

Reasonable cause shall be defined as exhibiting aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a Supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the job steward. If the job steward is unavailable or there is no job steward on the project the other person shall be a member of the applicable Union's bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be removed from the Employer's payroll.

g. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the applicable Union's Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The employers will be allowed to conduct periodic job site drug testing on the Project under the following conditions:

a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

b. Jobsite testing cannot commence sooner than thirty (30) days after start of the work on the Project;

c. Prior to start of periodic testing, a business representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;

d. Testing shall be conducted by a SAMHSA certified laboratory, pursuant to the provisions set forth in Paragraph 5 hereinabove.

e. Only two periodic tests may be performed in a twelve month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

8. Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the PLA.

9. The establishment or operation of this Policy shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found

unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the parties, the remaining portions of the Agreement shall be unaffected and the parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If work for which the employee is qualified exists he/she shall be reinstated.

11. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives and the applicable Union. Such release to the applicable Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. The Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

13. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs shall be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

14. This Memorandum, of Understanding shall constitute the only Agreement in effect between the parties concerning drug and alcohol abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.

DRUG ABUSE PREVENTION AND DETECTION

APPENDIX A

CUTOFF LEVELS

DRUG	SCREENING METHOD	SCREENING LEVEL **	CONFIRMATION METHOD	CONFIRMATION LEVEL
Alcohol	EMIT	0.02%	CG/MS	0.02%
Amphetamines	EMIT	1000 ng/ml*	CG/MS	500 ng/ml*
Barbiturates	EMIT	300 ng/ml	CG/MS	200 ng/ml
Benzodiazepines	EMIT	300 ng/ml	CG/MS	300 ng/ml
Cocaine	EMIT	300 ng/ml*	CG/MS	150 ng/ml*
Methadone	EMIT	300 ng/ml	CG/MS	100 ng/ml
Methaqualone	EMIT	300 ng/ml	CG/MS	300 ng/ml
Opiates	EMIT	2000 ng/ml*	CG/MS	2000 ng/ml*
PCP (Phencyclidine)	EMIT	25 ng/ml*	CG/MS	25 ng/ml*
THC (Marijuana)	EMIT	50 ng/ml*	CG/MS	15 ng/ml*
Propoxyphene	EMIT	300 ng/ml	CG/MS	100 ng/ml

* SAMHSA specified threshold

** A sample reported positive contains the Indicated drug at or above the cutoff level for that drug. A negative sample either contains no drug or contains a drug below the cutoff level.

EMIT - Enzyme Immunoassay

CC/MS - Gas Chromatography/Mass Spectrometry

SIDE LETTER OF AGREEMENT
TESTING POLICY FOR DRUG ABUSE

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the quick screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the quick screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy for Drug Abuse as a result of any occurrence related to the "quick" screen test.

**EXHIBIT “I”
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
HOTEL OPERATING AGREEMENT**

Exhibit “I”
(Hotel Operating Agreement)

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75A-345

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

THE CITY OF SANTA ANA
20 CIVIC CENTER PLAZA, M-30
SANTA ANA, CA 92701
ATTENTION: CITY CLERK

(Space Above This Line for Recorder's Office Use Only)

OPERATIONS COVENANT

THIS OPERATIONS COVENANT AND DECLARATION OF COVENANTS AND RESTRICTIONS ("Covenant") is made and entered into this ____ day of _____, 2020, by and between the CITY OF SANTA ANA, a charter city and municipal corporation organized under the Constitution and the laws of the State of California ("City"), and Caribou Industries, Inc. a Nevada Corporation (the "Developer").

RECITALS:

A. The City of Santa Ana owns the property located at 201 W. 3rd Street in the City of Santa Ana, more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "Site") and utilized the property as a public parking lot.

B. Developer desires to remove an existing three (3) story parking structure to construct a Mixed Use Project including apartments, commercial (including retail and food/beverage establishments), a seventy-five (75) room Hotel Project and a Parking Structure which will contain 444 total parking spaces including 211 public parking spaces, as described in the definitions of "Project," "Mixed Use," "Hotel Project," "Public Parking Parcel" and "Parking Structure" as set forth in ARTICLE 3 of the Disposition and Development Agreement ("DDA") entered into by and between the City and Developer dated October 5, 2020 for reference purposes only.

C. City and Developer have entered into a DDA for the conveyance of the Site to allow for the Construction of the Project including the Mixed Use, Hotel and Parking Structure.

D. City and Developer now desire to place restrictions upon the use and operation of the Project, in order to ensure that the Project shall be operated continuously as a hotel available for short-term rental for the term of this Covenant, to run with the land of the Property and bind successive owners of the Property as set forth in this Covenant.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer hereby agree as follows:.

1. The recitals are true and correct and are incorporated into this Covenant in their entirety by this reference.
2. Definitions. All initially capitalized terms used in the Covenant shall have the same meaning as the Terms in the DDA
3. Use of Land – The Developer covenants and agrees with the City that the Site must only be built on and used in strict accordance with this Covenant.
4. Covenant to Build Hotel – The Developer agrees to timely construct the Hotel in strict compliance with this Covenant and in accordance with all development entitlements issued for this Project by City. Developer agrees that Developer will design and build the hotel to Automobile Association of America (AAA) minimum acceptable conditions to be considered a AAA hotel with the amenities set forth in Section 6.3 below.
5. Restriction on Use of Land – The use of the Land must include a hotel, having a minimum of 75 Guest Rooms and providing facilities set forth in Section 6.5 (the “Hotel”). Without limiting the foregoing, the Land and the Development thereon may be used for additional residential or office use, in addition to the required Hotel use, as part of a mixed-use development.
6. Covenant to Operate Hotel
 - 6.1 Developer will use commercially reasonable efforts to execute an operating agreement with a nationwide hotel chain.
 - 6.2 Should Developer be unsuccessful in securing an operating agreement with a nationwide hotel chain, then Developer will self-operate a Hotel.
 - 6.3 Hotel shall contain the following minimum amenities:
 - (a) Fitness Room
 - (b) Community Meeting Space
 - (c) Baggage Storage
 - (d) Elevators
 - (e) 24 hour Pantry Market
 - (f) Multi-Lingual Staff
 - (g) Safety Deposit Box
 - (h) ATM.
 - 6.4 After construction of the Hotel, the Developer shall operate the Hotel or cause the Hotel to be operated such that its Guest Rooms are used only for Public Lodging Use and for no other purpose, and the Developer shall take or cause to be taken all reasonable commercial steps

to keep the Hotel open for business, except in the case of substantial damage or destruction by natural hazard, by fire, or by other insurable hazard.

7. Conversion to Residential.

7.1 Developer shall not submit an application to City to convert the hotel to apartments unless the following threshold has are satisfied:

(a) The Developer shall only be entitled to submit an application to City to convert the hotel to apartments if the following thresholds are established.

(b) On the Third Hotel Anniversary Date (defined as three calendar years following the date that the Hotel had the first guest completed the first overnight stay for compensation in the Hotel), if for the period between the Second Hotel Anniversary Date through the day before the Third Hotel Anniversary the RevPAR falls below \$1255.00. (Revenue per available room (RevPAR) is a hotel industry performance metric, and is calculated by dividing the total room revenue for the hotel by the total number of available rooms in the period being measured)

(c) On the Fourth Hotel Anniversary Date, if for the period between the Third Hotel Anniversary Date through the day before the Fourth Hotel Anniversary the RevPAR falls below \$125.00.

