



CITY OF INGLEWOOD

OFFICE OF THE CITY MANAGER



DATE: July 28, 2020

TO: Mayor and Council Members

FROM: Economic and Community Development Department

SUBJECT: Adopt Four (4) Ordinances Associated with the Inglewood Basketball and Entertainment Center Project: Ordinance No. 20-12 – Approval of Zone Change 2020-001; Ordinance No. 20-13 – Approval of Zoning Code Amendment No. 2020-002; Ordinance No. 20-14 – Approval of Amendments to Inglewood Municipal Code Chapters 2 (Administration), 3 (Motor Vehicles and Traffic), 5 (Offenses, Miscellaneous), 10 (Public Works), and 11 (Building Regulations); Ordinance No. 20-15 – Approval of a Development Agreement between Murphy’s Bowl LLC and the City of Inglewood

RECOMMENDATION:

It is recommended that the Mayor and Council Members adopt the following four (4) Ordinances associated with the Inglewood Basketball and Entertainment Center (IBEC) Project (introduced at the public hearing held on July 21, 2020):

- 1) Ordinance No. 20-12 approving Zone Change No. 2020-001 to apply the Sports and Entertainment (SE) Overlay Zone on the Project Site, and rezone certain parcels in the Project Site to conform with the existing General Plan Land Use Designation.
- 2) Ordinance No. 20-13 approving Zoning Code Amendment No. 2020-002 to Chapter 12 of the Inglewood Municipal Code to establish regulations for the Sports and Entertainment Overlay Zone, including text amendments to create an overlay zone establishing development standards including standards for height, setbacks, street frontage, and lot size, permitted uses, signage, parking and loading, public art, design review process under the Proposed Project SEC Development Guidelines addressing parcel map procedures, and other land use controls.
- 3) Ordinance No. 20-14 approving Amendments to Inglewood Municipal Code Chapters 2 (Administration), 3 (Motor Vehicles and Traffic), 5 (Offenses, Miscellaneous), 10 (Public Works), and 11 (Building Regulations) to permit development and operation of the Project, including provisions regarding public art, truck routes, noise regulations, traffic demand management, and disposition of municipal real property.
- 4) Ordinance No. 20-15 approving a Development Agreement between Murphy’s Bowl LLC and the City.

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BACKGROUND:

On August 15, 2017, the City Council, the City of Inglewood as Successor Agency to the Former Inglewood Redevelopment Agency, and the Inglewood Parking Authority (City Entities) approved an Amended and Restated Exclusive Negotiating Agreement (ENA) with Murphy's Bowl LLC (Developer or Project Sponsor) for the proposed development of a premier and state-of-the-art National Basketball Association (NBA) professional basketball arena and other ancillary uses on the subject properties within a study area defined in the ENA. As contemplated by the ENA, the parties agreed to negotiate a Disposition and Development Agreement which would provide for the acquisition by the developer of the City-owned property pursuant to certain additional privately-owned property (not currently owned or acquired by the Developer), may be potentially acquired by the City should it, in its sole and absolute discretion, seek to do so. However, and notwithstanding the foregoing, no action was taken on either the DDA or the potential acquisition of these properties at the July 21, 2020 City Council meeting, nor will such actions be considered at the July 28, 2020 City Council meeting. Instead, the City Council, following consideration of the evidence presented at the public hearing, took actions related to certifying the EIR, adopting a mitigation monitoring and reporting program, and undertaking other land use and zoning-related actions that would allow for, but would not require or guarantee, the subsequent development of the proposed project. As part of the ENA obligations, the City was to facilitate the preparation of the environmental analysis required under the California Environmental Quality Act (CEQA).

In December 2017, the City retained a consultant (Environmental Science Associates-ESA) to begin preparation of an Environmental Impact Report (EIR) pursuant to CEQA .

On February 20, 2018, a Notice of Preparation (NOP) of an EIR was released with a comment period that closed on March 22, 2018. During the comment period, an NOP Scoping Meeting was held on March 12, 2018, to gather additional comments on the scope of analysis for the EIR. The City received 76 written comments in response to the NOP, as well as comments at the NOP scoping meeting, advising on the recommended scope of the EIR as well as general comments on the proposed project. Since that time, ESA and their sub-consultants, in close coordination with City staff, has worked to address the NOP comments and prepare the environmental analysis.

On September 30, 2018, Assembly Bill 987 was signed by the Governor. The bill added section 21168.6.8 to the Public Resources Code, and provides for expedited judicial review in the event that the certification of this EIR or the granting of project approvals are challenged, so long as certain requirements are met. In order to qualify for expedited judicial review under AB 987, among other requirements, the project must implement a transportation demand management program that will achieve a 15-percent reduction in vehicle trips as compared to project operations absent such program, and must not result in any net additional greenhouse gas emissions. Additionally, as a condition of approval, the City must require the project applicant to implement measures that will achieve reductions of specified amounts of certain criteria pollutants and toxic air contaminants. In December 2019, the Governor certified the project as complying with the

provisions of AB 987, and the Joint Legislative Budget Committee concurred in that determination.

On December 27, 2019, the City published the Draft EIR for the IBEC Project. The comment period for the Draft EIR was extended three times and closed on March 24, 2020, a total of 88 days, almost twice the length of the 45-day comment period required under CEQA. The City received 142 comments on the Draft EIR from public agencies, tribal entities, organizations and individuals, including 114 letters in support of the IBEC Project. The Final EIR for the IBEC Project, including complete responses to all comments received on the Draft EIR and revisions to the EIR was published on June 3, 2020.

At the time of preparing the NOP, staff identified the anticipated entitlements and approvals that the developer would need to construct the proposed IBEC. Using this information, the developer prepared for staff review, suggested text and maps pertaining to the above mentioned public hearing items:

- General Plan Amendment
- Inglewood International Business Park Specific Plan Amendment
- Zoning Code Amendment
- Zone Change
- Sports and Entertainment Complex Design Guidelines and Infrastructure Plan (SEC Development Guidelines)

The developer consulted with the City to draft text and maps that would be compatible with their proposed design and submitted their suggestions for review in May 2020. Staff and the developer also identified other proposed amendments to Chapters 2 (Administration), 3 (Motor Vehicles), 5 (Offenses, Miscellaneous), 10 (Public Works) and 11 (Building Regulations) as discussed more fully below.

Since the City Entities' approval of the ENA in 2017 and throughout preparation of the EIR, the developer has conducted multiple means of community outreach. This has included numerous presentations at block club meetings and other community events; information booths at community events; and outreach to public agencies.

On June 17, 2020, the Planning Commission adopted the following Resolutions recommending approval of the IBEC Project:

No. 1868 Recommending Certification of the Project Environmental Impact Report No. EA-EIR-2020-045, State Clearinghouse No.: SCH2018021056, and adoption of a Mitigation Monitoring Reporting Program, and California Environmental Quality Act (CEQA) Findings and Statement of Overriding Considerations;

No. 1869 Recommending Adoption of General Plan Amendment No. 2020-003;

No. 1870 Recommending Adoption of Specific Plan Amendment No. 2020-001;

No. 1871 Recommending Adoption of Zone Change No. 2020-001 and Adoption of Zoning Code Amendment No. 2020-002;

No. 1872 Recommending Adoption of Sports and Entertainment Complex Design Guidelines and Infrastructure Plan (SEC Development Guidelines); and

No. 1873 Recommending Adoption of Development Agreement between Murphy's Bowl LLC and the City.

On July 1, 2020, the County of Los Angeles Airport Land Use Commission adopted an Order and Findings determining that the proposed project is consistent with the Los Angeles County Airport Land Use Plan.

On July 7, 2020, the City Council set a public hearing to hear the matter on July 21, 2020. On July 10, 2020, notice was published in the Los Angeles Times, posted in the online version of Inglewood Today newspaper, mailed to all interested parties, mailed to agencies required to receive notice under Government Code 65091, and mailed to property owners within the project area and within 500 feet of the project area.

On July 21, 2020, a public hearing on the matter was conducted, and after receiving an oral report and public comments, the City Council took the following actions:

- 1) Adopted Resolution No. 20-105 certifying the Project Environmental Impact Report No. EA-EIR-2020-045, State Clearinghouse No.: SCH2018021056, and adoption of a Mitigation Monitoring Reporting Program, and California Environmental Quality Act (CEQA) Findings and Statement of Overriding Considerations.
- 2) Adopted Resolution No. 20-106 approving General Plan Amendment No. 2020-003 to modify the Land Use Element, Circulation Element, and Safety Element of the Inglewood General Plan with conforming map and text changes to reflect the plan for the Project, including:
 - a. Re-designation of certain properties in the Land Use Element from Commercial to Industrial;
 - b. Addition of specific reference to sports and entertainment facilities and related and ancillary uses on properties in the Industrial land use designation text of the Land Use Element;

- c. Updating Circulation Element maps and text to reflect vacation of portions of West 101st Street and West 102nd Street and to show the location of the Proposed Project; and
 - d. Updating Safety Element map to reflect the relocation of the municipal water well and related infrastructure.
- 3) Adopted Resolution No. 20-107 approving Specific Plan Amendment No. 2020-001 to amend the Inglewood International Business Park Specific Plan to exclude properties within the Project Site from the Specific Plan Area.
- 4) Introduced Ordinance No. 20-12 approving Zone Change No. 2020-001 to apply the Sports and Entertainment (SE) Overlay Zone on the Project Site, and Rezone certain parcels in the Project Site to conform with the existing General Plan Land Use Designation.
- 5) Introduced Ordinance No. 20-13 approving Zoning Code Amendment No. 2020-002 to Chapter 12 of the Inglewood Municipal Code to establish regulations for the Sports and Entertainment Overlay Zone, including text amendments to create an overlay zone establishing development standards including standards for height, setbacks, street frontage, and lot size, permitted uses, signage, parking and loading, public art, design review process under the Proposed Project SEC Development Guidelines (discussed under #7, below), addressing parcel map procedures, and other land use controls.
- 6) Introduced Ordinance No. 20-14 approving Amendments to Inglewood Municipal Code Chapters 2 (Administration), 3 (Motor Vehicles and Traffic), 5 (Offenses, Miscellaneous), 10 (Public Works), and 11 (Building Regulations) to permit development and operation of the Project, including provisions regarding public art, truck routes, noise regulations, traffic demand management, and disposition of municipal real property.
- 7) Adopted Resolution No. 20-108 approving the Sports and Entertainment Complex Design Guidelines and Infrastructure Plan (SEC Development Guidelines) including:
 - a. Implementation and Administration,
 - b. Design Guidelines, and
 - c. Infrastructure Plan.The SEC Development Guidelines will address certain design elements, including building orientation, massing, design and materials, plaza treatments, landscaping and lighting design, parking and loading design, pedestrian circulation, signage and graphics, walls, fences and screening, sustainability features, and similar elements.
- 8) Introduced Ordinance No. 20-15 approving a Development Agreement between Murphy's Bowl LLC and the City.

DISCUSSION:

The Project Site is located near the intersection of Prairie Avenue and Century Boulevard, is approximately 28 acres in size, and is comprised of four sub-area sites (Attachment No. 1). The majority of the project site is located in the 65 dBA Community Noise Equivalent Level (CNEL) noise contour for the LAX flight path. Approximately 84 percent (%) of the project site is City or Successor Agency owned and the remainder is privately owned property. Additionally, approximately 25 of the 28 acres is vacant land.

Many of the vacant or undeveloped parcels on the project site were acquired and cleared by the City/Successor Agency between the mid-1980s and the early 2000s utilizing grants issued by the Federal Aviation Administration (FAA) as part of the Noise Control/Land Use Compatibility Program for Los Angeles Airport (LAX). These grants were aimed at removing residential land uses which were deemed incompatible with the flight path overhead.

Since 1979, a number of steps were taken by the City to situate the properties for land uses more compatible with the airport use of the flight path overhead. These steps included adoption of a noise-compatible General Plan Amendment and Zone Change to change the General Plan and Zoning designations of a significant portion of the Project Site from Residential to Industrial and Commercial. Additionally, in 1993, the City adopted the Inglewood International Business Park Specific Plan which was aimed at facilitating an industrial office park development in a portion of the Industrial and Commercial zoned land. Though the City took these legislative actions and also considered multiple industrial/business park development proposals for City land in the project area, only a limited amount of development has transpired in the Specific Plan area over the past 40 years. Over the years, the City also entered into numerous negotiations regarding City Parcels on the Project Site, but such redevelopment efforts have never come to fruition and the City Parcels remain undeveloped. The City has continuously invested in the beautification of and redevelopment along Century Boulevard and desires to continue those efforts by providing access to entertainment to its residents in the form of spectator sports, including basketball.

The Project presents a unique economic development opportunity that allows the City to transform vacant and underdeveloped parcels on the Project Site into productive, compatible land use, following decades of prior efforts. Moreover, the Project provides the City with the unique redevelopment opportunity associated with the National Basketball Association (NBA) franchise. Opportunities to host such franchises are rare, and the current opportunity is presented in large part because the lease term at Staples Center is expiring, and team's ownership desires to build a new, state-of-the-art facility. The Project presents a significant economic development opportunity, and together with the adjacent SoFi Stadium and other uses, expands the City's presence as a major sports and entertainment center, and builds on the City's rich tradition in sports and entertainment.

The Project Site is comprised of the following four sub-areas:

Central Site (“Arena Site”): approximately 17 acres

Existing General Plan Designations: Commercial and Industrial
Existing Specific Plan (portions of site): Inglewood International Business Park Specific Plan

Existing Zoning Designations: C-2A (Airport Commercial)
M-1L (Limited Manufacturing)

Existing land uses: Fast food restaurant, motel, warehouse, light manufacturing facility, catering business, a City groundwater well No. 6, four (4) freestanding billboards, and 14 acres of vacant land.

Right-of-Way Included: Site includes an approximately 900-foot segment of West 102nd Street.

Surrounding land uses: *North-* Hollywood Park (under construction), a hotel under renovations, and a self-storage facility
South- Multi-family residential, and a church with education and family services facility
East- Shipping facility and an industrial warehouse
West- Fast food/coffee drive thru, liquor store, laundromat, restaurant, auto body shop, single-family and multi-family residential, and vacant land

West Site (“West Parking Garage Site”): approximately 5 acres

Existing General Plan Designations: Commercial and Industrial
Existing Zoning Designations: C-2A (Airport Commercial)
P-1 (Parking)
R-2 (Limited Multi-Family)
R-3 (Residential Multi-Family)

Existing land uses: Vacant land

Right-of-Way Included: Site includes an approximately 300-foot segment of West 101st Street.

Surrounding land uses: *North-* Fast food with drive-thru, gas station, motel, auto repair and vacant land
South- Single-family residential and a religious facility
East- Fast food/coffee drive-thru, liquor store, laundromat, and vacant land
West- Motel and single-family residential

East Site (“East Transportation and Hotel Site”): approximately 5 acres

Existing General Plan Designations: Industrial
Existing Zoning Designations: M-1L (Limited Manufacturing)

Existing land uses: Vacant land

Surrounding land uses: *North-* Casino (Hollywood Park)
South- Multi-family residential and vacant land

East- Shipping facility
West- Industrial aquatics manufacturer and wholesale

Southeastern Site (“Well Relocation Site”): approximately 0.7 acres

Existing General Plan Designations: Industrial
Existing Specific Plan: Inglewood International Business Park Specific Plan
Existing Zoning Designations: M-1L (Limited Manufacturing)
Existing land uses: Vacant land
Surrounding land uses: *North-* Shipping facility
South- Vacant land and multi-family residential
East- Single-family residential
West- Vacant warehouse

Project Description

The Inglewood Basketball and Entertainment Center (IBEC) includes an arena intended to promote the enjoyment and recreation of the public by providing access to the City’s residents in the form of spectator sports, specifically basketball, with up to 18,000 fixed seats to host National Basketball Association (NBA) games, and with up to 500 additional temporary seats for other events such as family shows, concerts, corporate and community events, and other sporting events; an up to 85,000-square foot team practice and athletic training facility; up to 71,000 square feet of LA Clippers office space; an up to 25,000-square foot sports medicine clinic; up to 63,000 square feet of ancillary and related arena uses including retail and dining; an outdoor plaza adjacent to the arena; parking facilities; relocation of a City of Inglewood groundwater well; and various circulation, infrastructure, and other ancillary uses (the Project). The Project will also include a limited-service hotel.

Development of the IBEC will entail demolition of all existing structures on the Project Site and construction of the following components, by sub-area (Attachment No. 2- Basic Site Plan Drawings to the July 21, 2020 City Council staff report and Attachment No. 3- Conceptual Renderings and Conceptual Landscape Plan to the July 21, 2020 City Council staff report):

Arena Site Development:

Arena: up to 18,000 fixed seats and 500 additional temporary seats (proposed to be the home of the LA Clippers)
Team Office Space: up to 71,000 s.f.
Team Practice and Training Facility: up to 85,000 s.f.
Sports Medicine Clinic: up to 25,000 s.f.
Restaurant/Retail/Ancillary and Related Arena Uses: up to 63,000 s.f.
Outdoor Gathering Space and Landscaping: approximately 80,000 s.f.
Parking Structure (VIP/Team Personnel): approximately 650 spaces

On the Arena Site, the Event Center Structure will contain an approximately 915,000 sf Arena with a main performance and seating bowl, food service and retail space, and concourse areas. The Event Center Structure will also include an integrated team practice and training facility, a sports medicine clinic, and office space that would accommodate the LA Clippers team offices. On the south side of the Event Center Structure will be a 3-story, parking structure for premium ticket holders, VIPs, and some team personnel.

The Event Center Structure is proposed to be an iconic, ellipsoid structure with a maximum height of 150 feet above ground. The exterior of the building is designed to have a gridlike façade and roof. The exterior of the building will be comprised of a range of textures and materials, including metal and glass, with integrated solar panels. At night, the structure will be accentuated by distinctive lighting and signage.

The Proposed Project would be designed and constructed to meet the US Green Building Council's Leadership in Energy and Environmental Design (LEED®) Gold certification requirements. Some of the sustainable characteristics would be related to the Project Site, and others would be related to the project design and construction methods.

It is projected that the proposed Arena will accommodate as many as 243 event days each year, on average. Of these events, it is estimated that 62 of them would attract 10,000 or more attendees, and the remainder would be smaller events, with up to 100 events having attendance of 2,000 or less.

The Event Center Structure will be situated to the south of an outdoor plaza with a main entrance on Century Boulevard that would both provide a pedestrian connection to adjacent public streets as well as serve as a gathering area for arena attendees. The plaza would be landscaped with a variety of vegetation such as trees and shrubs. Adjoining the plaza would be a number of 2-story structures that would provide commercial uses such as retail shops, food and drink establishments, as well as an outdoor stage and flexible programming space. The plaza and plaza structures would be connected to the West Parking Garage by an elevated pedestrian bridge that would span South Prairie Avenue.

West Garage Site Development:

Parking Structure: 3,110 spaces for arena employees and visitors

The West Parking Garage Site includes development of a 6-story, 3,110-space parking garage with entrances and exits on West Century Boulevard and South Prairie Avenue. This site is proposed to include a new publicly accessible access road that would connect West 101st Street and West Century Boulevard on the western property boundary of the West Parking Garage Site.

Dual purpose vehicular entrance/exits would be located on Prairie Avenue and Century Boulevard. Both entrances would be equipped with traffic signals that would primarily be used to streamline vehicles exiting the parking structure at the end of events.

East Transportation and Hotel Site Proposed Development:

Hotel: 100-150 guestrooms
Transportation Hub/Parking Structure: Taxis, shared ride services, charter bus pick-up/drop-off, 365 spaces for arena employees and visitors.

The East Transportation and Hotel Site includes development of a three-story structure on the south side of West Century Boulevard, east of the Arena Site. The first level would serve as a transportation hub, with bus staging for approximately 20 coach/buses, 23 mini buses, and 182 car spaces for shared ride services such as drop-off/pick-up and queuing.

The second and third levels of the structure would provide 365 parking spaces for arena and retail visitors and employees. An up to 150-room limited service hotel and associated parking would be developed on the east side of the site.

Well Relocation Site Proposed Development:

New City groundwater well No. 8

On this site, a new City owned and operated groundwater well (Water Well #8) would be constructed to replace Water Well #6 to be removed within the Project Site. The site would be enclosed with fencing and the majority of the pumping equipment will be located underground.

Land Use Entitlements

General Plan Amendment (Land Use, Circulation, and Safety Elements):

The prior General Plan designations within the Project Site were Commercial and Industrial. Most of the site was Industrial with a band of Commercial designation along Prairie Avenue of approximately 180 feet deep on the west side and approximately 100 feet deep on the east side.

As part of the City Council's actions on July 21, 2020, the General Plan designation of the Commercial properties was changed to Industrial so the entire site would have an Industrial designation. This resulted in approximately 2.7 acres of land located along Prairie Avenue that now has an Industrial land use designation instead of a Commercial designation.

In addition to the map changes, text changes were made to the goals and purpose of the Industrial Land Use designation to expand the vision for that area to include Sports and Entertainment and associated facilities on underutilized Industrial land.

In addition to changes to the Land Use Element modifications, changes were made in the Circulation Element to reflect the vacation of portions of 101st Street and 102nd Street as well as map updates to reflect the Sports and Entertainment Complex.

Lastly, in the Safety Element, map updates were made to reflect the new water well location.

Inglewood International Business Park Specific Plan Amendments:

The Inglewood International Business Park Specific Plan (Specific Plan) was adopted in 1993 and encompasses a 2-block area bound by Prairie Avenue on the west, Yukon Avenue on the east, 102nd Street on the north and 104th Street on the south. The Project Site covers approximately one-fourth (1/4) of the Specific Plan Area. When the Specific Plan was adopted, it established development standards and design guidelines that were aimed at the development of an industrial office park. Since that time such development has not occurred, and the vision of the Specific Plan was never built out.

As part of the City Council's actions on July 21, 2020, language was added to the Specific Plan that excludes the project site from the Specific Plan such that its policies and regulations would not apply to the Project site if the site is developed as the proposed Sports and Entertainment Complex.

Zoning Map and Zoning Code Text Changes:

As stated above, the Project approvals include Zoning Code Amendment (No. 2020-002) to establish regulations for the Sports and Entertainment Overlay Zone, including text amendments to create an overlay zone establishing development standards including standards for height, setbacks, street frontage and lot size, permitted use, signage, parking and loading, public art, design review process under the SEC Development Guidelines, addressing parcel map procedures, and other land use controls, and a Zone Change (No. 2020-001) to apply the Sports and Entertainment Overlay Zone on the entire Project Site, and to rezone certain parcels in the Project Site to conform with the existing General Plan Land Use designation.

The Inglewood Municipal Code requires that the Planning Commission make a recommendation to the City Council on whether to approve a proposed Zone Change or Zoning Code Amendment and associated Findings required under Chapter 12 of the IMC. The Planning Commission recommended approval of the proposed amendments on June 17, 2020.

Existing Zoning designations within the site include M-1L, C-2A, P-1, R-3, and R-2. While the Project Site has an existing Commercial/Industrial General Plan designation, the underlying zoning does not fully conform with these designations. Much of the Project Site is zoned C-2A and M-1L which conform but 13 parcels have zoning designations that do not conform with the underlying General Plan designations, which do not allow residential uses. These parcels include P-1, R-3, and R-2 zoning.

It is not unusual for zoning to fall out of conformance with the applicable General Plan land use designations over time as changes are made to the General Plan and not always made concurrently to the Zoning.

As such, the zoning of the P-1, R-3, and R-2 sites (all vacant and City owned) are proposed to be changed to C-2A (Airport Commercial) in order to conform with the Industrial General Plan Designation. This would rezone approximately 2.5 acres to C-2A.

For City-owned, vacant parcels acquired through FAA noise grants to the City of Inglewood as part of LAX Noise Control/Land Use Compatibility Program, the City must dispose of the land purchased under the grants at the earliest practicable time for fair market value, and use its best efforts to dispose of such land subject to the retention or reservation of any interest or right therein necessary to ensure that such land is used only for purposes which are compatible with the noise levels of operation of the airport.

The FAA has stated that the Project appears to be a compatible use of the properties acquired in compliance with the FAA grant program, that residential development of these noise-impacted properties is “inherently inconsistent with the intent of the City’s land acquisition/noise mitigation program, approved and funded by the FAA,” and that residential use of the properties “may be inconsistent with Grant Assurance #21, Compatible Land Use, and Grant Assurance #31, Disposal of Land”, as further discussed in the letter to the City dated August 26, 2019, from Mr. David Cushing, manager of the FAA’s Los Angeles Airport District Office.

Under the proposed project, the existing zoning designations of all C-2A and M-1L properties within the Project Site would remain unchanged in order to allow for existing development options to be maintained.

Under the proposal, a new Sports and Entertainment Overlay Zone (SE Overlay) would be created for the entire proposed Project Site. The Overlay would include new regulations pertaining specifically to the potential development of a basketball arena and ancillary facilities included in the developer’s proposal, while keeping the underlying zoning in place.

Development standards established by the Overlay would include the following topic areas as zoning regulations or would make reference to the applicable Design Guidelines:

Definitions and Permitted Uses: Key terms are defined such as “Arena” and “Sports and Entertainment Complex” (SEC) and permitted uses are described.

SE Overlay Review Process: Under the Overlay, SEC Design Review will be conducted by the Economic and Community Development Department Director or designee to confirm project conformance with the SEC Design

Guidelines. The determination of the Director can be appealed to the City Council.

Setbacks: Setback requirements are contained in the SEC Design Guidelines and range from 0 feet to 35 feet.

Height Limitations: Maximum height of 150 feet for the Arena/Event Center Structure and 100 feet for all other supporting structures and uses. The height limitation for the underlying base zoning is 200 feet for the M-1L portions and 75 feet for the C-2A portions.

Parking/Loading: The parking requirements proposed in the SEC Overlay for the arena, retail, restaurant, and office space are equivalent to or greater than the comparable parking requirements in the IMC. These parking requirements would result in the provision of 4,125 parking spaces. The proposed parking requirement for the hotel is one (1) space per room (1:1) for the first 90 rooms and above 90, the rate would be one (1) space per each two rooms (1:2). This is similar to the IMC hotel parking requirement which is 1:1 for the first 100 rooms and 1:2 thereafter. For a hotel with up to 150 rooms, it will reduce the parking provided by a maximum of five spaces.

For loading, the Event Center Structure is required to have a minimum of four spaces. Supporting structures would be required to provide loading spaces at a rate of 1 per 10,000 square feet of floor area.

Signage: The SEC Overlay regulations specify prohibited signs but the majority of regulations are contained in the Design Guidelines.

In addition to Zoning Code changes made within Chapter 12, other minor changes would be made within other Chapters of the IMC to permit development and operation of the Project, as follows:

Chapter 2-Administration: Modifications affirming and ratifying the City Council's prior determination pertaining to procedures for disposition of City-owned real property.

Chapter 3-Motor Vehicles and Traffic: Changes to conform with the General Plan Amendment to reflect revised truck route on 102nd Street.

Chapter 5-Offenses, Miscellaneous: Modifications to applicable noise regulations for construction and permitted events or activities for the Sports and Entertainment Complex.

Chapter 10-Public Works: Modifications to allow implementation of the comprehensive Transportation Demand Management Plan that will be required as part of the Project in lieu of IMC Traffic Demand Management provisions.

Chapter 11-Building Regulations: Modifications to Public Art regulations applicable to the Project to allow for compliance with Public Art requirements through provisions contained in the Development Agreement.

SEC Development Guidelines

SEC Design Guidelines

As mentioned above, the City has citywide Design Guidelines that were adopted in 1979 and the Downtown/Fairview Heights Transit Oriented Districts have Design Guidelines that were adopted in 2016. Those design guidelines were established by the City in an effort to maintain a consistent design approach within a specific area. In furtherance of high design standards, Project-specific Design Guidelines were approved as part of the City Council's actions on July 21, 2020. Additionally, the Design Guidelines serve to facilitate compliance with Project Design Features determined to be required as part of the environmental review and AB 987 related Conditions of Approval. The SEC Design Guidelines (DG) include the following topic areas:

Site Design and Features: Requirements and guidelines related to setbacks, size limitations for specific uses, walls and fences, and grading and drainage.

Design Elements: Requirements and guidelines related to building massing, façade design, rooflines, exterior building materials, screening, and pedestrian bridge aesthetic requirements.

Landscape Elements: Landscaping requirements and guidelines related to design, plant materials, and irrigation.

Signage and Graphics: Requirements and guidelines related to sign type, function, and location.

Lighting and Acoustics: Requirements and guidelines related to decorative and security lighting, sound walls and other sound attenuation features.

Circulation: Requirements and guidelines to incorporate safe and efficient vehicular access amenities as well as guidelines for designing the SEC to include accessible, inviting, and safe pedestrian features.

Parking: These include requirements and guidelines related to parking facility access design, and layout; shared ride (Uber, Lyft, etc.) facilities; and Transportation Demand Requirements.

Loading: Requirements and guidelines regarding loading space(s) location, design and screening.

Sustainability and Environmental Sensitivity: Requirements and guidelines related to reducing building energy consumption, waste diversion, alternative transportation modes, electric vehicles, water efficiency, storm water retention, and bird collision deterrence.

Design Considerations for Specific Uses: The DG include requirements and design guidelines for the following: on-site alcohol sales, outdoor dining, communications facilities, and public art.

The Design Guidelines are part of a larger document called the Sports and Entertainment Complex Design Guidelines and Infrastructure Plan (SEC Development Guidelines). The SEC Development Guidelines include procedures related to the implementation and administration of the SEC Development Guidelines. The overarching review processes under the Development Guidelines are the SEC Design Review and SEC Infrastructure Review. These reviews will be conducted by the Economic and Community Development Director or Public Works Director or their designees.

SEC Infrastructure Plan

The SEC Development Guidelines also include the SEC Infrastructure Plan. This component includes requirements and guidelines related to onsite and offsite infrastructure components as follows:

Wet Utilities

- Sanitary Sewer-To be installed in existing Right-of-Way and on the Project site.
- Storm Drainage-Project will connect to existing storm drain system as well as relocate and construct new segments of storm drains.
- Fire Protection Infrastructure-Will include public and private water mains and hydrants to be installed on- and offsite.
- Domestic Water Infrastructure-New water mains to be installed in Right-of-Way and connections onsite.
- Groundwater Well Water Transmission Main-Water well transmission infrastructure to be reconfigured to access the new groundwater well site.
- Reclaimed Water System-Reclaimed water line on Prairie Avenue to be accessed for landscape irrigation and other purposes.

Dry Utilities

- Relocations to Maintain Existing Service to Surrounding Businesses-Relocations of utilities contained within applicable segments of 101st and 102nd Streets.
- New Dry Utility Services-Dry utility connections to the Project Site.
- Inglewood Water Well Relocation-Existing Well No. 6 on the Arena Site to be abandoned and Well No. 8 to be constructed on the new site.

Street Improvements

- Local Public Street Right-of-Way Surface Improvements-Specific street and sidewalk improvements, as well as, repair/replace as necessary due to damage resulting from construction of the Project.
- Intersection, Traffic Signal, and Freeway Improvements (Mitigation Measures)-Includes twenty (20) transportation related investments that physically improve intersections and freeways; allow for more efficient transportation operations; and facilitate emergency access during events.

Development Agreement

Pursuant to Government Code Section 65867, the Planning Commission must hold a hearing on the Development Agreement (DA), which it did on June 17, 2020, and pursuant to Government Code Section 65867.5 the City Council must find that the DA is consistent with the General Plan and Specific Plan as amended. The proposed DA primarily includes a number of provisions related to community benefits and vesting entitlements for the Project. All land use requirements contained within the DA are consistent with the General Plan Amendment, Specific Plan Amendment, SE Overlay and/or the SEC Development Guidelines and other (Non Chapter 12) IMC Amendments

Public Benefits included in the DA are as follows:

Creation of Jobs & Workforce Equity

- Minority/Disadvantaged Business Enterprises Participation Goals
- Local Employment Opportunities
- Job Fairs
- Workforce Outreach Coordination Program
- Job Training for Inglewood Residents
- Construction Opportunities for the Formerly Incarcerated
- Project Labor Agreement for Project Construction
- Leased Space to Inglewood Restaurant

Commitments to Affordable Housing & Renter Support

- Funding for Affordable Housing
- First-Time Homeowners Assistance
- Emergency Support to Inglewood Renters and Anti-Eviction Services
- Capacity Building for Housing-Focused Non-Profits

Rehabilitation of Inglewood Public Library and Creation of Community Center

Support for Inglewood Youth and Education

- After School Tutoring for Inglewood Students
- Youth Innovation and Design Camps
- Keeping Inglewood Students in School
- Opening Pathways to College for Inglewood Students

- College Scholarships for Inglewood Students
- Support for Inglewood Seniors
- Improving Inglewood Parks
- Community Engagement & Collaboration
 - Use of Arena for Charitable Causes
 - Access to NBA Games for Community Groups

HR&A Advisors, Inc. (HR&A) conducted a comprehensive study of the fiscal impacts of the IBEC that was peer reviewed by Keyser Marston Associates (KMA) on behalf of the City. KMA generally concurs with the HR&A's findings. The major findings of the HR&A analysis and the KMA peer review are as follows:

- Construction Jobs: The construction of the IBEC would result in the creation of 7,020 full-time and part-time construction jobs on-site and \$450.4 million paid to those on-site construction workers.
- Operational Jobs: The operation of the IBEC, once constructed, would result in the creation of 1,476 full-time and part-time jobs on-site. The on-site workers would be paid \$134.7 million annually. Operation of the IBEC would result in 1,408 more jobs than currently exist on the site.
- Construction City Revenues: During IBEC construction, the City would receive \$12.9 million in tax revenues generated by project construction (\$4.3 million per year).
- Operational City Revenues: Operation of the IBEC would result in \$4.4 million in net fiscal impact to the City in the first stabilized year and a total of \$70 million in cumulative net fiscal impact.
- School Revenues: The IBEC will generate approximately \$72.4 million cumulatively in nominal property tax revenues to the Inglewood Unified School District over the 2020-2045 period.

General Plan Consistency Analysis

The Inglewood General Plan serves as a blueprint for the physical development of the City. It sets the long term physical economic, social and environmental goals for the City and identifies the type of development needed to achieve these goals. Over time, as individual General Plan elements are modified, the City must ensure that any modifications do not conflict with any other part of the general plan. The City has undertaken a comprehensive review and analysis of the Project and the approvals required for its implementation, for consistency with the City's General Plan, as amended by the General Plan Amendment (No. 2020-003); this analysis is set forth in the General Plan Consistency Findings (Attachment No. 4 to the July 21, 2020 City Council staff report). Based on this review, and as further described in City Council Resolution No. 20-106, the City concluded that the Project and the approvals are each, on balance, consistent with relevant applicable General Plan policies, goals and objectives of the General Plan, as amended by the General Plan Amendment (No. GPA-2020-003).

Environmental Determination

As part of the City Council's actions on July 21, 2020, the City Council certified the EIR (No. EA-EIR-2020-045, State Clearinghouse No.: SCH2018021056) prepared for the project in addition to a Mitigation Monitoring Reporting Program, and California Environmental Quality Act (CEQA) Findings and Statement of Overriding Considerations. (See City Council Resolution No. 20-105).

