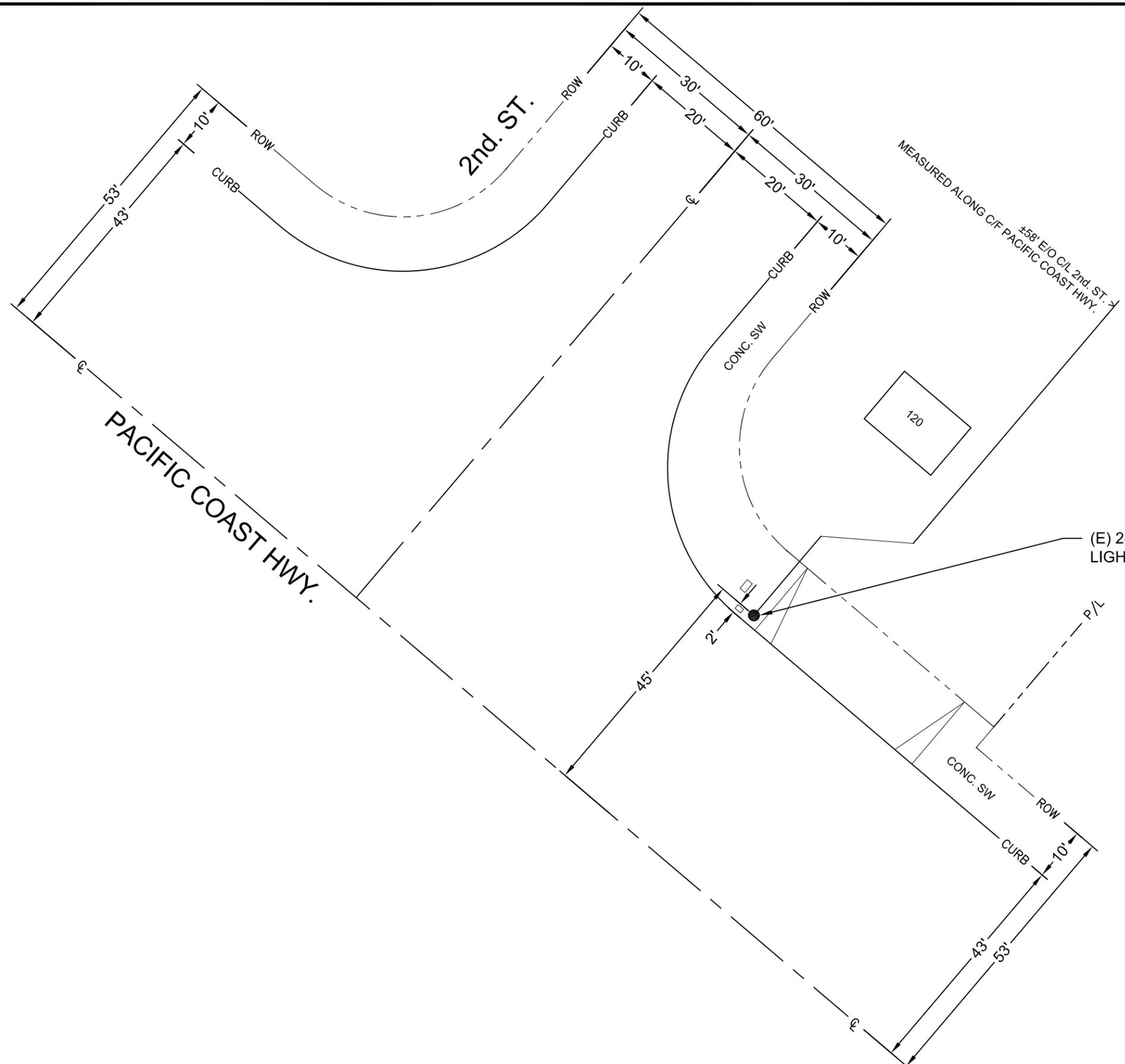
SCALE: AS SHOWN

SHEET NUMBER:

REVISION:

T-2

A



REVISIONS:			
REV.	DATE	REVISED BY:	INITIAL

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SoCalGas
 A **Sempra Energy utilities**

ADVANCED METER
 THE GAS COMPANY TOWER
 555 W. 5TH STREET
 LOS ANGELES, CA 90013

core
 DEVELOPMENT SERVICES
 A&E SERVICES
 2749 Saturn Street
 Brea, California 92821
 (714)729-8404 (714)333-4441 fax
 www.core.us.com

PROJECT INFORMATION:
 28.5' STREET LIGHT
 CONCRETE, SOLAR, BASE

SHEET TITLE:
SITE PLAN

LICENSURE:
 DATE:

DESIGNER: A.J.
 CAD DRAFTING: H.A. 12/16/15
 CHECKED BY: P.C.
 SCALE: AS SHOWN

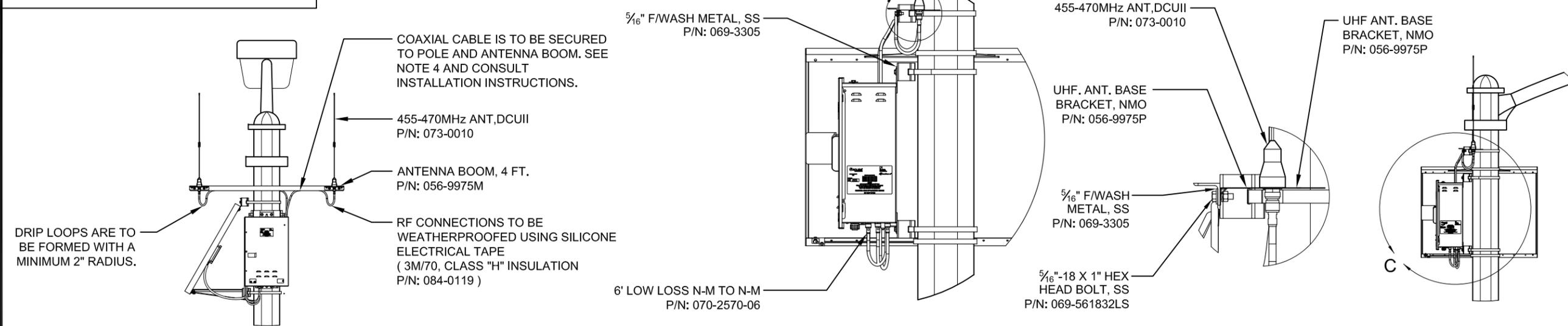
SHEET NUMBER: A-1	REVISION: A
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SITE PLAN

SCALE
 1"=20'-0" 1



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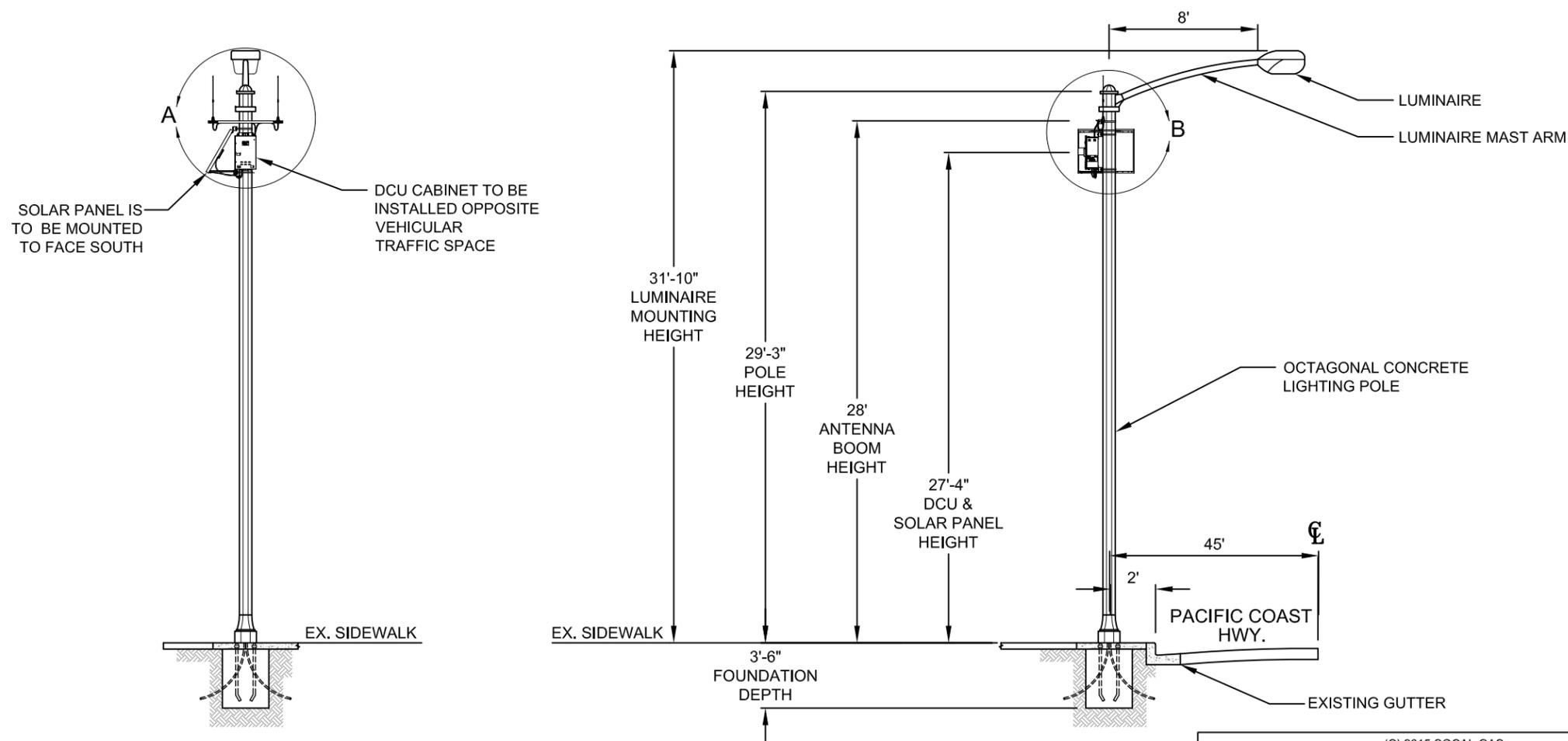


DETAIL A

DETAIL C

DETAIL D

DETAIL B



- NOTES:
1. MAXIMUM DCU CABINET WEIGHT NOT TO EXCEED 55# WITH BATTERIES.
 2. ENCLOSURE RATED NEMA 3R.
 3. DRAWING NOT TO SCALE.
 4. RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.

(C) 2015 SOCAL GAS
ALL RIGHTS RESERVED. PROPRIETARY AND CONFIDENTIAL.

UNLESS OTHERWISE SPECIFIED	NAME	DATE	TITLE:
DIMENSIONS: AS SHOWN	DRAWN		TYPICAL INSTALLATION CONCRETE POLE, SOLAR
TOLERANCES:	CHECKED		
FRACTIONAL ±	ENG APPR.		
ANGULAR: MACH ± BEND	MTG APPR.		
TWO PLACE DECIMAL ±	QA		SIZE DWG. NO.
THREE PLACE DECIMAL ±	COMMENTS		REV
INTERPRET GEOMETRIC TOLERANCING PER:	PROPRIETARY AND CONFIDENTIAL		B
MATERIAL	THE INFORMATION CONTAINED IN THIS DRAWING IS THE SOLE PROPERTY OF SOCAL GAS. ANY REPRODUCTION IN PART OR AS A WHOLE WITHOUT THE WRITTEN PERMISSION OF SOCAL GAS IS PROHIBITED.		28.5'-CONC-STLT-SOL-FDUN
FINISH			A
			NO SCALE WEIGHT:

REVISIONS:

REV.	DATE	REVISED BY:	INITIAL

PROPRIETARY INFORMATION:
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ADVANCED METER
THE GAS COMPANY TOWER
555 W. 5TH STREET
LOS ANGELES, CA 90013

core
DEVELOPMENT SERVICES
A&E SERVICES
2749 Saturn Street
Brea, California 92821
(714)729-8404 (714)333-4441 fax
www.core.us.com

PROJECT INFORMATION:

28.5' STREET LIGHT
CONCRETE, SOLAR, BASE

SHEET TITLE:
ELEVATIONS

LICENSURE:

DATE:

DESIGNER: A.J.

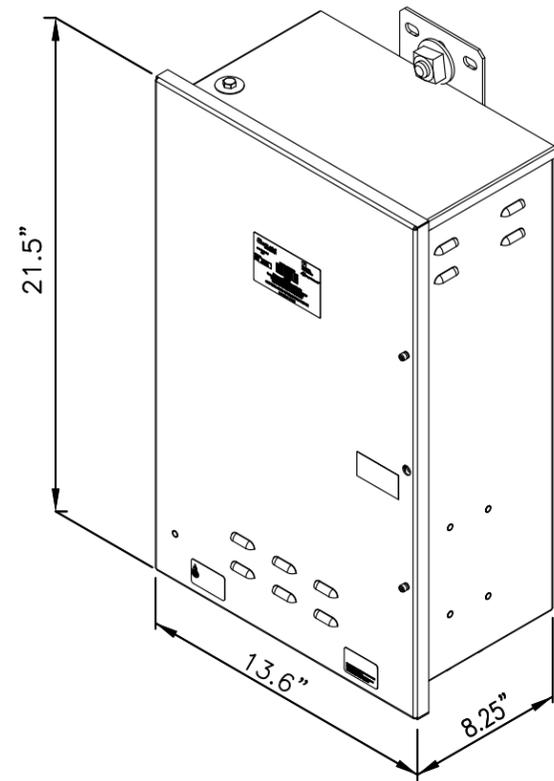
CAD DRAFTING: H.A. 12/16/15

CHECKED BY: P.C.

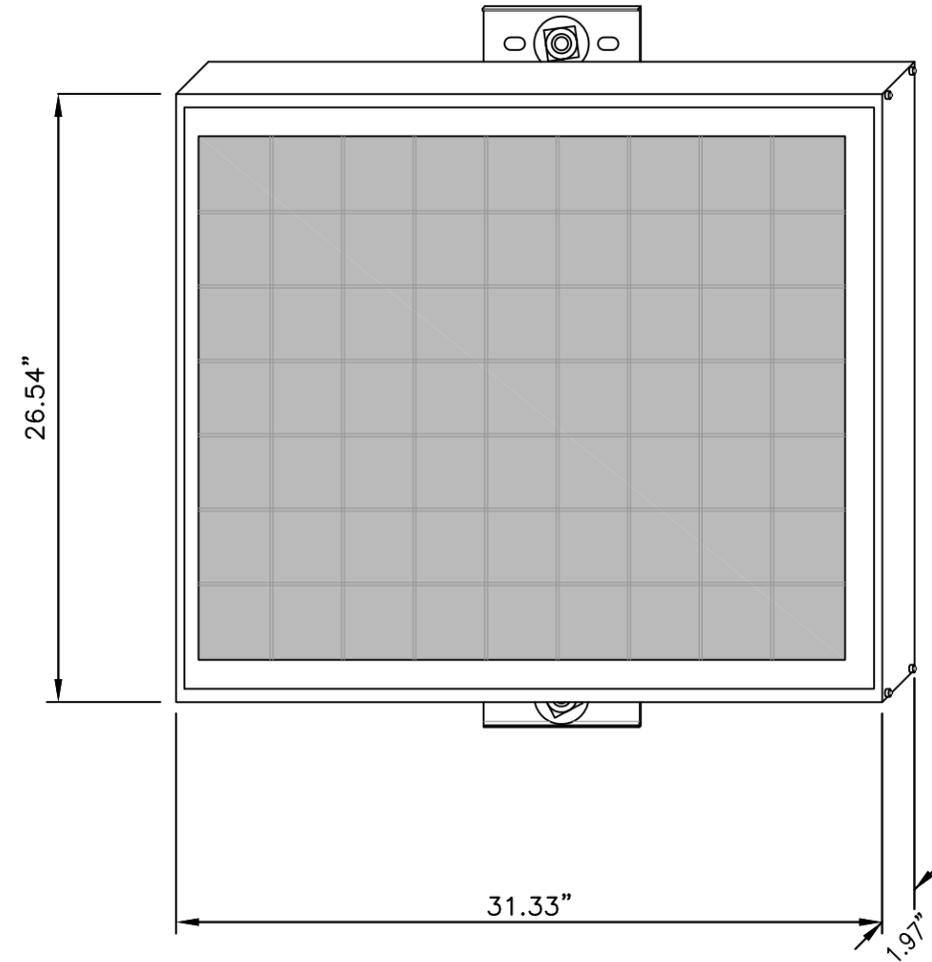
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SHEET NUMBER:	REVISION:
A-2	A

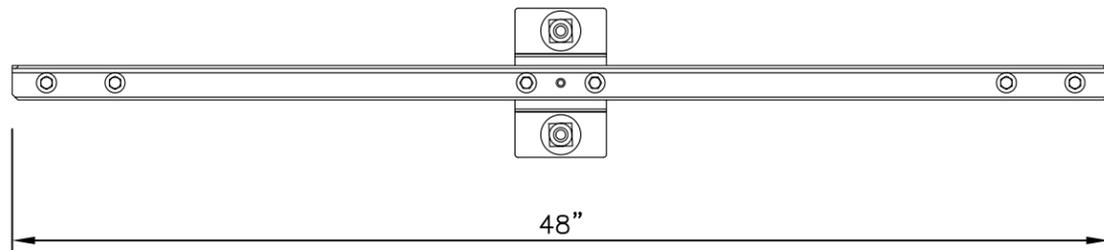
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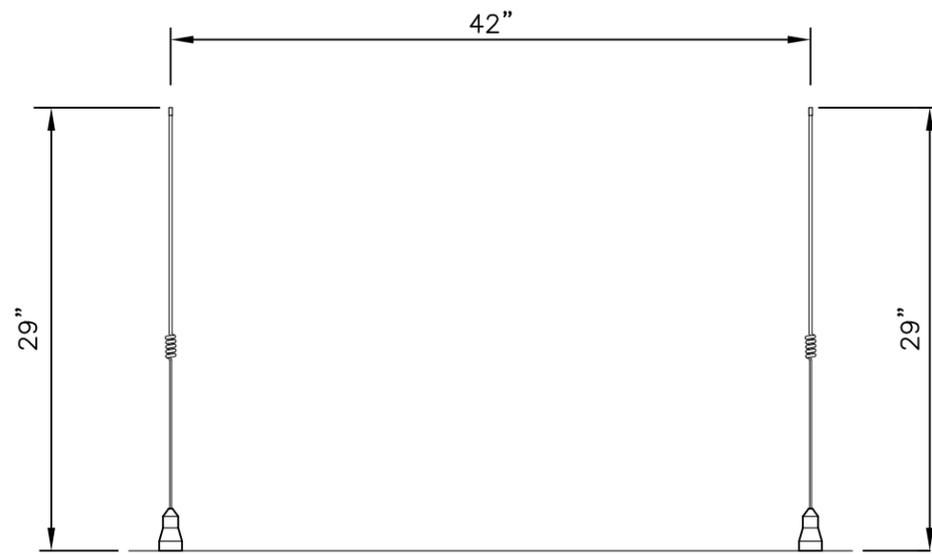
1 (D.C.U.) DATA COLLECTOR UNIT (55 LBS)



2 SOLAR PANEL (14.11 LBS)



3 ALUMINUM ANTENNA ARM



4 455-470 MHz ANTENNAS (WHIP)

REVISIONS:			
REV.	DATE	REVISED BY:	INITIAL

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ADVANCED METER
THE GAS COMPANY TOWER
555 W. 5TH STREET
LOS ANGELES, CA 90013



PROJECT INFORMATION:

28.5' STREET LIGHT
CONCRETE, SOLAR, BASE

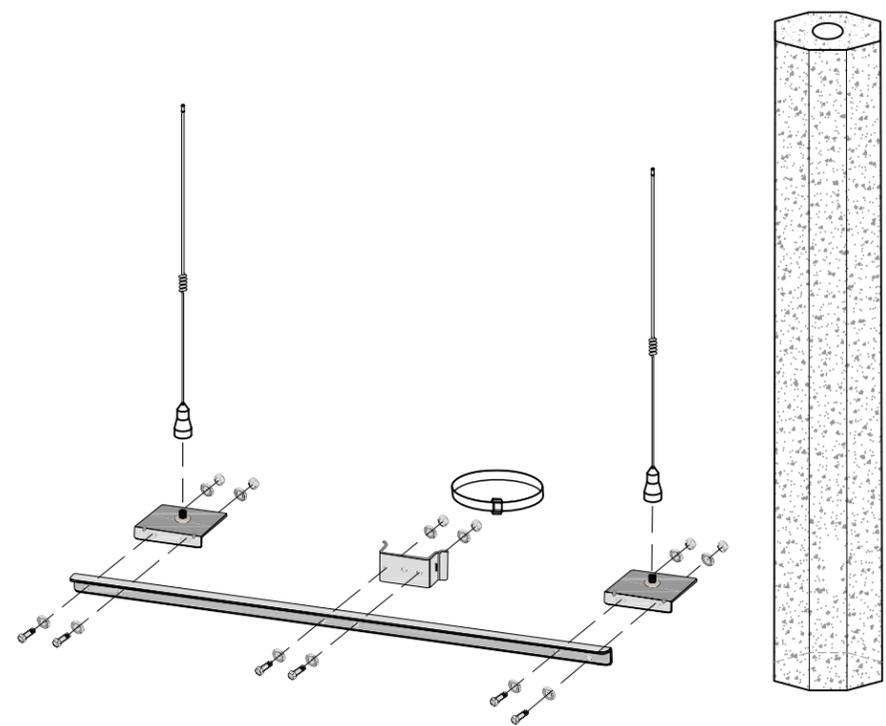
SHEET TITLE:
**EQUIPMENT
DETAILS**

LICENSURE:

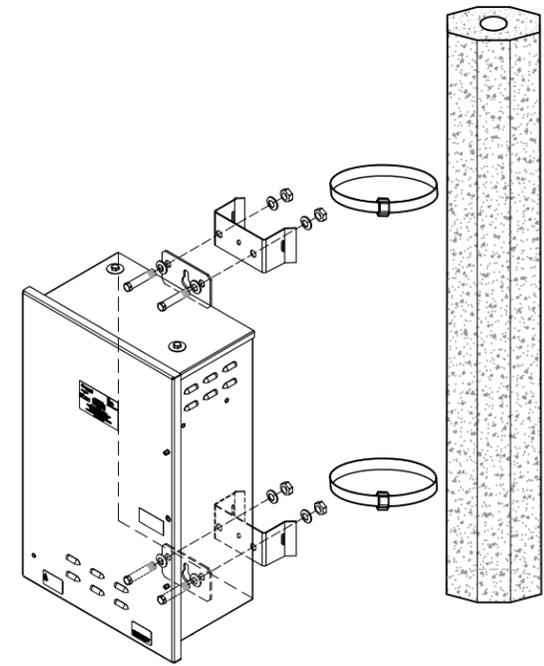
DATE:
DESIGNER: A.J.
CAD DRAFTING: H.A. 12/16/15
CHECKED BY: P.C.

SCALE: AS SHOWN

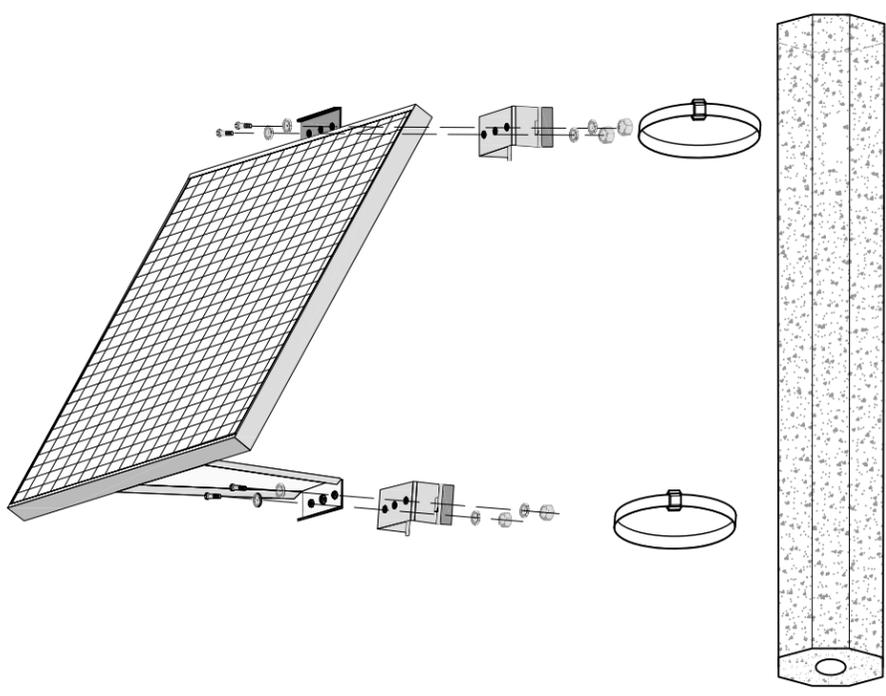
SHEET NUMBER: A-3	REVISION: A
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5 450 MHz ANTENNA INSTALLATION



6 DATA COLLECTOR UNIT (DCU) INSTALLATION



7 SOLAR PANEL INSTALLATION

FIELD BULLETIN - INSTALLATION INSTRUCTIONS FOR DCU / SOLAR PANEL / ANTENNAS MOUNTING HARDWARE FOR CONCRETE POLES

1. ENSURE TORQUE VALUE / MEASUREMENTS ARE RECORDED ON THE INSTALLATION QA INSPECTION SHEET AND AS-BUILT MARK-UPS.
2. BAND STRAPS ARE TO BE TIGHTENED TO BAND STRAP TOOL SETTING OF 25, PER BAND-IT TOOL GUIDELINES.
3. ASSIGNED SCG PM OR INSTALLATION CONTRACTOR SHALL TAKE PICTURES OF THE COMPLETED WORK, INCLUDING A PICTURE OF EACH BAND MOUNTING STRAPS.

8 BULLETIN

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REV.	DATE	REVISED BY:	INITIAL

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THE GAS COMPANY TOWER
555 W. 5TH STREET
LOS ANGELES, CA 90013



PROJECT INFORMATION:

28.5' STREET LIGHT
CONCRETE, SOLAR, BASE

LICENSURE:

DESIGNER: A.J.
CAD DRAFTING: H.A. 12/16/15
CHECKED BY: P.C.
SCALE: AS SHOWN

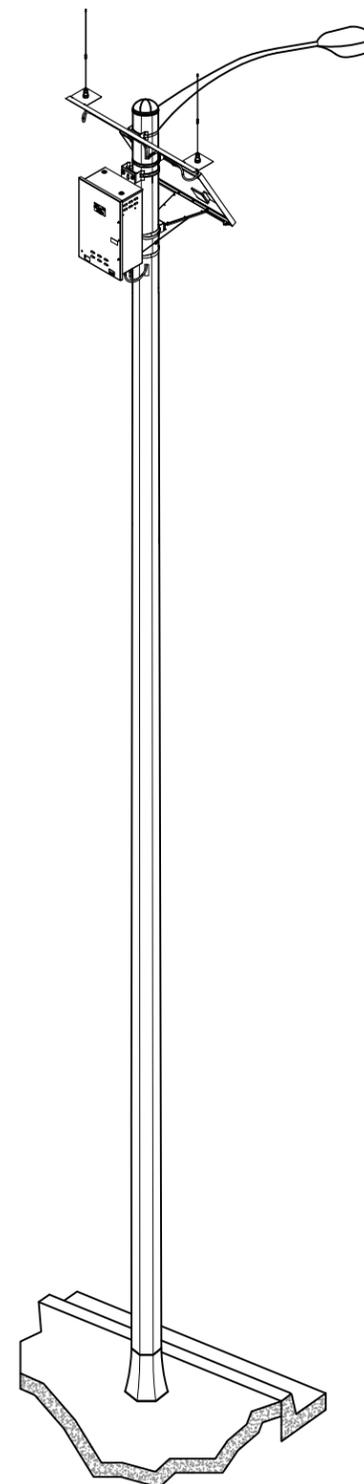
SHEET NUMBER: REVISION:

A-4 A

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MATERIALS LIST			
ITEM NO.	PART NUMBER	DESCRIPTION	QTY.
1	501-9975VERST1R1-SCG	DCU, CELL, SOLAR PWR, SCG	1
2	042-9975	BATTERY, 26 AMP HOUR, DCU 9975	1
3	109-9975D	UHF ANT BASE ASSY	2
4	EM-M10007	455-470MHz ANT,DCUII	2
5	056-9975M	ANTENNA BOOM, 4 FT	1
6	109-9975F65	65 W SOL PANEL W/ MNTG	1
7	109-10700-02	MTG KIT, METAL/CONCRETE POLE, SOLAR	1
	069-561832LS	5/16-18 X 1", HEX HEAD BOLT,SS	10
	069-3304	5/16 " SPR LW, .32 ID X .59 OD, 18-8 SS	10
	069-3305	$\frac{5}{16}$ F/WASH METAL, SS	10
	069-3306	5/16-18 HEX NUT SS	10
	067-5373D	BANDING CLAMP $\frac{3}{4}$ SS 201, UB256	5
	067-5373G	BANDING BRACKET	5
	067-5373C	BANDING STRAP $\frac{3}{4}$ " 201, SS	5
	070-2570-10	10' LOW LOSS N-M TO N-M	2
*8	098-0048	GROUND ROD, $\frac{5}{8}$ " X 8'	1
*9	098-0049	GROUNDING CLAMP	1
*10	071-1509	GROUNDING WIRE 8 GA, CU, SOLID	1
*11	098-0050	GROUNDING WIRE SPLICE	1
*12	098-0054	CABLE MGMT. BRACKETS (TRAP BOXES)	AS NEEDED
*13	TBD	SNAP-IN CLAMP	AS NEEDED
*14	098-0056	LMT-400 2 HOLE BOOM CLAMP	AS NEEDED
*15	098-0057	LMT-400 4 HOLE BOOM CLAMP	AS NEEDED
*16	084-0119	FUSION TAPE	AS NEEDED
*17	TCP-360	$\frac{1}{2}$ " CABLE SPACERS	2
*18	501-9975-SWKIT-01	DCU DOOR TAMPER SWITCH	1
*CONTRACTOR SUPPLIED MATERIALS			

FOR SMALL ENCLOSURE: 501-9975-SWKIT
 FOR LARGE ENCLOSURE: 501-9975-SWKIT-01



NOTES:

1. MAXIMUM DCU CABINET WEIGHT NOT TO EXCEED 55# WITH BATTERIES.
2. ENCLOSURE RATED NEMA 3R.
3. DRAWING NOT TO SCALE.
4. RF COAXIAL CABLES ARE TO BE SECURED USING TRAP BOXES, STAINLESS STEEL BANDING, SNAP LOCKS, ETC.

REVISIONS:			
REV.	DATE	REVISED BY:	INITIAL
A	12/16/15	ADONIS V. JAVIER	A.J.

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 THE GAS COMPANY TOWER
 555 W. 5TH STREET
 LOS ANGELES, CA 90013



DEVELOPMENT SERVICES
 A&E SERVICES
 2749 Saturn Street
 Brea, California 92821
 (714)729-8404 (714)333-4441 fax
 www.core.us.com

PROJECT INFORMATION:

28.5' STREET LIGHT
 CONCRETE, SOLAR, BASE

SHEET TITLE:

MATERIALS LIST

LICENSURE:

DATE:

DESIGNER: A.J.
 CAD DRAFTING: H.A. 12/16/15
 CHECKED BY: P.C.

SCALE: AS SHOWN

SHEET NUMBER:

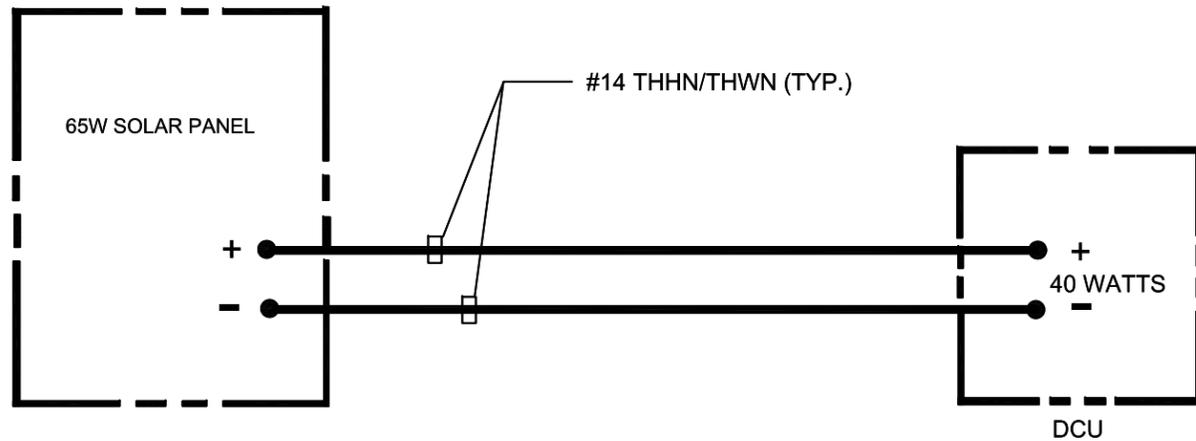
A-5

REVISION:

A

NOTES:

1. LOAD AND VOLTAGE DROP CALCULATIONS MUST BE PERFORMED FOR SPECIFIC SITE DESIGN.
2. AERATE CONDUCTORS AS REQUIRED BY NEC.
3. ALL CONDUCTORS SHALL BE INSTALLED IN AN APPROVED RACEWAY.
4. ALL CONDUCTORS SHALL BE COPPER AND THHN/THWN RATED INSULATION
5. ALL OUTDOOR INSTALLATION SHALL BE IN AN OUTDOOR RATED ENCLOSURE.



SOLAR POWER SOURCE

REVISIONS:			
REV.	DATE	REVISED BY:	INITIAL

PROPRIETARY INFORMATION:
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ADVANCED METER
THE GAS COMPANY TOWER
555 W. 5TH STREET
LOS ANGELES, CA 90013



DEVELOPMENT SERVICES
A&E SERVICES
2749 Saturn Street
Brea, California 92821
(714)729-8404 (714)333-4441 fax
www.core.us.com

PROJECT INFORMATION:

28.5' STREET LIGHT
CONCRETE, SOLAR, BASE

SHEET TITLE:

ELECTRICAL

LICENSURE:

DATE:

DESIGNER: A.J.
CAD DRAFTING: H.A. 12/16/15
CHECKED BY: P.C.

SCALE: AS SHOWN

SHEET NUMBER: REVISION:

E-1

A

9 SOLAR POWER SOURCE

10 NOT USED

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Bacon, Denny

From: Marilyn Camps [mlcamps@yahoo.com]
Sent: Monday, December 21, 2015 9:57 AM
To: Bacon, Denny
Subject: tree removal

As a resident at 1735 Main St we feel the tree is a hazard to anyone walking, pushing a stroller, skateboarding on the sidewalk, plus the danger of the branches falling on a person or someone's car, as just happened in the past.. the city spent the time and money repairing the whole block's sidewalk except this one piece.
Marilyn Camps

Bacon, Denny

From: Tammy Melott [Tammy@hoffmanfabrics.net]
Sent: Monday, December 21, 2015 10:38 AM
To: Bacon, Denny
Subject: Eucalyptus Tree at 1751 Main Street HB

Hello Denny,

I am the property owner of 1812 Main Street, across the street from this beautiful, old, striking tree.

Coming back into town after a day at work each day, looking at this tree is one of the most amazing sights I get to see 2nd only to the Ocean itself.

I hope the city is working to save this tree as it would be a crime to destroy a tree that is one of our oldest landmarks and a truly majestic sight for all to see.

Please Save The Tree!!!

Thank you,

Tammy Melott

1812 Main Street/ Property Owner

HB

(714) 321-9443

Bacon, Denny

From: dennischapman1746@gmail.com
Sent: Friday, December 18, 2015 12:42 PM
To: Bacon, Denny
Subject: Re[2]: Nov 17 mtg notice

Mr. Bacon,

You failed to notify me of the rescheduled workshop. However, you or your department hung a notice on my door today providing inadequate notice for a "Consent" item for the City Council. I walked down Main St. to see how many door knockers were provided by you. Not many were observed. I find it curious that there has been no further incidents with the tree during these last few months even though we have experienced extreme wind and rain events. Why would you be so determined to cut down one of the oldest trees in the City?

Dennis Chapman
1746 Main St

----- Original Message -----

From: "Bacon, Denny" <Denny.Bacon@surfcity-hb.org>
To: "dennischapman1746@gmail.com" <dennischapman1746@gmail.com>
Sent: 11/16/2015 9:14:56 AM
Subject: RE: Nov 17 mtg notice

Mr. Chapman,

The meeting scheduled for Tuesday night has been cancelled. A new tentative meeting date is Tuesday December 1, 2015. As soon as that is finalized I will post and send flyers to residents, I will send you an e-mail as well.

Thank you,

Denny Bacon
Maintenance Operations Manager
City of Huntington Beach
714.375.5024

From: dennischapman1746@gmail.com [mailto:dennischapman1746@gmail.com]
Sent: Friday, November 13, 2015 4:47 PM
To: Bacon, Denny
Subject: Nov 17 mtg notice

Mr. Bacon,

Providing notice for a meeting that gives interested residence only 5 days to prepare and coordinate their schedules is inappropriate, especially when the topic is a discussion about the "Removal" of a Eucalyptus tree. The meeting should be rescheduled to a later date so that all interested parties can weigh in to the discussion. I live across the street from the iconic tree and its "Removal" is unacceptable. The tree provides a sense of place, provides extraordinary visual pleasure, provides for nesting opportunity and has been chronicled as the "Oldest" tree on Main street. I will make

every attempt to change my schedule to attend this meeting but again request that it be delayed to provide adequate notice to many interested citizens.

Additionally, please let me know what area was canvased with the door hanging notices.

Respectfully,

Dennis Chapman

1746 Main St.



This email has been checked for viruses by Avast antivirus software.

www.avast.com



This email has been checked for viruses by Avast antivirus software.

www.avast.com

Bacon, Denny

From: Naomi [naomiandjoe@hotmail.com]
Sent: Thursday, November 12, 2015 9:28 PM
To: Bacon, Denny
Subject: Nov 17th Public Hearing regarding 1751 Main parkway tree

Denny:

I am Naomi Wheeler and live at 1827 Main Street. I understand the need to remove the giant eucalyptus tree after the branch loss and damage after the wind storm. I am OK with that as long as you replace it with a mature tree rather than some little twig. It would be very odd to lose all of the majestic feel that the current tree gives us

Thank you

Naomi Wheeler
(714)642-5963

Sent from my iPhone

3.11 Counterparts. This Agreement and any modifications, amendments, or supplements thereto may be executed in counterparts and shall be valid and binding as if the signatures of all parties were on one document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement of Purchase and Sale of Real Property an Escrow Instructions as of the date first above written.

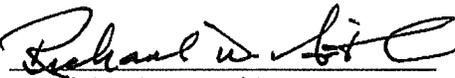
“SELLER”
MARINER’S POINT,
a California general partnership

Dated: _____

By: Kodash, Inc.
Its: General Partner

By: _____
Alison A. Miller, President

By: Nahas Enterprises
Its: General Partner

By: 
Richard W. Smith, CEO

“BUYER”
CITY OF HUNTINGTON BEACH,
A California municipal corporation

Dated: _____

Mayor

City Clerk

INITIATED, REVIEWED AND APPROVED:

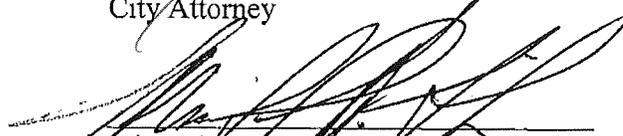
City Manager

[ADDITIONAL SIGNATURES ON FOLLOWING PAGE]

APPROVED AS TO FORM:



City Attorney



Michael H. Leifer
Attorney for Kodash, Inc.

**AGREEMENT FOR PURCHASE AND SALE OF PROPERTY
AND ESCROW INSTRUCTIONS**

Date: _____, 2015

Escrow No. _____

To:

Attn:

THIS AGREEMENT FOR PURCHASE AND SALE OF PROPERTY AND ESCROW INSTRUCTIONS (this "Agreement") is made this _____ day of December, 2015, by and between THE CITY OF HUNTINGTON BEACH, a municipal corporation ("Seller"), and GENERAL PETROLEUM, a California corporation ("Buyer").

- A. Seller is the owner of certain leasehold interests, improvements and other personal and/or real property interests related to property, including but not limited to, fuel tanks, fuel lines, a fuel dock real or personal property, waterway rights and appurtenances located in the Sunset Bay, Orange County, California as well as any and all interests related to the ownership and operation of Mariners Point Fuel Dock, collectively referred to herein as the "Property" more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.
- B. All interest in the Property, including the Amended and Restated Declaration of Easements conveyed by Harbor Landing LLC to Sunshine Makers, Inc., Document # 2011000690326, as will be assigned to Seller, a copy of which is attached hereto as Exhibit "B" (the "Easement"), which will be transferred to Buyer as part of the escrow process pursuant to this Agreement.
- C. At the completion of this purchase and sale between the Seller and the Buyer, which includes the process and completion of assigning the Leasehold interest and Easement to the Buyer, the Seller will have no remaining interest in the Property whatsoever.

NOW, THEREFORE, the parties to this Agreement agree to sell all Property, transfer or otherwise assign the State Lands Agreement attached hereto as Exhibit "C" (the "Lease") to Buyer and transfer the Amended and Restated Declaration of Easements, from Seller to Buyer, in accordance with the following terms and conditions:

ARTICLE I

1.1 Purchase and Sale of Seller's Property. It is the mutual intent of the parties that, pursuant to the terms of this Agreement, Seller conveys to Buyer, and Buyer acquires from Seller, all interest Seller may have had or currently holds and owns in the Property.

1.2 Opening of Escrow. Within two (2) business days after the execution of this Agreement by Seller and Buyer, the parties shall open an escrow (“Escrow”) with the Escrow holder by causing an executed copy of this Agreement to be deposited with Escrow Holder. Escrow shall be deemed open on the date that Buyer delivers a fully executed Agreement to Escrow Holder.

1.3 Payment of Purchase Price.

- (a) Amount of Purchase Price. The purchase price for the conveyance and transfer of Seller’s interest in the Property to Buyer shall be Twenty-Five Thousand Dollars (\$25,000.00) plus payment for the cost of environmental insurance policy, not to exceed \$10,000.00, that the Seller will purchase prior to the close of escrow (both dollar amounts collectively as “Purchase Price”).
- (b) Payment of Purchase Price. The Purchase Price shall be deposited by Buyer into Escrow within three (3) business days following the funding request by Escrow Holder. Buyer shall deposit the Purchase Price with Escrow Holder in “good funds” payable to Seller at the time of closing. “Good funds” shall mean a wire transfer of funds, cashier’s or certified check drawn on or issued by the offices of a financial institution located in the State of California, check from the City of Huntington Beach, or cash.
- (c) Interests Conveyed. It is understood and agreed by and between Buyer and Seller that the monetary payment of the Purchase Price set forth above is paid as full and final consideration of all of the following:
 - (i) Seller’s entire interest in and to the Property;
 - (ii) The Property, including, but not limited to, all improvements, structures, and any attached appurtenances to the real property described in Exhibit “A”, including, but not limited to, any petroleum and fuel storage and conveyance facilities located on such property;
 - (iii) The assignment to Buyer of the Easement and the Lease; and
 - (iv) The covenants of Seller under this Agreement.
 - (v) Buyers payment and Release and Indemnity Related to Property
- (d) Consideration. Together with Seller’s obligation to indemnify and hold Buyer harmless as described herein, Buyer’s obligation to indemnify, hold Seller harmless, fund certain remediation costs described herein, and payment of the Purchase Price by Buyer to Seller which represents total just compensation for Buyer’s acquisition of Seller’s interest in the Property.

1.4 Additional Funds and Documents Required from Seller.

Within five (5) business days following the date that Escrow is opened hereunder, Seller will deposit with Escrow Holder an executed Bill of Sale in the form attached hereto as Exhibit "D" conveying Seller's interest in the Property, together with such funds and other instruments as may be necessary in order for the Escrow Holder to comply with this Agreement, including documentation properly transferring all rights under the Easement and the Lease to Buyer. Escrow Holder shall submit the executed Bill of Sale and other instruments to Buyer for review and acceptance, as may be required to put these documents in recordable form, whereupon Buyer shall immediately submit these documents, along with all additional funds and/or documents which are necessary to close escrow and otherwise comply with this agreement with the acceptance, to Escrow Holder pending close of Escrow.

1.5 Closing Date: Time of Essence.

- (a) Closing Date. Unless otherwise terminated by Buyer as provided below, Escrow shall close within ten (10) days from the date Escrow is opened. The terms "the Close of Escrow", and/or the "Closing" as used herein shall mean the time Seller's Bill of Sale is delivered and any other instruments, as may be necessary in order for the Escrow Holder to comply with this Agreement, are filed for recording by the Escrow Holder in the Office of the County Recorder of Orange County, California all closing costs and other costs are paid in full, and all disbursements of any remaining funds in Escrow, or other disbursements as may be required to close Escrow, are made by Escrow Holder to the appropriate parties.
- (b) Time of Essence. Buyer and Seller specifically understand and agree that time is of the essence and Buyer and Sellers specifically agree to strictly comply and perform their obligations herein in the time and manner specified. The time for Closing may be extended, but only by way of a writing signed by both parties.

1.6 Conditions Precedent to Close of Escrow.

- (a) Condition to Buyer's Obligations. The obligations of Buyer under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Buyer of each of the following conditions precedent:
 - (i) Deposit by Seller of all instruments and funds provided for in this Agreement, necessary to the Closing.
 - (ii) Title report or other documentation evidencing that the Seller owns the Property free and clear and the no encumbrances exist on any real or personal property subject to this transaction.
- (b) Conditions to Seller's Obligations. The obligations of the Seller under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by the Seller of each of the following conditions precedent:

- (i) Delivery by Buyer of all instruments and funds provided for in this Agreement necessary to the Closing.

1.7 Escrow Provisions.

- (a) Escrow Instructions. This Agreement, when signed by Buyer and Seller, shall also constitute escrow instructions to escrow Holder. If required by Escrow Holder, Buyer and Seller agree to execute Escrow Holder's standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail.
- (b) General Escrow Provisions. Upon Close of Escrow, Escrow Holder shall deliver the Bill of Sale and any additional instruments necessary to effectuate the property transfer to Buyer and instruct the County Recorder of Orange County, California to mail the recorded instruments, to Buyer at the address set forth in Section 3.2 after recordation. All funds received in this Escrow shall be deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in Orange County, California, and may be disbursed to any other general escrow account or accounts. All disbursements shall be made by Escrow Holder's wire transfer.