(d) On the Fifth Hotel Anniversary Date if for the period between the Fourth Hotel Anniversary Date through the day before the Fifth Hotel Anniversary the RevPAR falls below \$125.00.

(e) On the Sixth Hotel Anniversary Date if for the period between The Fifth Hotel Anniversary Date through the day before the Sixth Hotel Anniversary the RevPAR falls below \$125.00.

7.2 Any application for conversion shall be subject to approval of all applicable City entitlements. Developer understand and acknowledges that, in the context of processing the application to convert the hotel to apartments, the City cannot guarantee the ultimate outcome of any public hearings before the Planning Commission or the City Council or other public bodies of the City, nor prevent any opposition thereto by members of the public or other agencies affected by or interested in the Project. By entering into this Agreement, the City does not pre-commit or imply that the application to convert the hotel to apartments to be considered for approval will be approved. The City retains the discretion to approve, conditionally approve, or disapprove the application to convert the hotel to apartments.

8. Indemnification.

8.1 Developer Indemnity Obligations. Developer shall defend, with Counsel approved by the City, and Indemnify City Parties against any and all Claims to the extent such Claims arise from any wrongful intentional act or negligence of Developer Parties.

8.2 Independent of Insurance Obligations. Developer's indemnification obligations under this Covenant shall not be construed or interpreted as in any way being restricted, limited or modified by any insurance coverage carried by Developer.

8.3 Survival of Indemnification and Defense Obligations. The indemnity and defense obligations of Developer under this Covenant shall survive the expiration or earlier termination of this Covenant, until any and all actual or prospective Claims regarding any matter subject to an indemnity obligation under this Covenant are fully, finally, absolutely and completely barred by applicable statutes of limitations.

9. Governing Law. The substantive and procedural laws of the State shall govern the interpretation and enforcement of this Covenant, without application of conflicts or choice of laws, statutes or principles.

10. Notices.

10.1 Notices. Any and all Notices submitted by either Party to the other Party pursuant to or as required by this Agreement shall be proper, if in writing and transmitted to the principal office of the City or the Developer, as applicable, set forth in Section 10.2, by one or more of the following methods: (i) messenger for immediate Personal delivery, (ii) a nationally recognized overnight (one-night) delivery service (i.e., Federal Express, United Parcel Service, etc.) or (iii) registered or certified United States Mail, postage prepaid, return receipt requested. Such Notices may be sent in the same manner to such other addresses as either Party may designate from time to time, by Notice. Any Notice shall be deemed to be received by the addressee, regardless of whether or when any return receipt is received by the sender or the date set forth on such return receipt, on the day that it is delivered by personal delivery, on the date of delivery by a nationally recognized overnight courier service (or when delivery has been attempted twice, as evidenced by the written report of the courier service) or four (4) calendar days after it is deposited with the United States Postal Service for delivery, as provided in this Section 10. Rejection, other refusal to accept or the inability to deliver a Notice because of a changed address of which no Notice was given or other action by a Person to whom Notice is sent, shall be deemed receipt of the Notice.

10.2 Addresses. The following are the authorized addresses for the submission of Notices to the Parties:

To the Developer:

Caribou Industries, Inc.
1103 North Broadway
Santa Ana, CA 92701

To the City:

City of Santa Ana
20 Civic Center Plaza (M-30)
P.O. Box 1988
Attention: City Clerk

With courtesy copy to

City of Santa Ana

20 Civic Center Plaza (M-29)
P.O. Box 1988
Attention: City Attorney

11. Jurisdiction and Venue. The Parties each acknowledge and agree that this Covenant is entered into and is to be fully performed in the City of Santa Ana, Orange County, State of California, and that all legal actions arising from this Covenant shall be filed in the Superior Court of the State of California in and for Orange County, California, or the United States District Court with jurisdiction in Orange County, California.

12. Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Covenant. The Parties have both participated substantially in the negotiation, drafting, and revision of this Covenant, with advice from legal counsel and other advisers of their own selection. A term defined in the singular in this Covenant may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which also govern all other language in this Covenant. The words “include” and “including” shall be construed to be followed by the words: “without limitation.” Each collective noun shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this Covenant, refers to such document as modified from time to time (excepting any modification that violates this Covenant), and includes all exhibits, schedules, addenda and riders to such document. The word “or” includes the word “and.” Every reference in this Covenant to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

13. Counterpart Originals; Integration. This Covenant may be signed in multiple counterpart originals, each of which is deemed to be an original, but all of which taken together shall constitute one and the same instrument. This Covenant, the exhibits attached to this Covenant and the documents (including maps) referenced in this Covenant represent the entire understanding of the Parties and supersede all previous negotiations, letters of intent, memoranda of understanding or agreements between the Parties with respect to all or any part of the subject matter of this Covenant.

14. Severability. If any term or provision of this Covenant or its application to any Person or circumstance shall to any extent be invalid or unenforceable, then the remainder of this Covenant or the application of such term or provision to Persons or circumstances, except those as to which it is invalid or unenforceable, shall not be affected by such invalidity. All remaining provisions of this Covenant shall be valid and be enforced to the fullest extent Law allows.

15. No Waiver. Failure to insist on any one occasion upon strict compliance with any of the terms, covenants, conditions, restrictions or agreements contained in this Covenant shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Covenant at any one time or more times be deemed a waiver or relinquishment of such right or power at any other time or times.

16. Time is of the Essence. Time is of the essence in the performance of the Parties’ obligations under this Covenant.

17. No Third Party Beneficiaries. The performance of the Parties' respective obligations under this Covenant are not intended to benefit any Person other than City and Developer, except as may be expressly provided otherwise in this Covenant. No Person not a signatory to this Covenant shall have any rights or causes of action against any Party to this Covenant as a result of that Party's performance or non-performance under this Covenant, except as otherwise expressly provided in this Covenant.

18. Relationship of Parties. The Parties agree and intend that City and Developer are independent contracting entities and do not intend by this Covenant to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

19. Survival of Covenant. All of the provisions of this Covenant shall be applicable to any dispute between the Parties arising from this Covenant, whether prior to or following expiration or termination of this Covenant, until any such dispute is finally and completely resolved between the Parties, either by written settlement, entry of a non-appealable judgment or expiration of all applicable limitations periods and all terms and conditions of this Covenant relating to dispute resolution and limitations on damages or remedies shall survive any expiration or termination of this Covenant.

20. No Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Agreement shall not be deemed a waiver of such term, covenant, or condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Agreement at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

[Signatures on the following page]

**SIGNATURE PAGE
TO
OPERATIONS COVENANT
(CARIBOU INDUSTRIES, INC.)**

IN WITNESS WHEREOF, the City and the Developer have executed this 201_ Operations Covenant (Caribou Industries, Inc.) by and through the signatures of their duly authorized representative(s) set forth below:

CITY OF SANTA ANA:

DEVELOPER:

CARIBOU INDUSTRIES, INC.

By: _____

Name: _____

Its: _____

Attest:

By: _____

City Clerk

By: Michael F. Hermal

Name: _____

Its: pus.