The EIR found a total of 66 significant or potentially significant impacts in the following study areas:

- Aesthetics
- Air Quality
- Biological Resources
- Cultural and Tribal Cultural Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Noise and Vibration
- Transportation and Circulation

Of these significant impacts, 25 can be mitigated to a Less than Significant Level. The mitigation measures for the Project are set forth in the adopted Mitigation Monitoring Reporting Program. The remaining 41 impacts cannot be mitigated to a Less than Significant Level. As such, the EIR concludes that implementation of the proposed project will result in 41 Significant and Unavoidable Impacts listed in Attachment No. 5 to the July 21, 2020 City Council staff report. Pursuant to CEQA Guidelines section 15093(b), the City adopted a Statement of Overriding Considerations.

The EIR evaluates a range of alternatives to the Project. These alternatives include a reduced amount of development at the Project Site, as well as different locations for the Project within and outside of the City of Inglewood. The City's rejection of those alternatives is further described in the Resolution No. 20-105.

A copy of the Final Environmental Impact Report (FEIR) remains available for public review in the First Floor lobby of City Hall, on the City's webpage and via email at ibecproject@cityofinglewood.org.

Public Comments

The City received written comments on the Proposed Project that are not included in the Final EIR. The reason these comments are not included in the Final EIR is that the City received the comments well past the deadline for submitting comments on the Draft EIR. The City is not

required to provide written responses to these late comments. However, a memorandum has been prepared, responding to these late comments. The late comments are attached to ESA's memorandum. ESA's memorandum, including the attached comments, appear as Attachment No. 6 to the July 21, 2020 Staff Report.

Oral comments were received at the July 21, 2020 City Council meeting as well as written comments submitted after the deadline stated in the City Council agenda. The substance of the points raised by written comments were responded to in a separate memorandum by ESA.

COMMISSION COMMENTS AND RECOMMENDATION:

On June 17, 2020, the Planning Commission Adopted the Following Resolutions:

No. 1868 Recommending that the City Council Certify the Project Environmental Impact Report No. EA-EIR-2020-045, State Clearinghouse No.: SCH2018021056, and adoption of a Mitigation Monitoring Reporting Program, and California Environmental Quality Act (CEQA) Findings and Statement of Overriding Considerations;

No. 1869 Recommending that the City Council Approve General Plan Amendment No. 2020-003;

No. 1870 Recommending that the City Council Approve Specific Plan Amendment No. 2020-001;

No. 1871 Recommending that the City Council Adopt Zone Change No. 2020-001 and Adoption of Zoning Code Amendment No. 2020-002;

No. 1872 Recommending that the City Council Approve the Sports and Entertainment Complex Design Guidelines and Infrastructure Plan (SEC Development Guidelines); and

No. 1873 Recommending that the City Council Adopt a Development Agreement between Murphy's Bowl LLC and the City.

FINANCIAL/FUNDING ISSUES AND SOURCES:

There is no fiscal impact.

LEGAL REVIEW VERIFICATION: Y/P

Administrative staff has verified that the legal documents accompanying this report have been submitted to, reviewed and approved by the Office of the City Attorney.

BUDGET REVIEW VERIFICATION: Y/P

Administrative staff has verified that this report, in its entirety, has been submitted to, reviewed and approved by the Budget Division.

FINANCE REVIEW VERIFICATION: Y/P

Administrative staff has verified that this report, in its entirety, has been submitted to, reviewed and approved by the Finance Department.

DESCRIPTION OF ANY ATTACHMENTS:

- Attachment No. 1 – Ordinance No. 20-12 (Zone Change)
- Attachment No. 2 – Ordinance No. 20-13 (Zoning Code Amendment)
- Attachment No. 3 – Ordinance No. 20-14 (IMC Amendments)
- Attachment No. 4 – Ordinance No. 20-15 (Development Agreement)


PREPARED BY:


Christopher E. Jackson, Sr., Economic and Community Development Director
Louis Atwell, Assistant City Manager/Public Works Director
Mindy Wilcox, AICP, Planning Manager
Fred Jackson, Senior Planner
Eddy Ikemefuna, Senior Planner

COUNCIL PRESENTER:

Mindy Wilcox, AICP, Planning Manager

APPROVAL VERIFICATION SHEET

DEPARTMENT HEAD APPROVAL: 
Christopher E. Jackson, Sr., ECD Director

DEPARTMENT HEAD APPROVAL: 
Louis Atwell, Asst. City Manager/PW Director

CITY MANAGER APPROVAL: 
Artie Fields, City Manager

ATTACHMENT NO. 1

1				
2	4032001048	4032001913	4032008900	4034004911
3	4032001005	4032002913	4032008901	4034004912
4	4032001006	4032002914	4032008902	4034004913
5	4032001033	4032002915	4032008903	4034005900
6	4032001039	4032002916	4032008904	4034005901
7	4032001049	4032002917	4032008905	4034005902
8	4032001900	4032003912	4032008907	4034005903
9	4032001901	4032003914	4032008908	4034005904
10	4032001902	4032003915	4034004900	4034005905
11	4032001903	4032004913	4034004901	4034005906
12	4032001904	4032004914	4034004902	4034005907
13	4032001905	4032007035	4034004903	4034005908
14	4032001906	4032007901	4034004904	4034005909
15	4032001907	4032007902	4034004905	4034005910
16	4032001908	4032007903	4034004906	4034005911
17	4032001909	4032007905	4034004907	4034005912
18	4032001910	4032008001	4034004908	
19	4032001911	4032008034	4034004909	
20	4032001912	4032008035	4034004910	

21 ; and

22 WHEREAS, the State Legislature passed SB 1333 (2018) which requires
 23 that all charter cities resolve inconsistencies between Zoning designations and
 24 General Plan Land Use designations within a reasonable time; and

25 WHEREAS, the Zoning designations of thirteen (13) of the site parcels
 26 are inconsistent with the existing Commercial/Industrial General Plan Land
 27 Use designations whereby they have Zoning designations of P-1 (Automobile
 28

1 Parking), R-3 (Multiple-Family), and R-2 (Limited Multiple-Family), which
2 includes the following properties as listed by Assessor Identification Numbers

3
4 4034005900 4034005904 4034005908 4034005912
5 4034005901 4034005905 4034005909
6 4034005902 4034005906 4034005910
7 4034005903 4034005907 4034005911

8
9 ; and,

10 **WHEREAS**, until such time that the City comprehensively updates the
11 General Plan and associated Zoning designations, which would resolve any
12 inconsistencies citywide, the Project entitlements present an opportunity to
13 resolve such inconsistencies on the site; and

14 **WHEREAS**, the attached Exhibit B depicts the existing Zoning
15 designations with the location of the Sports and Entertainment Overlay Zone
16 (Overlay) and Exhibit C depicts the proposed C-2A (Airport Commercial) Zoning
17 designations along with the Overlay; and

18 **WHEREAS**, the proposal was set for a duly-noticed public hearing before
19 the Planning Commission in the City Council Chambers, Ninth Floor, of the
20 Inglewood City Hall, on the 17th day of June 2020, beginning at the hour of 7:00
21 p.m.; and

22 **WHEREAS**, on June 17, 2020, the Planning Commission conducted the
23 hearing at the time and place stated above and afforded all persons interested
24 in this matter, or in any matter or subject related thereto, an opportunity to be
25 heard by the Planning Commission and to submit any testimony or evidence in
26 favor or against the proposal; and

27 **WHEREAS**, pursuant to the California Environmental Quality Act,
28 Public Resources Code, Section 21000 et. Seq. (CEQA), including without

1 limitation Section 21168.6.8, the City prepared an Environmental Impact
2 Report (EIR) for the Project, including Zone Change ZC-2020-001 (State
3 Clearinghouse No. 2018021056) which analyzed environmental impacts of the
4 proposed Project. Prior to making a recommendation on the Project (including
5 the Zone Change ZC-2020-001) the Planning Commission reviewed and
6 considered the EIR and recommended that the City Council certify the EIR,
7 make certain environmental findings and adopt a Statement of Overriding
8 Considerations for significant and unavoidable impacts of the Project that would
9 remain even with the implementation of necessary mitigation measures
10 (together, the CEQA Findings), and adopt a Mitigation Monitoring and
11 Reporting Program (MMRP) for the Project; and,

12 **WHEREAS**, the Planning Commission considered the Zone Change and
13 testimony and information received at the public hearing relating to the Project,
14 including without limitation the oral and written reports from City staff, oral
15 reports from City consultants, and the EIR. After taking public testimony and
16 considering the issues, the Planning Commission adopted and approved
17 Resolution No. 1871 entitled:

18
19 **A RESOLUTION OF THE PLANNING COMMISSION OF THE**
20 **CITY OF INGLEWOOD, CALIFORNIA, RECOMMENDING TO**
21 **THE CITY COUNCIL FOR APPROVAL, ZONE CHANGE ZC-**
22 **2020-001 TO ESTABLISH A SPORTS AND ENTERTAINMENT**
23 **OVERLAY ZONE AND REZONE CERTAIN PARCELS, AND**
24 **ZONING CODE AMENDMENT ZCA-2020-002 TO CHAPTER 12**
25 **(PLANNING AND ZONING) OF THE INGLEWOOD**
26 **MUNICIPAL CODE TO ESTABLISH REGULATIONS FOR THE**
27 **SPORTS AND ENTERTAINMENT OVERLAY ZONE AND**
28 **ADJUST OTHER LAND USE CONTROLS.**

26 **WHEREAS**, the matter of proposed Zone Change ZCA-2020-001 was
27 presented to the City Council on July 7, 2020, who then scheduled a public
28 hearing for July 21, 2020, and,

1 WHEREAS, notice of the time and place of the hearing was given as
2 required by law; and,

3 WHEREAS, the City Council conducted the hearing at the time and place
4 stated in the notice and afforded all persons interested in the matter of the
5 proposed Zone Change, or in any matter or subject related thereto, an opportunity
6 to be heard by the City Council and to submit any testimony or evidence in favor
7 or against the proposed Zone Change; and,

8 WHEREAS, after taking public testimony and considering the issues, the
9 City Council determined that the Sports and Entertainment Overlay Zone should
10 be established; and,

11 WHEREAS, the City Council has carefully considered all testimony and
12 evidence presented in this matter, and being advised finds as follows:

13 **SECTION 1**

14 Pursuant to the California Environmental Quality Act, Public Resources
15 Code, Section 21000, et seq. (CEQA), the City prepared an Environmental Impact
16 Report (EIR) for the Inglewood Basketball and Entertainment Center (State
17 Clearinghouse No. 2018021056), which analyzed environmental impacts of the
18 proposed project and the associated entitlements. Prior to making a decision on
19 the Zone Change, the City Council reviewed and considered the EIR and
20 pursuant to Resolution No. 20-105 (City Council EIR Certification Resolution)
21 certified the EIR, made certain environmental findings, adopted a Mitigation
22 Monitoring and Reporting Program, and adopted a Statement of Overriding
23 Considerations for significant and unavoidable impacts of the Project that would
24 remain even with the implementation of necessary mitigation measures specified
25 in the EIR.

26 **SECTION 2.**

27 Based on the entirety of the materials before the City Council, including
28 without limitation, agenda reports to the City Council and Planning Commission:

1 the EIR and all appendices thereto and supporting information; Planning
2 Commission Resolution No. 1871; City Council Resolution No. 20-105 (EIR
3 Certification Resolution) including the CEQA Findings and Statement of
4 Overriding Considerations and MMRP attached as Exhibits B and C thereto; all
5 plans, drawings, and other materials submitted by the Project Sponsor; minutes,
6 reports, and public testimony and evidence submitted as part of the Planning
7 Commission's and City Council's duly-noticed meetings regarding the IBEC
8 Project; the record of proceedings prepared in connection with AB 987 pursuant
9 to Public Resources Code section 21168.6.8; and all other information contained
10 in the City's administrative record concerning the Project (collectively, the
11 Record), which it has carefully reviewed and considered, the City Council finds
12 as follows:

13 1. The proposed Zone Change to establish the SE Overlay Zone and rezoning
14 of certain properties to make them consistent with the land use
15 designation will be consistent with the Inglewood General Plan, the
16 Industrial land use designation, and the Inglewood International Business
17 Park Specific Plan, as amended, for the reasons set forth in Exhibit D
18 (General Plan Consistency Analysis) to City Council Resolution No. 20-106
19 (General Plan Amendment Resolution), which are incorporated herein by
20 reference, will bring zoned properties that did not conform with the
21 General Plan land use designation into conformance, and will support,
22 among others, the following objectives:

23 a. Promote the development of sports and entertainment facilities and
24 related uses on underutilized land, in appropriate locations,
25 creating economic development and employment opportunities for
26 the City's residents.

27 b. Provide for the orderly development and redevelopment of the City
28 while preserving a measure of diversity among its parts.

1 c. Helps promote sound economic development and increase
2 employment opportunities for the City's residents by responding to
3 changing economic conditions.

4 d. Helps promote Inglewood's image and identity as an independent
5 community within the Los Angeles metropolitan area.

6 2. That the rezoning of certain properties to make them consistent with the
7 General Plan land use designation is necessary to ensure those properties
8 are consistent with the General Plan; and

9 3. The Zone Change (ZCA-2020-001) will not constitute the granting of a
10 special privilege to a property owner inconsistent with the current or
11 designated uses or limitations of other properties in the vicinity for the
12 reasons set forth in Planning Commission Resolution No 1871 (Zone
13 Change and Zoning Code Amendment Resolution), which are incorporated
14 herein by reference.

15 4. The Zone Change (ZC-2020-001) will be appropriate for the subject
16 property in terms of the adequacy of the site to accommodate land uses
17 permitted by the proposed zone for the reasons set forth in Planning
18 Commission Resolution No 1871 (Zone Change and Zoning Code
19 Amendment Resolution), which are incorporated herein by reference.

20 5. That the rezoning of properties that are inconsistent with the General Plan
21 land use designation is appropriate for the site in order to resolve such
22 inconsistencies and make the zoning on this site consistent with the
23 General Plan land use designations.

24 6. That an EIR has been prepared for the IBEC Project, including the
25 proposed Zone Change, and was certified by the City Council prior to
26 approval of Zone Change ZC-2020-001. The City Council adopted CEQA
27 Findings including a Statement of Overriding Considerations for
28 significant and unavoidable impacts of the Project that would remain

1 significant even with the implementation of all feasible mitigation
2 measures specified in the EIR, and adopted an MMRP for the Project in
3 accordance with CEQA as provided in City Council Resolution No. 20-105
4 (EIR Certification Resolution).

5 **SECTION 2.**

6 WHEREAS, at the conclusion of the public hearing, the City Council
7 determined that the Zone Change specified herein should be approved.

8 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INGLEWOOD,**
9 **CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:**

10 The City Council concurs with the Planning Commission recommendation
11 and does hereby approve Zone Change No. ZC-2020-001, to establish a Sports and
12 Entertainment Overlay Zone and rezone certain other parcels, under the
13 provisions of Chapter 12, Article 27 of the Inglewood Municipal Code.

14 The City Clerk shall certify to the passage and adoption of this ordinance
15 and to its approval by the City Council and shall cause the same to be published
16 in accordance with the City Charter and thirty days from the final passage and
17 adoption, this ordinance shall be in full force and effect.

18 //

19 //

20 //

21 //

22 //

23 //

24 //

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26 //

27

28

1 This ordinance to establish a Sports and Entertainment Overlay Zone and to
2 rezone certain other parcels, was **INTRODUCED** at the City Council meeting on
3 the 21st day of July 2020, by Mayor James, T. Butts, Jr.

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James T. Butts, Jr., Mayor
City of Inglewood

Attest:

Yvonne Horton, City Clerk

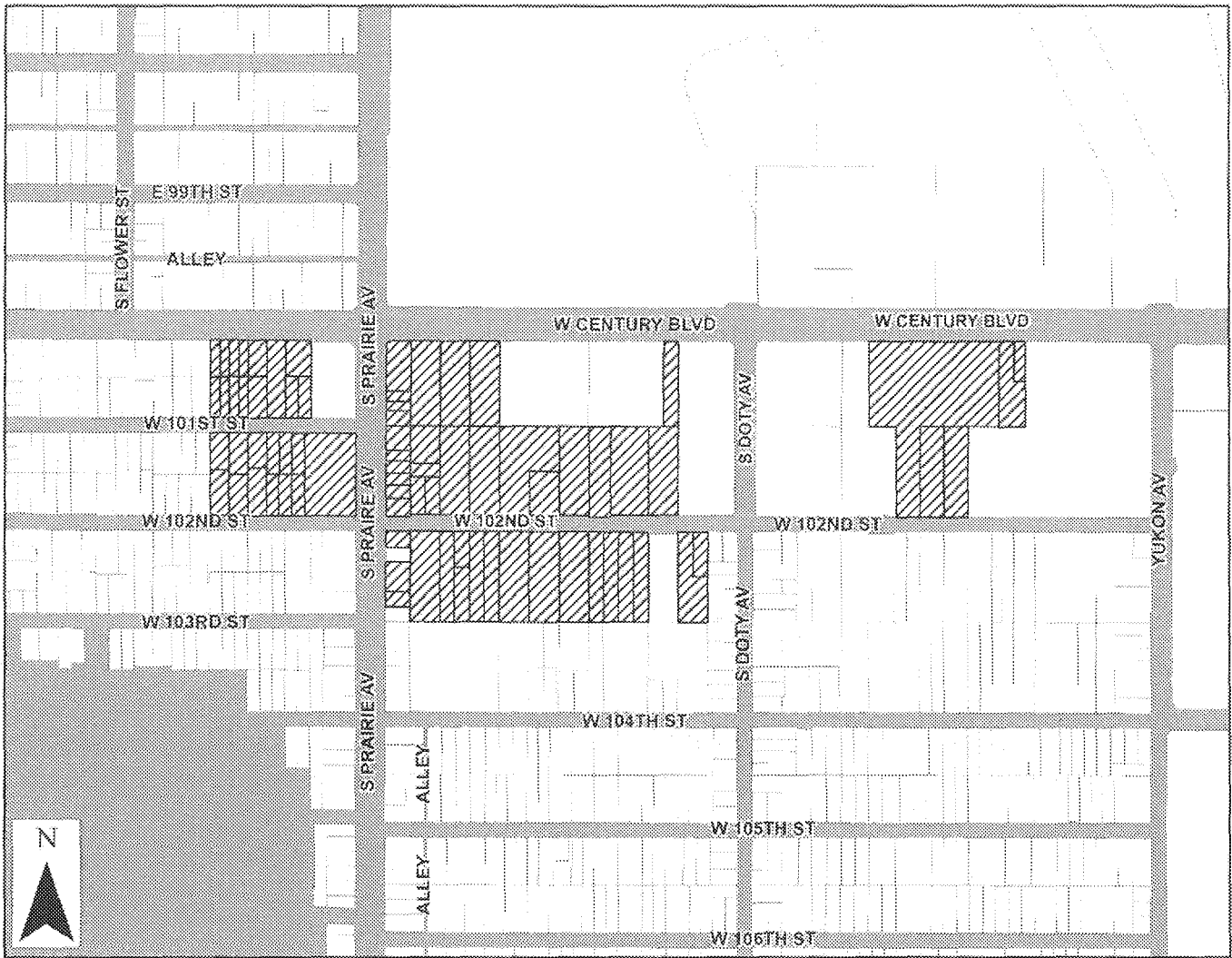
After the second reading, this ordinance was **PASSED, APPROVED, and**
ADOPTED at the regular meeting of the Inglewood City Council on the _____
day of July 2020.

James T. Butts, Jr., Mayor
City of Inglewood

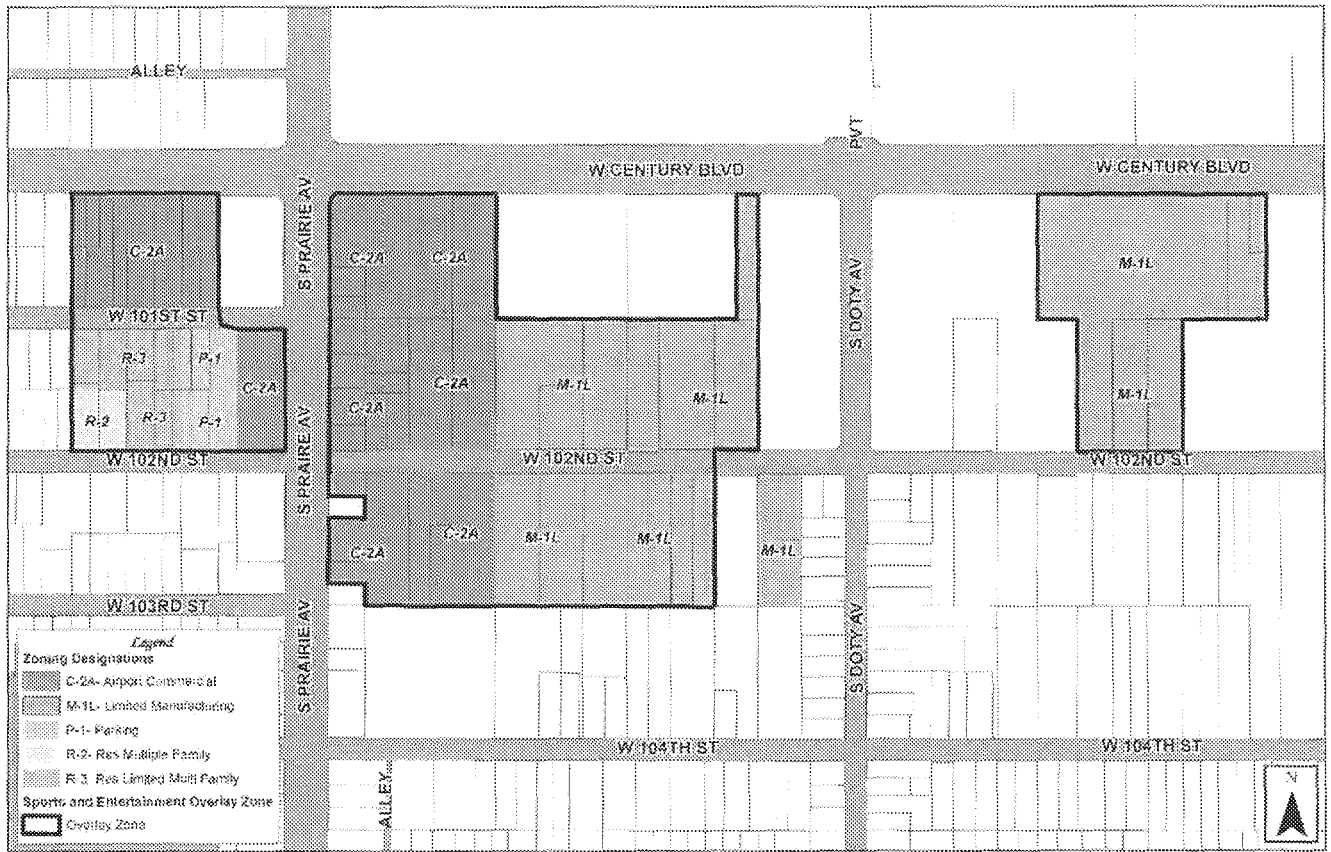
Attest:

Yvonne Horton, City Clerk
(SEAL)

ZC Ordinance
Exhibit A:
IBEC Area Map



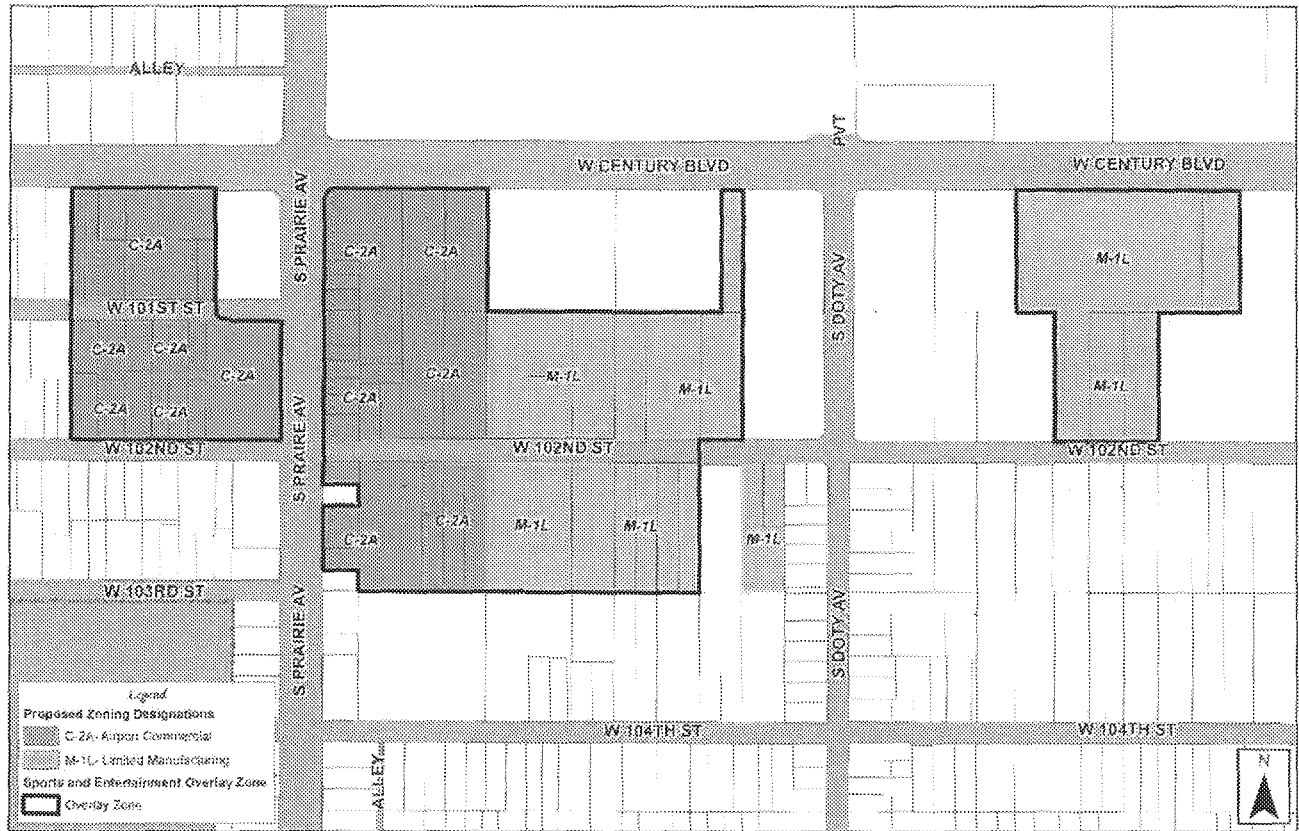
ZC Ordinance
Exhibit B:
Existing Zoning Map



ZC Ordinance

Exhibit C:

Proposed Zoning Map



ATTACHMENT NO. 2

1 Inglewood City Hall, on the 17th day of June 2020, beginning at the hour of 7:00
2 p.m.; and

3 **WHEREAS**, on June 17, 2020, the Planning Commission conducted the
4 hearing at the time and place stated above and afforded all persons interested
5 in this matter, or in any matter or subject related thereto, an opportunity to be
6 heard by the Planning Commission and to submit any testimony or evidence in
7 favor of or against the proposal; and

8 **WHEREAS**, pursuant to the California Environmental Quality Act,
9 Public Resources Code, Section 21000, et seq. (CEQA), including without
10 limitation Section 21168.6.8, the City prepared an Environmental Impact
11 Report (EIR) for the Project, including Zoning Code Amendment ZC-2020-002,
12 (State Clearinghouse No. 2018021056), which analyzed environmental impacts
13 of the proposed Project. Prior to making a recommendation on the Project
14 (including the Zoning Code Amendment ZC-2020-002), the Planning
15 Commission reviewed and considered the EIR and recommended that the City
16 Council certify the EIR, make certain environmental findings and adopt a
17 Statement of Overriding Considerations for significant and unavoidable impacts
18 of the Project that would remain even with the implementation of necessary
19 mitigation measures (together, the CEQA Findings), and adopt a Mitigation
20 Monitoring and Reporting Program (MMRP) for the Project; and

21 **WHEREAS**, the Planning Commission considered the Zoning Code
22 Amendment and testimony and information received at the public hearing
23 relating to the Project, including without limitation the oral and written reports
24 from City staff, oral reports from City consultants, and the EIR. After taking
25 public testimony and considering the issues, the Planning Commission adopted
26 and approved Resolution No. 1871 entitled:

1 A RESOLUTION OF THE PLANNING COMMISSION OF THE
2 CITY OF INGLEWOOD, CALIFORNIA, RECOMMENDING TO
3 THE CITY COUNCIL FOR APPROVAL, ZONE CHANGE ZC-
4 2020-001 TO ESTABLISH A SPORTS AND ENTERTAINMENT
5 OVERLAY ZONE AND REZONE CERTAIN PARCELS, AND
6 ZONING CODE AMENDMENT ZCA-2020-002 TO CHAPTER 12
7 (PLANNING AND ZONING) OF THE INGLEWOOD
8 MUNICIPAL CODE TO ESTABLISH REGULATIONS FOR THE
9 SPORTS AND ENTERTAINMENT OVERLAY ZONE AND
10 ADJUST OTHER LAND USE CONTROLS.

11
12 WHEREAS, the matter of proposed Zoning Code Amendment ZCA-2020-
13 002 was presented to the City Council on July 7, 2020, who then scheduled a
14 public hearing for July 21, 2020; and,

15 WHEREAS, notice of the time and place of the hearing was given as
16 required by law; and,

17 WHEREAS, the City Council conducted the hearing at the time and place
18 stated in the notice and afforded all persons interested in the matter of the
19 proposed Zoning Code Amendment, or in any matter or subject related thereto,
20 an opportunity to be heard by the City Council and to submit any testimony or
21 evidence in favor or against the proposed Zoning Code Amendment; and,

22 WHEREAS, after taking public testimony and considering the issues, the
23 City Council determined that certain changes specified herein, should be made
24 to the text of Chapter 12 of the Inglewood Municipal Code; and,

25 WHEREAS, the City Council has carefully considered all testimony and
26 evidence presented in this matter, and being advised finds as follows:

27 //

1 **SECTION 1.**

2 Pursuant to the California Environmental Quality Act, Public Resources
3 Code, Section 21000, et seq. (CEQA), the City prepared an Environmental Impact
4 Report (EIR) for the Inglewood Basketball and Entertainment Center (State
5 Clearinghouse No. 2018021056), which analyzed environmental impacts of the
6 proposed project and the associated entitlements, including this Zoning Code
7 Amendment. Prior to making a decision on the Zoning Code Amendment, the City
8 Council reviewed and considered the EIR and pursuant to Resolution No. 20-105
9 (City Council EIR Certification Resolution) certified the EIR, made certain
10 environmental findings, adopted a Mitigation Monitoring and Reporting
11 Program, and adopted a Statement of Overriding Considerations for significant
12 and unavoidable impacts of the Project that would remain even with the
13 implementation of necessary mitigation measures specified in the EIR.

14 **SECTION 2.**

15 Based on the entirety of the materials before the City Council, including
16 without limitation, agenda reports to the City Council and Planning Commission;
17 the EIR and all appendices thereto and supporting information; Planning
18 Commission Resolution No.1871; City Council Resolution No. 20-105 (EIR
19 Certification Resolution) including the CEQA Findings and Statement of
20 Overriding Considerations and MMRP attached as Exhibits B and C thereto; all
21 plans, drawings, and other materials submitted by the Project Sponsor; minutes,
22 reports, and public testimony and evidence submitted as part of the Planning
23 Commission's and City Council's duly-noticed meetings regarding the IBEC
24 Project; the record of proceedings prepared in connection with AB 987 pursuant
25 to Public Resources Code section 21168.6.8; and all other information contained
26 in the City's administrative record concerning the Project (collectively, the
27 Record), which it has carefully reviewed and considered, the City Council finds
28 as follows:

- 1) That the proposed Zoning Code Amendment will be consistent with the Inglewood General Plan, the Industrial land use designation, and the Inglewood International Business Park Specific Plan, as each is amended, for the reasons set forth in Exhibit D to (General Plan Consistency Analysis) to City Council Resolution No. 20-106 (General Plan Amendment Resolution), which are incorporated herein by reference, and will support, among others, the following objectives:
- a. Provide for the orderly development and redevelopment of the City while preserving a measure of diversity among its parts.
 - b. Help promote sound economic development and increase employment opportunities for the City's residents by responding to changing economic conditions.
 - c. Promote Inglewood's image and identity as an independent community within the Los Angeles metropolitan area.
- 2) A change to the text of Chapter 12 to establish regulations for the Sports and Entertainment Overlay Zone will not constitute the establishment of unique standards, offering special privilege to a particular individual or group of individuals, that is inconsistent with the general intent of the provisions of the Planning and Zoning Code or that may be detrimental to the general welfare of the community, for the reasons set forth in Planning Commission Resolution No. 1871 (Zone Change and Zoning Code Amendment Resolution), which are incorporated herein by reference.
- 3) That an EIR has been prepared for the IBEC Project, including the proposed Zoning Code Amendment, and was certified by the City Council prior to approval of Zoning Code Amendment ZCA-2020-002. The City Council certified the EIR and adopted CEQA Findings including a Statement of Overriding Considerations for significant

1 and unavoidable impacts of the Project that would remain significant
2 even with the implementation of all feasible mitigation measures
3 specified in the EIR, and adopted an MMRP for the Project in
4 accordance with CEQA as provided in City Council Resolution No. 20-
5 105 (EIR Certification Resolution).

6 **SECTION 3.**

7 WHEREAS, at the conclusion of the public hearing, the City Council
8 determined that the Zoning Code Amendment specified herein should be approved.
9 NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INGLEWOOD
10 DOES HEREBY ORDAIN AS FOLLOWS:

11 The Inglewood Municipal Code, Chapter 12 (Planning and Zoning), is hereby
12 amended by adding Article 17.5, Sports and Entertainment Overlay Zone, to read as
13 follows:

14 **Article 17.5. Sports and Entertainment Overlay Zone**

15 **Section 12-38.90 Purpose**

16 The Sports and Entertainment Overlay Zone ("SE Overlay Zone") is
17 established to provide for the orderly development of a Sports and
18 Entertainment Complex in a comprehensively planned manner, along with a
19 hotel of no fewer than 100, and no greater than 150, guestrooms, within the
20 boundaries shown on the map adopted by the City Council by Ordinance No. 20-
21 12, as part of this SE Overlay Zone.

22 **Section 12-38.91 Definitions**

23 (A) "Arena" shall mean a sports, entertainment, and public gathering
24 facility with indoor seating capacity of no more than 18,500 attendees operated
25 to host events including, but not limited to, sporting events, concerts,
26 entertainment events, exhibitions, conventions, conferences, meetings,
27 banquets, civic and community events, social, recreation, or leisure events,
28 celebrations, and other similar events or activities, including the sale of food

1 and drink for consumption on-site or off-site and the sale of alcoholic beverages
2 for consumption on-site, the sale of merchandise, souvenirs, and novelties and
3 similar items, and other uses, events, or activities as are customary and usual
4 in connection with the operation of such facility.

5 (B) “Event Center Structure” shall mean a multi-purpose facility that
6 includes an Arena and may include any of the following uses:

7 (1) Professional office;

8 (2) Athletic practice and training facilities;

9 (3) Medical office or outpatient clinic and accessory uses;

10 (4) Other non-Arena uses that support the Arena and are
11 located in the Event Center Structure.