1.8 Amendments and Counterparts. This Agreement and any modifications, amendments, or supplements thereto may be executed in counterparts and shall be valid and binding as if all of the parties' signatures were on one document.

1.9 Payment of Costs. Buyer and Seller shall pay one half of Escrow fees and the charges for recording any necessary instruments. Clearing of all existing encumbrances, judgments, or liens, including any fees or charges incurred, shall be the sole responsibility of Seller.

1.10 Termination and Cancellation of Escrow. If Escrow fails to close as provided above, any party who then shall have fully complied with their instructions and met their conditions to Close of Escrow may, in writing, demand of Escrow Holder the return of their money, documents, instruments, or property deposited into escrow. If no party has so complied, no demand for return of any money, documents, instruments, or property will be recognized by Escrow Holder until five (5) business days after Escrow Holder has mailed written notice of such demand to all other parties at their respective addresses shown in these instructions, and if any party raises any objection to such return, Escrow Holder is authorized to hold all such money, documents, instruments, or property until instructed by a court of competent jurisdiction or joint instruction of the parties.

1.11 Brokerage Commissions. Seller represents to Buyer that no third party is owed any payment or commission as a result of the transfer of the property interests provided hereunder, and Seller indemnifies and holds the Buyer harmless from and against all liabilities, costs, damages and expenses, including, without limitation, attorneys' fees, resulting from any claims of fees or commissions.

1.12 Hazardous Substances Disclosure. The Property, and Seller's interest therein, are subject to a disclosure as designated under Section 25359.7 of the California Health & Safety Code (as may be amended); whereby a Seller is required to disclose the presence of any hazardous substances that have come to be located on or beneath the Property before Close of Escrow. Prior to Close of Escrow, Seller will provide Buyer with a statement of any required disclosures under Health & Safety Code Section 25359.7(a). It is understood and agreed between Buyer and Seller that closing of this Escrow is subject to and contingent upon receipt and approval of said Disclosure Statement by Buyer.

1.13 Contamination Defined. The term "Contamination" as used in this Agreement shall mean and refer to any environmental contamination of any type or nature including but not limited to the following substances, whether in the soil, air, surface water, perched water or groundwater, or in any other medium: any "hazardous substance", as defined under Title 42 U.S.C. Section 9601(14) or under California Health & Safety Code Section 25281(g); any "hazardous waste", as defined under Title 42 U.S.C. Section 6903(5) and under California Health & Safety Code Section 25117; any "hazardous substance", as defined under California Health & Safety Code Section 25281 and 25316; any "hazardous material", as defined under California Health & Safety Code Section 25260(e); any chemical listed pursuant to California Health & Safety Code Section 25249.8; any petroleum hydrocarbon material or petroleum byproduct, refined and unrefined, including but limited to any crude oil or any fraction thereof, and any additive to any refined petroleum product, as well as any asbestos or asbestos containing material.

1.14 Purchase of Property in "As-Is" Condition. Buyer acknowledges and agrees that, except as expressly provided otherwise in this Agreement and subject to Section 1.16, Seller has not made, and does not make any representations or warranties of any kind, whether express or implied, concerning or with respect to (i) the quality, state of repair or lack of repair of the Property; (ii) the nature or condition of the Property, including, without limitation, the water, soil and geology; (iii) the manner or quality of the construction or materials, if any, incorporated into the Property; (iv) compliance with any environmental protection, pollution or land use laws, rules, regulations, orders or requirements, including, but not limited to, the presence or absence of hazardous substances at, on, under, or adjacent to the Property; and (v) the content, completeness or accuracy of any documents furnished or provided to Buyer regarding the Property. Buyer further acknowledges and agrees that to the maximum extent permitted by law, the sale of the Property as provided for herein is made on an "as-is" condition and basis with all faults, and that Seller, notwithstanding any applicable insurance liability or indemnity coverage, has no obligation to make repairs, replacements or improvements or cleanup of any real or personal property transferred, leased or otherwise conveyed as part of this transaction.

Disclosure of Test Results on Contamination to Buyer. To the extent Seller has such information or has conducted testing, Seller shall disclose any and all laboratory results, test results and any and all other information concerning the assessment, investigation, monitoring, removal and/or remediation of Contamination on or from the Property to Buyer, in writing, within two (2) days of his or her receipt of such information. The disclosure of this information is in accordance with and a part of the disclosure obligations of said Seller under the above Section 1.12, the Hazardous Substances Disclosure obligation. **Buyers**

Release and Indemnity Related to Property: Buyer hereby agrees to release and indemnify, defend and hold harmless Seller, its officers, elected or appointed officials, employees, agents and volunteers (collectively, the “Seller Indemnified Persons”), from and against any and all claims, damages, losses, expenses, judgments, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) arising out of or in connection with from or arising out of, or any allegation by Buyer or a third party regarding environmental liabilities for clean up cost and or remediation or any action necessary to make the Property in compliance with any laws related to Contamination of the Property, the Lease or the Easement, including (without limitation) any claims of Contamination, or under CEQA or CERCLA. This includes, but is not limited to, actual damages, injuries, costs, response costs, losses, demands, liabilities, causes of action, suits, legal or administrative proceedings, interest, fines, charges, penalties, and expenses of any kind whatsoever paid, incurred or suffered by, or asserted against, the Property, or any indemnified party directly or indirectly arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any investigation, removal, remedial, response, closure, or other plan concerning any Contamination or hazardous substance on, under, migrating from or to, or about the Property. The foregoing indemnity is intended to operate as an agreement pursuant to CERCLA Section 107(e), of 42 United States Code Section 9607(E), and California Health and Safety Code Section 25364, to insure, protect, hold harmless and indemnify Seller Indemnified Persons from any liability pursuant to such sections. The parties expressly understand that material to Buyer’s agreement to purchase from Seller including the PURCHASE PRICE, is Buyer’s agreement to indemnify and hold Seller harmless and pay for any remediation for the above-referenced events. In the event that any portion of this indemnity clause is found to be unenforceable, the parties agree that such terms may be severed and/or interpreted in a manner that would render them enforceable so as to effectuate the intent of the parties that Seller Indemnified Persons be indemnified and held harmless to the fullest extent allowed by law.

Sellers Release regarding Contract and Personal Injury

Except as provided above, Seller hereby agrees to release and indemnify, defend and hold harmless Buyer and its affiliates and their respective owners, officers, employees, agents, and volunteers (collectively, the “Buyer Indemnified Persons”), from and against any and all obligations, liabilities, claims, liens, encumbrances, losses, damages, costs and expenses, including without limitation, attorneys’ fees, whether direct, contingent, or consequential, incurred by Buyer Indemnified Persons, directly or indirectly, relating to, resulting from or arising out of, or any allegation by any third party regarding: (i) any breach of this Agreement, the Easement, or the Lease, (ii) acts, occurrences, or matters that take place in furtherance of this Agreement, the Easement or the Lease, (iii) liabilities relating to third party claims for personal injury, including attorney’s fees, expenses or costs resulting from, or arising out of, any event, incident or claim occurring prior to the date of this Agreement. This indemnity shall not include

any damages or liability as set forth in Buyers Release and Indemnity as set forth above.

Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer that that the following statements, all of which shall survive the execution of this Agreement and the Closing, are true and correct as of the date hereof and as of the Closing Date: Seller has the full right, power, and legal authority to execute, deliver and perform this Agreement. The execution and delivery by Seller of this Agreement and the consummation by Seller of the transactions contemplated on its part hereby has been duly authorized by all necessary approvals of each body governing Seller. This Agreement has been duly executed and delivered by Seller, and is a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms. No filing or registration with, no notice to and no governmental authorization, consent or approval of any governmental authority, creditor or other Person is necessary in connection with the execution and delivery of this Agreement, the performance of the obligations hereunder, or the consummation of the transactions contemplated hereby. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the compliance by Seller with any of the provisions hereof, will violate or conflict with any provision of any provision of any legal requirement binding upon Seller or result in, or require, the creation or imposition of, any encumbrance, lien or restriction whatsoever (“Encumbrances”) upon or with respect to the Property or the rights under the Lease and the Easement being acquired by Buyer under this Agreement (collectively, the “Assets”). Seller has good and valid title to all of the Assets. The Assets are free and clear of all Encumbrances. No representation or warranty or other statement of Seller or its representatives contained herein, any exhibits hereto, any certificates or documents delivered or to be delivered pursuant hereto, or otherwise made to Buyer contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein or therein not misleading.

ARTICLE II

2.1 Repayment of Purchase Price Deposit to Buyer. In the event Escrow does not close, for whatever reason, and Buyer does not acquire Seller’s interest in the Assets as provided for in this Agreement, any and all amounts deposited into Escrow as the Purchase Price by Buyer and all other amounts deposited into Escrow by Buyer shall be returned by Escrow Holder, less costs incurred by Escrow Holder, to Buyer

2.2 Possession. Possession of the Property shall be delivered to Buyer at Close of Escrow.

Seller Initials

Seller Initials

ARTICLE III

3.1 Attorney's Fees. In any action between the parties hereto, seeking enforcement of any of the terms and provisions of this Agreement or the Escrow, or in connection with the Assets, each party shall bear its own attorney's fees and costs. The prevailing party in such action shall not be entitled to recover from the other party its reasonable attorney's fees and other reasonable expenses in connection with such action or proceeding.

3.2 Notices. Any notice which either party may desire to give to the other party or to the Escrow Holder must be in writing and may be given by personal delivery or by mailing the same by registered or certified mail, return receipt requested, postage prepaid, to the party to whom the notice is directed at the address of such party hereinafter set forth, or such other address and to such other persons as the parties may hereafter designate:

To Buyer:

General Petroleum d/b/a Maxum Petroleum
340 Golden Shore, Suite 100
Long Beach, CA 90802
Attn: Charles McDaniel

With a copy to:

Pilot Thomas Logistics
777 Main Street, Suite 2000
Fort Worth, Texas 76102
Attn: Legal Department

AND

To Seller:

City of Huntington Beach
C/O Fred Wilson, City Manager
2000 Main Street
P.O. Box 190
Huntington Beach, CA 92648

To Escrow Holder: Commonwealth Land Title Company
Attn: Griffin Wayne, Vice President
National Commercial Services
4100 Newport Place Drive, Suite 120
Newport Beach, CA 92660

Any notice given by mail shall be deemed received forty-eight (48) hours after such notice is deposited in the U.S. mail, addressed as provided above, with postage fully prepaid.

3.3 Interpretation; Governing Law. This Agreement shall be construed according to its fair meaning and as if prepared equally by all parties hereto. This Agreement shall be construed in accordance with the laws of the State of California in-effect at the time of the execution of this Agreement. Any action brought in connection with this Agreement shall be brought in a court of competent jurisdiction located in Orange County, California. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

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

3.5 Modifications. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto. Buyer may assign this Agreement, the Easement and the Lease to any of its affiliates without restriction.

3.6 Severability. If any term, provision, condition or covenant of this Agreement or application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall be valid and enforceable to the fullest extent permitted by law.

3.7 Merger of Prior Agreements and Understandings. This Agreement and other documents incorporated herein by reference contain the entire understanding between the parties relating to the transaction contemplated hereby and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, including (without limitation) the Request for Qualifications for Mariner's Point Fuel Dock released on September 30, 2015, are merged herein and shall be of no further force or effect.

3.8 Covenants to Survive Escrow. The covenants and agreements contained herein shall survive the Close of Escrow and shall be binding upon and inure to the benefit of the parties hereto and their representatives, heirs, successors and assigns.

3.9 I.R.S. Forms. It is further understood and agreed by Seller that closing of this Escrow is subject to and contingent upon Seller executing any Internal Revenue Service Form deemed necessary, and depositing same with Escrow Holder no later than one (1) day prior to the Close of escrow.

3.10 Notice of Tax Withholding Requirements. It is further understood and agreed by Buyer and Seller that closing of this Escrow is subject to and contingent upon Seller executing a "Transferor's Affidavit of Non-Foreign Status" and California Form 590 (Withholding Exemption Certificate) and depositing a copy of same with Escrow Holder no later than one (1) day prior to the Close of Escrow. In the event Sellers cannot execute the above-referenced Transferor's Affidavit or California Form 590, Seller shall provide written instructions to Buyer.

3.11 Counterparts. This Agreement and any modifications, amendments, or supplements thereto may be executed in counterparts and shall be valid and binding as if the signatures of all parties were on one document.

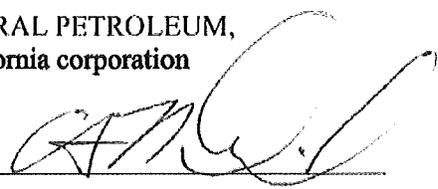
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IN WITNESS WHEREOF, the parties hereto have executed this Agreement of Purchase and Sale of Property and Escrow Instructions as of the date first above written.

"BUYER"

GENERAL PETROLEUM,
a California corporation

Dated: 12/21/15

By: 

Name: Charles McDaniel

Its: Senior Vice President

"SELLER"

CITY OF HUNTINGTON BEACH,
A California municipal corporation

Dated: _____

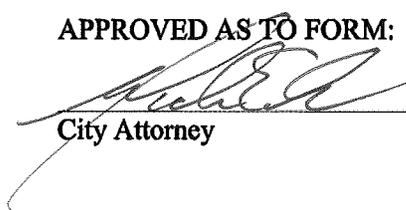
Mayor

City Clerk

INITIATED, REVIEWED AND APPROVED:

City Manager

APPROVED AS TO FORM:



City Attorney

EXHIBIT "A"

Property

[City to provide]

EXHIBIT "B"

Easement

[City to provide]

EXHIBIT "C"

Lease

[City to provide]

EXHIBIT "D"

Bill of Sale

(to be inserted)

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

by and between

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF HUNTINGTON BEACH,
a public agency,

and

THE WATERFRONT HOTEL, LLC,
a California limited liability company

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EXHIBITS

- “A-1” LEGAL DESCRIPTION OF THE HILTON PARCEL
- “A-2” LEGAL DESCRIPTION OF PARCEL C
- “A-3” DEPICTION OF THE LAND
- “B” FORM OF BLANKET ASSIGNMENT AND BILL OF SALE
- “C” TITLE REPORT
- “D” GRANT DEED

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Escrow Instructions (“Agreement”) is dated for reference purposes as of _____, 201____ (“Effective Date”), and is being entered into by and between SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH, a public agency, corporate and politic (alternatively, “Seller” or “Successor Agency”), and THE WATERFRONT HOTEL, LLC, a California limited liability company (“Buyer”). Seller and Buyer are sometimes hereinafter individually referred to as a “Party” and collectively as the “Parties.”

RECITALS:

This Agreement is entered into with reference to the following facts:

A. On or about April 28, 1989, the Redevelopment Agency of the City of Huntington Beach (“RDA”), as lessor, and Waterfront Construction No. 1, a California limited partnership, as lessee, entered into that certain lease (the “Hilton Parcel Lease”) for the lease of that certain real property located in the City of Huntington Beach, County of Orange, State of California, consisting of approximately 3.60 acres of land area, with a street address of 21100 Pacific Coast Highway, bounded by Pacific Coast Highway, Huntington Street, Pacific View Drive, and more particularly described and depicted in Exhibits “A-1” and “A-3” hereto (the “Hilton Parcel”). A memorandum of the Hilton Parcel Lease was recorded in the Official Records of the Orange County Recorder on April 28, 1989, as Instrument No. 89-225546 (the “Hilton Parcel Lease Memorandum”). On or about July 3, 1997, Waterfront Construction No. 1 and Buyer entered into that certain Lease Assignment and Assumption Agreement that was recorded in the Official Records of the Orange County Recorder on July 17, 1997, as Instrument No. 97-0338159, pursuant to which Waterfront Construction No. 1 assigned to Buyer and Buyer assumed from Waterfront Construction No. 1 all of Waterfront Construction No. 1’s right, title, and interest in and under the Hilton Parcel Lease (the “Hilton Parcel Lease Memorandum Assignment”).

B. On or about November 5, 1998, the RDA, as lessor, and Buyer, as lessee, entered into that certain Interim Short-Term Lease (the “Interim Short-Term Lease”) for the lease of that certain real property located in the City of Huntington Beach, County of Orange, State of California, also with a street address of 21100 Pacific Coast Highway, consisting of approximately 3.63 acres of land area, bounded by Pacific Coast Highway, Twin Dolphin Drive, Pacific View Drive, and the Hilton Parcel, and more particularly described and depicted in Exhibits “A-2” and “A-3” hereto (“Parcel C”). A memorandum of the Interim Short-Term Lease dated March 16, 1999, was recorded in the Official Records of the Orange County Recorder on April 19, 1999, as Instrument No. 19990285625 and on April 7, 2000, as Instrument No. 20000179415 (collectively, the “Interim Short-Term Lease Memorandum”). On or about August 29, 2006, Buyer and Mayer Financial, L.P., a California limited partnership (“MF”), entered into that certain Assignment of Lease that was recorded in the Official Records of the Orange County Recorder on August 30, 2006, as Instrument No. 2006000582100, pursuant to which Buyer assigned to MF and MF assumed from Buyer all of Buyer’s right, title, and interest in and under the Interim Short-Term Lease (the “Interim Short-Term Lease Memorandum Assignment”).

C. The Hilton Parcel and Parcel C are hereinafter collectively referred to as the "Land." The Hilton Parcel Lease provides for the development and operation of a hotel and related improvements (collectively, the "Existing Hotel") on the Hilton Parcel. Buyer intends to develop an expansion to the Existing Hotel on the Land (the "Hotel Addition," together with the Existing Hotel the "Expanded Hotel"). The Hotel Addition shall mean the addition of approximately one hundred fifty-two (152) net guestrooms, including a minimum of one hundred twenty-five (125) suites, to the Existing Hotel on the Land, plus an additional ballroom, meeting rooms, restaurant, and ancillary facilities, as approved by City prior to the Effective Date per Conditional Use Permit No. 09-037 or such other improvements as may be approved by City.

D. The RDA was a redevelopment agency in the City of Huntington Beach ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code (the "Redevelopment Law").

E. Assembly Bill No. XI 26 (2011-2012 1st Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code ("H&S Code"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the H&S Code.

F. Pursuant to AB 26, as modified by the California Supreme Courts on December 29, 2011, by its decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231, all California redevelopment agencies, including the RDA, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing, and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies.

G. The City Council of the City elected for the City to serve as the successor agency to the RDA upon the dissolution of the RDA under AB 26 ("Successor Agency").

H. On June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012). AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies, including the preparation of a Long Range Property Management Plan ("LRPMP"). AB 26 and AB 1484, as further amended, are collectively referred to herein as the "Dissolution Act."

I. H&S Code Section 34179 of the Dissolution Act establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the "oversight board." The oversight board has been established for the Successor Agency ("Oversight Board").

J. Pursuant to H&S Code Section 34191.5(b) and (c) of the Dissolution Act, within six (6) months after the California Department of Finance ("DOF") issues a Finding of Completion to the Successor Agency, the Successor Agency is obligated to prepare a LRPMP that addresses the disposition and use of certain real properties of the former RDA, which

LRPMP is subject to the review and approval of the Oversight Board and DOF. Pursuant to H&S Code Section 34191.3 of the Dissolution Act, once a LRPMP is approved by DOF the LRPMP shall govern and supersede all other provisions of the Dissolution Act relating to the disposition and use of the properties addressed therein.

K. On May 13, 2014, DOF issued its Finding of Completion to the Successor Agency.

L. Pursuant to the Dissolution Act, the Successor Agency then prepared a proposed LRPMP which included 13 parcels comprising 7 properties, including the Land that is the subject of this Agreement (as Parcel Nos. 6 and 7) (the "Original Proposed LRPMP").

M. On November 3, 2014, the Successor Agency approved the Original Proposed LRPMP.

N. On November 5, 2014, the Oversight Board adopted its Resolution No. 2014-06 approving the Initial Proposed LRPMP and the Successor Agency thereafter submitted the Original Proposed LRPMP to DOF.

O. Subsequently, the Successor Agency received correspondence from DOF requesting that modifications be made to the Original Proposed LRPMP and the Successor Agency prepared an amended LRPMP to address the issues/concerns set forth in DOF's request ("Amended LRPMP").

P. As noted in the Amended LRPMP, the Successor Agency estimated the current value of the Successor Agency's leased fee interest in the Land at \$5,607,950, based on an appraisal prepared by "the highly respected consulting firm of PKF Consulting USA." The Amended LRPMP also noted that the existing Hilton Parcel Lease does not expire until 2088, the lessee (Buyer) has the right to extend the term of the Hilton Parcel Lease and the Interim Short-Term Lease for a new 99-year term if certain conditions are satisfied by January 1, 2016, and the lessee (Buyer) has a right of first refusal if the Successor Agency should sell the Land prior to the end of the (extended) Lease term. The Amended LRPMP noted that the Successor Agency was "currently in negotiations with [Buyer] with the goal of selling the fee interest in Parcels 6 and 7" to Buyer, it identified 4 alternative "disposition alternatives" for Parcels 6 and 7, it noted that the alternative of selling Parcels 6 and 7 to Buyer (Alternative 1) "will generate the highest proceeds of the 4 alternatives," and it stated the Successor Agency's intention to reach agreement with Buyer on the sale transaction terms and sell Parcels 6 and 7 to Buyer sometime on or before January 1, 2016.

Q. On March 5, 2015, the Oversight Board adopted its Resolution No. 2015-05 approving the Amended LRPMP and the Successor Agency thereafter submitted the Amended LRPMP to DOF.

R. On March 23, 2015, DOF approved the Amended LRPMP (including with respect to the Land), DOF confirmed that, pursuant to H&S Code Section 34191.3 of the Dissolution Act, the approved Amended LRPMP "shall govern, and supersede all other provisions [of the Dissolution Act] relating to, the disposition and use of all the real property assets of the former redevelopment agency," and noted that any Successor Agency actions taken pursuant to the

Amended LRPMP which require the Successor Agency to enter into a “new agreement” are subject to Oversight Board approval per H&S Code Section 34181(f), which Oversight Board approval must then be submitted to DOF for review and approval.

S. Subject to the necessity of submitting this Agreement to the Oversight Board and DOF, Seller desires to implement the approved Amended LRPMP by selling the Land and other appurtenant rights relating to the Land (collectively, the “Property”) to Buyer and Buyer desires to purchase the Property from Seller, all on the terms and conditions set forth in this Agreement.

COVENANTS

Based upon the foregoing Recitals, which are incorporated into this Agreement by this reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both Parties, Seller and Buyer agree as follows:

1. Definitions. In addition to the terms defined elsewhere in this Agreement, as used in this Agreement the terms set forth below shall have the following meanings:

“Agreement” has the meaning set forth in the first paragraph of this Agreement.

“Authorities” means the various governmental and quasi-governmental bodies and agencies having jurisdiction over the Property, including, without limitation, the City, the County, the State, and federal agencies, courts, special taxing districts, administrative tribunals, and public and private utilities.

“Blanket Assignment and Bill of Sale” means the written blanket assignment from Seller to Buyer in the form attached hereto as Exhibit B.

“Buyer” has the meaning set forth in the first paragraph of this Agreement.

“Buyer’s Closing Conditions” are those conditions to Buyer’s obligation to close the Escrow that are set forth in Section 7.3 of this Agreement.

“Buyer’s Title Policy” means the policy of title insurance described in Section 6 of this Agreement.

“City” means the City of Huntington Beach, California.

“Closing” or “Close of Escrow” means the conveyance by Seller to Buyer of title of the Property. Conveyance of the Property shall occur through the Escrow upon recordation of the Grant Deed.

“Closing Conditions” mean, collectively, the Buyer’s Closing Conditions and the Seller’s Closing Conditions.

“Closing Date” has the meaning set forth in Section 7.2 of this Agreement.

“Default” means each of the events so designated in Section 13.1 of this Agreement.

“Effective Date” has the meaning set forth in the introductory paragraph of this Agreement.

“Escrow” means the above described Escrow to be opened with Escrow Holder or, in the event Escrow Holder ceases to exist or fails or refuses to act as Escrow Holder for the transactions contemplated by this Agreement, any other escrow with an Escrow Holder selected by Buyer which is not affiliated with either party.

“Escrow Date” is the date Escrow is opened in accordance with Section 7.1 of this Agreement.

“Escrow Holder” means Fidelity National Title Insurance Company in an office located in Orange County, California.

“Existing DDA” has the meaning ascribed to that term in Section 7.2 of this Agreement.

“Grant Deed” means the deed by which Seller is to convey the Property to Buyer. The form of the Grant Deed to be used in this transaction is attached hereto as Exhibit D, subject to any modifications that may be mutually approved by Seller, Buyer, and Title Company.

“Hazardous Material” means any substance, material, or waste which is or becomes regulated by the United States government, the State of California, or any local or other governmental authority, including, without limitation, any material, substance, or waste which is (i) defined as a “hazardous waste,” “acutely hazardous waste,” “restricted hazardous waste,” or “extremely hazardous waste” under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code; (ii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code; (iii) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Section 25501 of the California Health and Safety Code; (iv) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code; (v) petroleum; (vi) asbestos; (vii) a polychlorinated biphenyl; (viii) listed under Article 9 or defined as “hazardous” or “extremely hazardous” pursuant to Article 11 of Title 22 of the California Code of Regulations, Chapter 20; (ix) designated as a “hazardous substance” pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317); (x) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C. Section 6903); (xi) defined as a “hazardous substance” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601); or (xii) any other substance, whether in the form of a solid, liquid, gas, or any other form whatsoever, which by any governmental requirements either requires special handling in its use, transportation, generation, collection, storage, treatment or disposal, or is defined as “hazardous” or is harmful to the environment or capable of posing a risk of injury to public health and safety.

“Hazardous Material Law” means any federal, state, or local law, ordinance, or regulation, any order, demand, or guidance document of any governmental agency or any licenses or permits relating to Hazardous Material.

“Land” has the meaning ascribed to that term in Recital A and Exhibits “A-1” and “A-2” hereto.

“Laws” means all federal, state, and local laws, rules, regulations, ordinances, and codes. The term “Laws” includes Hazardous Material Laws.

“Lender” has the meaning set forth in Section 13.17 of this Agreement.

“Permitted Exceptions” has the meaning set forth in Section 6.1 of this Agreement.

“Person” means any natural person or entity, whether an individual, trustee, corporation, partnership, joint stock company, trust, unincorporated association, bank, business association, firm or otherwise.

“Property” means the Land and all of Seller’s right, title and interest in and to all entitlements, easements, rights, mineral rights, oil and gas rights, water, water rights, air rights, development rights and privileges appurtenant thereto and all improvements located thereon, and, in addition, the rights of the declarant under any declaration of covenants, conditions and restrictions recorded against title to the Land, if any, and all items of personal property that may be situated on, in, or under the Land, excluding, however, any recorded dedications existing as of the Effective Date.

“Purchase Price” means the purchase price for the Property set forth in Section 3 of this Agreement.

“Seller” has the meaning set forth in the first paragraph of this Agreement.

“Seller’s Closing Conditions” are those conditions to Seller’s obligation to close the Escrow that are set forth in Section 7.4 of this Agreement.

“Title Company” means Fidelity National Title Insurance Company in its Newport Beach office or another office located in Orange County, California.

“Title Report” means that certain Preliminary Report issued by the Title Company with respect to the Property dated as of September 15, 2015 (Order No. 997-23057599-CT1). A true and correct copy of the Title Report is attached hereto as Exhibit C.

2. Purchase and Sale of Property. Seller agrees to sell the Property to Buyer and Buyer agrees to purchase the Property from Seller, in each case upon the terms and subject to the conditions set forth in this Agreement.

3. Purchase Price. Buyer’s purchase price for the Property shall be the sum of Five Million Six Hundred Seven Thousand Nine Hundred Fifty Dollars (\$5,607,950) (the “Purchase Price”).

4. Payment of Purchase Price. Buyer shall pay the entire Purchase Price through the Escrow by wire transfer of immediately available funds.

5. Physical and Environmental Condition. Buyer acknowledges that it has been the ground lessee in possession of the Land since April 28, 1989, that it excavated, filled, and graded the Land and constructed the improvements currently situated thereon, that it remediated the Land in conjunction with its development, that it has continuously owned, operated, and maintained the

improvements now situated on the Land for over 25 years, that prior to the commencement date of the Hilton Parcel Lease and the Interim Short-Term Lease an affiliated entity of Buyer leased and occupied the Land for many years, that Buyer is thoroughly familiar with the physical and environmental condition of the Land, and that Buyer is not relying upon any information or knowledge of Seller with respect to any of such matters. Accordingly, to the maximum extent permitted by law, Seller shall convey the Property to Buyer in a strictly "AS IS, WHERE IS, WITH ALL FAULTS" physical and environmental condition, with no warranty or representation by Seller, express or implied, regarding the presence of uncompacted fill, the condition of the soils, the geology, seismology, hydrology, or other similar matters on, under, or affecting the Land, the condition of any buildings or improvements located thereon, the presence or absence of any Hazardous Materials, or the Property's compliance with any applicable Hazardous Material Law. It shall be the sole responsibility of Buyer, at Buyer's expense, to investigate and determine the soil conditions of the Property and the suitability of the Property for the development to be constructed by Buyer. If the soil conditions of the Property, or any part thereof, are not in all respects entirely suitable for the use or uses to which the Property will be put, then it is the sole responsibility and obligation of Buyer to take such action as may be necessary to place the Property and the soil conditions thereof in all respects in a condition entirely suitable for the development of the Property, which may include demolition, clearing, or moving buildings, structures, or other improvements, and removal of Hazardous Materials. Buyer hereby further waives, releases, acquits, and forever discharges Seller, the City, their respective officers, employees, and agents, and their successors and assigns with respect to any such matters. The foregoing shall not be deemed to limit Buyer's obligations set forth in the Hilton Parcel Lease or the Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) prior to the Closing. The provisions of this Section 5 shall survive the Closing.

Buyer acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

As such relates to the matters addressed in this Section 5, Buyer hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of the California Civil Code.

6. Condition of Title and Grant Deed.

6.1 Title Report; Permitted Exceptions. Within ten (10) days after the Effective Date, Buyer shall review the Title Report and notify Seller and the Title Company in writing of those exceptions to title identified therein that are disapproved by Buyer, which disapproved exceptions shall include but not be limited to the following (collectively, the "Disapproved Title Exceptions"): (i) the Hilton Parcel Lease Memorandum (Exception #3) and Hilton Parcel Lease Memorandum Assignment identified in Recital A of this Agreement; (ii) the Estoppel Agreement Regarding Ground Lease dated as of July 27, 2006, and recorded in the Official Records of the Orange County Recorder on July 27, 2006, as Instrument No. 2006000503301 (Exception #14), (iii) the Interim Short-Term Lease Memorandum and Interim Short-Term Lease Memorandum

Assignments identified in Recital B of this Agreement (Exception #11, 12); (iv) the Reciprocal Fire and Access Easement Agreement dated as of August 30, 1995, and recorded in the Official Records of the Orange County Recorder on September 1, 1995, as Document No. 95-0384750, as subsequently assigned by Waterfront Construction No. 1 to Buyer pursuant to an Assignment and Assumption of Easements dated July 30, 1997, and recorded in the Official Records of the Orange County Recorder on August 1, 1997, as Instrument No. 19970367563 and as subsequently reaffirmed pursuant to the Easement Agreement (Reaffirmation) dated as of August 29, 2006, and recorded in the Official Records of the Orange County Recorder on August 30, 2006, as Instrument No. 2006000582101 (Exception #6); (v) the Waterfront Parking Easement Agreement dated as of August 29, 2006, and recorded in the Official Records of the Orange County Recorder on August 30, 2006, as Instrument No. 2006000582103 (Exception #16); and (vi) the Parcel C Parking Easement Agreement dated as of August 29, 2006, and recorded in the Official Records of the Orange County Recorder on August 30, 2006, as Instrument No. 2006000582104 (Exception #17). The following exceptions to title are hereby approved by Buyer (collectively, the "Permitted Exceptions"): (i) non-delinquent property taxes, possessory interest taxes, and assessments (to be paid by Buyer at the Closing in accordance with this Agreement), (ii) any pre-printed standard exceptions and exclusions in the Title Company's Title Report; (iii) matters affecting the condition of title to the Property created by or with the written consent of Buyer; and (iv) the exceptions to title identified in the Title Report that are *not* among the Disapproved Exceptions listed by Buyer in accordance with the preceding sentence. The Title Policy to be issued at the Closing shall be issued by Title Company subject only to the Permitted Exceptions.

6.2 Title Insurance. At the Closing, Title Company shall issue to Buyer a standard form CLTA Owner's Policy of Title Insurance with liability equal to the Purchase Price, showing fee simple title to the Property vested in Buyer subject only to the Permitted Exceptions (the "Buyer's Title Policy"). Buyer may elect by delivery of written notice to the Title Company to obtain additional coverage, to upgrade to an ALTA Extended Coverage Owner's Policy of Title Insurance, and/or to obtain non-standard endorsements to the Buyer's Title Policy, provided Buyer's inability to obtain such additional or extended coverage and/or non-standard endorsements or its delay in obtaining the same shall not constitute a failure of the Closing Condition set forth in Section 7.3(d) of this Agreement or a justification or excuse for delaying the Closing. Seller shall be responsible for paying one hundred percent (100%) of the cost of Buyer's Title Policy; provided that Buyer shall be responsible to pay one hundred percent (100%) of the marginal additional cost, if any, to obtain such additional or extended coverage (including without limitation any survey that may be conducted) and/or non-standard endorsements requested by Buyer.

7. Escrow and Conditions.

7.1 Opening of Escrow and Escrow Instructions. Buyer and Seller promptly shall cause Escrow to be opened for the consummation of the transaction contemplated by this Agreement by delivering a fully executed copy of this Agreement to the Escrow Holder. This Agreement shall constitute instructions to the Escrow Holder with respect to such transaction. The Escrow Holder immediately shall notify Buyer and Seller of the Escrow Date. Buyer and Seller shall execute such additional escrow instructions as reasonably may be required to consummate the transaction contemplated by this Agreement and as Buyer and Seller may

approve, which approval shall not be unreasonably withheld. To the extent such additional escrow instructions conflict with any provisions of this Agreement, the provisions of this Agreement shall control unless the Parties each separately initial such change.

7.2 Close of Escrow. Subject to the next two paragraphs below and subject to satisfaction (or waiver by the benefited Party or Parties) or all of the conditions to closing set forth in Sections 7.3 and 7.4, the Close of Escrow for conveyance of the Property shall occur on or before February 29, 2016 (the "Closing Date"). In this regard, prior to the Effective Date Buyer has advised Seller that Buyer desires to coordinate the Closing hereunder with the closing of a construction loan for a major expansion of the existing hotel located on the Property (the "Construction Loan") and, at Buyer's request, Seller agrees to cooperate with Buyer to provide for a concurrent closing of this transaction with the closing of the Construction Loan; provided, however, that in no event shall any delay or failure by Buyer to cause the Construction Loan to close constitute the failure of a condition to Buyer's obligation to close this transaction or delay the Closing Date hereunder.

In the event the condition set forth in Sections 7.3(a) and 7.4(a) below has not been satisfied in time for the Close of Escrow to occur on or before February 29, 2016, this Agreement shall remain in full force and effect and the outside Closing Date provided for in the preceding paragraph shall be extended from February 29, 2016, to the date that is two (2) weeks after the Parties receive notice that the condition set forth in Sections 7.3(a) and 7.4(a) has been satisfied or May 1, 2016, whichever date is earlier, provided that the City Manager/Executive Director of Seller shall have the authority on behalf of Seller to further extend the May 1, 2016, deadline for a reasonable additional period or periods of time if he/she determines there is a reasonable likelihood that the condition set forth in Sections 7.3(a) and 7.4(a) will be satisfied within such additional time period(s).

Notwithstanding the foregoing, nothing set forth in this Agreement is intended or shall be interpreted to prohibit or prevent Buyer from proceeding under Article 200 of the Amended and Restated Disposition and Development Agreement dated as of September 14, 1998, as previously amended by the First Implementation Agreement dated as of May 15, 2000, the Second Implementation Agreement dated as of February 5, 2001, the Third Implementation Agreement dated as of October 20, 2008, the Fourth Implementation Agreement dated as of October 18, 2010, and the Fifth Implementation Agreement dated as of May 16, 2011 (collectively, the "Existing DDA"), to satisfy the conditions to closing for conveyance to Buyer of a long-term consolidated leasehold interest in the Hilton Parcel and Parcel C and execution and delivery of such long-term lease in the form set forth as Exhibit No. 1 to the Fifth Implementation Agreement (herein, the "Consolidated Long-Term Lease").

Nothing herein is intended to or shall be interpreted to modify or to change in any way any provision of the Existing DDA, including, without limitation, Section 203.3 of the Existing DDA and the outside date by which all conditions precedent for conveyance of the leasehold interest in Parcel C must be satisfied (which is December 31, 2016, as of the date of this Agreement).

7.3 Buyer's Conditions to Close of Escrow. Notwithstanding any other provision set forth in this Agreement to the contrary, Buyer's obligation to close the Escrow under this

Agreement is subject to the satisfaction of each of the following conditions or Buyer's express written waiver (in its sole and absolute discretion) of any unsatisfied condition(s), in either case not later than the Closing Date:

(a) Oversight Board and DOF Approval. The Oversight Board shall have adopted a resolution at a properly noticed and agendized public meeting approving Seller's sale of the Property to Buyer pursuant to this Agreement, a copy of the Oversight Board's resolution shall have been delivered electronically to DOF in accordance with H&S Code Section 34179(h), and DOF shall either have formally approved the transaction contemplated by this Agreement or the time shall have elapsed for DOF to request a review of the transaction contemplated by this Agreement as provided in H&S Code Section 34179(h) without DOF having requested such a review. Seller shall exercise commercially reasonable diligence to cause the Oversight Board meeting at which such matters will be considered to be properly noticed, agendized, and held as soon as practicable after the Effective Date and, assuming the Oversight Board adopts a resolution approving this Agreement, Seller shall deliver a copy of such resolution electronically to DOF in accordance with H&S Code Section 34179(h) within two (2) business days thereafter. When DOF approves the transaction contemplated by this Agreement (either after review or by lapse of the time within which to request review, whichever first occurs), Seller shall promptly notify Buyer and the Escrow Holder and the date upon which Seller so notifies Buyer and the Escrow Holder shall be deemed the date on which the condition set forth in this Section 7.3(a) has been satisfied.

(b) Seller's Representations. Seller's representations and warranties set forth in Section 12 shall be true and correct as of the Closing.

(c) Seller's Deliveries and Default. Seller shall have delivered to Buyer and Escrow Holder all documents required to be delivered by Seller to Buyer and Escrow Holder, respectively, pursuant to the terms of this Agreement, Seller shall not be in Default under the terms of this Agreement, and no event shall have occurred which would constitute a Default by Seller under the terms of this Agreement but for the requirement that notice be given or time elapse or both.

(d) Title. At the Closing the Title Company shall be committed to issuing to Buyer a standard form CLTA Owner's Policy of Title Insurance with coverage in the amount of the Purchase Price and subject to only the Permitted Exceptions.

(e) Assignment. On or before the Closing, Seller shall have executed the Blanket Assignment and Bill of Sale with respect to the Property and delivered the same to the Escrow Holder.

The foregoing conditions are solely for the benefit of Buyer and may be waived only by Buyer. Buyer shall at all times have the right to waive any condition, which waiver or waivers must be in writing to be effective. Neither the waiver by Buyer of any condition nor the satisfaction of any condition shall relieve Seller of any liability or obligation as respects any representation, warranty or covenant of Seller under this Agreement unless Buyer shall so agree in writing.

7.4 Seller's Conditions to Close of Escrow. Notwithstanding any other provision set forth in this Agreement to the contrary, Seller's obligation to close the Escrow under this Agreement is subject to the satisfaction of each of the following conditions or Seller's express written waiver (in its sole and absolute discretion) of any unsatisfied conditions, in either case not later than the Closing Date:

(a) Oversight Board and DOF Approval. The Oversight Board shall have adopted a resolution at a properly noticed and agendaized public meeting approving Seller's sale of the Property to Buyer pursuant to this Agreement, a copy of the Oversight Board's resolution shall have been delivered electronically to DOF in accordance with H&S Code Section 34179(h), and DOF shall either have formally approved the transaction contemplated by this Agreement or the time shall have elapsed for DOF to request a review of the transaction contemplated by this Agreement as provided in H&S Code Section 34179(h) without DOF having requested such a review. When DOF approves the transaction contemplated by this Agreement (either after review or by lapse of the time within which to request review, whichever first occurs), Seller shall promptly notify Buyer and the Escrow Holder and the date upon which Seller so notifies Buyer and the Escrow Holder shall be deemed the date on which the condition set forth in this Section 7.4(a) has been satisfied.

(b) Buyer's Representations. Buyer's representations and warranties set forth in Section 11 shall be true and correct as of the Closing.

(c) Buyer's Deliveries and Default. Buyer shall have delivered to Seller and Escrow Holder all funds and documents required to be delivered by Buyer to Seller and Escrow Holder, respectively, pursuant to the terms of this Agreement, Buyer shall not be in Default under the terms of this Agreement, and no event shall have occurred which would constitute a Default by Buyer under the terms of this Agreement but for the requirement that notice be given or time elapse or both.

(d) Construction Loan. Buyer shall have delivered to Seller, in a form reasonably approved by the Successor Agency Executive Director, a copy of all construction loan documents (e.g., notes, trust deeds, indentures, loan agreements, etc.) necessary to assure closing and complete funding for the development and construction of the Hotel Addition. If construction financing is insufficient to assure complete funding for the development and construction of the Hotel Addition, Buyer shall have delivered to Seller, in a form reasonably approved by the Successor Agency Executive Director, evidence of sources of capital sufficient to demonstrate that Buyer has or will have sufficient equity capital to cover the excess, if any, of the cost of development and construction over the financing authorized by mortgage loans.

The foregoing conditions are solely for the benefit of Seller and may be waived only by Seller. Seller shall at all times have the right to waive any condition, which waiver or waivers must be in writing to be effective. Neither the waiver by Seller of any condition nor the satisfaction of any condition shall relieve Buyer of any liability or obligation as respects any representation, warranty or covenant of Buyer under this Agreement unless Seller shall so agree in writing.

7.5 Cooperation Regarding Conditions. Each Party shall exercise commercially reasonable diligence in an effort to satisfy the Closing Conditions as expeditiously as possible after the Effective Date. Each Party shall cooperate with the other Party, at the written request of the other Party, in the other Party's efforts with respect to the satisfaction of the conditions; provided, however, that the reasonable costs of such cooperation shall be borne by the Party making the request.

7.6 Failure of Conditions to Close of Escrow. If one or more of the Closing Conditions set forth in Sections 7.3 or 7.4 is not satisfied prior to the outside Closing Date provided for in Section 7.2 and the benefitted Party or Parties is not willing to waive the unsatisfied condition(s), then (1) this Agreement, the Escrow, and the rights and obligations of Buyer and Seller shall terminate, except as otherwise expressly provided herein, (2) Buyer shall pay one hundred percent (100%) of Escrow Holder's and Title Company's cancellation charges, (3) Escrow Holder is instructed promptly to return to Seller and Buyer all funds and documents deposited by them, respectively, into Escrow which are held by Escrow Holder on the date of such termination, and (4) the Existing DDA, Hilton Parcel Lease, and Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) and all other agreements related thereto shall continue in full force and effect in accordance with the terms thereof. This Section 7.6 is not intended to limit or restrict the remedies of a Party if the failure of one or more of the Closing Conditions is due to a Default by the other Party. Nothing herein is intended to or shall be interpreted to modify or to change in any way any provision of the Existing DDA, the Hilton Parcel Lease, or the Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect).

8. Closing Costs. If the Escrow closes, (a) Seller shall pay one hundred percent (100%) of the premium for a CLTA Standard Owner's Policy of title with coverage in an amount equal to the Purchase Price, (b) documentary transfer taxes and recording fees shall be paid by Seller, (c) the escrow fees of Escrow Holder shall be paid one-half by Buyer and one-half by Seller; (d) any difference in premium cost between a CLTA Standard Owner's Policy with coverage in the amount of the Purchase Price and Buyer's Title Policy shall be paid by Buyer; (e) any property taxes, possessory interest taxes, and assessments required to close the Escrow shall be paid by Buyer, and (f) all other costs to close the Escrow shall be allocated between Seller and Buyer in accordance with customary practice for similar transactions in the County of Orange.

9. Deliveries to Escrow Holder.

9.1 Deliveries by Seller. Prior to the Closing (unless otherwise provided), Seller shall deposit the following documents into Escrow: (a) a Grant Deed for the Property consistent with this Agreement and in substantially the form attached hereto as Exhibit "D" duly executed by Seller, notarized and in recordable form; (b) four (4) copies of the Blanket Assignment and Bill of Sale for the Property duly executed by Seller; (c) such proof of Seller's authority to enter into this Agreement and to perform the transaction contemplated by this Agreement as reasonably may be required by the Title Company; (d) a certification as to the non-foreign status of Seller for federal tax withholding purposes, completed and executed by Seller, if required by the Escrow Holder; (e) a Withholding Exemption Certificate on California Franchise Tax Board Form 593-C, duly executed by Seller, if required by the Escrow Holder; and (f) such other

documents as may Escrow Holder may require Seller to execute that are consistent with this Agreement and required to enable Escrow Holder to perform its duties hereunder.

9.2 Deliveries by Buyer. Prior to the Closing (unless otherwise provided), Buyer shall deposit the following funds and documents into Escrow: (a) the entire Purchase Price; (b) a Grant Deed for the Property consistent with this Agreement and in substantially the form attached hereto as Exhibit "D" duly executed by Buyer, notarized and in recordable form; (c) the escrow and title fees and charges and other closing costs required hereunder; (d) all funds required to fully perform Buyer's monetary obligations to Seller that are set forth in the Hilton Parcel Lease and the Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) prorated to the Closing, including without limitation the payment of any Ground Rent owing through the Closing (including an estimate of the Participation Rent that will be due through the Closing Date based upon Buyer's and Seller's mutually agreed upon good faith estimate of Adjusted Room Revenue through that date, and with an appropriate adjustment of any underpayment or overpayment to be made between Seller and Buyer outside of Escrow within ninety (90) days after the Closing, as a matter with which the Escrow Holder shall not be concerned); (d) such proof of Buyer's authority to enter into this Agreement and to perform the transaction contemplated by this Agreement as reasonably may be required by the Title Company; and (e) such other documents as may Escrow Holder may require Buyer to execute that are consistent with this Agreement and required to enable Escrow Holder to perform its duties hereunder.