By: _____

Name: _____

Its: _____

APPROVED AS TO FORM:

By: _____

City Attorney

EXHIBIT "A"
TO
OPERATIONS COVENANT

PROPERTY LEGAL DESCRIPTION

All of that certain real property situated in the State of California, County of Orange, City of Santa Ana, described as follows:

Parcel 1:

All of Lots 2, 3, 6 and the Southerly 10.00 feet of the Northerly 20.00 feet of Lot 5 in Block 11 and all of Lots 1, 2, 3, 4, 5, and 6 in Block 12 of the Town of Santa Ana, as shown on a Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California. Together with that portion of Sycamore Street, 60.00 feet wide, as shown on said Map, as vacated and described in that certain Resolution No. 82-17 of the City Council of the City of Santa Ana, a certified copy of which was recorded February 11, 1982, as Document No. 82-051577 of Official Records of Orange County, California, bounded Southerly by the North line of Third Street, 60.00 feet wide, and bounded Northerly by a line parallel with and distant Northerly 140.00 feet, measured at right angles, from said North line of Third Street.

Excepting therefrom the Easterly 15.00 feet of said Lot 3 in said Block 11.

Parcel 2:

A perpetual easement for ingress and egress over the South 2.50 feet of the East 15.00 feet of Lot 3 in Block 11 of the Town of Santa Ana, as shown on Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, as reserved in the Deed of J.E. Lieberg et al, dated June 5, 1923 and recorded in Book 475, page 362 of Deeds, records of Orange County, California.

Parcel 3:

The right to use that portion of a brick wall of the building on Lot 1 in Block 11 of the Town of Santa Ana, as per Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, which adjoins the East boundary line of the South 25.00 feet of Lot 2 in said Block 11, as a party wall, as granted by that certain Agreement, dated July 1, 1919 by and between H.R. Andre, also known as Roy Andre, et al, as parties of the first part, and L.J. Carden et al, as parties of the second part, recorded August 19, 1919 in Book 341, page 362 of Deeds, Records of Orange County, California.

**EXHIBIT “J”
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
OPTION TO PURCHASE AGREEMENT**

Exhibit “J”
(Option to Purchase Agreement)

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PURCHASE OPTION AGREEMENT

THIS PURCHASE OPTION AGREEMENT (this “**Agreement**”), made as of _____, 2020 (the “**Effective Date**”), by and between the City of Santa Ana, a public body, corporate and politic (“**Optionor**”), and Caribou Industries, Inc. a Nevada Corporation (“**Optionee**”). As used herein, Optionee and Optionor may be referred to collectively as the “**Parties**”, and each individually as a “**Party**.”

RECITALS

- A. Optionor is the fee simple owner of that certain land consisting of 201 West 3rd Street, Santa Ana, California 92701, and as more particularly described in Exhibit A attached to this Agreement and incorporated into this Agreement in its entirety by this reference (the “**Land**”). Optionor is the fee simple owner of that certain parcel consisting of 211 parking spaces within the parking structure located on Land, and more particularly described in Exhibit B attached to this Agreement and incorporated into this Agreement in its entirety by this reference (the “**Parcel**”)
- B. Optionee has proposed the development of the Property with a Mixed Use Project including apartments, commercial (including retail and food/beverage establishments), a seventy-five (75) room Hotel Project and a Parking Structure which will contain 444 total parking spaces including 211 public parking spaces, (the “**Project**”).
- C. The Parties entered into that certain Disposition and Development Agreement, dated October 5, 2020 for references purposes, regarding the Project.
- D. Optionor is commencing work on the Project which will be completed on or before September 30, 2024 if the Escrow Closing Date is on or before September 30, 2022. If Developer was granted an extension of the Escrow Closing Date by the City Manager pursuant to Section 2.1.40 of the Disposition and Development Agreement then the Project Completion Date shall be September 30, 2025.
- E. The development of the Project on the Land will be of benefit to Optionor and community by reducing blight, increasing the economic viability of the community, and providing needed public parking to the residents of Santa Ana, California.
- F. Optionee desires to acquire and Optionor desires to grant to Optionee the sole and exclusive right to purchase, without being obligated to purchase, the Parcel (as defined below), subject to the terms of this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of Recitals. The recitals of fact set forth above are true and correct and are incorporated into this Agreement in their entirety by this reference.
- 2. Grant of Option. Upon issuance of the last Certificate of Occupancy or Notice of Completion for the Project, Optionor grants to Optionee the sole and exclusive right to purchase, upon the terms and conditions set forth in this Agreement (the “**Option**”), (a) the Parcel, together with all improvements (“**Improvements**”), as such improvements may be altered in connection

with the Parking Structure. located thereon (collectively, the “**Real Property**”); (b) all of Optionor's right, title and interest in all tangible personal property owned by Optionor located upon, attached to, or necessary for the operation of the Real Property (collectively, the “**Tangible Personal Property**”), to the extent the delivery of such Tangible Personal Property is accepted, in writing by Optionee; and (c) all of Optionor’s right, title and interest in all intangible personal property related to the Real Property and the Improvements (collectively, the “**Intangible Personal Property**”) to the extent the delivery of such, Intangible Personal Property is accepted, in writing by Optionee.

3. Option Period; Exercise of Option; Conditions Precedent. The Option shall commence on the date of issuance of the last Certificate of Occupancy or Notice of Completion for the Project and will remain in effect until 11:59 p.m., Los Angeles time, on the date that is forty-five (45) years following date of issuance of the last Certificate of Occupancy or Notice of Completion for the Project (the “**Option Period**”). Optionee may exercise the Option during the Option Period by delivering to Optionor an executed instrument substantially in the form attached to this Agreement and incorporated herein by reference as Exhibit C (“**Option Exercise Notice**”).

4. Purchase Price; Terms of Purchase. The purchase of the Parcel pursuant to the Option will be consummated pursuant to a commercially reasonable agreement in a form reasonably acceptable to Optionee and Optionor (the “**Purchase and Sale Agreement**”) which Purchase and Sale Agreement shall contain the Optionee’s commitment to operate the parking structure on the Parcel with 211 public parking spaces consistent with the Project, the Development Plan, and those development covenants, operating covenants and associated restrictions agreed to by the Parties therein and shall contain a covenant that the public parking spaces shall be maintained in perpetuity and said covenant shall be recorded prior to the City’s transfer of the Parcel. The purchase price (“**Purchase Price**”) for the Parcel shall be:

4.1. For the first fifteen years (15) from the issuance of last Certificate of Occupancy or Notice of Completion for the Project, the Developer shall have the option to purchase the City Parcel within the Parking Structure for Fifteen Million Dollars (\$15,000,000).

4.2. After fifteen (15) years from the issuance of last Certificate of Occupancy or Notice of Completion for the Project until forty-five (45) years have elapsed, Developer shall have the option to purchase the City’s Parcel within the Parking Structure for the appraised value or Fifteen Million Dollars (\$15,000,000) whichever is greater.

4.2.1. Sixty (60) days prior to any exercise of the option pursuant to Section 4.2 by Optionee, upon notice by Optionee thereof to Optionor (i) the Parties shall nominate and appoint a single appraiser, or, failing that, (ii) the Optionee and Optionor shall each nominate and appoint one appraiser. If two appraisers are appointed as provided in clause (ii) above, the two appraisers so appointed shall, within fifteen (15) days after the appointment of the second appraiser and before exchanging views as to the questions at issue, appoint a third appraiser and give written notice of such appointment to the Parties. In the event that a Party fails to appoint an appraiser within the twenty two (22) day period specified above, then the appraiser appointed by the other Party shall make the appraisal. If the two appraisers selected by the Parties shall fail to appoint or agree upon the third appraiser within the fifteen (15) day period specified above, then a third appraiser

may be selected by the Parties if they can agree upon such third appraiser within a further period of ten (10) additional days; otherwise, any Party may apply to any federal or state court of or sitting in the State of California having jurisdiction for the appointment of any appraiser not appointed or agreed upon within the time periods herein provided. The appraisers selected pursuant hereto shall be sworn faithfully and fairly to determine expeditiously the fair market value. The three appraisers (or the one or two appraisers, if only one or two appraisers are appointed) shall, with all possible speed, make the appraisal contemplated herein, set forth their (or its) results in writing, and give notice of the same to the Parties. If two of the three appraisers shall render a concurring determination, then that concurring determination shall be conclusive and binding on the Parties. If no two of the three appraisers shall render a concurring determination, then the determination of the third appraiser appointed by the two appraisers appointed by the Parties shall be conclusive and binding upon the Parties; except that if the determination of the third appraiser shall be lower than the lowest determination of the other two appraisers, or higher than the highest determination of the other two appraisers, the final determination shall be the median determination of the three appraisers.