12 (C) “Event Center Supporting Structure” shall mean a structure
13 located within the boundaries of the SE Overlay Zone but not within the Event
14 Center Structure, which may include any of the following uses:

15 (1) Retail uses, including, but not limited to, the sale or rental
16 of products or services;

17 (2) Dining uses, including restaurants, bars, cafes, catering
18 services, and outdoor eating areas, including the sale of food
19 and drink for consumption on-site or off-site and the sale of
20 alcoholic beverages for consumption on-site;

21 (3) Community-serving uses for cultural, exhibition,
22 recreational, or social purposes.

23 (D) “Infrastructure and Ancillary Structures and Uses” shall mean any
24 uses or structures, temporary or permanent, that are Accessory to, reasonably
25 related to, or maintained in connection with the operation and conduct of an
26 Event Center Structure or Event Center Supporting Structure, including,
27 without limitation, open space and plazas, pedestrian walkways and bridges,
28 transportation and circulation facilities, public or private parking facilities

1 (surface, subsurface, or structured), signage, outdoor theaters, broadcast,
2 filming, recording, transmission, production and communications facilities and
3 equipment, and events and activities held or conducted outside of the Event
4 Center Structure that include, but are not limited to, any event or activity
5 otherwise permitted in the Event Center Structure.

6 (E) "Sports and Entertainment Complex" shall mean a development
7 that includes the following:

8 (1) Event Center Structure;

9 (2) Event Center Supporting Structures;

10 (3) Infrastructure and Ancillary Structures and Uses; and

11 (4) Any other uses that the Economic and Community

12 Development Department Director determines are similar,
13 related, or accessory to the aforementioned uses.

14 (F) "SEC Development Guidelines" shall have the meaning given in
15 Section 12-38.94.

16 **Section 12-38.92 Applicability**

17 (A) This Article is applicable to the development of a Sports and
18 Entertainment Complex and a hotel of no fewer than 100, and no greater than
19 150, guestrooms on properties located in the SE Overlay Zone. Except as
20 otherwise provided in this Article and/or in the SEC Development Guidelines,
21 the provisions of the Inglewood Municipal Code (IMC), Chapter 12 (Planning
22 and Zoning) shall apply. This Article and the SEC Development Guidelines
23 shall control in the event of a conflict with other provisions of IMC Chapter 12.
24 In the event of a conflict between this Article and the SEC Development
25 Guidelines, the SEC Development Guidelines shall control.

26 (B) All other development in the SE Overlay Zone shall be governed by
27 the applicable provisions of Chapter 12, including the provisions of the
28 applicable underlying zoning district.

1 Section 12-38.93 Permitted Uses

2 The following uses shall be permitted in the SE Overlay Zone and shall
3 be exempt from the Special Use Permit provisions of Article 25 of this Chapter:

4 (A) A Sports and Entertainment Complex subject to specific
5 requirements for the following uses:

6 1. Onsite Sales and Service of Alcoholic Beverages

7 The onsite (including in the plaza area adjacent to the Event
8 Center Structure) sale, service, and consumption of alcoholic
9 beverages, including beer, wine, and distilled spirits, within the
10 Sports and Entertainment Complex is permitted, subject to
11 compliance with the following requirements:

- 12 a. Any establishment or operator within the Sports and
13 Entertainment Complex serving or selling alcoholic
14 beverages shall maintain the applicable license from the
15 California Department of Alcohol Beverage Control
16 ("ABC").
- 17 b. Alcoholic beverages may be purchased, served, or consumed
18 within any licensed establishment and its designated
19 outdoor areas and any additional licensed designated areas,
20 subject to compliance with all applicable ABC license
21 conditions.
- 22 c. Alcoholic beverages may be sold, served, or consumed from
23 the hours of 6:00 AM to 2:00 AM.
- 24 d. All persons engaged in the sale or service of alcoholic
25 beverages shall be at least 18 years old and must
26 successfully complete a certified training program in
27 responsible methods and skills for serving and selling
28

1 alcoholic beverages with recurrent training not less than
2 once every three years.

3 e. Any areas where alcohol is sold, served or consumed shall
4 be monitored by security equipment, security personnel or
5 supervisory personnel.

6 2. Outdoor Restaurants or Dining Areas

7 Outdoor restaurants or dining areas shall be permitted within
8 the Sports and Entertainment Complex subject to compliance
9 with the following requirements:

10 a. The perimeter of outdoor dining areas of any establishment
11 selling or serving alcoholic beverages shall be defined by
12 physical barriers.

13 b. Vehicle drive-through service, or service windows or order
14 pick-up windows along any public right-of-way shall be
15 prohibited.

16 3. Communications Facilities

17 Communications systems, facilities, antennas, and any related
18 equipment for the following purposes may be installed, placed,
19 or used within the Sports and Entertainment Complex:

20 a. Broadcasts or transmissions from or related to the
21 Sports and Entertainment Complex;

22 b. Communications with or transmissions to attendees,
23 employees, or visitors of the Sports and Entertainment
24 Complex;

25 c. Reception and distribution or exhibition of broadcasts or
26 transmissions within the Sports and Entertainment
27 Complex;

- d. Operation of on-site equipment, facilities, structures or uses;
- e. Communications related to events and operations within the Sports and Entertainment Complex;
- f. Emergency services and communications; and
- g. Communications services, including telecommunications services, for large-scale events hosted within the Sports and Entertainment Complex.

(B) One (1) hotel of no fewer than 100, and no greater than 150, guestrooms, subject to compliance with Section 12-16.1 except as provided under this Article.

Section 12-38.94 Sports and Entertainment Complex Development

Guidelines and Review

(A) SEC Development Guidelines. Development of a Sports and Entertainment Complex within the SE Overlay Zone shall be subject to the Sports and Entertainment Complex Design Guidelines and Infrastructure Plan (“SEC Development Guidelines”), adopted by the City Council by Resolution No. 20-108 as the SEC Development Guidelines as may be amended from time to time as provided therein.

(B) Standards, Requirements, and Process. The SEC Development Guidelines establish specific design standards for the development of a Sports and Entertainment Complex within the SE Overlay Zone, the requirements for on-site and off-site Infrastructure to be provided, and the review and permitting process for the Sports and Entertainment Complex and Infrastructure.

(C) SEC Design Guidelines. The SEC Design Guidelines portion of the SEC Development Guidelines, includes, without limitation, standards for site design, features and design elements for buildings and structures, landscaping, signage, and lighting, parking, loading and circulation and sustainability, and

1 shall apply in lieu of any contrary provisions in the Inglewood Municipal Code,
2 including without limitation the Site Plan Review process in Article 18.1 of this
3 Chapter.

4 (D) The SEC Infrastructure Plan portion of the SEC Development
5 Guidelines establishes the infrastructure improvements required to be provided
6 for the Sports and Entertainment Complex and includes, without limitation,
7 wet and dry utilities, streets and sidewalks, traffic signals, and City water well
8 relocation. The SEC Infrastructure Plan shall prevail in the event of any
9 conflict between it and any provisions in Article 22 (Subdivision Regulations) of
10 this Chapter. Within the SE Overlay Zone, (a) the provisions of Section 12-66
11 and Sections 12-66.1 through 12-66.5 are waived and any requirement that a
12 Tentative Parcel Map precede filing of a Parcel Map shall not apply; (b) Section
13 12-66.6 requiring a parcel map to be filed and recorded prior to specified
14 transactions and issuance of building permits is waived and shall not apply; (c)
15 Section 12-7.1 shall not be applied to require a parcel map prior to issuance of
16 building permits; and (d) Except as provided above, a parcel map shall be
17 reviewed and approved in accordance with Section 12-66.5.

18 (E) Review and Approval of SEC Design Drawings and SEC
19 Improvement Plans.

20 (1) Any application for SEC Design Review under the SEC
21 Design Guidelines shall be submitted for review and
22 approval to the Economic and Community Development
23 Department Director in accordance with the standards and
24 requirements established in the SEC Development
25 Guidelines. Such review and approval shall be required
26 prior to the issuance of any building permit(s) for the
27 development of a Sports and Entertainment Complex. SEC
28 Design Review shall not be required for the repair or

1 replacement with the same or comparable type of structural
2 element or material to any portion of an existing building or
3 for interior improvements within an existing building
4 provided that there is no concurrent exterior alteration,
5 building enlargement or increase in parking needs.

6 (2) Any application for review and approval of SEC

7 Improvement Plans under the SEC Infrastructure Plan
8 shall be submitted to the Public Works Director for review
9 and approval of off-site improvements and to the Economic
10 and Community Development Department Director for
11 review and approval of on-site improvements, in accordance
12 with the standards and requirements established in the
13 SEC Development Guidelines.

14 (3) SEC Design Drawings and SEC Improvement Plans

15 submitted under the SEC Development Guidelines shall be
16 approved unless materially inconsistent with the applicable
17 standards established in this Article 17.5 and the SEC
18 Development Guidelines, as more particularly provided
19 therein.

20 **Section 12-38.95 Development Standards**

21 **Section 12-38.95.1 Setbacks**

22 Front yard, side yard, and rear yard for the Sports and Entertainment Complex
23 shall conform to the requirements of the SEC Design Guidelines.

24 **Section 12-38.95.2 Height**

25 (A) The Event Center Structure including any appurtenances thereon
26 shall not exceed one hundred fifty (150) feet in height.

27 (B) Any building or structure other than the Event Center Structure
28 shall not exceed one hundred (100) feet in height.

1 Section 12-38.95.3 Street Frontage

2 Minimum street frontage requirements shall not apply to the
3 development of permitted uses within the SE Overlay Zone.

4 Section 12-38.95.4 Lot Size

5 Minimum lot size requirements shall not apply to the development of
6 permitted uses within the SE Overlay Zone.

7 Section 12-38.95.5 Development Limitations

8 Development of a Sports and Entertainment Complex shall be consistent
9 with the size standards established in the SEC Design Guidelines.

10 Section 12-38.95.6 Walls and Fences

11 (A) Walls and fences within the Sports and Entertainment Complex shall
12 be consistent with the standards established in the SEC Design
13 Guidelines.

14 (B) Review and Approval. SEC Design Review Approval of any fence or
15 wall pursuant to the SEC Design Guidelines shall constitute an
16 approval and permit from the Planning Division for the purposes of
17 compliance with Section 12-93.5, Article 24 of this Chapter.

18 Section 12-38.96 Parking and Loading Requirements

19 Section 12-38.96.1 Parking Requirements

20 The aggregate amount of off-street parking spaces provided and
21 maintained in connection with each of the following uses shall be not
22 less than the following, except as may be reduced through the
23 application of shared parking permitted by Section 12-38.96.2:

24 (A) Event Center Structure. One (1) parking space for each five (5)
25 seats in the Arena, inclusive of any temporary seating capacity, plus one
26 (1) space for each three hundred (300) square feet of gross floor area of
27 Professional office.

1 (B) Event Center Supporting Structures. Sixty (60) parking spaces,
2 plus one (1) additional parking space for each additional four hundred
3 (400) square feet of gross floor area in excess of fourteen thousand
4 (14,000) square feet of gross floor area, based on the combined gross floor
5 area of all uses within the Event Center Supporting Structures.

6 (C) Hotel. Two (2) parking spaces, plus one (1) parking space for each
7 bedroom or other room that can be used for sleeping purposes up to
8 ninety (90) rooms, plus one (1) parking space for each additional two (2)
9 bedrooms or other rooms that can be used for sleeping purposes in excess
10 of ninety (90) rooms.

11 (D) No additional parking shall be required for any other uses within
12 the Event Center Structure described in Section 12-38.91(B) or any
13 Infrastructure and Ancillary Structures and Uses described in Section
14 12-38.91(D).

15 **Section 12-38.96.2 Shared Parking**

16 The parking requirements for any Event Center Supporting
17 Structure or use therein may be satisfied through shared parking of
18 spaces provided for the Arena use, provided that substantial evidence, as
19 determined by the Economic and Community Development Department
20 Director, demonstrates that the peak parking demand for such Event
21 Center Supporting Structure or use therein does not occur during the
22 same period as the peak parking demand for the Arena use, or that the
23 same parking spaces will be used for multiple Sports and Entertainment
24 Complex uses.

25 **Section 12-38.96.3 Location of Parking**

26 (A) Required parking for the Sports and Entertainment
27 Complex may be located on any lot or property within the SE Overlay
28 Zone.

1 (B) The hotel use shall provide and maintain its required on-site
2 parking in a lot exclusively for the hotel use based on the calculation
3 described above in Section 12.38.96.1(C).

4 **Section 12-38.96.4 Parking Standards**

5 For the Sports and Entertainment Complex, the provisions of the
6 SEC Design Guidelines for Parking and Circulation shall apply in lieu
7 of the design standards and requirements for parking spaces and
8 facilities set forth in Sections 12-42.1, 12-53, 12-54.4, 12-55.4, and 12-
9 55.5 of Article 19 of this Chapter.

10 **Section 12-38.96.5 Loading Facilities**

11 (A) Event Center Structure. A minimum of four loading spaces
12 shall be provided for the Event Center Structure. Loading spaces may
13 be provided in a below grade structure.

14 (B) Event Center Supporting Structures. A minimum of one
15 loading space per 10,000 square feet of gross floor area, based on the
16 combined gross floor area of all Event Center Supporting Structures.

17 (C) For the Sports and Entertainment Complex, the provisions
18 of the SEC Design Guidelines for Loading shall apply in lieu of the
19 design standards and requirements for loading set forth in Article 19
20 of this Chapter.

21 **Section 12-38.97 Signs**

22 (A) In lieu of the standards and requirements regarding signs set forth
23 in Sections 12-75, 12-76, 12-77 (and subsections thereto), 12-80, and 12-
24 80.5 of Article 23 of this Chapter, signs for a Sports and Entertainment
25 Complex in the SE Overlay Zone shall be subject to this Article 17.5.

26 (B) Signs within the Sports and Entertainment Complex shall be
27 permitted or exempted from the permit requirement of Section 12-72 of
28 Article 23 of this Chapter, as set forth in the SEC Design Guidelines.

1 (C) Prohibited Signs. Signs that create the following conditions shall
2 be prohibited:

3 (1) Traffic Safety Hazard. Any sign or device which by design or
4 location resembles or conflicts with any traffic control sign or device.
5 Any sign or device that creates a potential safety hazard by
6 obstructing views of pedestrian and vehicular traffic at street
7 intersections or driveways or by creating glare or other hazardous
8 distraction.

9 (2) Infrastructure Hazard. Any sign that is erected within six
10 (6) feet horizontally or twelve (12) feet vertically of any overhead
11 electric conductors exceeding seven hundred fifty (750) volts.

12 (D) Review and Approval. SEC Design Review Approval of any sign
13 pursuant to the SEC Design Guidelines shall constitute a sign approval
14 and permit from the Planning Division for the purposes of Section 12-72,
15 Article 23 of this Chapter.

16 An application for review of any sign pursuant to the SEC Design
17 Guidelines shall include the following information:

18 (1) Location and sign area of each sign;

19 (2) Total signage area;

20 (3) Illumination information including signage refresh rate, scrolling,
21 brightness, and hours of illumination, as applicable.

22 **Section 12-38.98 Public Art**

23 The provisions of Section 12-4.1 shall not apply to development of
24 the Sports and Entertainment Complex. The location of any public art to
25 be provided shall be determined through the SEC Design Review under
26 the SEC Development Guidelines.

1 **SECTION 4:** The Inglewood Municipal Code Chapter 12, Planning and Zoning,
2 is hereby amended by adding Section 12-1.76.1, and Section 12-1.104.1, to read
3 as follows:

4 **Section 12-1.76.1. Sports and Entertainment Complex.**

5 "Sports and Entertainment Complex" shall mean the same as defined in
6 Section 12-38.91(E).

7 **Section 12-1.104.1. SEC Development Guidelines.**

8 "SEC Development Guidelines" shall mean the same as defined in
9 Section 12-38.94(A).

10 **SECTION 5: Parking Outside the SE Overlay Zone.** A parking lot, public
11 parking area, or facility, or any entity providing same, may provide off-street
12 parking for the Sports and Entertainment Complex, outside the SE Overlay Zone,
13 notwithstanding any contrary provisions in Inglewood Municipal Code Chapter
14 12, Planning and Zoning, Article 19 (Parking Regulations).

15 **SECTION 6: Lot Line Adjustments.** The lot lines of adjacent parcels within the
16 SE Overlay Zone may be adjusted at the request of the property owners, or by
17 City on its own initiative as to City owned property, in accordance with the
18 provisions of Government Code Section 66412(d), and pursuant to the procedures
19 in this Section. Such action shall be a ministerial approval made by the Economic
20 and Community Development Department Director, or his or her designee, who
21 shall approve a lot line adjustment if he or she finds that (i) the adjusted lot
22 conforms with the general plan and zoning, and (ii) all owners of an interest in
23 the subject real property have consented to the lot line adjustment. No conditions
24 or exactions shall be imposed on the approval of the lot line adjustment except to
25 conform to the general plan, zoning and building ordinances, to require the
26 prepayment of real property taxes prior to the approval of the lot line adjustment,
27 or to facilitate the relocation of existing utilities, infrastructure or easements. No
28 tentative map, parcel map or final map shall be required as a condition to the

1 approval of a lot line adjustment. The adjusted lot lines shall be shown in a
2 recorded notice of merger of lot line adjustment or a certificate of compliance.

3 **SECTION 7:**

4 The City Council concurs with the Planning Commission recommendation
5 and does hereby approve Zoning Code Amendment No. ZCA-2020-02, to establish
6 regulations for the Sports and Entertainment Overlay Zone and adjust other land
7 use controls, as established in Sections 4 through 6 of this ordinance, under the
8 provisions of Chapter 12, Article 27 of the Inglewood Municipal Code.

9 The City Clerk shall certify to the passage and adoption of this ordinance
10 and to its approval by the City Council and shall cause the same to be published
11 in accordance with the City Charter and thirty days from the final passage and
12 adoption, this ordinance shall be in full force and effect.

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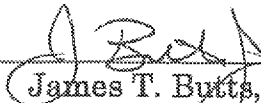
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27 This ordinance to amend Chapter 12 of the IMC, to establish regulations for the
28 Sports and Entertainment Overlay Zone and adjust other land use controls was

1 INTRODUCED at the City Council meeting on the 21st day of July 2020, by
2 Council Member Eloy Morales, Jr.

3 
4 _____
5 James T. Butts, Jr., Mayor
6 City of Inglewood

7 Attest:

8 _____
9 Yvonne Horton, City Clerk

10 After the second reading, this ordinance was PASSED, APPROVED, and
11 ADOPTED at the regular meeting of the Inglewood City Council on the _____
12 day of July 2020.

13 _____
14 James T. Butts, Jr., Mayor
15 City of Inglewood

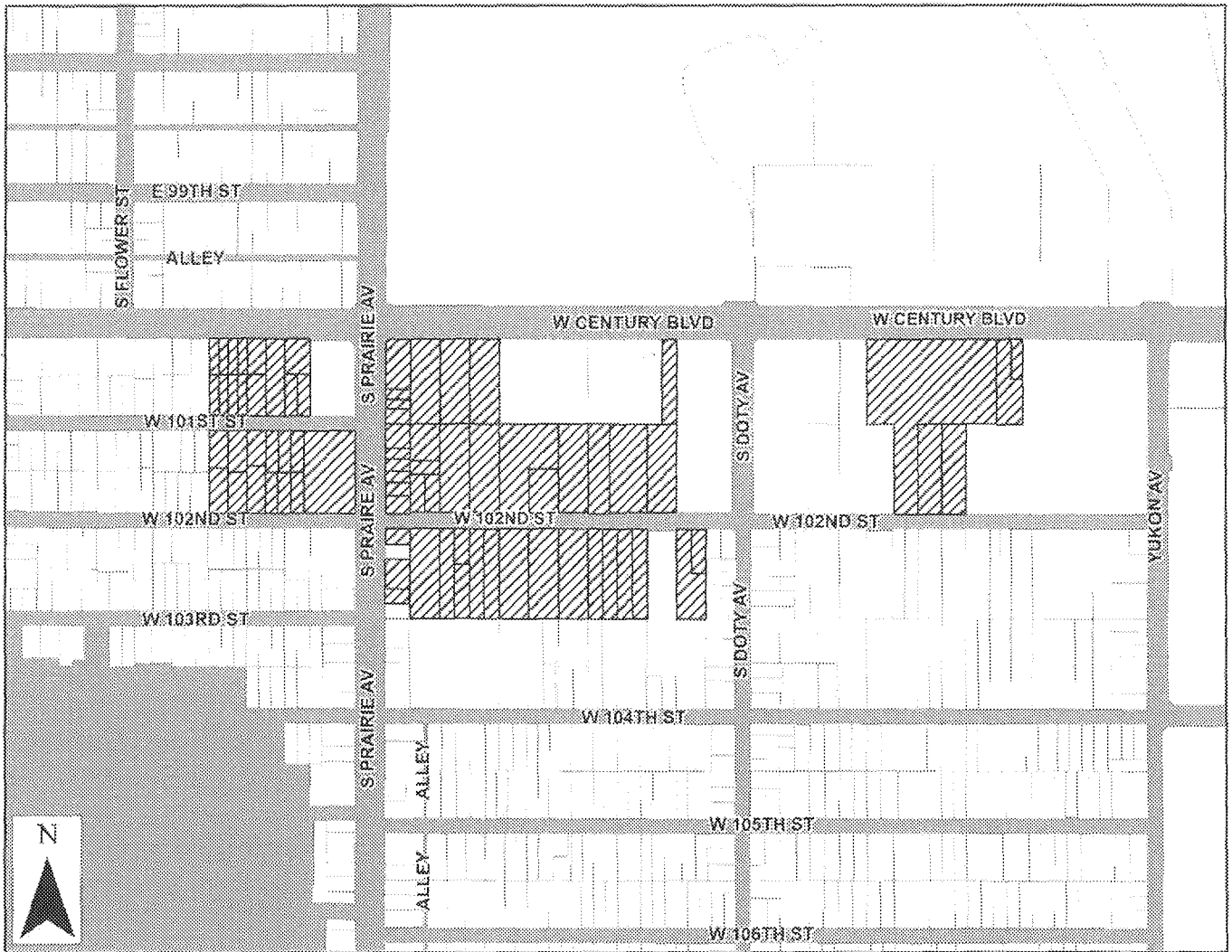
16 Attest:

17 _____
18 Yvonne Horton, City Clerk
19 (SEAL)

ZCA Ordinance

Exhibit A:

IBEC Area Map



ATTACHMENT NO. 3

1 WHEREAS, the matter of the proposed Inglewood Municipal Code
2 Amendments (IMC Amendments) was presented to the City Council on July 7,
3 2020, who then scheduled a public hearing for July 21, 2020; and,

4 WHEREAS, notice of the time and place of the hearing was given as
5 required by law; and,

6 WHEREAS, the City Council conducted the hearing at the time and place
7 stated in the notice and afforded all persons interested in the matter of the IMC
8 Amendments, or in any matter or subject related thereto, an opportunity to be
9 heard by the City Council and to submit any testimony or evidence in favor or
10 against the proposed IMC Amendments; and,

11 WHEREAS, all applicable procedural requirements for adopting
12 amendments to the Inglewood Municipal Code have been followed; and

13 WHEREAS, the City Council has taken and carefully considered public
14 testimony and all evidence presented at the public hearing, and the City Council
15 determined that the IMC Amendments should be made to the text of the
16 Inglewood Municipal Code, and finds as follows:

17 **SECTION 1.**

18 Pursuant to the California Environmental Quality Act, Public Resources
19 Code, Section 21000, et seq. (CEQA), the City prepared an Environmental Impact
20 Report (EIR) for the Inglewood Basketball and Entertainment Center (State
21 Clearinghouse No. 2018021056), which analyzed environmental impacts of the
22 proposed project and the associated entitlements, including the IMC
23 Amendments. Prior to making a decision on the IMC amendments, the City
24 Council reviewed and considered the EIR and pursuant to Resolution No. 20-105
25 (City Council EIR Certification Resolution) certified the EIR, made certain
26 environmental findings and adopted a Statement of Overriding Considerations
27 for Significant and Unavoidable Impacts of the Project that would remain even
28 with the implementation of necessary mitigation measures specified in the EIR

1 (together, the CEQA Findings), and adopted a Mitigation Monitoring and
2 Reporting Program (MMRP) for the Project.

3 **SECTION 2.**

4 Based on the entirety of the materials before the City Council, including
5 without limitation, agenda reports to the City Council and Planning Commission;
6 the EIR and all appendices thereto and supporting information; City Council
7 Resolution No. 20-105 (EIR Certification Resolution) including the CEQA
8 Findings and Statement of Overriding Considerations and MMRP attached as
9 Exhibits B and C thereto; all plans, drawings, and other materials submitted by
10 the Project Sponsor; minutes, reports, and public testimony and evidence
11 submitted as part of the Planning Commission's and City Council's duly-noticed
12 meetings regarding the IBEC Project; the record of proceedings prepared in
13 connection with AB 987 pursuant to Public Resources Code section 21168.6.8;
14 and all other information contained in the City's administrative record
15 concerning the Project (collectively, the Record), which it has carefully reviewed
16 and considered, the City Council finds as follows:

17 1) That the proposed IMC Amendments are consistent with the Inglewood
18 General Plan, the Industrial land use designation, and the Inglewood
19 International Business Park Specific Plan, as each is amended, for the
20 reasons set forth in Exhibit D (General Plan Consistency Analysis) to
21 City Council Resolution No. 20-106 (General Plan Amendment
22 Resolution), which are incorporated herein by reference, and will
23 support, among others, the following objectives:

- 24 a. Provide for the orderly development and redevelopment of the City
25 while preserving a measure of diversity among its parts.
- 26 b. Help promote sound economic development and increase
27 employment opportunities for the City's residents by responding to
28 changing economic conditions.

1 c. Promote Inglewood's image and identity as an independent
2 community within the Los Angeles metropolitan area.

3 2) That an EIR has been prepared for the IBEC Project, including the
4 proposed IMC Amendments, and was certified by the City Council
5 prior to approval of the IMC Amendments. The City Council certified
6 the EIR and adopted CEQA Findings including a Statement of
7 Overriding Considerations for significant and unavoidable impacts of
8 the Project that would remain significant even with the
9 implementation of all feasible mitigation measures specified in the
10 EIR, and adopted an MMRP for the Project in accordance with CEQA
11 as provided in City Council Resolution No. 20-105 (EIR Certification
12 Resolution).

13 **SECTION 3.**

14 WHEREAS, at the conclusion of the public hearing, the City Council
15 determined that the IMC Amendments specified herein should be approved.

16 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INGLEWOOD**
17 **DOES HEREBY ORDAIN AS FOLLOWS:**

18 **SECTION 4.**

19 Inglewood Municipal Code, Chapter 2 (Administration), Section 2-211.1 is
20 hereby amended to read as follows:

21
22 Whenever the City becomes the owner of any real property, other than that
23 specified by Article VI, Section 2-202 et seq., of the same may be sold in the
24 manner set forth in this Article. With respect to the sale or other disposition of
25 City-owned real property within the SE Overlay Zone, whenever owned or
26 acquired by the City, the City Council affirms and ratifies its determination
27 that this Article's provisions shall not apply.

28 **SECTION 5.**

1 Inglewood Municipal Code, Chapter 3 (Motor Vehicles and Traffic), Section 3-
2 85 is hereby amended to read as follows:

3 The following streets or portions of streets are hereby designated as routes the
4 use of which is permitted by any vehicle exceeding a maximum gross weight of
5 three tons. The traffic authority is authorized to designate the following streets
6 as "Truck Routes" by use of appropriate signs where, in his or her opinion, such
7 designation is required:

8 Arbor Vitae Street from West City Limits to La Brea Avenue;

9 Aviation Boulevard from Manchester Boulevard to South City Limits;

10 Centinela Avenue from West City Limits to Florence Avenue;

11 Century Boulevard from West City Limits to East City Limits;

12 Crenshaw Boulevard from North City Limits to South City Limits;

13 Eucalyptus Avenue from Florence ~~Avenue~~ Avenue to Juniper Street;

14 Florence Avenue from Manchester Boulevard to East City Limits;

15 Hawthorne Boulevard from Century Boulevard to South City Limits;

16 Hyde Park Boulevard from Hyde Park Place to East City Limits;

17 Hyde Park Place from Centinela Avenue to Hyde Park Boulevard;

18 Imperial Highway from West City Limits to East City Limits;

19 Juniper Street from Eucalyptus Avenue from La Brea Avenue;

20 La Brea Avenue from North City Limits to South City Limits;

21 La Cienega Boulevard from North City Limits to South City Limits;

22 Manchester Boulevard from West City Limits to East City Limits;

23 Prairie Avenue from Florence Avenue to South City Limits;

24 102nd Street from ~~Prairie~~ 325 feet west of the centerline of South Doty Avenue
25 to Yukon Avenues.

26 **SECTION 6.**

27 Section 5-24.2 is hereby added to Inglewood Municipal Code, Chapter 5
28 (Offenses, Miscellaneous), Article 2 (Noise Regulations) as follows:

1 Section 5-24.2 Noise Regulations in the SE Sports and Entertainment Overlay
2 Zone

3 The provisions of this Article shall not apply to the construction of a
4 Sports and Entertainment Complex within the SE Overlay Zone, and shall not
5 apply to the operation of a Sports and Entertainment Complex within the SE
6 Overlay Zone for any permitted events or activities, which events or activities
7 shall be permitted to generate noise levels in excess of those otherwise
8 permitted in this Article, so long as noise exceeding the limits in Article 2 does
9 not extend beyond twelve a.m.

10 SECTION 7.

11 Inglewood Municipal Code, Chapter 10 (Public Works), Article 12 (Traffic
12 Demand Management Ordinance), subdivision (1) of Section 10-151 is hereby
13 amended to read as follows:

14 (1) Applicability of Requirements. Prior to approval of any development
15 project, the applicant shall make provision for, as a minimum, all of the
16 applicable transportation demand management and trip reduction measures
17 listed in the sections that follow.

18 This Article shall not apply to projects for which a development
19 application has been deemed "incomplete" by the City pursuant to Government
20 Code Section 65943, or for which a Notice of Preparation for a DEIR has been
21 circulated or for which an application for a building permit has been received,
22 prior to the effective date of the Ordinance codified in this Article. In addition,
23 this Article shall not apply to development that is permitted under the
24 provisions of the SE Overlay Zone, in light of the comprehensive Transportation
25 Demand Management program imposed as mitigation measures in the
26 Environmental Impact Report for the IBEC Project, as memorialized in its
27 Mitigation Monitoring and Reporting Program (MMRP).

28 SECTION 8.

1 Inglewood Municipal Code, Chapter 11 (Building Regulations), Article 14
2 (Public Art for New Construction), Section 11-140 is hereby amended to read as
3 follows:

4 Whenever the valuation of a new nonresidential private structure and/or
5 other nonresidential project or public building to be developed in the City of
6 Inglewood equals or exceeds two hundred fifty thousand dollars (\$250,000.00), the
7 developer of such project shall provide public art valued as specified in the Master
8 Fee Schedule in a manner as set forth herein.

9 The provision of public art shall be satisfied by one of the following
10 methods:

11 (1) Installation of on-site artwork;

12 (2) In-lieu of fee payment;

13 (3) In the SE Overlay Zone the provision of public art may be satisfied by
14 a combination of (1) and (2) above, or as may be otherwise permitted or calculated
15 in a development agreement regarding development in the SE Overlay Zone
16 property between a developer and the City.

17 For the purposes of this Section, project valuation shall be the valuation of
18 the building or structure as determined by the Building Division for the issuance
19 of the building permit(s).

20 **SECTION 9.**

21 Inglewood Municipal Code, Chapter 11 (Building Regulations), Article 14
22 (Public Art for New Construction), Section 11-141 is hereby amended to read as
23 follows:

24 A developer may satisfy the requirement to provide public art valued as
25 specified in the Master Fee Schedule by entering into a written agreement with
26 the City through the Parks, Recreation and Community Services Department, or
27 for any property located within the Hollywood Park Specific Plan zone or the SE
28 Overlay Zone, a developer may satisfy the requirement by entering into a

1 statutory development agreement with the City, to provide for the installation and
2 maintenance of on-site artwork in accordance with the City's standards and
3 guidelines or as otherwise provided in the development agreement. After entering
4 into such agreement, the Parks, Recreation and Community Services Department
5 (or, in the case of the Hollywood Park Specific Plan zone or the SE Overlay Zone,
6 the City Clerk) shall notify the Building Division of such agreement and that no
7 in-lieu fee payment will be required when the building permit is issued for the
8 subject project.

9 **SECTION 10.**

10 Inglewood Municipal Code, Chapter 11 (Building Regulations), Article 14
11 (Public Art for New Construction), Section 11-142 is hereby amended to read as
12 follows:

13 If the developer of a project does not wish to enter into an agreement
14 with the City of Inglewood to install artwork on-site, the developer may satisfy
15 the obligation to provide public art by paying an in-lieu fee at the time the
16 building permit is issued for the project by the Building Division except that as
17 to property within the SE Overlay Zone that is subject to a development
18 agreement between a developer thereof and the City, the public art fee shall be
19 paid or satisfied at the time and in the manner provided in the development
20 agreement. The in-lieu fee shall be as specified in the Master Fee Schedule,
21 and shall be deposited into the City of Inglewood Public Art Fund established
22 to finance public art projects and to place public artwork in the community.


23 **SECTION 11**

24 The City Council hereby approves the IMC Amendments to Chapters 2, 3,
25 5, 10, and 11 specified herein.

26 The City Clerk shall certify to the passage and adoption of this ordinance
27 and to its approval by the City Council and shall cause the same to be published
28

1 in accordance with the City Charter and thirty days from the final passage and
2 adoption, this ordinance shall be in full force and effect.

3 This ordinance to amend Chapters 2, 3, 5, 10, and 11 of the IMC was
4 **INTRODUCED** at the City Council meeting on the 21st day of July 2020, by
5 **Council Member Alex Padilla.**

6
7 
8 _____
9 **James T. Butts, Jr., Mayor**
10 **City of Inglewood**

11 **Attest:**

12 _____
13 **Yvonne Horton, City Clerk**

14 After the second reading, this ordinance was **PASSED, APPROVED,** and
15 **ADOPTED** at the regular meeting of the Inglewood City Council on the _____
16 day of July 2020.