10. Disbursements and Other Actions by Escrow Holder. Upon the Closing, Escrow Holder promptly shall undertake all of the following: (a) disburse all funds deposited with Escrow Holder by Buyer in payment of the Purchase Price, Buyer's portion of the escrow and title fees and charges and closing costs, and any payments owing by Buyer to Seller pursuant to the Hilton Parcel Lease and/or the Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) for the period ending on the Closing Date as set forth in Section 9.2, deduct all items chargeable to the account of Seller under Section 8, pay the amounts owing to the Persons entitled to payment, and disburse the remaining balance of the funds to Seller, or in accordance with Seller's written instructions, promptly upon the Close of Escrow; (b) cause the Grant Deed (with documentary transfer tax information to be affixed after recording), and any other documents which Buyer or the Parties may direct to be recorded in the Official Records of the Orange County Recorder in the order directed by the Parties; (c) prepare and deliver to each of Buyer and Seller two conformed copies of the Grant Deed; (d) cause the Title Company to issue the Buyer's Title Policy to Buyer; (e) deliver two executed copies of the Blanket Assignment and Bill of Sale for the Property to each of Buyer and Seller; (f) deliver to Buyer any proof of authority deposited into Escrow by Seller pursuant to Section 9.1; (g) deliver to Buyer the certifications deposited into Escrow by Seller pursuant to Section 9.1(d) and (e); and (g) deliver to Seller any proof of authority deposited into Escrow by Buyer pursuant to Section 9.2.

11. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows, provided that all such representations and warranties are limited to Buyer's actual current knowledge, without any duty of inquiry or investigation, and all of such representations and warranties shall survive the close of Escrow for the limited period of one (1) year and, except to the extent Seller has filed an action against Buyer within said time period alleging Buyer has committed a Default with respect to a specific representation or warranty, all of such

representations and warranties as to which such an action is not timely filed shall automatically expire on the first anniversary of the Closing:

11.1 Authority. Buyer is a limited liability company duly organized and validly existing under the laws of the State of California. Buyer has the right, power, legal capacity, and authority to enter into and perform its obligations under this Agreement. Those individuals executing this Agreement on behalf of Buyer have the right, power, legal capacity, and authority to enter into this Agreement on behalf of Buyer and to execute all other documents and perform all other acts as may be necessary to perform all of Buyer's obligations under this Agreement.

11.2 No Consents. No approval or consent not previously obtained by any Person is necessary in connection with the execution of this Agreement by Buyer or the performance of Buyer's obligations under this Agreement.

11.3 No Violations of Agreements. Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement, or instrument to which Buyer is a party or by which it may be bound.

11.4 Binding Agreement. The Agreement constitutes the legally valid and binding obligation of Buyer and is enforceable against Buyer in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws, or by equitable principles relating to or limiting the rights of creditors generally.

11.5 No Violation of Laws. The consummation of the transaction contemplated by this Agreement does not violate any Law.

11.6 Brokers. No broker, salesperson, or finder has been engaged by Buyer in connection with the transactions contemplated by this Agreement.

Each of the foregoing representations and warranties shall be, and Buyer shall cause them to be, true in all respects on and as of the date of this Agreement and on and as of the close of Escrow as though made at that time.

12. Seller's Representations and Warranties. Seller represents and warrants to Buyer as follows, provided that all such representations and warranties are limited to Seller's actual current knowledge, without any duty of inquiry or investigation, and all of such representations and warranties shall survive the close of Escrow for the limited period of one (1) year and, except to the extent Buyer has filed an action against Seller within said time period alleging Seller has committed a Default with respect to a specific representation or warranty, all of such representations and warranties as to which such an action is not timely filed shall automatically expire on the first anniversary of the Closing:

12.1 Authority. Seller is a public agency duly organized and validly existing under the laws of the State of California. Subject to Section 12.2, Seller has the right, power, legal capacity, and authority to enter into and perform its obligations under this Agreement and those individuals executing this Agreement on behalf of Seller have the right, power, legal capacity, and authority to enter into this Agreement on behalf of Seller and to execute all other documents

and perform all other acts as may be necessary to perform all of Seller's obligations under this Agreement.

12.2 No Consents. With the exception of the need to obtain approval from the Oversight Board and, potentially, DOF, as referred to in Sections 7.3(a) and 7.4(a), no approval or consent not previously obtained by any Person is necessary in connection with the execution of this Agreement by Seller or the performance of Seller's obligations under this Agreement.

12.3 No Violations of Agreements. Subject to Section 12.2, neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement, or instrument to which Seller is a party or by which it may be bound.

12.4 Binding Agreement. Subject to Section 12.2, this Agreement constitutes the legally valid and binding obligation of Seller and is enforceable against Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws, or by equitable principles relating to or limiting the rights of creditors generally.

12.5 Broker. No broker, salesperson or finder has been engaged by Seller in connection with the transactions contemplated by this Agreement.

12.6 No Litigation. There is no suit, action, claim, proceeding or protest pending or threatened which may adversely affect the Property.

12.7 Assessments/Improvements. There is no proposed or existing public improvement which may involve any charge being levied or assessed upon the Property or any plan, study, or effort by any of the Authorities or any other Person or any existing or proposed Law which may adversely affect the Property.

12.8 Bankruptcy. Neither Seller nor any entity or person that owns or controls or comprises Seller is bankrupt or insolvent under any applicable Federal or state standard, has filed for protection or relief under any applicable bankruptcy or creditor protection statute, or has been threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute. Seller is not entering into the transaction described in this Agreement intending to defraud any creditor or to prefer the rights of one creditor to any other. Seller and Buyer have negotiated this Agreement at arm's length and the consideration paid represents fair value for the assets being transferred.

12.9 Compliance. Seller has not received any written requests to modify or terminate any use of the Property from any of the Authorities.

12.10 Foreign Person. Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 and Seller will deliver the Non-Foreign Affidavit through Escrow if requested to do so by Escrow Holder. Seller represents and warrants that Seller is not subject to the withholding requirements under Section 18662 of the California Revenue and Taxation Code and Seller will deliver the California Withholding Certificate through Escrow if requested to do so by Escrow Holder.

Each of the foregoing representations and warranties shall be, and Seller shall cause them to be, true in all respects on and as of the date of this Agreement and on and as of the Closing as though made at that time.

13. General Provisions.

13.1 Events of Default. The occurrence of any one or more of the following events before the Closing shall constitute a Default by a Party under this Agreement:

(a) Failure to Perform. The failure of the Party to perform any material obligation set forth in this Agreement on its part to be performed if the failure should continue uncured for a period of fifteen (15) days, including without limitation a failure to deposit funds or documents or take other actions required to timely close the Escrow provided for herein, after written notice is given to the Party of the occurrence of the failure; provided, however, that the failure shall not be deemed to have occurred if the failure is of a nature that reasonably requires more than fifteen (15) days to cure, is capable of being cured fully before the outside Closing Date set forth in Section 7.2 and the Party is proceeding continuously and diligently to cure the failure and does cure the failure before said outside Closing Date; further provided, however, in no event shall any cure period run or be permitted to run past said outside Closing Date;

(b) Representation/Warranty. Any representation or warranty made by the Party in this Agreement proves to have been materially incorrect as of the date made or as of any other date on which the representation and warranty was required by the terms of this Agreement to be true (provided that in order for any breach of a Buyer or Seller representation and warranty to constitute a Default hereunder, Seller's or Buyer's claim with respect thereto must have been filed within the time set forth in Sections 11 and 12, as applicable);

(c) Relief of Debtors. Institution by the Party of proceedings under any law of the United States or of any state or foreign jurisdiction for the relief of debtors;

(d) General Assignment. A general assignment by the Party for the benefit of creditors or the filing of a voluntary petition in bankruptcy;

(e) Bankruptcy. The filing of an involuntary petition in bankruptcy against the party by the creditors of such Party, such petition remaining undischarged for a period of thirty (30) days after the date the same was filed (or to the date of Close of Escrow if such date occurs before the expiration of the thirty (30) day period);

(f) Receiver. The appointment of a receiver to take possession of any of the assets of the Party, such receivership remaining undischarged for a period of thirty (30) days from the date of its appointment (or to the date of Close of Escrow if such date occurs before the expiration of the thirty (30) day period); or

(g) Attachment. The attachment, execution, or other judicial seizure of the Party's interest in this Agreement (and, in the case of Seller, in all or any portion of the Property), such attachment, execution or seizure being in an amount not less than Fifty Thousand Dollars (\$50,000) and remaining undismissed or undischarged for a period of thirty (30) days

after the levy of the attachment, execution, or seizure (or to the date of close of Escrow if such date occurs before the expiration of the thirty (30) day period).

13.2 Legal Fees. In the event of the bringing of any action or suit by either Party against the other Party by reason of any breach of any of the covenants, conditions, agreements, or provisions on the part of the other Party arising out of this Agreement, the Party in whose favor final judgment shall be entered shall be entitled to have and recover of and from the other Party all costs and expenses of suit, including reasonable attorneys' fees (or, in the event of any action to enforce this Agreement, the prevailing Party shall be entitled to recover all of its costs and expenses of the action, including reasonable attorney's fees), as determined by a court of competent jurisdiction.

13.3 Brokers and Finders. Each Party represents to the other Party that it has not had any contact, dealings, or communications with a broker or finder in connection with the transaction contemplated by this Agreement or any other person who can claim a right to a commission or finder's fee. If any other broker, finder, or other person makes a claim for a commission or finder's fee based upon any contract, dealing, or communication with a Party, then such Party shall indemnify, defend, and hold the other Party harmless from and against all damages, claims, losses, and expenses, including attorneys' fees, arising out of the broker's, finder's, or other person's claim.

13.4 Notices. All notices or other communication provided for under this Agreement shall be in writing, and shall be delivered personally, via facsimile or email, by reputable overnight mail equivalent carrier, or sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the person to receive such notice or communication at the following address and shall be effective upon delivery or refusal to accept delivery:

To Seller: Successor Agency to the Redevelopment Agency
 of the City of Huntington Beach
 2000 Main Street
 Huntington Beach, CA 92648
 Attn: Executive Director Fred Wilson
 Phone: 714-536-5575
 Fax: 714-
 Email: fred.wilson@surfcity-hb.org

(with copies to:) City of Huntington Beach
 2000 Main Street
 Huntington Beach, CA 92648
 Attn: City Attorney Michael Gates
 Email: Michael.gates@surfcity-hb.org

To Buyer: The Waterfront Hotel, LLC
 c/o The Robert Mayer Corporation
 8951 Research Drive
 Irvine, CA 92618
 Attn: RJ Mayer
 Phone: 949-8091
 Fax: 949-988-7176
 Email: rj@mayercorp.com

(with copies to:) Rutan & Tucker, LLP
 611 Anton Boulevard, 14th Floor
 Costa Mesa, CA 92626
 Jeffrey M. Oderman, Esq.
 Phone: 714-641-5100
 Fax: 714-546-9035
 Email: joderman@rutan.com

Notice of change of address shall be given by written notice in the manner set forth in this Section. Notices sent by email and facsimile shall be deemed received upon successful transmission.

13.5 Survival. All of the covenants, representations, and warranties set forth in this Agreement shall survive the Closing, delivery of the Grant Deed, provided that Buyer's and Seller's representations and warranties shall terminate at the time set forth in Sections 11 and 12). Where the context shall require, the provisions of this Agreement shall survive the termination of this Agreement prior to the Closing.

13.6 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, and assigns; provided, however, prior to the Close of Escrow, neither Party to this Agreement shall assign or transfer this Agreement or any interest, right, or obligation in this Agreement without the prior written consent of the other Party, and any such assignment or transfer without such written consent shall be null and void. No assignment by either Party of its rights and obligations hereunder shall release that Party of its obligations to the other Party hereunder without such other Party's written consent, which consent may be withheld in such Party's sole and absolute discretion.

13.7 Required Actions of Buyer and Seller. Buyer and Seller agree to execute all instruments and documents and to take all actions consistent with this Agreement as may be required in order to consummate the transaction contemplated by this Agreement and shall use their reasonable efforts to accomplish the Closing in accordance with the provisions of this Agreement; provided, that this Section 13.7 is not intended and shall not be construed to modify this Agreement or require a Party to waive its rights hereunder.

13.8 Entire Agreement. This Agreement contains the entire agreement between the Parties concerning the subject matter of this Agreement and supersedes any prior agreements, understandings, or negotiations, except for the Existing DDA, the Hilton Parcel Lease, and the

Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect). From and after the Closing the Hilton Parcel Lease and the Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) shall be deemed to have been terminated and of no further force or effect; provided, however, that nothing in this Agreement shall be deemed to modify, amend, or terminate any or the obligations of either Party set forth in either the Hilton Parcel Lease or the Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) that have not been fully performed as of the Closing (including without limitation Buyer's obligation to pay the Ground Rent and all utilities, Impositions, insurance costs, thereunder through the date of the Closing and the Parties' mutual obligation set forth in Section 9.2 to make any required adjustments to the amounts paid by Buyer to Seller pursuant to the Hilton Parcel Lease and the Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) prior to the Closing). Notwithstanding the foregoing, the Parties acknowledge and agree that this Agreement is not intended to modify, amend, terminate, or in any way affect: (a) the ongoing obligations of Seller set forth in Attachment No. 8 (the "Schedule of Feasibility Gap Payments") of the Existing DDA; (b) any agreement set forth in the Existing DDA, Hilton Parcel Lease, or Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) to waive or release claims and any obligation set forth in the Existing DDA, Hilton Parcel Lease, or Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) to indemnify, defend, and hold harmless Successor Agency and/or City shall survive in accordance with the provisions set forth therein; (c) the credit to which Buyer is entitled against the Seventh Extension Payment as provided for in Section 203.3(a)(12)(g) of the Existing DDA (the amount of which shall be calculated based on the date the Closing occurs pursuant to this Agreement rather than the close of escrow for the conveyance of the long-term Lease for Parcel C, as provided therein); (d) any other provisions of the Existing DDA, Hilton Parcel Lease, or Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) which survive the expiration or termination of such agreement shall survive in accordance with the provisions set forth therein; (e) to the extent necessary to permit the parties to enforce any of the surviving obligations set forth in clauses (a) – (d), the general provisions set forth in the Existing DDA, Hilton Parcel Lease, or Interim Short-Term Lease (or the Consolidated Long-Term Lease if in effect) shall survive; and (f) the rights or obligations of City and Buyer as set forth in that certain License Agreement to Provide Landscaping and Other Improvements in the Public Right of Way dated as of February 20, 2001, and recorded in the Official Records of the Orange County Recorder's office as Instrument No. 20010232765 on April 18, 2001.

13.9 Time of Essence. Time is of the essence of each and every term, condition, obligation, and provision set forth in this Agreement.

13.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

13.11 Severability. If any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal, or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining parts of this Agreement shall remain in full force and effect, as fully as though such invalid, illegal, or unenforceable portion had never been part of this Agreement.

13.12 Headings. Headings at the beginning of each section are solely for convenience of reference and are not a part of this Agreement.

13.13 Construction. Whenever the context of this Agreement requires the same, the singular shall include the plural and the masculine, feminine, and neuter shall include the others. Without limitation, any defined term used in the plural shall refer to all members of the relevant class, and any defined term used in the singular shall refer to any number of the relevant class. This Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared the same. Unless otherwise indicated, all references to sections are to sections in this Agreement. All exhibits are incorporated in this Agreement by reference. The term "Agreement" includes such exhibits (as exhibits and, if appropriate, as subsequently executed agreements and instruments). If the day on which Buyer or Seller is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day. For purposes of this Agreement, business days shall not include Saturdays, Sundays, or holidays recognized by the Federal Reserve Bank of San Francisco. Any reference in this Agreement to an agreement or other instrument shall mean such agreement or instrument as it may from time to time be supplemented, modified, amended, and extended in accordance with the terms of this Agreement. This Agreement is executed and delivered in the State of California and shall be construed and enforced in accordance with, and governed by, the internal laws of the State of California, without regard to conflict of laws principles.

13.14 No Waiver. No waiver by a Party of any Default by the other Party under this Agreement shall be implied from any omission or delay by the non-defaulting Party to take action on account of the Default if the Default persists or is repeated. Any waiver of any covenant, term, or condition contained in this Agreement must be in writing. Any such express written waiver shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition, nor shall it affect any Default other than the Default expressly made the subject of the waiver. Any such express waiver shall be operative only for the time and to the extent stated in the waiver. The consent or approval by a Party to or of any act by the other Party shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent act.

13.15 Relationship Between Parties. Seller and Buyer agree that (a) the relationship between them is, is intended to be, and shall at all times remain, in connection with the transactions contemplated by this Agreement, that of seller and purchaser and (b) neither Party is, is intended to be, or shall be construed as a partner, joint venturer, alter ego, manager, controlling person, or other business associate or participant of any kind of the other Party and neither Party intends to ever assume such status.

13.16 Third Party Beneficiaries. This Agreement is made for the purpose of defining and setting forth certain rights and obligations of Buyer, Seller, and City. It is made for the sole protection of Buyer, Seller and City and Buyer's, Seller's and City's respective heirs, executors, administrators, successors, and assigns. No other Person shall have any rights of any nature under or by reason of this Agreement.

13.17 Estoppels. Upon the written request of Buyer or any current or prospective holder of a deed of trust, mortgage, or other security interest in the Property ("Lender"), Seller shall cooperate with Buyer and/or such Lender in executing an appropriate estoppel certificate confirming the status of any of the agreements referred to in Section 13.8 of this Agreement or any other matters affecting the rights and obligations of Buyer and such Lender relating to the Property that will survive the Closing as to which Buyer or Lender may inquire. Such estoppel certificate shall be for the benefit of Buyer, Lender, and their respective successors and assignees. Buyer or such Lender, as applicable, shall prepare the form of the estoppel certificate, subject to the reasonable approval of Seller as to form and content. Buyer shall compensate Seller for Seller's actual and reasonable costs incurred in investigating the matters addressed in any such estoppel certificate and reviewing and approving the same.

13.18 Indemnity. Buyer shall indemnify, defend and hold harmless Seller, City and each of their respective officials, employees, attorneys, consultants, and agents from and against any and all loss, liability, damage, claim, cost and/or expense (including, without limitation, reasonable attorneys' and consultants' costs and fees, travel costs and expenses, court and litigation costs and fees of expert witnesses) (collectively, "Claims") resulting or arising from or in any way connected to Seller approving or entering into this Agreement, implementation of this Agreement, Seller's performance of this Agreement, or the transaction contemplated hereunder, including, without limitation, any Claim that the Purchase Price is less than fair market value and results, directly or indirectly, in a distribution of net sale proceeds to the affected taxing entities in an amount less than the amount to which the affected taxing entities are entitled by law or any Claim relating in any way to a challenge pertaining to the sufficiency and/or adequacy of the value or consideration for the transaction contemplated hereunder. The foregoing covenant shall not merge with the Grant Deed and shall survive the Closing.

Without limiting the foregoing, and as a part of the foregoing indemnity, defense and hold harmless, Buyer shall be liable for promptly paying or reimbursing Seller and/or City, as applicable, for any and all of Seller's and/or City's actual and reasonable costs and expenses related to any contest, challenge and/or defense of any disapproval/determination or threat of any disapproval/determination of this Agreement by DOF or any third party, including, without limitation, participating in whatever administrative appeal or proceeding, meet-and-confer and/or meet-and-discuss process may be available and/or initiating, cooperating with, participating in, defending and/or pursuing litigation (including any appellate proceeding relating to any order or judgment entered in any such litigation or administrative appeal or proceeding). Such costs and expenses shall include, without limitation, reasonable attorneys' and consultants' costs and fees, travel costs and expenses, court and litigation costs and fees of expert witnesses. Seller shall have no obligation to defend this Agreement to DOF or any third party.

14. Right of Entry.

14.1 Grant of Right of Entry. Provided that all of the terms and conditions of this Section 14 are and remain fully satisfied, subject to the Interim Short-Term Lease, Seller hereby grants to Buyer and its agents and contractors, a temporary and conditional non-exclusive right to enter upon Parcel C from the Effective Date to Close of Escrow for the purpose of demolition, excavation, and rough grading on Parcel C (and such other work as may be pre-approved in writing Seller's Executive Director) as necessary for the development and construction of the

Hotel Addition. The right to enter may be revoked by Seller's Executive Director for Buyer's noncompliance with any of the conditions set forth herein. Seller shall not be obligated for any loss, financial or otherwise, which may be incurred by Buyer as a result of such revocation or the termination of the right of entry. Buyer expressly waives any claim for expense or loss which Buyer might incur as a result of Seller's revocation or termination of the right of entry in accordance with the foregoing.

14.2 Insurance. Prior to Buyer entering Parcel C, Buyer shall furnish evidence satisfactory to the City Attorney of the City that Buyer or its contractors have obtained comprehensive liability insurance in an amount and in the form as is approved by the City Attorney of the City for the purpose of protecting Seller and City and their officers, employees, agents, contractors, and consultants from claims or suits for, and damages to, property and injuries to persons, including accidental death (including attorneys' fees and costs), which may be caused by any of Buyer's activities under the right of entry, whether such activities or performance thereof be by Buyer or anyone directly or indirectly employed or contracted with by Buyer and whether such damage shall accrue or be discovered before or after the termination of this Agreement.

14.3 Liens. Buyer shall not permit to be placed against Parcel C, or any part thereof, any design professional's, mechanic's, materialmen's, contractor's or subcontractor's liens (collectively, "Liens"). Buyer shall indemnify, defend, and hold harmless Seller from all liability for any and all liens, claims, and demands, together with costs of defense and reasonable attorneys' fees, arising from any Liens. Seller reserves the right, at its sole cost and expense, at any time and from time to time, to post and maintain on Parcel C, or any portion thereof, or on any improvements on Parcel C, any notices of non-responsibility or other notice as may be desirable to protect Seller against liability. In addition to, and not as a limitation of Seller's other rights and remedies under this Section 14, should Buyer fail, within 10 calendar days of written request from Seller, either to discharge any Lien or to bond for any Lien, or to defend, indemnify, and hold harmless Seller from and against any loss, damage, injury, liability, or claim arising out of a Lien, then Seller, at its option but without the obligation, may elect to pay such Lien, or settle or discharge such Lien and any action or judgment related thereto and all costs, expenses and attorneys' fees incurred in doing so shall be paid to Seller by Buyer upon written demand.

14.4 Restoration. Subject to Section 14.8 below, in the event Close of Escrow provided for in this Agreement does not occur by the outside Closing Date referred to in Section 7.2, immediately following written request by Seller, Buyer shall be obligated, at Buyer's sole cost and expense, to cause Parcel C to be placed in the condition required pursuant to all of the following, as and to the extent applicable (the "Restoration"): (a) the Hilton Parcel Lease (or the Consolidated Long-Term Lease if in effect); (b) the applicable land use entitlements for the Hilton Parcel and Parcel C; (c) the Reciprocal Fire and Access Easement Agreement dated as of August 30, 1995, and recorded in the Official Records of the Orange County Recorder on September 1, 1995, as Document No. 95-0384750, as subsequently assigned by Waterfront Construction No. 1 to Buyer pursuant to an Assignment and Assumption of Easements dated July 30, 1997, and recorded in the Official Records of the Orange County Recorder on August 1, 1997, as Instrument No. 19970367563 and as subsequently reaffirmed pursuant to the Easement Agreement (Reaffirmation) dated as of August 29, 2006, and recorded in the Official Records of

the Orange County Recorder on August 30, 2006, as Instrument No. 2006000582101; and (d) the Parcel C Parking Easement Agreement dated as of August 29, 2006, and recorded in the Official Records of the Orange County Recorder on August 30, 2006, as Instrument No. 2006000582104. Buyer agrees that if Buyer does not cause the Restoration of Parcel C (or such applicable portion thereof) as required by this Section, and has not cured such failure within ninety (90) days following written notice from the City (or, if such Restoration cannot with reasonable diligence be completed within ninety (90) days, then within such additional period of time that such Restoration can be completed with the exercise of commercially reasonable diligence), then the City shall have the right, at the City's election (in its sole and absolute discretion) to enter Parcel C (or such applicable portion thereof) and complete, or cause the completion of, the Restoration of Parcel C (or such applicable portion thereof) at Buyer's sole cost and expense. In the event that the City makes such an election, then Seller and Buyer agree that Seller and Buyer shall cooperate with the City with regard to the Restoration and Seller and Buyer shall permit City entry upon Parcel C limited to such purpose.

"Restoration" includes providing adequate security measures for Parcel C in order to prevent accidents or injuries. All Restoration shall be performed in compliance with (a) all applicable Laws of all Authorities, and (2) all directions, rules, and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction over the Restoration. Restoration shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction over the Restoration, and Buyer shall be responsible for the procurement and maintenance thereof, at Buyer's sole cost and expense.

14.5 Compliance With Laws/Permits. Buyer shall, in all activities undertaken pursuant to this Section 14, comply and cause its contractors, agents, and employees to comply with all Laws of all Authorities. Without limiting the generality of the foregoing, Buyer, at its sole cost and expense, shall obtain any and all permits which may be required by any of the Laws for any activities Buyer conducts pursuant to this Section 14 and shall conduct, or cause to be conducted, any work on Parcel C in accordance with any such permits.

14.6 Indemnification. Buyer hereby agrees to indemnify, defend, assume all liability for, and hold harmless Seller, the City, and their officers, employees, agents, contractors, and consultants from and against all actions, claims, suits, penalties, obligations, liabilities, damages to property, and claims or injuries to persons (collectively, "Claims") arising out of or in connection with Buyer's right of entry pursuant to this Section 14. Buyer's indemnity given under this Section 14 shall apply whether caused by actions of Buyer or anyone directly or indirectly employed or under contract with Buyer, and whether such Claims shall accrue or be discovered before or after the expiration or termination of this Agreement or termination of the rights afforded under this Section 14. Notwithstanding the foregoing, Buyer's indemnity shall not apply to the extent that claims are caused by any negligent or intentional acts of Seller or City.

14.7 Inspection. Seller and its representatives, employees, agents, and independent contractors may enter and inspect the Parcel C or any portion thereof or any improvements thereon at any time and from time to time at reasonable times to verify Buyer's compliance with the terms and conditions of this Section 14.

14.8 Section 14 To Terminate Upon Closing of Consolidated Long-Term Lease. If Buyer closes on the Consolidated Long-Term Lease, as referred to in the second paragraph of Section 7.2, the right of entry and obligations to provide insurance and to cause the Restoration provided in this Section 14 shall automatically terminate and be of no further force or effect at that time.

15. Completion of Hotel Addition. Buyer shall complete construction of the Hotel Addition within thirty-six (36) months after the Close of Escrow.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Seller:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF HUNTINGTON BEACH

By: _____
Its: Chairperson

ATTEST:

By: _____
Its: Secretary

APPROVED AS TO FORM:

By: _____ 
Its: General Counsel

Buyer:

THE WATERFRONT HOTEL, LLC, a California
limited liability company

By: Waterfront Development, Inc., a California
corporation, its Managing Member

By: _____
Robert L. Mayer, Jr., President

Exhibit "A"
to
Blanket Assignment

LEGAL DESCRIPTION OF THE REAL PROPERTY

[TO BE PROVIDED]

EXHIBIT "A-1"

LEGAL DESCRIPTION OF THE HILTON PARCEL

All that certain land situated in the State of California, County of Orange, City of Huntington Beach, and is described as follows:

Lot 1 of Tract No. 13045, as shown on a map filed in Book 628, pages 46 and 47 of Miscellaneous Maps, Records of Orange County, California

APN: 024-252-02

EXHIBIT "A-2"

LEGAL DESCRIPTION OF PARCEL C

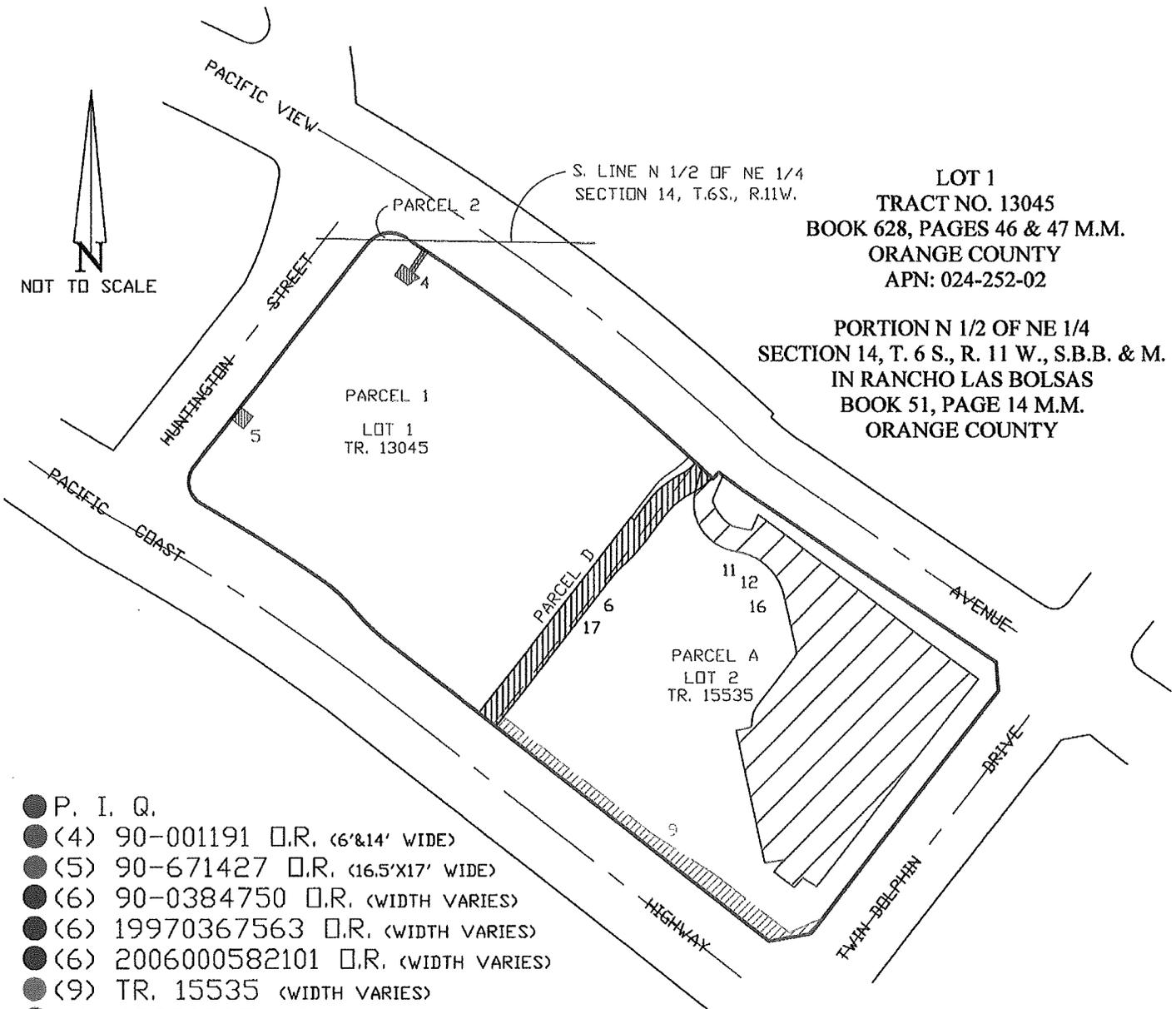
All that certain land situated in the State of California, County of Orange, City of Huntington Beach, and is described as follows:

Lot 2, Tract No. 15535, per map recorded in Book 790, Pages 44 through 50 of Maps, in the office of the County Recorder, County of Orange.

APN: 024-252-01

EXHIBIT "A-3"
DEPICTION OF THE LAND
[BEHIND THIS PAGE]

THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF HUNTINGTON BEACH



LOT 1
TRACT NO. 13045
BOOK 628, PAGES 46 & 47 M.M.
ORANGE COUNTY
APN: 024-252-02

PORTION N 1/2 OF NE 1/4
SECTION 14, T. 6 S., R. 11 W., S.B.B. & M.
IN RANCHO LAS BOLSAS
BOOK 51, PAGE 14 M.M.
ORANGE COUNTY

LOT 2
TRACT NO. 15535
BOOK 790, PAGES 44 - 50 M.M.
TRACT MAP CERTIFICATE OF CORRECTION
INSTRUMENT NO. 03-659669 O.R.
JUNE 6, 2003
ORANGE COUNTY
APN: 024-252-01

- P. I. Q.
- (4) 90-001191 □.R. (6'x14' WIDE)
- (5) 90-671427 □.R. (16.5'x17' WIDE)
- (6) 90-0384750 □.R. (WIDTH VARIES)
- (6) 19970367563 □.R. (WIDTH VARIES)
- (6) 2006000582101 □.R. (WIDTH VARIES)
- (9) TR. 15535 (WIDTH VARIES)
- (11) 19990285625 □.R.
- (11) 20000179415 □.R.
BOTH APPROXIMATE LOCATION ONLY
- (12) 20000179415 □.R.
BOTH APPROXIMATE LOCATION ONLY
- (16) 2006000582103 □.R.
BOTH APPROXIMATE LOCATION ONLY
- (17) 2006000582104 □.R. (WIDTH VARIES)

This plat is for your aid in locating your land with reference to streets and other parcels. While this plat is believed to be correct, Fidelity National Title Insurance assumes no liability for any loss occurring by reason of reliance thereon.



ORDER NO. 23057599-CT1
FIDELITY NATIONAL TITLE COMPANY

EXHIBIT B

FORM OF BLANKET ASSIGNMENT AND BILL OF SALE

Reference is made to that certain property located in the City of Huntington Beach, County of Orange, State of California, and described in more detail in Exhibit A attached hereto and made a part hereof, and the improvements located thereon and the rights, privileges, and entitlements incident thereto (the "Property").

For good and valuable consideration, receipt of which is acknowledged, the undersigned, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH ("Seller"), to the full extent owned or possessed by Seller, sells, transfers, assigns, conveys, and delivers to THE WATERFRONT HOTEL, LLC, a California limited liability company ("Buyer"), all of Seller's right, title, and interest in all assets, rights, materials, reimbursements, refunds, and/or claims owned, used or held in connection with the ownership, use, management, development, or enjoyment of the Property, including, without limitation: (i) all entitlements, permits, subdivision agreements, and other agreements relating to the development of the Property; (ii) all plans, specifications, maps, drawings, and other renderings relating to the Property; (iii) all warranties, claims, indemnities, and any similar rights relating to and benefiting the Property or the assets transferred hereby; (iv) all intangible rights, goodwill, and similar rights benefiting the Property; (v) all development rights benefiting the Property; (vi) all rights, refunds, claims, and awards benefiting or appurtenant to the Property; (vii) all rights to receive a reimbursement, credit, or refund from the applicable agency or entity of any deposits or fees paid in connection with the development of the Property; and (viii) all claims, counterclaims, defenses or actions, whether at common law or pursuant to federal, state, or local laws or regulations, against third parties relating to the existence of any Hazardous Materials in, at, on or under the Property.

Seller shall, at any time and from time to time upon written request therefor, execute and deliver to Buyer, its nominees, successors, and/or assigns, any new or confirmatory instruments and do and perform any other acts that Buyer, its nominees, successors, and/or assigns may request in order to fully transfer possession and control of, and protect the rights of Buyer, its nominees, successors, and/or assigns in, all of the assets of Seller intended to be transferred and assigned hereby.

Seller:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF HUNTINGTON BEACH

By: _____
Its: Chairperson

EXHIBIT "C"
TITLE REPORT
[BEHIND THIS PAGE]



Fidelity National Title Company

1300 Dove Street, Suite 310, Newport Beach, CA 92660

Phone: (949) 622-5000 • Fax:

Issuing Policies of Fidelity National Title Insurance Company

Title Officer: Curtis Taplin (MA)

Order No.: 997-23057599--CT1

TO:

The Robert Mayer Corporation
8951 Research Drive
Irvine, CA 92618

ATTN: **.R.J. Mayer**

YOUR REFERENCE: **Hilton Fee**

PROPERTY ADDRESS: 21100 Pacific Coast Highway - Hilton Fee, Huntington Beach, CA

AMENDED PRELIMINARY REPORT

In response to the application for a policy of title insurance referenced herein, Fidelity National Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a Nebraska Corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Countersigned by:

Authorized Signature



Fidelity National Title Company
1300 Dove Street, Suite 310, Newport Beach, CA 92660
Phone: (949) 622-5000 • Fax:

AMENDED PRELIMINARY REPORT

EFFECTIVE DATE: September 15, 2015 at 7:30 a.m., Amended: September 25, 2015, Amendment No.

ORDER NO.: 997-23057599--CT1

The form of policy or policies of title insurance contemplated by this report is:

ALTA Extended Owners Policy (6-17-06)

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

**A Fee as to Parcel(s) 1, 2 and A
Easement(s) more fully described below as to Parcel(s) 3, 4, B, C and D**

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

See Exhibit A attached hereto and made a part hereof.

EXHIBIT A
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 1 OF TRACT NO. 13045, IN THE CITY OF HUNTINGTON BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 628, PAGES 46 AND 47 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ANY AND ALL OIL, OIL RIGHTS, PETROLEUM, MINERALS, MINERAL RIGHTS, NATURAL GAS RIGHTS, AND OTHER HYDROCARBON SUBSTANCES BY WHATSOEVER NAME KNOWN, GEOTHERMAL RESOURCES (AS DEFINED IN CALIFORNIA PUBLIC RESOURCES CODE, SECTION 6903), AND ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING THAT MAY BE WITHIN OR UNDER THE LAND, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING, PROSPECTING AND OPERATING THEREFOR AND STORING IN AND REMOVING THE SAME FROM THE PREMISES OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THOSE CONVEYED HEREBY, OIL OR GAS WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE PREMISES, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES; WITHOUT, HOWEVER, THE RIGHT TO ENTER, DRILL, MINE, STORE, EXPLORE OR OPERATE ON OR THROUGH THE SURFACE OR THE UPPER 500 FEET OF THE SUBSURFACE OF THE PREMISES, AS SET FORTH IN A LEASE DATED APRIL 28, 1989 AND MEMORANDUM RECORDED APRIL 28, 1989 AS INSTRUMENT NO. 89-225546, OFFICIAL RECORDS.

ALSO EXCEPT ANY AND ALL WATER, WATER RIGHTS OR INTERESTS THEREIN, NO MATTER HOW ACQUIRED BY LESSOR, TOGETHER WITH THE RIGHT AND POWER TO EXPLORE, DRILL, REDRILL, REMOVE AND STORE THE SAME FROM THE PREMISES OR TO DIVERT OR OTHERWISE UTILIZE SUCH WATER, WATER RIGHTS OR INTERESTS ON ANY OTHER PROPERTY OWNED OR LEASED BY LESSOR, WHETHER SUCH WATER RIGHTS SHALL BE RIPARIAN, OVERLYING, APPROPRIATIVE, PERCOLATING, LITTORAL, PRESCRIPTIVE, ADJUDICATED, STATUTORY OR CONTRACTUAL; BUT WITHOUT, HOWEVER, ANY RIGHT TO ENTER UPON THE SURFACE OF THE PREMISES IN THE EXERCISE OF SUCH RIGHTS AND PROVIDED FURTHER, THAT THE EXERCISE OF ANY SUCH RIGHTS BY LESSOR SHALL NOT RESULT IN ANY DAMAGE OR INJURY TO THE IMPROVEMENTS, INCLUDING WITHOUT LIMITATION ANY SUBSIDENCE OF ALL OR ANY PART OF THE IMPROVEMENTS, AS SET FORTH IN A LEASE DATED APRIL 28, 1989 AND MEMORANDUM RECORDED APRIL 28, 1989 AS INSTRUMENT NO. 89-225546, OFFICIAL RECORDS.

ASSESSOR'S PARCEL NO: 024-252-02

PARCEL 2:

THAT PORTION OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 6 SOUTH, RANGE 11 WEST, IN THE RANCHO LAS BOLSAS, IN THE CITY OF HUNTINGTON BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 51, PAGE 14 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTH LINE OF SAID NORTH HALF THAT IS DISTANT THEREON NORTH 89°43'07" EAST 103.28 FEET FROM CENTERLINE OF HUNTINGTON STREET, AS SHOWN ON RECORD OF SURVEY NO. 81-1151, FILED IN BOOK 103, PAGES 28 AND 29 OF RECORDS OF SURVEY IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING ON A NON-TANGENT 2355.00 FOOT RADIUS CURVE THAT IS CONCAVE SOUTHWESTERLY, A RADIAL TO SAID POINT BEARS NORTH 31°56'15" EAST; THENCE NORTHWESTERLY 5.94 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 0°08'40" TO THE BEGINNING OF A 32.00 FOOT RADIUS CURVE THAT IS CONCAVE SOUTHERLY; THENCE WESTERLY 41.11

EXHIBIT A
(Continued)

FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 73°36'25" TO SAID SOUTH LINE; THENCE NORTH 89°43'07" EAST 43.24 FEET ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

PARCEL 3:

REAL PROPERTY RIGHTS AS CONTAINED IN THAT CERTAIN DOCUMENT ENTITLED "LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" EXECUTED BY AND BETWEEN THE CITY OF HUNTINGTON BEACH, A MUNICIPAL CORPORATION OF THE STATE OF CALIFORNIA, THE WATERFRONT HOTEL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND MAYER FINANCIAL, L.P., A CALIFORNIA LIMITED PARTNERSHIP DATED FEBRUARY 20, 2001 AND RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 AND ASSIGNED BY "ASSIGNMENT OF LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT OF WAY" AND RECORDED AUGUST 30, 2006 AS INSTRUMENT NO. 2006000582102, BOTH OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, SUBJECT TO THE TERMS, COVENANTS AND CONDITIONS CONTAINED THEREIN.

PARCEL 4:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND PARKING PURPOSES AS DISCLOSED IN THAT CERTAIN DOCUMENT ENTITLED "WATERFRONT PARKING EASEMENT AGREEMENT", DATED AUGUST 29, 2006, EXECUTED BY AND BETWEEN MAYER FINANCIAL, L.P., A CALIFORNIA LIMITED PARTNERSHIP AND THE WATERFRONT HOTEL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND RECORDED AUGUST 30, 2006 AS INSTRUMENT NO. 2006000582103, OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL A:

LOT 2 OF TRACT NO. 15535, IN THE CITY OF HUNTINGTON BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 790, PAGES 44 THROUGH 50 INCLUSIVE, OF MISCELLANEOUS MAPS, AND A TRACT MAP CERTIFICATE OF CORRECTION RECORDED JUNE 6, 2003 AS INSTRUMENT NO. 03-659669, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B:

A NON-EXCLUSIVE RECIPROCAL FIRE LANE ACCESS EASEMENT AGREEMENT RECORDED SEPTEMBER 1, 1995 AS INSTRUMENT NO. 95-384750 AND ASSIGNED AUGUST 1, 1997 AS INSTRUMENT NO. 97-367563, OFFICIAL RECORDS.

PARCEL C:

A NON-EXCLUSIVE REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "OVERCROSSING IMPROVEMENT AREA" AND "GRANT COAST RESORT IMPROVEMENT AREA" IN THAT CERTAIN "LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 AND ASSIGNMENT RECORDED AUGUST 30, 2006 AS INSTRUMENT NO. 06-582102 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "F" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF LANDSCAPING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PRELIMINARY REPORT
Your Reference:

Fidelity National Title Company
Order No.: 997-23057599--CT1

EXHIBIT A
(Continued)

PARCEL D:

A NON-EXCLUSIVE PARKING EASEMENT AGREEMENT RECORDED AUGUST 30, 2006 AS INSTRUMENT NO. 2006-582104, OFFICIAL RECORDS.

ASSESSOR'S PARCEL NO: 024-252-01

EXCEPTIONS

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

- A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2015-2016.
- B. There were no taxes levied for the fiscal year 2014-2015 as the property was vested in a public entity.
- C. A Notice of Proposed Boundaries of the City of Huntington Beach Community Facilities District No. 200-1 (Grand Coast Resort)

Recorded: June 26, 2000, as Instrument No. 20000038289, of Official Records

Reference is hereby made to said document for full particulars.

- D. Any liens or other assessments, bonds, or special district liens including without limitation, Community Facility Districts, that arise by reason of any local, City, Municipal or County Project or Special District.
- E. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.

- 1. Water rights, claims or title to water, whether or not disclosed by the public records.
- 2. The ownership of said Land does not include rights of access to or from the street, highway, or freeway abutting said Land, such rights having been relinquished by said map/plat.

Affects: The Northwesterly and Southwesterly lines of said land, except at approved driveway locations.

Affects: Parcels 1 and 2

- 3. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Memorandum of Lease
Lessor: The Redevelopment Agency of the City of Huntington Beach, a public agency
Lessee: Waterfront Construction No. 1, a California limited partnership
Recording Date: April 28, 1989
Recording No: 89-225546, Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

Affects: Parcel's 1 and 2

- 4. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Southern California Edison Company
Purpose: Public utilities
Recording Date: January 2, 1990
Recording No: 90-001191, of Official Records
Affects: As set forth in said document

EXCEPTIONS
(Continued)

5. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: The City of Huntington Beach, a Municipal corporation
Purpose: Water meter purposes
Recording Date: December 24, 1990
Recording No: 90-671427, of Official Records
Affects: As set forth in said document

6. Matters contained in that certain document

Entitled: Reciprocal Fire Lane Access Easement Agreement
Dated: August 30, 1995
Executed by: The Redevelopment Agency of the city of Huntington Beach, a public body, corporate and politic ("Agency"), Robert L. Mayer, as Trustee of the Robert L. Mayer Trust of 1982, dated June 22, 1982, as amended ("Mayer Trust"), and Waterfront Construction #1, a California limited partnership
Recording Date: September 1, 1995
Recording No: 95-0384750, of Official Records

Reference is hereby made to said document for full particulars.

Matters contained in that certain document

Entitled: Assignment and Assumption of Easements
Dated: July 30, 1997
Executed by: Waterfront Construction #1, a California Limited Partnership and the Waterfront Hotel, LLC, a California Limited Liability Company
Recording Date: August 1, 1997
Recording No: 19970367563, of Official Records

Reference is hereby made to said document for full particulars.