4.2.2. Each Party shall pay the fees and expenses of the appraiser selected by or on behalf of it and the fees and expenses of the third appraiser, and any general expenses incurred by the appraisers in connection with the appraisal, shall be borne equally between the Parties.

4.2.3. Any appraiser appointed hereunder shall be an appraiser with at least five (5) years' experience in appraising property of the same type as the Property.

5. Due Diligence; Inspections.

5.1. Within ten (10) days following the Effective Date, and from time to time thereafter upon receipt of the same, Optionor shall provide or make available to Optionee copies of all existing documents, agreements, contracts, leases, reports, studies, drawings and/or plans relating to the operations and physical condition of the Parcel in Optionor's possession, including without limitation engineering studies, surveys, energy reports, soils reports, geotechnical reports, traffic studies, leases, governmental correspondence, environmental reports, planning consultant reports, and plans and specifications (the "**Due Diligence Materials**").

5.2. Optionor hereby grants Optionee and its agents, consultants, contractors, subcontractors, employees, representatives, and attorneys (collectively, "**Optionee's Agents**") a license and permission to enter upon, over, under and/or across the Parcel in order to conduct visual inspections, physical testing, air samplings, borings, and other samplings, including but not limited to, observing and documenting the Parcel's as-built conditions, exposing and documenting hidden conditions at the Parcel, by limited removal of interior non-historic fixtures and finishes, performing certain non-destructive testing of materials at the Parcel, extracting concrete core samples in interior non-historically sensitive locations, in connection with the proposed rehabilitation and reuse of the Parcel (the "**Inspections**"). The Inspections shall be completed at Optionee's sole cost and expense. Optionee or Optionee's Agent shall contact Optionor within one (1) day prior to the time of actual entry onto the Parcel and provide notice of

the date and time when entry will be made. Optionor shall make the Parcel available as soon as reasonably practical thereafter. The license and permission to enter upon, over, under and/or across the Parcel shall commence on the Effective Date and shall expire upon termination of this Agreement.

5.3. Prior to entry onto the Parcel, Optionee shall secure, and shall require its contractors, if any, to secure an insurance policy or policies, as described below.

5.3.1. Notwithstanding any inconsistent statement in the insurance policy or any subsequent endorsement attached thereto, the protection afforded by these policies shall be written on an occurrence basis in which Optionor, and its respective elected and appointed officials, officers, employees, agents and representatives (together, “**Additional Insureds**”) are named as additional insureds on all coverage, except for workers’ compensation coverage, and shall (on or prior to the Effective Date, Optionee shall provide to Optionee the complete legal names of all Additional Insureds):

(a) Name Additional Insureds as additional insureds on a Commercial General Liability policy;

(b) Provide a combined single limit of broad form commercial general liability insurance in the amount of Two Million Dollars (\$2,000,000) per occurrence, which will be considered equivalent to the required minimum limits, and such insurance shall (i) be written on an occurrence form, (ii) be written with a primary policy form with limits of not less than \$1,000,000 per occurrence; (iii) be written with one or more excess layers to bring the total of primary and excess coverage limits to not less than \$2,000,000 per occurrence, (iv) not be written with a deductible greater than \$25,000 per occurrence, (v) contain a waiver of subrogation in favor of Optionor;

(c) Provide automobile liability insurance for owned, non-owned, and hired vehicles, as applicable to, or for any use related to, the Work, in an amount not less than One Million Dollars (\$1,000,000) combined single limit, with excess insurance coverage to bring the total amount of automobile liability insurance coverage to an amount not less than Two Million Dollars (\$2,000,000) per accident for bodily injury and property damage;

5.3.2. Optionee shall notify Optionor not less than thirty (30) days before any expiration, cancellation, or non-renewal of such policy or policies; and

5.3.3. Optionee shall furnish certificates of insurance and endorsements to Optionor prior to entry onto the Parcel pursuant to this Section.

5.3.4. Optionee shall comply with Sections 3700 and 3800 of the Labor Code by securing, paying for and maintaining in full force and effect during the Term, and continuing prior to entry onto the Parcel pursuant to this Section, with the earlier to occur of expiration of the Term complete workers’ compensation insurance, to statutory limits, with employer’s liability limits not less than One Million Dollars (\$1,000,000) per occurrence, and shall furnish a Certificate of Insurance to Optionor prior to entry onto the Parcel pursuant to this Section, before the commencement of Work. All Additional Insureds shall not be responsible for any

claims in law or equity occasioned by the failure of Optionee to comply with this section. Every workers' compensation insurance policy shall bear an endorsement or shall have attached a rider providing that, in the event of expiration or proposed cancellation of such policy for any reason whatsoever, Optionor shall be notified, giving Optionee a sufficient time to comply with applicable law, but in no event less than thirty (30) days before such expiration, cancellation, or reduction in coverage is effective or in the event of nonpayment of premium.

5.3.5. Should any of the required insurance coverage required be written with an annual aggregate such aggregate shall be disclosed in writing to Optionor.

5.3.6. If Optionee fails or refuses to produce or maintain the insurance required by this section or fails or refuses to furnish Optionor with required proof that insurance has been procured and is in force and paid for, Optionor shall have the right, at its election, to forthwith terminate this the right of entry provided in this Section.

5.3.7. Notwithstanding any requirements contained in this Section, Optionee shall have the right to satisfy its insurance obligations under this Agreement by means of self-insurance. Self-insurance shall mean that Optionee itself is acting as though it were the third-party insurer providing the insurance required under the provisions of this Agreement, and Optionee shall pay any amounts due in lieu of insurance proceeds because of self-insurance, which amounts shall be treated as insurance proceeds for all purposes under this Agreement. To the extent Optionee chooses to provide any required insurance by self-insurance, the protection afforded Optionor and the applicable properties shall be the same as if provided by a third-party insurer under the coverages required by this Agreement. In the event that Optionee elects to self-insure and an event or claim occurs for which a defense and/or coverage would have been available from a third-party insurer, Optionee shall undertake the defense of any such claim, including a defense of Optionor, at Optionee's sole cost and expense to pay any claim or replace any property or otherwise provide the funding that would have been available from insurance proceeds.