17
18
19 _____
20 **James T. Butts, Jr., Mayor**
21 **City of Inglewood**

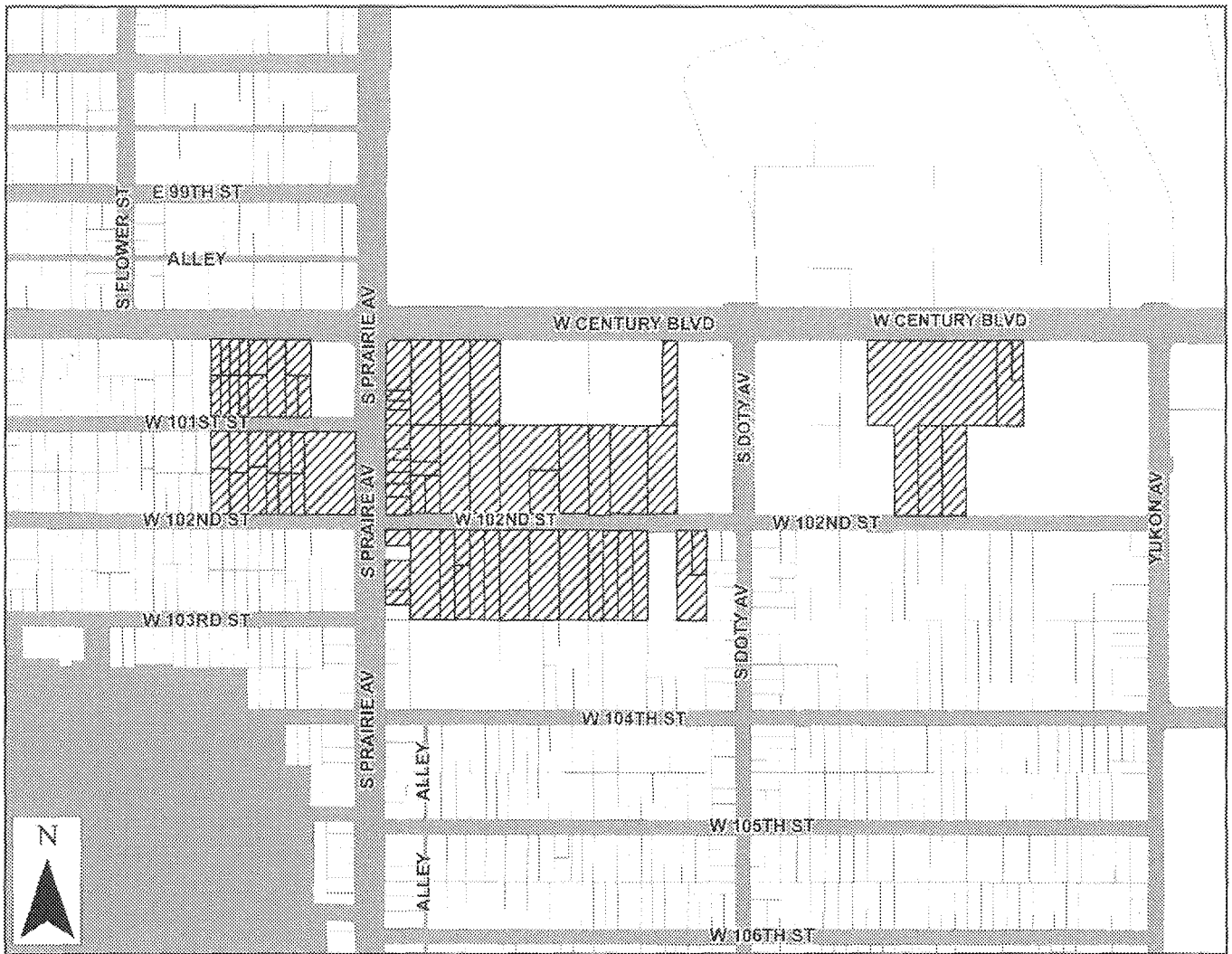
22 **Attest:**

23
24 _____
25 **Yvonne Horton, City Clerk**
26 **(SEAL)**

IMC Amendments Ordinance

Exhibit A:

IBEC Area Map



ATTACHMENT NO. 4

1 **WHEREAS**, pursuant to the Development Agreement Statute, the Project
2 Sponsor seeks to enter into a development agreement with the City for purposes
3 of developing the Project, substantially in the form attached to this Ordinance as
4 Exhibit B (the Development Agreement).

5 **WHEREAS**, Project Sponsor has entered into a binding legal contract for
6 the acquisition of the parcel identified in the proposed Development Agreement
7 as PPP Parcel 2.

8 **WHEREAS**, to strengthen the public planning process, encourage private
9 participation in comprehensive planning and reduce the economic risk of
10 development, the Legislature authorizes municipalities, in their discretion, to
11 establish certain development rights in real property for a period of years
12 regardless of intervening changes in land use regulations.

13 **WHEREAS**, the proposed Development Agreement was set for a duly-
14 noticed public hearing before the Planning Commission in the City Council
15 Chambers, Ninth Floor, of the Inglewood City Hall, on the 17th day of June 2020,
16 beginning at the hour of 7:00 p.m.

17 **WHEREAS**, on June 17, 2020, the Planning Commission conducted the
18 hearing at the time and place stated above and afforded all persons interested in
19 the matter of the Development Agreement or in any matter or subject related
20 thereto, an opportunity to be heard by the Planning Commission and to submit
21 any testimony or evidence in favor of or against the proposed Development
22 Agreement.

23 **WHEREAS**, pursuant to the California Environmental Quality Act, Public
24 Resources Code, Section 21000, et seq. (CEQA), including without limitation
25 Section 21168.6.8, the City prepared an Environmental Impact Report (EIR)
26 (State Clearinghouse No. 2018021056) for the Project, including the proposed
27 Development Agreement, which analyzed environmental impacts of the proposed
28 Project. Prior to making a recommendation on the Project (including the proposed

1 Development Agreement), the Planning Commission reviewed and considered
2 the EIR and recommended that the City Council certify the EIR, make certain
3 environmental findings and adopt a Statement of Overriding Considerations for
4 significant and unavoidable impacts of the Project that would remain even with
5 the implementation of necessary mitigation measures (together, the CEQA
6 Findings), and adopt a Mitigation Monitoring and Reporting Program (MMRP)
7 for the Project.

8 **WHEREAS**, the Planning Commission considered the Development
9 Agreement and testimony and information received at the public hearing relating
10 to the Project, including without limitation the oral and written reports from City
11 staff, oral reports from City consultants, and the EIR. After taking public
12 testimony and fully considering all the issues, the Planning Commission
13 determined that the proposed Development Agreement should be recommended
14 for approval to the City Council.

15 **WHEREAS**, on June 17, 2020, the Planning Commission approved
16 Resolution No. 1873 entitled:

17
18 **A RESOLUTION OF THE PLANNING COMMISSION OF THE**
19 **CITY OF INGLEWOOD, CALIFORNIA, RECOMMENDING TO**
20 **THE CITY COUNCIL THAT A DEVELOPMENT AGREEMENT**
21 **BY AND BETWEEN THE CITY OF INGLEWOOD AND**
22 **MURPHY'S BOWL, LLC, CONCERNING THE INGLEWOOD**
23 **BASKETBALL AND ENTERTAINMENT CENTER (IBEC) BE**
24 **APPROVED**

25 **WHEREAS**, the matter of the proposed Development Agreement was
26 presented to the City Council on July 7, 2020, who then scheduled a public
27 hearing for July 21, 2020; and,

28 **WHEREAS**, notice of the time and place of the hearing was given as
required by law; and,

1 WHEREAS, the City Council conducted the public hearing at the time and
2 place stated above and afforded all persons interested in the matter of the
3 Development Agreement, or any matter or subject related thereto, an opportunity to
4 be heard by the City Council and to submit any testimony or evidence in favor of or
5 against the Development Agreement.

6 **SECTION 1.**

7 The City Council has carefully considered all testimony and evidence
8 presented in this matter, and being advised finds as follows:

9 Based on the entirety of the materials before the City Council, including
10 without limitation, agenda reports to the City Council and the Planning
11 Commission; Planning Commission Resolution No. 1873; the EIR and all
12 appendices thereto and supporting information; Resolution No. 20-105 (EIR
13 Certification Resolution) including the CEQA Findings and Statement of
14 Overriding Considerations and MMRP attached as Exhibits B and C thereto; all
15 plans, drawings, and other materials submitted by the Project Sponsor; minutes,
16 reports, and public testimony and evidence submitted as part of the Planning
17 Commission's and City Council's duly-noticed meetings regarding the IBEC
18 Project; the record of proceedings prepared in connection with the requirements
19 of AB 987 pursuant to Public Resources Code section 21168.6.8; and all other
20 information contained in the City's administrative record concerning the Project
21 (collectively, the Record), which it has carefully reviewed and considered, the City
22 Council finds as follows:

23 1. The foregoing Recitals are true and correct and made a part of this
24 Ordinance.

25 2. All procedural requirements for the City Council to approve the
26 Development Agreement have been followed.

27 3. The Development Agreement substantially complies with applicable
28 requirements of the Development Agreement Statute, including without

1 limitation by virtue of the Project Sponsor holding a legal or equitable interest in
2 PPP Parcel 2 as a result of the Project Sponsor's entry into a binding legal
3 contract for the acquisition of such property, as well as the additional legal and
4 equitable interests in the real property further described in the Development
5 Agreement, including without limitation Section 4 thereof.

6 4. The Development Agreement is consistent with the General Plan,
7 the Industrial land use designation, and the Inglewood International Business
8 Park Specific Plan (IIBP Specific Plan), as amended, and the Project and the
9 approvals required for implementation of the Project, are, on balance, consistent
10 with the General Plan and IIBP Specific Plan, as both are amended, as described
11 in Exhibit D (General Plan Consistency Analysis) to City Council Resolution No.
12 20-106 (General Plan Amendment Resolution), which is incorporated by
13 reference as though fully set forth herein.

14 5. The Development Agreement satisfies the requirements of Section
15 65865.2, including by specifying the duration of the agreement, the permitted
16 uses of the property, the intensity of use, the maximum height and size of
17 proposed buildings, and provisions for reservation or dedication of land for public
18 purposes. The Development Agreement will thereby help ensure the efficient and
19 orderly development of the Project. The adoption of the Development Agreement
20 is reasonably related to protection of the public health, safety, and welfare, as
21 further described in the City Council Agenda Report and City Council Resolution
22 No. 20-105 (EIR Certification Resolution), which includes a Statement of
23 Overriding Considerations.

24 6. The Development Agreement provides substantial public benefits to
25 the City, and to persons residing or owning property outside the boundary of the
26 Property beyond the exactions for public benefits required in the normal
27 development review process under federal, state or local law, as described in the
28 Development Agreement and summarized in the Record.

1 7. An EIR has been prepared for the IBEC Project, including the proposed
2 Development Agreement. Prior to final approval of the Development Agreement, the
3 City Council certified the EIR and adopted CEQA Findings including a Statement of
4 Overriding Considerations for significant and unavoidable impacts of the Project
5 that would remain significant even with the implementation of all feasible
6 mitigation measures specified in the EIR, and adopted an MMRP for the Project in
7 accordance with CEQA as provided in City Council Resolution No. 20-105 (EIR
8 Certification Resolution).

9 **SECTION 2.**

10 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF**
11 **INGLEWOOD, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:**

12 Pursuant to the foregoing recitations and findings, the City Council of the
13 City of Inglewood, California, hereby approves DA-2020-001 as set forth in
14 Exhibit "B" attached hereto.

15 The City Council does hereby authorize and instruct the Mayor to execute
16 the Development Agreement, attached hereto as Exhibit "B", on behalf of the City
17 of Inglewood.

18 The City Clerk shall certify to the passage and adoption of this ordinance
19 and to its approval by the City Council and shall cause the same to be published
20 in accordance with the City Charter and thirty days from the final passage and
21 adoption, this ordinance shall be in full force and effect.

22 ///

23 ///

24 ///

25 ///

26 ///

27

28

1 This ordinance was INTRODUCED at the City Council meeting on the 21st day
2 of July 2020, by Council Member Ralph L. Franklin.

3
4 
5 _____
6 James T. Butts, Jr., Mayor
7 City of Inglewood

8 Attest:

9 _____
10 Yvonne Horton, City Clerk

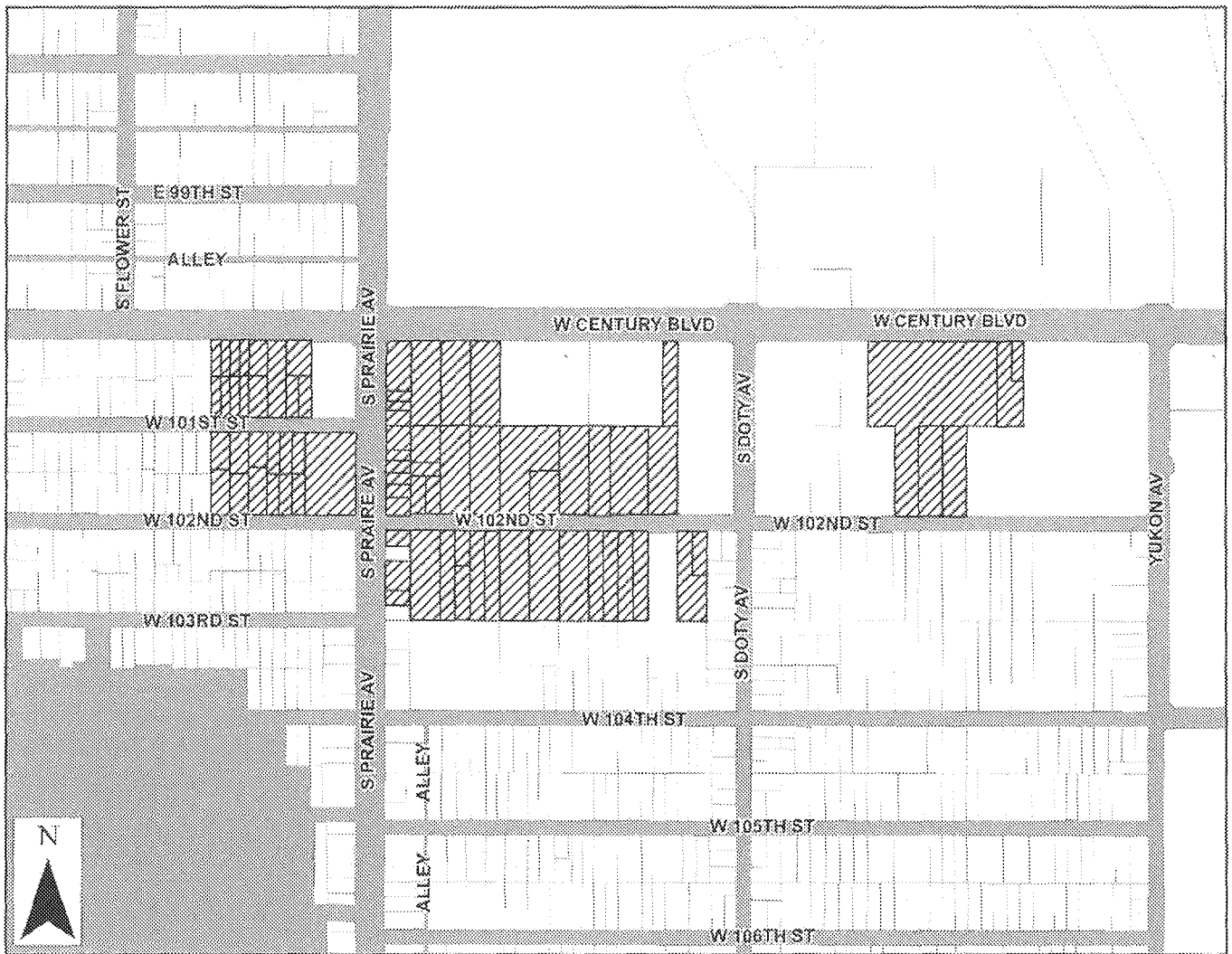
11
12 After the second reading, this ordinance was PASSED, APPROVED, and
13 ADOPTED at the regular meeting of the Inglewood City Council on the _____
14 day of July 2020.

15
16 _____
17 James T. Butts, Jr., Mayor
18 City of Inglewood

19 Attest:

20
21 _____
22 Yvonne Horton, City Clerk
23 (SEAL)

DA Ordinance
Exhibit A:
IBEC Area Map



DA Ordinance
Exhibit B:
Development Agreement

EXECUTION COPY

OFFICIAL BUSINESS
Document entitled to Free recording
Government Code Section 6103

RECORDING REQUIRED BY
AND WHEN RECORDED MAIL TO:

City of Inglewood
One Manchester Blvd.
Inglewood, CA 90301
Attn: City Clerk

(SPACE ABOVE THIS LINE RESERVED FOR
RECORDER'S USE)

DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF INGLEWOOD,
AND
MURPHY'S BOWL LLC

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DEVELOPMENT AGREEMENT

This Development Agreement (this "**Agreement**") is entered into as of this ___ day of _____, by and between the CITY OF INGLEWOOD, a municipal corporation ("**City**"), and MURPHY'S BOWL LLC, a Delaware limited liability company ("**Developer**"). City and Developer and their respective Transferees and assigns are hereinafter collectively referred to as the "**Parties**" and singularly as "**Party**."

RECITALS

A. Authorization. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Government Code Section 65864 *et seq.* (the "**Development Agreement Statute**"), which authorizes City and any person having a legal or equitable interest in real property to enter into a development agreement, establishing certain development rights in the property which is the subject of the development project application. The purpose of the Development Agreement Statute is to authorize municipalities, in their discretion, to establish certain development rights for a period of years regardless of intervening changes in land use regulations.

B. Developer. Developer is a limited liability company formed and in good standing under the laws of the State of Delaware and is qualified to do business in the State of California.

C. Project. The Developer, in cooperation with the City, proposes to develop on the Property, as defined below, a Sports and Entertainment Complex with an arena, providing access to recreation to the public in the form of spectator sports, that has up to approximately 18,000 fixed seats suitable for National Basketball Association ("NBA") games, with capacity to add approximately 500 additional temporary seats for additional sports, entertainment or other events, as well as ancillary and incidental arena uses which is expected to include: (1) up to an approximately 85,000 square-foot team practice and athletic training facility; (2) up to approximately 71,000 square feet of LA Clippers team office space; (3) up to an approximately 25,000 square-foot sports medical clinic for team and potential general public use; (4) an outdoor plaza adjacent to the Arena with circulation and gathering space and landscaping along with an outdoor stage and basketball court (collectively, the "**Plaza**"); (5) up to approximately 63,000 square feet of retail, food and beverage, back of house services, security, storage, bag check, rest rooms, and other uses adjacent to the Plaza; (6) parking facilities in three parking structures with parking spaces for vehicles and bicycles; (7) a transportation hub dedicated to bus, coach, and Transportation Network Company staging; (8) one or two pedestrian bridges across adjacent rights-of-way; (9) various signage, broadcast, filming, recording, transmission, production, and communications facilities and equipment; and (10) other associated public improvements (collectively, and as modified in accordance with this Agreement, the "**Project**"). The Project is also expected to include a limited service hotel. The Project includes implementation of a Transportation Demand Management Program with shuttle bus service connecting the Property to nearby Metro stations, including pick-up and drop-off locations along South Prairie Avenue, and other trip reduction measures as fully described in the MMRP and in this Agreement. The Project would also be designed to meet or exceed standards for LEED Gold certification.

D. Property. The Project is to be developed on those certain parcels of real property referred to in this Agreement as the "**Property**" and generally depicted in Exhibit A attached hereto. Together, the Property is comprised of the "**City Parcels**" more particularly identified and legally described in Exhibit A-1 and the "**Potential Participating Parcels**" more particularly identified and legally described in Exhibit A-2. Developer has entered into a contract for the acquisition of one of the Potential Participating Parcels, identified as Parcel 2 in Exhibit A-2 (individually, "**PPP Parcel 2**"); pursuant to which a memorandum of such contract has been recorded in the Official Records of the County of Los Angeles, State of California. In conjunction with entering into this Agreement, the Parties contemplate entering into a Disposition and Development Agreement (the "**DDA**"), providing for, among other things, the Developer's purchase from City of the City Parcels and, if acquired by the City, the remaining Potential Participating Parcels.

E. Planning Commission Public Hearing. On June 17, 2020, at a duly noticed public hearing, the Planning Commission of the City of Inglewood, serving as the City's planning agency for purposes of development agreement review pursuant to Government Code Section 65867, considered this Agreement and thereafter, pursuant to Resolution No. _____, recommended that the City Council approve this Agreement.

F. Environmental Review. On _____, 2020, at a duly noticed public hearing, the City Council of the City of Inglewood, serving as the lead agency for purposes of CEQA, reviewed and considered the Inglewood Basketball and Entertainment Center Environmental Impact Report for the Project (the "**FEIR**") and the Planning Commission's recommendations related thereto. Thereafter, the City Council certified the FEIR as adequate and complete and made findings in connection therewith pursuant to Resolution No. _____.

G. Project Approvals. The approvals set forth in Exhibit B (the "**Project Approvals**") are necessary for the development, use, and operation of the Project, and such Project Approvals have been granted and are the subject of this Agreement.

H. Agreement Consistent with the General Plan and Applicable Specific Plans. Having duly examined and considered this Agreement and having properly noticed and held public hearings hereon, the City Council has found that this Agreement is consistent with the General Plan, as amended by the Project Approvals, and the International Business Park Specific Plan, as amended under the Project Approvals. As a result, this Agreement complies with the Government Code Section 65867.5 requirement of general plan and specific plan consistency.

I. City Determination. This Agreement is voluntarily entered into by the Parties in consideration of the benefits to and the rights created in favor of each of the Parties and in reliance upon the various representations and warranties contained herein. As such, City has determined that the Project is a development for which a development agreement is appropriate. A development agreement will secure the appropriate commitments for the benefit of the public and eliminate uncertainty in City's land use planning and permitting process and assure that Developer may plan to develop, use, and operate the Property with certainty as to the installation of necessary improvements appropriate to the Project, and otherwise achieve the goals and purposes for which the Development Agreement Statute was enacted. In order to enable Developer to expend the necessary sums to prepare the plans referred to in this Agreement and to

pursue other development work associated with the Project, both Developer and City desire to provide certainty through this Agreement with respect to the specific development, use, and operational criteria applicable to the Property in order to provide for appropriate utilization of the Property in accordance with sound planning principles.

J. Public Use Determination. The City Council has determined that the development of the Project, at no cost to the City, which provides access to recreation to the residents of the City of Inglewood in the form of spectator sports, is a proper public use which is consistent with the City's charter and its municipal functions (the "**Public Use**").

K. Public Benefits Provided Pursuant to the Development Agreement. In addition to the Public Use aspect of the Project, the City Council has also determined that the development of the Project will afford the City and its residents with numerous public benefits, including those identified in Section 14 and more particularly described in Exhibit C (the "**Public Benefits**"), which are in excess of those otherwise having a "nexus" to the Project and beyond the public benefits which could be expected from the Project in absence of the Agreement. In exchange for the Public Benefits to the City, Developer desires to receive assurances that the City will grant permits and approvals required for the development, use, and operation of the Project, over the term of this Agreement, in accordance with procedures provided by Applicable Law and in this Agreement, and that Developer may proceed with the development, use, and operation of the Project in accordance with the Existing City Laws consistent with the terms and conditions of this Agreement. In order to effectuate these purposes, the Parties desire to enter into this Agreement.

L. City Council Action. On _____, 2020, the City Council held a duly noticed public hearing on this Agreement and, after independent review and consideration, including the Planning Commission's recommendations related thereto, approved this Agreement pursuant to Ordinance No. _____ (the "**Enacting Ordinance**"), making the same findings and determinations as those made by the Planning Commission through its own independent conclusion and this Agreement.

NOW, THEREFORE, in consideration of the following mutual promises, conditions, and covenants, the Parties agree as follows:

AGREEMENT

1. **INCORPORATION OF RECITALS AND EXHIBITS.** The Preamble, the Recitals and all defined terms set forth in both are incorporated into this Agreement as if set forth herein in full. In addition, each of the exhibits attached hereto are expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include the exhibits hereto.

2. **DEFINITIONS.** Each reference in this Agreement to any of the following terms shall have the meaning set forth below for each such term. Certain other terms shall have the meaning set forth for such term in this Agreement if not otherwise defined below.

2.1 **Adoption Date.** The date the City Council adopted the Enacting Ordinance.

2.2 **Affiliate.** As to an individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company or other legal entity or organization (each, a "**Person**"), any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person. As to the definition of Affiliate, "**control**" shall mean, directly or indirectly, and either individually or in concert with any Immediate Family Members, (a) the ownership of more than 50% of the voting securities or other voting interests of any Person, or (b) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise; and "**Immediate Family Members**" shall mean, and be limited to, with respect to any individual, (a) such natural person's then-current spouse, children, grandchildren, and other lineal descendants of such natural person, (b) any trust or estate of which the primary beneficiaries include such natural person and/or one or more of the persons described in the foregoing clause (iv)(a), or (c) any corporation, partnership, limited liability company or other entity that is 100% owned by one or more of the Persons described in the foregoing clauses (iv)(a) and (iv)(b).

2.3 **Agreement.** Defined in the Preamble.

2.4 **Annual Review Date.** Defined in Section 19.1.

2.5 **Applicable Exactions.** Defined in Section 7.2.

2.6 **Applicable Law.** Collectively, (i) Existing City Laws, (ii) Subsequent Rules only if applicable to the development, use, or operation of the Project pursuant to Section 8 of this Agreement, and (iii) the laws of the State of California, the Constitution of the United States, and any codes, statutes, or mandates in any court decision, state or federal, thereunder.

2.7 **Approvals.** All amendments to City Laws and any and all permits or approvals (including conditions of approval imposed in connection therewith) of any kind or character granted or issued under the City Laws to confer the lawful right on Developer to develop, use, and operate the Project in accordance with this Agreement, including, but not limited to, the Project Approvals, any Subsequent Approvals, and other permits and approvals that are applicable to the Project in accordance with this Agreement.

2.8 **Approved Event Configurations.** Defined in Section 9.1.

2.9 **Arena.** A state-of-the-art basketball arena which has up to approximately 18,000 fixed seats suitable for NBA games, with capacity to add approximately 500 additional temporary seats for additional sports, entertainment or other events, and includes ancillary and incidental uses and spaces within the arena structure, such as restaurant food service, retail, and concourse areas.

2.10 **CEQA.** The California Environmental Quality Act (Public Resources Code §§ 21000 *et seq.* and the Guidelines thereunder (Title 14, Cal. Code Regs. § 15000 *et seq.*).

2.11 **Certificate of Occupancy.** The final certificate of occupancy issued by the City for the Project or any applicable portion thereof.

2.12 **City.** Defined in the Preamble.

2.13 **City Fiscal Year.** The twelve month period commencing October 1 of any calendar year through and including September 30 of the next calendar year.

2.14 **City Law(s).** The ordinances, resolutions, codes, rules, regulations, and official policies of the City, governing the permitted uses, density, parking requirements, design, operations, improvement and construction standards and specifications applicable to the development, use, or operation of the Property or the Public Improvements. Specifically, but without limiting the generality of the foregoing, City Laws shall include the City's General Plan, Municipal Code, zoning ordinance, and subdivision regulations, as well as taxes related to ticket sales, gross receipts, and parking.

2.15 **City Manager.** The City Manager of Inglewood or his or her designee.

2.16 **City Parcels.** Defined in Recital D.

2.17 **City-Wide Laws.** Any City Laws generally applicable to a category of development, use, or operation of one or more kinds, wherever the same may be located in City, including but not limited to, a general or special tax adopted in accordance with California Constitution, Art. XIII C and D *et seq.*, otherwise known as Proposition 218; provided, however, that notwithstanding the foregoing, any ordinances, resolutions, codes, rules, regulations, taxes and official policies of City which only apply to, meaningfully impact, or uniquely and disproportionately impact the Project (whether explicitly, or as a practical matter) shall not be considered City-Wide Laws. For the purposes hereof, "City-Wide Laws" includes the variant "City-Wide."

2.18 **Claims.** Defined in Section 20.1.

2.19 **Codes.** Defined in Section 7.4.

2.20 **Commercial Sign.** Defined in Section 17.

2.21 **Complaining Party.** Defined in Section 24.

2.22 **DDA.** Defined in Recital D.

2.23 **Default.** Either an Event of City Default or an Event of Developer Default (as applicable).

2.24 **Development Agreement Statute.** Defined in Recital A.

2.25 **Effective Date.** The last to occur of (i) the date the Enacting Ordinance (as defined below) takes effect pursuant to Government Code § 36937; (ii) the date the Enacting Ordinance or other Project Approval(s), is (are) upheld in the event of a valid referendum proceeding is filed pursuant to Elections Code § 9235, *et seq.*; or (iii) the date the City and Developer enter into a DDA as described in Recital D.

2.26 **Enacting Ordinance.** The ordinance pursuant to which the City approved this Agreement as defined in Recital L.

2.27 **Environmental Law.** Any federal, state or local law, ordinance, rule, or regulation, now or hereafter enacted, amended or modified, in each case to the extent applicable to the Property including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601 *et seq.*); the Hazardous Materials Transportation Act (49 U.S.C. Section 1801 *et seq.*); the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 *et seq.*); Sections 25117, 25281, 25316 or 25501 of the California Health & Safety Code; any so-called "Superfund" or "Superlien" law; the Toxic Substance Control Act of 1976 (15 U.S.C. Section 2601 *et seq.*); the Clean Water Act (33 U.S.C. Section 1251 *et seq.*); and the Clean Air Act (42 U.S.C. Section 7901 *et seq.*).

2.28 **Event of City Default.** Defined in Section 22.2.

2.29 **Event of Developer Default.** Defined in Section 22.1.

2.30 **Exactions.** All exactions, costs, fees, in-lieu fees or payments, charges, taxes, assessments, dedications, or other monetary or non-monetary requirement charged or imposed by City, or by City through an assessment district (or similar entity), in connection with the development of, construction on, operation or use of real property, including but not limited to transportation improvement fees, park fees, parking taxes, admissions taxes, child care in-lieu fees, art fees, affordable housing fees, infrastructure fees, dedication or reservation requirements, facility fees, sewer fees, water connection fees, obligations for on- or off-site improvements, or other conditions for approval called for in connection with the development, construction, or operation of the Project, whether such exactions constitute public improvements, Mitigation Measures, or taxes or impositions made under applicable City Laws or in order to make an Approval consistent with applicable City Laws. Exactions shall not include Processing Fees, such as building permit fees and plan check fees, Transient Occupancy Tax (IMC § 9-8 or as modified), Sewer Connection Fees (IMC § 10-91 or as modified), and Sewer Service Fees (IMC § 10-155 or as modified).

2.31 **Existing City Laws.** The City Laws in effect as of the Adoption Date, as amended by any amendments to City Laws enacted by the Project Approvals.

2.32 **FEIR.** Defined in Recital F.

2.33 **Final Determination.** A final, non-appealable resolution of any legal challenge or appeal.

2.34 **General Plan.** The General Plan for City, adopted by the City Council in January 1980, and subsequently amended, and in effect as of the Adoption Date, as amended by any applicable amendments to City Laws enacted by the Project Approvals.

2.35 **Hazardous Materials.** Any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California and/or the United States Government, including, but not limited to asbestos; polychlorinated biphenyls (whether or not highly chlorinated); radon gas; radioactive materials; explosives; chemicals known to cause

cancer or reproductive toxicity; hazardous waste, toxic substances or related materials; petroleum and petroleum product, including, but not limited to, gasoline and diesel fuel; those substances defined as a "Hazardous Substance", as defined by Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, *et seq.*, or as "Hazardous Waste" as defined by Section 6903 of the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*; an "Extremely Hazardous Waste," a "Hazardous Waste" or a "Restricted Hazardous Waste," as defined by The Hazardous Waste Control Law under Section 25115, 25117 or 25122.7 of the California Health and Safety Code, or is listed or identified pursuant to Section 25140 of the California Health and Safety Code; a "Hazardous Material", "Hazardous Substance," "Hazardous Waste" or "Toxic Air Contaminant" as defined by the California Hazardous Substance Account Act, laws pertaining to the underground storage of hazardous substances, hazardous materials release response plans, or the California Clean Air Act under Sections 25316, 25281, 25501, 25501.1 or 39655 of the California Health and Safety Code; "Oil" or a "Hazardous Substance" listed or identified pursuant to the Federal Water Pollution Control Act, 33 U.S.C. 1321; a "Hazardous Waste," "Extremely Hazardous Waste" or an "Acutely Hazardous Waste" listed or defined pursuant to Chapter 11 of Title 22 of the California Code of Regulations Sections 66261.1 through 66261.126; chemicals listed by the State of California under Proposition 65 Safe Drinking Water and Toxic Enforcement Act of 1986 as a chemical known by the State to cause cancer or reproductive toxicity pursuant to Section 25249.8 of the California Health and Safety Code; a material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, materially damages or threatens to materially damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or government agency requires in order for the Property to be put to the purpose proposed by this Agreement; any material whose presence would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank; pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. 136 *et seq.*; asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. 2601 *et seq.*; any radioactive material including, without limitation, any "source material," "special nuclear material," "by-product material," "low-level wastes," "high-level radioactive waste," "spent nuclear fuel" or "transuranic waste" and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. 2011 *et seq.*, the Nuclear Waste Policy Act, 42 U.S.C. 10101 *et seq.*, or pursuant to the California Radiation Control Law, California Health and Safety Code, Sections 25800 *et seq.*; hazardous substances regulated under the Occupational Safety and Health Act, 29 U.S.C. 651 *et seq.*, or the California Occupational Safety and Health Act, California Labor Code, Sections 6300 *et seq.*; and/or regulated under the Clean Air Act, 42 U.S.C. 7401 *et seq.* or pursuant to the California Clean Air Act, Sections 3900 *et seq.* of the California Health and Safety Code.

2.36 **Indemnification Claim.** Defined in Section 20.2.1.

2.37 **Indemnified Parties.** Defined in Section 20.1.

2.38 **Developer.** Defined in the Preamble.

2.39 **Losses.** Defined in Section 20.1.

2.40 **Minor Amendment.** Defined in Section 21.4.

2.41 **Mitigation Measures.** The mitigation measures applicable to the Project, the implementation of which is identified in the MMRP as the responsibility of Developer.

2.42 **MMRP.** The Mitigation Monitoring and Reporting Plan adopted as part of the Project Approvals, as it applies to the Project.

2.43 **Mortgage.** A mortgage or deed of trust, or other transaction, in which the Property, or a portion thereof or an interest therein, or any improvements thereon, is conveyed or pledged as security, contracted in good faith and for fair value, or a sale and leaseback arrangement in which the Property, or a portion thereof or an interest therein, or improvements thereon, is sold and leased back concurrently therewith in good faith and for fair value.

2.44 **Mortgagee.** The holder of the beneficial interest under a Mortgage, or the owner of the Property, or interest therein, under a Mortgage.

2.45 **Party.** City and Developer, and their respective assignees or Transferees, determined as of the time in question; collectively they shall be called the "**Parties.**"

2.46 **Party in Default.** Defined in Section 24.

2.47 **Performance Year.** July 1 of any calendar year through and including June 30 of the next calendar year.

2.48 **Permitted Delay.** Defined in Section 30.

2.49 **Person.** An individual, partnership, firm, association, corporation, trust, governmental agency, administrative tribunal or other form of business or legal entity.

2.50 **Plan Check Fees.** Defined in Section 7.2.

2.51 **Plaza.** The pedestrian plaza to be developed as part of the Project and operated and maintained consistent with the requirements set forth in Exhibit E.

2.52 **Potential Participating Parcels.** Defined in Recital D.

2.53 **Prevailing Party.** Defined in Section 25.

2.54 **Processing Fee.** A City-Wide fee payable upon the submission of an application for a permit or approval, which covers only the estimated actual costs to City of processing that application, and is not an Exaction.

2.55 **Project.** Defined in Recital C.

2.56 **Project Approvals.** Defined in Recital G.

2.57 **Property.** Defined in Recital D.

2.58 **Public Art Contribution.** Defined in Section 7.3.3.

2.59 **Public Benefits.** Defined in Recital K.

2.60 **Public Improvements.** The facilities to be improved and constructed by Developer, and publicly dedicated or made available for public use, as provided by the Project Approvals and the SEC Infrastructure Plan. Public Improvements consist of all off-site right-of-way improvements; all off-site utilities (such as gas, electricity, water, sewer and storm drainage); and any other on-site or off-site improvements and facilities required by the Project Approvals and this Agreement to be constructed and dedicated by the Developer in connection with the development of the Project.