Matters contained in that certain document

Entitled: Easement Agreement (Reaffirmation)
Dated: August 29, 2006
Executed by: The Redevelopment Agency of the City of Huntington Beach, a public body corporate and politic, The Waterfront Hotel, LLC, a California Limited Liability Company and Mayer Financial, L.P., a California limited partnership
Recording Date: August 30, 2006
Recording No: 2006000582101, of Official Records

Reference is hereby made to said document for full particulars.

EXCEPTIONS
(Continued)

7. Matters contained in that certain document

Entitled: Amended and Restated Development Agreement
Dated: September 21, 1998
Executed by: City of Huntington Beach and Mayer Financial, LTD., a California limited partnership,
and The Waterfront Hotel, LLC, a California limited liability company
Recording Date: October 21, 1998
Recording No: 1998-0711512, of Official Records

Reference is hereby made to said document for full particulars.

and Re-Recording Date: December 7, 1998
and Re-Recording No: 98-838602, of Official Records

8. An unrecorded Amended and Restated Disposition and Development Agreement adopted by the Agency on September 14, 1998 executed by and between the Redevelopment Agency of the City of Huntington Beach, Mayer Financial LTD., a California limited partnership and The Waterfront Hotel, LLC, a California limited liability company, upon the terms, covenants, conditions and restrictions therein provided, as disclosed by the Amended and Restated Development Agreement recorded December 7, 1998 as Instrument No. 19980838602, Official Records. Reference is hereby made to said document for full particulars.

Matters contained in that certain document entitled "Estoppel Agreement Regarding Development Agreement and Property Agreements" dated May 15, 2004, executed by and between City of Huntington Beach, PCH Beach Resort, LLC, a California limited liability company, PCH Resort Holding, LLC, a Delaware limited liability company, GMAC Commercial Mortgage Bank, a Utah Industrial bank, GMAC Commercial Mortgage Corporation, a California corporation recorded October 15, 2004, Instrument No. 2004000934786, of Official Records.

Reference is hereby made to said document for full particulars.

9. Easement(s) for the purpose(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the map of said tract.

Purpose: Pedestrian access
Affects: As shown on said Tract Map 15535

10. The fact that the ownership of said land does not include rights of access to or from the street, highway, or freeway abutting said land, such rights having been relinquished by the map of said Tract.

Affects: Pacific Coast Highway, Beach Boulevard, Twin Dolphin Drive and Pacific View Avenue except at locations approved by the traffic engineer.

11. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Memorandum of Interim Short-Term Lease and Parking Easement Agreement
Lessor: The Redevelopment Agency of the City of Huntington Beach, a public body corporate and politic
Lessee: The Waterfront Hotel, LLC, a California limited liability company
Recording Date: April 19, 1999
Recording No: 19990285625, Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

EXCEPTIONS
(Continued)

and Recording Date: April 07, 2000
and Recording No: 20000179415, Official Records

12. Matters contained in that certain document entitled "Memorandum of Interim Short-Term Lease and Parking Easement Agreement" dated March 16, 1999, executed by and between The Redevelopment Agency of The City of Huntington Beach, a public body corporate and politic, and The Waterfront Hotel, LLC, a California Limited Liability Company recorded April 7, 2000, Instrument No. 20000179415, of Official Records, which document, among other things, contains or provides for: In the event that the Lease expires or terminates for certain reasons described in the Lease, the Parking Easement Agreement shall become operative and shall burden the Site, as the servient tenement, in favor and for the benefit of certain real property in the City of Huntington Beach, County of Orange, State of California, adjacent to the Site which is more particularly described on Exhibit B therein (the "Waterfront Hilton Parcel"). Reference is hereby made to said document for full particulars.

13. Matters contained in that certain document

Entitled: License Agreement to Provide Landscaping and Other Improvements in the Public Right-Of-Way
Dated: February 20, 2001
Executed by: The City of Huntington Beach, a municipal corporation of the State of California, The Waterfront Hotel, LLC, a California limited liability company and Mayer Financial, L.P., a California limited partnership
Recording Date: April 18, 2001
Recording No: 2001-0232765, Official Records

Reference is hereby made to said document for full particulars.

Matters contained in an Assignment of License Agreement to provide Landscaping and other Improvements in the public right of way, recorded August 30, 2006 as Instrument No. 2006000582102, Official Records.

14. Matters contained in that certain document

Entitled: Estoppel Agreement Regarding Ground Lease
Dated: July 27, 2006
Executed by: The Redevelopment Agency of the City of Huntington Beach, a public body, corporate and politic, The Waterfront Hotel, LLC, a California Limited Liability Company and Capmark Finance Inc., a California corporation (formerly known as GMAC Commercial Mortgage Corporation
Recording Date: July 27, 2006
Recording No: 2006000503301, of Official Records

Reference is hereby made to said document for full particulars.

15. Matters contained in that certain document

Entitled: Estoppel Agreement Regarding Development Agreement
Dated: July 27, 2006
Executed by: The City of Huntington Beach, a public body, corporate and politic, The Waterfront Hotel, LLC, a California Limited Liability Company and Capmark Finance Inc., a California corporation (formerly known as GMAC Commercial Mortgage Corporation
Recording Date: July 27, 2006
Recording No: 2006000503302, of Official Records

Reference is hereby made to said document for full particulars.

**EXCEPTIONS
(Continued)**

16. Matters contained in that certain document

Entitled: Waterfront Parking Easement Agreement
Dated: August 29, 2006
Executed by: The Waterfront Hotel, LLC, a California limited liability company and Mayer Financial, L.P., a California limited partnership
Recording Date: August 30, 2006
Recording No: 2006000582103, Official Records

17. Matters contained in that certain document

Entitled: Parcel C Parking Easement Agreement
Dated: August 29, 2006
Executed by: The Waterfront Hotel, LLC, a California limited liability company and Mayer Financial, L.P., a California limited partnership
Recording Date: August 30, 2006
Recording No: 2006000582104, Official Records

Reference is hereby made to said document for full particulars.

18. The Land described herein is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment Law (such redevelopment to proceed only after the adoption of the Redevelopment Plan) as disclosed by a document.

Redevelopment Agency: The Redevelopment Agency of the City of Huntington Beach
Recording Date: July 25, 2007
Recording No: 2007000464564, of Official Records

19. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

20. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.

21. Intentionally deleted.

PLEASE REFER TO THE "INFORMATIONAL NOTES" AND "REQUIREMENTS" SECTIONS WHICH FOLLOW FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION.

END OF EXCEPTIONS

REQUIREMENTS SECTION

1. The requirement that this company be furnished proper regulatory statutes authorizing this transaction and appropriate documentation indicating who may execute on behalf of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach.
2. Unrecorded matters which may be disclosed by an Owner's Affidavit or Declaration. A form of the Owner's Affidavit/Declaration is attached to this Preliminary Report/Commitment. This Affidavit/Declaration is to be completed by the record owner of the land and submitted for review prior to the closing of this transaction. Your prompt attention to this requirement will help avoid delays in the closing of this transaction. Thank you.

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit/Declaration.

END OF REQUIREMENTS

INFORMATIONAL NOTES SECTION

1. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.
2. The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116 indicating that there is located on said Land Commercial properties, known as 21100 Pacific Coast Highway - Hilton Fee, located within the city of Huntington Beach, California, , to an Extended Coverage Loan Policy.
3. Note: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.
4. Note: The only conveyance(s) affecting said Land, which recorded within 24 months of the date of this report, are as follows:

Grantor: The City of Huntington Beach, a California Municipal Corporation
Grantee: The Successor Agency to the Redevelopment Agency of the City of Huntington Beach
Recording Date: December 20, 2012
Recording No: 2012000789960, Official Records
5. Note: The current owner does NOT qualify for the \$20.00 discount pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs, for the herein described Land.

END OF INFORMATIONAL NOTES

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, “FNF”, “our” or “we”) respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice. The provision of this Privacy Notice to you does not create any express or implied relationship, or create any express or implied duty or other obligation, between Fidelity National Financial, Inc. and you. See also **No Representations or Warranties** below.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the “Website”). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

How Information is Collected

The types of personal information FNF collects may include, among other things (collectively, “Personal Information”): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver’s license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a “cookie” to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer’s hard drive and that can be re-sent to the serving website on subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as “clear gifs”). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of certain online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org>.

- You can opt-out via the Consumer Choice Page at <http://www.aboutads.info>.
- For those in the U.K., you can opt-out via the IAB UK's industry opt-out at <http://www.youronlinechoices.com>.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

Use of Personal Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, "Third Parties") who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF's, FNF's affiliates and third parties' products and services.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and

promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information From Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices With Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please

contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2015 will receive information regarding 2014 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

No Representations or Warranties

By providing this Privacy Notice, Fidelity National Financial, Inc. does not make any representations or warranties whatsoever concerning any products or services provided to you by its majority-owned subsidiaries. In addition, you also expressly agree that your use of the Website is at your own risk. Any services provided to you by Fidelity National Financial, Inc. and/or the Website are provided "as is" and "as available" for your use, without representations or warranties of any kind, either express or implied, unless such warranties are legally incapable of exclusion. Fidelity National Financial, Inc. makes no representations or warranties that any services provided to you by it or the Website, or any services offered in connection with the Website are or will remain uninterrupted or error-free, that defects will be corrected, or that the web pages on or accessed through the Website, or the servers used in connection with the Website, are or will remain free from any viruses, worms, time bombs, drop dead devices, Trojan horses or other harmful components. Any liability of Fidelity National Financial, Inc. and your exclusive remedy with respect to the use of any product or service provided by Fidelity National Financial, Inc.

PRELIMINARY REPORT
Your Reference:

Fidelity National Title Company
Order No.: 997-23057599--CT1

including on or accessed through the Website, will be the re-performance of such service found to be inadequate.

Your Consent To This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: JANUARY 6, 2015

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the field rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for each discount. These discounts only apply to transaction involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

FNF Underwritten Title Company

FNTC - Fidelity National Title Company

FNTCCA –Fidelity National Title Company of California

FNF Underwriter

FNTIC - Fidelity National Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (FNTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 or 36 months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge.

DISASTER LOANS (FNTIC)

The charge for a lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church's obligation the charge for an owner's policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be 40% to 50% of the appropriate title insurance rate, depending on the type of coverage selected.

OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)

a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057599-997-MAT-CT1 for full legal description (the "Land").

b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057599-997-MAT-CT1 for full legal description (the "Land").

2. (Fill in the applicable paragraph and strike the other)

a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.

b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Fidelity National Title Company against any and all claims arising therefrom.

3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.

4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.

5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.

7. There are no outstanding options to purchase or rights of first refusal affecting the Land.

This declaration is made with the intention that Fidelity National Title Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ____ at _____.

Signature: _____

Attachment One (Revised 06-05-14)

**CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990 (04-08-14)**

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE—SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
 3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
 6. Any lien or right to a lien for services, labor or material not shown by the public records.

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE**

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;

- c. land use;
- d. improvements on the Land;
- e. land division; and
- f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

- 2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
- 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
- 4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

- 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
- 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5,000.00

**2006 ALTA LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;

- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
 6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

PART I

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.
7. Variable exceptions such as taxes, easements, CC&R's, etc. shown here.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (12-02-13)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.

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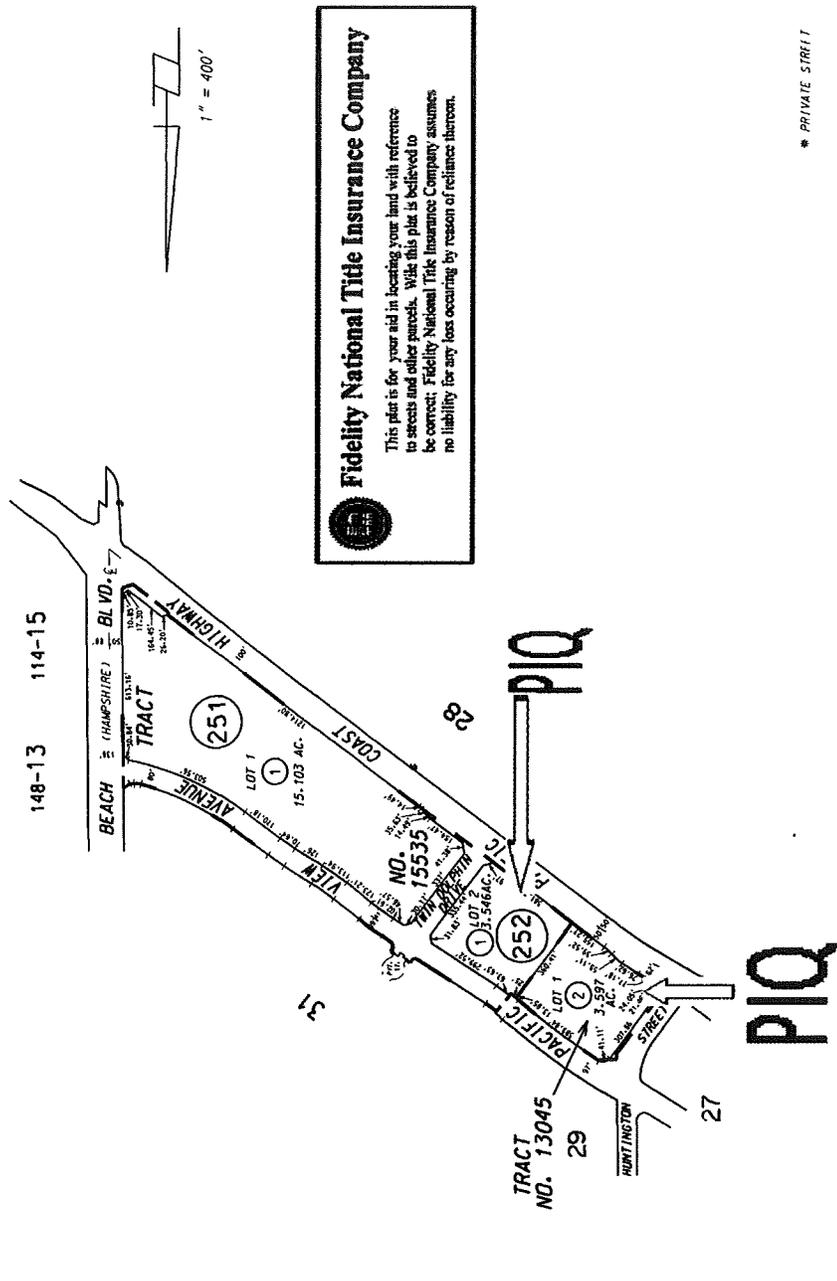
The use of this Form is restricted to CLTA subscribers in good standing as of the date of use. All other uses are prohibited. Reprinted under license or express permission from the California Land Title Association.

9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

POR. E 1/2, SE 1/4, SEC. 11, T 6 S. R 11 W

024-25

THIS MAP WAS PREPARED FOR ORANGE COUNTY ASSESSOR DEPT. PURPOSES ONLY. THE ASSESSOR MAKES NO GUARANTEE AS TO ITS ACCURACY NOR ASSUMES ANY LIABILITY FOR OMISSIONS OR ERRORS. NOT TO BE REPRODUCED. © COPYRIGHT ORANGE COUNTY ASSESSOR 2014



Fidelity National Title Insurance Company

This plat is for your aid in locating your land with reference to streets and other marks. With this plat is believed to be correct. Fidelity National Title Insurance Company assumes no liability for any loss occurring by reason of reliance hereon.

N 1/4 COR. SEC. 14-8-11

* PRIVATE STREET

NOTE - ASSESSOR'S BLOCK & PARCEL NUMBERS SHOWN IN CIRCLES

ASSESSOR'S MAP BOOK 024 PAGE 25 COUNTY OF ORANGE

TRACT NO. 13045 M.M. 628
TRACT NO. 15535 M.M. 790-44 to 50 incl.

MARCH 1948

OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)

a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057599-997-MAT-CT1 for full legal description (the "Land").

b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057599-997-MAT-CT1 for full legal description (the "Land").

2. (Fill in the applicable paragraph and strike the other)

a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.

b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Fidelity National Title Company against any and all claims arising therefrom.

3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.

4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.

5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.

7. There are no outstanding options to purchase or rights of first refusal affecting the Land.

This declaration is made with the intention that Fidelity National Title Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ____ at _____.

Signature: _____

OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)
 - a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057599-997-MAT-CT1 for full legal description (the "Land").
 - b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057599-997-MAT-CT1 for full legal description (the "Land").
2. (Fill in the applicable paragraph and strike the other)
 - a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.
 - b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Fidelity National Title Company against any and all claims arising therefrom.
3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.
4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.
5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.
7. There are no outstanding options to purchase or rights of first refusal affecting the Land.

This declaration is made with the intention that Fidelity National Title Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ____ at _____.

Signature: _____

EXHIBIT "D"

GRANT DEED

OFFICIAL BUSINESS

Document entitled to free recording
per Government Code Section 27383

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO AND SEND
TAX STATEMENTS TO:

SPACE ABOVE THIS LINE FOR RECORDING USE

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH, herein called "Grantor," hereby grants to THE WATERFRONT HOTEL, LLC, a California limited liability company, herein called "Grantee," that certain real property located in the City of Huntington Beach, County of Orange, State of California (the "Property"), more particularly described in the legal description attached hereto as Exhibit A and incorporated herein by this reference, in accordance with and subject to the covenants, conditions and restrictions set forth in this Grant Deed.

Grantor and Grantee agree as follows:

1. Use of Property. Grantee covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property or any portion thereof, that during construction of the Hotel Addition and thereafter for a period of thirty (30) years from the date of this Grant Deed, Grantee, such successors, and such assignees shall not use or suffer to be used the Property other than as a hotel without the City of Huntington Beach's prior written consent. Uses normally incidental to a hotel use, including without limitation a restaurant, cocktail lounge, cleaning and laundry service, banquet and catering facilities, meeting rooms, gift shop, spa, resort retail, magazine stand, barber or beauty shop, travel agency, airline ticket office, automobile rental operation, and recreational facilities shall also be permitted.

Not by way of limitation of the foregoing, the hotel to be operated by Grantee on the Property shall be operated as a "first-class hotel." As used herein, the term "first-class hotel"

12-16-15
v8

EXHIBIT "D"

Page 1 of 5

shall mean that, subject to any limitations imposed by the physical structure and configuration of the improvements on the Property as initially constructed or changed or altered as permitted by the City of Huntington Beach, the improvements on the Property shall be maintained and the hotel shall be operated in a manner at least comparable to the standard of quality for full service hotels operated and maintained from time to time by any of the following hotel companies: Hilton, Sheraton, Marriott, Hyatt, or any subsidiaries thereof. The designation "first-class" is intended to reflect the highest standard of hotel operation other than deluxe, luxury, or resort hotels. It is recognized that not all services and facilities available in one first-class hotel will necessarily be provided by all first-class hotels, but that the composite of service and facilities provided by each first-class hotel will cause the same to be deemed to constitute a first-class hotel. The City of Huntington Beach and/or Grantee may request additions or deletions to such list, subject to the reasonable approval of the other; provided, however, in no event shall there be fewer than four (4) hotel companies on such list at any one time.

2. Obligation to Refrain from Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, race, color, creed, religion, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, and Grantee itself or any person claiming under or through it shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property.

3. Form of Nondiscrimination and Non-segregation Clauses. Grantee shall refrain from restricting the rental, sale, or lease of the Property, or any portion thereof, on the basis of sex, marital status, race, color, creed, religion, ancestry, or national origin of any person. All such deeds, leases, or contracts pertaining to the foregoing matters shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

a. In deeds: "The grantee herein covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

b. In leases: "The lessee covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin, or ancestry, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or

practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased.”

c. In contracts: “There shall be no discrimination against or segregation of, any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land.”

4. All conditions, covenants and restrictions contained in this Grant Deed shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by the Grantor, its successors and assigns, and the City and its successors and assigns, against the Grantee, its successors and assigns, to or of the Property conveyed herein or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof.

5. The conditions contained in paragraph (1) of this Grant Deed shall terminate and become null and void thirty (30) years from the date of this Grant Deed. The conditions contained in paragraphs (2) and (3) of this Grant Deed shall remain in effect in perpetuity.

6. In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that the Grantor and City shall each be deemed a beneficiary of the agreements and covenants provided hereinabove both for and in its own right and also for the purposes of protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of the Grantor and City, and such covenants shall run in favor of the Grantor and City for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor or the City is or remains an owner of any land or interest therein to which such covenants relate. The Grantor and the City shall each have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

7. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security; provided, however, that any subsequent owner of the Property shall be bound by the covenants, conditions, restrictions, limitations, and provisions, whether such owner’s title was acquired by foreclosure, deed in lieu of foreclosure, trustee’s sale or otherwise.

8. None of the terms, covenants, agreements or conditions heretofore agreed upon in writing in other instruments between the parties to this Grant Deed with respect to obligations to

be performed, kept or observed by the Grantee or the Grantor in respect to the Property or any part thereof after this conveyance of the Property shall be deemed to be merged with this Grant.

9. The covenants contained in this Grant Deed shall be construed as covenants running with the land.

[signatures on following page]

[remainder of page intentionally left blank]

Grantor:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF
HUNTINGTON BEACH

By: _____
Its: Chairperson

ATTEST:

By: _____
Its: Secretary

APPROVED AS TO FORM:

By: _____
Its: General Counsel

Grantee:

THE WATERFRONT HOTEL, LLC

By: Waterfront Development, Inc., a California
corporation, its Managing Member

By: _____
Robert L. Mayer, Jr., President

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

by and between

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF HUNTINGTON BEACH,
a public agency,

and

PCH BEACH RESORT, LLC,
a California limited liability company

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EXHIBITS

- “A-1” LEGAL DESCRIPTION OF THE LAND
- “A-2” DEPICTION OF THE LAND
- “B” FORM OF BLANKET ASSIGNMENT AND BILL OF SALE
- “C” TITLE REPORT
- “D” GRANT DEED

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Escrow Instructions (“Agreement”) is dated for reference purposes as of _____, 2015 (“Effective Date”), and is being entered into by and between SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH, a public agency, corporate and politic (alternatively, “Seller” or “Successor Agency”), and PCH BEACH RESORT, LLC, a California limited liability company (“Buyer”). Seller and Buyer are sometimes hereinafter individually referred to as a “Party” and collectively as the “Parties.”

RECITALS:

This Agreement is entered into with reference to the following facts:

A. On or about April 4, 2001, the Redevelopment Agency of the City of Huntington Beach (“RDA”), as lessor, and Buyer, as lessee, entered into a Ground Lease for the lease of that certain real property located in the City of Huntington Beach, County of Orange, State of California, consisting of approximately 15.103 acres of land area, with a street address of 21500 Pacific Coast Highway, bounded by Pacific Coast Highway, Beach Boulevard, Pacific View Drive, and Twin Dolphin Drive, and more particularly described and depicted in Exhibits “A-1” and “A-2” hereto (the “Land”).

B. The RDA was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code (the “Redevelopment Law”).

C. Assembly Bill No. XI 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code.

D. Pursuant to AB 26, as modified by the California Supreme Courts on December 29, 2011, by its decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231, all California redevelopment agencies, including the RDA, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing, and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies.

E. The City Council of the City elected for the City to serve as the successor agency to the RDA upon the dissolution of the RDA under AB 26 (“Successor Agency”).

F. On June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”, Chapter 26, Statutes 2012). AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down

process of former redevelopment agencies, including the preparation of a Long Range Property Management Plan (“LRPMP”). AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act.”

G. H&S Code Section 34179 of the Dissolution Act establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (“Oversight Board”).

H. Pursuant to H&S Code Section 34191.5(b) and (c) of the Dissolution Act, within six (6) months after the California Department of Finance (“DOF”) issues a Finding of Completion to the Successor Agency, the Successor Agency is obligated to prepare a LRPMP that addresses the disposition and use of certain real properties of the former RDA, which LRPMP is subject to the review and approval of the Oversight Board and DOF. Pursuant to H&S Code Section 34191.3 of the Dissolution Act, once a LRPMP is approved by DOF the LRPMP shall govern and supersede all other provisions of the Dissolution Act relating to the disposition and use of the properties addressed therein.

I. On May 13, 2014, DOF issued its Finding of Completion to the Successor Agency.

J. Pursuant to the Dissolution Act, the Successor Agency then prepared a proposed LRPMP which included 13 parcels comprising 7 properties, including the Land that is the subject of this Agreement (as Parcel No. 5) (the “Original Proposed LRPMP”).

J. On November 3, 2014, the Successor Agency approved the Original Proposed LRPMP.

L. On November 5, 2014, the Oversight Board adopted its Resolution No. 2014-06 approving the Initial Proposed LRPMP and the Successor Agency thereafter submitted the Original Proposed LRPMP to DOF.

M. Subsequently, the Successor Agency received correspondence from DOF requesting that modifications be made to the Original Proposed LRPMP and the Successor Agency prepared an amended LRPMP to address the issues/concerns set forth in DOF’s request (“Amended LRPMP”).

N. As noted in the Amended LRPMP, the Successor Agency estimated the current value of the Successor Agency’s leased fee interest in the Land at \$7,900,000, based on an “appraisal prepared by the highly respected consulting firm of PKF Consulting USA which the Successor Agency’s financial consultant has reviewed and accepted.” The Amended LRPMP also noted that the existing Ground Lease does not expire until 2097 and the lessee (Buyer) has a right of first refusal if the Successor Agency should sell the Land prior to the end of the Ground Lease term. The Amended LRPMP proposed the liquidation/disposition of the Land “ASAP” and identified the Successor Agency was in negotiations with the Lessee with the goal as being the sale to the lessee of the land (Buyer) for “the agreed upon Fair Market Value price of \$7,900,000.”

O. On March 5, 2015, the Oversight Board adopted its Resolution No. 2015-05 approving the Amended LRPMP and the Successor Agency thereafter submitted the Amended LRPMP to DOF.

P. On March 23, 2015, DOF approved the Amended LRPMP (including with respect to the Land), DOF confirmed that, pursuant to H&S Code Section 34191.3 of the Dissolution Act, the approved Amended LRPMP “shall govern, and supersede all other provisions [of the Dissolution Act] relating to, the disposition and use of all the real property assets of the former redevelopment agency,” and noted that any Successor Agency actions taken pursuant to the Amended LRPMP which require the Successor Agency to enter into a “new agreement” are subject to Oversight Board approval per H&S Code Section 34181(f), which Oversight Board approval must then be submitted to DOF for review and approval.

Q. Subject to the necessity of submitting this Agreement to the Oversight Board and DOF, Seller desires to implement the approved Amended LRPMP by selling the Land and other appurtenant rights relating to the Land (collectively, the “Property”) to Buyer and Buyer desires to purchase the Property from Seller, all on the terms and conditions set forth in this Agreement.

COVENANTS

Based upon the foregoing Recitals, which are incorporated into this Agreement by this reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both Parties, Seller and Buyer agree as follows:

1. Definitions. In addition to the terms defined elsewhere in this Agreement, as used in this Agreement the terms set forth below shall have the following meanings:

“Agreement” has the meaning set forth in the first paragraph of this Agreement.

“Authorities” means the various governmental and quasi-governmental bodies and agencies having jurisdiction over the Property, including, without limitation, the City, the County, the State, and federal agencies, courts, special taxing districts, administrative tribunals, and public and private utilities.

“Blanket Assignment and Bill of Sale” means the written blanket assignment from Seller to Buyer in the form attached hereto as Exhibit B.

“Buyer” has the meaning set forth in the first paragraph of this Agreement.

“Buyer’s Closing Conditions” are those conditions to Buyer’s obligation to close the Escrow that are set forth in Section 7.3 of this Agreement.

“Buyer’s Title Policy” means the policy of title insurance described in Section 6 of this Agreement.

“City” means the City of Huntington Beach, California.

“Closing” or “Close of Escrow” means the conveyance by Seller to Buyer of title of the Property. Conveyance of the Property shall occur through the Escrow upon recordation of the Grant Deed.

“Closing Conditions” mean, collectively, the Buyer’s Closing Conditions and the Seller’s Closing Conditions.

“Closing Date” has the meaning set forth in Section 7.2 of this Agreement.

“Default” means each of the events so designated in Section 13.1 of this Agreement.

“Effective Date” has the meaning set forth in the introductory paragraph of this Agreement.

“Escrow” means the above described Escrow to be opened with Escrow Holder or, in the event Escrow Holder ceases to exist or fails or refuses to act as Escrow Holder for the transactions contemplated by this Agreement, any other escrow with an Escrow Holder selected by Buyer which is not affiliated with either party.

“Escrow Date” is the date Escrow is opened in accordance with Section 7.1 of this Agreement.

“Escrow Holder” means Fidelity National Title Insurance Company in an office located in Orange County, California.

“Existing DDA” means that certain Amended and Restated Disposition and Development Agreement dated as of September 14, 1998 and entered into by and between the RDA and Mayer Financial, L.P., as previously amended by the First Implementation Agreement dated as of May 15, 2000, the Second Implementation Agreement dated as of February 5, 2001, the Third Implementation Agreement dated as of October 20, 2008, the Fourth Implementation Agreement dated as of October 18, 2010, and the Fifth Implementation Agreement dated as of May 16, 2011.

“Grant Deed” means the deed by which Seller is to convey the Property to Buyer. The form of the Grant Deed to be used in this transaction is attached hereto as Exhibit D, subject to any modifications that may be mutually approved by Seller, Buyer, and Title Company.

“Hazardous Material” means any substance, material, or waste which is or becomes regulated by the United States government, the State of California, or any local or other governmental authority, including, without limitation, any material, substance, or waste which is (i) defined as a “hazardous waste,” “acutely hazardous waste,” “restricted hazardous waste,” or “extremely hazardous waste” under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code; (ii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code; (iii) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Section 25501 of the California Health and Safety Code; (iv) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code; (v) petroleum; (vi) asbestos; (vii) a polychlorinated biphenyl; (viii) listed under Article 9 or defined as “hazardous” or “extremely hazardous” pursuant to

Article 11 of Title 22 of the California Code of Regulations, Chapter 20; (ix) designated as a “hazardous substance” pursuant to Section 311 of the Clean Water Act (33 U.S.C. Section 1317); (x) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C. Section 6903); (xi) defined as a “hazardous substance” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601); or (xii) any other substance, whether in the form of a solid, liquid, gas, or any other form whatsoever, which by any governmental requirements either requires special handling in its use, transportation, generation, collection, storage, treatment or disposal, or is defined as “hazardous” or is harmful to the environment or capable of posing a risk of injury to public health and safety.

“Hazardous Material Law” means any federal, state, or local law, ordinance, or regulation, any order, demand, or guidance document of any governmental agency or any licenses or permits relating to Hazardous Material.

“Land” has the meaning ascribed to that term in Recital A and Exhibits “A-1” and “A-2” hereto.

“Laws” means all federal, state, and local laws, rules, regulations, ordinances, and codes. The term “Laws” includes Hazardous Material Laws.

“Lender” has the meaning set forth in Section 13.17 of this Agreement.

“Permitted Exceptions” has the meaning set forth in Section 6.1 of this Agreement.

“Person” means any natural person or entity, whether an individual, trustee, corporation, partnership, joint stock company, trust, unincorporated association, bank, business association, firm or otherwise.

“Property” means the Land and all of Seller’s right, title and interest in and to all entitlements, easements, rights, mineral rights, oil and gas rights, water, water rights, air rights, development rights and privileges appurtenant thereto and all improvements located thereon, and, in addition, the rights of the declarant under any declaration of covenants, conditions and restrictions recorded against title to the Land, if any, and all items of personal property that may be situated on, in, or under the Land, excluding, however, any recorded dedications existing as of the Effective Date.

“Purchase Price” means the purchase price for the Property set forth in Section 3 of this Agreement.

“Seller” has the meaning set forth in the first paragraph of this Agreement.

“Seller’s Closing Conditions” are those conditions to Seller’s obligation to close the Escrow that are set forth in Section 7.4 of this Agreement.

“Title Company” means Fidelity National Title Insurance Company in its Newport Beach office or another office located in Orange County, California.

“Title Report” means that certain Preliminary Report issued by the Title Company with respect to the Property dated as of September 15, 2015 (Order No. 997-23057604-CT1). A true and correct copy of the Title Report is attached hereto as Exhibit C.

2. Purchase and Sale of Property. Seller agrees to sell the Property to Buyer and Buyer agrees to purchase the Property from Seller, in each case upon the terms and subject to the conditions set forth in this Agreement.

3. Purchase Price. Buyer’s purchase price for the Property shall be the sum of Seven Million Nine Hundred Thousand Dollars (\$7,900,000) (the “Purchase Price”).

4. Payment of Purchase Price. Buyer shall pay the entire Purchase Price through the Escrow by wire transfer of immediately available funds.

5. Physical and Environmental Condition. Buyer acknowledges that it has been the ground lessee in possession of the Land since April 4, 2001, that it excavated, filled, and graded the Land and constructed the improvements currently situated thereon, that it remediated the Land in conjunction with its development, that it has continuously owned, operated, and maintained the improvements now situated on the Land for well over a decade, that prior to the commencement date of the Ground Lease an affiliated entity of Buyer leased and occupied the Land for many years, that Buyer is thoroughly familiar with the physical and environmental condition of the Land, and that Buyer is not relying upon any information or knowledge of Seller with respect to any of such matters. Accordingly, to the maximum extent permitted by law, Seller shall convey the Property to Buyer in a strictly “AS IS, WHERE IS, WITH ALL FAULTS” physical and environmental condition, with no warranty or representation by Seller, express or implied, regarding the presence of uncompacted fill, the condition of the soils, the geology, seismology, hydrology, or other similar matters on, under, or affecting the Land, the condition of any buildings or improvements located thereon, the presence or absence of any Hazardous Materials, or the Property’s compliance with any applicable Hazardous Material Law. It shall be the sole responsibility of Buyer, at Buyer’s expense, to investigate and determine the soil conditions of the Property and the suitability of the Property for the development to be constructed by Buyer. If the soil conditions of the Property, or any part thereof, are not in all respects entirely suitable for the use or uses to which the Property will be put, then it is the sole responsibility and obligation of Buyer to take such action as may be necessary to place the Property and the soil conditions thereof in all respects in a condition entirely suitable for the development of the Property, which may include demolition, clearing, or moving buildings, structures, or other improvements, and removal of Hazardous Materials. Buyer hereby further waives, releases, acquits, and forever discharges Seller, the City, their respective officers, employees, and agents, and their successors and assigns with respect to any such matters. The foregoing shall not be deemed to limit Buyer’s obligations set forth in the Ground Lease prior to the Closing. The provisions of this Section 5 shall survive the Closing.

Buyer acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

As such relates to the matters addressed in this Section 5, Buyer hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of the California Civil Code.

6. Condition of Title and Grant Deed.

6.1 Title Report; Permitted Exceptions. Within ten (10) days after the Effective Date, Buyer shall review the Title Report and notify Seller and the Title Company in writing of those exceptions to title identified therein that are disapproved by Buyer, which disapproved exceptions shall include but not be limited to the following (collectively, the “Disapproved Title Exceptions”): (i) the Memorandum of Lease and Right of First Refusal recorded in the Official Records of the Orange County Recorder on April 18, 2001, as Instrument No. 20010232769 (Exception #11); and (ii) the Estoppel Agreement Regarding Ground Lease dated as of July 19, 2013, and recorded in the Official Records of the Orange County Recorder on July 19, 2013, as Instrument No. 20130004434292 (Exception #14). The following exceptions to title are hereby approved by Buyer (collectively, the “Permitted Exceptions”): (i) non-delinquent property taxes, possessory interest taxes, and assessments (to be paid by Buyer at the Closing in accordance with this Agreement), (ii) any pre-printed standard exceptions and exclusions in the Title Company’s Title Report; (iii) matters affecting the condition of title to the Property created by or with the written consent of Buyer; (iv) the exceptions to title identified in the Title Report that are *not* among the Disapproved Exceptions listed by Buyer in accordance with the preceding sentence. The Title Policy to be issued at the Closing shall be issued by Title Company subject only to the Permitted Exceptions.

6.2 Title Insurance. At the Closing, the Title Company shall issue to Buyer a standard form CLTA Owner’s Policy of Title Insurance with liability equal to the Purchase Price, showing fee simple title to the Property vested in Buyer subject only to the Permitted Exceptions (the “Buyer’s Title Policy”). Buyer may elect by delivery of written notice to the Title Company to obtain additional coverage, to upgrade to an ALTA Extended Coverage Owner’s Policy of Title Insurance, and/or to obtain non-standard endorsements to the Buyer’s Title Policy, provided that Buyer shall be responsible to pay the marginal additional cost to obtain such additional or extended coverage (including without limitation any survey that may be conducted) and/or non-standard endorsements and Buyer’s inability to obtain such additional or extended coverage and/or non-standard endorsements or its delay in obtaining the same shall not constitute a failure of the Closing Condition set forth in Section 7.3(d) of this Agreement or a justification or excuse for delaying the Closing.

7. Escrow and Conditions.

7.1 Opening of Escrow and Escrow Instructions. Buyer and Seller promptly shall cause Escrow to be opened for the consummation of the transaction contemplated by this Agreement by delivering a fully executed copy of this Agreement to the Escrow Holder. This Agreement shall constitute instructions to the Escrow Holder with respect to such transaction.

The Escrow Holder immediately shall notify Buyer and Seller of the Escrow Date. Buyer and Seller shall execute such additional escrow instructions as reasonably may be required to consummate the transaction contemplated by this Agreement and as Buyer and Seller may approve, which approval shall not be unreasonably withheld. To the extent such additional escrow instructions conflict with any provisions of this Agreement, the provisions of this Agreement shall control unless the Parties each separately initial such change.

7.2 Close of Escrow. Subject to the immediately following paragraph and subject to satisfaction (or waiver by the benefitted Party or Parties) of all of the conditions to closing set forth in Sections 7.3 and 7.4 (collectively, the "Closing Conditions"), the Close of Escrow for conveyance of the Property shall occur on or before May 2, 2016 (the "Closing Date"). In this regard, prior to the Effective Date Buyer has advised Seller that Buyer desires to coordinate the Closing hereunder with the refinancing of the existing loan encumbering what is now Buyer's leasehold interest in the Property and, at Buyer's request, Seller agrees to cooperate with Buyer to provide for a concurrent closing of this transaction with the refinancing of said loan; provided, however, that in no event shall any delay or failure by Buyer to cause the refinancing of said existing loan constitute the failure of a condition to Buyer's obligation to close this transaction or delay the Closing Date hereunder. Seller shall reasonably consider any request by Buyer to designate a nominee for vesting purposes at the Closing as may be required in connection with said refinancing; provided, that in such circumstance Buyer shall not be released from any of its obligations hereunder. Seller's Executive Director shall have the right to approve, on behalf of Seller, any request by Buyer for any such nominee.

In the event the condition set forth in Section 7.4(b) below has not been satisfied in time for the Close of Escrow to occur on or before May 2, 2016, this Agreement shall remain in full force and effect and the outside Closing Date provided for in the preceding paragraph shall be extended from May 2, 2016, to the date that is two (2) weeks after the Parties receive notice that the condition set forth in Section 7.4(b) has been satisfied or August 2, 2016, whichever date is earlier, provided that the City Manager/Executive Director of Seller shall have the authority on behalf of Seller to further extend the August 2, 2016, deadline for a reasonable additional period or periods of time if he/she determines there is a reasonable likelihood that the condition set forth in Section 7.4(b) will be satisfied within such additional time period(s).

7.3 Buyer's Conditions to Close of Escrow. Notwithstanding any other provision set forth in this Agreement to the contrary, Buyer's obligation to close the Escrow under this Agreement is subject to the satisfaction of each of the following conditions or Buyer's express written waiver (in its sole and absolute discretion) of any unsatisfied condition(s), in either case not later than the Closing Date:

(a) Oversight Board and DOF Approval. The Oversight Board shall have adopted a resolution at a properly noticed and agendized public meeting approving Seller's sale of the Property to Buyer pursuant to this Agreement, a copy of the Oversight Board's resolution shall have been delivered electronically to DOF in accordance with H&S Code Section 34179(h), and DOF shall either have formally approved the transaction contemplated by this Agreement or the time shall have elapsed for DOF to request a review of the transaction contemplated by this Agreement as provided in H&S Code Section 34179(h) without DOF having requested such a review. Seller shall exercise commercially reasonable diligence to

cause the Oversight Board meeting at which such matters will be considered to be properly noticed, agendized, and held as soon as practicable after the Effective Date and, assuming the Oversight Board adopts a resolution approving this Agreement, Seller shall deliver a copy of such resolution electronically to DOF in accordance with H&S Code Section 34179(h) within two (2) business days thereafter. When DOF approves the transaction contemplated by this Agreement (either after review or by lapse of the time within which to request review, whichever first occurs), Seller shall promptly notify Buyer and the Escrow Holder and the date upon which Seller so notifies Buyer and the Escrow Holder shall be deemed the date on which the condition set forth in this Section 7.3(a) has been satisfied.

(b) Seller's Representations. Seller's representations and warranties set forth in Section 12 shall be true and correct as of the Closing.

(c) Seller's Deliveries and Default. Seller shall have delivered to Buyer and Escrow Holder all documents required to be delivered by Seller to Buyer and Escrow Holder, respectively, pursuant to the terms of this Agreement, Seller shall not be in Default under the terms of this Agreement, and no event shall have occurred which would constitute a Default by Seller under the terms of this Agreement but for the requirement that notice be given or time elapse or both.

(d) Title. At the Closing the Title Company shall be committed to issuing to Buyer a standard form CLTA Owner's Policy of Title Insurance with coverage in the amount of the Purchase Price and subject to only the Permitted Exceptions.

(e) Assignment. On or before the Closing, Seller shall have executed the Blanket Assignment and Bill of Sale with respect to the Property and delivered the same to the Escrow Holder.

The foregoing conditions are solely for the benefit of Buyer and may be waived only by Buyer. Buyer shall at all times have the right to waive any condition, which waiver or waivers must be in writing to be effective. Neither the waiver by Buyer of any condition nor the satisfaction of any condition shall relieve Seller of any liability or obligation as respects any representation, warranty or covenant of Seller under this Agreement unless Buyer shall so agree in writing.

7.4 Seller's Conditions to Close of Escrow. Notwithstanding any other provision set forth in this Agreement to the contrary, Seller's obligation to close the Escrow under this Agreement is subject to the satisfaction of each of the following conditions or Seller's express written waiver (in its sole and absolute discretion) of any unsatisfied conditions, in either case not later than the Closing Date:

(a) Oversight Board and DOF Approval. The Oversight Board shall have adopted a resolution at a properly noticed and agendized public meeting approving Seller's sale of the Property to Buyer pursuant to this Agreement, a copy of the Oversight Board's resolution shall have been delivered electronically to DOF in accordance with H&S Code Section 34179(h), and DOF shall either have formally approved the transaction contemplated by this Agreement or the time shall have elapsed for DOF to request a review of the transaction contemplated by this

Agreement as provided in H&S Code Section 34179(h) without DOF having requested such a review. When DOF approves the transaction contemplated by this Agreement (either after review or by lapse of the time within which to request review, whichever first occurs), Seller shall promptly notify Buyer and the Escrow Holder and the date upon which Seller so notifies Buyer and the Escrow Holder shall be deemed the date on which the condition set forth in this Section 7.4(a) has been satisfied.

(b) Modification to CFD. Buyer provides to City permission to complete the necessary proceedings to cause the existing Community Facilities District (“CFD”) bonds that are secured by the leasehold interest in the Property to become secured by Buyer’s (and all of Buyer’s successors’ and assignees’) fee interest in the Property from and after the Closing, including steps necessary to amend both the Rate and Method of Apportionment outlined in Appendix C of Ordinance 3519 and the existing bond documents to reflect the change in the underlying security. Buyer covenants to cooperate and to take any action that Seller or City may request consistent with that objective, including, without limitation, payment of any and all related fees, costs and expenses incurred by the Seller and City to complete the “change proceedings,” with a \$25,000 deposit to be issued to the City by Buyer within 15 days following the Effective Date of the Agreement. Seller covenants to cause City to initiate such CFD “change” proceedings immediately after receiving Buyer’s \$25,000 deposit and thereafter Seller further covenants to cause City to exercise commercially reasonable diligence to complete such proceedings at the earliest practicable date. As a condition to Close of Escrow, the “change” proceedings shall have been fully and duly completed as reasonably determined by bond counsel handling the “change” proceedings such that there is no risk of default of the CFD bonds due to the transaction contemplated hereunder.

(c) Buyer’s Representations. Buyer’s representations and warranties set forth in Section 11 shall be true and correct as of the Closing.

(d) Buyer’s Deliveries and Default. Buyer shall have delivered to Seller and Escrow Holder all funds and documents required to be delivered by Buyer to Seller and Escrow Holder, respectively, pursuant to the terms of this Agreement, Buyer shall not be in Default under the terms of this Agreement, and no event shall have occurred which would constitute a Default by Buyer under the terms of this Agreement but for the requirement that notice be given or time elapse or both.

The foregoing conditions are solely for the benefit of Seller and may be waived only by Seller. Seller shall at all times have the right to waive any condition, which waiver or waivers must be in writing to be effective. Neither the waiver by Seller of any condition nor the satisfaction of any condition shall relieve Buyer of any liability or obligation as respects any representation, warranty or covenant of Buyer under this Agreement unless Seller shall so agree in writing.

7.5 Cooperation Regarding Conditions. Each Party shall exercise commercially reasonable diligence in an effort to satisfy the Closing Conditions as expeditiously as possible after the Effective Date. Each Party shall cooperate with the other Party, at the written request of the other Party, in the other Party’s efforts with respect to the satisfaction of the conditions;

provided, however, that the reasonable costs of such cooperation shall be borne by the Party making the request.

7.6 Failure of Conditions to Close of Escrow. If one or more of the Closing Conditions set forth in Sections 7.3 or 7.4 is not satisfied prior to the outside Closing Date provided for in Section 7.2 and the benefitted Party or Parties is not willing to waive the unsatisfied condition(s), then (1) this Agreement, the Escrow, and the rights and obligations of Buyer and Seller shall terminate, except as otherwise expressly provided herein, (2) Buyer shall pay one hundred percent (100%) of Escrow Holder's and Title Company's cancellation charges, (3) Escrow Holder is instructed promptly to return to Seller and Buyer all funds and documents deposited by them, respectively, into Escrow which are held by Escrow Holder on the date of such termination, and (4) the Ground Lease referred to in Recital A of this Agreement and all other agreements relating to the Property that are in existence as of the Effective Date shall survive and remain in full force and effect in accordance with their respective terms. This Section 7.6 is not intended to limit or restrict the remedies of a Party if the failure of one or more of the Closing Conditions is due to a Default by the other Party.