5.4. Optionee shall not permit any mechanics', materialmen's or other liens of any kind or nature ("**Liens**") to be filed or enforced against the Parcel. Optionor reserves the right, at its sole cost and expense, at any time and from time to time, to post and maintain on the Parcel, or any portion thereof, or on the improvements on the Parcel, any notices of non-responsibility or other notice as may be desirable to protect Optionor against liability. In addition to, and not as a limitation of Optionor's other rights and remedies under this Section, should Optionee fail, within thirty (30) days of written request from Optionor, either to discharge any Lien (to the extent such Lien is prohibited pursuant to this Section) or to bond for any Lien (to the extent such Lien is prohibited pursuant to this Section), or to defend, indemnify, and hold harmless Optionor from and against any loss, damage, injury, liability or claim arising out of a Lien (to the extent such Lien is prohibited pursuant to this Section), then Optionor, at its option, may elect to pay such Lien, or settle or discharge such Lien and any action or judgment related thereto and all costs, expenses and attorneys' fees incurred in doing so shall be paid to Optionor, as applicable, by Optionee upon written demand.

6. Compliance; Parcel Maintenance and Operation. From the Effective Date, Optionor agrees to act in respect of the Parcel in the following manner:

6.1. Optionor agrees that it will not enter into any leases, licenses or other occupancy permits for the Parcel without the prior written consent of Optionee in each instance, which consent shall not be unreasonable withheld, conditioned or delayed.

6.2. Optionor will timely perform its obligations under any service contracts affecting the Parcel in accordance with the terms and conditions contained therein. Optionor agrees that it will not enter into amend or terminate any service contracts affecting the Parcel without the prior written consent of Optionee in each instance, which consent shall not be unreasonable withheld, conditioned or delayed.

6.3. Optionor will not enter into any contract or agreement that will be an obligation affecting the Parcel except for contracts entered into in the ordinary course of business that are terminable without cause and without payment of a fee or penalty on not more than thirty (30) days' notice.

6.4. Optionor will continue to operate and maintain the Parcel in accordance with past practices and, will not make any material alterations or changes thereto. Optionor will not remove any Tangible Personal Property except as may be required for necessary repair or replacement, and replacement shall be of approximately equal quality and quantity as the removed item of Tangible Personal Property.

6.5. Optionor shall not do anything, nor authorize anything to be done, which would adversely affect the condition of title of the Parcel.

7. Optionor's Representations and Warranties. Optionor hereby represents and warrants to Optionee that, as of the Effective Date:

7.1. Optionor is a municipal corporation incorporated within and existing pursuant to the laws of the State of California.

7.2. Optionor has (or will have prior to the date by which a particular step is required to be taken or performance of a particular obligation is required to be commenced pursuant to this Agreement) all requisite power and authority required to enter into this Agreement and the instruments referenced in this Agreement, to consummate the transaction contemplated hereby and to take any steps contemplated thereby or hereby, and to perform its obligations hereunder and thereunder.

7.3. Optionor has obtained (or will have obtained prior to the date by which a particular step is required to be taken or performance of a particular obligation is required to be commenced pursuant to this Agreement) all required consents in connection with entering into this Agreement and the instruments and documents referenced in this Agreement to which Optionor is or shall be a party and the consummation of the transactions contemplated hereby.

7.4. The individual executing this Agreement and the individual that will execute the instruments referenced in this Agreement on behalf of Optionor have, or will have upon execution thereof, the legal power, right and actual authority to bind Optionor to the terms and conditions hereof and thereof.

7.5. This Agreement is duly authorized, executed and delivered by Optionor and all documents required in this Agreement to be executed by Optionor pursuant to this Agreement

shall be, at such time as they are required to be executed by Optionor, duly authorized, executed and delivered by Optionor and are or shall be, at such time as the same are required to be executed hereunder, valid, legally binding obligations of and enforceable against Optionor in accordance with their terms, except as enforceability may be limited by bankruptcy laws or other similar laws affecting creditors' rights.

7.6. Neither the execution or delivery of this Agreement or the documents referenced in this Agreement, nor the incurring of the obligations set forth in this Agreement, and the certificates, declarations and other documents referenced in this Agreement, nor the consummation of the transactions in this Agreement contemplated, nor compliance with the terms of this Agreement and the documents referenced in this Agreement, will violate any provision of law, any order of any court or governmental authority or conflict with or result in the breach of any terms, conditions, or provisions of, or constitute a default under any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreements or instruments to which Optionor is a party or which affect any of the Parcel or the transactions contemplated by this Agreement.

7.7. Other than as disclosed by Optionor to Optionee in writing, there are no legal proceedings either pending or, to the knowledge of the Optionor Representatives, threatened, to which Optionor is or may be made a party, or to which the Parcel, is or may become subject or which could reasonably affect the ability of Optionor to carry out its obligations hereunder or which would affect the Parcel.

7.8. Optionor holds, and can cause the conveyance of, fee title to the Parcel. The transfer of the Parcel is not subject to any right of first refusal or similar purchase or other options.

7.9. There are no brokerage fee, commission, or finders' fee is payable to any person or entity in connection with the transaction contemplated by this Agreement ("**Commissions**"). Optionor shall promptly advise Optionee in writing if Optionor becomes aware that any representation or warranty made by Optionor is or becomes untrue in any material respect prior to any Close of Escrow. Optionors' representations and warranties set forth in this Section shall be deemed to be restated at consummation of any purchase contemplated in this Agreement and shall survive any such purchase and shall not be merged with any deed.

8. Optionee's Representations and Warranties. Optionee hereby represents and warrants to Optionor that, as of the Effective Date:

8.1. Optionee has all requisite corporate power and authority to execute and deliver, and to perform all its obligations under, this Agreement. Optionee is duly organized, validly existing and in good standing under the laws of the state of its formation, with full power to enter into this Agreement.

8.2. Optionee has (or will have prior to the date by which a particular step is required to be taken or performance of a particular obligation is required to be commenced pursuant to this Agreement) all requisite power and authority required to enter into this Agreement and the instruments referenced in this Agreement, to consummate the transaction contemplated hereby and to take any steps contemplated thereby or hereby, and to perform its obligations hereunder and thereunder.

8.3. Optionee has obtained (or will have obtained prior to the date by which a particular step is required to be taken or performance of a particular obligation is required to be commenced pursuant to this Agreement) all required consents in connection with entering into this Agreement and the instruments and documents referenced in this Agreement to which Optionee is or shall be a party and the consummation of the transactions contemplated hereby.

8.4. The individual executing this Agreement and the individual that will execute the instruments referenced in this Agreement on behalf of Optionee have, or will have upon execution thereof, the legal power, right and actual authority to bind Optionee to the terms and conditions hereof and thereof.

8.5. This Agreement is duly authorized, executed and delivered by Optionee and all documents required in this Agreement to be executed by Optionee pursuant to this Agreement shall be, at such time as they are required to be executed by Optionee, duly authorized, executed and delivered by Optionee and are or shall be, at such time as the same are required to be executed hereunder, valid, legally binding obligations of and enforceable against Optionee in accordance with their terms, except as enforceability may be limited by bankruptcy laws or other similar laws affecting creditors' rights.

8.6. Neither the execution or delivery of this Agreement or the documents referenced in this Agreement, nor the incurring of the obligations set forth in this Agreement, and the certificates, declarations and other documents referenced in this Agreement, nor the consummation of the transactions in this Agreement contemplated, nor compliance with the terms of this Agreement and the documents referenced in this Agreement, will violate any provision of law, any order of any court or governmental authority or conflict with or result in the breach of any terms, conditions, or provisions of, or constitute a default under any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreements or instruments to which Optionee is a party or which affect any of the Property or the transactions contemplated by this Agreement.

8.7. Other than as disclosed by Optionor in writing to Optionee, there are no legal proceedings either pending or, to the knowledge of the Optionee Representatives, threatened, to which Optionee is or may be made a party, or to which the Parcel, is or may become subject or which could reasonably affect the ability of Optionee to carry out its obligations hereunder or which would affect the Parcel.