2.61 **Public Use.** Defined in Recital J.

2.62 **Public Use Restriction.** Covenants, conditions or restrictions as may be recorded in furtherance of Section 1245.245 of the California Code of Civil Procedure against those certain City Parcels and Potential Participating Parcels comprising the Arena.

2.63 **SEC Design Guidelines.** The SEC Design Guidelines, as part of the Sports and Entertainment Complex Design Guidelines and Infrastructure Plan adopted by the City Council as part of the Project Approvals.

2.64 **SEC Infrastructure Plan.** The SEC Infrastructure Plan, as part of the Sports and Entertainment Complex Design Guidelines and Infrastructure Plan adopted by the City Council as part of the Project Approvals.

2.65 **Sports and Entertainment Complex.** Defined in Section 12-38.91(E) of the Inglewood Municipal Code added as part of the Project Approvals.

2.66 **Subsequent Approvals.** Defined in Section 8.4.

2.67 **Subsequent Rules.** Defined in Section 8.1.

2.68 **Substantive Amendment.** Defined in Section 21.3.

2.69 **Term.** Defined in Section 6.2.

2.70 **Termination.** The expiration of the Term of this Agreement, whether by the passage of time or by any earlier occurrence pursuant to any provision, including an uncured Default or other termination of this Agreement. For purposes hereof, "**Termination**" includes any grammatical variant thereof, including "**Terminate**," "**Terminated**," and "**Terminating**."

2.71 **Transfer.** Any sale, transfer, assignment, conveyance, gift, hypothecation, or the like of the Property or any portion thereof or any interest therein or of this Agreement; provided, however, that "**Transfer**" shall expressly exclude: (a) grants of leases, licenses or other occupancy rights for buildings or other improvements which will be part of the Project; (b) grants of easements or other similar rights granted in connection with the development or operation of the Project or Site; (c) the placement of mortgages or deeds of trust on the Property;

(d) the exercise of any remedies of any lender holding a mortgage or deed of trust on the Property; or (e) the removal of a general partner or managing member by the exercise of remedies under any form of operating or partnership agreement.

2.72 **Transferee.** Defined in Section 15.

2.73 **Transferred Property.** Defined in Section 15.

2.74 **Vested Rights.** Defined in Section 7.1.

3. **DESCRIPTION OF PROPERTY.** The Property is described and depicted in Exhibits A, A-1, and A-2 attached hereto.

4. **INTEREST OF DEVELOPER.** Developer has entered into a binding legal contract for the acquisition of PPP Parcel 2 and therefore holds a legal and equitable interest in PPP Parcel 2. The DDA provides for the conveyance of the City Parcels to Developer in accordance with the terms and conditions thereof. The DDA also provides a process pursuant to which any Potential Participating Parcels not owned or acquired by Developer may be acquired by City, including, if the City determines, in its sole and absolute discretion, to exercise its power of eminent domain for any such acquisition. This Agreement shall be binding on the Parties as of the Effective Date and shall be binding as to each portion of the Property on the date: (i) the Developer acquires fee title to the City Parcels; and (ii) the Developer acquires either fee title or any other legal or equitable interest in the Potential Participating Parcels that includes a right of possession.

5. **RELATIONSHIP OF CITY AND DEVELOPER.** Neither Party is acting as the agent of the other in any respect hereunder and each Party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in the businesses of Developer, the municipal or governmental affairs of City, or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. City and Developer renounce the existence of any form of joint venture or partnership between them, and nothing contained herein or in any document executed in connection herewith shall be construed as making City and Developer joint venturers or partners.

6. **EXECUTION AND TERM OF AGREEMENT.**

6.1 **Execution and Recording of Agreement.** This Agreement has been entered into as of the Effective Date. Not later than ten (10) City-business days after the Effective Date, the City shall cause this Agreement, together with a notice indicating the Adoption Date, the Enacting Ordinance number, and the Effective Date, to be recorded against the City Parcels in the Official Records of the County of Los Angeles, State of California. Within ten (10) City-business days following the acquisition of any Potential Participating Parcel by the Developer, or any such acquisition by City and transfer to Developer, the City shall cause a recordable memorandum of this Agreement to be recorded against such Potential Participating Parcel.

6.2 **Term.** The term of this Agreement shall commence on the Effective Date and extend for 50 years ("**Term**"), unless said Term is terminated, modified, or extended by the terms of this Agreement. Notwithstanding the foregoing, this Agreement shall terminate if the

DDA is not entered into or, if entered into, the DDA is terminated prior to the conveyance of the City Parcels to the Developer.

6.3 **Extension of Approvals.** Upon the granting of any Approval, the term of such Approval shall be extended automatically through the Term of this Agreement, notwithstanding any other City Law.

6.4 **Rights and Obligations Upon Expiration of the Term.** Following Termination of this Agreement, all of the rights, duties and obligations of the Parties hereunder shall terminate and be of no further force and effect, except as provided in this Section 6.4. Upon Termination of this Agreement, Developer shall continue to comply with the Public Use Restrictions and provisions of all City Laws then in effect or subsequently adopted with respect to the Property and/or the Project, except that any Termination shall not affect any right vested before the Termination of this Agreement (absent this Agreement), or other rights arising from Approvals previously granted by City for development, use, or operation of all or any portion of the Project, including, but not limited to any approved operating permits, sign permits, valid building permits, or certificates of occupancy.

7. VESTED RIGHTS.

7.1 **Permitted Uses.** Except as expressly provided in Section 8, during the Term of this Agreement the permitted uses and rules applicable to the completion of the development, use, and operation of the Property, including but not limited to (i) event permitting, (ii) event parking, (iii) parking, ticket, and gross receipts taxes, (iv) the density and intensity of use, (v) the rate, timing, and sequencing of development, (vi) the maximum height (except as limited by the Federal Aviation Administration), design and size of proposed buildings, and (vii) parking standards shall be those set forth in this Agreement, the Existing City Laws, and Project Approvals as of the Adoption Date (the "Vested Rights").

7.2 **Exactions.** Except as provided in this Section 7 and Section 8, including all subsections therein, City shall not impose any further or additional Exactions on the development, use, or operation of the Project, whether through the exercise of the police power, the taxing power, design review, or any other means, other than those set forth in the Project Approvals, the Mitigation Measures, and this Agreement. The Exactions applicable to the Project as of the Adoption Date are listed in Exhibit D ("Applicable Exactions"). The Applicable Exactions shall not be modified or renegotiated by City in connection with the granting of any amendment to the Project Approvals, or the granting of any Approval, except as specifically authorized in this Agreement. The provisions contained in this Section are intended to implement the intent of the Parties that Developer has the right to develop, use, and operate the Project pursuant to specified and known criteria and rules, and that City will receive the benefits conferred as a result of such development, use, and operation of the Project without abridging the right of City to act in accordance with its powers, duties, and obligations. To the extent that there are Exactions not listed on the Applicable Exactions that are first adopted or imposed by City after the Adoption Date, such new Exactions shall not be applicable to or imposed on the Project or the Property.

7.2.1 Admission Tax. Notwithstanding any future increases in the admissions tax listed under the Applicable Exactions, whether arising from increases pursuant to an amendment of Inglewood Municipal Code Section 9-6(2) or through an amendment of Inglewood Municipal Code Section 9-6(5) that (a) lowers the seating capacity threshold of venues specified therein, (b) increases the amount of the admissions tax levied on the per person admission price for each venue event, and/or (c) increases or eliminates the maximum aggregate amount of such admissions taxes payable annually to City, any such increased admissions tax payable by the Developer to City pursuant to Inglewood Municipal Code Section 9-6 shall not exceed 2.5% of the face value of each sold admission for events conducted at the Arena, including, but not limited to, tickets or similar rights of sold admission. Under no circumstances and at no time shall the admissions tax applicable to events at the Arena exceed 2.5% of the face value of sold admissions. Admissions not sold but provided on a complimentary basis shall not be subject to the admissions tax. If admissions are offered in a combined package with food and beverage, the portion of the combined charge that is allocable to food and beverage will be excluded from the calculation of the admissions tax, but shall be subject to sales tax to the extent required under Applicable Law. The allocation between admission and food and beverage for admissions tax purposes shall be reported to the City in the same manner as reported to the applicable State taxing authority for sales tax purposes.

7.2.2 Parking Tax Amount. If, at any time after five Performance Years have concluded from when the Developer has received the Certificate of Occupancy for the Arena, the City provides notice to Developer that the City has reasonably determined that it faces a Projected Budget Deficit (as defined below), then on or before September 1 following such City notice, and continuing for a total of four City Fiscal Years (collectively, the "Affected Fiscal Years"), the total Parking Tax payable from parking on the Project or the Property during each Affected Fiscal Year shall be no less than \$652,000 (twice the total amount projected at Project approval). If, on or before September 1 of each Affected Fiscal Year, the Developer has not paid Parking Taxes at least equal to the minimum \$652,000 Parking Tax amount, the Developer shall pay to the City, an amount equal to the difference between (i) the minimum \$652,000 Parking Tax amount and (ii) the Parking Taxes otherwise payable during such Affected Fiscal Year. "Projected Budget Deficit" means the City anticipates a budget deficit without substantial cuts to current budget and staff levels. The City may not give notice to the Developer of a Projected Budget Deficit more often than once every six years. Any other increase in the Parking Tax will require the consent of the Developer, which shall not be unreasonably withheld; provided, however, Developer shall have the right to disapprove any such other increase that Developer reasonably determines could cause the Arena to be at any competitive disadvantage as compared with other venues in the Los Angeles metropolitan area that compete with the Arena.

7.2.3 In recognition of the fact that the construction of the Project shall be entirely financed with private funds, in no event shall there be any Exaction imposed upon or revenue sharing with respect to on-site Project signage, sponsorship or naming rights, personal seat licenses, or similar use rights in connection with the Project.

7.2.4 Plan Check Fees. Developer shall pay any Processing Fees in effect at the time of the application for that permit or approval. Notwithstanding the foregoing, in lieu of any Processing Fees otherwise payable for building permit plan check ("**Plan Check Fees**"), Developer shall pay City the full costs of a contract planner or contract building plan check

person if such services are mutually determined to be necessary by Developer and the City's Director of Economic and Community Development, or by Developer in order to achieve its desired timeframes for construction of the Project; provided, however, in such event Developer shall pay to City an amount equal to 15% of the contract planner costs to cover the City's administrative costs. Developer shall also pay all City fees and costs relating to monitoring compliance with any permits issued or approvals granted or the performance of any conditions with respect thereto or any performance required of Developer hereunder. However, this Agreement shall not limit the City's authority to charge Processing Fees that are in force on a City-wide basis at the time an application is made for such permit or entitlements, to the extent such fees are not duplicative of Plan Check Fees and payments made by Developer pursuant to this Section 7.2 or the DDA.

7.2.5 Real Property Transfer Taxes. To the extent that there are increases in the Real Property Transfer Tax imposed by the City, as listed under the Applicable Exactions, the maximum tax transfer tax that may be imposed on the Property or Project shall not exceed \$1.50 for each \$500.00 or fractional part thereof, of the consideration or value of the interest or property conveyed on any deed or instrument or writing.

7.2.6 To the extent that there are Exactions not listed on the Applicable Exactions that are first adopted or imposed by City after the Adoption Date, such new Exactions shall not apply to the Project or the Property.

7.3 Confirmations.

7.3.1 Parking. For the purposes of determining the parking requirements applicable to the Property, the Project shall comply with the Project Approvals.

7.3.2 Alcohol. The sale, service, and consumption of alcohol (beer, wine and distilled spirits, including in the form of bottle service) inside the Arena and elsewhere within the Sports and Entertainment Complex is permitted, subject to compliance with applicable state law and the Project Approvals.

7.3.3 Public Art. In furtherance of Section 11-140 of the Inglewood Municipal Code, Developer's public art contributions shall be valued at 1% of the Project valuation, calculated by the Building and Safety Division (the "**Public Art Contribution**"), as further described in the Project Approvals. The Public Art Contribution obligations may be satisfied, at Developer's option, by either (i) the installation of public artwork, (ii) an in-lieu of fee payment, or (iii) a combination of on-site installation public artwork and an in-lieu fee payment. Advance payment of the Public Art Contribution, in whole or in part, by payment of an in-lieu fee, shall not be a condition of issuance of any building permit. If the Developer has elected to satisfy the Public Art Contribution, in whole or in part, by payment of an in-lieu fee, the in-lieu fee shall be paid prior to the issuance of the Certificate of Occupancy for the Arena. If the Developer has elected to satisfy the Public Art Contribution, in whole or in part, by the installation of public art, the installation shall be completed prior to the issuance of the Certificate of Occupancy for the Arena or within a reasonable time thereafter as authorized by the City's Director of Parks, Recreation and Community Services Department and Director of Economic and Community Development Department. The City's Director of Parks, Recreation and Community Services

Department and the Director Economic and Community Development Department, may, as appropriate, after consulting with the staff of the Arts Commission, authorize modification of the City's standards and guidelines for the installation and maintenance of on-site artwork.

7.4 Uniform Codes Applicable. The Project shall be constructed in accordance with the provisions of the Uniform Building, Mechanical, Plumbing, Electrical and Fire Codes, City standard construction specifications, and Title 24 of the California Code of Regulations, relating to building standards, in effect at the time of approval of the appropriate building, grading, encroachment or other construction permits for the Project (collectively, the "**Codes**"), taking into account (i) any equivalency determinations made in accordance with Existing City Laws and (ii) any provisions of the Codes that allow for the applicable building standards to be those in effect at the time of permit application.

7.5 City's Consideration and Approval of Requested Changes in the Project. Developer may desire to further specify, modify, or expand the plans for the proposed development, use, and operation of the Project after the Adoption Date based upon more precise planning, changes in market demand, changes in development occurring in the vicinity, and similar factors. In such event, the City shall cooperate with Developer to expeditiously review and take final action on such requested changes in accordance with City's Existing City Laws and the Approvals, and all applicable State and Federal laws. Any and all staff or consultant costs necessarily incurred by the City in providing such expeditious review and final action shall be paid by the Developer to the City subject to the provisions of Section 7.2. Any change to the Project so approved by City shall not require an amendment of this Agreement. With regards to any change that is approved by City, the references in this Agreement to the Project or applicable portion thereof shall be deemed to refer to the Project as so changed and the City's approval thereof shall constitute an Approval.

7.6 Effect of FEIR. The FEIR contains a thorough analysis of the Project and possible alternatives in compliance with CEQA. The Project Approvals include resolutions of the City Council adopting CEQA findings, including a statement of overriding considerations in accordance with CEQA Guidelines Section 15093 for those significant impacts that could not be mitigated to a less than significant level. Based on the scope of review in the FEIR, the City does not intend to conduct any further environmental review or require further mitigation under CEQA for any aspect of the Project that is vested under this Agreement. The City will rely on the FEIR to the greatest extent permissible under CEQA with respect to all Subsequent Approvals for the Project. Developer acknowledges that the City may conduct additional environmental review if required by CEQA due to any material changes to the Project, and may impose conditions on any Subsequent Approval of material changes to the Project that the City determines is to be required to address significant environmental impacts under CEQA.

7.7 Mitigation Measures.

7.7.1 Developer will comply with all Mitigation Measures identified in the MMRP as the responsibility of the "owner" or the "project sponsor," except for any Mitigation Measures that are expressly identified as the responsibility of a different Person in the MMRP. As part of these requirements, Developer shall comply with the Greenhouse Gas Emissions Conditions of Approval attached hereto as Exhibit H-1, the Air Pollutant Emissions Reduction

Conditions of Approval attached hereto as Exhibit H-2, and the Transportation Demand Program Conditions of Approval attached hereto as Exhibit H-3.

7.7.2 Developer and City will cooperate, at no out-of-pocket cost to the City, in the implementation of the Mitigation Measures identified in the MMRP, and in the ongoing monitoring and reporting requirements of the Mitigation Measures. The Developer will reimburse the City for staff and consultant costs reasonably incurred by City in connection with monitoring Developer's implementation of the Mitigation Measures. Without limiting the generality of the foregoing, City specifically acknowledges and agrees to its role and responsibilities under the Greenhouse Gas Emissions Conditions of Approval attached hereto as Exhibit H-1, the Air Pollutant Emissions Reduction Conditions of Approval attached hereto as Exhibit H-2, and the Transportation Demand Program Conditions of Approval attached hereto as Exhibit H-3.

7.8 **Temporary Street Closures.** The City shall reasonably cooperate with Developer to implement temporary street closures to vehicles for major events at the Arena to eliminate vehicular conflicts and enhance pedestrian circulation during pre-event, event, and post-event hours. Street closures shall be subject to approval of the Inglewood Public Works Director or its designee, in consultation with the Inglewood Chief of Police or its designee.

7.9 **Property Tax Reassessment.** Commencing with the fiscal year as to which the Los Angeles County Assessor determines the new base year value for the completed Arena pursuant to California Revenue and Taxation Code section 71, and continuing for a period of three additional fiscal years thereafter, Developer agrees that it shall not initiate a proceeding under the California Revenue and Taxation Code so as to result in a reduction in the assessed value of the Project for property tax purposes below the amount of Nine Hundred Fifty-Nine Million Dollars (\$959,000,000) (the "**Baseline Value**"). If a proceeding initiated by Developer results in a reduction in the assessed value of the Project below the Baseline Value in violation of the preceding sentence, Developer will pay to the City the Assessment Shortfall on or before the date that the second installment of property taxes for such fiscal year is otherwise payable or, if the second installment was previously paid based on an assessed value in excess of the Baseline Value, within twenty (20) days of the Developer's receipt of a refund on account of the reduction in assessed value. "**Assessment Shortfall**" means, as to each fiscal year, any amount by which (i) the property tax revenue that would be received by the City for such fiscal year if the assessed value of the Project equaled the Baseline Value exceeds (ii) the property tax revenue received by the City for such fiscal years as a result of the reduction in the assessed value of the Project. Payment of the Assessment Shortfall will constitute a cure of any Event of Default with respect to any breach by Developer of the covenant set forth in the first sentence of this Section.

8. APPLICABLE LAW.

8.1 **Subsequent Rules and Approvals.** Except as provided in Section 7.2, during the Term of this Agreement, City shall not, without Developer's written consent, apply any City ordinances, resolutions, rules, regulations or official policies enacted after the Adoption Date ("**Subsequent Rules**") that would conflict with or impede the Vested Rights of Developer set forth in Section 7 and the subsections therein or otherwise conflict with this Agreement or Existing City Laws; *provided, however*, that nothing shall prevent City from enacting and

applying Subsequent Rules necessary to protect persons or property from any threatened or actual serious physical risk to health and safety, in which case City shall treat Developer in a uniform, equitable, and proportionate manner as all other properties, public and private, which are impacted by that threatened or actual serious physical risk to health and safety.

8.2 Conflicting Laws. Without limitation on the generality of Section 8.1 above, any action or proceeding of City (whether enacted by the legislative body or the electorate) undertaken without the consent of Developer that has any of the following effects on the Project shall be in conflict with the Vested Rights, this Agreement, and the Existing City Laws:

- (a) revising the Term of the Agreement;
- (b) limiting, reducing, or modifying:
 - (i) the permitted density, intensity, square footage, location, height or bulk of all or any part of the Project; or
 - (ii) the location of vehicular access or parking or the number and location of parking or loading spaces for the Project in a manner that is inconsistent with this Agreement or the Project Approvals;
- (c) limiting, changing, or controlling the availability of public utilities, services, or facilities or any privileges or rights to public utilities, services, or facilities for the Project or changing or adding additional requirements with respect to the provision of Public Improvements as contemplated by the Project Approvals;
- (d) limiting the processing of applications for or procuring of Subsequent Approvals as provided in this Agreement;
- (e) changing the event permitting requirements, parking requirements, alcohol permitting requirements, or signage provisions;
- (f) impeding or delaying the timely completion of the Project in accordance with the Project Approvals; or
- (g) changing Existing City Laws that causes an adverse impact on the use, operation, functionality, accessibility, or economic competitiveness of the Arena or Project.

8.3 Changes in State or Federal Law. This Agreement shall not preclude the application to development of the Property of Subsequent Rules mandated and required by changes in state or federal laws or regulations, provided that City agrees that, to the extent possible, such Subsequent Rules shall be implemented in a manner that does not conflict with Developer's Vested Rights.

8.4 Subsequent Approvals. Consistent with Existing City Law and the Project Approvals, the development of the Project is subject to certain future approvals and actions by

City that will be approved after the Adoption Date. These future approvals include discretionary and ministerial actions by City (collectively referred to as "Subsequent Approvals"), which may include but are not limited to, demolition permits, SEC Design Review approvals under the SEC Design Guidelines, SEC Improvement Plans approvals under the SEC Infrastructure Plan, grading permits, building permits, final parcel and subdivision maps, lot line adjustments, and mergers. In reviewing and acting on applications for Subsequent Approvals, the City shall act expeditiously and endeavor to expedite processing, including in the manner and within the time frames provided in the Project Approvals, and shall apply the Project Approvals and Existing City Laws when considering the application and may only attach such conditions consistent with the Project Approvals and Existing City Laws as permitted in Sections 7.1 through 7.7 and Sections 8 and 8.1. Each Subsequent Approval, once granted and final, shall be deemed to be an Approval that is automatically incorporated in, governed by, and vested under this Agreement.

9. MASTER EVENT PERMITTING.

9.1 **Approved Event Configurations.** Any and all events at the Property including, without limitation, NBA games and other sporting events, concerts, family shows, theatrical performances, trade shows, business conferences, special events, award shows, film shoots, circuses, ice shows, boxing matches, and other events are permitted uses for the Arena under Chapter 12 of the Inglewood Municipal Code. In accordance with Chapter 8, Article 3 of the Inglewood Municipal Code concerning permits, the City Council authorizes any and all events held at the Arena provided they are held in the configurations approved by the Los Angeles County Fire Department (collectively, the "Approved Event Configurations"). Pursuant to Section 8-28 of the Inglewood Municipal Code, City has determined that an event held in accordance with an Approved Event Configuration does not need to be subject to additional permit requirements. Developer shall not be required to receive any additional consent from the City or any committee thereof, except as otherwise provided herein, or be subject to any Exactions or other amounts to the City in connection with events held in Approved Event Configurations.

9.2 **Costs of Services.** Developer shall from time to time consult and meet with the City and Los Angeles County Fire Department regarding reasonable and appropriate police, fire, emergency technicians, and ambulance requirements for each Approved Event Configuration and associated costs, taking into account past practice with respect to other venues to the extent applicable. Developer shall pay the costs of reasonable and appropriate police, fire, emergency technicians, and ambulance presence for events on the Property which would not be needed, but for that specific event.

9.3 **Coordination with Other Venues.** If consistent with the Project Approvals and Section 7, the City establishes a process for coordination of event operations and scheduling among major event venues operating within the City, Developer agrees that it will periodically meet and confer with the City and with the operators of such other venues to share non-confidential information regarding past and future events; provided, however, that nothing in this Section 9.3 shall limit or restrict Developer's rights under Section 9.1.

10. **OTHER GOVERNMENTAL PERMITS.** Developer shall apply for such other permits and approvals as may be required from other governmental or quasi-governmental

agencies having jurisdiction over the Project as may be required for the development or operation of the Project. City shall reasonably cooperate with Developer in its endeavors to obtain such permits and approvals.

11. **EASEMENTS; IMPROVEMENTS; ABANDONMENTS.** City shall reasonably cooperate with Developer and any state or federal agencies in connection with any arrangements for abandoning or vacating existing easements, right-of-ways, utilities, or facilities, including groundwater wells and pipelines, and the relocation thereof or creation of any new easements, right-of-ways, utilities, or facilities within the City in connection with the development of the Project; and if any such easement, right-of-way, utility, or facility is owned by City or an agency of City, City or such agency shall, at the request of Developer, take such action and execute such documents as may be reasonably necessary to abandon that existing easement, right-of-way, utility, or facility and relocate them, as necessary or appropriate in connection with the development of the Project. The cost of abandonment and relocation of any such easement shall be the responsibility of Developer.

12. **DESIGN OF ON-SITE AND OFF-SITE IMPROVEMENTS.** Development of the Property shall be subject to City review as provided by the Project Approvals. The Project Approvals, and all improvement plans prepared in accordance with the Project Approvals, including but not limited to the SEC Infrastructure Plan, shall govern the design and scope of all on-site and off-site improvements to be constructed on or benefiting the Property. Once completed in accordance with Applicable Law, the City shall accept all Public Improvements.

13. **SUBDIVISION AND MERGER.** Developer shall have the right, from time to time or at any time, to apply for the subdivision of the Property, as may be necessary in order to develop, lease, or finance any portion of the Property consistent with the Existing City Laws. Any merger or lot line adjustments shall be considered a ministerial approval. It is the intent of the Parties that merger of parcels shall not be required prior to the issuance of building permits but shall be required prior to the issuance of a Certificate of Occupancy for the applicable portion of the Project.

14. **PUBLIC USE AND BENEFITS TO BE PROVIDED BY DEVELOPER.** In conjunction with and in furtherance of the Public Use, the Developer will provide the City, its residents, and the surrounding region with numerous public benefits, including the Public Benefits (that are public benefits in excess of those otherwise having a "nexus" to the Project, and beyond the public benefits that could be expected from the Project in absence of the Agreement) identified in Exhibit C. In exchange for the Public Benefits to the City, City shall grant the permits and approvals required for the development, use, and operation of the Project, over the Term of this Agreement in accordance with procedures provided by Applicable Law and in this Agreement, and agrees that Developer may proceed with the development, use, and operation of the Project in accordance with the Applicable Law.

15. **TRANSFERS AND ASSIGNMENTS**

15.1 **Transfers Prior to Release of Construction Covenants.** Prior to the City's issuance of a "Release of Construction Covenants" (as the term is defined under the DDA), Developer shall not Transfer all or any portion of the Property to which it has acquired title to a

third party (a "**Transferee**") without the prior written approval of the City, which shall be given or reasonably withheld within five (5) City-business days; provided, however, such approval shall be given if such Transfer is permitted under the terms of the DDA or is approved by the City pursuant to the DDA.

15.2 Transfers After Release of Construction Covenants. Once the City issues a Release of Construction Covenants under the DDA, the Developer shall have the right, subject to (i) the terms of this Section 15.2 and (ii) any covenants and conditions encumbering the Transferred Property, including any applicable Public Use Restriction, to assign or transfer all or any portion of its interest, rights or obligations under this Agreement to Transferees acquiring an interest or estate in all or any portion of the Property (the "**Transferred Property**"), including, but not limited to, purchases or long term ground leases of individual lots, parcels, or any of the buildings located within the Property. Any Transfer shall comply with the California Subdivision Map Act and Applicable Law. Developer shall provide 30 days written notice to City prior to the effective date of any Transfer of its interest in all or any portion of the Property or any of its interests, rights and obligations under this Agreement; *provided, however*, that in the case of such a Transfer to an Affiliate, Developer shall only be required to provide 10 days written notice to City. Upon the effective date of Transfer for which notice is given as provided above, the Transferee shall be deemed a Party. Developer shall remain fully liable for all obligations and requirements under this Agreement after the effective date of the Transfer, unless Developer satisfies the following conditions: (i) prior to the effective date of the Transfer, Transferee executes and delivers to City an Assignment and Assumption Agreement (to be effective upon completion of the Transfer) in the form set forth in Exhibit G to this Agreement specifying the obligations and requirements to be assumed by Developer hereunder as to the Transferred Property; and (ii) Developer has not received a notice of an Event of Developer Default that remains uncured as of the effective date of the Transfer. If the foregoing conditions are satisfied, then the Transferor shall be released from any further liability or obligation under this Agreement and the Transferee shall be deemed to be the "Developer" under this Agreement with all rights and obligations related thereto, with respect to such Transferred Property. Notwithstanding anything to the contrary contained in this Agreement, but subject to the terms of any applicable Public Use Restriction, if a Transferee Defaults under this Agreement, such Default shall not constitute a Default by Developer with respect to any other portion of the Property hereunder and shall not entitle City to terminate or modify this Agreement with respect to such other portion of the Property.

16. MORTGAGEE OBLIGATIONS AND PROTECTIONS.

16.1 Encumbrances on the Property. Upon obtaining title to the Property or any portion thereof, Developer may encumber the Property or any portion thereof as to which it holds title or any improvements thereon with any Mortgage securing financing with respect to the Property, whether it is before or after the recordation of the Release of Construction Covenants (as defined in the DDA); provided, however, that prior to the recordation of the Release of Construction Covenants, the proceeds of any such Mortgage shall be for the purpose of securing loans and funds to be used to develop or finance the acquisition of the Property or any portion thereof. A Mortgagee shall not be bound by any amendment, implementation, or modification to this Agreement subsequent to its approval (or deemed approval) without such Mortgagee giving its prior written consent.

16.2 Mortgagee Obligations. A Mortgagee not in legal possession of the Property or any portion thereof shall not be subject to the obligations or liabilities of Developer under this Agreement, including the obligation to construct or complete construction of improvements or pay fees. A Mortgagee in legal possession shall not have any obligation or duty under this Agreement to construct or complete the construction of improvements, or to pay, perform or provide any fee, dedication, improvements or other Exaction or imposition. A Mortgagee in legal possession of the Property or portion thereof shall only be entitled to use the Property or to construct any improvements on the Property in accordance with the Approvals and this Agreement if Mortgagee fully complies with the terms of this Agreement.

16.3 Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, after the date of recording this Agreement, including the lien for any deed of trust or Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value, but all the terms and conditions contained in this Agreement shall be binding upon and effective against any Person or entity, including any deed of trust beneficiary or Mortgagee that acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise, and any such Mortgagee or successor to a Mortgagee or assignee of a Mortgagee that takes title to the Property or any portion thereof shall be entitled to the benefits arising under this Agreement.

16.4 Notice of Event of Developer Default to Mortgagee; Right to Cure. If City receives notice from a Mortgagee requesting a copy of any notice of an Event of Developer Default given to Developer under this Agreement and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Developer, any notice given to Developer with respect to any claim by City that an Event of Developer Default has occurred or a Certificate of Non-Compliance has been issued to Developer. Each Mortgagee shall have the right during the same period available to Developer to cure or remedy, or to commence to cure or remedy, the Event of Developer Default or non-compliance as provided in this Agreement; *provided, however*, that if the Event of Developer Default, noncompliance, or Certificate of Non-Compliance is of a nature which can only be remedied or cured by such Mortgagee upon obtaining possession, such Mortgagee may seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall thereafter remedy or cure the Event of Developer Default, noncompliance or Certificate of Non-Compliance within 90 days after obtaining possession. If any such Event of Developer Default, noncompliance or Certificate of Non-Compliance cannot, with diligence, be remedied or cured within such 90-day period, then such Mortgagee shall have such additional time as may be reasonably necessary to remedy or cure such Event of Developer Default, noncompliance or Certificate of Non-Compliance (including but not limited to proceeding to gain possession of the Property) if such Mortgagee commences a cure during such 90-day period, and thereafter diligently pursues completion of such cure to the extent reasonably possible.

16.5 Request for Notice of Default. Following the recordation of the Release of Construction Covenant, City shall have the right to record a request for notice of default in accordance with California Civil Code Section 2924b with respect to any Mortgage. If City has recorded a request for notice of default with respect to any Mortgage, City shall thereafter have

the right to cure defaults under such Mortgage as provided in California Civil Code Section 2924c(a).

17. **INTENTIONALLY OMITTED.**

18. **ESTOPPEL CERTIFICATE.** Any Party (the "**Requesting Party**") may at any time deliver written notice to the other Party (the "**Certifying Party**") requesting that the Certifying Party certify to the Requesting Party (and/or any proposed Transferee or Mortgagee of the Requesting Party) in writing that, to the knowledge of the Certifying Party, (a) this Agreement is in full force and effect and a binding obligation of the Parties, (b) this Agreement has not been an ended or modified either orally or in writing, and if so amended, identifying the amendments, (c) the Requesting Party is not in Default in the performance of its obligations under this Agreement, or if in Default, to describe therein the nature and amount of any such Default, and (d) such other information as may reasonably be requested. A Certifying Party receiving a request hereunder shall execute and return such certificate within 30 days following the receipt of such a request. The City Manager shall have the right, but not the obligation, to execute any certificate requested by Developer hereunder in the event he or she elects to not submit the certificate request to the City Council for its consideration. A certificate hereunder may be relied upon by the Requesting Party and any Transferee or Mortgagee to whom it has been issued.

19. **ANNUAL REVIEW.**

19.1 **Review Date.** The annual review date for this Agreement shall occur on October 1 of each full calendar year following the Effective Date of this Agreement ("**Annual Review Date**"). During each annual review, Developer shall be required to demonstrate good faith compliance with the terms of this Agreement, including, without limitation, compliance with the Greenhouse Gas Emissions Condition of Approval set forth in Exhibit H-1.

19.2 **Required Information from Developer.** By June 1 of each year prior to the Annual Review Date, Developer shall provide a letter to the City Manager containing evidence of good faith compliance with this Agreement. Upon the written request of City, which shall be made, if at all, within 60 days of the submission of Developer's letter, Developer shall also furnish such reasonable additional evidence and documentation of such good faith compliance as the City, in the exercise of its reasonable discretion, may require ("**Additional Documentation**").

19.3 **City Report.** Within 60 days after receipt by the City Manager of Developer's Additional Documentation, the City Manager shall review the Additional Documentation submitted by Developer and all other available evidence of Developer's compliance with this Agreement. Following such review, the City Manager shall timely notify Developer in writing whether Developer has complied with the terms of this Agreement and shall issue a Certificate of Compliance to Developer, if such is the case. If City Manager finds Developer is not in compliance, the City Manager shall timely issue a Certificate of Non-Compliance to Developer, together with any available evidence of such non-compliance, after complying with the procedures set forth in Section 19.4.

19.4 Non-Compliance with Agreement; Hearing. Prior to issuing a Certificate of Non-Compliance, if the City Manager finds that Developer has not complied with the terms of this Agreement, the City Manager shall indicate in writing to Developer, with reasonable specificity, any aspect in which Developer has failed to comply. The City Manager shall also specify a reasonable time for Developer to meet the terms of compliance, which time shall be not less than 30 days, and shall be reasonably related to the time necessary for Developer to adequately bring its performance into compliance with the terms of this Agreement, subject to any Permitted Delay; *provided, however*, that if the noncompliance solely involves a monetary Default, then the City Manager may require payment from Developer within 10 business days.

If Developer fails to adequately bring its performance into compliance as set forth above, then the City Manager shall issue a Certificate of Non-Compliance to Developer indicating (i) with reasonable specificity the reason(s) for the determination, in the manner prescribed in Section 19.3, and (ii) whether the City Manager is or is not recommending that the City Council modify or Terminate this Agreement. If the Certificate of Non-Compliance does not recommend modification or Termination of this Agreement, then the City Council, upon the receipt of a written request of Developer within 10 days of the City Manager's issuance of the Certificate of Non-Compliance, shall conduct a meeting within 45 days of City Council's receipt of Developer's request. Developer shall be given 10 days written notice of the meeting and copies of any additional evidence not previously provided to Developer upon which the City Manager made their determination that the Developer did not adequately bring its performance into compliance. If the City Manager issues a Certificate of Non-Compliance that includes a recommendation that the City Council modify or Terminate this Agreement, then the City Council shall conduct a noticed public hearing within 45 days in accordance with Applicable Law. Developer shall be given copies of any additional evidence not previously provided to Developer upon which the City Manager made their determination as to compliance. Developer shall have the opportunity to present evidence at any public hearing. If the City Council determines that Developer is not in compliance with this Agreement at such public hearing, it may Terminate this Agreement, or initiate proceedings to modify or otherwise enforce it.