8. Closing Costs. If the Escrow closes, (a) Seller shall pay one hundred percent (100%) of the premium for a CLTA Standard Owner's Policy of title with coverage in an amount equal to the Purchase Price, (b) documentary transfer taxes and recording fees shall be paid by Seller, (c) the escrow fees of Escrow Holder shall be paid one-half by Buyer and one-half by Seller; (d) any difference in premium cost between a CLTA Standard Owner's Policy with coverage in the amount of the Purchase Price and Buyer's Title Policy shall be paid by Buyer; (e) any property taxes, possessory interest taxes, and assessments required to close the Escrow shall be paid by Buyer, and (f) all other costs to close the Escrow shall be allocated between Seller and Buyer in accordance with customary practice for similar transactions in the County of Orange.

9. Deliveries to Escrow Holder.

9.1 Deliveries by Seller. Prior to the Closing (unless otherwise provided), Seller shall deposit the following documents into Escrow: (a) a Grant Deed for the Property consistent with this Agreement and in substantially the form attached hereto as Exhibit "D" duly executed by Seller, notarized and in recordable form; (b) four (4) copies of the Blanket Assignment and Bill of Sale for the Property duly executed by Seller; (c) such proof of Seller's authority to enter into this Agreement and to perform the transaction contemplated by this Agreement as reasonably may be required by the Title Company; (d) a certification as to the non-foreign status of Seller for federal tax withholding purposes, completed and executed by Seller, if required by the Escrow Holder; (e) a Withholding Exemption Certificate on California Franchise Tax Board Form 593-C, duly executed by Seller, if required by the Escrow Holder; and (f) such other documents as may Escrow Holder may require Seller to execute that are consistent with this Agreement and required to enable Escrow Holder to perform its duties hereunder.

9.2 Deliveries by Buyer. Prior to the Closing (unless otherwise provided), Buyer shall deposit the following funds and documents into Escrow: (a) the entire Purchase Price; (b) a Grant Deed for the Property consistent with this Agreement and in substantially the form attached hereto as Exhibit "D" duly executed by Buyer, notarized and in recordable form; (c) Buyer's share of the escrow and title fees and charges and other closing costs required

hereunder; (d) all funds required to fully perform Buyer's monetary obligations to Seller that are set forth in the Ground Lease prorated to the Closing, including without limitation the payment of any Ground Rent owing through the Closing (including an estimate of the Participation Rent that will be due through the Closing Date based upon Buyer's and Seller's mutually agreed upon good faith estimate of Adjusted Room Revenue through that date, and with an appropriate adjustment of any underpayment or overpayment to be made between Seller and Buyer outside of Escrow within ninety (90) days after the Closing, as a matter with which the Escrow Holder shall not be concerned); (e) such proof of Buyer's authority to enter into this Agreement and to perform the transaction contemplated by this Agreement as reasonably may be required by the Title Company; (f) such other documents as may Escrow Holder may require Buyer to execute that are consistent with this Agreement and required to enable Escrow Holder to perform its duties hereunder.

10. Disbursements and Other Actions by Escrow Holder. Upon the Closing, Escrow Holder promptly shall undertake all of the following: (a) disburse all funds deposited with Escrow Holder by Buyer in payment of the Purchase Price, Buyer's portion of the escrow and title fees and charges and closing costs, and any payments owing by Buyer to Seller pursuant to the Ground Lease for the period ending on the Closing Date as set forth in Section 9.2, deduct all items chargeable to the account of Seller under Section 8, pay the amounts owing to the Persons entitled to payment, and disburse the remaining balance of the funds to Seller, or in accordance with Seller's written instructions, promptly upon the Close of Escrow; (b) cause the Grant Deed (with documentary transfer tax information to be affixed after recording), and any other documents which Buyer or the Parties may direct to be recorded in the Official Records of the Orange County Recorder in the order directed by the Parties; (c) prepare and deliver to each of Buyer and Seller two conformed copies of the Grant Deed; (d) cause the Title Company to issue the Buyer's Title Policy to Buyer; (e) deliver two executed copies of the Blanket Assignment and Bill of Sale for the Property to each of Buyer and Seller; (f) deliver to Buyer any proof of authority deposited into Escrow by Seller pursuant to Section 9.1; (g) deliver to Buyer the certifications deposited into Escrow by Seller pursuant to Section 9.1(d) and (e); and (g) deliver to Seller any proof of authority deposited into Escrow by Buyer pursuant to Section 9.2.

11. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows, provided that all such representations and warranties are limited to Buyer's actual current knowledge, without any duty of inquiry or investigation, and all of such representations and warranties shall survive the close of Escrow for the limited period of one (1) year and, except to the extent Seller has filed an action against Buyer within said time period alleging Buyer has committed a Default with respect to a specific representation or warranty, all of such representations and warranties as to which such an action is not timely filed shall automatically expire on the first anniversary of the Closing:

11.1 Authority. Buyer is a limited liability company duly organized and validly existing under the laws of the State of California. Buyer has the right, power, legal capacity, and authority to enter into and perform its obligations under this Agreement. Those individuals executing this Agreement on behalf of Buyer have the right, power, legal capacity, and authority to enter into this Agreement on behalf of Buyer and to execute all other documents and perform all other acts as may be necessary to perform all of Buyer's obligations under this Agreement.

11.2 No Consents. No approval or consent not previously obtained by any Person is necessary in connection with the execution of this Agreement by Buyer or the performance of Buyer's obligations under this Agreement.

11.3 No Violations of Agreements. Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement, or instrument to which Buyer is a party or by which it may be bound.

11.4 Binding Agreement. The Agreement constitutes the legally valid and binding obligation of Buyer and is enforceable against Buyer in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws, or by equitable principles relating to or limiting the rights of creditors generally.

11.5 No Violation of Laws. The consummation of the transaction contemplated by this Agreement does not violate any Law.

11.6 Brokers. No broker, salesperson, or finder has been engaged by Buyer in connection with the transactions contemplated by this Agreement.

Each of the foregoing representations and warranties shall be, and Buyer shall cause them to be, true in all respects on and as of the date of this Agreement and on and as of the close of Escrow as though made at that time.

12. Seller's Representations and Warranties. Seller represents and warrants to Buyer as follows, provided that all such representations and warranties are limited to Seller's actual current knowledge, without any duty of inquiry or investigation, and all of such representations and warranties shall survive the close of Escrow for the limited period of one (1) year and, except to the extent Buyer has filed an action against Seller within said time period alleging Seller has committed a Default with respect to a specific representation or warranty, all of such representations and warranties as to which such an action is not timely filed shall automatically expire on the first anniversary of the Closing:

12.1 Authority. Seller is a public agency duly organized and validly existing under the laws of the State of California. Subject to Section 12.2, Seller has the right, power, legal capacity, and authority to enter into and perform its obligations under this Agreement and those individuals executing this Agreement on behalf of Seller have the right, power, legal capacity, and authority to enter into this Agreement on behalf of Seller and to execute all other documents and perform all other acts as may be necessary to perform all of Seller's obligations under this Agreement.

12.2 No Consents. With the exception of the need to obtain approval from the Oversight Board and, potentially, DOF, as referred to in Sections 7.3(a) and 7.4(a), no approval or consent not previously obtained by any Person is necessary in connection with the execution of this Agreement by Seller or the performance of Seller's obligations under this Agreement.

12.3 No Violations of Agreements. Subject to Section 12.2, neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract,

document, understanding, agreement, or instrument to which Seller is a party or by which it may be bound.

12.4 Binding Agreement. Subject to Section 12.2, this Agreement constitutes the legally valid and binding obligation of Seller and is enforceable against Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws, or by equitable principles relating to or limiting the rights of creditors generally.

12.5 Broker. No broker, salesperson or finder has been engaged by Seller in connection with the transactions contemplated by this Agreement.

12.6 No Litigation. There is no suit, action, claim, proceeding or protest pending or threatened which may adversely affect the Property.

12.7 Assessments/Improvements. There is no proposed or existing public improvement which may involve any charge being levied or assessed upon the Property or any plan, study, or effort by any of the Authorities or any other Person or any existing or proposed Law which may adversely affect the Property.

12.8 Bankruptcy. Neither Seller nor any entity or person that owns or controls or comprises Seller is bankrupt or insolvent under any applicable Federal or state standard, has filed for protection or relief under any applicable bankruptcy or creditor protection statute, or has been threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute. Seller is not entering into the transaction described in this Agreement intending to defraud any creditor or to prefer the rights of one creditor to any other. Seller and Buyer have negotiated this Agreement at arm's length and the consideration paid represents fair value for the assets being transferred.

12.9 Compliance. Seller has not received any written requests to modify or terminate any use of the Property from any of the Authorities.

12.10 Foreign Person. Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 and Seller will deliver the Non-Foreign Affidavit through Escrow if requested to do so by Escrow Holder. Seller represents and warrants that Seller is not subject to the withholding requirements under Section 18662 of the California Revenue and Taxation Code and Seller will deliver the California Withholding Certificate through Escrow if requested to do so by Escrow Holder.

Each of the foregoing representations and warranties shall be, and Seller shall cause them to be, true in all respects on and as of the date of this Agreement and on and as of the Closing as though made at that time.

13. General Provisions.

13.1 Events of Default. The occurrence of any one or more of the following events before the Closing shall constitute a Default by a Party under this Agreement:

(a) Failure to Perform. The failure of the Party to perform any material obligation set forth in this Agreement on its part to be performed if the failure should continue uncured for a period of fifteen (15) days, including without limitation a failure to deposit funds or documents or take other actions required to timely close the Escrow provided for herein, after written notice is given to the Party of the occurrence of the failure; provided, however, that the failure shall not be deemed to have occurred if the failure is of a nature that reasonably requires more than fifteen (15) days to cure, is capable of being cured fully before the outside Closing Date set forth in Section 7.2 and the Party is proceeding continuously and diligently to cure the failure and does cure the failure before said outside Closing Date; further provided, however, in no event shall any cure period run or be permitted to run past said outside Closing Date;

(b) Representation/Warranty. Any representation or warranty made by the Party in this Agreement proves to have been materially incorrect as of the date made or as of any other date on which the representation and warranty was required by the terms of this Agreement to be true (provided that in order for any breach of a Buyer or Seller representation and warranty to constitute a Default hereunder, Seller's or Buyer's claim with respect thereto must have been filed within the time set forth in Sections 11 and 12, as applicable);

(c) Relief of Debtors. Institution by the Party of proceedings under any law of the United States or of any state or foreign jurisdiction for the relief of debtors;

(d) General Assignment. A general assignment by the Party for the benefit of creditors or the filing of a voluntary petition in bankruptcy;

(e) Bankruptcy. The filing of an involuntary petition in bankruptcy against the party by the creditors of such Party, such petition remaining undischarged for a period of thirty (30) days after the date the same was filed (or to the date of Close of Escrow if such date occurs before the expiration of the thirty (30) day period);

(f) Receiver. The appointment of a receiver to take possession of any of the assets of the Party, such receivership remaining undischarged for a period of thirty (30) days from the date of its appointment (or to the date of Close of Escrow if such date occurs before the expiration of the thirty (30) day period); or

(g) Attachment. The attachment, execution, or other judicial seizure of the Party's interest in this Agreement (and, in the case of Seller, in all or any portion of the Property), such attachment, execution or seizure being in an amount not less than Fifty Thousand Dollars (\$50,000) and remaining undismissed or undischarged for a period of thirty (30) days after the levy of the attachment, execution, or seizure (or to the date of close of Escrow if such date occurs before the expiration of the thirty (30) day period).

13.2 Legal Fees. In the event of the bringing of any action or suit by either Party against the other Party by reason of any breach of any of the covenants, conditions, agreements, or provisions on the part of the other Party arising out of this Agreement, the Party in whose favor final judgment shall be entered shall be entitled to have and recover of and from the other

Party all costs and expenses of suit, including reasonable attorneys' fees (or, in the event of any action to enforce this Agreement, the prevailing Party shall be entitled to recover all of its costs and expenses of the action, including reasonable attorney's fees), as determined by a court of competent jurisdiction.

13.3 Brokers and Finders. Each Party represents to the other Party that it has not had any contact, dealings, or communications with a broker or finder in connection with the transaction contemplated by this Agreement or any other person who can claim a right to a commission or finder's fee. If any other broker, finder, or other person makes a claim for a commission or finder's fee based upon any contract, dealing, or communication with a Party, then such Party shall indemnify, defend, and hold the other Party harmless from and against all damages, claims, losses, and expenses, including attorneys' fees, arising out of the broker's, finder's, or other person's claim.

13.4 Notices. All notices or other communication provided for under this Agreement shall be in writing, and shall be delivered personally, via facsimile or email, by reputable overnight mail equivalent carrier, or sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the person to receive such notice or communication at the following address and shall be effective upon delivery or refusal to accept delivery:

To Seller: Successor Agency to the Redevelopment Agency
 of the City of Huntington Beach
 2000 Main Street
 Huntington Beach, CA 92648
 Attn: Executive Director Fred Wilson
 Phone: 714-536-5575
 Fax: 714-
 Email: fred.wilson@surfcity-hb.org

(with copies to:) City of Huntington Beach
 2000 Main Street
 Huntington Beach, CA 92648
 Attn: City Attorney Michael Gates
 Email: Michael.gates@surfcity-hb.org

To Buyer: PCH Beach Resort LLC
 c/o The Robert Mayer Corporation
 8951 Research Drive
 Irvine, CA 92618
 Attn: RJ Mayer
 Phone: 949-8091
 Fax: 949-988-7176
 Email: rj@mayercorp.com

(with copies to:) Rutan & Tucker, LLP
611 Anton Boulevard, 14th Floor
Costa Mesa, CA 92626
Jeffrey M. Oderman, Esq.
Phone: 714-641-5100
Fax: 714-546-9035
Email: joderman@rutan.com

Notice of change of address shall be given by written notice in the manner set forth in this Section. Notices sent by email and facsimile shall be deemed received upon successful transmission.

13.5 Survival. All of the covenants, representations, and warranties set forth in this Agreement shall survive the Closing, delivery of the Grant Deed, provided that Buyer's and Seller's representations and warranties shall terminate at the time set forth in Sections 11 and 12). Where the context shall require, the provisions of this Agreement shall survive the termination of this Agreement prior to the Closing.

13.6 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, successors, and assigns; provided, however, prior to the Close of Escrow, neither Party to this Agreement shall assign or transfer this Agreement or any interest, right, or obligation in this Agreement without the prior written consent of the other Party, and any such assignment or transfer without such written consent shall be null and void. No assignment by either Party of its rights and obligations hereunder shall release that Party of its obligations to the other Party hereunder without such other Party's written consent, which consent may be withheld in such Party's sole and absolute discretion.

13.7 Required Actions of Buyer and Seller. Buyer and Seller agree to execute all instruments and documents and to take all actions consistent with this Agreement as may be required in order to consummate the transaction contemplated by this Agreement and shall use their reasonable efforts to accomplish the Closing in accordance with the provisions of this Agreement; provided, that this Section 13.7 is not intended and shall not be construed to modify this Agreement or require a Party to waive its rights hereunder.

13.8 Entire Agreement. This Agreement contains the entire agreement between the Parties concerning the subject matter of this Agreement and supersedes any prior agreements, understandings, or negotiations, except for the Existing DDA and the Ground Lease. Not by way of limitation of the foregoing, from and after the Closing either (a) the Ground Lease shall be deemed to have been terminated and of no further force or effect or (b) at Buyer's election, Seller's leased fee interest in the Ground Lease shall be assigned to Buyer; provided, however, that Buyer shall be fully responsible for execution of any documents and performance of any other tasks as may be required to effectuate an assignment of the Ground Lease in accordance with clause (b) above, nothing in this Agreement shall be deemed to modify, amend, or terminate any or the obligations of either Party set forth in the Ground Lease that have not been fully performed as of the Closing (including without limitation Buyer's obligation to pay the Ground Rent and all utilities, Impositions, insurance costs, thereunder through the date of the Closing

and the Parties' mutual obligation set forth in Section 9.2 to make any required adjustments to the amounts paid by Buyer to Seller pursuant to the Ground Lease prior to the Closing). In the event Buyer does elect to assign and not terminate the Ground Lease, as provided in clause (b) of the preceding sentence, the Grant Deed shall include appropriate non-merger language consistent with that election. Notwithstanding the foregoing, the Parties acknowledge and agree that this Agreement is not intended to modify, amend, terminate, or in any way affect: (a) the ongoing obligations of Seller set forth in Attachment No. 8 (the "Schedule of Feasibility Gap Payments") of the Existing DDA; (b) any agreement set forth in the Existing DDA or the Ground Lease to waive or release claims and any obligation set forth in the Existing DDA or the Ground Lease to indemnify, defend, and hold harmless Seller and/or City shall survive in accordance with the provisions set forth therein; (c) any other provisions of the Existing DDA or the Ground Lease which survive the expiration or termination of such agreement shall survive in accordance with the provisions set forth therein; (d) to the extent necessary to permit the parties to enforce any of the surviving obligations set forth in clauses (a) – (c), the general provisions set forth in the Existing DDA or the Ground Lease shall survive; (e) the rights or obligations of City, Buyer (as successor in interest to Mayer Financial, L.P.'s leasehold interest in the Land) as set forth in that certain License Agreement to Provide Landscaping and Other Improvements in the Public Right of Way dated as of February 20, 2001, and recorded in the Official Records of the Orange County Recorder's office as Instrument No. 20010232765 on April 18, 2001 (Exception #8 in the Title Report); (f) the easement for the pedestrian overpass granted to the City and recorded in the Official Records of the Orange County Recorder's office as Instrument No. 20000291180 on June 2, 2000 (Exception #7 in the Title Report); (g) the rights or obligations of City or Buyer (as successor in interest to Mayer Financial, L.P.'s leasehold interest in the Land) as set forth in that certain Agreement Involving the Installation of a Pedestrian Overcrossing dated as of February 20, 2001, that was entered into by and among City, Mayer Financial, L.P., and the Orange County Sanitation District and recorded in the Official Records of the Orange County Recorder's office as Instrument No. 20010232766 on April 18, 2001 (Exception #9 in the Title Report); (h) the rights or obligations of Seller, City, or Buyer (as successor in interest to Mayer Financial, L.P.'s leasehold interest in the Land) as set forth in that certain Assignment and Assumption Agreement and Consent to Assignment dated as of April 3, 2001, that was entered into by and among the RDA, City, Mayer Financial, L.P., and the Orange County Sanitation District and recorded in the Official Records of the Orange County Recorder's office as Instrument No. 20010232768 on April 18, 2001 (Exception #10 in the Title Report); or (i) the rights or obligations of Seller, City, or Buyer as set forth in the easement for wall and landscaping purposes that was recorded in the Official Records of the Orange County Recorder's office as Instrument No. 2003000047530 on January 14, 2003.

13.9 Time of Essence. Time is of the essence of each and every term, condition, obligation, and provision set forth in this Agreement.

13.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

13.11 Severability. If any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal, or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining parts of this Agreement shall remain in full

force and effect, as fully as though such invalid, illegal, or unenforceable portion had never been part of this Agreement.

13.12 Headings. Headings at the beginning of each section are solely for convenience of reference and are not a part of this Agreement.

13.13 Construction. Whenever the context of this Agreement requires the same, the singular shall include the plural and the masculine, feminine, and neuter shall include the others. Without limitation, any defined term used in the plural shall refer to all members of the relevant class, and any defined term used in the singular shall refer to any number of the relevant class. This Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared the same. Unless otherwise indicated, all references to sections are to sections in this Agreement. All exhibits are incorporated in this Agreement by reference. The term "Agreement" includes such exhibits (as exhibits and, if appropriate, as subsequently executed agreements and instruments). If the day on which Buyer or Seller is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day. For purposes of this Agreement, business days shall not include Saturdays, Sundays, or holidays recognized by the Federal Reserve Bank of San Francisco. Any reference in this Agreement to an agreement or other instrument shall mean such agreement or instrument as it may from time to time be supplemented, modified, amended, and extended in accordance with the terms of this Agreement. This Agreement is executed and delivered in the State of California and shall be construed and enforced in accordance with, and governed by, the internal laws of the State of California, without regard to conflict of laws principles.

13.14 No Waiver. No waiver by a Party of any Default by the other Party under this Agreement shall be implied from any omission or delay by the non-defaulting Party to take action on account of the Default if the Default persists or is repeated. Any waiver of any covenant, term, or condition contained in this Agreement must be in writing. Any such express written waiver shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition, nor shall it affect any Default other than the Default expressly made the subject of the waiver. Any such express waiver shall be operative only for the time and to the extent stated in the waiver. The consent or approval by a Party to or of any act by the other Party shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent act.

13.15 Relationship Between Parties. Seller and Buyer agree that (a) the relationship between them is, is intended to be, and shall at all times remain, in connection with the transactions contemplated by this Agreement, that of seller and purchaser and (b) neither Party is, is intended to be, or shall be construed as a partner, joint venturer, alter ego, manager, controlling person, or other business associate or participant of any kind of the other Party and neither Party intends to ever assume such status.

13.16 Third Party Beneficiaries. This Agreement is made for the purpose of defining and setting forth certain rights and obligations of Buyer, Seller, and City. It is made for the sole protection of Buyer, Seller and City and Buyer's, Seller's and City's respective heirs, executors,

administrators, successors, and assigns. No other Person shall have any rights of any nature under or by reason of this Agreement.

13.17 Estoppels. Upon the written request of Buyer or any current or prospective holder of a deed of trust, mortgage, or other security interest in the Property (“Lender”), Seller shall cooperate with Buyer and/or such Lender in executing an appropriate estoppel certificate confirming the status of any of the agreements referred to in Section 13.8 of this Agreement or any other matters affecting the rights and obligations of Buyer and such Lender relating to the Property that will survive the Closing as to which Buyer or Lender may inquire. Such estoppel certificate shall be for the benefit of Buyer, Lender, and their respective successors and assignees. Buyer or such Lender, as applicable, shall prepare the form of the estoppel certificate, subject to the reasonable approval of Seller as to form and content. Buyer shall compensate Seller for Seller’s actual and reasonable costs incurred in investigating the matters addressed in any such estoppel certificate and reviewing and approving the same.

13.18 Indemnity. Buyer shall indemnify, defend and hold harmless Seller, City and each of their respective officials, employees, attorneys, consultants, and agents from and against any and all loss, liability, damage, claim, cost and/or expense (including, without limitation, reasonable attorneys’ and consultants’ costs and fees, travel costs and expenses, court and litigation costs and fees of expert witnesses) (collectively, “Claims”) resulting or arising from or in any way connected to Seller approving or entering into this Agreement, implementation of this Agreement, Seller’s performance of this Agreement, or the transaction contemplated hereunder, including, without limitation, any Claim that the Purchase Price is less than fair market value and results, directly or indirectly, in a distribution of net sale proceeds to the affected taxing entities in an amount less than the amount to which the affected taxing entities are entitled by law or any Claim relating in any way to a challenge pertaining to the sufficiency and/or adequacy of the value or consideration for the transaction contemplated hereunder. The foregoing covenant shall not merge with the Grant Deed and shall survive the Closing.

Without limiting the foregoing, and as a part of the foregoing indemnity, defense and hold harmless, Buyer shall be liable for promptly paying or reimbursing Seller and/or City, as applicable, for any and all of Seller’s and/or City’s actual and reasonable costs and expenses related to any contest, challenge and/or defense of any disapproval/determination or threat of any disapproval/determination of this Agreement by DOF or any third party, including, without limitation, participating in whatever administrative appeal or proceeding, meet-and-confer and/or meet-and-discuss process may be available and/or initiating, cooperating with, participating in, defending and/or pursuing litigation (including any appellate proceeding relating to any order or judgment entered in any such litigation or administrative appeal or proceeding). Such costs and expenses shall include, without limitation, reasonable attorneys’ and consultants’ costs and fees, travel costs and expenses, court and litigation costs and fees of expert witnesses. Seller shall have no obligation to defend this Agreement to DOF or any third party.

[Signatures on next page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Seller:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF HUNTINGTON BEACH

By: _____
Its: Chairperson

ATTEST:

By: _____
Its: Secretary

APPROVED AS TO FORM:

By: _____
Its: General Counsel

Buyer:

PCH BEACH RESORT, LLC

By: Grand Resort, LLC, a California limited liability company, its Managing Member

By: RLM Management, Inc., a California corporation, Manager

By: _____
Its: Chairman

EXHIBIT "A-1"

LEGAL DESCRIPTION OF THE LAND

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

LOT 1 OF TRACT NO. 15535, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 790, PAGES 44 TO 50 INCLUSIVE OF MISCELLANEOUS MAPS, AND A TRACT MAP CERTIFICATE OF CORRECTION RECORDED JUNE 6, 2003 AS INSTRUMENT NO. 03-659669, RECORDS OF ORANGE COUNTY, CALIFORNIA.

PARCEL B:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "GRANT COAST RESORT IMPROVEMENT AREA" IN THAT CERTAIN "LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "F" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF LANDSCAPING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL C:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "OVERTCROSSING IMPROVEMENT AREA" IN THAT CERTAIN LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "G" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF OVERTCROSSING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL D:

A NON-EXCLUSIVE APPURTENANT EASEMENT UPON, IN, OVER, UNDER AND ALONG THOSE PORTIONS OF THE LAND AS DESCRIBED IN THAT CERTAIN "WALL AND LANDSCAPING BASEMENT AND MAINTENANCE AGREEMENT", DATED MAY 30, 2003, EXECUTED BY AND BETWEEN PCH BEACH RESORTS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND PLYMOUTH WATERFRONT LLC, A DELAWARE LIMITED LIABILITY COMPANY RECORDED JUNE 12, 2003 AS INSTRUMENT NO. 2003000690325, OF OFFICIAL RECORDS OF ORANGE COUNTY, STATE OF CALIFORNIA.

APN: 024-251-01

EXHIBIT "A-2"
DEPICTION OF THE LAND
[BEHIND THIS PAGE]

EXHIBIT B

FORM OF BLANKET ASSIGNMENT AND BILL OF SALE

Reference is made to that certain property located in the City of Huntington Beach, County of Orange, State of California, and described in more detail in Exhibit A attached hereto and made a part hereof, and the improvements located thereon and the rights, privileges, and entitlements incident thereto (the "Property").

For good and valuable consideration, receipt of which is acknowledged, the undersigned, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH ("Seller"), to the full extent owned or possessed by Seller, sells, transfers, assigns, conveys, and delivers to PCH BEACH RESORT, LLC, a California limited liability company ("Buyer"), all of Seller's right, title, and interest in all assets, rights, materials, reimbursements, refunds, and/or claims owned, used or held in connection with the ownership, use, management, development, or enjoyment of the Property, including, without limitation: (i) all entitlements, permits, subdivision agreements, and other agreements relating to the development of the Property; (ii) all plans, specifications, maps, drawings, and other renderings relating to the Property; (iii) all warranties, claims, indemnities, and any similar rights relating to and benefiting the Property or the assets transferred hereby; (iv) all intangible rights, goodwill, and similar rights benefiting the Property; (v) all development rights benefiting the Property; (vi) all rights, refunds, claims, and awards benefiting or appurtenant to the Property; (vii) all rights to receive a reimbursement, credit, or refund from the applicable agency or entity of any deposits or fees paid in connection with the development of the Property; and (viii) all claims, counterclaims, defenses or actions, whether at common law or pursuant to federal, state, or local laws or regulations, against third parties relating to the existence of any Hazardous Materials in, at, on or under the Property.

Seller shall, at any time and from time to time upon written request therefor, execute and deliver to Buyer, its nominees, successors, and/or assigns, any new or confirmatory instruments and do and perform any other acts that Buyer, its nominees, successors, and/or assigns may request in order to fully transfer possession and control of, and protect the rights of Buyer, its nominees, successors, and/or assigns in, all of the assets of Seller intended to be transferred and assigned hereby.

Seller:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF HUNTINGTON BEACH

By: _____
Its: Chairperson

Exhibit "A"
to
Blanket Assignment

LEGAL DESCRIPTION OF THE REAL PROPERTY

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

LOT 1 OF TRACT NO. 15535, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 790, PAGES 44 TO 50 INCLUSIVE OF MISCELLANEOUS MAPS, AND A TRACT MAP CERTIFICATE OF CORRECTION RECORDED JUNE 6, 2003 AS INSTRUMENT NO. 03-659669, RECORDS OF ORANGE COUNTY, CALIFORNIA.

PARCEL B:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "GRANT COAST RESORT IMPROVEMENT AREA" IN THAT CERTAIN "LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "F" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF LANDSCAPING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL C:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "OVERTCROSSING IMPROVEMENT AREA" IN THAT CERTAIN LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "G" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF OVERTCROSSING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL D:

A NON-EXCLUSIVE APPURTENANT EASEMENT UPON, IN, OVER, UNDER AND ALONG THOSE PORTIONS OF THE LAND AS DESCRIBED IN THAT CERTAIN "WALL AND LANDSCAPING EASEMENT AND MAINTENANCE AGREEMENT", DATED MAY 30, 2003, EXECUTED BY AND BETWEEN PCH BEACH RESORTS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND PLU/LYON WATERFRONT LLC, A DELAWARE LIMITED LIABILITY COMPANY RECORDED JUNE 12, 2003 AS INSTRUMENT NO. 2003000690325 OF OFFICIAL RECORDS OF ORANGE COUNTY, STATE OF CALIFORNIA.

APN: 024-251-01

EXHIBIT "B"

EXHIBIT "C"
TITLE REPORT
[BEHIND THIS PAGE]



Fidelity National Title Company

1300 Dove Street, Suite 310, Newport Beach, CA 92660
Phone: (949) 622-5000 • Fax:

Issuing Policies of Fidelity National Title Insurance Company

Title Officer: Curtis Taplin (MA)

Order No.: 997-23057604--CT1

TO:

The Robert Mayer Corporation
8951 Research Drive
Irvine, CA 92618

ATTN: **.R.J. Mayer**

YOUR REFERENCE: **Hyatt Fee**

PROPERTY ADDRESS: 21500 Pacific Coast Highway - Hyatt Fee, Huntington Beach, CA

AMENDED PRELIMINARY REPORT

In response to the application for a policy of title insurance referenced herein, Fidelity National Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Fidelity National Title Insurance Company, a Nebraska Corporation.

Please read the exceptions shown or referred to herein and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects and encumbrances affecting title to the land.

Countersigned by:

Authorized Signature



Fidelity National Title Company
1300 Dove Street, Suite 310, Newport Beach, CA 92660
Phone: (949) 622-5000 • Fax:

AMENDED PRELIMINARY REPORT

EFFECTIVE DATE: September 15, 2015 at 7:30 a.m., Amended: September 25, 2015, Amendment No.

ORDER NO.: 997-23057604--CT1

The form of policy or policies of title insurance contemplated by this report is:

ALTA Extended Owners Policy (6-17-06)

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

**A Fee as to Parcel(s) A
Easement(s) more fully described below as to Parcel(s) B, C, D**

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

See Exhibit A attached hereto and made a part hereof.

EXHIBIT A
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

LOT 1 OF TRACT NO. 15535, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 790, PAGES 44 TO 50 INCLUSIVE OF MISCELLANEOUS MAPS, AND A TRACT MAP CERTIFICATE OF CORRECTION RECORDED JUNE 6, 2003 AS INSTRUMENT NO. 03-659669, RECORDS OF ORANGE COUNTY, CALIFORNIA.

PARCEL B:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "GRANT COAST RESORT IMPROVEMENT AREA" IN THAT CERTAIN "LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "F" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF LANDSCAPING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL C:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "OVERTCROSSING IMPROVEMENT AREA" IN THAT CERTAIN LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "G" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF OVERTCROSSING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL D:

A NON-EXCLUSIVE APPURTENANT EASEMENT UPON, IN, OVER, UNDER AND ALONG THOSE PORTIONS OF THE LAND AS DESCRIBED IN THAT CERTAIN "WALL AND LANDSCAPING EASEMENT AND MAINTENANCE AGREEMENT", DATED MAY 30, 2003, EXECUTED BY AND BETWEEN PCH BEACH RESORTS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND PLC/LYON WATERFRONT LLC, A DELAWARE LIMITED LIABILITY COMPANY RECORDED JUNE 12, 2003 AS INSTRUMENT NO. 2003000690325, OF OFFICIAL RECORDS OF ORANGE COUNTY, STATE OF CALIFORNIA.

APN: 024-251-01

EXCEPTIONS

AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

- A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2015-2016.
- B. There were no taxes levied for the fiscal year 2014-215 as the property was vested in a public entity.
- C. The lien of any special tax resulting from the inclusion of the property in a Special Assessment District or Mello-Roos Community Facilities District in accordance with the codes, which may exist by virtue of Assessment Maps or Notices filed and/or recorded by any such district. Assessments, if any, arising from such Assessment Districts will be collected along with regular Orange County real estate taxes.

D. The herein described property lies within the boundaries of a Mello-Roos Community Facilities District ("CFD"), as follows:

CFD No.: 2000-1
For: Community Facilities

Disclosed by: Notice of Special Tax Lien (Show no recording info)

This property, along with all other parcels in the CFD, is liable for an annual special tax. This special tax is included with and payable with the general property taxes of the County of Orange. The tax may not be prepaid.

Including any amendments thereof.

Although the above may be a lien, the amounts assessed are not yet due or payable.

- E. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.
 - 1. Water rights, claims or title to water, whether or not disclosed by the public records.
 - 2. Easement(s) for the purposes(s) shown below and rights incidental thereto as delineated or as offered for dedication, on the Map of Tract No. 15535 filed in Book 790, Pages 44 to 50 inclusive.
 - Purpose: Pedestrian access purposes
 - Affects: Meandering sidewalks on said land

 - Purpose: Storm drain and water line purposes
 - Affects: A portion of said land

 - Purpose: Sewer line purposes
 - Affects: A portion of said land
 - 3. The dedication to the City of Huntington Beach of the sanitary sewer system and appurtenances, the domestic water system and appurtenances and the storm drain system and appurtenances, all as shown on the improvement plans for said tract map.

EXCEPTIONS
(Continued)

4. There is a recital on the map of said tract that it is for commercial condominium purposes. No commercial condominium regime which includes the land described herein has been dedicated nor created at this time.
5. All vehicular access rights to Pacific Coast Highway, Beach Boulevard, Twin Dolphin Drive and Pacific View Avenue, except at locations approved by the traffic engineer, have been released and relinquished to the City of Huntington Beach on the map of said tract.
6. Matters contained in that certain document entitled "Amended and Restated Development Agreement" dated , executed by and between City of Huntington Beach and Mayer Financial, Ltd., and the Waterfront Hotel, LLC recorded October 21, 1998, Instrument No. 19980711512, of Official Records.

Reference is hereby made to said document for full particulars.

and re-recorded December 7, 1998, Instrument No. 19980838602, of Official Records

and Release of Construction Covenants recorded May 29, 2003, Instrument No. 2003000624371, of Official Records

7. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: The City of Huntington Beach
Purpose: Pedestrian overpass
Recorded: June 2, 2000, Instrument No. 20000291180, of Official Records
Affects: Portions of said land

8. Matters contained in that certain document entitled "License Agreement to Provide Landscaping and Other Improvements in the Public Right-of-Way" dated February 20, 2001, executed by and between The City of Huntington Beach, a municipal corporation of the State of California, The Waterfront Hotel, LLC, a California limited liability company and Mayer Financial, L.P., a California limited partnership recorded April 18, 2001, Instrument No. 20010232765, of Official Records, which document, among other things, contains or provides for: Landscaping and other public improvements in the public right-of-way.

Reference is hereby made to said document for full particulars.

9. Matters contained in that certain document entitled "Agreement Involving the Installation of the Pedestrian Overcrossing" dated February 20, 2001, executed by and between City of Huntington Beach, a municipal corporation of the State of California, Orange County Sanitation District, a public agency of the State of California and Mayer Financial, L.P., a California limited partnership recorded April 18, 2001, Instrument No. 20010232766, of Official Records, which document, among other things, contains or provides for: The installation of a pedestrian crossing.

Reference is hereby made to said document for full particulars.

10. Matters contained in that certain document entitled "Assignment and Assumption Agreement and Consent to Assignment" dated April 3, 2001, executed by and between Mayer Financial, L.P., a California limited partnership, PCH Beach Resort, LLC, a California limited liability company consented to by the Redevelopment Agency of the City of Huntington Beach and the City of Huntington Beach, and the Orange County Sanitation District, a public agency of the State of California recorded April 18, 2001, Instrument No. 20010232768, of Official Records.

Reference is hereby made to said document for full particulars.

EXCEPTIONS
(Continued)

11. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Memorandum of Lease and Right of First Refusal
Lessor: The Redevelopment Agency of the City of Huntington Beach, a public body and corporate and politic
Lessee: PCH Beach Resort, LLC, a California limited liability company
Recording Date: April 18, 2001
Recording No: 20010232769, Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

12. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: State of California
Purpose: A pedestrian overpass and improvements and facilities appurtenant thereto
Recorded: January 14, 2003, Instrument No. 2003000047530, of Official Records
Affects: A portion of said land

13. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document.

Granted to: None shown
Purpose: Wall and landscape easement
Recorded: June 12, 2003, Instrument No. 2003000690325, of Official Records

14. Matters contained in that certain document

Entitled: "Estoppel Agreement Regarding Ground Lease"
Dated: July 19, 2013
Executed by: Successor Agency to the Former Development Agency of the City of Huntington Beach, The Waterfront Hotel, LLC, a California limited liability company and Morgan Stanley Mortgage Capital Holdings LLC, a New York limited liability company
Recording Date: July 19, 2013
Recording No: 2013000434292, Official Records

Reference is hereby made to said document for full particulars.

15. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

The Company will require, for review, a full and complete copy of any unrecorded agreement, contract, license and/or lease, together with all supplements, assignments and amendments thereto, before issuing any policy of title insurance without excepting this item from coverage.

The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

16. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.

EXCEPTIONS
(Continued)

17. Intentionally deleted.

**PLEASE REFER TO THE "INFORMATIONAL NOTES" AND "REQUIREMENTS" SECTIONS WHICH
FOLLOW FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION.**

END OF EXCEPTIONS

REQUIREMENTS SECTION

1. The requirement that this company be furnished proper regulatory statutes authorizing this transaction and appropriate documentation indicating who may execute on behalf of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach.
2. Unrecorded matters which may be disclosed by an Owner's Affidavit or Declaration. A form of the Owner's Affidavit/Declaration is attached to this Preliminary Report/Commitment. This Affidavit/Declaration is to be completed by the record owner of the land and submitted for review prior to the closing of this transaction. Your prompt attention to this requirement will help avoid delays in the closing of this transaction. Thank you.

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit/Declaration.

END OF REQUIREMENTS

INFORMATIONAL NOTES SECTION

1. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.
2. The Company is not aware of any matters which would cause it to decline to attach CLTA Endorsement Form 116 indicating that there is located on said Land Commercial properties, known as 21500 Pacific Coast Highway - Hyatt Fee, located within the city of Huntington Beach, California, , to an Extended Coverage Loan Policy.
3. Note: The policy of title insurance will include an arbitration provision. The Company or the insured may demand arbitration. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. Please ask your escrow or title officer for a sample copy of the policy to be issued if you wish to review the arbitration provisions and any other provisions pertaining to your Title Insurance coverage.
4. Note: The only conveyance(s) affecting said Land, which recorded within 24 months of the date of this report, are as follows:

Grantor:	The City of Huntington Beach, a California municipal corporation
Grantee:	The Successor Agency to the Redevelopment Agency of the City of Huntington Beach
Recording Date:	December 20, 2012
Recording No:	<u>2012000789961, Official Records</u>

END OF INFORMATIONAL NOTES

Curtis Taplin (MA)/maf

FIDELITY NATIONAL FINANCIAL PRIVACY NOTICE

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice. The provision of this Privacy Notice to you does not create any express or implied relationship, or create any express or implied duty or other obligation, between Fidelity National Financial, Inc. and you. See also **No Representations or Warranties** below.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the "Website"). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

How Information is Collected

The types of personal information FNF collects may include, among other things (collectively, "Personal Information"): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver's license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a "cookie" to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive and that can be re-sent to the serving website on subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as "clear gifs"). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of certain online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org>.

- You can opt-out via the Consumer Choice Page at <http://www.aboutads.info>.
- For those in the U.K., you can opt-out via the IAB UK's industry opt-out at <http://www.youronlinechoices.com>.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

Use of Personal Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, "Third Parties") who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF's, FNF's affiliates and third parties' products and services.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and

promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information From Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices With Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please

contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2015 will receive information regarding 2014 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

No Representations or Warranties

By providing this Privacy Notice, Fidelity National Financial, Inc. does not make any representations or warranties whatsoever concerning any products or services provided to you by its majority-owned subsidiaries. In addition, you also expressly agree that your use of the Website is at your own risk. Any services provided to you by Fidelity National Financial, Inc. and/or the Website are provided "as is" and "as available" for your use, without representations or warranties of any kind, either express or implied, unless such warranties are legally incapable of exclusion. Fidelity National Financial, Inc. makes no representations or warranties that any services provided to you by it or the Website, or any services offered in connection with the Website are or will remain uninterrupted or error-free, that defects will be corrected, or that the web pages on or accessed through the Website, or the servers used in connection with the Website, are or will remain free from any viruses, worms, time bombs, drop dead devices, Trojan horses or other harmful components. Any liability of Fidelity National Financial, Inc. and your exclusive remedy with respect to the use of any product or service provided by Fidelity National Financial, Inc.

PRELIMINARY REPORT

Your Reference:

Fidelity National Title Company

Order No.: 997-23057604--CT1

including on or accessed through the Website, will be the re-performance of such service found to be inadequate.

Your Consent To This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: JANUARY 6, 2015

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the field rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for each discount. These discounts only apply to transaction involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

FNF Underwritten Title Company

FNTC - Fidelity National Title Company
FNTCCA –Fidelity National Title Company of California

FNF Underwriter

FNTIC - Fidelity National Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (FNTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within 12 or 36 months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge.

DISASTER LOANS (FNTIC)

The charge for a lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church's obligation the charge for an owner's policy shall be 50% to 70% of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be 40% to 50% of the appropriate title insurance rate, depending on the type of coverage selected.

OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)
 - a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at _____,
further described as follows: See Preliminary Report/Commitment No. 23057604-997-MAT-CT1 for full legal description (the "Land").
 - b. Declarant is the _____ of _____
("Owner"), which is the owner or lessee, as the case may be, of certain premises located at _____,
further described as follows: See Preliminary Report/Commitment No. 23057604-997-MAT-CT1 for full legal description (the "Land").
2. (Fill in the applicable paragraph and strike the other)
 - a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.
 - b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Fidelity National Title Company against any and all claims arising therefrom.
3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.
4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.
5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.
7. There are no outstanding options to purchase or rights of first refusal affecting the Land.

This declaration is made with the intention that Fidelity National Title Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ____ at _____.

Signature: _____

Attachment One (Revised 06-05-14)
CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990 (04-08-14)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE—SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;

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- c. land use;
- d. improvements on the Land;
- e. land division; and
- f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

- 2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
- 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
- 4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

- 7. The transfer of the Title to You is invalid as a preferential transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
- 8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
- 9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5,000.00

**2006 ALTA LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;
 or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- 2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- 3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;

- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
 5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
 6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
 7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

PART I

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.
7. Variable exceptions such as taxes, easements, CC&R's, etc. shown here.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (12-02-13)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.

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9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

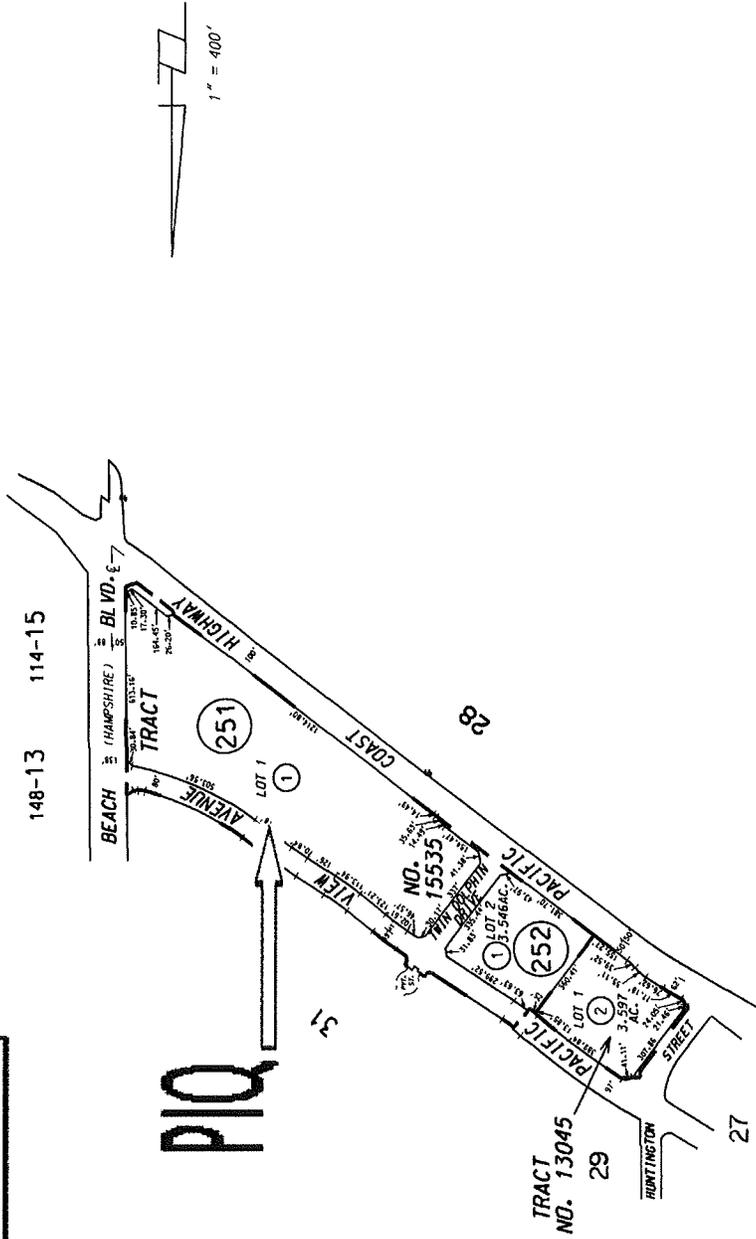
S. MAP
 ASSC.
 ACCO.
 OTHER
 RICH
 DPT.

Fidelity National Title Insurance Company

This plan is for your aid in locating your land with reference to streets and other parcels. While this plan is believed to be correct, Fidelity National Title Insurance Company assumes no liability for any loss occurring by reason of reliance thereon.