Optionee shall promptly advise Optionee in writing if Optionee becomes aware that any representation or warranty made by Optionee is or becomes untrue in any material respect prior to any Close of Escrow. Optionee's representations and warranties set forth in this Section shall be deemed to be restated at consummation of any purchase contemplated in this Agreement and shall survive any such purchase.

9. Destruction/Condemnation of Parcel; Other Notices. In the event that all or any portion of the Land or Improvements is damaged or destroyed by any casualty or is subject to a taking or condemnation under the provisions of applicable law after the Effective Date but prior to the date of Closing, Optionor shall give Optionee immediate written notice of the same. Optionor shall promptly notify Optionee of any building code violation notices or actions pending, and of any event that causes the representation of Optionor under this Agreement to no longer be true or correct.

10. Notices. Any notice, request, demand, instruction or other document required or permitted to be given or served hereunder or under any document or instrument executed pursuant hereto will be in writing and will be delivered personally or sent by United States registered or certified mail, return receipt requested, postage prepaid or by overnight express courier, postage prepaid and addressed to the parties at their perspective addresses set forth below, and the same will be effective upon receipt if delivered personally or via overnight express courier or on the third Business Day after deposit if mailed. A party may change its address for receipt of notices by service of a notice to such change in accordance herewith.

If to Optionee: Caribou Industries, Inc.
1103 North Broadway
Santa Ana, CA 92701

If to Optionor: City of Santa Ana
20 Civic Center Plaza (M-30)
P.O. Box 1988
Santa Ana, CA 92702
Attn.: City Clerk

with a copy to: City of Santa Ana
20 Civic Center Plaza (M-29)
P.O. Box 1988
Santa Ana, CA 92702
Attn.: City Attorney

11. Memorandum of Agreement. At Optionee's request, Optionor shall execute a memorandum of this Agreement in a form satisfactory to Optionee and Optionee may record such memorandum in the real estate records of the County in which the Real Property is located.

12. Assignment. Optionor may not assign its interest in this Agreement, or any of its rights or obligations hereunder, without the prior written consent of Optionee, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing paragraph, Optionee may, without the prior written consent of Optionor assign its interest in this Agreement, or any of its rights or obligations hereunder to a Permitted Transferee (as defined below). As used herein, the term "Permitted Transferee" means (a) any affiliate of Optionee, being a person or entity who, directly or indirectly, controls, is controlled by, or is under common control with, Optionee, including any partner, member, stockholder or other equity holder of Optionee (for purposes of this definition, "control" shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of Optionee, whether through ownership of voting securities, membership, partnership or other ownership interests, by contract or otherwise; and the terms "controlling" and "controlled" shall have correlative meanings); or (b) a successor related to Optionee by merger, consolidation, non-bankruptcy reorganization or government action. No transfer or assignment in violation of the provisions hereof shall be valid or enforceable. Subject to the foregoing, this Agreement and the terms and provisions hereof shall inure to the benefit of and shall be binding upon the successors and assigns of the parties.

13. Further Instruments. Each Party will, whenever and as often as it shall be reasonably requested to do so by the other, cause to be executed, acknowledged or delivered any and all

such further instruments and documents as may be necessary or proper, in the reasonable opinion of the requesting party, in order to carry out the intent and purpose of this Agreement.

14. Calculation of Time Periods; Business Day; Time of Essence. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is not a Business Day, in which event the period shall run until the end of the next day which is a Business Day. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. local time in the state in which the Real Property is located. As used herein, the term “**Business Day**” means any day that is not a Saturday, Sunday or legal holiday for national banks in the city in which the Real Property is located. Subject to the foregoing provisions, time is of the essence of this Agreement.

15. Entire Agreement; Amendments. This Agreement (including the documents delivered pursuant to this Agreement), constitutes the entire agreement of the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements or letters of intent of the Parties. This Agreement may not be amended, modified, or supplemented except by a written instrument signed by an authorized representative of each of the Parties.

16. Binding Effect; Enforcement. The covenants, agreements, representations, and warranties contained herein will be binding upon, be enforceable by and inure to the benefit of the representatives, successors, and permitted assigns of the respective parties hereto.

17. Applicable Law. This Agreement will be construed and interpreted under, and governed and enforced according to, the laws of the State of California applicable to contracts made and to be performed entirely therein.

18. Counterparts. This Agreement may be executed in any number of counterparts and by different Parties to this Agreement in separate counterparts, each of which when so executed and delivered will be deemed original, but all such counterparts, together, will constitute but one and the same instrument. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. This Agreement will become effective upon the execution and delivery of a counterpart hereof by each Party to this Agreement. A signature of a Party to this Agreement sent by facsimile, electronic mail (including a scanned portable document format copy sent by electronic mail), or other electronic transmission will have the same force and effect as delivery of an original signature of such Party.

19. Interpretation. The paragraph and section headings in this Agreement are solely for convenience and will not be deemed to limit or otherwise affect the meaning or construction of any part of this Agreement. Any pronoun used in this Agreement will be deemed to cover all genders. The terms “include,” “including,” and similar terms will be construed as if followed by the phrase “without being limited to.” The term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereby,” “hereunder,” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision or section of this Agreement. Words in this Agreement importing the singular number will mean and include the plural number, and vice versa.

20. Severability of Provisions. Wherever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement will be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

21. Optionor's Breach. In the event of a breach by Optionor of its obligations under this Agreement that continues without cure beyond the applicable cure period, if any, or, if none, for more than thirty (30) days after Optionee shall have given Optionor written notice thereof ("**Optionor Breach**"), Optionee may elect to terminate this Agreement, in which event this Agreement shall terminate and the Parties shall have no further rights or obligations under this Agreement, except for rights and obligations which, by their terms, survive the termination of this Agreement.

22. Optionee Indemnity. Subject to the terms and conditions set forth in this Section, Optionee shall indemnify, hold harmless, and defend Optionor and its officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, "**Optionor Indemnified Party**") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, that are incurred by an Optionor Indemnified Party (collectively, "**Optionor Losses**"), arising out of any claim alleging: (i) any breach or non-fulfillment of any covenant or any negligent or more culpable act or omission of Optionee or its personnel (including any reckless or willful misconduct) in connection with this Agreement; (ii) any false representation of Optionee under this Agreement; or (iii) any claim for payment of Commissions to any other person or entity claiming by, through or under Optionee. Notwithstanding anything to the contrary in this Agreement, Optionee is not obligated to indemnify, hold harmless or defend any Optionor Indemnified Party against any claim (whether direct or indirect) if such claim or corresponding Optionor Losses arise out of or result from: (a) any pre-existing facts, circumstances, liabilities for matters merely discovered by Optionee (i.e., latent environmental contamination to the extent Optionee does not materially exacerbate same following its initial discovery), (b) Optionor Indemnified Party's and/or Optionor's agents' gross negligence or more culpable act or omission (including recklessness or willful misconduct), or (c) Optionor Indemnified Party's bad faith failure to materially comply with any of its material obligations set forth in this Agreement. Payments by Optionee under this Section in respect of any Optionor Losses are limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment actually received by any Optionor Indemnified Party in respect of any such indemnity claim. Any Optionor Indemnified Party shall use its best efforts to seek to recover any insurance proceeds in connection with making a claim under this Section. Promptly after the realization of any insurance proceeds, indemnity, contribution or other similar payment, any Optionor Indemnified Party shall reimburse Optionee for such reduction in Optionor Losses for which any Optionor Indemnified Party was paid under this Section before the realization of reduction of such Optionor Losses. Any Optionor Indemnified Party shall give Optionee prompt written notice (a "**Claim Notice**") of any Optionor Losses or discovery of facts on which such Optionor Indemnified Party intends to base a request for indemnification under this Section. Any Optionor Indemnified Party's failure to provide a Claim Notice to Optionee under this Section does not relieve Optionee of any liability that Optionee may have to any Optionor Indemnified Party, but in no event shall Optionee be liable for any