19.5 Appeal of Determination. The decision of the City Council as to Developer's compliance shall be final, and any court action or proceeding to attack, review, set aside, void, or annul that decision shall be commenced within 30 days of the City Council's final decision.

19.6 Costs. Costs reasonably incurred by City in connection with the annual review conducted pursuant to Section 19.1 and related hearings shall be paid by Developer in accordance with City's schedule of fees and billing rates for staff time in effect at the time of review. Such costs shall also include the cost of consultants necessarily and reasonably incurred by City in carrying out its obligations pursuant to this Section 19.6.

19.7 Default. The rights and powers of the City Council under this Section 19 are in addition to, and shall not limit, the rights of City to Terminate or take other action under this Agreement on account of the commission by Developer of an Event of Developer Default.

20. **INDEMNIFICATION.**

20.1 **Obligation to Indemnify.** Developer agrees to indemnify, defend, and hold harmless City, any City agencies and their respective elected and appointed councils, boards, commissions, officers, agents, employees, contractors, volunteers and representatives (collectively, the "**Indemnified Parties**") from any and all losses, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death and property damage) (collectively, "**Losses**") and from any and all claims, demands, and actions in law or equity (including reasonable attorneys' fees and litigation expenses) by any third party (collectively, "**Claims**") that are (a) directly or indirectly arising or alleged to have arisen out of or in any way related to the approval of this Agreement or the Project Approvals or (b) incurred by an Indemnified Party as a result of Developer's failure to comply with any Environmental Law. Notwithstanding the foregoing, Developer shall have no indemnification obligation pursuant to clause (b), above, with respect to the gross negligence or willful misconduct of any Indemnified Party. The obligations under this Section 20 shall survive Termination of this Agreement.

20.2 **Indemnification Procedures.**

20.2.1 In order for an Indemnified Party to be entitled to indemnification provided under this Section 20 in respect of, arising out of, or involving a Loss or a Claim by any Person against the Indemnified Party (each, an "**Indemnification Claim**"), such Indemnified Party shall promptly give notice, in writing and in reasonable detail, to Developer thereof; provided, that failure to give reasonable prompt notification shall not affect the indemnification provided hereunder except to the extent Developer shall have been actually and materially prejudiced as a result of such failure to promptly notify.

20.2.2 Developer shall have the right, at its sole option and expense, to be represented by counsel of its choice, which must be reasonably satisfactory to the Indemnified Party, and to defend against, negotiate, settle or otherwise deal with any Indemnification Claim which relates to any Losses indemnified against by it hereunder. If Developer elects to defend against, negotiate, settle or otherwise deal with any Indemnification Claim which relates to any Losses indemnified against by it hereunder, it shall within 30 days (or sooner, if the nature of the Indemnification Claim so requires) notify the Indemnified Party in writing of its intent to do so. If Developer elects not to defend against, negotiate, settle, or otherwise deal with any Indemnification Claim which relates to any Losses indemnified against hereunder, the Indemnified Party may (at Developer's sole cost and expense) defend against, control, negotiate, settle, or otherwise deal with such Indemnification Claim. If Developer shall assume the defense of any Indemnification Claim, the Indemnified Party may participate, at its expense, in the defense of such Indemnification Claim; *provided, however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of Developer only if (a) so requested by Developer to participate or (b) the nature of the claim creates an ethical conflict for the same counsel to defend the Indemnified Party and Developer; and provided, further, that Developer shall not be required to pay for more than one such counsel for all Indemnified Parties in connection with any Indemnification Claim. The Parties shall cooperate fully with each other in connection with the defense, negotiation, or settlement of any such Indemnification Claim. Notwithstanding anything to the contrary herein, neither Developer nor

the Indemnified Party shall, without the written consent of the other party (which shall not be unreasonably withheld, conditioned, or delayed), settle or compromise any Indemnification Claim or permit a default or consent to entry of any judgment unless (x) the claimant(s) and such party provide to such other party an unqualified release from all liability in respect of the Indemnification Claim and (y) in the case of any such settlement, compromise, consent to default, or to entry of any judgment by Developer, such settlement, compromise, or judgment otherwise provides solely for payment of monetary damages for which the Indemnified Party will be indemnified in full.

21. **AMENDMENT, CANCELLATION, OR SUSPENSION.**

21.1 **Modification Because of Conflict with State or Federal Laws.** In the event that State or Federal laws or regulations enacted after the Effective Date of this Agreement prevent or preclude compliance with one or more provisions of this Agreement or require substantial and material changes in the Approvals, the Parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement to comply with such law or regulation. Any such amendment to the Agreement that is agreed upon by the Parties shall be submitted for approval consideration by the City Council in accordance with California law, the City's Municipal Code, and this Agreement.

21.2 **Amendment by Mutual Consent.** This Agreement may be amended in writing from time to time by mutual consent of the Parties and in accordance with the procedures of California law and the City's Municipal Code, or as otherwise permitted by this Agreement.

21.3 **Substantive Amendments.** Any Substantive Amendment to the Agreement shall require the City's approval in accordance with Applicable Law. "**Substantive Amendment**" means any change to the term of this Agreement beyond the Term and provision(s) in this Agreement related to monetary contributions or payments by Developer.

21.4 **Minor Amendment.** A "**Minor Amendment**" is any amendment of this Agreement other than a Substantive Amendment, including waiver of conditions for the benefit of another party and modifications to the Project's Mitigation Measures or conditions to the Approvals, provided that the City Manager finds that, on the basis of substantial evidence, the changed measures or conditions are equivalent to or more effective. The City Manager and Developer may approve a Minor Amendment by written agreement without a public hearing to the extent permitted by Applicable Law, including without limitation Government Code Section 65868; provided however, the City Manager shall have the discretion to seek such approval by the City Council.

21.5 **Cancellation/Termination.** This Agreement may be Terminated in whole or in part by the mutual consent of City and Developer or their successors in interest, in accordance with Applicable Law. The City shall retain any fees or payments of any kind paid under this Agreement or any other agreement relating to this Agreement and made prior to the date of termination. In addition, notwithstanding any other provision of this Agreement, if the DDA is terminated prior to the conveyance of title and possession of the Property to the Developer, this Agreement shall also terminate.

22. **DEFAULT.**

22.1 **Developer Default.** Any of the actions referenced below shall constitute an event of default on the part of Developer ("**Event of Developer Default**"). Upon an Event of Developer Default (other than an event of default under subparagraph (a) below), the City shall give written notice of default to Developer, specifying the default at issue. City may not exercise any rights or remedies upon a default by Developer, unless and until such default continues beyond any applicable cure period set forth in this Section 21.1 after written notice thereof from City. Developer shall have the opportunity to appear before the City Council at a public hearing prior to the exercise of any of City's rights or remedies under this Agreement with respect to an Event of Developer Default.

- (a) Developer is dissolved or terminated; or
- (b) Developer fails to keep, observe, or perform any of its covenants, duties or obligations under this Agreement in any material respect, and the default continues for a period of 10 days in the event of a monetary default or 30 days after written notice thereof from City to Developer, or in the case of a default which cannot with due diligence be cured within 30 days, Developer fails to commence to cure the default within 30 days of such notice and thereafter fails to pursue the curing of such default with due diligence and in good faith to completion.

22.2 **City Default.** An event of default on the part of City ("**Event of City Default**") shall arise if City fails to keep, observe, or perform any of its covenants, duties, or obligations under this Agreement, and the default continues for a period of 10 days in the event of a monetary default or 30 days after written notice thereof from Developer to City, or in the case of a default which cannot with due diligence be cured within 30 days, City fails to commence to cure the default within 30 days of such notice and thereafter fails to prosecute the curing of such default with due diligence and in good faith to completion. Developer shall give written notice of default to City, specifying the default at issue. Developer may not exercise any rights or remedies upon an Event of City Default, unless and until such default continues beyond any applicable cure period set forth in this Section 22.2 after written notice thereof from Developer.

23. **REMEDIES FOR DEFAULT.** Subject to the notice and cure provisions in Section 22, the sole and exclusive judicial remedy for any Party in the event of a Default by the other Party shall be an action in mandamus, specific performance, or other injunctive or declaratory relief. In addition, upon the occurrence of a Default and subsequent to the procedures described in Section 22, the non-defaulting Party shall have the right to Terminate this Agreement, but any such Termination shall not affect such Party's right to seek a remedy on account of the Default for which this Agreement has been Terminated, and shall be subject to the procedures specified in this Agreement. The City, any City agencies, and their respective elected and appointed councils, boards, commissions, officers, agents, employees, volunteers and representatives (collectively, for purposes of this Section 23, "**City**") shall not be liable for any monetary damages for an Event of City Default or any claims against City arising out of this Agreement. Developer waives any such monetary damages, including consequential, punitive, and special damages, against City. Similarly, Developer and its officers, directors, agents, employees,

volunteers, and representatives (collectively, for purposes of this Section 23, "Developer") shall not be liable for any monetary damage for a Default by Developer or any claims against Developer arising out of this Agreement. City waives any such monetary damages, including consequential, punitive, and special damages against Developer. Any legal action by a Party alleging a Default must be filed within 180 days from the end of the default procedure described in Section 24.

24. **PROCEDURE REGARDING DEFAULTS**. For purposes of this Agreement, a Party claiming another Party is in Default shall be referred to as the "Complaining Party," and the Party alleged to be in Default shall be referred to as the "Party in Default." A Complaining Party shall not exercise any of its remedies as the result of Default unless such Complaining Party first gives notice to the Party in Default as provided in this Section, and the Party in Default fails to cure such Default within the applicable cure period.

24.1 **Notice**. The Complaining Party shall give written notice of Default to the Party in Default, specifying the Default alleged by the Complaining Party. Delay in giving such notice shall not constitute a waiver of any Default nor shall it change the time of Default.

24.2 **Cure**. Subject to Section 30, the Party in Default shall have 30 days from receipt of the notice of Default to effect a cure prior to exercise of remedies by the Complaining Party. If the nature of the alleged Default is such that it cannot, practicably be cured within such 30-day period, the cure shall be deemed to have occurred within such 30-day period if: (a) the cure shall be commenced at the earliest practicable date following receipt of the notice; (b) the cure is diligently prosecuted to completion at all times thereafter; (c) at the earliest practicable date (in no event later than 30 days after the curing Party's receipt of the notice), the curing Party provides written notice to the other Party that the cure cannot practicably be completed within such 30-day period; and (d) the cure is completed at the earliest practicable date. The Party in Default shall diligently endeavor to cure, correct, or remedy the matter complained of, provided such cure, correction or remedy shall be completed within the applicable time period set forth herein after receipt of written notice (or such additional time as may be agreed to by the Complaining Party to be reasonably necessary to correct the matter).

24.3 **Failure to Assert**. Any failures or delays by a Complaining Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies. Delays by a Complaining Party in asserting any of its rights and remedies shall not deprive the Complaining Party of its right to institute and maintain any actions or proceedings, which it may deem necessary to protect, assert, or enforce any such rights or remedies.

24.4 **Procedure for Terminating Agreement upon Default**. If City desires to Terminate this Agreement in the event of an Event of Developer Default, the matter shall be set for a public hearing before the City Council. The burden of proof of whether a Party is in Default shall be on the Party alleging Default. If the City Council determines that an Event of Developer Default has occurred and has not been cured to City's reasonable satisfaction, or that the Event of Developer Default presents a serious risk to public health, safety, or welfare, the City Council may Terminate this Agreement.

24.5 **No Cross Default.** Notwithstanding anything to the contrary in this Agreement, if Developer has effected a Transfer so that its interest in the Property has been divided between Transferees, then any determination that a Party is in Default shall be effective only as to the Party to whom the determination is made and the portions of the Property in which such Party has an interest.

25. **ATTORNEYS' FEES AND COSTS IN LEGAL ACTIONS BY PARTIES TO THE AGREEMENT.** If any Party brings an action or proceeding (including, without limitation, any cross-complaint, counterclaim, or third-party claim) against the other Party by reason of a Default, or otherwise arising out of this Agreement, the Prevailing Party in such action or proceeding shall be entitled to its costs and expenses of suit, including reasonable attorneys' fees (including, without limitation, costs and expenses), which shall be payable whether or not such action is prosecuted to judgment. "**Prevailing Party**" within the meaning of this **Section 25** shall include, without limitation, a Party who dismisses an action for recovery hereunder in exchange for payment of the sums allegedly due, performance of covenants allegedly breached, or consideration substantially equal to the relief sought in the action.

26. **ATTORNEYS' FEES AND COSTS IN LEGAL ACTIONS BY THIRD PARTIES TO THE AGREEMENT.** If any Person or entity not a party to this Agreement initiates an action at law or in equity to challenge the validity of any provision of this Agreement or the Approvals, the Parties shall fully cooperate in defending such action. Developer shall bear its own costs of defense as a real party in interest in any such action, and Developer shall reimburse City for all reasonable costs (including court costs) and reasonable attorneys' fees actually incurred by City in defense of any such action or other proceeding. In its sole discretion, City may tender its defense of such action to Developer or defend the action itself. Upon a tender of defense to Developer by City, Developer shall defend through counsel approved by City, which approval shall not be unreasonably withheld, and Developer shall bear all reasonable attorneys' fees and costs from the date of tender.

27. **BINDING ON SUCCESSORS; AGREEMENT RUNS WITH THE LAND.** Except as otherwise expressly provided for in this Agreement, upon the Effective Date, all of the provisions, agreements, rights, terms, powers, standards, covenants, and obligations contained in this Agreement shall be binding upon the Parties, and their respective heirs, successors and assignees. Upon recording of this Agreement with respect to each portion of the Property, all of the provisions of this Agreement shall be binding on all other Persons acquiring the Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever, and shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to Applicable Law, including Section 1468 of the California Civil Code.

28. **BANKRUPTCY.** The obligations of this Agreement shall not be dischargeable in bankruptcy.

29. **INSURANCE.**

29.1 **Public Liability and Property Damage Insurance.** At all times that Developer is constructing any improvements that are part of the Project ("**Construction Work**"), Developer

shall maintain in effect a policy of comprehensive commercial general liability insurance with a per-occurrence single limit of not less than \$2,000,000, an additional \$25,000,000 in umbrella and excess liability coverage, and a self-insured retention of not more than \$250,000 per claim. This self-insured retention may be increased based on the availability of insurance with such self-insured retentions at commercially reasonable premiums. The policy so maintained by Developer shall name City as an additional insured and shall include either a severability of interest clause or cross-liability endorsement.

29.2 Workers' Compensation Insurance. At all times that Developer is undertaking the Construction Work, Developer shall maintain workers' compensation insurance as required by California law for all persons employed by Developer for work at the Project site. Developer shall require each contractor and subcontractor similarly to provide workers' compensation insurance for its respective employees. Developer shall indemnify City for any damage resulting from Developer's failure to maintain any such insurance.

29.3 Evidence of Insurance. Prior to commencement of the Construction Work, Developer shall furnish City satisfactory evidence of the insurance required in Sections 29.1 and 29.2 and evidence that Developer is required to give the City at least 15 days prior written notice of the cancellation or reduction in coverage of a policy. The insurance shall extend to City, other City agencies, and their respective elective and appointive boards, commissions, officers, agents, employees, volunteers, and representatives as additional insureds with respect to this Agreement and to Developer performing work on the Project.

30. EXCUSE FOR NONPERFORMANCE. Notwithstanding any provision of this Agreement to the contrary, Developer and City shall be excused from performing any obligation or undertaking provided in this Agreement in the event of, and so long as the performance of any such obligation is prevented or delayed, retarded or hindered by, a(n) act of God, fire, earthquake, flood, explosion, action of the elements, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, condemnation, requisition, Applicable Law, litigation, orders of governmental, civil, military or naval authority, or any other cause, whether similar or dissimilar to the foregoing, not within the control of the Party claiming the extension of time to perform (a "Permitted Delay").

31. THIRD PARTY BENEFICIARIES. This Agreement is made and entered into for the sole protection and benefit of Developer and City and their successors and assigns. No other Person shall have any right of action based upon any provision in this Agreement. There is no third party beneficiary to this Agreement and nothing contained herein shall be construed as giving any Person third party beneficiary status.

32. SEVERABILITY. Except as set forth herein, if any term, covenant or condition of this Agreement or the application thereof to any Person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, 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 or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law; *provided, however*, if any provision of this Agreement is determined to be invalid or unenforceable and the

effect thereof is to deprive a Party of an essential benefit of its bargain hereunder, then such Party so deprived shall have the option to Terminate this entire Agreement (with respect to the portions of the Property in which such Party has an interest) from and after such determination.

33. **WAIVER; REMEDIES CUMULATIVE.** Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. The Party for whose benefit a covenant or commitment is provided may waive its rights pursuant to that commitment or covenant, provided that no waiver by a Party of a Default shall be effective or binding upon such Party unless made in writing by such Party and no such waiver shall be implied from any omission by a Party to take any action with respect to such Default. No express written waiver of any Default shall affect any other Default, or cover any other period of time, other than any Default and/or period of time specified in such express waiver. Except as provided in Section 23, all of the remedies permitted or available to a Party under this Agreement, or at law or in equity, shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other available right or remedy.

34. **APPLICABLE LAW AND VENUE.** This Agreement, and the rights and obligations of the Parties, shall be governed by and interpreted in accordance with the laws of the State of California. Any lawsuit or legal proceeding arising hereunder shall be heard in the United States District Court for the Central District if in federal court or, if in California Superior Court, the Los Angeles County Superior Court, Southwest District located at 825 Maple Avenue, Torrance, California 90503-5058.

35. **NOTICES.** Any notice to either Party required by this Agreement, the enabling legislation, or the procedure adopted pursuant to Government Code Section 65865, shall be in writing and given by delivering the same to such Party in person or by sending the same by registered or certified mail, or express mail, return receipt requested, with postage prepaid, to the Party's mailing address. The respective mailing addresses of the Parties are, until changed as hereinafter provided, the following:

City:	City of Inglewood One Manchester Boulevard Inglewood, California 90301 Attention: City Manager
with a copy to:	Office of the City Attorney One Manchester Boulevard Inglewood, California 90301 Attention: City Attorney
with a copy to: (and shall not constitute notice to City)	Kane, Ballmer & Berkman 515 S. Figueroa Street, Suite 780 Los Angeles, California 90071 Attention: Royce K. Jones

Developer: Murphy's Bowl LLC
PO Box 1558
Bellevue, WA 98009-1558
Attention: Brandt A. Vaughan

with a copy to: Wilson Meany
(and shall not constitute Four Embarcadero Center, Suite 3330
notice to Developer) San Francisco, CA 94111
Attention: Chris Meany

with a copy to: Helsell Fetterman, LLP
(and shall not constitute 1001 Fourth Avenue, Suite 4200
notice to Developer) Seattle, WA 98154
Attention: Mark Rising

with a copy to: Coblenz Patch Duffy & Bass LLP
(and shall not constitute One Montgomery Street , Suite 3000
notice to Developer) San Francisco, CA 94104
Attention: Matthew J. Bove

Any Party may change its mailing address at any time by giving written notice of such change to the other Party in the manner provided herein at least 10 business days prior to the date such change is affected. All notices under this Agreement shall be deemed given, received, made, or communicated on the date personal delivery is affected or, if mailed, on the delivery date or attempted delivery date shown on the return receipt.

36. **FORM OF AGREEMENT; RECORDATION; EXHIBITS.** City shall cause this Agreement, any amendment hereto, any notice of modification of a Project Approval and any Termination of any parts or provisions hereof, to be recorded, at Developer's expense, with the County Recorder within 10 days of the effective date thereof. Any amendment or Termination of this Agreement to be recorded that affects less than all of the Property shall describe the portion thereof that is the subject of such amendment or Termination. This Agreement is executed in three duplicate originals, each of which is deemed to be an original.

This Agreement consists of _ pages and _ Exhibits (Exhibits A- H-3), which constitute the entire understanding and agreement of the Parties.

37. **FURTHER ASSURANCES.** Each Party covenants, on behalf of itself and its successors, heirs and assigns, to take all actions and do all things, and to execute, with acknowledgment or affidavit if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

38. **APPROVALS.** Unless otherwise herein provided, whenever a determination, approval, consent, or satisfaction (herein collectively referred to as "**consent**") is required of a Party pursuant to this Agreement, such consent shall not be unreasonably withheld, conditioned, or delayed. If a Party shall not consent, the reasons therefore shall be stated in reasonable detail in writing. Consent by a Party to or of any act or request by the other Party shall not be deemed to

waive or render unnecessary consent to or of any similar or subsequent acts or requests. Consent given or withheld by the City Manager may be appealed by Developer to the City Council.

39. **ENTIRE AGREEMENT.** This written Agreement, including the Exhibits attached hereto, together with the DDA, contain all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Except as otherwise specified in this Agreement, any prior correspondence, memoranda, agreements, warranties, or representations are superseded in total by this Agreement.

40. **CONSTRUCTION OF AGREEMENT.** The provisions of this Agreement and the Exhibits shall be construed as a whole according to their common meaning and not strictly for or against any Party in order to achieve the objectives and purpose of the Parties. The captions preceding the text of each Article, Section, subsection and the Table of Contents are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neuter genders, or vice versa. Unless otherwise specified, whenever in this Agreement reference is made to the Table of Contents, any Article or Section, or any defined term, such reference shall be deemed to refer to the Table of Contents, Article, Section, or defined term of this Agreement. Exhibits to this Agreement shall be incorporated into this Agreement as if stated fully herein. The use in this Agreement of the words "including," "such as," or words of similar import when following any general term, statement, or matter shall not be construed to limit such statement, term or matter to the specific items or matters, whether or not language of non-limitation, such as "without limitation" or "but not limited to," or words of similar import, are used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such statement, term, or matter. This Agreement has been reviewed and revised by legal counsel for the Developer and City, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Agreement.

41. **NEXUS/REASONABLE RELATIONSHIP CHALLENGES.** Developer consents to, and waives any and all rights it may have now or in the future to challenge the legal validity of, this Agreement or the Project Approvals (to the extent approved in the forms agreed with Developer), including any conditions, requirements, policies or programs imposed in this Agreement including, without limitation, any claim that any conditions, requirements, policies or programs may constitute an abuse of police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation or impose an unlawful tax or fee.

42. **SIGNATURE PAGES.** For convenience, the signatures of the Parties to this Agreement may be executed and acknowledged on separate pages in counterparts which, when attached to this Agreement, shall constitute this as one complete Agreement.

43. **TIME.** Time is of the essence of this Agreement and of each and every term and condition hereof.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the City of Inglewood, a municipal corporation, has authorized the execution of this Agreement in duplicate by its Mayor and attested to by its City Clerk under the authority of Ordinance No. _____, adopted by the City Council of the City of Inglewood on the ____ day of _____, _____, and Developer has caused this Agreement to be executed.

"CITY"

"DEVELOPER"

CITY OF INGLEWOOD,
a municipal corporation

MURPHY'S BOWL LLC,
a Delaware limited liability company

By: _____
James T. Butts, Jr.
Mayor

Name:
Title:

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

Kenneth R. Campos
City Attorney

By: _____
Kenneth R. Campos

APPROVED:

KANE BALLMER & BERKMAN
Special City Counsel

By: _____
Royce K. Jones

DEVELOPMENT AGREEMENT

EXHIBIT LIST

- Exhibit A - Depiction of Property
- Exhibit A-1 - City Parcels
- Exhibit A-2 - Potential Participating Parcels
- Exhibit B - List of Project Approvals
- Exhibit C - Public Benefits
- Exhibit D - Applicable Exactions
- Exhibit E - Intentionally Omitted
- Exhibit F - Conditions of Approval for Access and Maintenance of Plaza
- Exhibit G - Form of Assignment and Assumption Agreement
- Exhibit H-1 - Greenhouse Gas Emissions Condition of Approval
- Exhibit H-2 - Air Pollutant Emissions Reduction Condition of Approval
- Exhibit H-3 - TDM Program Condition of Approval

EXHIBIT A

Depiction of Property

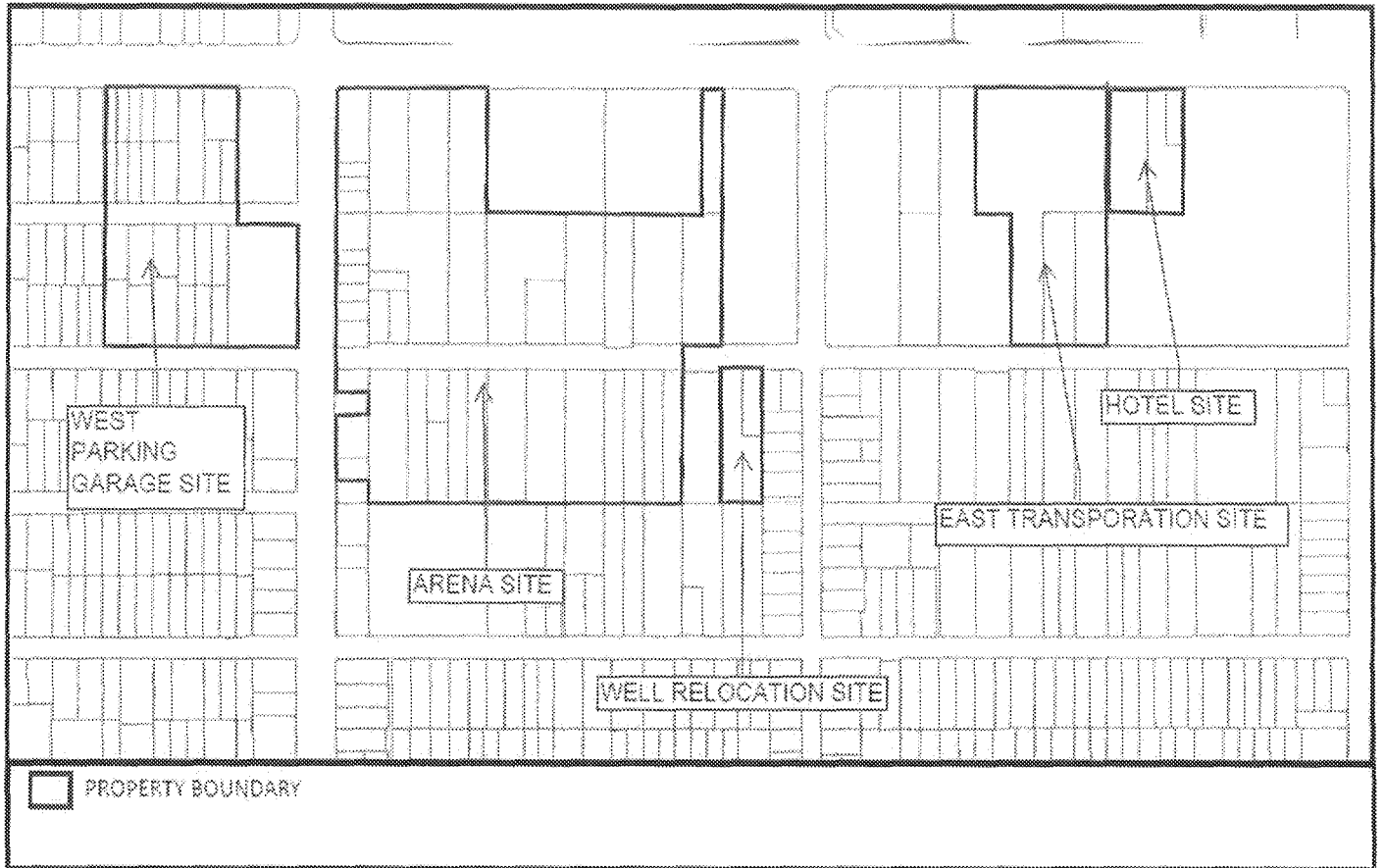


EXHIBIT A-1

City Parcels

THE LAND IS SITUATED IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THE WEST ONE HALF OF LOT 563 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, EXCEPT THEREFROM THE NORTHERLY 139.53 FEET THEREOF.

APN: 4034-004-911

PARCEL 2:

THE NORTH 139.53 FEET OF THE WEST HALF OF LOT 563 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-004-909

PARCEL 3:

THE WESTERLY 42.25 FEET OF LOT 562 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, EXCEPT THEREFROM THE NORTHERLY 139 FEET THEREOF.

APN: 4034-004-902

PARCEL 4:

THAT PORTION OF LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID LOT 564; THENCE SOUTHERLY ALONG THE WESTERLY LINE OF SAID LOT, 141.03 FEET TO A POINT IN SAID WESTERLY LINE THAT IS DISTANT NORTHERLY THEREON 163.04 FEET FROM THE SOUTHWESTERLY CORNER OF SAID LOT; THENCE EAST PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT, 31.56 FEET; THENCE NORTHERLY PARALLEL WITH SAID WESTERLY LINE OF SAID LOT 141.03 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT; THENCE WESTERLY ALONG SAID NORTHERLY LINE 31.56 FEET TO THE POINT OF BEGINNING.

APN: 4034-004-907

PARCEL 5:

LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID LOT 564; THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID LOT, 163.04 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTHERLY LINE OF SAID 31.56 FEET; THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 163.04 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID LOT; THENCE WESTERLY ALONG SAID SOUTHERLY LINE, 31.56 FEET TO THE POINT OF BEGINNING.

APN: 4034-004-900

PARCEL 6:

ALL THAT PORTION OF LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 564, RUNNING THENCE IN A SOUTHERLY DIRECTION A DISTANCE OF 139.535 FEET ALONG THE EASTERLY LINE OF SAID LOT 564; THENCE WESTERLY A DISTANCE OF 31.5625 FEET PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 564; THENCE NORTHERLY A DISTANCE OF 139.535 FEET PARALLEL WITH THE EASTERLY LINE OF SAID LOT 564; THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID LOT 564 A DISTANCE OF 31.5625 FEET TO THE POINT OF BEGINNING.

APN: 4034-004-910

PARCEL 7:

THAT PORTION OF LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY BOUNDARY OF SAID LOT 564 OF TRACT NO. 211, SAID POINT BEING 31.56 ¼ FEET WESTERLY FROM THE SOUTHEAST CORNER OF SAID LOT 564; RUNNING THENCE IN A NORTHERLY DIRECTION, A DISTANCE OF 164.535 FEET PARALLEL WITH THE EASTERLY LINE OF SAID LOT 564; THENCE WESTERLY A DISTANCE OF 31.56 ¼ FEET; THENCE SOUTHERLY ALONG THE WESTERLY LINE OF THE EAST HALF OF SAID LOT 564, A DISTANCE OF 164.535 FEET TO A POINT IN THE SOUTHERN BOUNDARY OF LOT 564; THENCE EASTERLY ALONG THE SOUTHERLY BOUNDARY OF LOT 564, A DISTANCE OF 31.56 ¼ FEET TO THE POINT OF BEGINNING.

APN: 4034-004-903

PARCEL 8:

LOT 562, TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE NORTHERLY 139 FEET OF SAID LOT. ALSO EXCEPT THEREFROM THE WESTERLY 42.25 FEET OF SAID LOT. ALSO EXCEPT THEREFROM THE EASTERLY 42 FEET OF SAID LOT.

APN: 4034-004-904

PARCEL 9:

ALL THAT PORTION OF LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 564, RUNNING THENCE IN A NORTHERLY DIRECTION A DISTANCE OF 164.535 FEET ALONG THE EASTERLY LINE OF SAID LOT 564; THENCE WEST A DISTANCE OF 31.564 FEET PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 564; THENCE SOUTHERLY A DISTANCE OF 164.535 FEET TO A POINT IN THE SOUTH BOUNDARY OF SAID LOT 564; THENCE

EASTERLY ALONG THE SOUTHERLY BOUNDARY OF LOT 564, A DISTANCE OF 31.564 FEET TO THE POINT OF BEGINNING.

APN: 4034-004-901

PARCEL 10A:

THE EAST 31.56 FEET OF THE NORTH 139.57 FEET OF THE SOUTH 164.57 FEET OF LOT 563 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 10B:

THE WEST 31.56 FEET OF THE EAST 63.12 FEET OF LOT 563 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 139.5 FEET THEREOF.

PARCEL 10C:

THE EAST 63.125 FEET OF THE NORTH 139.5 FEET OF LOT 563 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, EXCEPT THEREFROM THE NORTHERLY 17 FEET THEREOF.

APN: 4034-004-913

PARCEL 11:

THAT PORTION OF LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE NORTHERLY BOUNDARY OF SAID LOT, DISTANT 31.56 ¼ FEET WESTERLY FROM THE NORTHEAST CORNER OF SAID LOT; THENCE SOUTHERLY PARALLEL WITH THE EASTERLY LINE OF SAID LOT, 139.535 FEET TO THE NORTH LINE OF LAND DESCRIBED IN DEED RECORDED IN BOOK 5284, PAGE 134 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE WEST 31.56 ¼ FEET TO THE EAST LINE OF

THE WEST HALF OF SAID LOT; THENCE NORTHERLY ALONG SAID EAST LINE 139.535 FEET TO THE NORTHERLY LINE OF SAID LOT; THENCE EASTERLY ALONG SAID NORTHERLY LINE 31.56 ¼ FEET TO THE POINT OF BEGINNING.

APN: 4034-004-905

PARCEL 12:

THAT PORTION OF LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 564, DISTANT EASTERLY THEREON 31.56 FEET FROM THE SOUTHWESTERLY CORNER OF SAID LOT; THENCE NORTHERLY PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 163.04 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT, 31.61 FEET, MORE OR LESS, TO A POINT IN THE EASTERLY LINE OF THE WESTERLY HALF OF SAID LOT 564; THENCE SOUTHERLY ALONG SAID EASTERLY LINE AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 163.04 FEET TO THE SOUTHERLY LINE OF SAID LOT; THENCE WESTERLY ALONG SAID SOUTHERLY LINE, 31.61 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

APN: 4034-004-906

PARCEL 13:

THE WESTERLY 84 FEET OF THE NORTHERLY 139 FEET OF LOT 562 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-004-912

PARCEL 14:

THAT PORTION OF LOT 564 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 564 THAT IS DISTANT EASTERLY

THEREON, 31.56 FEET FROM THE NORTHWESTERLY CORNER OF SAID LOT; THENCE SOUTHERLY PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 141.03 FEET TO A POINT IN A LINE DRAWN PARALLEL WITH AND DISTANT NORTHERLY AT RIGHT ANGLES, 163.04 FEET FROM THE SOUTHERLY LINE OF SAID LOT; THENCE EASTERLY ALONG SAID PARALLEL LINE SO DRAWN, 31.61 FEET, MORE OR LESS, TO A POINT IN THE EASTERLY LINE OF THE WEST ONE-HALF OF SAID LOT 564; THENCE NORTHERLY ALONG SAID EASTERLY LINE AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 141.03 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT; THENCE WESTERLY ALONG SAID NORTHERLY LINE, 31.61 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

APN: 4034-004-908

PARCEL 15:

THE NORTHERLY 33 1/3 FEET OF THE SOUTHERLY 116.67 FEET OF LOT 1 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-906

PARCEL 16:

THE EAST 96 FEET OF THE SOUTH 158 FEET OF LOT 19, LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM ALL OIL, ASPHALTUM, PETROLEUM, NATURAL GAS AND OTHER HYDROCARBONS AND OTHER VALUABLE MINERAL SUBSTANCES AND PRODUCTS, AND ALL OTHER MINERALS, WHETHER OR NOT OF THE SAME CHARACTER HEREINBEFORE GENERALLY DESCRIBED IN OR UNDER SAID LAND AND LYING AND BEING AT A VERTICAL DEPTH OF 500 FEET OR MORE BELOW THE PRESENT NATURAL SURFACE OF THE GROUND, BUT WITHOUT RIGHT OF ENTRY ON THE SURFACE OR WITHIN A VERTICAL DEPTH OF 500 FEET BELOW THE PRESENT NATURAL SURFACE OF THE GROUND AS RESERVED IN A DEED RECORDED OCTOBER 25, 1973 AS INSTRUMENT NO. 1764 OF OFFICIAL RECORDS.