1/2, SE 1/4, SEC. 11, T 6 S, R 11 W

024-25



PIQ

N 1/4 COR. SEC. 14-6-11

* PRIVATE STREET

MARCH 1948

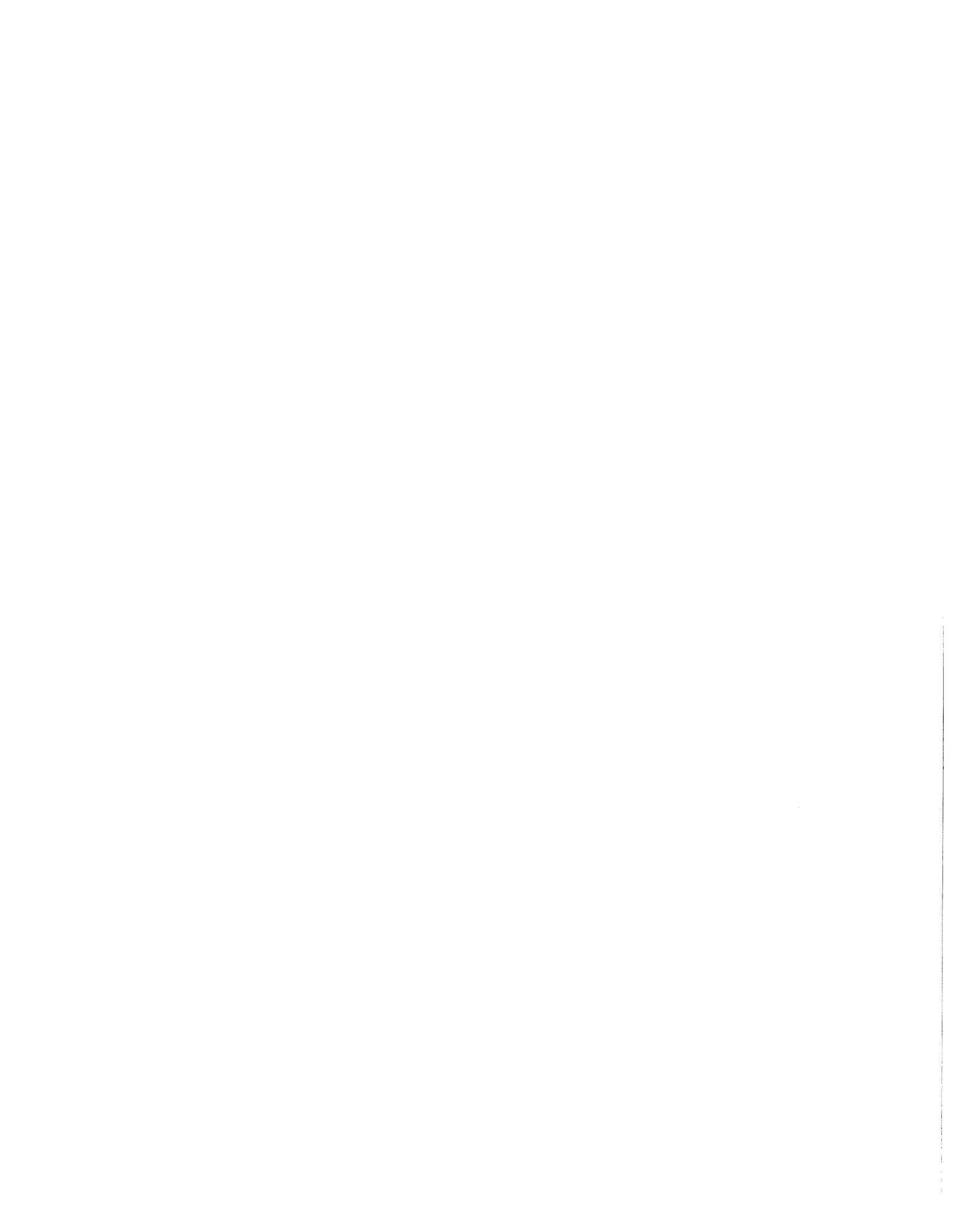
TRACT NO. 13045
 TRACT NO. 15535

M.M. 628-46, 47
 M.M. 790-44 to 50 incl.

NOTE - ASSESSOR'S BLOCK & PARCEL NUMBERS SHOWN IN CIRCLES

ASSESSOR'S MAP BOOK 024 PAGE 25 COUNTY OF ORANGE





OWNER'S DECLARATION

The undersigned hereby declares as follows:

1. (Fill in the applicable paragraph and strike the other)

a. Declarant ("Owner") is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057604-997-MAT-CT1 for full legal description (the "Land").

b. Declarant is the _____ of _____ ("Owner"), which is the owner or lessee, as the case may be, of certain premises located at _____, further described as follows: See Preliminary Report/Commitment No. 23057604-997-MAT-CT1 for full legal description (the "Land").

2. (Fill in the applicable paragraph and strike the other)

a. During the period of six months immediately preceding the date of this declaration no work has been done, no surveys or architectural or engineering plans have been prepared, and no materials have been furnished in connection with the erection, equipment, repair, protection or removal of any building or other structure on the Land or in connection with the improvement of the Land in any manner whatsoever.

b. During the period of six months immediately preceding the date of this declaration certain work has been done and materials furnished in connection with _____ upon the Land in the approximate total sum of \$_____, but no work whatever remains to be done and no materials remain to be furnished to complete the construction in full compliance with the plans and specifications, nor are there any unpaid bills incurred for labor and materials used in making such improvements or repairs upon the Land, or for the services of architects, surveyors or engineers, except as follows: _____. Owner, by the undersigned Declarant, agrees to and does hereby indemnify and hold harmless Fidelity National Title Company against any and all claims arising therefrom.

3. Owner has not previously conveyed the Land; is not a debtor in bankruptcy (and if a partnership, the general partner thereof is not a debtor in bankruptcy); and has not received notice of any pending court action affecting the title to the Land.

4. Except as shown in the above-referenced Preliminary Report/Commitment, there are no unpaid or unsatisfied mortgages, deeds of trust, Uniform Commercial Code financing statements, claims of lien, special assessments, or taxes that constitute a lien against the Land or that affect the Land but have not been recorded in the public records.

5. The Land is currently in use as _____; _____ occupy/occupies the Land; and the following are all of the leases or other occupancy rights affecting the Land:

6. There are no other persons or entities that assert an ownership interest in the Land, nor are there unrecorded easements, claims of easement, or boundary disputes that affect the Land.

7. There are no outstanding options to purchase or rights of first refusal affecting the Land.

This declaration is made with the intention that Fidelity National Title Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Owner, by the undersigned Declarant, agrees to indemnify the Company against loss or damage (including attorneys fees, expenses, and costs) incurred by the Company as a result of any untrue statement made herein.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on ____ at _____.

Signature: _____

ATTACHMENT NO. 1

MAP OF THE SITE

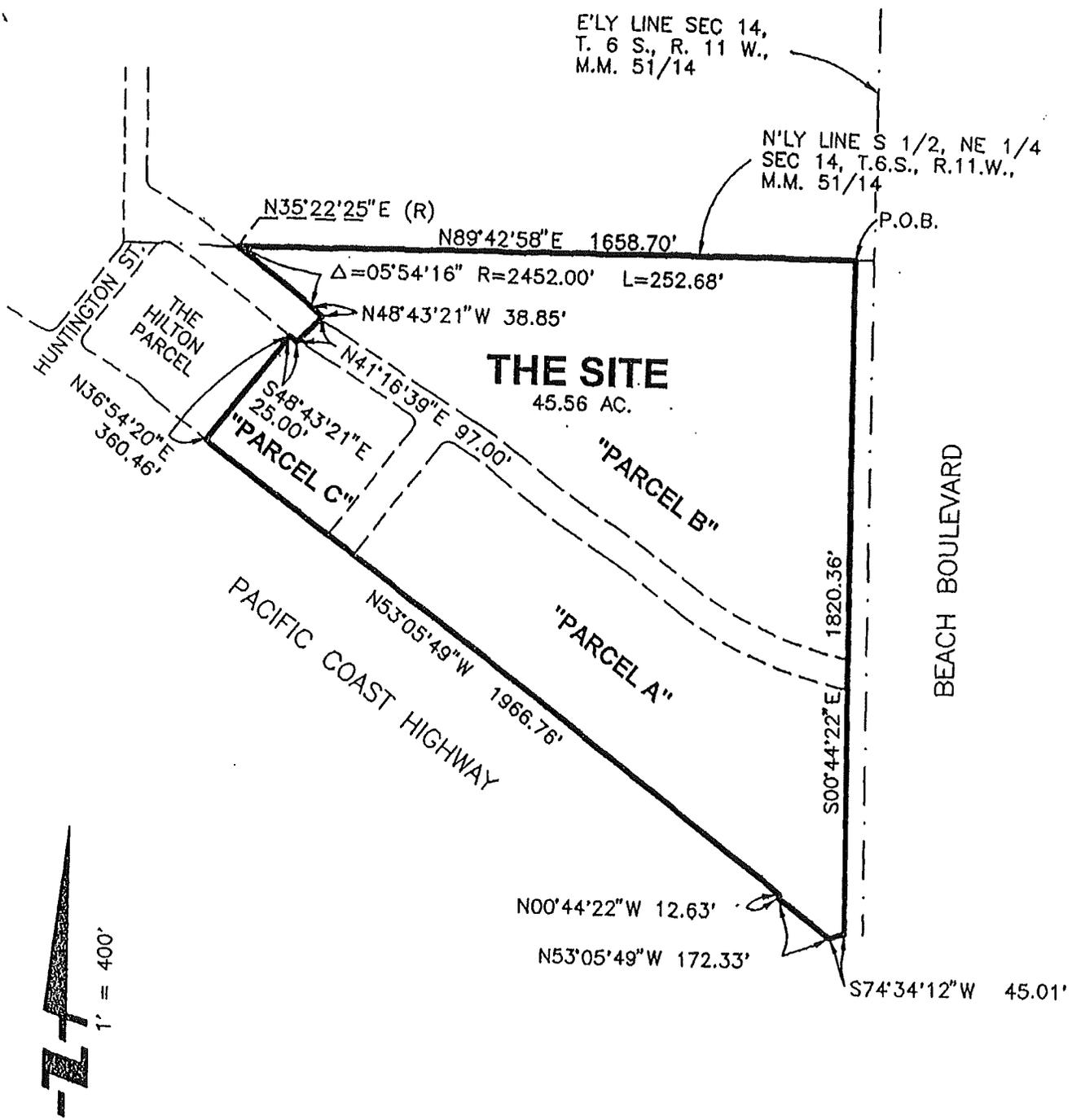


EXHIBIT "D"

GRANT DEED

OFFICIAL BUSINESS

Document entitled to free recording
per Government Code Section 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL AND SEND
TAX STATEMENTS TO:

PCH Beach Resort LLC
c/o The Robert Mayer Corporation
8951 Research Drive
Irvine, CA 92618
Attn: RJ Mayer

SPACE ABOVE THIS LINE FOR RECORDING USE

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH, herein called "Grantor," hereby grants to PCH BEACH RESORT, LLC, a California limited liability company, herein called "Grantee," that certain real property located in the City of Huntington Beach, County of Orange, State of California (the "Property"), more particularly described in the legal description attached hereto as Exhibit A and incorporated herein by this reference, in accordance with and subject to the covenants, conditions and restrictions set forth in this Grant Deed.

Grantor and Grantee agree as follows:

1. Obligation to Refrain from Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, race, color, creed, religion, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, and Grantee itself or any person claiming under or through it shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property.

2. Form of Nondiscrimination and Non-segregation Clauses. Grantee shall refrain from restricting the rental, sale, or lease of the Property, or any portion thereof, on the basis of sex, marital status, race, color, creed, religion, ancestry, or national origin of any person. All

such deeds, leases, or contracts pertaining to the foregoing matters shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

a. In deeds: “The grantee herein covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it, that there shall be no discrimination against or segregation of, any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land.”

b. In leases: “The lessee covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin, or ancestry, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased.”

c. In contracts: “There shall be no discrimination against or segregation of, any person or group of persons on account of sex, marital status, race, color, creed, religion, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land.”

3. All conditions, covenants and restrictions contained in this Grant Deed shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by the Grantor, its successors and assigns, and the City and its successors and assigns, against the Grantee, its successors and assigns, to or of the Property conveyed herein or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof.

4. The conditions contained in this Grant Deed shall remain in effect in perpetuity.

5. In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that the Grantor and City shall each be deemed a beneficiary of the agreements and covenants provided hereinabove both for and in its own right and also for the purposes of protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of the Grantor and City, and such

covenants shall run in favor of the Grantor and City for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor or the City is or remains an owner of any land or interest therein to which such covenants relate. The Grantor and the City shall each have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

6. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security; provided, however, that any subsequent owner of the Property shall be bound by the covenants, conditions, restrictions, limitations, and provisions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

7. None of the terms, covenants, agreements or conditions heretofore agreed upon in writing in other instruments between the parties to this Grant Deed with respect to obligations to be performed, kept or observed by the Grantee or the Grantor in respect to the Property or any part thereof after this conveyance of the Property shall be deemed to be merged with this Grant.

8. The covenants contained in this Grant Deed shall be construed as covenants running with the land.

[signatures on following page]

[remainder of page intentionally left blank]

Grantor:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF
HUNTINGTON BEACH

By: _____
Its: Chairperson

ATTEST:

By: _____
Its: Secretary

APPROVED AS TO FORM:

By: _____
Its: General Counsel

Grantee:

PCH BEACH RESORT, LLC

By: Grand Resort, LLC, a California limited
liability company, its Managing Member

By: RLM Management, Inc., a California
corporation, Manager

By: _____
Its: Chairman

EXHIBIT A
TO GRANT DEED

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

LOT 1 OF TRACT NO. 15535, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 790, PAGES 44 TO 50 INCLUSIVE OF MISCELLANEOUS MAPS, AND A TRACT MAP CERTIFICATE OF CORRECTION RECORDED JUNE 6, 2003 AS INSTRUMENT NO. 03-659669, RECORDS OF ORANGE COUNTY, CALIFORNIA.

PARCEL B:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "GRANT COAST RESORT IMPROVEMENT AREA" IN THAT CERTAIN "LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "I" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF LANDSCAPING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL C:

A NON-EXCLUSIVE, REVOCABLE LICENSE TO UTILIZE THAT CERTAIN AREA DEFINED AS "OVERCROSSING IMPROVEMENT AREA" IN THAT CERTAIN LICENSE AGREEMENT TO PROVIDE LANDSCAPING AND OTHER IMPROVEMENTS IN THE PUBLIC RIGHT-OF-WAY" ("AGREEMENT") RECORDED APRIL 18, 2001 AS INSTRUMENT NO. 20010232765 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA, AND DELINEATED ON EXHIBIT "G" ATTACHED THERETO, FOR THE INSTALLATION, MAINTENANCE, REPAIR AND REPLACEMENT OF OVERCROSSING AND OTHER IMPROVEMENTS, AS SAID LICENSE IS SET FORTH IN PARAGRAPH 2 OF THE AGREEMENT.

PARCEL D:

A NON-EXCLUSIVE APPURTENANT EASEMENT UPON, IN, OVER, UNDER AND ALONG THOSE PORTIONS OF THE LAND AS DESCRIBED IN THAT CERTAIN "WALL AND LANDSCAPING EASEMENT AND MAINTENANCE AGREEMENT", DATED MAY 30, 2003, EXECUTED BY AND BETWEEN PCH BEACH RESORTS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND PLC/LYON WATERFRONT LLC, A DELAWARE LIMITED LIABILITY COMPANY RECORDED JUNE 12, 2003 AS INSTRUMENT NO. 2003000690325, OF OFFICIAL RECORDS OF ORANGE COUNTY, STATE OF CALIFORNIA.

APN: 024-251-01

MEMORANDUM OF UNDERSTANDING RE BEACH USES/ACTIVITIES

This Memorandum of Understanding re Beach Uses/Activities (the “**MOU**”) is dated for reference purposes only as of the ___ day of _____, 201_ (the “**Agreement Date**”), and is being entered into by and between the City of Huntington Beach, a California charter city (“**City**”), and The Waterfront Hotel, LLC, a California limited liability company (“**WH**”).

RECITALS:

This MOU is entered into with reference to the following facts:

A. City is the owner in fee of a portion of that certain real property located in the City of Huntington Beach, California, and bounded on the north by the right-of-way line for Pacific Coast Highway, on the west by an imaginary line extending southward from the westerly side of the intersection of Pacific Coast Highway and Twin Dolphin Drive to the mean high tide line of the Pacific Ocean, on the south by the mean high tide line of the Pacific Ocean, and on the east by an imaginary line extending southward from the westerly side of the intersection of Pacific Coast Highway and Beach Boulevard to the mean high tide line of the Pacific Ocean (such portion hereinafter referred to as the “**City Beach Property**”).

B. For a period of years prior to the Agreement Date WH has been the ground lessee of two (2) parcels of real property located at 21100 Pacific Coast Highway, on the inland side of Pacific Coast Highway across from the City Beach Property: (1) the “**Hilton Parcel**,” which consists of approximately 3.60 acres of land area on which the existing Waterfront Hilton Beach Resort Hotel (the “**Existing Hotel**”) is situated; and (2) “**Parcel C**,” which consists of approximately 3.63 acres of land area on which uses incidental to the Existing Hotel were formerly constructed and on which WH is currently preparing to construct an addition to the Existing Hotel consisting of approximately one hundred fifty-two (152) net new guestrooms, an additional ballroom, meeting rooms, restaurant, and ancillary facilities (the “**Hotel Addition**”). The Successor Agency to the former Redevelopment Agency of the City of Huntington Beach (“**Successor Agency**”) and WH are currently negotiating with respect to a purchase and sale agreement which, if it is approved and executed, will provide for WH to acquire Successor Agency’s leased fee interest in the Hilton Parcel and Parcel C (collectively, the “**Property**”). The date on which WH acquires fee title to the Property is referred to herein as the “**Effective Date**.”

C. The Existing Hotel and the Hotel Addition (collectively, the “**Expanded Hotel**”) are and will be ocean-oriented, visitor-serving commercial facilities designed to take full advantage of the existing ocean views across the City Beach Property.

D. Pursuant to the California Coastal Act of 1976, as amended (Public Resources Code Section 30000, et seq.), City has prepared and the California Coastal Commission has certified a Local Coastal Plan (as amended, the “**LCP**”) for that portion of the City of Huntington Beach that is located within the Coastal Zone, including the City Beach Property. On January 19, 1981, the City Council of City adopted Resolution No. 4954 adopting the LCP in the form of the Coastal Element of the City’s General Plan. The LCP has subsequently been

amended prior to the Effective Date, including without limitation through the City Council's adoption of Resolution No. 5147 on August 2, 1982, Resolution No. 5267 on May 16, 1983, and Resolution No. 5341 on January 3, 1984. The LCP, as so amended through the Effective Date, is a public record, a copy of which is available for inspection at the office of the City Clerk at the City of Huntington Beach, 2000 Main Street, Huntington Beach, California 92648.

E. The LCP requires "Preservation of as much beach sand area as possible in order to accommodate future levels of beach attendance." (LCP, Section 2.3.) The LCP further establishes as a policy the "increased numbers of hotel/motel rooms and restaurants in the Coastal Zone." (*Id.*, at section 3.3.) The LCP designates the entire City Beach Property for recreational use in which the "principal permitted uses . . . are limited to open sand areas, beach related recreational activities, and under certain conditions, parking lots, concessions and camping." (*Id.*, at Figure 9.11 and section 9.2.5.) The LCP further "prohibit(s) development of permanent above-ground structures on the beach sand area" on the City Beach Property with the exception of lifeguard towers and other public safety facilities, public restrooms and beach concession stands when located immediately adjacent to paved parking or access areas, fire rings, volleyball nets, bike trails, bike support facilities, and handicapped access. Finally, the LCP "prohibit(s) expansion of parking facilities that would result in the loss of recreational sand area . . ." (*Id.*, at Section 9.5.1.)

F. On October 10, 1983, the City Council of City adopted Resolution No- 5308 a, b, and c, approving and adopting the Downtown Specific Plan (as amended, the "**Specific Plan**") for the implementation of the LCP. The City Beach Property is located in District 7 (formerly District 11) of the Specific Plan, which is designated for beach-related open space and recreational uses. District 7 "is intended to preserve and protect the sandy beach area within the (Downtown] Specific Plan boundaries while allowing parking and auxiliary convenience uses." (Specific Plan, Section 4.13.) Pursuant to the Specific Plan, the only uses and structures permitted on the City Beach Property are access facilities, basketball courts, beach concession stands at intervals no closer than one thousand (1,000) feet and limited to two thousand five hundred (2,500) square feet per building, bicycle and jogging trails and support facilities, fire rings, lifeguard towers, and other structures necessary for health or safety, paddleboard courts, surface parking lots, or public transit facilities that will not result in the loss of recreational sand areas, provided that any tiered parking shall be designed so that the top of the structures including walls, etc., are located a minimum of one foot below the maximum height of the adjacent bluff, park offices, playground equipment, public restrooms, public dressing rooms or showers, shoreline construction that may alter natural shoreline process (such as groins, cliff retaining walls, pipelines, and outfalls that are designed to eliminate adverse impacts on local shoreline sand supply), and volleyball net supports.

G. Section 612(b) of the City Charter provides in part that, subject to certain exceptions set forth therein, "no road, building over three thousand square feet in floor area nor structure costing more than \$161,000.00 [as adjusted per CPI increases occurring after January 1, 2011] may be built on or in any park or beach or portion thereof now or hereafter owned or operated by the City unless authorized by the affirmative votes of at least a majority of the total membership of the City Council and by the affirmative vote of at least a majority of the electors voting on such proposition at a general or special election. . . ." (the "**Measure C Development Restriction**").

H. City and WH desire to ensure the long-term use of the City Beach Property for beach-related uses consistent with the LCP, Specific Plan, and Measure C Development Restriction (collectively, the “**City Beach Property Land Use Restrictions**”), to promote the development and operation of high-quality visitor-serving commercial uses on the Property, and to provide a long-term source of revenue to City to enhance City’s implementation of the LCP and Specific Plan or for other public purposes as determined by City in its sole discretion.

C O V E N A N T S:

Based upon the foregoing Recitals, which are incorporated into this MOU by this reference, and for good and valuable consideration, the receipt and sufficiency of which is agreed to by both parties, City and WH agree as follows:

1. Term of MOU. The term of this MOU (the “**Term**”) shall commence on the Effective Date and shall terminate on the thirtieth (30th) anniversary of the Effective Date. If the Effective Date does not occur by December 31, 2016, this MOU shall automatically be null and void *ab initio*.

2. Agency covenants not to construct or maintain or permit to be constructed or maintained any improvements or structures on the City Beach Property excepting only the following: access facilities, basketball courts, beach concession stands at intervals no closer than one thousand (1,000) feet and limited to two thousand five hundred (2,500) square feet per building, bicycle and jogging trails and support facilities, fire rings, lifeguard towers, and other structures necessary for health or safety, paddleboard courts, parking lots and public transit facilities that will not result in the loss of recreational sand area and that will not extend above the existing grade of the adjacent stretch of Pacific Coast Highway, park offices, playground equipment, public restrooms, public dressing rooms or showers, shoreline construction that may alter natural shoreline process (such as groins, cliff retaining walls, pipelines, and outfalls that are designed to eliminate adverse impacts on local shoreline sand supply), volleyball net supports, and pedestrian overcrossing(s) of Pacific Coast Highway.”

3. Beach Parking. During the Term of this MOU City covenants, for the benefit of PCH and the Property, to maintain and operate on the City Beach Property beach parking that is accessible to the public and with substantially the same number of available spaces that existed as of September 21, 1998.

4. Prohibited Uses of City Beach Property. In addition to the provision set forth in Paragraph 2, during the Term of this MOU City covenants that none of the following uses shall be allowed on the City Beach Property without the prior written consent of WH, which consent shall not be unreasonably withheld, conditioned, or delayed. If City delivers a written notice to WH requesting that WH consent to any such use, City’s notice provides a complete statement of the type, nature, and duration of the proposed use and the terms and conditions governing such proposed use, and City’s notice states in bold letters at the outset of the notice that WH’s failure to respond within ten (10) days after receipt of the notice by either granting or withholding WH’s consent will be deemed to constitute WH’s consent to the proposed use, it shall be deemed that WH has consented to the proposed use. WH’s consent to one proposed use, for the duration proposed by City, shall not be deemed to constitute consent to the same or similar use at a

subsequent time. In the event WH withholds its consent to a proposed use, City and WH shall meet and confer to attempt to resolve any WH's objections and concerns. The uses subject to this Paragraph 3 are the following:

4.1 Camping;

4.2 Overnight parking of recreational vehicles;

4.3 Sale, or exhibition for the purpose of sale, of cars, motorcycles, go-karts, boats, personal watercraft, recreational vehicles or other similar equipment; and

4.4 Events and/or structures that would unreasonably obstruct the view of the ocean from the Existing Hotel or the Expanded Hotel or any of the courtyards on the Property, or would materially alter the local beach environment.

5. Prior Notice to WH and Consultation With Respect to Certain Uses of City Beach Property. In addition to the provisions set forth in Paragraphs 2 and 3, during the Term of this MOU City covenants that none of the following uses shall be allowed on the City Beach Property without City first giving thirty (30) days prior written notice to WH:

5.1 Events which generate noise, such as, but not limited to, racing or operation of cars, motorcycles, go-karts, boats, personal watercraft, recreational vehicles or other similar equipment, use of amplified music, or use of a public address systems (except when used in conjunction with normal police or marine safety functions);

5.2 Sale of food or beverages, or rental or sale of any products or services, other than those sales or rentals conducted on the premises of the beach concession stands within the City Beach Property;

5.3 Events, meetings, gatherings, competitions, tournaments, or contests where the observation of same is not free and open to the general public or which does not primarily involve entertainment, sports or recreational activities;

5.4 Events which unduly restrict the access to or use of the pedestrian overcrossing(s) constructed over Pacific Coast Highway at the Property or that unreasonably restrict access through the parking lot to the beach from such pedestrian overcrossing(s);

5.5 Events which, together with staging, storage, support services and anticipated parking generated by such events, occupy more than 33% of the City Beach Property;

5.6 Events which occur in excess of five consecutive days in duration or in excess of a total of thirty (30) days per year; and

5.7 Tents, balloons, flags, bleachers, seating, scaffolding or other temporary structures which unreasonably impede the view of the ocean or sand from the Existing Hotel or the Hotel or any of the courtyards on the Property.

City has established a procedure to approve all specific events on the beach. The City shall provide written notice to WH and permit WH to consult with City's Specific Events Committee not less than thirty (30) days prior to the Committee's consideration of approval of a permit for potential uses or activities on the City Beach Property. WH may appeal any permit approved by the Specific Events Committee to the City Manager by filing the appeal in writing within ten (10) days after the approval of the permit by the Specific Events Committee. If a specific event permit is appealed, the Specific Events Committee shall not issue the permit until such time as the City Manager has acted on the appeal.

6. WH Payments. In consideration of City's agreement to enter into and perform its obligations set forth in this MOU, for each calendar year during the Term of this MOU WH shall pay to City, in advance, the sum of One Thousand Seven Hundred Six Dollars and Sixty-Six Cents (\$1,706.66) per year, with such amount to be prorated for any partial calendar year based upon the number of days in such partial calendar year and with such amount to be adjusted upward as of January 1, 2017, and each January 1st thereafter as provided herein (the "**Adjustment Dates**"), with such sum payable in advance on the first day of each such year. The annual adjustment shall be calculated upon the basis of the Consumer Price Index for the Los Angeles-Riverside-Orange County region (All Urban Consumers--All Items) published from time to time by the United States Department of Labor (the "**CPI**"). The CPI published and in effect on September 30, 2015, shall be considered the "Base Year Index." At each Adjustment Date, the consideration otherwise due shall be adjusted by the percentage increase, if any, between the Base Year Index and the CPI published and in effect ninety (90) days preceding the Adjustment Date. In no event shall the consideration payable on any Adjustment Date be less than the consideration required to be paid during the year immediately preceding such Adjustment Date notwithstanding the fact that the CPI may, as of some Adjustment Date, be less than the CPI as of the previous Adjustment Date or the Base Year Index. When the amount of the adjusted consideration is determined, and at least thirty (30) days prior to the date payment for the next year is due, City shall give WH written notice of the amount of the adjusted consideration indicating how the new figure was computed. If at any Adjustment Date the Consumer Price Index shall not exist in the same format as recited herein, City and WH shall agree to substitute any official index published by the Bureau of Labor Statistics or successor or similar governmental agency as may then be in existence and which is most nearly equivalent to the Consumer Price Index. Should City and WH be unable to mutually agree as to any such substitute index prior to the date such agreement is required in order to properly and timely comply with this Paragraph 5, determination of the proper substitute index shall be determined by arbitration conducted in accordance with the then-prevailing commercial arbitration rules of the American Arbitration Association or its successor.

In addition to the foregoing, in consideration of City's agreement to enter into and perform its obligations set forth in this MOU, within five (5) business days after the Effective Date WH agrees to make a one-time payment to City of Five Hundred Thousand Dollars (\$500,000); provided, however, that WH shall be entitled to a credit against said \$500,000 payment obligation to the extent of the amount of any payment made by PCH Beach Resort, LLC, to City pursuant to the second paragraph of Paragraph 5 of that certain Memorandum of Understanding Re Beach Uses/Activities which may be entered into by and between City and PCH Beach Resort, LLC, (such that City will receive only one such \$500,000 payment, not two, and not more than \$500,000).

7. Binding on Successors and Assigns. This MOU shall be for the benefit of and binding upon any successors and assigns of WH. As used herein, the term “WH” shall be deemed to refer to any successor-in-interest to WH’s fee title to the Property during the Term, including subsequent successors to the initial successor-in-interest.

8. No Conveyance of Property Interest in City Beach Property. Notwithstanding any other provision set forth in this MOU to the contrary, this MOU is not intended and shall not be interpreted to constitute the sale, lease, exchange, transfer, or disposal of City’s title or interest in and to the City Beach Property.

9. Severability. If any term, covenant, or condition of this MOU or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid and unenforceable, the remainder of this MOU or the application of such term, covenant, or condition to persons, entities, or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant, and condition of this MOU shall be valid and enforceable to the fullest extent permitted by law.

10. Notices. All notices or other communication provided for under this MOU shall be in writing, and shall be delivered personally, via facsimile or email, by reputable overnight mail equivalent carrier, or sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the person to receive such notice or communication at the following address and shall be effective upon delivery or refusal to accept delivery:

To City: City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648
Attn: City Manager
Email: fred.wilson@surfcity-hb.org

(with copy to:) City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648
Attn: City Attorney
Email: Michael.gates@surfcity-hb.org

To WH: The Waterfront Hotel, LLC
c/o The Mayer Corporation
8951 Research Drive
Irvine, CA 92618
Attn: RJ Mayer
Phone: 949-8091
Fax: 949-988-7176
Email: rj@mayercorp.com

(with copy to:) Rutan & Tucker, LLP
611 Anton Boulevard, 14th Floor
Costa Mesa, CA 92626

Jeffrey M. Oderman, Esq.
Phone: 714-641-5100
Fax: 714-546-9035
Email: joderman@rutan.com

Notice of change of address shall be given by written notice in the manner set forth in this Paragraph. Notices sent by email and facsimile shall be deemed received upon successful transmission.

10. No Waiver. No waiver by either party of any default by the other party under this MOU shall be implied from any omission or delay by the non-defaulting party to take action on account of the default if the default persists or is repeated. Any waiver of any covenant, term, or condition contained in this MOU must be in writing. Any such express written waiver shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition, nor shall it affect any default other than the default expressly made the subject of the waiver. Any such express waiver shall be operative only for the time and to the extent stated in the waiver. The consent or approval by a party to or of any act by the other party shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent act.

11. Third Parties Not Benefited. This MOU is made for the sole benefit of City and WH, and the successors and assigns of WH. No other person or entity shall have or acquire any rights of any nature under or by reason of this MOU.

IN WITNESS WHEREOF, the parties have executed this MOU as of the dates set forth next to their respective signatures below.

[Signatures on Next Page]

“City”:

CITY OF HUNTINGTON BEACH

Dated: _____, 201_

By: _____
Its: Mayor

ATTEST:

By: _____
Its: City Clerk

APPROVED AS TO FORM:

By: _____
Its: City Attorney 

“WH”

THE WATERFRONT HOTEL, LLC, a California
limited liability company

By: Waterfront Development, Inc., a California
corporation, its Managing Member

Dated: _____, 201_

By: _____
Robert L. Mayer, Jr., President

MEMORANDUM OF UNDERSTANDING RE BEACH USES/ACTIVITIES

This Memorandum of Understanding re Beach Uses/Activities (the “**MOU**”) is dated for reference purposes only as of the ___ day of _____, 201_ (the “**Agreement Date**”), and is being entered into by and between the City of Huntington Beach, a California charter city (“**City**”), and PCH Beach Resort, LLC, a California limited liability company (“**PCH**”).

RECITALS:

This MOU is entered into with reference to the following facts:

A. City is the owner in fee of a portion of that certain real property located in the City of Huntington Beach, California, and bounded on the north by the right-of-way line for Pacific Coast Highway, on the west by an imaginary line extending southward from the westerly side of the intersection of Pacific Coast Highway and Twin Dolphin Drive to the mean high tide line of the Pacific Ocean, on the south by the mean high tide line of the Pacific Ocean, and on the east by an imaginary line extending southward from the westerly side of the intersection of Pacific Coast Highway and Beach Boulevard to the mean high tide line of the Pacific Ocean (such portion hereinafter referred to as the “**City Beach Property**”).

B. PCH is the ground lessee of that certain real property located at 21500 Pacific Coast Highway, on the inland side of Pacific Coast Highway across from the City Beach Property (the “**Property**”), on which PCH owns and operates the Hyatt Regency Huntington Beach Resort and Spa (the “**Hotel**”). The Successor Agency to the former Redevelopment Agency of the City of Huntington Beach (“**Successor Agency**”) and PCH are currently negotiating with respect to a purchase and sale agreement which, if it is approved and executed, will provide for PCH to acquire Successor Agency’s leased fee interest in the Property. The date on which PCH acquires fee title to the Property is referred to herein as the “**Effective Date.**”

C. The Hotel provides ocean-oriented, visitor-serving commercial facilities designed to take full advantage of the existing ocean views across the City Beach Property.

D. Pursuant to the California Coastal Act of 1976, as amended (Public Resources Code Section 30000, *et seq.*), City has prepared and the California Coastal Commission has certified a Local Coastal Plan (as amended, the “**LCP**”) for that portion of the City of Huntington Beach that is located within the Coastal Zone, including the City Beach Property. On January 19, 1981, the City Council of City adopted Resolution No. 4954 adopting the LCP in the form of the Coastal Element of the City’s General Plan. The LCP has subsequently been amended prior to the Effective Date, including without limitation through the City Council’s adoption of Resolution No. 5147 on August 2, 1982, Resolution No. 5267 on May 16, 1983, and Resolution No. 5341 on January 3, 1984. The LCP, as so amended through the Effective Date, is a public record, a copy of which is available for inspection at the office of the City Clerk at the City of Huntington Beach, 2000 Main Street, Huntington Beach, California 92648.

E. The LCP requires “Preservation of as much beach sand area as possible in order to accommodate future levels of beach attendance.” (LCP, Section 2.3.) The LCP further establishes as a policy the “increased numbers of hotel/motel rooms and restaurants in the

Coastal Zone.” (Id., at section 3.3.) The LCP designates the entire City Beach Property for recreational use in which the “principal permitted uses . . . are limited to open sand areas, beach related recreational activities, and under certain conditions, parking lots, concessions and camping.” (Id., at Figure 9.11 and section 9.2.5.) The LCP further “prohibit(s) development of permanent above-ground structures on the beach sand area” on the City Beach Property with the exception of lifeguard towers and other public safety facilities, public restrooms and beach concession stands when located immediately adjacent to paved parking or access areas, fire rings, volleyball nets, bike trails, bike support facilities, and handicapped access. Finally, the LCP “prohibit(s) expansion of parking facilities that would result in the loss of recreational sand area . . .” (Id., at Section 9.5.1.)

F. On October 10, 1983, the City Council of City adopted Resolution No- 5308 a, b, and c, approving and adopting the Downtown Specific Plan (as amended, the “**Specific Plan**”) for the implementation of the LCP. The City Beach Property is located in District 7 (formerly District 11) of the Specific Plan, which is designated for beach-related open space and recreational uses. District 7 “is intended to preserve and protect the sandy beach area within the (Downtown] Specific Plan boundaries while allowing parking and auxiliary convenience uses.” (Specific Plan, Section 4.13.) Pursuant to the Specific Plan, the only uses and structures permitted on the City Beach Property are access facilities, basketball courts, beach concession stands at intervals no closer than one thousand (1,000) feet and limited to two thousand five hundred (2,500) square feet per building, bicycle and jogging trails and support facilities, fire rings, lifeguard towers, and other structures necessary for health or safety, paddleboard courts, surface parking lots, or public transit facilities that will not result in the loss of recreational sand areas, provided that any tiered parking shall be designed so that the top of the structures including walls, etc., are located a minimum of one foot below the maximum height of the adjacent bluff, park offices, playground equipment, public restrooms, public dressing rooms or showers, shoreline construction that may alter natural shoreline process (such as groins, cliff retaining walls, pipelines, and outfalls that are designed to eliminate adverse impacts on local shoreline sand supply), and volleyball net supports.

G. Section 612(b) of the City Charter provides in part that, subject to certain exceptions set forth therein, “no road, building over three thousand square feet in floor area nor structure costing more than \$161,000.00 [as adjusted per CPI increases occurring after January 1, 2011] may be built on or in any park or beach or portion thereof now or hereafter owned or operated by the City unless authorized by the affirmative votes of at least a majority of the total membership of the City Council and by the affirmative vote of at least a majority of the electors voting on such proposition at a general or special election. . . .” (the “**Measure C Development Restriction**”).

H. City and PCH desire to ensure the long-term use of the City Beach Property for beach-related uses consistent with the LCP, Specific Plan, and Measure C Development Restriction (collectively, the “**City Beach Property Land Use Restrictions**”), to promote the development and operation of high-quality visitor-serving commercial uses on the Property, and to provide a long-term source of revenue to City to enhance City’s implementation of the LCP and Specific Plan or for other public purposes as determined by City in its sole discretion.

C O V E N A N T S:

Based upon the foregoing Recitals, which are incorporated into this MOU by this reference, and for good and valuable consideration, the receipt and sufficiency of which is agreed to by both parties, City and PCH agree as follows:

1. Term of MOU. The term of this MOU (the “**Term**”) shall commence on the Effective Date and shall terminate on the thirtieth (30th) anniversary of the Effective Date. If the Effective Date does not occur by December 31, 2016, this MOU shall automatically be null and void *ab initio*.

2. Agency covenants not to construct or maintain or permit to be constructed or maintained any improvements or structures on the City Beach Property excepting only the following: access facilities, basketball courts, beach concession stands at intervals no closer than one thousand (1,000) feet and limited to two thousand five hundred (2,500) square feet per building, bicycle and jogging trails and support facilities, fire rings, lifeguard towers, and other structures necessary for health or safety, paddleboard courts, parking lots and public transit facilities that will not result in the loss of recreational sand area and that will not extend above the existing grade of the adjacent stretch of Pacific Coast Highway, park offices, playground equipment, public restrooms, public dressing rooms or showers, shoreline construction that may alter natural shoreline process (such as groins, cliff retaining walls, pipelines, and outfalls that are designed to eliminate adverse impacts on local shoreline sand supply), volleyball net supports, and pedestrian overcrossing(s) of Pacific Coast Highway.”

3. Beach Parking. During the Term of this MOU City covenants, for the benefit of PCH and the Property, to maintain and operate on the City Beach Property beach parking that is accessible to the public and with substantially the same number of available spaces that existed as of September 21, 1998.

4. Prohibited Uses of City Beach Property. In addition to the provision set forth in Paragraphs 2 and 3, during the Term of this MOU City covenants that none of the following uses shall be allowed on the City Beach Property without the prior written consent of PCH, which consent shall not be unreasonably withheld, conditioned, or delayed. If City delivers a written notice to PCH requesting that PCH consent to any such use, City’s notice provides a complete statement of the type, nature, and duration of the proposed use and the terms and conditions governing such proposed use, and City’s notice states in bold letters at the outset of the notice that PCH’s failure to respond within ten (10) days after receipt of the notice by either granting or withholding PCH’s consent will be deemed to constitute PCH’s consent to the proposed use, it shall be deemed that PCH has consented to the proposed use. PCH’s consent to one proposed use, for the duration proposed by City, shall not be deemed to constitute consent to the same or similar use at a subsequent time. In the event PCH withholds its consent to a proposed use, City and PCH shall meet and confer to attempt to resolve any PCH’s objections and concerns. The uses subject to this Paragraph 4 are the following:

- 4.1 Camping;
- 4.2 Overnight parking of recreational vehicles;

4.3 Sale, or exhibition for the purpose of sale, of cars, motorcycles, go-karts, boats, personal watercraft, recreational vehicles or other similar equipment; and

4.4 Events and/or structures that would unreasonably obstruct the view of the ocean from the Hotel or any of the courtyards on the Property, or would materially alter the local beach environment.

5. Prior Notice to PCH and Consultation With Respect to Certain Uses of City Beach Property. In addition to the provisions set forth in Paragraphs 2-4, during the Term of this MOU City covenants that none of the following uses shall be allowed on the City Beach Property without City first giving thirty (30) days prior written notice to PCH:

5.1 Events which generate noise, such as, but not limited to, racing or operation of cars, motorcycles, go-karts, boats, personal watercraft, recreational vehicles or other similar equipment, use of amplified music, or use of a public address systems (except when used in conjunction with normal police or marine safety functions);

5.2 Sale of food or beverages, or rental or sale of any products or services, other than those sales or rentals conducted on the premises of the beach concession stands within the City Beach Property;

5.3 Events, meetings, gatherings, competitions, tournaments, or contests where the observation of same is not free and open to the general public or which does not primarily involve entertainment, sports or recreational activities;

5.4 Events which unduly restrict the access to or use of the pedestrian overcrossing(s) constructed over Pacific Coast Highway at the Property or that unreasonably restrict access through the parking lot to the beach from such pedestrian overcrossing(s);

5.5 Events which, together with staging, storage, support services and anticipated parking generated by such events, occupy more than 33% of the City Beach Property;

5.6 Events which occur in excess of five consecutive days in duration or in excess of a total of thirty (30) days per year; and

5.7 Tents, balloons, flags, bleachers, seating, scaffolding or other temporary structures which unreasonably impede the view of the ocean or sand from the Hotel or any of the courtyards on the Property.

City has established a procedure to approve all specific events on the beach. City shall provide written notice to PCH and permit PCH to consult with City's Specific Events Committee not less than thirty (30) days prior to the Committee's consideration of approval of a permit for potential uses or activities on the City Beach Property. PCH may appeal any permit approved by the Specific Events Committee to the City Manager by filing the appeal in writing within ten (10) days after the approval of the permit by the Specific Events Committee. If a specific event permit is appealed, the Specific Events Committee shall not issue the permit until such time as the City Manager has acted on the appeal.

6. PCH Payments. In consideration of City's agreement to enter into and perform its obligations set forth in this MOU, for each calendar year during the Term of this MOU PCH shall pay to City, in advance, the sum of Eleven Thousand Eight Hundred Eighty-One Dollars and Seventy-Three Cents (\$11,881.73) per year, with such amount to be prorated for any partial calendar year based upon the number of days in such partial calendar year and with such amount to be adjusted upward as of January 1, 2017, and each January 1st thereafter as provided herein (the "**Adjustment Dates**"), with such sum payable in advance on the first day of each such year. The annual adjustment shall be calculated upon the basis of the Consumer Price Index for the Los Angeles-Riverside-Orange County region (All Urban Consumers--All Items) published from time to time by the United States Department of Labor (the "**CPI**"). The CPI published and in effect on September 30, 2015, shall be considered the "Base Year Index." At each Adjustment Date, the consideration otherwise due shall be adjusted by the percentage increase, if any, between the Base Year Index and the CPI published and in effect ninety (90) days preceding the Adjustment Date. In no event shall the consideration payable on any Adjustment Date be less than the consideration required to be paid during the year immediately preceding such Adjustment Date notwithstanding the fact that the CPI may, as of some Adjustment Date, be less than the CPI as of the previous Adjustment Date or the Base Year Index. When the amount of the adjusted consideration is determined, and at least thirty (30) days prior to the date payment for the next year is due, City shall give PCH written notice of the amount of the adjusted consideration indicating how the new figure was computed. If at any Adjustment Date the Consumer Price Index shall not exist in the same format as recited herein, City and PCH shall agree to substitute any official index published by the Bureau of Labor Statistics or successor or similar governmental agency as may then be in existence and which is most nearly equivalent to the Consumer Price Index. Should City and PCH be unable to mutually agree as to any such substitute index prior to the date such agreement is required in order to properly and timely comply with this Paragraph 6, determination of the proper substitute index shall be determined by arbitration conducted in accordance with the then-prevailing commercial arbitration rules of the American Arbitration Association or its successor.

In addition to the foregoing, in consideration of City's agreement to enter into and perform its obligations set forth in this MOU, within five (5) business days after the Effective Date PCH agrees to make a one-time payment to City of Five Hundred Thousand Dollars (\$500,000); provided, however, that PCH shall be entitled to a credit against said \$500,000 payment obligation to the extent of the amount of any payment made by The Waterfront Hotel, LLC, to City pursuant to the second paragraph of Paragraph 6 of that certain Memorandum of Understanding Re Beach Uses/Activities which may be entered into by and between City and The Waterfront Hotel, LLC, on or about the Agreement Date of this MOU (such that City will receive only one such \$500,000 payment, not two, and not more than \$500,000).

7. Binding on Successors and Assigns. This MOU shall be for the benefit of and binding upon any successors and assigns of PCH. As used herein, the term "PCH" shall be deemed to refer to any successor-in-interest to PCH's fee title to the Property during the Term, including subsequent successors to the initial successor-in-interest.

8. No Conveyance of Property Interest in City Beach Property. Notwithstanding any other provision set forth in this MOU to the contrary, this MOU is not intended and shall not be

interpreted to constitute the sale, lease, exchange, transfer, or disposal of City's title or interest in and to the City Beach Property.

9. Severability. If any term, covenant, or condition of this MOU or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid and unenforceable, the remainder of this MOU or the application of such term, covenant, or condition to persons, entities, or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant, and condition of this MOU shall be valid and enforceable to the fullest extent permitted by law.