Optionor Losses that result from a delay in providing a Claim Notice. Each Claim Notice must contain a description of the claim and the nature and amount of the related Optionor Losses (to the extent that the nature and amount of the Optionor Losses are known at the time). Any Optionor Indemnified Party shall furnish promptly to Optionee copies of all papers and official documents received in respect of any Optionor Losses. Optionee's duty to defend applies immediately, regardless of whether any Optionor Indemnified Party has paid any sums or incurred any detriment arising out of or relating, directly or indirectly, to any claim. Optionee may assume, at its sole option, control of the defense, appeal or settlement of any claim that is reasonably likely to give rise to an indemnification claim under this Section (an "**Optionee Indemnified Claim**") by sending written notice of the assumption to Optionor on or before thirty (30) days after receipt of a Claim Notice to acknowledge responsibility for the defense of such Optionee Indemnified Claim and undertake, conduct and control, through reputable independent counsel of its own choosing (which Optionor shall find reasonably satisfactory) and at Optionee's sole cost and expense, the settlement or defense thereof. If Optionee assumes control of the defense under this Section, Optionor Indemnified Party (a) shall fully cooperate with Optionee in connection therewith; and (b) may employ, at any time, separate counsel to represent it; provided, that Optionor Indemnified Party is solely responsible for the costs and expenses of any such separate counsel. Notwithstanding anything to the contrary in this Section, Optionor Indemnified Party may defend an Optionee Indemnified Claim with counsel of its own choosing and without the Optionee's participation if: (a) the Optionee Indemnified Claim is one for which Optionor properly gave Optionee a Claim Notice under this Section, and Optionee fails to assume the defense or refuses to defend the Optionee Indemnified Claim under this Section; (b) the Optionee Indemnified Claim seeks only an injunction or other equitable relief against Optionor Indemnified Party; or (c) Optionor Indemnified Party reasonably believes: (i) that there are one or more legal or equitable defenses available to it that are different from or in addition to those available to Optionee; and (ii) counsel for Optionee could not adequately represent the interest of Optionor Indemnified Party because such interest could be in conflict with those of Optionee; or (iii) such action or proceeding involves, or could have a material effect on, any material matter beyond the scope of the indemnification or defense obligations of Optionee. If Optionor Indemnified Party assumes control of the defense under this Section, Optionee shall: (a) reimburse Optionor Indemnified Party promptly and periodically for the reasonable costs properly incurred in defending against the Optionee Indemnified Claim (including reasonable attorneys' fees and expenses); and (b) remain responsible to Optionor Indemnified Party for any Optionor Losses indemnified under this Section. Optionee shall give prompt written notice to Optionor of any proposed settlement of an Optionee Indemnified Claim. Optionee may not, without Optionor's prior written consent, which Optionor shall not unreasonably withhold, condition or delay, settle or compromise any claim or consent to the entry of any judgment regarding which indemnification is being sought hereunder unless such settlement, compromise or consent: (a) includes an unconditional release of Optionor Indemnified Party from all liability arising out of such claim; (b) does not contain any admission or statement suggesting any wrongdoing or liability on behalf of Optionor Indemnified Party; and (c) does not contain any equitable order, judgment or term (other than the fact of payment or the amount of such payment) that in any manner affects, restrains or interferes with the business of Optionor Indemnified Party. Optionor Indemnified Party may not settle or compromise any claim or consent to the entry of any judgment regarding which it is seeking indemnification hereunder without the prior written consent of Optionee, which Optionee shall not unreasonably

withhold, condition or delay, unless: (a) if the Optionee Indemnified Claim is one for which Optionor properly gave Optionee a Claim Notice under this Section, and Optionee fails to assume the defense or refuses to defend the Optionee Indemnified Claim under this Section; or (b) such settlement, compromise or consent: (i) includes an unconditional release of Optionee from all liability arising out of such claim; (ii) does not contain any admission or statement suggesting any wrongdoing or liability on behalf of Optionee; and (iii) does not contain any equitable order, judgment or term (other than the fact of payment or the amount of such payment) that in any manner affects, restrains or interferes with the business of Optionor Indemnified Party. The obligations of Optionee and Optionor Indemnified Party under this Section shall survive the Closing or earlier termination of the Disposition Agreement and the expiration or earlier termination of this Agreement.

[Signatures on the following page]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

OPTIONEE:

CARIBOU INDUSTRIES, INC.

By: _____

Name: _____

Its: _____

OPTIONOR:

CITY OF SANTA ANA, a public body, corporate and politic

By: _____

Name: _____

Its: _____

Exhibits:

Exhibit "A" Legal Description of the Property

Exhibit "B" Legal Description of Parcel

Exhibit "C" Notice of Exercise of Option

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

**EXHIBIT A
TO
PURCHASE OPTION AGREEMENT**

PROPERTY LEGAL DESCRIPTION

All of that certain real property situated in the State of California, County of Orange, City of Santa Ana, described as follows:

Parcel 1:

All of Lots 2, 3, 6 and the Southerly 10.00 feet of the Northerly 20.00 feet of Lot 5 in Block 11 and all of Lots 1, 2, 3, 4, 5, and 6 in Block 12 of the Town of Santa Ana, as shown on a Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California. Together with that portion of Sycamore Street, 60.00 feet wide, as shown on said Map, as vacated and described in that certain Resolution No. 82-17 of the City Council of the City of Santa Ana, a certified copy of which was recorded February 11, 1982, as Document No. 82-051577 of Official Records of Orange County, California, bounded Southerly by the North line of Third Street, 60.00 feet wide, and bounded Northerly by a line parallel with and distant Northerly 140.00 feet, measured at right angles, from said North line of Third Street.

Excepting therefrom the Easterly 15.00 feet of said Lot 3 in said Block 11.

Parcel 2:

A perpetual easement for ingress and egress over the South 2.50 feet of the East 15.00 feet of Lot 3 in Block 11 of the Town of Santa Ana, as shown on Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, as reserved in the Deed of J.E. Lieberg et al, dated June 5, 1923 and recorded in Book 475, page 362 of Deeds, records of Orange County, California.

Parcel 3:

The right to use that portion of a brick wall of the building on Lot 1 in Block 11 of the Town of Santa Ana, as per Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, which adjoins the East boundary line of the South 25.00 feet of Lot 2 in said Block 11, as a party wall, as granted by that certain Agreement, dated July 1, 1919 by and between H.R. Andre, also known as Roy Andre, et al, as parties of the first part, and L.J. Carden et al, as parties of the second part, recorded August 19, 1919 in Book 341, page 362 of Deeds, Records of Orange County, California.