APN: 4032-001-902

PARCEL 17:

LOT 3 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-913

PARCEL 18:

LOT 4 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-912

PARCEL 19:

THE NORTH 41.5 FEET OF THE SOUTH 186.08 FEET OF LOT 24 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-907

PARCEL 20:

PARCEL A OF PARCEL MAP NO. 4672, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 66 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-909

PARCEL 21:

LOT 21 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE SOUTHERLY 600 FEET AS CONDEMNED FOR RIGHT-OF-WAY EASEMENTS AND PUBLIC STREET PURPOSES IN SUPERIOR COURT CASE NO. 506

432, RECORDED OCTOBER 23, 1985 AS INSTRUMENT NO. 85-1252150 OF OFFICIAL RECORDS.

APN: 4032-001-911

PARCEL 22:

THE NORTH 83 FEET OF THE NORTH 118 FEET OF LOT 24 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-910

PARCEL 23:

THE SOUTH 35 FEET OF THE NORTH 118 FEET OF LOT 24 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-908

PARCEL 24:

PARCEL B OF PARCEL MAP NO. 4672, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 66 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-905

PARCEL 25:

THE NORTH 40 FEET OF THE SOUTH 144.58 FEET OF LOT 24 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-904

PARCEL 26A:

LOT 22 AND THE NORTH 125 FEET OF LOT 23 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-903

PARCEL 27:

LOT 31 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS, HYDROCARBONS AND OTHER SUBSTANCES LYING IN OR UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET OR MORE BELOW THE SURFACE OF THE REAL PROPERTY HEREAFTER DESCRIBED, BUT WITHOUT THE RIGHT OF ENTRY UPON THE SURFACE OF SAID REAL PROPERTY FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, MINERALS, HYDROCARBONS AND OTHER SUBSTANCES OR OTHER USE OR RIGHTS IN AND TO ANY PORTION OF THE SURFACE THEREOF TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATE WELLS AND PRODUCE OIL, GAS, MINERALS, HYDROCARBONS AND OTHER SUBSTANCES FROM ANY PORTION THEREOF WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS CONVEYED TO FIRST PIONEER CO., A CALIFORNIA CORPORATION, IN DEED RECORDED JUNE 23, 1975 AS INSTRUMENT NO. 3074 OF OFFICIAL RECORDS.

APN: 4032-007-905

PARCEL 28:

THE WEST 50 FEET OF LOT 32 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-007-902

PARCEL 29:

THE EAST 50 FEET OF THE NORTH 150 FEET OF LOT 35 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-007-904

PARCEL 30A:

THE EAST HALF OF LOT 33 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-007-903

PARCEL 31A:

THE WEST HALF OF LOT 33 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-007-901

PARCEL 32:

LOT 35 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE EASTERLY 50 FEET OF THE NORTHERLY 150 FEET OF SAID LOT. ALSO EXCEPT THEREFROM ONE-HALF OF ALL OIL, GAS, MINERALS OR OTHER HYDROCARBON SUBSTANCES LYING IN OR UNDER THE HEREIN DESCRIBED LAND, AS RESERVED IN THE DEED FROM SECURITY FIRST NATIONAL BANK OF LOS ANGELES, RECORDED IN BOOK 16106, PAGE 178 OF OFFICIAL RECORDS.

APN: 4032-007-900

PARCEL 33:

THE NORTH 50 FEET OF THE SOUTH 100 FEET OF LOT 25 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-903

[PARCEL 34: INTENTIONALLY DELETED]

PARCEL 35:

THE WEST 50 FEET OF LOT 27 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-908

PARCEL 36:

LOT 30 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-902

PARCEL 37:

THE EAST 50 FEET OF THE NORTH 120 FEET OF LOT 27 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-904

PARCEL 38:

LOT 26 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-907

PARCEL 39:

LOT 29 OF THE LOCKHAVEN TRACT, SHEET NO. 1, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT ALL OIL, GAS, HYDROCARBONS, MINERALS AND FISSIONABLE SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT THE RIGHT TO ENTER UPON THE SURFACE OF SAID LAND OR THE SUBSURFACE THEREOF TO A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID REAL PROPERTY TO EXTRACT SAID SUBSTANCES, AS RESERVED IN DOCUMENT RECORDED MARCH 31, 1976 AS INSTRUMENT NO. 2547 OF OFFICIAL RECORDS.

APN: 4032-008-900

PARCEL 40:

THE EAST 50 FEET OF LOT 28 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-905

PARCEL 41:

LOT 28 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE EASTERLY 50 FEET THEREOF. ALSO EXCEPT ALL OIL, GAS, MINERALS, HYDROCARBONS AND OTHER SUBSTANCES LYING IN OR UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET OR MORE BELOW THE SURFACE OF THE REAL PROPERTY HEREAFTER DESCRIBED, BUT WITHOUT THE RIGHT OF ENTRY UPON THE SURFACE OF SAID REAL PROPERTY FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, MINERALS, HYDROCARBONS AND OTHER SUBSTANCES OR OTHER USE

OR RIGHTS IN AND TO ANY PORTION OF THE SURFACE THEREOF TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATE WELLS AND PRODUCE OIL, GAS, MINERALS, HYDROCARBONS AND OTHER SUBSTANCES FROM ANY PORTION THEREOF WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS CONVEYED TO FIRST PIONEER CO., A CALIFORNIA CORPORATION, IN DEED RECORDED AUGUST 01, 1975 AS INSTRUMENT NO. 4617 OF OFFICIAL RECORDS.

APN: 4032-008-901

PARCEL 42:

THE EAST 23.125 FEET OF THE SOUTH 139.07 FEET OF LOT 558, AND THE WEST 21 FEET OF THE SOUTH 139.07 FEET OF LOT 559 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-005-906

PARCEL 43:

THE WEST ONE-HALF OF LOT 559 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, EXCEPT THEREFROM THE NORTHERLY 165 FEET THEREOF. ALSO EXCEPT THEREFROM THE WESTERLY 21 FEET THEREOF.

APN: 4034-005-908

PARCEL 44:

THE EASTERLY 21 FEET OF THE NORTHERLY 165 FEET OF LOT 558, AND THE WESTERLY 21 FEET OF THE NORTHERLY 165 FEET OF LOT 559 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE NORTHERLY 25 FEET THEREOF.

APN: 4034-005-912

PARCEL 45:

THE NORTH 150 FEET OF THE WEST HALF OF LOT 557 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-005-910

PARCEL 46:

THE WEST ONE-HALF OF LOT 557 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE NORTHERLY 150 FEET THEREOF.

APN: 4034-005-902

PARCEL 47:

THE WEST 42.125 FEET OF THE EAST 63.125 FEET OF THE NORTH 165 FEET OF LOT 558 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE NORTHERLY 25 FEET THEREOF.

APN: 4034-005-911

PARCEL 48:

THE EAST ONE-HALF OF LOT 557 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE SOUTHERLY 139.50 FEET THEREOF.

APN: 4034-005-909

PARCEL 49:

THE WEST 40 FEET OF THE EAST 83.125 FEET OF THE SOUTH 139.07 FEET OF LOT 558 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES,

STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-005-907

PARCEL 50:

THE NORTH 165 FEET OF LOT 559 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE EASTERLY ONE-HALF THEREOF AND THE WESTERLY 21 FEET THEREOF.

APN: 4034-005-905

PARCEL 51:

THE WEST ONE-HALF OF LOT 558 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT THEREFROM THE NORTHERLY 144 FEET THEREOF.

APN: 4034-005-904

PARCEL 52:

THE SOUTH 139.50 FEET OF THE EAST ONE-HALF OF LOT 557 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-005-903

PARCEL 53:

THE NORTH 144 FEET OF THE WEST HALF OF LOT 558 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-005-901

PARCEL 54A:

THE EAST 63.125 FEET OF THE SOUTH 279.07 FEET OF LOT 559 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 54B:

LOT 560 OF TRACT NO. 211, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 50 AND 51 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4034-005-900

PARCEL 55:

LOT 15 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-002-917

PARCEL 56:

THE WEST 73 FEET OF LOT 17 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT ALL OIL, NAPHTHA, GAS, PETROLEUM, AND OTHER MINERAL AND KINDRED SUBSTANCES, BY WHATEVER NAME OR NAMES CALLED, DEPOSITED IN, LYING UNDER, OR FLOWING THROUGH, OR THAT MAY BE PRODUCED FROM SAID LAND, TOGETHER WITH ALL RIGHTS TO EXPLORE FOR AND REMOVE THE SAME AND THE EXCLUSIVE RIGHT TO MAINTAIN SHAFTS, PIPES AND OTHER MEANS OF CONNECTION TO EXPLORE FOR AND REMOVE LIKE SUBSTANCES IN OTHER AREAS IN AND THROUGH THE SUBSURFACE OF SAID LAND, PLUS THE EXCLUSIVE RIGHT TO REMOVE LIKE SUBSTANCES IN ANY MANNER FROM OTHER AREAS IN AND THROUGH THE SUBSURFACE OF SAID LAND, INCLUDING BUT NOT BY WAY OF LIMITATION, THE SOLE AND EXCLUSIVE RIGHT TO SLANT DRILL WELLS, THE SURFACE OR MARBLEHEAD LOCATIONS OF WHICH ARE ON OTHER LANDS, IN AND THROUGH THE SUBSURFACE OF THE SAID LAND FOR THE PRODUCTION OF ANY OR ALL WATER, OIL, NAPHTHA, GAS, PETROLEUM AND OTHER MINERALS AND KINDRED SUBSTANCES, BY WHATEVER NAME OR NAMES CALLED FROM SAID LAND AND

ANY OTHER PROPERTY, WHETHER ONE PRODUCING INTERVAL OF ANY SUCH WELL IS WITHIN OR OUTSIDE OF THE SUBSURFACE OF SAID LAND, AS RESERVED BY A. J. HEATHERINGTON, INC., A CALIFORNIA CORPORATION, IN DEED RECORDED NOVEMBER 12, 1968 AS INSTRUMENT NO. 3048, IN BOOK D-4191, PAGE 694 OF OFFICIAL RECORDS.

APN: 4032-002-915

PARCEL 57:

LOT 18 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH, AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES, OR MINERALS FROM SAID LANDS BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSE OR PURPOSES WHATSOEVER, NOT PREVIOUSLY RESERVED, AS EXCEPTED AND RESERVED IN DOCUMENT RECORDED APRIL 21, 1992 AS INSTRUMENT NO. 92-699236 OF OFFICIAL RECORDS.

APN: 4032-002-916

PARCEL 58:

LOT 16 AND THE EAST 27 FEET OF LOT 17 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPT ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH, AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID OR OTHER LANDS, BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSE OR PURPOSES WHATSOEVER, NOT PREVIOUSLY RESERVED, AS

EXCEPTED AND RESERVED IN DEED RECORDED MAY 16, 1991 AS INSTRUMENT NO. 91-715443 OF OFFICIAL RECORDS.

APN: 4032-002-914

PARCEL 59:

LOT 28 IN BLOCK 10 OF TRACT NO. 2464, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 27, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF THE PROPERTY DESCRIBED HEREIN, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH, AND TO USE AND OCCUPY ALL PARTS OF SAID PROPERTY LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID PROPERTY OR OTHER LANDS, BUT WITHOUT, HOWEVER, THE RIGHT TO USE EITHER THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSE OR PURPOSES WHATSOEVER, BY FINAL CONDEMNATION, CASE NO. BC 002 446, RECORDED SEPTEMBER 27, 1993 AS INSTRUMENT NO. 93-1880751 OF OFFICIAL RECORDS.

APN: 4032-003-915

PARCEL 60A:

LOTS 5, 6 AND 29 IN BLOCK 10 OF TRACT NO. 2464, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 27, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 60B:

LOTS 7 AND 8 IN BLOCK 10 OF TRACT NO. 2464, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 27, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 60C:

LOT 9 AND THE WESTERLY 22 FEET OF LOT 10 IN BLOCK 10 OF TRACT NO. 2464, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS

PER MAP RECORDED IN BOOK 27, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-003-914

PARCEL 61:

LOT 27 IN BLOCK 10 OF TRACT NO. 2464, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 27, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-003-912

PARCEL 62:

THE SOUTH 104.58 FEET OF LOT 24 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPTING ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE REAL PROPERTY, BUT WITHOUT ANY RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN FIVE HUNDRED (500) FEET OF THE SURFACE THEREOF, AS RESERVED BY FREDERICK W. STOOPS AND GERTRUDE M. STOOPS IN DEED RECORDED MARCH 30, 1984 AS INSTRUMENT NO. 84-386190 OF OFFICIAL RECORDS.

APN: 4032-001-900; 4032-001-901

PARCEL 63:

THE EAST HALF, FRONT AND REAR, OF LOT 10 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-002-913

PARCEL 64:

THE EAST 50 FEET OF LOT 10 AND THE SOUTHERLY 152.04 FEET OF LOT 11, BLOCK 10 OF TRACT NO. 2464, IN THE CITY OF INGLEWOOD, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 27, PAGE 3 OF

MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPTING THEREFROM THE EASTERLY 33 FEET OF THE SOUTHERLY 152.04 FEET OF LOT 11 BY DEED RECORDED SEPTEMBER 4, 1985, AS INSTRUMENT NO. 85-1021209, OFFICIAL RECORDS OF SAID COUNTY. ALSO EXCEPT THEREFROM ALL OIL, GAS, HYDROCARBON, SUBSTANCES AND MINERALS OF EVERY KIND AS RESERVED IN DEED RECORDED FEBRUARY 28, 1985 AS INSTRUMENT NO. 85-229983, OF OFFICIAL RECORDS OF SAID COUNTY.

APN: 4032-004-913

PARCEL 65:

THE NORTH HALF OF LOT 11 IN BLOCK 10 OF TRACT NO. 2464, IN THE CITY OF INGLEWOOD, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PE MAP RECORDED IN BOOK 27, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPTING THEREFROM THE EASTERLY 33 FEET OF THE NORTHERLY 152.04 FEET OF SAID LAND BY DEED RECORDED SEPTEMBER 4, 1985, AS INSTRUMENT NO. 85-1021209, OFFICIAL RECORDS. ALSO EXCEPT THEREFROM ALL OIL GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AS RESERVED IN DEED RECORDED FEBRUARY 28, 1985, AS INSTRUMENT NO. 85-229983, OFFICIAL RECORDS OF SAID COUNTY.

APN: 4032-004-914

EXHIBIT A-2

Potential Participating Parcels

THE LAND IS SITUATED IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 1 OF THE LOCKHAVEN TRACT IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, RECORDS OF SAID COUNTY. EXCEPTING THEREFROM THE SOUTHERLY 116.67 FEET THEREOF.

APN: 4032-001-039

PARCEL 2:

LOT 2 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. EXCEPTING THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF, WITHOUT ANY RIGHT OF SURFACE ENTRY, AS RESERVED BY ROBERT KING SMIGEL AND SUZAN K. SMIGEL, HUSBAND AND WIFE, AS TO AN UNDIVIDED FOUR-FIFTHS INTEREST; ALVIN WEINSTEIN, AN UNMARRIED MAN, AS TO AN UNDIVIDED ONE-FIFTH INTEREST, BY DEED RECORDED MARCH 5, 1974 AS INSTRUMENT NO. 901 IN BOOK D6190, PAGE 241 OF OFFICIAL RECORDS.

APN: 4032-001-049

PARCEL 3:

THE NORTH 33 1/3 FEET OF THE SOUTH 83 1/3 FEET OF LOT 1 OF THE LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17 PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-005

PARCEL 4:

THE SOUTH FIFTY (50) FEET OF LOT 1 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-006

PARCEL 5:

THE SOUTH 46 FEET OF THE NORTH 171 FEET OF LOT 23 OF LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD, AS PER MAP RECORDED IN BOOK 17 PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-033

PARCEL 6:

PARCEL 1 OF PARCEL MA NO. 21391, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 226 PAGE(S) 86 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-001-048

PARCEL 7:

THE NORTH 54.04 FEET OF LOT 25 OF TRACT LOCKHAVEN, IN THE CITY OF INGLEWOOD, COUNTY OF LOS ANGELES, CALIFORNIA, AS PER MAP RECORDED IN BOOK 17, PAGE(S) 87, OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-001

PARCEL 8:

PARCEL A:

THE NORTH 50 FEET OF THE SOUTH 200 FEET OF LOT 25 OF LOCKHAVEN TRACT, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP

RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY
RECORDER OF SAID COUNTY.

PARCEL B:

THE NORTH 50 FEET OF THE SOUTH 150 FEET OF LOT 25 OF LOCKHAVEN TRACT,
IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP
RECORDED IN BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE COUNTY
RECORDER OF SAID COUNTY.

APN(s): 4032-008-035

PARCEL 9:

THE SOUTHERLY 184.09 FEET OF THE EAST ONE HALF OF LOT 27 OF LOCKHAVEN
TRACT, IN THE CITY OF INGLEWOOD, AS PER BOOK 17, PAGE 87 OF MAPS, IN THE
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 4032-008-034

PARCEL 10:

THE EAST 50 FEET OF LOT 32, LOCKHAVEN TRACT, IN THE CITY OF INGLEWOOD,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN
BOOK 17, PAGE 87 OF MAPS, IN THE OFFICE OF THE L.A. COUNTY RECORDER.

APN(s): 4032-007-035

EXHIBIT B

List of Project Approvals

- A. Resolution No. _____, certifying the FEIR, adopting findings and a statement of overriding considerations for significant and unavoidable impacts of the Project, and adopting a Mitigation Monitoring and Reporting Program (MMRP);
- B. Resolution No. _____, amending the General Plan's Land Use, Circulation (Transportation) and Safety Elements;
- C. Resolution No. _____, amending the Inglewood International Business Park Specific Plan (IIBPSP) to exclude the Property from IIBPSP requirements if developed in connection with the Project;
- D. Ordinance No. _____ (Zoning Code Amendment), establishing regulations for the Sports and Entertainment Overlay Zone and adjusting other land use controls;
- E. Ordinance No. _____ (Zone Change), establishing a Sports and Entertainment Overlay Zone and rezoning certain parcels within the Property;
- F. Resolution No. _____, adopting the Sports and Entertainment Complex Design Guidelines and Infrastructure Plan (SEC Development Guidelines);
- G. Ordinance No. _____, adopting amendments to Chapters 2, 3, 5, 10, and 11 of the Inglewood Municipal Code;
- H. Ordinance No. _____, approving the Development Agreement between the City of Inglewood and Murphy's Bowl LLC; and
- I. This Development Agreement.

EXHIBIT C

Public Benefits

Subject to the terms of the Agreement, the development of the Project will provide the City, its residents, and the surrounding region with the Public Benefits listed in Section 1 through Section 22 below. These Public Benefits are public benefits in excess of those otherwise having a nexus to the Project and beyond what could be expected from the Project in absence of the Agreement. Capitalized terms used in this Exhibit C and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

Creation of Local Jobs & Workforce Equity

1. **Minority/Disadvantaged Business Enterprises Participation Goals.** In the development of the Project, Developer shall require that all construction contractors have a goal to achieve participation by minority/disadvantaged business enterprises (the "**MBE/DBEs**") of at least 30% of the total value of funds awarded for contracts and subcontracts related to construction activities during the Project, with a goal of at least 50% of that 30% goal being awarded to local qualified businesses located in Inglewood, as more fully set forth in the DDA.

2. **Local Employment Opportunities.** Events at the Arena will result in additional employment opportunities for Inglewood residents and businesses. Developer, as the owner of the Arena, shall engage in the following steps with the goal of hiring qualified Inglewood residents for no less than 35% of the employment positions needed in connection with event operations at the Arena, including employment positions with Developer's contractors, subcontractors, and vendors providing services in connection with events held inside the Arena, such as food and beverage service, hospitality, and event security ("**Event Operations Providers**"): (i) upon commencement of a job search, publication of employment opportunities once each week in a newspaper of general circulation in Inglewood for at least 3 weeks (unless the job is filled sooner), and (ii) utilization of the resources and networks of the WOCP (as defined in Section 4 of this Exhibit) to identify and solicit qualified Inglewood residents. The obligations of Developer and its Event Operations Providers with respect to this goal shall be satisfied by engaging in the following activities: (i) utilization of the WOCP to identify and solicit qualified Inglewood residents; (ii) coordination with organizations such as the South Bay Workforce Investment Board, to identify and solicit qualified Inglewood residents; and (iii) funding (by Developer only) and participation in job fairs as provided in Section 3 of this Exhibit. This paragraph does not apply to Developer's contractors, subcontractors, and vendors providing services other than in connection with events held inside the Arena.

3. **Job Fairs.** Developer shall contribute a maximum of \$150,000 over the lifetime of the Project in order to fund at least 4 job fairs and related advertising and promotion for those job fairs. At least one job fair shall take place 3 months prior to the commencement of construction of the Project, with the second job fair to take place no later than six months prior to the first ticketed event held after the opening of the Arena. All job fairs shall be open to the general public and include information about available employment opportunities, as well as opportunities to submit resumes and applications. Developer shall publish notice of each jobs

fair once each week in a newspaper of general circulation in Inglewood for 3 weeks prior to that job fair.

4. **Workforce Outreach Coordination Program.** In consultation with the City, Developer shall fund a Workforce Outreach Coordination Program (the "**WOCP**") in the aggregate amount of \$600,000, over a period of 4 years, starting from the Effective Date. Funding for the WOCP shall include the costs of outreach and marketing, and the retention of a qualified Workforce Outreach Coordinator. Developer shall hire a local qualified Workforce Outreach Coordinator for the construction period, and shall designate a Workforce Outreach Coordinator on the Arena operations staff following completion of construction, whose job responsibilities shall include marshaling and coordinating workforce outreach, and training and placement programs for the following types of positions: (i) construction jobs, including pre-apprentice programs; (ii) employees working for Event Operations Providers; and (iii) employees working for Developer-owned and other retail operations at or around the Arena. The Workforce Outreach Coordinator shall also marshal and coordinate workforce outreach and training and placement programs by engaging in the following community outreach activities: (i) advertising available workforce programs; (ii) establishing a community resources list that includes the Inglewood Chamber of Commerce, service organizations, block clubs, community town hall meetings, and religious organizations; and (iii) notification and advertising of upcoming job opportunities and job fairs as described in this Exhibit C. The overall objectives and goals of the WOCP shall include: (i) establishing strategic community outreach partners with existing organizations such as community organizations, churches, and state and local resources; (ii) partnering with community organizations to facilitate intake and assess potential job training candidates; (iii) building working relationships with contractors, religious organizations, local political leaders and other local organizations; (iv) working with contractors to estimate the number of employment opportunities and required skills; and (v) monitoring efforts by contractors as required in this Section 4. In furtherance of these objectives, the Workforce Outreach Coordinator shall also coordinate with existing organizations, which offer employment and training programs for Inglewood residents, such as the South Bay Workforce Investment Board and other similar organizations so that the expertise of that organization is matched with the particular Project need, it being recognized that the needs of the Project and the available organizations will change over time.

5. **Job Training for Inglewood Residents.** Developer shall contribute \$250,000, over a period of 5 years commencing on the Effective Date, to fund programs, managed by the South Bay Workforce Investment Board or similar organization(s) selected by Developer, that will provide job skills to Inglewood residents entering the job market.

6. **Construction Opportunities for the Formerly Incarcerated.** Developer shall contribute a total of \$150,000, over a period of 3 years commencing on the Effective Date, to fund job placement programs for formerly incarcerated individuals in the building and construction trades. Funds shall be contributed to one or more community based nonprofit organizations ("**CBOs**"), shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

7. **Project Labor Agreement for Project Construction.** A large labor pool will be required to execute the work involved in the development of the Project. Towards that end,

Developer's general contractor for the Project has entered into a Project Labor Agreement ("PLA") with the Los Angeles/Orange County Building and Construction Trades, on behalf of its affiliate local unions and district councils. The PLA is intended to ensure that a sufficient supply of skilled craft workers are available to work throughout the Project, and that such work will proceed in a safe and efficient manner with due consideration for the protection of labor standards, wages, and working conditions.

8. **Leased Space to Inglewood Restaurant.** Developer shall make good faith efforts to lease at least one restaurant space in the Project to a qualified Inglewood business for at least one year on market terms. If the restaurant space has not been leased to a qualified Inglewood business within one year of its availability, after good faith efforts to do so, the restaurant space shall be made available for lease to the general market.

Commitments to Affordable Housing & Renter Support

9. **Funding for Affordable Housing.** Developer shall contribute, over the period from the Effective Date to the date 10 years following the issuance of the Certificate of Occupancy for the Arena, up to \$75,000,000 to a fund or program, managed by a Community Development Financial Institution or a similar organization selected by Developer (a "CDFI"), to provide low-interest loans for the acquisition, preservation, and development of affordable and mixed-income housing in the City, and/or to acquire land for the future development of affordable and mixed-income housing. The term "affordable housing" shall mean housing deemed affordable to persons or families whose household incomes are either at or below the median household income for Los Angeles County. The CDFI shall establish guidelines for the administration of the fund or program, subject to the approval of the Developer. Developer's obligations with respect to this paragraph shall be satisfied by contributing each year amounts required for affordable housing projects meeting the guidelines and project criteria established for the program, up to a maximum of \$45,000,000 in any particular year and to a maximum of \$75,000,000 in total. Amounts received from loan repayments may, at the option of Developer, be reinvested in the program or returned to Developer.

10. **First-Time Homeowners Assistance.** Developer shall contribute a total of \$2,500,000, over a period of 5 years commencing one year prior to the estimated issuance of the Certificate of Occupancy for the Arena, towards one or more first-time homebuyer programs (which may include down-payment assistance, homebuyer education, and credit coaching) for Inglewood residents with household incomes at or below the median income for Los Angeles County. Down-payment assistance may be structured as a recoverable grant to be repaid and recycled when a property is resold. Funds shall be contributed to one or more CBOs, government agencies, or similar organizations, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

11. **Emergency Support to Inglewood Renters and Anti-Eviction Services.** Developer shall contribute a total of \$3,000,000, over a period of 5 years commencing with the issuance of the Certificate of Occupancy for the Arena, for purposes of preventing homelessness and providing legal support for families facing evictions in Inglewood. Funds shall be contributed to one or more non-profits, government agencies, or similar organizations, shall be

restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

12. **Capacity Building for Housing-Focused Non-Profits.** Developer shall contribute \$250,000 in grants to help local and regional community development corporations, community development financial institutions, land banks, and other non-profits focused on housing to expand their respective operations and services for development of affordable housing in the City (e.g. hire new staff, expand office space, etc.). Funds shall be contributed to one or more CBOs, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

**Rehabilitation of Inglewood Public Library &
Creation of Community Center**

13. **Rehabilitation of Library and Creation of Community Center.** Developer shall contribute to the City a total of \$6,000,000 to rehabilitate the City's Public Library as a library and community center, where members of the community can gather for group activities, social support, public information, and other purposes. Such funds shall be contributed within 60 days following the later of (i) issuance of the Certificate of Occupancy for the Arena, (ii) City approval of a plan for such rehabilitation, or (iii) demonstration by the City, to the reasonable satisfaction of Developer, that other funds are available to complete the rehabilitation. If the foregoing conditions have not been met after 3 years following the issuance of the Certificate of Occupancy for the Arena, the City may propose an alternative project for receipt and expenditure of such funding, subject to Developer's reasonable approval, to further similar purposes.

Support for Inglewood Youth and Education

14. **After School Tutoring for Inglewood Students.** Developer shall contribute a total of \$4,000,000, over a period from the Effective Date to the date 5 years following the issuance of the Certificate of Occupancy for the Arena, for after school tutoring programs for Inglewood students. Funds shall be contributed to one or more CBOs, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

15. **Youth Innovation and Design Camps.** Developer shall contribute a minimum of \$500,000, over the period from the Effective Date to the date 5 years following the issuance of the Certificate of Occupancy for the Arena, for purposes of developing and operating coding, science, technology, and engineering camps and programs for Inglewood students. Funds shall be contributed to one or more CBOs, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

16. **Keeping Inglewood Students in School.** Developer shall contribute a minimum of \$2,750,000, over the period from the Effective Date to the date 5 years following the issuance of the Certificate of Occupancy for the Arena, for purposes of discouraging Inglewood high school students from dropping out of school. Funds shall be contributed to one or more CBOs, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

17. **Opening Pathways to College for Inglewood Students.** Developer shall contribute up to \$1,000,000, over a period from the Effective Date to the date 5 years following the issuance of the Certificate of Occupancy for the Arena, for purposes of expanding counseling services and support for students seeking a post-secondary education. Funds shall be contributed to one or more CBOs shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

18. **College Scholarships for Inglewood Students.** Developer shall contribute a minimum of \$4,500,000, over the period from the Effective Date to the date 5 years following the issuance of the Certificate of Occupancy for the Arena, for purposes of providing scholarships to eligible low-income students in the Inglewood United School District that are accepted to either a 2-year or 4-year colleges. Funds shall be contributed to one or more CBOs or similar organizations, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

Support for Inglewood Seniors

19. **Resources for Inglewood Seniors.** Developer shall contribute a total of at least \$500,000, over a period from the Effective Date to the date 5 years following the issuance of the Certificate of Occupancy for the Arena, to fund social and educational programs at the Inglewood Senior Center. Funds shall be contributed to one or more CBOs, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

Improving Inglewood Parks

20. **Renovating Public Basketball Courts.** Developer shall contribute \$300,000, over a period from the Effective Date to the date 5 years following the issuance of the Certificate of Occupancy for the Arena, to renovate public basketball courts in Inglewood. Funds shall be contributed to one or more government agencies or CBOs, shall be restricted to the purposes set forth in this paragraph, and shall be subject to administrative and program guidelines approved by Developer.

Community Engagement & Collaboration

21. **Use of Arena for Charitable Causes.** Upon the City's issuance of the Certificate of Occupancy for the Arena, Developer shall provide City, local schools, youth athletic programs, or a local community-based charitable organization designated by the City (each a "**Community Group**") use of the Arena for up to 10 days per calendar year (each a "**Community Event**"), on days that the Arena or surrounding facilities are available. Any use of the Arena that is not a major sporting event typically held in an arena or stadium shall be subject Developer's approval. Community Events shall not exceed a one-day period unless otherwise approved in writing by Developer, which shall not be unreasonably withheld, conditioned, or delayed. Community Events shall not be designed to earn a profit or otherwise compete with the operations or booking opportunities of the Arena as determined by Developer in its sole discretion. There shall be no more than 2 Community Events in each calendar month. The purpose of this provision is to allow the community reasonable access to the Arena and

surrounding facilities. Developer shall provide such use of the Arena and surrounding facilities at no cost to the Community Group; *provided, however*, that each such Community Group shall procure event insurance, indemnify Developer for liability arising out of the Community Group's use of the Arena and bear the actual out-of-pocket expenses as reasonably required and incurred by Developer in connection with the usage of the Arena or surrounding facilities, including but not limited to security, food and beverage (if utilized), insurance, clean-up and trash removal, ushers, ticket-takers, and stagehands (the "**Event Expenses**"). The Community Group shall not charge an admittance fee or set ticket prices or secure sponsorship or grants in excess of the good faith estimated amounts necessary for the Community Group to recoup the Event Expenses; *provided, however*, that notwithstanding the foregoing, a Community Group will not be in violation of this section if actual ticket sales exceed the estimated amount of ticket sales. The Community Group and Developer shall enter into a rental agreement that shall govern the Community Event. Developer shall provide an estimate of the expected Event Expenses for the Community Group's review and approval prior to entering into any rental agreement. Developer shall also consult with the City regularly regarding any changes to such estimate. The rental agreement shall contain the Developer's then-current standard terms and conditions that the Arena requires of all users, including but not limited to the material terms that are listed on Exhibit C-1. The obligation of Developer under this paragraph shall not apply during any times a Permitted Delay is in effect, during any times that the Arena is closed for material renovations or repairs, or if, subject to the provisions of the Public Use Restriction, the Arena is no longer being operated as contemplated in this Agreement.

22. **Access to NBA Games for Community Groups.** Following the City's issuance of the Certificate of Occupancy for the Arena, Developer shall dedicate an average of 100 general admission tickets to every Los Angeles Clippers basketball home game at the Arena during the regular season for use by a Community Group at no charge.

EXHIBIT C-1

FORM OF COMMUNITY EVENT RENTAL AGREEMENT

TICKETING: Developer or Developer's ticketing agent will make all ticket sales for a Community Event, and such ticket sales will be subject to facility fee and convenience charges.

RENT: Developer will not charge Community Group any fee for the use of the Arena or surrounding facilities (collectively, the "Arena") for any Community Event.

EXPENSES AND SETTLEMENT:

- Developer and Community Group shall agree in advance and in writing as to the requirements and the budget for any Community Event (the "Budget"). Community Group will be responsible for reimbursing Developer for all expenses and costs incurred in connection with the Community Event for such personnel, services, equipment, and/or materials that Developer deems to be reasonably required based on the Community Event requirements described in the Budget (the "Community Event Expenses"). Community Event Expenses for labor will be subject to any applicable union minimum requirements and will include full reimbursement for Developer's wage, fringe benefit, payroll tax, and other labor-related expenses associated with the Community Event (and Community Event Expenses for goods or services rented or purchased from a third party will be at the actual costs incurred by Developer). Community Event Expenses will be paid by Community Group to Developer at the conclusion of each Community Event, unless Developer requests Community Group to pay reasonably estimated Community Event Expenses prior to the Community Event.
- During the end of any Community Event or at another mutually agreed time, the parties will conduct a financial accounting and settlement of the Community Event Expenses where the amounts owed to each party in respect of the Community Event will be reconciled and paid, if applicable.

INDEMNITY: The rental agreement will include indemnification provisions consistent with the following:

- Community Group will indemnify, defend, and hold harmless Developer, and their owners and partners and all of their respective parent and affiliated entities, whether direct or indirect, and all directors, officers, employees, agents, licensees, contractors, and successors and assigns of any of the foregoing (collectively, the "Affiliates"), as well as any parties appearing in the Community Event (collectively the "Indemnified Parties"), from and against any and all claims, liabilities, losses, damages, judgments, settlement expenses, costs and expenses whatsoever, including court costs, attorneys' fees and related disbursements, whether incurred by Developer in actions involving third parties or in actions against Community Group for claims (individually, a "Loss" and collectively, the "Losses") arising out of or in connection with: (i) the breach by Community Group of any of its agreements or covenants under the rental agreement; (ii) the truthfulness of its representations and warranties under the rental agreement; (iii) the conduct and

presentation of the Community Event; and (iv) the use of the Arena, or any part thereof, in connection with the conduct/presentation of the Community Event, or any preparation for or move-in or move-out of the Community Event, including areas utilized by guests attending the Community Event, escalators, elevators, stairs, seating areas, lavatories, restaurant and concession areas and all areas and facilities utilized for ingress and egress of guests. Without limiting the foregoing, Community Group will defend, indemnify, and hold harmless the Indemnified Parties for any damage to the Arena, whether caused by Community Event participants, production personnel, patrons or otherwise. All repairs to the damaged property of Developer will be made by firm(s) designated by Developer. The charges for such services will not exceed the charges generally prevailing for comparable services.