10. Notices. All notices or other communication provided for under this MOU shall be in writing, and shall be delivered personally, via facsimile or email, by reputable overnight mail equivalent carrier, or sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the person to receive such notice or communication at the following address and shall be effective upon delivery or refusal to accept delivery:

To City: City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648
Attn: City Manager
Email: fred.wilson@surfcity-hb.org

(with copy to:) City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648
Attn: City Attorney
Email: Michael.gates@surfcity-hb.org

To PCH: PCH Beach Resort, LLC
c/o The Mayer Corporation
8951 Research Drive
Irvine, CA 92618
Attn: RJ Mayer
Phone: 949-8091
Fax: 949-988-7176
Email: rj@mayercorp.com

(with copy to:) Rutan & Tucker, LLP
611 Anton Boulevard, 14th Floor
Costa Mesa, CA 92626
Jeffrey M. Oderman, Esq.
Phone: 714-641-5100
Fax: 714-546-9035
Email: joderman@rutan.com

Notice of change of address shall be given by written notice in the manner set forth in this Paragraph. Notices sent by email and facsimile shall be deemed received upon successful transmission.

11. No Waiver. No waiver by either party of any default by the other party under this MOU shall be implied from any omission or delay by the non-defaulting party to take action on account of the default if the default persists or is repeated. Any waiver of any covenant, term, or condition contained in this MOU must be in writing. Any such express written waiver shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition, nor shall it affect any default other than the default expressly made the subject of the waiver. Any such express waiver shall be operative only for the time and to the extent stated in the waiver. The consent or approval by a party to or of any act by the other party shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent act.

12. Third Parties Not Benefited. This MOU is made for the sole benefit of City, PCH, and the successors and assigns of PCH. No other person or entity shall have or acquire any rights of any nature under or by reason of this MOU.

IN WITNESS WHEREOF, the parties have executed this MOU as of the dates set forth next to their respective signatures below.

[Signatures on Next Page]

“City”:

CITY OF HUNTINGTON BEACH

Dated: _____, 201_

By: _____
Its: Mayor

ATTEST:

By: _____
Its: City Clerk

APPROVED AS TO FORM:

By: _____
Its: City Attorney 

PCH BEACH RESORT, LLC

By: Grand Resort, LLC, a California limited liability company, its Managing Member

By: RLM Management, Inc., a California corporation, Manager

Dated: _____, 201_

By: _____
Its: Chairman



COYOTE MANAGEMENT PLAN

Huntington Beach Police Department

First Steps

In early 2014 the City along with other local jurisdictions began to experience an increase in the amount of coyote encounters.

Council passed an “H” Item in October to explore coyote management strategies.

Coyote Workshop was held November 23, 2015

Formulating the City's Response

- Listened to the concerns from residents, concerned non-governmental groups, and Coyote activists.
- Researched the response from surrounding communities.
- Reviewed existing Coyote Management Plans.
- Analyzed guidelines from the Humane Society of the United States.
- Researched coyote ecology.

The Coyote

- Historically coyotes have existed in and around Huntington Beach finding safe haven in open space.
- Coyotes are opportunistic & versatile carnivores.
- Generally, coyotes are reclusive, skittish animals who avoid human contact.
- Have a dietary resilience.
- As habitat disappears they become urbanized.



Coyote Management Plan Goal & Strategy

- The Plan enables the City to manage the amplified presence of coyotes with an emphasis on education, hazing, and lastly employing lethal means of removal only when the safety of the public is at stake.
- Main strategy is comprised of a three prong approach:
 - ▣ Public Education
 - ▣ Enforcement
 - ▣ Ensuring Public Safety

Coyote Management Plan - Education

- Education is the key to having residents make appropriate decisions regarding their safety or managing their property and pets.
- This will involve decreasing attractants, increasing pet safety, and creating reasonable expectation of normal coyote behavior.
- Learning how to respond to a coyote encounter empowers residents and helps to reduce undesired coyote behaviors.

Enforcement

- The act of feeding wildlife is strictly prohibited and HBPD will enforce State and local laws prohibiting this activity.



Response Plan

Level Green	Behavior – A coyote is seen or heard in an area. Sighting may be during the day or night. Coyote may be seen moving through the area. Response – Education and hazing needed.
Level Yellow	Behavior – A coyote appears to frequently associate with humans or human-related food sources and exhibits little wariness of human presence. Coyote is seen during the day resting or continuously moving through an area frequented by people. Response – Education and aggressive hazing needed, volunteer hazing team created.
Level Orange	Behavior – A coyote is involved in an incident(s) where there is an attended domestic animal loss. Several level orange incidents in the same general area may indicate the presence of a habituated coyote(s). Response – Education and aggressive hazing needed, volunteer hazing team created, and public awareness of incident(s) and circumstances addressed. If multiple level orange incidents have occurred in the same vicinity within a short amount of time, lethal removal may be recommended.
Level Red	Behavior – A coyote that has been involved in an investigated and documented provoked or unprovoked close encounter or attack on humans. Response – City staff may work to lethally remove the responsible coyote(s) after a thorough investigation of the incident(s).



Questions?

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 9:31 AM
To: Agenda Alerts
Subject: FW: Coyote Plan looks good

**SUPPLEMENTAL
COMMUNICATION**

From: Rebecca Dmytryk [mailto:help@humanecontrol.com]
Sent: Monday, December 21, 2015 8:46 AM
To: CITY COUNCIL
Subject: Coyote Plan looks good

Meeting Date: 12-21-2015
Agenda Item No. 25

Good morning and Happy Holidays! :)

Perhaps you've heard of me - I gave a couple of talks on coyotes and hazing a few months ago, sponsored by the City of Long Beach. They were well-received. I also went through one of the "hot spots" and found a natal den (very unusual) and hazed a coyote. I then evicted the coyotes from their den and placed repellents at an additional location that was being frequented. All very effective. Here is the post about it:

<http://humane-wildlife-control.blogspot.com/2015/08/long-beach-coyotes.html>

If I can be of assistance to the City, through neighborhood audits, community presentations, hazing etc., please let me know if you'd like and we can discuss a contract for our services. My company is fully insured and probably the most experienced boots-on-the-ground provider of these unique services you'll find locally.

We also have a program for those who are experiencing problems with coyotes but who cannot afford or are unwilling to spend money to make the necessary changes to their yard, fence or animal enclosure - it's called the Coyote Challenge. Check it out:

<http://humane-wildlife-control.blogspot.com/2015/05/take-coyote-challenge.html>

As for your current coyote management plan, it looks very good to me - very balanced. There are a couple of changes I'd like you to consider:

Appendix B:

Coyote Following or Approaching a Person w/o a Pet (Stalking)

I recommend changing this from stalking to following. Coyotes do not see humans as prey, but, like the jackal that follows the lion, it's hope is the lion will lead to a meal from which it can scavenge. Coyotes view humans the same way, and they are correct (unfortunately) - we lead to places and circumstances where they will find food.

Coyote Following or Approaching a Person & Pet (Stalking)

Again, I'd like to see this changed to (following or possibly stalking of the pet) for the reason above as well as the fact the the coyote may not be viewing a dog on leash as prey but as a challenge, and the coyote may

be “escorting” the canid from “their” territory. Depending on the coyotes behavior and time of year, it would be wise to include a neighborhood audit for a possible den site.

Coyote Aggressive, Showing Teeth, Back Fur Raised, Lunging, Nipping w/o Contact - Lethal removal recommended.

Depending on the circumstances, this might be a situation where someone encounters an adult with pups nearby (which is a problem itself and can be dealt with separately). Unlikely, but possible. I’d like to see this changed to: Lethal removal considered.

If there is a natal den, this can be dealt with in a different manner. We should apply pressure to get the parents to move the pups (I have done this before, successfully) to another site. What I think we all want to avoid is a situation where the adults are trapped and killed, and dependent pups are found - that would not be good.

Appendix D:

Enclose property with an 8 foot fence (or 6- foot fence with an additional extension or roller-top) to deter coyotes. Ensure that there are no gaps and that the bottom of the fence extends underground 6 inches or is fitted with a mesh apron to deter coyotes from digging underneath. Must comply with HB Municipal Code.

I recommend this wording instead: Fences with vertical bars only, like a wrought iron fence, is difficult for an animal to climb but the space between the bars must be small enough that a coyote cannot slip through. A six-foot wrought iron fence with 4” gaps between the bars should be sufficient to prevent a coyote from entering a yard. Coyotes have been known to climb 10’ cyclone fencing (chain link) with barbed wire extensions at the top. Cyclone fencing should be at least 6’ high with either a “roll-bar”, angled-out or flexible extension at the top to prevent access into a yard. Solar energized wire borders are also effective in preventing animals from accessing yards or animal enclosures. To prevent animals from digging under a fence, wire should be buried into the ground about a shovel-depth and angled out a shovel-width, in the direction of the intrusion. Must comply with HB Municipal Code.

I’ll be giving you a call this morning to introduce myself. I could potentially show up tonight for the meeting, but I really don’t want to get caught up in all the hype and hysteria - there’s no need for that.

Anyway, I just wanted to give you my thoughts on your coyote response plan and avail our services to you.

Respectfully,

Rebecca Dmytryk
Owner, Humane Wildlife Control
CEO, Wildlife Emergency Services

1-855-548-6263

Request: 24661 Entered on: 12/18/2015 2:00 PM

Customer Information

Name: Kevin	Phone: (714) 334-0865
Address: Huntington Beach, CA 92647	Alt. Phone: Email: timeisinhishands@aol.com

Request Classification

Topic: City Council - Agenda & Public Hearing Comments	Request type: Problem
Status: Closed	Priority: Normal
Assigned to: Agenda Alerts	Entered Via: Web

Description

Members of the city council,
I am a resident of Huntington Beach and I read the newspaper to see that you are currently addressing the coyote problem.
While walking my dogs towards murdy park on two separate occasions I have had a huge coyote attempt to attack my little dogs from behind me. I was able to chase it off on both walks.
On one occasion I watched an orange county animal control officer chasing down a huge a coyote in broad daylight right here at the fields where young children where with parents practicing ocean view little league baseball.
At the late evening and early morning hours coming home from work occasionally I will see these coyotes running in packs of two or more.
I am an animal lover and I do love all the nature that the Good Lord has given us.
However, safety must come first to all citizens of any city especially are toddlers and elderly who are not able to fight off an aggressive coyote. I am concerned about the safety of children we have around here who are playing in their yards or at the playground.
I am begging you to please get rid of the coyotes.

Reason Closed

Thank you for taking the time to send your thoughts to the City Council. A copy of your comments has been entered into the Pipeline system and will also be forwarded to the City Clerk to be included in the record on this item. Thank you very much for writing.

Sincerely,
Johanna Dombo
Executive Assistant

DATE EXPECT CLOSED: 12/29/2015

DATE CLOSED: 12/21/2015 08:05 AM **By:** Johanna Dombo

SUPPLEMENTAL COMMUNICATION

Meeting Date: 12-21-2015

Agenda Item No. 25

Enter Field Notes Below

Notes:

#25

Estanislau, Robin

From: Arminda Diaz [arminda@d3architecture.com]
Sent: Monday, December 21, 2015 2:25 PM
To: CITY COUNCIL
Subject: Trapping or no trapping/ Dec 21 Meeting

Please do not consider trapping. Trapping is cruel and inhumane. Trapping also leads to accidental trapping of pets and other wildlife. Coyotes are essential part of the ecosystem and humans must adapt to life with wildlife. Keep your pets indoors as responsible citizens if you don't want your pets eaten by coyotes.

We encounter coyotes every morning where we live and as responsible pet owners, we do not let our small pets outside unattended.

Thank you,
A Diaz/ Los Angeles

arminda diaz aia leed ap bd+c * homes
dbe/wbe/mbe ncarb

www.d3architecture.com

'Everything is walking distance if you got the time...'
-Steven Wright

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 1:36 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: HB Coyote Issue

AGENDA COMMENT

From: Wilson, Fred
Sent: Monday, December 21, 2015 1:34 PM
To: Dombo, Johanna
Subject: FW: HB Coyote Issue

Did I get this?

Fred A. Wilson
City Manager
City of Huntington Beach

From: Delgleize, Barbara
Sent: Monday, December 21, 2015 12:23 PM
To: Wilson, Fred
Subject: FW: HB Coyote Issue

Fred,

Did you receive this as well?



Barbara Delgleize
Huntington Beach City Council Member
Work 714.536.5553
Cell: 714.421.0103
Barbara.Delgleize@SurfCity-HB.org
2000 Main Street. Huntington Beach, CA 92648

From: Robert Larivee <larriveehomes@yahoo.com>
Reply-To: Robert Larivee <larriveehomes@yahoo.com>
Date: Monday, December 21, 2015 at 12:20 PM
To: Jim Katapodis <jim.katapodis@surfcity-hb.org>, Dave & Kay Sullivan <dave.sullivan@surfcity-hb.org>, b <barbara.delgleize@surfcity-hb.org>, Billy O'Connell <Billy.OConnell@surfcity-hb.org>, Erik Peterson <Erik.peterson@surfcity-hb.org>, Jill Hardy <jill.hardy@surfcity-hb.org>, "Posey, Mike" <Mike.Posey@surfcity-hb.org>
Subject: HB Coyote Issue

Dear Honorable Members of the Huntington Beach City Council,

As a candidate for United States Senate in 2016 I was approached by Union Members for the Preservation of Wildlife, California to look into the City's agenda items 25A & B, *Approve the City of Huntington Beach Coyote Management Plan and authorize Implementation of Plan Recommendations*, that are scheduled to come before the Council tonight for consideration.

Before I comment on the items I would like to provide some personal background. I am a life long resident of California. I have lived most of my life in or near areas with wildlife. In all these areas coyotes are indigenous. I lived in the City of Aliso Viejo,

adjacent to the Aliso and Wood Canyon Wilderness areas for six years. Our family even experienced a mountain line attack on our cat (cat won, but not without having its jaw broken). I currently live among coyotes in Victorville adjacent the Mojave River and encounter them regularly. I have hiked throughout the Sierras and San Gabriels, and have encountered all types of indigenous wildlife (except bighorn sheep). I am considered an expert outdoorsman and mountaineer. I have never carried a gun into lawful areas of the wilderness and only have had a knife or natural weapon to protect myself and my family. My most serious encounter with wildlife was chasing a black bear that took my daughter's back pack (she was seven at the time) that was 18" from her head as she lay sleeping. Therefore I fully understand the issue from both sides and would hope to provide some input that would benefit the Great City of Huntington Beach and its residents, both human and coyote.

I have reviewed the proposed Coyote Management Plan and have found it lacking in some common sense approach to dealing with the City's coyote problem. As well I have noted a possible ambiguity that would leave the City open to possible reputable and fiscal harm. The issues I observed are as follow:

1. The Level Orange threat needs to be clarified when it comes to specifics of "If multiple level orange incidents have occurred in the same vicinity within a short amount of time, lethal removal may be recommended." This wording is quite ambiguous and leaves open a concern by coyote advocate groups as to how it would be interpreted and implemented. My question would be what is the difference between this response and that of the same in a Level Red threat?

2. I think there have been some factors and options overlooked. It seems to me that if the drought is the cause of the lack of water and food supply of coyotes venturing into residential areas, then an option to provide coyotes water and food in wildlife areas should be considered. Small retention ponds can be dug and lined so to be filled on occasion or catch natural run off or rain. Knowing the area, I will assume there are an abundant rabbit population as well as other rodents in residential communities. Animal control can provide residents with traps. Residents can call for free pick up. Animal control or appropriate volunteer group can release these animals into the wildlife areas to repopulate the coyotes' food source.

I believe Seal Beach had a rabbit population issue and decided to kill off the rabbits with poison. In turn this could lead to the poisoning of other animals that feed on the rabbits, including but not limited to domestic pets. It would seem the common sense approach to Seal Beach's issue would have been to trap and release coyote food sources. It is an idea I believe has less impact and is fiscally conservative.

3. The advocate group that contacted me seems to have a legitimate concern over the fiscal impact of the City. I would consider the cost of trapping and euthanizing coyotes under Level Orange since its ambiguity could lead to costly lawsuits from environmental groups. The other fiscal impact would be that cost of trapping and euthanizing verse restocking the coyotes' natural food supply. It would seem that if coyote advocate groups would incur some of the cost this would lessen the cost to the City and be a win-win for all groups. As well there are the possible tort issues if it is decided to trap coyotes and a domestic animal is caught in a trap. Now I did not find the word "trap" in any of the proposed documents up for approval, but assume this is the method of carrying out lethal means. It would seem to me the most humane lethal method would be to tranquilize and then euthanize. I think any plan should clearly state the method of "lethal means".

In conclusion I would respectfully submit to the honorable council the request to do the following:

1. Approve the plan with the above recommended contingencies and clarifications.
2. Postpone approval till the above contingencies and clarifications are considered and any changes or amendments are incorporated as a result thereof.
3. I believe the City's website page on coyotes and other wildlife can be improved simply by adding some more links to coyote information sites such a projectcoyote.org.

I believe the current plan is "close" but still can be improved. I believe the consideration and changes as recommend in whole or in part will create a "model" Coyote Management Plan". I commend the Honorable Billy O'Connell and Honorable Barbara Delgleize for their desire to find a balanced approach to protecting the citizens of the Great City of Huntington Beach and its wildlife.

With Much Respect,

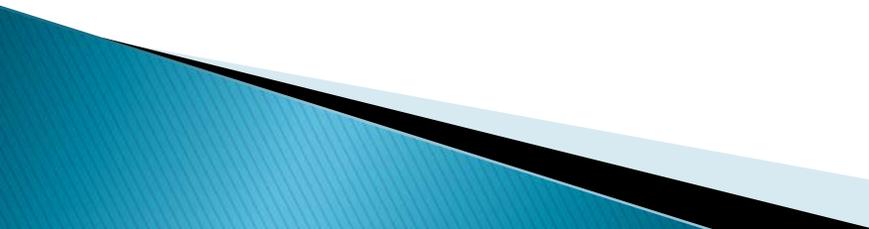
Bob Larivee

DEPARTMENT OF PUBLIC WORKS

Mandatory Commercial Organics Recycling



Background

- ▶ In October 2014, Gov. Brown signed Assembly Bill 1826 which requires certain California businesses to recycle organic waste.
 - ▶ This legislation is effective January 1, 2016, with actual commercial organics recycling programs to commence April 1, 2016.
- 

Ordinance Revision

- ▶ Chapter 8.21 of the Huntington Beach Municipal Code provides regulation determining aspects of solid waste and recycling collection for residences and businesses.
- ▶ Revisions to the chapter are proposed to:
 - Define organic waste in accordance with the state regulation;
 - Provide the local authority to implement and enforce commercial organics recycling;
 - Authorize the city refuse collector, Rainbow Environmental Services, to provide such a service.

Recommendation

- ▶ The proposed ordinance changes will facilitate the City's compliance with the state regulation and will facilitate new program implementation.
 - ▶ Staff recommends that City Council approve the introduction of these revisions to the existing ordinance.
- 

Questions?

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 7:58 AM
To: Agenda Alerts
Subject: FW: Agenda Item #29

From: Linda Aguirre [<mailto:laguirre@me.com>]
Sent: Monday, December 21, 2015 1:05 AM
To: CITY COUNCIL
Cc: Aguirre Fernando
Subject: Agenda Item #29

Dear City Council Members:

I am writing to ask that you vote "yes" on Item #29 tomorrow to cancel the contract with Christopher Homes to develop Rodgers Park.

We live on 19th Street less than a block from the site. We have two children in elementary school, and strongly believe that a green space would greatly benefit the neighborhood. There is no public park within walking distance of our home, and although we love the beach, a park is sorely needed for other types of activities for our children.

Additionally, we believe that the original zoning and intent of the site should remain intact. The long-term benefits to the city and all of its inhabitants far outweigh the short-term impact of what I would consider a low offer from the developer for a two-acre parcel of land so close to the ocean. The only winner if homes are built there will be Christopher Homes which will more than double its investment in the land purchase. Don't let the city be taken advantage of in this way and its residents lose one of the few remaining possible recreational spaces available to all.

Thank you very much for your consideration.

Linda Aguirre
LAguirre@me.com
mobile: 714-609-2060
<http://www.linkedin.com/in/lindaandersonaguirre/>
<https://twitter.com/@laaguirre>
Sent from my iPhone

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 7:58 AM
To: Agenda Alerts
Subject: FW: Agenda item 29

-----Original Message-----

From: Jerry Barry [<mailto:jbatqma@verizon.net>]
Sent: Monday, December 21, 2015 12:10 AM
To: CITY COUNCIL
Cc: Fikes, Cathy
Subject: Agenda item 29

Please vote yes and support agenda item number 29. We need to keep our city resources and not give them away. It is just poor economics. Jerry Barry

Sent from my iPad

Esparza, Patty

From: Rita Barry [rrbarry15@gmail.com]
Sent: Saturday, December 19, 2015 10:52 AM
To: CITY COUNCIL
Subject: Rodger's Center

We urge you to vote yes and support agenda 29! This land was donated for the people's use and needs of HB. Keep this promise and use it for a park to serve all residents in that area. This way you are being honest and honorable and putting your constituents first! Get together and find ways to cut cost and waste to meet your financial obligations. Appreciate your consideration and support. Vote yes and keep your promise! Jerry & Rita Barry (50 yr. residents)

Sent from my iPad

Esparza, Patty

From: Lyn Britt [lynmbritt@aol.com]
Sent: Sunday, December 20, 2015 12:47 PM
To: CITY COUNCIL
Subject: Keep The Promise! No more houses--open space!!!

My name is Lyn Britt and I live at 416 19th Street in Huntington Beach. I ask all City Council members to commit to saving Rogers Park. NO MORE HOUSES--open space!!! Keep the promise that was made to the people of Huntington Beach!

There are no parks or open spaces on this side of town--we were promised that the current Senior Center would revert to park/open space.

Respectfully,

✓Lyn M. Britt

Sent from my iPad

Esparza, Patty

From: Terrybritt [terrybritt@aol.com]
Sent: Sunday, December 20, 2015 9:25 AM
To: CITY COUNCIL
Subject: Vote YES on agenda Item 29 at council meeting 12/212015

I urge you to do the right thing and vote yes on agenda item 29 and terminate the Exclusive Negotiating Agreement with Christopher Homes relative to the Rodgers Park site.

Many of us voted YES on the new Senior Center in the Park with the promise that the existing Roger Senior Center site would revert to a park or open space.

Now is the time to honor that promise.

Thank You

Robert T Britt
416 19th Street
HB, CA

Esparza, Patty

From: ✓ Gino J. Bruno [gbruno@socal.rr.com]
Sent: Saturday, December 19, 2015 12:38 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Keep Rodgers Senior Center Property "Open Space" - Agenda Item 29

AGENDA COMMENT

Council Members:

In 2006 the voters of Huntington Beach approved the location of the new senior center in Central Park.

As part of the voting materials prepared and distributed by the Orange County Registrar of Voters was a certain "Rebuttal" position signed by five mayors and former mayors of our city urging the voters to support the Central Park location for the proposed new senior center. Those civic leaders promised the voters, "AN ADDED BENEFIT IS RETURNING THE EXISTING SENIOR CENTER TO ALL DOWNTOWN RESIDENTS USE."

The voters approved the measure by the narrowest of margins, approximately 700 votes. In other words, if at least 351 voters (half the difference plus one) had voted NO, the new senior center would not be under construction where it is today.

If those five leaders of our city wanted to be honest with the voters, the voters' material should have read, "An added benefit is allowing the sale of the existing Rodgers Senior Center property to a developer to facilitate the construction of at least 22 three-story houses, and a small park on the corner; so that traffic and parking will be adversely impacted; and children will have to continue to toss footballs and try out hula hoops in alleyways."

Would Measure T have been approved in 2006 but for the promise of those five mayors?

The site is currently zoned for open space. I would urge you to support Councilman Peterson's "H" Item (Item 29 on the Agenda) to direct the City Manager to prepare a written, 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement.

REBUTTAL TO ARGUMENT AGAINST MEASURE T

Good News!! Your Yes vote on Measure T will not cost you one cent. A successful Yes Vote sets aside 1.4% (5 acres) of Central Park for a Senior Center. No money is included in this measure. The only issue to be voted on is five acres!

A proposal to fund the center with developer fees owed to the city is under discussion by the Council. Any commitment as to cost and building size is contingent on this funding. No decision will be made without public input. The statements made by the opponents on this measure are inaccurate.

Even if the developer financed proposal goes forward, there will be no adverse effects on other park projects. They will go forward as planned. It is projected that due to a more energy efficient modern building design the net operating cost of the center will be no more than the existing 1940's rehabilitated building. Thus there will be no adverse financial impact on Police, Fire, Libraries, Beaches and Infrastructure.

The label "Palace in the Park" is unfair. The preliminary proposal by the consultant is similar to centers in surrounding cities. An added benefit is returning the existing senior center to all downtown residents use. The new center is not a commercial enterprise, but a humanitarian facility which will provide needed programs for all seniors, present and future. If this site is not used, the costs of a new Senior Center will be prohibitive and a Center probably won't be built.

s/ Dave Sullivan, Mayor of Huntington Beach

s/ Shirley Dettloff, Former Mayor of Huntington Beach

s/ Norma Brandel Gibbs, Former Mayor of Huntington Beach

s/ Ralph Bauer, Former Mayor of Huntington Beach

s/ Tom Harman, California State Senator, 35th District

Thank you.

Gino J. Bruno
Huntington Beach

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 10:09 AM
To: Agenda Alerts
Subject: FW: Senior center

-----Original Message-----

From: Kelly Bullock [<mailto:kellyj2002@gmail.com>]
Sent: Friday, December 18, 2015 8:06 AM
To: CITY COUNCIL
Subject: Senior center

Please don't sell the land for more housing development. We really need a park in that area. We have already built more buildings than we should have in Huntington Beach. It seems everyone is more interested in money than the people who live here. Please don't build more houses downtown. It's already ruined. There are more houses built on the tiny space than there should be anyway. Any empty space, up go two or three houses where only one used to stand. Stop this please!!!!!!!!!!!!!!
Sent from my iPhone

Esparza, Patty

From: Dombo, Johanna
Sent: Thursday, December 17, 2015 4:44 PM
To: Agenda Alerts
Subject: FW: Rodgers Senior Center Sale

-----Original Message-----

From: Janet Cardenas [<mailto:janete6281@yahoo.com>]
Sent: Thursday, December 17, 2015 4:23 PM
To: CITY COUNCIL
Subject: Rodgers Senior Center Sale

I support Erik Petersen's proposal to stop the sale of the Rodgers Senior Center Property. It should be made into a park. Just as we voted for.

Sincerely,
Janet Cardenas

Esparza, Patty

From: pastable@aol.com
Sent: Sunday, December 20, 2015 5:34 AM
To: CITY COUNCIL
Subject: YES vote on Agenda item 29 Recommendation

VOTE YES and SUPPORT AGENDA ITEM 29!

Keep The Promise to the Citizens of Huntington Beach by honoring the vote from 2006 to keep the existing Rodgers Senior Center a community park.

The citizens of H.B. are weary of elected officials who ignore the will of the people and disregard the prior agreements made by the council!

David Cicerone

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 10:07 AM
To: Agenda Alerts
Subject: FW: Senior center land sale

-----Original Message-----

From: Laura Costelloe [<mailto:lolorocks32@yahoo.com>]
Sent: Thursday, December 17, 2015 7:55 PM
To: CITY COUNCIL
Subject: Senior center land sale

Please don't allow the sale of this land for homes. We need more parks.

Thank you!

Laura Costelloe
20701 beach blvd spc #179
Hb, ca 92648

G'evening neighbors, We need your help. Our respected Councilman, Erik Peterson, :) has brought an agenda item for the Monday, Dec. 21 Council meeting in an effort to reverse the potential sale of our Rodger's Senior Center property to Christopher Homes for more housing development in downtown.

If you're keen on saving our open-space for the children to play and enjoyment by future generations, please take a moment to send an e-mail expressing your opinion to the City Council. Your support is appreciated, very much. Thank you! Send e-mail to:

city.council@surfcity-hb.org

Sent from my iPhone

Esparza, Patty

From: Milt Dardis [mdardis@verizon.net]
Sent: Sunday, December 20, 2015 5:42 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan; cswanie@aol.com
Subject: Save Rodgers Park!

Honorable City Council Members:

There comes a time when you must come to the aid of the taxpaying citizens and not sell out to the vested interests. Rodgers Park belongs to the citizens of HB and not to a select few. We, the citizens of HB, want green year round, not a short term green dollar sell off. In the 1990's Measure C was passed by the voters for a reason: to prevent the sell off of assets that actually belong to the citizens of HB and not a select few.

The HB City Council should do their own due diligence and speak to the older generation Senior citizens who were around when Chevron donated the Rodgers site to be used as a Senior Center and then revert to a park. Just because the land is open space does not signify that it needs to be developed.

Please think of the taxpaying citizen first, instead of the campaign contributions you received from the developers who could care less about us—the taxpayers who pay your salaries.

Milt Dardis

SEHB

Huntington Beach CA

Esparza, Patty

From: Gary De Arman [hbgaryde@gmail.com]
Sent: Sunday, December 20, 2015 2:22 PM
To: CITY COUNCIL
Subject: Yes on 29

Please keep the promise made when the city was allowed to build the new senior center. The Rodgers property should remain for public use. Not "part" of it but all of it. Keep the promise and please vote YES on agenda item number 29!

Kindest Regards,

✓ Gary De Arman
518 18th St.
HB, 92648

H.B. Realty
01112234 Ca
RS~72569 Hi
(714) 403-2677

Esparza, Patty

From: Jeanene Duncan [jduncan003@socal.rr.com]
Sent: Sunday, December 20, 2015 12:44 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: VOTE YES AGENDA ITEM 29

AGENDA COMMENT

Keep the Promise. Save Rodgers Park!

PLEASE City council VOTE YES and SUPPORT AGENDA ITEM 29,

Keep The Promise to the Citizens of Huntington Beach, & honor the vote from 2006 to keep the existing Rodgers Senior Center a community park.

✓ Jeanene Duncan

17052 Bluewater Ln

Huntington Beach, Ca. 924649

Esparza, Patty

From: Andrew Eun [andrew.eun@gmail.com]
Sent: Saturday, December 19, 2015 2:08 PM
To: CITY COUNCIL
Subject: Please vote YES on Agenda Item 29

Please keep the promise made in 2006 to return the old senior center site (Rodger's Sr Ctr site) to the residents of HB as a community space and/or park when the use of Central Park space for the new Senior Center was approved. A promise was made and should be kept so we are not losing community space to private home builders. We will continue to see property values in Seal Beach and Newport Beach continue to appreciate more than in HB if these types of short-sighted planning decisions continue to be made by the City Council.

Drew Eun
622 16th St
HB 92648

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 8:00 AM
To: Agenda Alerts
Subject: FW: Please vote yes on Item 29

From: F Fain [<mailto:ffain@socal.rr.com>]
Sent: Sunday, December 20, 2015 7:50 PM
To: CITY COUNCIL
Subject: Please vote yes on Item 29

We support Item 29 for all the obvious reasons

✓ Thank you, Bud and Fran Fain

Esparza, Patty

From: Jennifer Goger [jengoger@gmail.com]
Sent: Sunday, December 20, 2015 10:51 AM
To: CITY COUNCIL
Subject: Please vote YES on Agenda Item 29

I ask the city council to please keep the promise to return the o Senior Center (Rodger's Sr Ctr site) to the residents of HB as a community space and/or park.

This is a very important issue for me and my family.

Jennifer Goger
622 16th St
Huntington Beach 92648

Esparza, Patty

From: Dombo, Johanna
Sent: Thursday, December 17, 2015 5:19 PM
To: Agenda Alerts
Subject: FW: Rogers Senior Center

-----Original Message-----

From: Alison Goldenberg [<mailto:sognare.883@gmail.com>]
Sent: Thursday, December 17, 2015 5:18 PM
To: CITY COUNCIL
Subject: Rogers Senior Center

Honorable Mayor and City Council Members:

Please vote "yes" on item #29!
This property belongs to the citizens of Huntington Beach!

Thank you.....
Alison Goldenberg

Sent from my iPad

Esparza, Patty

From: Mark Gregory [mark.gregory@somedude.com]
Sent: Sunday, December 20, 2015 4:59 PM
To: CITY COUNCIL
Subject: Rodgers Park

Please do not allow development of Rodgers Park.

- 1) Too many apartments going up around town already.
- 2) The city previously committed to voters to preserve this as a park.
- 3) There is value in green space.

✓ Mark Gregory
118 20th Street Unit A
HB 92648

Esparza, Patty

From: Mary [happysunflower@somedude.com]
Sent: Sunday, December 20, 2015 4:48 PM
To: CITY COUNCIL
Subject: 12/21/15 Agenda Item 29 Rodger's Senior Center Site

In regards to the Rodger's Senior Center Site- NO high density homes!!!!!!!!!!!!!!!!!!!! Way too many are being built!!!!!!!!!!
We need green space please.

✓ Mary Gregory
118 20th St. Unit A
Huntington Beach, CA 92648

Esparza, Patty

From: oceanhb@gmail.com
Sent: Sunday, December 20, 2015 3:12 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Rodger Senior Center

AGENDA COMMENT

Dear City Council,
Please keep the promise of 1917 and leave the Rodgers Senior Center land as a PARK not a housing development! Keep the Promise!

Sincerely,

✓ Cathy Haro
9531 Smokey Circle
92646

Sent from my iPad



HUNTINGTON BEACH TOMORROW

Making a difference today for Huntington Beach tomorrow

P.O. Box 865, Huntington Beach, California 92648

(714) 840-4015

HBTomorrow.com

HBT's Mission

is
to promote and maintain
a high quality of life
in Huntington Beach.

HBT advocates for:

Citizen Participation
Clean & Healthy Environment
Efficient & Safe Traffic Flow
Open & Responsive Government
Preserve Open Space
Preserve Our Quality of Life
Recreational Opportunities for All
Responsible Planned Growth
Sound Infrastructure
Sustainable Tax Base

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Directors

Mary Jo Baretich
Linda D. Couey
Monica Hamilton

December 17, 2015

Huntington Beach City Council
2000 Main St.
Huntington Beach, CA 92648

RE: Michael E. Rodgers Senior Center Site

Dear City Council,

Our Board of Directors has made a resolution to request the city: "if any development of the *Rogers Senior Center Site* occurs, acquisition of new public parkland downtown for open space should replace it."

Leave the current park open space zoning. While rezoning the site to residential may offer future tax revenue from the homes built upon it, a dense, non-conforming group of homes with a small park space does not serve as an equal asset to what it would replace for residents. Past analysis has shown that residential development does not support ongoing funding for infrastructure needed to support it.

Downtown Huntington Beach is almost built out and there is very little park space available. The city owns the Rodgers Site and it is currently park space. Although the city may count the beach as credit for park space for downtown, by use, this is unfair as the beach serves more than just downtown and is a different use than in our other city parks. Parks are a community gathering spot.

Residential development generally should not come at the price of a net reduction in public lands. We would like to know where the revenue from the sale of the site will be allocated and how much would be for downtown. The Rodgers Site should not be rezoned to residential.

Sincerely,

Karen Jackle
President
Huntington Beach Tomorrow

Esparza, Patty

From: Johnson [kjasdk9@hotmail.com]
Sent: Saturday, December 19, 2015 1:21 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Fwd: Rodgers Sr Center

AGENDA COMMENT

From: Johnson <kjasdk9@hotmail.com>
Date: December 19, 2015 at 1:16:20 PM PST
To: "city.council@surfcity-hb.org" <city.council@surfcity-hb.org>
Subject: Rodgers Sr Center

Dear HB CC Members:

I support Erik Peterson's agenda item to terminate the sale of the Rodgers property.

Once that land is gone, it will never come back for us to use, or future generations.

Thank you for your support.

✓ Kathy Johnson (v)
6702 Sun Dr Unit A
HB 92647

Sent from my iPhone

Esparza, Patty

From: Johnson [kjlasdk9@hotmail.com]
Sent: Sunday, December 20, 2015 9:26 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: VOTE YES AGENDA ITEM 29!

AGENDA COMMENT

Keep the Promise. Save Rodgers Park!

PLEASE City council VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizens of Huntington Beach, & honor the vote from 2006 to keep the existing Rodgers Senior Center a community park.

Kathy Johnson
6702 Sun Dr Unit A,
HB 92647

Sent from my iPhone

Esparza, Patty

From: ✓ Linda Kalicki [lbenedetto2@aol.com]
Sent: Sunday, December 20, 2015 9:53 AM
To: CITY COUNCIL
Subject: Item 19

PLEASE honor your promise and vote YES on item 29!!!!!!!!!!!!!!

Sent from my iPad

Esparza, Patty

From: ✓ Ken [homefeelings@aol.com]
Sent: Sunday, December 20, 2015 6:47 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Keep the Promise

AGENDA COMMENT

Keep it for public use. No housing.

Sent from my iPad

Esparza, Patty

From: Tootsie [patilovesart@aol.com]
Sent: Sunday, December 20, 2015 12:08 PM
To: CITY COUNCIL
Subject: Rogers Park

I have owned my home downtown very near the Roger's Senior Center for more than 30 years. We the people have struggled with the redevelopment of the historic downtown Huntington Beach over the years. As we visit other cities, witnessing the successful renovations of their historic old buildings, and insightful city planning, we are saddened by the lack of insight and foresight of Huntington city planning. We are amazed that the city management is quick to add liquor licenses yet there is little done for families, especially children. The property on 17th and Orange known as the Roger's Senior Center is a crucial planning opportunity for the City of Huntington Beach. This project was promised to the downtown residents as a future park. As with other projects in Huntington downtown, promises are not always to be honored. If the City management truly represent the people, have a conscious, and want to make a correct and proper choice, they will support the creation of a beautiful park at the property known as Roger's Senior Center. Let this small jewel represent a beautiful rest area for families to meet and greet one another; a neighborhood zone for children to play, rather than their alley ways. I am asking as a resident that the city planners reevaluate the importance of consciously making moral decisions based on our most viable city attribute; families. Let not monetary incentives cloud a morally correct decision.

Sincerely,

✓ Pati Kent

Sent from my iPad

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 10:07 AM
To: Agenda Alerts
Subject: FW: Rogers Senior Center property

From: Sang Kim [<mailto:usskim777@gmail.com>]
Sent: Thursday, December 17, 2015 8:14 PM
To: CITY COUNCIL
Subject: Rogers Senior Center property

I wanted to let you know that I support Erik Peterson's agenda item to terminate the sale of the Rodgers property. This property was promised to Huntington Beach residents' use in 2006. Thank you.

Sang Kim

Esparza, Patty

From: Dombo, Johanna
Sent: Thursday, December 17, 2015 3:42 PM
To: Agenda Alerts
Subject: FW: Agenda Item 29

-----Original Message-----

From: Kim Kramer [<mailto:kim@e-mail.com>]
Sent: Thursday, December 17, 2015 3:42 PM
To: CITY COUNCIL
Subject: Agenda Item 29

Thank you Erik Peterson for submitting an "H" item to cancel the contract with Christopher Homes on the commercial development of the Rogers Seniors' Center. This property is extremely well suited to be saved for the citizens of Downtown and one day, hopefully sooner than later, converted to its original purpose, that of a community park.

I ask all City Council members to support Council member Peterson. Vote YES on this agenda item and Save Rogers Park.

Respectfully,

Kim Kramer
Downtown Resident

**SUPPLEMENTAL
COMMUNICATION**

Meeting Date: 12-21-2015

Agenda Item No. 29

Esparza, Patty

From: Diana Lang [diana.lang4@gmail.com]
Sent: Sunday, December 20, 2015 8:07 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Please vote YES to SUPPORT Agenda Item 29

Dear Huntington Beach City Council -

This note is to send my vote of support to the agenda item #29 to keep the promise (2006) to the citizens of Huntington Beach and keep the existing Rogers Senior Center a community park.

Please vote YES and support this agenda item #29.

Thank you.

Diana Lang
SE Huntington Beach

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 10:07 AM
To: Agenda Alerts
Subject: FW: Stop the sale of Rodger's park!

From: Jackalynn Lopez [<mailto:jackalynnrose@gmail.com>]
Sent: Thursday, December 17, 2015 8:46 PM
To: CITY COUNCIL
Subject: Stop the sale of Rodger's park!

I am writing on behalf of every resident I know and have talked to in Huntington Beach. We do not support the sale or transfer of the Rodgers Park/ Property in any way shape or form. We are appalled that it has even gotten to the point where its at so far. I do not understand how a city council that is supposed to represent the residents best interest, thinks its ok to do whatever they want to. The residents barely supported the new Senior Center, which had many promises in writing attached to the literature in support of the measure that gave way to a new senior center. Now here we are years later and apparently you think we will just forget what was voted on, and promised to us. I hope you understand that if somehow the sale of the Rodgers property actually happens, we are not finished. We will take this all the way and hold accountable everyone involved in the sale of public land promised to remain fully available to the public FOREVER. Now that we are paying for the new senior center which we were told we would not, we demand that the Rodgers property remain public domain and turned into a park. A NICE park, accessible to everyone of all ages and abilities. We were duped with the Sports Complex, again with the Senior Center at Central Park, and now you think you can do it again? I think not. Do the right thing. Do what you were sworn into public office to do. Represent the people of Huntington Beach. Because right now you are not.

--

Jackalynn Lopez
- Huntington Beach resident for 33 years

Esparza, Patty

From: Dutch [dutch@socal.rr.com]
Sent: Saturday, December 19, 2015 11:27 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: SUPPORT AGENDA ITEM 29

COUNCILMEMBER ITEMS

29. Submitted by Councilmember Peterson - Direct the City Manager to prepare a 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement regarding the Rodgers Seniors' Center site

Recommended Action:

Direct the City Manager to prepare a written, 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement. Return this written notice to City Council at the next meeting for approval by City Council.

Your prior promise obligates you to VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizen of Huntington Beach, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park. We look forward to our City Council honoring this promise.

Respectfully,

**Dutch Ludt
8331 Castilian Dr.
Huntington Beach, CA 92646**

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 11:49 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Rodgers Park

AGENDA COMMENT

From: Stephen or Michelle Marciniac [<mailto:marciniecs@verizon.net>]
Sent: Friday, December 18, 2015 9:57 AM
To: CITY COUNCIL
Subject: Rodgers Park

December 18, 2015

Hello my name is Michelle Marciniac and I live on the corner of 18th & Orange for 17 years. In fact, when we purchased our home in January of 99, our realtor told us that the park across the street was donated to the city and would always be recreational.

I'm thankful to those of you who voted in favor of keeping it a park as it has been for 98 years and for thinking that we downtown residents are worthy of keeping this park. I'm disappointed that some want to sell the property and attempt to change it from recreational use to residential,

I urge you to reconsider this action, for the following reasons:

1. That it is not in the spirit of the original contract about this property no matter what new law you were able to utilize.
2. That it is not what people came to expect when they voted for the new senior center.
3. I believe it to be disastrous for numbered street children who drive to get to a park and don't have a sense of community here.

Residents who live in and around Orange avenue put up with traffic issues, PCH detours, constant burglaries, dog beach waste, the 4th of July parade, the surf contest and beach parking issues most of the year. Why would you take away the only bright spot here that could really enhance our neighborhood? Or do we have to move to Newport Beach? They just got a beautiful park.

I am telling everyone I see about this situation, and they are all horrified actually that you want to turn this park land into more housing when it is already so crowded down here. While flying over the downtown area this week, my husband noticed that the Senior Center is on the only block between Goldenwest and Pacific City that is not filled with housing or businesses. Frankly, I'll be shocked if residents choose to vote against a park for children in downtown HB;

most people will vote for something favorable like the Senior Center, but most won't vote against a park, it's very mean spirited.

Thank you for listening,
Michelle & Stephen Marciniac

Esparza, Patty

From: KIRK NASON [kirk_Nason@hotmail.com]
Sent: Sunday, December 20, 2015 12:19 PM
To: Agenda Comment
Cc: CITY COUNCIL; Fikes, Cathy; Dombo, Johanna
Subject: Save Rogers Senior Center for park use

AGENDA COMMENT

City council I ask you to VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizens of Huntington Beach, & honor the vote from 2006 to keep the existing Rodgers Senior Center a community park.

Regards,

/ Kirk J. Nason
714 321-7298
Excuse brevity & typos

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 7:58 AM
To: Agenda Alerts
Subject: FW: Support Agenda Item 29

From: JACK and JO ANN RADZAI [<mailto:radzai@msn.com>]
Sent: Monday, December 21, 2015 5:12 AM
To: CITY COUNCIL
Subject: Support Agenda Item 29

Please support Agenda Item 29 and stop the madness (and stop spending ridiculous amounts of taxpayer money for even more ridiculous EIRs)

~ Jack & Jo Ann Radzai

Esparza, Patty

From: j Dekreek [onebird180@gmail.com]
Sent: Sunday, December 20, 2015 6:11 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Rodgers Senior Center

AGENDA COMMENT

There has been lots of concern over the methods currently being used by the City and City Manager to pad and fill in the short-fall in the Cities budget. While a balanced budget is a correct tool, some of the ways revenues are being sought are not. While the City may have found loopholes to comply with State and local laws, the intent of the law and agreements as originally proposed were designed specifically to protect certain aspects of the City and City owned property. Unless City owned land, whether donated or not, is kept for the FULL and specific purpose for which it was intended, it is being robbed from the citizens that supported those agreements in its original form.

Please vote yes and support Agenda Item 29, Keep The Promise to the Citizens of Huntington Beach, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park and not compromise with public/private use or sell for financial gain.

Thanks, J. Rees

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 11:49 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Item #29 on next Monday's agenda

AGENDA COMMENT

✓**From:** Barbara Robinson [<mailto:barbarakrobinson@hotmail.com>]
Sent: Friday, December 18, 2015 11:21 AM
To: CITY COUNCIL
Subject: Item #29 on next Monday's agenda

Thank you for responding to the residents' concerns and placing this item on the agenda for next Monday's City Council meeting.

The question is which use, public park or high density housing project, has the most potential to further the stated goals of the City Council: Service to our Community, Integrity, Employees, Professionalism, and Pride and Enjoyment of our Profession. I believe the answer to that is clearly to keep the promise to build a green space park and I hope that this is clear to each of you.

I urge you to listen to all of the passionate residents who plan to attend this meeting and to vote your conscience. I trust that you will do what is right to restore voters' trust in you.

thank you for your time,

Barbara Robinson (v)

511 17th Street

Huntington Beach, CA 92648-4017

714-614-2500

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 11:48 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Rodgers Senior's Center Site EIR input (EIR # 07-002)

AGENDA COMMENT

✓ **From:** Barbara Robinson [mailto:barbarakrobinson@hotmail.com]
Sent: Friday, December 18, 2015 8:47 AM
To: CITY COUNCIL
Subject: Rodgers Senior's Center Site EIR input (EIR # 07-002)

(this is a copy of what I submitted to John Ramirez for the EIR)

This message serves as my written input regarding the proposed sale and reuse of the Rodgers Senior Center Site. I recognize that this is not the place to express my dismay with our elected public officials' betrayal. This is the forum to express my concerns about the environmental impact of this proposed plan.

The question is which use, public park or high density housing project, has the potential to have a positive impact on the local environment and which has the potential to have a negative impact?

The issues for consideration:

1. aesthetics and visual resources - a green space would be more pleasing to the eye than more housing units, more concrete and paved areas with only one tiny corner of planted area;
2. air quality - while more housing units would bring increased traffic and resultant exhaust fumes, air pollution and other toxic automotive waste, green space would actually improve the local air quality;
3. biological resources - increased housing would place a strain on the biological resources, a small two acre green space would provide habitat for small creatures and refresh local biological resources;

4. cultural resources - increased housing does nothing to enhance cultural resources but add more residents which places additional drain on the existing cultural resources, while a small green space has the potential to be a site for fairs, concerts and art exhibits;
5. geology and soils - setting aside the question of what might be dredged up when this site is developed for housing, the single small pocket park planned is insufficient drainage to meet the local water permeable and water permeable drainage goals. The reverse would be true if this becomes a small local park;
6. greenhouse gas emissions - just the added exhaust from the increased traffic would have a negative impact on the greenhouse gas emissions, while a green space full of plants and trees would produce fresh oxygen, counteracting existing greenhouse gas emissions;
7. hazards and hazardous materials - green space does not produce hazardous materials, increased human occupation does;
8. hydrology and water quality - as planned, the housing development is almost all paved over providing little opportunity to improve the water quality for the increased population to the area, but natural plantings improve our water quality;
9. land use and planning - almost a century of planning for the use of this parcel of land has been designed for public use, first as a resource for HB's senior citizens and after that to be a small park for the use of the citizens of HB, but increased housing will place an additional burden on planning for all HB resources;
10. noise and vibration - while the construction of a high density housing project will no doubt bring a temporary increase in noise and vibration pollution, the bigger concern is the continuing increase due to increased population and resulting traffic, as opposed to the peaceful respite a park would bring;
11. population, housing and employment - employment opportunities in HB have not kept pace with this increased population and housing, this specific proposed project affects two areas that are the areas with the

third and the eighth highest density population in HB, but a small park would not place any additional strain on the city for employment;

12 - public services - the development of several high density housing projects in HB over the last few years, most notably Bella Terra and Pacific City, places additional demand on all of the public services provided by the city of HB and cannot fail but to result in the need for increased budgets across all city departments or a default to the ability to adequately provide these services to its citizens;

13. recreation - high density housing places increased demand on existing recreation resources, even a small park provides an additional resource to meet the existing demand;

14. traffic and transportation - this proposal will bring increased traffic to an already congested area and does not include any accompanying increase in transportation resources or any increased parking resources which are already stressed on the streets surrounding the proposed project. These would not be an issue with a public park as many users of the park would simply walk to it;

15. utilities and service systems - the infrastructure in HB is not getting any younger. We need to direct resources toward updating it rather than adding population which will place more demand on a crumbling system.

Almost 100 years ago when this parcel of land was gifted to HB, the grantors had no idea that by 2015 our environment would be so threatened that every new project would be required to submit to an onerous California Environmental Quality Act and Environmental Impact Report process. But even then, they knew the value of green space, clean air, and water resources for the citizens of HB. For this reason, they stipulated public use for the future citizens of HB.

If a corporate entity can demonstrate this act of humanity toward the citizens of HB, can our elected officials do anything less for all of the current and future residents of HB?

This EIR process includes recommendations for mitigation. These problems would not need to be mitigated when they can so easily be avoided in the first place. Why would the HBCC and the planning and zoning departments approve anything that does not positively enhance our city?

My biggest concern is that, since this plan as stated with 22 new housing units is consistent with the surrounding neighborhood, I don't understand why this process is necessary. This leads me to wonder if when this process is complete the developer won't say, "Oops my mistake, I meant 220 units" or some other switcheroo. From the initial proposal to move the senior center, this entire fiasco has been a trail of late breaking changes.

thank you for your time,
Barbara Robinson
511 17th Street
Huntington Beach, CA 92648-4017
714-614-2500

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 1:59 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Public Park

AGENDA COMMENT

-----Original Message-----

From: Mail [<mailto:rrrpsybus@gmail.com>]
Sent: Friday, December 18, 2015 1:57 PM
To: CITY COUNCIL
Subject: Public Park

As a long time resident of Huntington Beach I want you to know I will be encouraged to believe the city leaders & officials are honoring their promise to build a green space where the existing senior center now exists, when the center moves to its new quarters. Any other choice for the use of this area will show the city council can not be trusted so that I and my neighbors should replace them with a council we can trust.

✓ Raymond R. Robinson, Ph.D.
511 Seventeenth Street
Huntington Beach, CA 92648-4017
714-960-7252

Sent from my iPhone

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 7:57 AM
To: Agenda Alerts
Subject: FW: Park

From: ROSE, BLAKE [<mailto:brose@cfiemail.com>]
Sent: Monday, December 21, 2015 7:34 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Park

Please VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizen of Huntington Beach, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park.

Sincerely,

Blake Rose, CFP®

Pinnacle Strategies Wealth Management

Registered Representative

Centaurus Financial, Inc.

3211 West Warner Avenue

Santa Ana, CA 92704

Phone: 714-263-0301 Ex. 119

Fax: 714-263-0392

CA Insurance License # 0D06078

www.rolloveryourira.com

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Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 8:01 AM
To: Agenda Alerts
Subject: FW: please save Rodgers' Park

From: Dan Rusu [<mailto:danrusu@yahoo.com>]
Sent: Sunday, December 20, 2015 8:38 AM
To: CITY COUNCIL
Subject: please save Rodgers' Park

From:
Daniel Rusu
511 19th Street
Huntington Beach, CA 92648

To honorable members of the Huntington Beach City Council,

Regarding Agenda Item Number 29

In 2006 we the HB residents voted to fund and pay for a new Central Park Senior Center, with the stipulation to return the old Center to us as a community space and park. We agreed with your request at that time, and voted for this.

It has come to our attention that a developer Christopher Homes has lobbied, promised and donated enough money to get your attention away from what the people want, to what is best for his company. We do not object to him doing this, as long as it was/is legal.

What we do object is to the HB City Council even entertaining the idea of breaking their written promise to use, and in effect stealing our money. Had this intention to build houses on the current Senior Center lot been disclosed to us, we would not have voted to put

hands in our pockets and pull out money for a different Senior Center. You have been elected to represent the wishes of the HB residents, not a developer. Why is this Council even entertaining this idea, what's in it for you that is greater than the will of the people?

I am outraged that this idea is even being discussed, when it was clearly voted down when you asked us for money for the new Senior Center.

Shame on you, and thank you for your time.

Respectfully,
Daniel Rusu

Esparza, Patty

From: Dombo, Johanna
Sent: Thursday, December 17, 2015 4:44 PM
To: Agenda Alerts
Subject: FW: I support Erik Peterson's agenda item to terminate the sale of the Rodgers property

From: Michelle Schomburg [<mailto:bousky@earthlink.net>]
Sent: Thursday, December 17, 2015 4:23 PM
To: CITY COUNCIL
Subject: I support Erik Peterson's agenda item to terminate the sale of the Rodgers property

Dear City Council Members,

I support Erik Peterson's agenda item to terminate the sale of the Rodgers property.

Warmly,

--
✓ Michelle Schomburg
Page Circle
Huntington Beach Resident

Esparza, Patty

From: Lyn Semeta
Sent: Saturday, December 19, 2015 1:17 PM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Agenda Item

Mayor Katapodis and Members of the Huntington Beach City Council,

Although as you know, I am a member of the Planning Commission but today I am writing today as a private citizen. I urge you to vote in favor of Agenda Item #29 submitted by Councilmember Erik Peterson to Direct the City Manager to prepare a 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement regarding the Rodgers Seniors' Center Site.

As City leaders, you are entrusted with the stewardship and preservation of our public open space and park land. Like so many cities, we find ourselves in the unenviable position of lacking sufficient funds for future financial obligations due to the rapid escalation of unfunded liabilities. Similarly, we suffer from a lack of funds to maintain our roads and infrastructure. However, I am very much opposed to resorting to funding that deficit by selling off park land/open space. This sets a dangerous precedent and devalues the importance of our parks which belong to the citizens of this City. The park near my home provided many hours of joy and recreation for our children and our neighbor's families, and we should not take away that same privilege for the other neighborhoods.

I am hopeful you will vote unanimously in favor of preserving the land and begin the planning for its future use for all residents.

Sincerely,

Lyn Semeta

Esparza, Patty

From: Flynn, Joan
Sent: Saturday, December 19, 2015 9:32 AM
To: Esparza, Patty; Estanislau, Robin
Subject: Fwd: Our Work Never Ends! Please Help Save Rodgers Park!

Joan Flynn, City Clerk
Huntington Beach

Begin forwarded message:

From: Cari <cswanie@aol.com>
Date: December 19, 2015 at 8:55:18 AM PST
To: <cswanie@aol.com>
Cc: <jflynn@surfcity-hb.org>
Subject: **Our Work Never Ends! Please Help Save Rodgers Park!**

Happy Holiday and Merry Christmas Friends,

In between frantically getting my Christmas cards ready to mail, I ask yet another favor in the never-ending battle to take our city back from the forces of endless corruption!

In my last email I shared an online petition to "Keep The Promise, Save Rodgers Park", which the City Manager is trying DESPIRATELY to see (below market no less!) in hopes to cover his ever-sinking BUTT! Thankfully, Councilman Erik Peterson brought an agenda item to Monday's city Council meeting, Agenda Item #29:

Submitted by Councilmember Peterson - Direct the City Manager to prepare a 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement regarding the Rodgers Seniors' Center site

Recommended Action:

Direct the City Manager to prepare a written, 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement. Return this written notice to City Council at the next meeting for approval by City Council.

Link to Council Agenda;

<http://records.surfcity-hb.org/sirepub/pubmtgframe.aspx?meetid=504&doctype=agenda>

Please join me in sending a short-sweet email to City Council and ask them to **VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizen of Huntington Beach, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park.** *Feel free to even cut and paste this sentence :)*

It is not necessary to write a long, detailed email....they basically only record who is for/against each item.....but it is EXTREMELY important that they know people are watching and paying attention. Keep in mind, if they can sell this site, they can pretty much sell any neighborhood park in the city....this is BAD policy!

Please send emails to

city.council@surfcity-hb.org *(this will go to all 7 council members)*

Copy to: cfikes@surfcity-hb.org and jflynn@surfcity-hb.org,

Many thanks to all who signed this online petition....if you have not signed yet, PLEASE sign and share with friends:

<http://www.change.org/p/huntington-beach-city-council-keep-the-promise-honor-the-vote-save-rodgers-park>

Thank you all for allowing me to share and helping me to hold our elected & city officials accountable....we ARE making a difference.

Wishing you and your families a wonderful Holiday Season!!

Cari Swan

Cell: (714) 287-6779

Esparza, Patty

From: Katherine Toole [tooleka@gmail.com]
Sent: Sunday, December 20, 2015 6:01 PM
To: CITY COUNCIL
Subject: Roger's Senior Center Land/ Agenda Item 29

Dear Council Members,

Dave C & Katherine Toole
227 20th St.
Huntington Bch, CA
92648

with this email we state that we absolutely oppose the selling of the Roger's site on 17th and Orange. Not only are you breaking a promise made to voters in 2006 but are reversing a covenant agreed upon with Chevron Oil in 1917.

The housing project is a terrible idea in that it will add to congestion but we feel the \$11 million price is absurd!!!

Green space is in short supply and in the 20 years we have lived here have felt Council members have always been in the pocket of developers to the detriment of HB citizens.

We urge you to vote YES on agenda item #29 at the next council meeting, Monday 12/21/15.

Sincerely,

/ Dave & Katherine Toole

Esparza, Patty

From: Janice Ugland [janugland@aol.com]
Sent: Sunday, December 20, 2015 6:45 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Agenda Item 29

AGENDA COMMENT

Dear Council,

Please, find it within yourselves to vote in favor of Councilman Erik Peterson's Agenda Item #29.

Our city is on the brink of being unrecognizable. Honor the original intent of the property deed. Open community space is imperative to the quality of life for our children and our environment. Don't run with an administrative overlook by Chevron so to sell our land off to developers. We're being made to ration water because of the drought yet continue to build and build. Our streets and alleyways are being terribly neglected yet the actions by councils and city hall are adding more stresses to our infrastructure. The residents are tiring due to the increased traffic and lack of parking. Again, please, take a step back to fully consider the impacts, everlasting ones, we are growing weary of the wildly-nilly (what appears to be) desperate money grab. Thank you for being attentive.

Always,
/Janice Ugland

Sent from my iPhone

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, December 21, 2015 8:00 AM
To: Agenda Alerts
Subject: FW: Vote YES on Agenda #29 - Pull Christopher Homes Contract! Save Rodgers!

From: bawareh@aol.com [mailto:bawareh@aol.com]
Sent: Sunday, December 20, 2015 6:48 PM
To: Agenda Comment
Cc: CITY COUNCIL
Subject: Vote YES on Agenda #29 - Pull Christopher Homes Contract! Save Rodgers!

Dear City Council,

Please VOTE YES and SUPPORT AGENDA ITEM 29 - Pull Christopher Homes Contract!! Save Rodgers!

Keep The Promise to the Citizen of Huntington Beach, honor the VOTE from 2006 to keep the existing Rodgers Senior Center a community park.

Thank you,
Bruce Wareh
26 year Downtown HB Owner

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 10:08 AM
To: Agenda Alerts
Subject: FW: Rogers Senior Center

From: dewentworthsr@aol.com [<mailto:dewentworthsr@aol.com>]
Sent: Friday, December 18, 2015 2:40 AM
To: CITY COUNCIL
Subject: Rogers Senior Center

Honorable Mayor & City Council,

Kudos to Councilman Erik Peterson for requesting an "H" item on the upcoming agenda to cancel the contract with Christopher Homes for development at the Rogers Senior Center site.

I've been a life long resident of Huntington Beach (67 years), and our Family stretches to six generations, including my Great Grandfather, and First HB Mayor Ed Manning, former City Clerk & HB City Historian Alicia Wentworth, and HB Volunteer Fire Captain Vernon Wentworth.

Our entire family used the HB Recreation Center(now Rogers Senior Center), for many of our developing years. This was always a go-to place for many recreational activities, even my Mom played blooper ball on a league there. In later years my Wife took tool painting lessons at Rogers Senior Center recovering from an MS attack.

In keeping with the original agreement to keep the property as a place for citizens to use, please support Council Member Peterson's "H" item, and vote Yes to keep this open space as a park for our citizens, Thank You!

David E. Wentworth SR.
Huntington Beach Historic Resources Board Member

Esparza, Patty

From: Linda Wentzel [lindamarieofhb@gmail.com]
Sent: Saturday, December 19, 2015 8:48 PM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Item 29 of the 12/21/2015 City Council Agenda

Mayor and Huntington Beach City Council Members:

Please vote **YES** and support AGENDA ITEM 29. Please keep the promise to the citizens of Huntington Beach and honor the vote from 2006 to keep the existing Rodgers Senior Center land a community park.

Thank you for representing the people of Huntington Beach.

--

Linda Wentzel
lindamarieofhb@gmail.com

Esparza, Patty

From: Fikes, Cathy
Sent: Thursday, December 17, 2015 6:37 PM
To: Agenda Alerts
Subject: FW: Support Prior Promise; Join Jill Hardy ;Dave Sullivan and Erk Paterson in support

From: WMSB@aol.com [mailto:WMSB@aol.com]
Sent: Thursday, December 17, 2015 5:30 PM
To: CITY COUNCIL
Subject: Support Prior Promise; Join Jill Hardy ;Dave Sullivan and Erk Paterson in support

In 2006 the voters of Huntington Beach approved the location of the new senior center in Central Park.

As part of the voting materials prepared and distributed by the Orange County Registrar of Voters was a certain "Rebuttal" position signed by five mayors and former mayors of our city urging the voters to support the Central Park location for the proposed new senior center. Those civic leaders promised the voters, "AN ADDED BENEFIT IS RETURNING THE EXISTING SENIOR CENTER TO ALL DOWNTOWN RESIDENTS USE."

The voters approved the measure by the narrowest of margins, approximately 700 votes. In other words, if at least 351 of those voters (half the difference plus one) had voted NO, the new senior center would not be under construction where it is today.
be honest with the voters those five leaders of our city should have said, "An added benefit is allowing the sale of the existing Rodgers Senior Center property to a developer to facilitate the construction of at least 22 three-story houses, and a small park on the corner; so that traffic and parking will be adversely impacted; and children will have to continue to toss footballs and try out hula hoops in alleyways."

Would Measure T have been approved in 2006 but for the promise of those five mayors?

The site is currently zoned for open space. I would urge you to support Councilman Peterson's "H" Item (Item 29 on the Agenda) to direct the City Manager to prepare a written, 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement.

Barry L Williams

Cell # 714-745-1499

In God We Trust

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 10:07 AM
To: Agenda Alerts
Subject: FW: Rogers senior center

From: Nat [<mailto:natrwong@gmail.com>]
Sent: Thursday, December 17, 2015 10:37 PM
To: CITY COUNCIL
Subject: Rogers senior center

Hello Council Members,

On behalf of all the downtown mothers, I would like to beg you to please reconsider the sales of the Rogers senior center. As you know, downtown is extremely congested, our local elementary school is the biggest in our school district.

Our downtown children only have old beat up alleys to ride bikes, skate, ride their scooters and be active. Our small kids cannot be expected to learn to ride bikes on our local streets or the boardwalk on the beach, they are both hazards!

Fortunately, the kids downtown, as well as parents, cherish the senior center parking lot since this is the only open area that we can use to ride bikes, skate, ride scooters, fly kites, etc! It is unfortunate that the only place our kids have to play is a parking lot, however we are grateful for it and would love to keep it as an area for our kids to be active!! After all PARKS MAKE LIKE MORE FUN!!!! Please don't take this away from our kids!!!!

Thank you for your time and consideration. Please keep the Rogers senior center as an open space for our children!!

Thanks,
Nathalie Wong
714)504-5920

Esparza, Patty

From: Carol Woodworth [kwoodworth@socal.rr.com]
Sent: Saturday, December 19, 2015 10:42 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Support for Agenda item #29 - Keep the Promise!

Dear Mayor Katapodis and City Council Members;

I am writing you today in support of Agenda item #29 and stop the process of selling the old Rodger's Senior Center property for the purpose of building homes for the following reasons:

1. In 2006 when approving the new senior center in Central Park voters were told that one of the benefits was the old property would be returned to "general park use." The voter pamphlet read: "an added benefit is returning the existing senior center to all downtown residents use." The handout written by "Support Our Seniors" who supported and lobbied for the new senior center stated; "the current downtown center will be returned to general park use."
2. We have recently added close to 3500 apartment units to our city with NO increase in park space (that's approximately 7000 more residents but no additional park space). Do we really have so much park land in this city that we need to give up 2 acres for homes?
3. When Chevron deeded the land to the city in 1917, the spirit and intent of the deal was to "maintain and keep in good condition the property as a public park and for no other reason." Now, I realize that in a 100 years things change. It's appropriate to review land use. That's why voters also voted for Measure C with the intent and purpose of a public vote before any public space is rezoned for another use. By entering into an exclusive agreement with a developer, the city has effectively hired a lobbyist to push voters towards building homes clearly not the intent of Measure C.
4. The current exclusive agreement with Christopher Homes suggests an \$11 Million sales price which is \$3 Million less than the previous agreement with Shea Homes. Are we expected to believe that the value of 2 acres in the middle of downtown Huntington Beach has declined 20% in less than a year while real estate prices citywide have been on the rise?

Voters expect that before the city enters into exclusive agreements with developers to build homes on public land, the public votes on changing the land use from public to private. We expect that if or when city property is sold we receive fair market value and not a penny less. Voters expect that every city council member past and present makes decisions based on maintaining our quality of life and what is best for our city long term. And most importantly, voters expect that city council members elected to represent the residents will keep the promises made at the voting booth.

Instead of spending \$250,000 on an EIR to build homes, why don't you use the money to renovate the property and KEEP THE PROMISE made in 2006?

Please support Agenda Item #29

Respectfully,
Carol Woodworth

Esparza, Patty

From: Fikes, Cathy
Sent: Friday, December 18, 2015 4:38 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: sale of Roger's property

AGENDA COMMENT

-----Original Message-----

From: Jasenn Zaejian, Ph.D. [<mailto:drjz@relatedness.org>]
Sent: Friday, December 18, 2015 3:47 PM
To: CITY COUNCIL
Subject: sale of Roger's property

I support Peterson's agenda item to terminate the sale of the Roger's Senior ctr. property. As originally granted and agreed to in the early 20th century, this property is for public use.

This email has been checked for viruses by Avast antivirus software.
<https://www.avast.com/antivirus>

Request: 24659 Entered on: 12/18/2015 11:12 AM

Customer Information

Name: Richard Green
Address: 504 19th St
Huntington Beach, CA
92648

Phone: (714) 203-8423
Alt. Phone:
Email: dgreen1128@aol.com

Request Classification

Topic: City Council - Agenda & Public
Hearing Comments
Status: Closed
Assigned to: Agenda Alerts

Request type: Comment
Priority: Normal
Entered Via: Web

Description

Please reconsider selling the Rodgers Senior Center . This is an excellent opportunity to add open park space to our city. There is sufficient opportunity to develop downtown by constructing houses on the existing empty and under utilized lots. We do not need to add to the density, parking, and water run off issues. Thanks for your consideration

Reason Closed

Thank you for taking the time to send your thoughts to the City Council. A copy of your comments has been entered into the Pipeline system and will also be forwarded to the City Clerk to be included in the record on this item. Thank you very much for writing.

Sincerely,
Johanna Dombo
Executive Assistant

Date Expect Closed: 12/26/2015

Date Closed: 12/21/2015 08:06 AM **By:** Johanna Dombo

**SUPPLEMENTAL
COMMUNICATION**

Meeting Date: 12-21-2015

Enter Field Notes Below

Agenda Item No. 29

Notes:

Notes Taken By: _____ **Date:** _____

Estanislau, Robin

From: judygustafson@verizon.net
Sent: Monday, December 21, 2015 1:30 PM
To: Estanislau, Robin
Subject: Please Save Rogers Park as a Park!

Dear City Council Members,

Please vote yes on Agenda item 29 to keep the promise made to us citizens of Huntington Beach. My husband and I voted yes for the new senior center due to the ballot's promise in 2006 to keep the existing Rodgers Senior Center a community park. Please help us support that promise and keep the land a green space for the enjoyment of all of us citizens who voted for it.

Thank you,

~Judy and Robert Gustafson

Harper, Gloria

From: Flynn, Joan
Sent: Monday, December 21, 2015 11:52 AM
To: Harper, Gloria
Subject: FW: Rodgers' Senior Center

Joan L. Flynn, City Clerk
City of Huntington Beach
714-536-5404



Please consider the HB City Clerk's office for your passport needs

From: Rob Pool [mailto:rob.pool.oc@gmail.com]
Sent: Monday, December 21, 2015 11:42 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Rodgers' Senior Center

Mayor Katapodis and Members of the Huntington Beach City Council,

I am writing today to urge you to vote in favor of Agenda Item #29 submitted by Councilmember Erik Peterson to Direct the City Manager to prepare a 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement regarding the Rodgers Seniors Center Site.

As our elected officials, every action you take should be done with the best interest of the citizens of our city. Every decision should maximize the return on our tax dollars. An attempt to pay for everyday expenses and unfunded liabilities by selling our public park land seems a bit extreme. I would prefer you dig deep and look for real cost savings in our budget, penny by penny. The model you are using is unsustainable.

Secondarily, the original deal with Shea Homes set the market value of this property at 14 million dollars. Why did the council feel compelled to get this property sold by discounting the property by 3 million dollars to Christopher Homes? Again, this is more poor management of our resources.

Those that do not see open space as a valuable component of a dynamic community are not forward thinking public officials. I hope every one of you understand the necessity of preserving this land for future generations. And with that understanding, I hope you will vote unanimously to terminate the Exclusive Negotiating Agreement regarding the Rodgers Senior Center Site.

Thank you for your consideration and thank you for your continued service to our community.

Sincerely,
Rob Pool

Estanislau, Robin

From: Isabella Ford [issyf@rd@gmail.com]
Sent: Monday, December 21, 2015 2:21 PM
To: CITY COUNCIL
Subject: No homes at Rodgers senior center please.

We need a proper city gym, we need more open space, we do not need more homes and more people. There are already high density housing. We need to feel safe biking or walking around town. Goldenwest is 50mph but just a white line divides a biker from a car, truck, semi....

Please help us make Huntington a place that offers high quality of life activities and options and not just a place for developers to make money building more and more homes.

Estanislau, Robin

From: Cathy Wagner [cwagzhb@gmail.com]
Sent: Monday, December 21, 2015 2:27 PM
To: CITY COUNCIL
Subject: Please save the Park at 17th and Orange!

We don't need another 22 homes downtown. Please!

Cathy Wagner



This email has been checked for viruses by Avast antivirus software.
www.avast.com

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 9:37 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Council Item 29

AGENDA COMMENT

From: Norm Nagel [<mailto:normnagel@yahoo.com>]
Sent: Monday, December 21, 2015 9:16 AM
To: CITY COUNCIL
Subject: Council Item 29

Dear Council Members,

Please vote yes and support Agenda Item 29 to keep Rogers Senior center property a community park.

Norm Nagel Huntington Beach

Estanislau, Robin

From: carolandcassie@verizon.net
Sent: Monday, December 21, 2015 9:49 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Rodger's Park

AGENDA COMMENT

Carol Morris
4601 Via Vista Circle
Huntington Beach, CA 92649

December 21, 2015

Dear Mayor and City Council Members,

As a lifelong resident of Huntington Beach (52 years), I am writing to urge you to keep the promise to maintain the land where the old Senior Center is as a park for the community.

With all of the high density projects that are underway or have been completed recently, I feel it is extremely important that the Mayor and City Council show the citizens of Huntington Beach that you care about the health and welfare of the citizens of this great community.

A park is essential for the children and families living in this area. Parks beautify our city and provide much needed leisure space for people to bring their children, away from the commercialism and bustle that our city is now characterized by.

A promise is a promise. Please don't break this one.

Sincerely,

Carol E. Morris

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 10:01 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Rodger's Park

AGENDA COMMENT

From: carolandcassie@verizon.net [mailto:carolandcassie@verizon.net]
Sent: Monday, December 21, 2015 9:49 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Rodger's Park

AGENDA COMMENT

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December 21, 2015

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A promise is a promise. Please don't break this one.

Sincerely,

Carol E. Morris

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 10:08 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Agenda item 29

AGENDA COMMENT

-----Original Message-----

From: Patricia Nunn [<mailto:patricianunn@me.com>]
Sent: Monday, December 21, 2015 10:06 AM
To: CITY COUNCIL
Subject: Agenda item 29

Good Morning,

My name is Patti Nunn and I live at 605 18th St. I am categorically opposed to the proposal to put 22 homes at Rogers Park. At no time was the neighborhood consulted or were they given an opportunity to discuss any development with the City. Considering the impact such a project has on the surrounding area particularly in regards to traffic and parking, I think this was a mistake. All I have to do is drive by Beach and Ellis or along Edinger to see how density is changing this city. I do not want to see it happening in this neighborhood.

Thank you

Patti Nunn

Sent from my iPad

Estanislau, Robin

From: Fikes, Cathy
Sent: Monday, December 21, 2015 10:10 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Park

AGENDA COMMENT

From: ROSE, BLAKE [mailto:brose@cfiemail.com]
Sent: Monday, December 21, 2015 7:34 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Park

Please **VOTE YES** and **SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizen of Huntington Beach**, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park.

Sincerely,

Blake Rose, CFP[®]

Pinnacle Strategies Wealth Management

Registered Representative

Centaurus Financial, Inc.

3211 West Warner Avenue

Santa Ana, CA 92704

Phone: 714-263-0301 Ex. 119

Fax: 714-263-0392

CA Insurance License # 0D06078

www.rolloveryourira.com

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Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 10:23 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Rodgers Park

AGENDA COMMENT

From: akornicks@aol.com [<mailto:akornicks@aol.com>]
Sent: Monday, December 21, 2015 8:49 AM
To: CITY COUNCIL
Subject: Rodgers Park

To all Council Members,

My name is Alan Kornicks, and live at 407 19th Street. This email is being written to voice my opinion on that the Rodgers Park should not be sold for further development! We currently have too much traffic in the Downtown area, and the additional number homes being proposed will increase the amount.

Additionally, it is my understanding that the approval of construction for the new Senior Center was given with the promise to return the old Center site back to the residents as a community space and/or park.

In closing, I am against any development of residential property on that site!

Thanks for taking the time to have read this email,

Sincerely,
Alan Kornicks
407 19th Street
714-960-5246

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 11:47 AM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Rodgers' Senior Center

AGENDA COMMENT

From: Rob Pool [<mailto:rob.pool.oc@gmail.com>]
Sent: Monday, December 21, 2015 11:42 AM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: Rodgers' Senior Center

Mayor Katapodis and Members of the Huntington Beach City Council,

I am writing today to urge you to vote in favor of Agenda Item #29 submitted by Councilmember Erik Peterson to Direct the City Manager to prepare a 10-day notice to Christopher Homes for termination of the Exclusive Negotiating Agreement regarding the Rodgers Seniors Center Site.

As our elected officials, every action you take should be done with the best interest of the citizens of our city. Every decision should maximize the return on our tax dollars. An attempt to pay for everyday expenses and unfunded liabilities by selling our public park land seems a bit extreme. I would prefer you dig deep and look for real cost savings in our budget, penny by penny. The model you are using is unsustainable.

Secondarily, the original deal with Shea Homes set the market value of this property at 14 million dollars. Why did the council feel compelled to get this property sold by discounting the property by 3 million dollars to Christopher Homes? Again, this is more poor management of our resources.

Those that do not see open space as a valuable component of a dynamic community are not forward thinking public officials. I hope every one of you understand the necessity of preserving this land for future generations. And with that understanding, I hope you will vote unanimously to terminate the Exclusive Negotiating Agreement regarding the Rodgers Senior Center Site.

Thank you for your consideration and thank you for your continued service to our community.

Sincerely,

Rob Pool

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 1:35 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: YES on Agenda Item 29

AGENDA COMMENT

-----Original Message-----

From: Nancy Lee [<mailto:rnclucas1@icloud.com>]
Sent: Monday, December 21, 2015 1:34 PM
To: CITY COUNCIL
Subject: YES on Agenda Item 29

My name is RIchard Clucas, I live @ 228 19th St Huntington Beach Ca 92648 I am asking a VOTE OF YES on AGENDA Item 29.I am OPPOSED to the CITY COUNCIL breaking their promise to the residents of HB. I am requesting a YES vote on agenda item number 29.
Thank you, Richard S. Clucas

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 1:38 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: SUPPORT AGENDA ITEM 29

AGENDA COMMENT

From: Terry Schomburg [mailto:terry@scr.org]
Sent: Monday, December 21, 2015 12:39 PM
To: CITY COUNCIL
Cc: Fikes, Cathy; Flynn, Joan
Subject: SUPPORT AGENDA ITEM 29

Dear City Council:

VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizen of Huntington Beach, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park.

Thank you.

Terry Schomburg

Orange County's Tony Award-winning Theatre

*NOW OPEN ON THE SEGERSTROM STAGE -
Charles Dicken's A CHRISTMAS CAROL
Adapted by Jerry Patch
Directed by John-David Keller
November 27 - December 27, 2015*

Join us for this SCR tradition in its 36th consecutive season of Hal Landon's portrayal of Scrooge. Enough said except you will be missing one of our county's great treasures not seeing his remarkable performance.

*COMING NEXT YEAR ON THE ARGYROS STAGE -
The Madwoman in the Volvo
By Sandra Tsing Loh
Directed by Lisa Peterson
January 3 - 24, 2016*

A bumper car ride through mid-life "madness" with popular NPR commentator Sandra Tsing Loh in the driver's seat.

Check Out the Rest of Our 2015-16 Season | <http://www.scr.org>
Red (John Logan) | Future Thinking (Eliza Clark) |
Going to a place Where you Already Are (Bekah Brunstetter) |
AMADEUS (Peter Shaffer) |
Pacific Playwrights Festival (April 22-24, 2016) |
And more!

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 1:38 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: agenda number 29

AGENDA COMMENT

-----Original Message-----

From: Adele Crawford [<mailto:billnadele@earthlink.net>]
Sent: Monday, December 21, 2015 12:25 PM
To: CITY COUNCIL
Subject: agenda number 29

City council members,

Please do not break your promise to the residents of HB.
Vote YES on agenda item number 29.

Adele Crawford
609 16th Street
Huntington Beach 92648

Estanislau, Robin

From: Gary Tarkington [garytarkington@msn.com]
Sent: Monday, December 21, 2015 1:39 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: The promise to the citizen's of Huntington Beach

Importance: High

AGENDA COMMENT

VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizen's of Huntington Beach, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park!

Ann Tarkington

Huntington Beach, CA.

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 1:42 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: The promise to the citizen's of Huntington Beach

Importance: High

AGENDA COMMENT

From: Gary Tarkington [<mailto:garytarkington@msn.com>]
Sent: Monday, December 21, 2015 1:39 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: The promise to the citizen's of Huntington Beach
Importance: High

AGENDA COMMENT

VOTE YES and SUPPORT AGENDA ITEM 29, Keep The Promise to the Citizen's of Huntington Beach, honor the vote from 2006 to keep the existing Rodgers Senior Center a community park!

Ann Tarkington

Huntington Beach, CA.

Estanislau, Robin

From: Megan Talbert [megantalbert@hotmail.com]
Sent: Monday, December 21, 2015 1:51 PM
To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Please vote YES & support agenda item 29

AGENDA COMMENT

Dear City Council Members,

Please vote YES on agenda item 29 and keep the promise made to the people of Huntington Beach!

We desperately need a park downtown and NOT more homes. We live directly across from the Rodger's Senior Center and it is a good mile walk to any park downtown. My 2.5 year old and many others want more community space to play and stay active in. Please do the right thing!!!

Sincerely,

Megan Talbert Gutheil
413 18th Street

Estanislau, Robin

From: marcio gutheil [gutheil@gmail.com]
Sent: Monday, December 21, 2015 1:55 PM
To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Vote Yes on agenda item 29

AGENDA COMMENT

Dear city council members,
Please vote yes and support agenda item 29

Marcio Gutheil
Resident

Estanislau, Robin

From: Steve Talbert [stevetalbert1953@gmail.com]
Sent: Monday, December 21, 2015 1:57 PM
To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Vote Yes on agenda item 29

AGENDA COMMENT

Vote yes on agenda item 29 please

Steve Talbert

38 year resident of downtown Huntington Beach

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 1:59 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Vote Yes on agenda item 29

AGENDA COMMENT

From: Steve Talbert [<mailto:stevetalbert1953@gmail.com>]
Sent: Monday, December 21, 2015 1:57 PM
To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Vote Yes on agenda item 29

AGENDA COMMENT

Vote yes on agenda item 29 please

Steve Talbert

38 year resident of downtown Huntington Beach

Estanislau, Robin

From: loriloucks [loriloucks@verizon.net]
Sent: Monday, December 21, 2015 2:08 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Agenda Item #29 - Rogers Park plans

AGENDA COMMENT

Dear City Council,

I'm writing to express my frustration with the council members who are considering backing out of their promise to return some of the open space that was taken from central park to build the new senior center. A HUGE piece of our beautiful park will never be the same, but we were told not to worry, because the old senior center would be turned into a park. Now the council is trying to sell this to a developer? Our city does not need the money that badly. We have very little open space left. Please spare us the little bit of open space we have left as well as the little bit of trust we have left in our elected officials.

Thank you.

Lori Loucks
47 year Huntington Beach resident

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 2:10 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Agenda Item #29 - Rogers Park plans

AGENDA COMMENT

-----Original Message-----

From: loriloucks [<mailto:loriloucks@verizon.net>]
Sent: Monday, December 21, 2015 2:08 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Agenda Item #29 - Rogers Park plans

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Thank you.

Lori Loucks
47 year Huntington Beach resident

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 2:10 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: Please vote YES on Agenda Item 29

AGENDA COMMENT

From: Brendan Dwyer [<mailto:brendan.sean.dwyer@gmail.com>]
Sent: Monday, December 21, 2015 2:05 PM
To: CITY COUNCIL
Subject: Please vote YES on Agenda Item 29

Dear Huntington Beach City Council Members,

Please vote YES on Agenda Item 29.

I recently moved to 19th St and Orange St. in Huntington beach just around the corner from the Rodger's Park location. In the short time that I have lived here, that overlapped with the operation of the Rodger's senior center, I walked by numerous gatherings at the senior center. These gatherings exuded a simple and happy community atmosphere that made me feel quite comfortable in my new neighborhood. When I learned that the city planned to sell a portion of the senior center site to a private developer, I was saddened that such a well off municipality would consider selling a public gathering space.

The residents of the City of Huntington Beach will not benefit from the sale of a portion of the Rodgers Senior Center property to a private developer. Adding 22 more high density homes to that neighborhood would be like adding another hot dog vendor in Disneyland. There doesn't seem to be a housing shortage in that neighborhood, so how will 22 more high density homes benefit the residents of said neighborhood? This project would only benefit the developer and the profit made by the City of Huntington Beach would probably be misappropriated instead of being fully invested back in the community surrounding Rodgers Senior Center.

Bottom line is...Huntington Beach is not in NEED of more housing, especially in the area surrounding Rodgers Senior Center. However, a high density residential city (like Huntington Beach) is always in need of as much public open space that it can get.

Please consider the residents and the well being of their community instead of the city coin purse when voting on Agenda Item 29.

Thank you,

Brendan Dwyer
415 19th St, Apt D
Huntington Beach, CA

Estanislau, Robin

From: Catherine Johnson [eandcdisneyana@gmail.com]
Sent: Monday, December 21, 2015 1:49 PM
To: Estanislau, Robin; CITY COUNCIL
Subject: Rodgers Senior Center

Hello City Council, my name is Catherine Johnson and I urge you to vote yes on Agenda Item #29.

Estanislau, Robin

From: Bridget Johnson [hbpatriotmom@gmail.com]
Sent: Monday, December 21, 2015 1:51 PM
To: Estanislau, Robin; CITY COUNCIL
Subject: Rodgers Senior Center

Hello Mayor Katapodis and Councilmembers, My name is Bridget Johnson and I urge you to support agenda item #29.
Thank You

Estanislau, Robin

From: Megan Talbert [megantalbert@hotmail.com]
Sent: Monday, December 21, 2015 1:51 PM
To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Please vote YES & support agenda item 29

AGENDA COMMENT

Dear City Council Members,

Please vote YES on agenda item 29 and keep the promise made to the people of Huntington Beach!

We desperately need a park downtown and NOT more homes. We live directly across from the Rodger's Senior Center and it is a good mile walk to any park downtown. My 2.5 year old and many others want more community space to play and stay active in. Please do the right thing!!!

Sincerely,

Megan Talbert Gutheil
413 18th Street

Estanislau, Robin

From: marcio gutheil [gutheil@gmail.com]
Sent: Monday, December 21, 2015 1:55 PM
To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Vote Yes on agenda item 29

AGENDA COMMENT

Dear city council members,
Please vote yes and support agenda item 29

Marcio Gutheil
Resident

Estanislau, Robin

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Sent: Monday, December 21, 2015 1:49 PM
To: Estanislau, Robin; CITY COUNCIL
Subject: Rodgers Senior Center

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Estanislau, Robin

From: Bridget Johnson [hbpatriotmom@gmail.com]
Sent: Monday, December 21, 2015 1:51 PM
To: Estanislau, Robin; CITY COUNCIL
Subject: Rodgers Senior Center

Hello Mayor Katapodis and Councilmembers, My name is Bridget Johnson and I urge you to support agenda item #29.

Thank You

Estanislau, Robin

From: Megan Talbert [megantalbert@hotmail.com]
Sent: Monday, December 21, 2015 1:51 PM
To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Please vote YES & support agenda item 29

AGENDA COMMENT

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Megan Talbert Gutheil
413 18th Street

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From: marcio gutheil [gutheil@gmail.com]
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To: Estanislau, Robin
Cc: Agenda Comment; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: Vote Yes on agenda item 29

AGENDA COMMENT

Dear city council members,
Please vote yes and support agenda item 29

Marcio Gutheil
Resident

Estanislau, Robin

From: Emmeline [babeandmike@aol.com]
Sent: Monday, December 21, 2015 2:03 PM
To: Estanislau, Robin
Subject: #29

I support #29 we have enough housing in this what had been a nice town. We need more center's and parks. Emmeline Vasquez . 714-840-5086

Sent from Babe's iPad

Estanislau, Robin

From: Megan Talbert [megantalbert@hotmail.com]
Sent: Monday, December 21, 2015 1:51 PM
To: Estanislau, Robin
Cc: Agenda Comment
Subject: Please vote YES & support agenda item 29

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Megan Talbert Gutheil
413 18th Street

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From: marcio gutheil [gutheil@gmail.com]
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To: Estanislau, Robin
Cc: Agenda Comment
Subject: Vote Yes on agenda item 29

Dear city council members,
Please vote yes and support agenda item 29

Marcio Gutheil
Resident

Estanislau, Robin

From: alisonmariejohnson@gmail.com
Sent: Monday, December 21, 2015 2:00 PM
To: city.council@surfcity-hb.gov; Estanislau, Robin
Subject: Rodgers Senior Center

Please vote YES on agenda item number 29.

Alison Johnson

Sent from my iPhone

Estanislau, Robin

From: Bridget Johnson [hbpatriotmom@gmail.com]
Sent: Monday, December 21, 2015 1:51 PM
To: Estanislau, Robin; CITY COUNCIL
Subject: Rodgers Senior Center

Hello Mayor Katapodis and Councilmembers, My name is Bridget Johnson and I urge you to support agenda item #29.

Thank You

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To: Estanislau, Robin; CITY COUNCIL
Subject: Rodgers Senior Center

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Estanislau, Robin

From: Steve Talbert [stevetalbert1953@gmail.com]
Sent: Monday, December 21, 2015 1:57 PM
To: Estanislau, Robin
Cc: Agenda Comment
Subject: Vote Yes on agenda item 29

Vote yes on agenda item 29 please

Steve Talbert

38 year resident of downtown Huntington Beach

#30

Estanislau, Robin

From: Dombo, Johanna
Sent: Monday, December 21, 2015 2:11 PM
To: Agenda Comment
Cc: Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: FW: HBFD Standards of Cover Study
Attachments: Standards of Cover.pdf

AGENDA COMMENT

From: Witt, Darrin
Sent: Monday, December 21, 2015 2:02 PM
To: CITY COUNCIL
Cc: Wilson, Fred
Subject: HBFD Standards of Cover Study

Council Members,

I have had the opportunity to talk with some of you and others I have not, but I wanted to share this information with all of you. While I am not concerned with a study to look at how efficient the HBFD is, I am concerned when there seems to be an objective to reduce staffing levels for a department that is incredibly efficient and understaffed already. While being denied to return one or more safety positions to the HBFD in order to run safely and effectively other departments are increasing their staffing levels. HBPD is looking to add a total of 8 positions with your actions tonight, all while continuing to deny positions to HBFD.

There are many reasons to not dedicate funds to a study to look at reducing staffing in the fire department, but one of the most compelling is that the City Council has already allocated \$50,000 to implement a study called Standards of Cover. I have attached the proposal and on it you can see that the study will determine response distribution, evaluate workload and ideal unit utilization and measure service delivery performance to just name a few.

Spending any of the public's money to perform a duplicate study at this time does not seem to be the most fiscally sound decision.

I urge you to set aside the request for a study at this point and to utilize the Standards of Cover study that you already have allocated funds for and evaluate the results when complete.

Thank you,

Darrin Witt
HBFA



City of Huntington Beach - FY 2015/16 Budget Development

Supplemental Budget Request Priority Number: **8**

Supplemental Budget Request Total: **50,000.00**

Department/Division: **Fire Department, Emergency Response Division**

Prepared By: **Eric Engberg**

Date: **03/24/15**

Fund(s): **100**

Request Title: Fire Department Standards of Cover Evaluation

Description of Request:

(Provide a discription of the request and what objective or issue it addresses)

At the January 23, 2015 City Strategic Planning Workshop the Assistant Fire Chief was assigned to develop and recommend a proposal for a consultant to develop a "Standards of Cover" for the Fire Department for consideration in the FY 2015/16 budget (see attached strategic plan goal and objective #2). This evaluation would provide the following:

- Assessment of community fire and non-fire risks
- Defining baseline and benchmark emergency response performance standards
- Planning future fire station locations
- Determining response distribution
- Evaluating workload and ideal unit utilization
- Measuring service delivery performance
- Support strategic planning and policy development relative to resource procurement and allocation
- Provide a platform to address several of the recommendations contained in the City's draft general plan

This critical evaluation of Fire Department service delivery would provide the basis for any improvements identified and help to best align resources to current and future community characteristics and demographics. Additional information related to a Standards of Cover evaluation is attached. If approved, this request will also require a revision of the Professional Services listing for the Fire Department.

Other City Departments this Request Affects:

(List all City Departments this request would affect)

Planning and Building, Public Works

Alternatives to the Request:

(Describe the impacts if not approved or options not preferred)

Not approving this request would make optimum Department resource alignment and deployment much more difficult to obtain. The valuable planning tools provided by a Standards of Cover evaluation would not be available.

The draft general plan contains several recommendations that will include analysis that would be performed during the Standards of Cover process. The impact of not contracting for a Standards of Cover evaluation would be moving the additional workload onto fire administrative staff without providing the professional enterprise offered by a consultant who has experience and expertise in this arena.

***For requests involving full-time staffing changes, please contact your assigned Finance Department's Budget Liaison for the budget costs. You must also submit a memo to the Human Resources Department for review.**

**PLEASE REMEMBER TO SUBMIT ALL PERTINENT BACK-UP DOCUMENTATIO.
ALONG WITH YOUR REQUEST, INCLUDING THE MEMO TO THE HUMAN
RESOURCES DEPARTMENT (IF APPLICABLE)**