INSURANCE: Community Group will maintain at its expense insurance in connection with any Community Event acceptable to Developer (and consistent with Developer's requirements under its standard rental agreements for the Arena). As requested by Developer, Community Group will deliver to Developer certificates satisfactory to Developer evidencing such insurance and naming Developer and its Affiliates and such other parties reasonably requested by Developer as additional insureds.

OTHER: The parties will enter into a rental agreement for each Community Event consistent with these terms and conditions and including such other representations, warranties, covenants, terms and conditions contained in Developer's standard rental agreements for the Arena.

Moreover, the rental agreement shall contain Developer's then-current standard terms and conditions that the Arena offers to third party users; provided however, all such terms and conditions, including any indemnity or insurance obligations of the Community Group, shall be consistent with and subject to the principles of this Exhibit and California law.

EXHIBIT D

Applicable Exactions

1. Public Art For New Construction (Inglewood Municipal Code ("IMC") § 11-141), as set forth in Section 7.3.3 of this Agreement
2. Parking Tax (IMC § 9-19), as set forth in Section 7.2.2 of this Agreement
3. Admissions Tax (IMC § 9-6), as set forth in Section 7.2.1 of this Agreement
4. Gross Receipts Tax (IMC § 8-23)
5. Utility Users Tax (IMC § 9-69)
6. Nonresidential Construction Tax (IMC § 9-123)
7. Real Property Transfer Tax (IMC § 9-42), as set forth in Section 7.2.5 of this Agreement

EXHIBIT E

Intentionally Omitted

EXHIBIT F

Conditions of Approval for Access and Maintenance of Plaza

1. Commitments for Plazas. Developer shall record a covenant specifying the area of a publicly accessible plaza and that such area is for the use, enjoyment, and benefit of the public, which shall be operated in accordance with the conditions set forth herein for the life of the Arena. The building permit application for the Plaza shall show where the Plaza may be located. Subject to approval of a revised building permit application, the area and configuration of the Plaza may be modified from time to time consistent with the requirements of the SEC Design Guidelines. The Plaza shall include a variety of amenities which may include landscape, hardscape, benches and other seating areas, architectural and directional signage, passive recreation (e.g., water fountains, kiosks with items for sale, stages for entertainment, other seasonal entertainment, seating areas for restaurant dining and service of alcohol in specified areas), and a recreational basketball court. Designated portions of the Plaza may be used for outdoor restaurants or food and beverage areas in accordance with the Project Approvals.

2. Maintenance Standard. The Plaza shall be operated, managed, and maintained in a neat, clean, attractive and safe condition in accordance with the intended use thereof.

3. Hours of Operation. The Plaza shall be open and accessible to the public, at a minimum, between 9:00 a.m. and sunset, 7 days per week, except as provided herein or as approved in writing by the City. Developer, in its sole discretion, may close or restrict access to the Plaza as required to accommodate any Special Events (as defined below) or temporary closing in the event of an emergency or to undertake repairs or maintenance, as further described below. The Plaza may be open for employees, invitees, or guests at times when it is closed to the general public. No Person shall enter, remain, stay or loiter on the Plaza when it is closed to the public, except Persons authorized in conjunction with Special Events, or temporary closures as permitted or authorized service and maintenance personnel.

4. No Discrimination. Developer covenants that there shall be no discrimination against, or segregation of, any Person, or group of Persons, on account of race, color, religion, creed, national origin, gender, ancestry, sex, sexual orientation, age, disability, medical condition, marital status, acquired immune deficiency syndrome, acquired or perceived, in the use, occupancy, tenure, or enjoyment of the Plaza.

5. Temporary Closure and Special Events.

(a) Emergencies and Repairs. Developer shall have the right, without obtaining the consent of the City or any other Person, to temporarily close the Plaza, or to limit access to specifically authorized Persons, at any time and from time to time for any one or more of the following:

(i) In the event of an emergency, or danger to the public health or safety created from whatever cause (e.g., flood, storm, fire, earthquake, explosion, accident, criminal activity, riot, civil disturbances, civil unrest or unlawful assembly), Developer may temporarily close the Plaza (or affected portions thereof) for the duration thereof, in any manner

deemed necessary or desirable to promote public safety, security, and the protection of Persons and property.

(ii) Developer may temporarily close the Plaza (or applicable portion thereof) to repair or maintain the Plaza, as Developer may deem necessary or desirable, and during such times as may be necessary to perform such repairs or maintenance.

(b) Special Events. Developer shall have the right, without obtaining the consent of the City or any other Person, to temporarily close all or portions of the Plaza to the public for a period of up to 24 consecutive hours (or such longer period as may be required in order to comply with security standards and best practices, including without limitation those adopted by the NBA) in connection with ticketed events at the Arena or the use of the Plaza for private events, such as promotional events, private parties, weddings, celebrations, receptions, and assemblies (collectively, "Special Events"). The City acknowledges that before, during, and after Special Events, including all NBA games, access to the Plaza may be restricted to ticketed attendees of the event. Security screening for Special Events is planned to take place at the perimeter of the Plaza, or at other locations as Developer deems desirable, such that access to the Plaza may be limited to ticketed attendees of the event and personal property may be restricted in accordance with security standards and best practices, including without limitation those adopted by the NBA.

(c) Public Events. Developer may establish reasonable content-neutral rules and regulations for the use of the Plaza, including uses in connection with parades, gatherings, and assemblies that do not require the closure of the Plaza to the public (collectively, "Public Events").

6. Arrest or Removal of Persons. Developer shall have the right (but not the obligation) to use lawful means to effect the arrest or removal of any Person or Persons who create a public nuisance, who otherwise violate the applicable rules and regulations, or who commit any crime including, without limitation, infractions or misdemeanors in or around the Plaza.

7. Removal of Obstructions. Developer shall have the right to remove and dispose of, in any lawful manner it deems appropriate, any object or thing left or deposited on the Plaza deemed to be an obstruction, interference, or restriction of use of the Plaza for the purposes set forth in this Exhibit, including, but not limited to, personal belongings or equipment abandoned on the Plaza during hours when public access is not allowed consistent with this Exhibit.

8. Project Security During Periods of Non-Access. Developer shall have the right to block off the Plaza or any portion thereof, and to install and operate security devices and to maintain security personnel to prevent the entry of Persons or vehicles during the time periods when public access is not allowed consistent with this Exhibit.

9. Temporary Structures. No structure of a temporary character, trailer, tent, shack, barn, or other outbuilding shall be used on any portion of the Plaza at any time, either temporarily or permanently, unless such structure is approved by Developer, provided that

Developer may permit the use of temporary tents, booths, and the like in connection with Public Events or Special Events.

10. Signs. Developer shall post on-site Project signs at the major public entrances of the Plaza setting forth applicable regulations permitted by this Exhibit, hours of operation, and a telephone number to call regarding security, management, or other inquiries.

11. Limitation on Other Uses. The use of any portion of the Plaza by the public or any Person for any purpose or period of time shall not be construed, interpreted, or deemed to create any rights or interests to or in the Plaza. The ability of the public or any Person to use the Plaza or any portion thereof shall not be an implied dedication or create any third party rights or interests. The Developer expressly reserves the right to control the manner, extent and duration of any such use consistent with the terms hereof.

EXHIBIT G

Form of Assignment and Assumption Agreement

THIS DOCUMENT WAS PREPARED BY,
AND AFTER RECORDING RETURN TO:

(Space Above for Recorder's Use)

**ASSIGNMENT AND ASSUMPTION OF
DEVELOPMENT AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT ("Assignment") is made as of [____], by and between MURPHY'S BOWL LLC, a Delaware limited liability company ("Assignor"), and [____], a [____] ("Assignee"), with reference to the following facts:

A. Assignor owns certain real property and certain improvements located thereon, known as [____], located at [____] in the City of Inglewood, California (the "Property"), more particularly described in **Exhibit G-1** attached hereto and incorporated herein by this reference.

B. The City of Inglewood, a municipal corporation ("City"), and Assignor entered into that certain Development Agreement dated [____], (the "DA"), recorded on [____] as Instrument No. [____] in the Official Records of the Los Angeles County, California.

C. Assignor and Assignee have entered into that certain Purchase and Sale Agreement dated [____] (the "Purchase Agreement") whereby a portion of the Property will be sold to Assignee (the "Assigned Property") as identified and described in **Exhibit G-2** attached hereto and incorporated herein by this reference.

D. Assignor desires to assign and transfer to Assignee, and Assignee desires to assume, all of Assignor's right, title, and interest as the Developer under the DA with respect to the Assigned Property subject to the terms and conditions of this Assignment.

NOW THEREFORE, in consideration of the foregoing facts and the mutual covenants and conditions below, it is agreed:

I. Assignor assigns and transfers to Assignee, all of Assignor's right, title and interest accruing to the Developer under the DA as to the Assigned Property, subject to the terms, covenants and restrictions set forth in the DA.

2. Assignee shall assume all of the obligations under the DA as to the Assigned Property and observe and fully perform all of the duties and obligations of Assignor under the DA as to the Assigned Property, and to be subject to the terms and conditions thereof, it being the express intention of both Assignor and Assignee that, upon execution of this Assignment and conveyance of the Property to the Assignee, Assignee shall become substituted for Assignor as "Developer" and "Party" under the DA as to the Assigned Property and the Assignor shall be unconditionally and irrevocably released therefrom as to the Assigned Property from and after the date hereof consistent with the terms and conditions of this Assignment.

3. Assignor warrants and represents to Assignee that Assignor has full right and authority to make this Assignment and vest in Assignee the rights, interests, powers, and benefits hereby assigned.

4. Assignee warrants and represents to Assignor that Assignee has full right and authority to execute this Assignment.

5. This Assignment is expressly conditioned upon the closing of the transaction contemplated in the Purchase Agreement.

6. This Assignment is not intended as a mortgage or security device of any kind.

7. Notwithstanding anything to the contrary contained herein, the assumption by Assignee of any obligations pursuant to this Assignment is not, and shall not be construed to be, for the benefit of Assignor, and under no circumstances shall Assignor or any affiliate of Assignor have any liability to Assignee with respect to such assumed obligations or otherwise.

8. This Assignment may be executed in counterparts which taken together shall constitute one and the same instrument.

9. The provisions of this instrument shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

10. Assignor and Assignee covenants that it will, at any time and from time to time, execute any documents and take such additional actions as the other, or its respective successors or assigns, shall reasonably require in order to more completely or perfectly carry out the transfers intended to be accomplished by this Assignment.

11. This Assignment shall be construed and interpreted in accordance with the laws of the State of California.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first set forth above.

"ASSIGNOR"

MURPHY'S BOWL LLC,
a Delaware Limited liability company

Name:
Title:

"ASSIGNEE"

[_____]

Name:
Title:

ACKNOWLEDGED AND AGREED:
"CITY" [IF REQUIRED]

CITY OF INGLEWOOD,
a municipal corporation

By: _____
_____, Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

APPROVED:

By: _____
City Special Counsel

EXHIBIT G-1
TO
ASSIGNMENT AND ASSUMPTION OF
DEVELOPMENT AGREEMENT
LEGAL DESCRIPTION OF THE PROPERTY

Real property in the County of Los Angeles, State of California, described as follows:

EXHIBIT G-2
TO
ASSIGNMENT AND ASSUMPTION OF
DEVELOPMENT AGREEMENT

LEGAL DESCRIPTION OF THE ASSIGNED PROPERTY

Real property in the County of Los Angeles, State of California, described as follows:

EXHIBIT H-1

Greenhouse Gas Emissions Condition of Approval

In accordance with California Public Resources Code Section 21168.6.8(j), Mitigation Measures 3.7-1(a) and 3.7-1(b) as set forth in the MMRP, and in addition to otherwise being provided for in the Agreement, the Project shall comply with the following condition of approval:

Developer shall comply with Mitigation Measure 3.7-1(a), as set forth in the MMRP, including the preparation of a GHG Reduction Plan. The GHG Reduction Plan shall include implementation of all measures set forth under Section 2.A of Mitigation Measure 3.7-1(a), Project Design Features 3.2-1 and 3.2-2 as identified in the FEIR, and Mitigation Measures 3.2-2(b) and 3.14-2(b) as set forth in the MMRP.

The GHG Reduction Plan shall also include implementation, by the end of the first NBA regular season or June of the first NBA regular season, whichever is later, during which an NBA team has played at the Arena, of all Mitigation Measures set forth in the MMRP that are specific to the operation of the Arena, and of the following on-site measures:

- *Solar Photovoltaic System.* Installation of a 700-kilowatt (kW) solar photovoltaic system, generating approximately 1,085,000 kW-hours of energy annually.
- *IBEC Smart Parking System.* Installation of systems in the on-site parking structures serving the Project to reduce vehicle circulation and idle time within the structures by more efficiently directing vehicles to available parking spaces.
- *IBEC On-Site Electric Vehicle Charging Stations.* Installation of a minimum of 330 electric vehicle charging stations (EVCS) within the 3 on-site parking structures serving the Project for use by employees, visitors, event attendees, and the public.
- *IBEC Zero Waste Program.* Implementation of a waste and diversion program for operations of the Project, with the exception of the hotel, with a goal of reducing landfill waste to zero. Effectiveness of the program shall be monitored annually through the U.S. Environmental Protection Agency's WasteWise program or a similar reporting system.
- *Renewable Energy.* Reduction of GHG emissions associated with energy demand of the Project Arena that exceeds on-site energy generation capacity by using renewable energy consisting of purchase of electricity for onsite consumption through the Southern California Edison (SCE) Green Rate, SCE's Community Renewables Program, similar opportunities for renewable electricity that could emerge in the future and/or, if available after approval by applicable regulatory agencies, on-site use of renewable natural gas. Such renewable energy shall be used during Project operations for a period sufficient to achieve no less than 7,617 MT CO₂e.

The GHG Reduction Plan shall also include implementation, prior to issuance of grading permits, of the following off-site measures:

- *City Municipal Fleet Vehicles ZEV Replacement.* Entry into an agreement with the City to cover 100% of the cost of replacement of 10 municipal fleet vehicles that produced

GHG emissions with Zero-Emissions Vehicles (ZEVs) and related infrastructure (e.g., EVCS) for those vehicles.

- *ZEV Replacement of Transit Vehicles Operation Within the City.* Entry into an agreement with the City to cover 100% of the cost of replacement of 2 transit vehicles that operate within the City that produce GHG emissions with ZEVs and related infrastructure (e.g., EVCS) for those vehicles.
- *Local Electric Vehicle Charging Stations in the City.* Entry into agreements to install 20 EVCS at locations in the City available for public use for charging electric vehicles.
- *City Tree Planting Program.* Develop or enter into partnerships with existing organizations to develop a program to plant 1,000 trees within the City.
- *Local Residential EV Charging Units.* Implement a program to cover 100% of the cost of purchasing and installing 1,000 electric vehicle charging units for residential use in local communities near the Project site. Residents in the City and surrounding communities who purchase a new or used battery electric vehicle shall be eligible to participate in the program. City residents shall be given priority for participation in the program. Eligibility requirements and administration of the program shall ensure that only households that do not already own an electric vehicle participate in the program.

Developer shall submit documentation that the on- and off-site measures identified above have been implemented to the City, with copies provided to the California Air Resources Board.

Developer shall achieve any remaining GHG emissions reductions necessary, as estimated in the GHG Reduction Plan, through GHG reduction co-benefits of NO_x and PM_{2.5} emissions reductions measures required by Condition of Approval H-2, co-benefits of Project Design Features 3.2-1 and 3.2-2 and Mitigation Measures 3.2-2(b) and 3.14-2(b), and the purchase of carbon offset credits issued by an accredited carbon registry, such as the American Carbon Registry, Climate Action Reserve, or Verra. All carbon offset credits shall be permanent, additional, quantifiable, verifiable, real, and enforceable and shall meet all requirements for carbon offset credits set forth in Mitigation Measure 3.7-1(a). Contracts to purchase carbon offset credits for construction emissions shall be entered into prior to the issuance of grading permits, and contracts to purchase carbon offset credits for operational emissions shall be entered into prior to the issuance of the final certificate of occupancy for the Project. Copies of the contracts will promptly be provided to the California Air Resources Board, the Governor's Office, and the City.

Developer shall comply with Mitigation Measure 3.7-1(b), as set forth in the MMRP, including the preparation of an Annual GHG Verification Report, which may be submitted to the City concurrently with the annual review of compliance with the Development Agreement and/or with the submittal of the annual Transportation Demand Management Program monitoring report to the City Traffic Engineer. The annual Development Agreement review shall include a review of compliance with Public Resources Code Section 21168.6.8(a)(3)(B).

EXHIBIT H-2

Air Pollutant Emissions Reduction Condition of Approval

The Project shall comply with the following condition of approval, with respect to which City staff have consulted with the South Coast Air Quality Management District ("SCAQMD"):

Developer shall implement measures that will achieve criteria pollutant and toxic air contaminant reductions over and above any emission reductions required by other laws or regulations in communities surrounding the Project consistent with emission reduction measures that may be identified for those communities pursuant to Section 44391.2 of the Health and Safety Code.

These measures shall achieve reductions of a minimum of 400 tons of oxides of nitrogen ("NOx") and 10 tons of PM2.5, as defined in Section 39047.2 of the Health and Safety Code, over 10 years following the commencement of construction of the Project. Of these amounts, reductions of a minimum of 130 tons of NOx and 3 tons of PM2.5 shall be achieved within the first year following commencement of construction of the Project. The reductions required pursuant to this paragraph are in addition to any other requirements imposed by other laws.

If Developer can demonstrate and verify to SCAQMD that it has invested at least \$30,000,000 to achieve the requirements of this condition of approval, the requirements of this condition shall be deemed met, so long as one-half of the reductions set forth above (i.e., reductions of 200 tons of NOx and 5 tons of PM2.5 over ten years following the commencement of Project construction, of which reductions a minimum of 65 tons of NOx and 1.5 tons of PM2.5 shall be achieved within the first year following commencement of Project construction) are met.

Greenhouse gas emissions reductions achieved under this condition of approval shall count toward Developer's obligations set forth under Exhibit H-1, Greenhouse Gas Emissions Condition of Approval.

EXHIBIT H-3

TDM Program Conditions of Approval

Developer shall comply with Mitigation Measures 3.7.1(a) and 3.14-2(b), as set forth in the MMRP, providing for the preparation and implementation of a Transportation Demand Management Program (TDM Program) that would include strategies, incentives, and tools to provide opportunities for non-event employees and patrons as well as event attendees and employees to reduce single-occupancy vehicle trips and to use other modes of transportation besides automobile to travel to basketball games and other events hosted at the Project.

Mitigation Measures 3.7.1(a) and 3.14-2(b) require that the TDM Program include certain requirements identified in the Measures as TDM 1 through TDM 9 (the "TDM Program Elements"). For example, TDM 2 requires that the TDM Program provide for connectivity to the existing and future Metro Rail Stations and take advantage of the transportation resources in the area. Initially, this is contemplated to be achieved by implementation of a dedicated shuttle service the "IBEC Shuttle Service"), using an estimated 27 shuttles with a capacity of 45 persons per shuttle, from the Green Line at Hawthorne Station, Crenshaw/LAX Line at AMC/96th Station, and Crenshaw/ LAX Line at Downtown Inglewood station.

The Mitigation Measures also require the TDM Program to include an ongoing program to monitor each of the TDM Program Elements. The monitoring program shall collect data on the implementation of each specific TDM strategy, and shall assess the extent to which the TDM Program is meeting demand for alternative forms of transportation, and reducing vehicle trips and reliance on private automobiles. A monitoring report shall be prepared not less than once each year. The report shall evaluate the extent to which the TDM Program encourages employees to reduce single occupancy vehicle trips and to use other modes of transportation besides automobile to travel to basketball games and other events hosted at the Project. The monitoring report may be submitted to the City Traffic Engineer concurrently with the annual review of compliance with the Development Agreement and shall also be provided to the State of California Office of Planning and Research (through 2030).

In addition, in accordance with California Public Resources Code Section 21168.6.8(k), the TDM Program will meet certain minimum requirements (the "AB987 TDM Requirements"), generally described as follows:

- (i) upon full implementation, the TDM Program will achieve and maintain a 15% reduction in the number of vehicle trips, collectively, by attendees, employees, visitors, and customers as compared to operations absent the TDM Program;
- (ii) to accelerate and maximize vehicle trip reduction, each measure in the TDM Program shall be implemented as soon as feasible, so that no less than a 7.5% reduction in vehicle trips is achieved and maintained by the end of the first NBA season during which an NBA team has played at the Arena;

(iii) a 15% reduction in vehicle trips shall be achieved and maintained as soon as possible, but not later than January 1, 2030. The applicant shall verify achievement to the lead agency and the Office of Planning and Research; and

(iv) if the applicant fails to verify achievement of the reduction require by clause (iii), the TDM Program shall be revised to include additional feasible measures to reduce vehicle trips by 17%, or, if there is a rail transit line with a stop within 0.25 miles of the arena, 20%, by January 1, 2035.

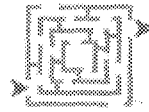
The TDM Program is expected to be revised and refined as monitoring is performed, experience is gained, additional information is obtained regarding the Project transportation characteristics, and advances in technology or infrastructure become available. Changes to the TDM Program are subject to review and approval by the City Traffic Engineer to ensure that the TDM Program, as revised, is equally or more effective in addressing the TDM Program Elements.

With the annual monitoring report, or within 60 days following the submission of the monitoring report, either the Developer or the City Traffic Engineer may also, in consultation with the other, propose revisions or refinements to the TDM Program. Any such revisions or refinements to the TDM Program shall (i) take into account the monitoring results as well as advances in technology or infrastructure, including any expanded public transit capacity, that may become available, (ii) be equally or more effective in addressing the TDM Program Elements and the AB 987 TDM Requirements in a cost efficient manner. Revisions and refinements of the TDM Program proposed by the Developer shall be subject to the approval of the City Traffic Engineer consistent with the foregoing standards. Revisions and refinements of the TDM Program proposed by the City Traffic Engineer shall be subject to the approval of the Developer consistent with the same standards. Developer and City specifically acknowledge that in the future there may be an effort to expand public transit in the vicinity of the Project site, including increased connectivity between the Project and Metro Stations. Should that occur, the City and Developer specifically acknowledge that it may be appropriate, to the extent consistent with the standards for revision and refinement of the TDM Program set forth above, to shift TDM resources, such as resources that would otherwise be devoted to operation of the IBEC Shuttle Service, estimated in the amount of \$1.5 to \$2.5 million annually, to support operation of expanded public transit providing equally, or more effective connectivity between the Project and Metro Stations. At the request of the City, Developer agrees to negotiate in good faith with respect to the terms of a separate agreement that would shift TDM resources, to the extent consistent with the standards set forth above for revisions and refinements of the TDP Program, so as to provide a reliable source of funding for the operation of such expanded public transit capacity.

City Council Staff Report

Attachment 16:

Keyser Marston & Associates Peer Review Report



KEYSER MARSTON ASSOCIATES
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

ADVISORS IN:
Real Estate
Affordable Housing
Economic Development

To: Christopher E. Jackson, Director
Inglewood Economic & Community Development Department

BERKELEY
A. Jerry Keyser
Timothy C. Kelly
Debbie M. Kern
David Doezema
Kevin Feeney

From: James Rabe, CRE

Date: June 10, 2020

LOS ANGELES
Kathleen H. Head
James A. Rabe
Gregory D. Soo-Hoo
Kevin E. Engstrom
Julie L. Romey
Tim R. Bretz

Subject: Peer Review – Economic and Fiscal Impact Report: Inglewood Basketball and Entertainment Center

SAN DIEGO
Paul C. Marra

At your request Keyser Marston Associates, Inc. (KMA) has reviewed the Economic and Fiscal Impact Report: Inglewood Basketball and Entertainment Center prepared by HR&A Advisors (Report). The Report was prepared in support of the proposed development of a new entertainment venue in the City of Inglewood (City) that would house the Los Angeles Clippers and would provide another large-scale entertainment venue in Los Angeles County similar to Staples Center and the Forum. This peer review focuses on the fiscal impact analysis in the Report.

BACKGROUND

Murphy's Bowl, LLC (Developer) has proposed the development of the Inglewood Basketball and Entertainment Center (IBEC) to enable the relocation of the Los Angeles Clippers from Staples Center to the City of Inglewood. The site is located on approximately 27 acres of land on the south side of West Century Boulevard between Yukon Avenue on the east and Freeman Avenue on the west. 103rd Street forms the southern boundary.

The project description contemplates:

- 18,500 seat arena,
- 85,000 square foot practice and training facility,
- 71,000 square feet of team office space,
- 25,000 square foot sports medicine clinic,
- Up to 15,000 square feet of community serving space,
- Up to 15,000 square feet of full-service restaurant space,
- Up to 33,000 square feet of retail space,
- 150-room (key) hotel, and
- 4,125 space parking structure

The Report evaluates the maximum buildout on the site and in Appendix D considers both a smaller buildout and lesser activity at the arena (Reduced Development).

APPROACH

KMA has reviewed the Report and compared the methodology and assumptions with similar reports prepared by KMA and other consultants for both large- and small-scale projects. KMA has reviewed its research for other projects related to employment by use, spending and sales productivity for various uses and development costs for projects. KMA has reviewed City budgets for the current year and the past several years to confirm estimates in the Report. Finally, KMA has reviewed the relevant appendices of the IBEC's environmental impact report (EIR).

HR&A has estimated economic and employment impacts using the IMPLAN model. IMPLAN is one of the two input-output models used in estimating economic and employment impacts for projects.¹ While KMA has some differences in the estimation of project employment, those differences would make almost no difference in the estimation of economic and employment impacts.

ANALYSIS

KMA has focused on the fiscal analysis components of the Report. This portion of the Report focuses on the impact of the project on the budget of the City. As is typical of

¹ The Regional Industrial Multiplier System (RIMS) is the other.

fiscal impact reports, HR&A focuses on the General Fund portion of the budget. The overall City budget also includes a number enterprise funds or special purpose funds. These are not considered, as they have specified funding sources (e.g. user fees or special tax) and expenditures are tied to those revenues.

KMA has reviewed the maximum buildout concept and the Reduced Development or “downside” version of the Project presented in Appendix D. It is KMA’s opinion that maximum buildout scenario presents an optimistic version of the project, while the downside version presents a pessimistic version of the Project. However, the analysis in the Report does provide reasonable upper and lower bounds for evaluating the fiscal impact on the City. This will be discussed further in Results and Conclusions.

It is KMA’s understanding that the development agreement for IBEC includes a provision for Developer to reimburse the City for additional costs incurred on event days. As a result, such costs and reimbursements were not included in the Report and are not addressed here.

Public Revenues

The Report provides a detailed breakout and explanation of the public revenue projections. The two primary revenue sources to the City are the traditional property tax allocation and the property tax allocation to replace VLF funds. The Report estimates the assessed valuation of the completed IBEC at nearly \$959 million. This is consistent with news reports and is slightly less than the current assessed value of the new Warriors Arena complex in San Francisco. Together these two property taxes amount to nearly \$2.7 million annually, which represents nearly 45% of the total general fund revenues. The difference in property taxes between the IBEC and the Reduced Development alternative is approximately \$40,000.

As discussed in the Report, the two alternatives differ in their assumptions regarding the number of events that are considered “new” in the City and the amount of retail space built at the facility. The proposed project includes 33,000 square feet of “plaza dining and retail space”. The Reduced Development alternative only includes 7,500 square feet in this category.

KMA agrees with the methodology and computations used in the Report to compute the rest of the public revenues except for transient occupancy tax. HR&A utilizes an 80%

occupancy rate which represents the rate published in a recent CBRE report. However, this rate is above the long-term averages and the occupancy rate assumed by hotel developers when they are underwriting a project. Therefore, KMA utilized a 75% occupancy rate, which is consistent with hotel developer pro formas for this type of hotel product. The KMA projection reduces public revenues in both alternatives by approximately \$66,000.

As shown in the Summary Table, KMA's estimate of total annual public revenues amounts to \$5.99 million for the IBEC and \$5.39 million for the Reduced Development alternative.

Public Expenditures

KMA generally agrees with the methodology that is in the Report. However, KMA utilizes a slightly different approach and assumptions in evaluating the public expenditures associated with the project. KMA's estimate of public expenditures is shown in Table 1. The three areas where the KMA approach differs from HR&A relates to:

- Inclusion of City overhead costs
- Computation of resident equivalents
- Estimate of onsite employment

The Report has not included any allowance for costs associated with departments that are usually considered the overhead departments.² These departments had a budget cost of approximately \$24.6 million in the 2019 budget. The standard approach in most fiscal analyses is to assume the 50% of the overhead accounts are variable costs, which are affected by the development. KMA has included this cost in its review.

The second difference is in the computation of resident equivalents. The resident equivalent approach recognizes that a city budget is affected by both the resident population and the business population. The general methodology is that the 100% of the local population is counted as a resident for this purpose and employees/workers are counted as 50% of a person. The lower ratio for employees recognizes that employees are only in the city for part of the day and part of the week. HR&A has

² The first eight lines of the city budget beginning with Mayor & City Council and ending with Finance.

reduced the “resident” population factor for the time that they are working out of the City. Likewise, they reduce the worker percentage from 50% to approximately 30% based on the time spent in the City. We have not seen this approach used by any other consulting firm. The Report notes that current population is 110,598. Total employment in the City per ESRI Business Analyst is 29,685. By the traditional formula, total resident equivalents is equal 125,440.³

Finally, HR&A has utilized assumptions from IBEC to estimate the employment at the project. KMA has utilized general published employment factors, data from project EIRs and data from proprietary surveys of projects. KMAs employment estimates and factors are shown in Table 2.

RESULTS AND CONCLUSIONS

As shown in the Table 1, the total expenditures using the KMA methodology amount to \$1,423,377 for the IBEC and \$1,367,436 for the Reduced Development alternative. The KMA estimates are approximately \$60,000 greater than the estimate in the Report. The difference for the Reduced Development is similar, a \$78,000 difference. These differences are small, approximately 4.0% to 5.0% for the two alternatives.

The Report projected an annual net fiscal benefit of \$4.5 million to the City from the IBEC. As shown in the Summary Table, KMA projects a \$4.38 million net benefit, which is very similar to the Report. The result is similar for the Reduced Development Alternative. The Report projects a net benefit of \$3.97 million. The KMA analysis projects a \$3.8 million net benefit.

As noted at the beginning of this memorandum KMA believes that the fiscal analysis using the IBEC assumptions is overly optimistic and the Reduced Development alternative is overly pessimistic. This has to do with the estimates of the number of non-basketball events at the arena. Using the IBEC assumptions all 78 events are assumed to be new to the City. As HR&A acknowledges in Appendix D, the Stone Report only projects 29 new events in the region, much less the City. The Reduced Development alternative uses only the 29 new events as the basis for its projections. This is likely low as some of the other events at the Arena will likely be transfers from Staples Center, so these are also net new events in the City. Based on that, KMA

³ This amount is used in Table 1.

believes that the two alternatives evaluated represent reasonable upper and lower bounds for the fiscal impact of the project.

These projections assume full buildout of a project, either the full IBEC proposal or the Reduced Development alternative. Nearly all of the development is under the control of the Developer, however, the hotel is expected to be developed by others. If the hotel is not developed, then public revenues will be significantly reduced, but expenditures will only be reduced slightly. That is a risk to the City, which is not typically addressed in a fiscal impact report. If the hotel is not built the net reduction in revenues to the City approximately \$1.0 million.

In addition, property taxes represent nearly 45% of the public revenues to be received by the City. Given the importance of this revenue source it may be appropriate for the City to require a minimum level of assessed value at project completion as part of the development agreement.

Attachments

SUMMARY TABLE

FISCAL IMPACT SUMMARY
IBEC PROJECT
INGLEWOOD, CALIFORNIA

	<u>Full Buildout</u>	<u>Reduced Development</u>
Fiscal Revenues		
Property Tax	\$1,342,478	\$1,321,924
MVLF in Lieu	1,356,267	1,335,501
Business License Tax	279,815	231,880
Admissions Tax	784,274	566,439
Utility Users Tax	237,555	236,606
Sales Tax	712,407	488,511
Transient Occupancy Tax	954,293	954,293
Parking Tax	<u>325,804</u>	<u>255,129</u>
Total Annual Revenues	\$5,992,893	\$5,390,283
Existing Uses and Service Costs		
Net Benefit of Existing Uses ¹	(\$192,529)	(\$192,529)
City Service Costs (Incl OH) ²	<u>(1,423,377)</u>	<u>(1,367,436)</u>
Total Annual Uses and Costs	<u>(1,615,906)</u>	<u>(1,559,965)</u>
NET FISCAL IMPACT	\$4,376,987	\$3,830,318

1. Per HR&A

2. See Table 1

TABLE 1

FISCAL EXPENSES
 IBEC PROJECT
 INGLEWOOD, CALIFORNIA

	<u>Full Buildout</u>	<u>Reduced Development</u>
Departments		
Police	\$68,178,686	
Fire	14,971,090	
Public Works	59,220,408	
Parks, Rec Community	12,401,568	
Overhead Departments @ 50%	<u>12,306,779</u>	
Total	\$167,078,531	
Resident Equivalents ¹	125,440	
Cost per Resident Equivalent	\$1,332	\$1,332
Project Resident Equivalents ²	1,069	1,027
Total Fiscal Cost	\$1,423,377	\$1,367,436

1. See memorandum text on page 5.

1. See Table 2.

TABLE 2

**ESTIMATE OF RESIDENT EQUIVALENTS
IBEC PROPOSED AND REDUCED PROJECT
INGLEWOOD, CALIFORNIA**

Proposed Project	Rooms or Sq. Ft.	Emp. Per SF or Room	Employees	Resident Equivalent @ 50%
Hotel Visitors ¹				90
Arena Spectators ¹				590
Arena Workers ¹				42
Clippers Team Office ²	71,000	300	237	119
Clippers Practice Facility ³	85,000	1,500	57	29
Sports Medicine Clinic ²	25,000	300	83	42
Community Space ²	15,000	300	50	25
Restaurants ⁴	15,000	200	75	38
Retail ²	33,000	300	110	55
Hotel Workers ⁵	150	0.50	75	<u>38</u>
Total Resident Equivalents				1,069
Reduced Project				
Hotel Visitors ¹				90
Arena Spectators ¹				590
Arena Workers ¹				42
Clippers Team Office ²	71,000	300	237	119
Clippers Practice Facility ³	85,000	1,500	57	29
Sports Medicine Clinic ²	25,000	300	83	42
Community Space ²	15,000	300	50	25
Restaurants ⁴	15,000	200	75	38
Retail ²	7,500	300	25	13
Hotel Workers ⁵	150	0.50	75	<u>38</u>
Total Resident Equivalents				1,027

1. Per HR&A methodology

2. KMA estimates based on ESRI Business Analyst, US Green Business Council and project EIRs

3. KMA estimate

4. KMA estimate base on restaurant industry reports, ESRI Business Analyst

5. KMA estimate. Hotel employment estimates range from 0.4 to 0.9 employees per room.