EXHIBIT B
LEGAL DESCRIPTION OF PARCEL

EXHIBIT "A"

All of that certain real property situated in the State of California, County of Orange, City of Santa Ana, described as follows:

Parcel 1:

All of Lots 2, 3, 6 and the Southerly 10.00 feet of the Northerly 20.00 feet of Lot 5 in Block 11 and all of Lots 1, 2, 3, 4, 5 and 6 in Block 12 of the Town of Santa Ana, as shown on a Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California. Together with that portion of Sycamore Street, 60.00 feet wide, as shown on said Map, as vacated and described in that certain Resolution No. 82-17 of the City Council of the City of Santa Ana, a certified copy of which was recorded February 11, 1982, as Document No. 82-051577 of Official Records of Orange County, California, bounded Southerly by the North line of Third Street, 60.00 feet wide, and bounded Northerly by a line parallel with and distant Northerly 140.00 feet, measured at right angles, from said North line of Third Street.

Excepting therefrom the Easterly 15.00 feet of said Lot 3 in said Block 11.

Parcel 2:

A perpetual easement for ingress and egress over the South 2.50 feet of the East 15.00 feet of Lot 3 in Block 11 of the Town of Santa Ana, as shown on a Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, as reserved in the Deed to J.E. Lieberg et al, dated June 5, 1923 and recorded in Book 475, page 362 of Deeds, records of Orange County, California.

Parcel 3:

The right to use that portion of a brick wall of the building on Lot 1 in Block 11 of the Town of Santa Ana, as per Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, which adjoins the East boundary line of the South 25.00 feet of Lot 2 in said Block 11, as a party wall, as granted by that certain Agreement, dated July 1, 1919 by and between H.R. Andre, also known as Roy Andre, et al, as parties of the first part, and L.J. Carden et al, as parties of the second part, recorded August 19, 1919 in Book 341, page 362 of Deeds, Records of Orange County, California.

EXHIBIT C
OPTION EXERCISE NOTICE

To: _____

Pursuant to the provisions of that certain Purchase Option Agreement (this “**Agreement**”), made as of _____, 2020 (the “**Effective Date**”), at Santa Ana, California, by and between City of Santa Ana, a public body, corporate and politic (“**Optionor**”), and Caribou Industries, Inc. a Nevada Corporation (“**Optionee**”), Optionee hereby exercises the Option. Capitalized terms not defined in this Notice of Exercise shall have the meanings ascribed to them in the Agreement.

Dated: _____, 2020

OPTIONEE:

CARIBOU INDUSTRIES, INC. a Nevada
Corporation

By: _____

Name: _____

Its: _____

EXHIBIT “K”
TO
DISPOSITION AND DEVELOPMENT AGREEMENT
GRANT OF EASEMENTS AND RECIPROCAL ACCESS, PARKING OPERATION
AND MAINTENANCE AGREEMENT, DATED OCTOBER 5, 2020 FOR REFERENCE
PURPOSES (“PARKING AGREEMENT”)

Exhibit “K”
(Parking Operations Agreement)

55394.00049\33239203.12

75A-374

RECORDED AT REQUEST OF
CLERK, CITY COUNCIL CITY OF SANTA ANA

WHEN RECORDED RETURN TO:

City of Santa Ana
20 Civic Center Plaza (M-30)
P.O. Box 1988
Santa Ana, CA 92701
Attention: City Clerk

Exempt from Filing Fees Gov. Code Sections 27383, 6103

**GRANT OF EASEMENTS AND RECIPROCAL ACCESS, PARKING
OPERATION AND MAINTENANCE AGREEMENT**
by and between the

CITY OF SANTA ANA,

a California charter city in the County of Orange of the State of California,

and

CARIBOU INDUSTRIES, INC.,

a Nevada Corporation

[Dated as of October 5, 2020, for reference purposes only]

THIS GRANT OF EASEMENTS AND RECIPROCAL ACCESS, PARKING OPERATION AND MAINTENANCE AGREEMENT ("Parking Agreement") is dated for reference purposes only as of _____ and made and entered into by and between the City of Santa Ana, a California charter city in the County of Orange of the State of California (the "City"), and Caribou Industries, Inc. a Nevada Corporation (the "Developer") (collectively, the "Parties," and each a "Party"). The Parties enter into this Agreement with reference to the following recited facts (collectively, the "Recitals," and each a "Recital"):

RECITALS

- A. City and Developer have entered into a Disposition and Development Agreement, dated October 5, 2020 for reference purposes only, (the "DDA") for the development of the Property with a Mixed Use Project including apartments, commercial (including retail and food/beverage establishments), a seventy-five (75) room Hotel Project and a Parking Structure which will contain 444 total parking spaces including 211 public parking spaces ("Project").
- B. Pursuant to the DDA, the City will convey to Developer the real property generally located at 201 West 3rd Street, Santa Ana, CA 92701 and as more particularly described in the legal description(s) attached to this Agreement as Exhibit "A" and depicted as APN 398-264-13 on the site plan attached to this Agreement as Exhibit "F" to the DDA (the "Property").
- C. City is the Owner of "Parcel A" as shown on Exhibit B, which is incorporated herein by this reference which contains 211 public parking spaces. ("Public Parking Parcel")
- D. Developer is the owner of the Mixed Use Project, which contains 171 residential units, as shown on "Parcel B" which contains 196 parking spaces. ("Mixed Use Parking")
- E. Developer is the owner of the Hotel Project, which contains seventy five (75) hotel units, as shown on "Parcel C" which contains eighty-three (83) parking spaces which are accomplished by tandem parking spaces as well as the use of mechanical lifts. ("Hotel Parking")
- F. The Public Parking Parcel, the Mixed Use Parking and Hotel Parking are shown on Exhibit b, which is incorporated herein by this reference.
- G. Mixed Use Parking and Hotel Parking may be referred to together as "Developer Parking Parcels." ("Developer Parking Parcels")
- H. Public Parking Parcel, Mixed Use Parking and Hotel Parking may be referred to together as "Parking Structure".
- I. The City and Developer desire to enter into this Parking Agreement to set forth with specificity the accessibility and parking obligations applicable to the Parking Structure.

ARTICLE 1

PARTIES; EFFECTIVE DATE

1.1 Incorporation of Recitals. The City and Developer agree that all of the above recitals are true and correct and are hereby incorporated into this Parking Agreement.

1.2 Effective Date of Agreement. This Parking Agreement is dated as of October 5, 2020, for reference purposes only. This Parking Agreement will become effective upon execution by the parties (“Effective Date”)

1.3 Parties to Agreement.

1.3.1 The City. The address of the City is 20 Civic Center Plaza (M-25), P.O. Box 1988, Santa Ana, CA 92701; Attention: Steven Mendoza, Acting City Manager/Executive Director for Community Development.

1.3.2 The Developer. The Developer is Caribou Industries, Inc. a Nevada Corporation, LLC, The principal address of the Developer is 1103 N. Broadway, Santa Ana, CA 92701; Attention: Michael Harrah.

1.4 All of the terms, covenants and conditions of this Parking Agreement shall be binding on and shall inure to the benefit of the Developer and its nominees, successors and assigns. Wherever the term “Developer” is used herein or therein, such term shall include any nominee, assignee or successor of the Developer.

1.4.1 The City and Developer are sometimes individually referred to as “**Party**” and collectively as “**Parties.**”

ARTICLE 2

GRANT OF EASEMENTS

2.1 City Grant of Easements in Public Parking Parcel. The City hereby grants to Developer, for the benefit of Developer, a non-exclusive easement for pedestrian and vehicular ingress and egress for that certain real property (referred to herein as “**Public Parking Parcel**” described in Exhibit B and Exhibits B is hereby incorporated herein by reference. (“City Easement”) The City Easement is being granted for the benefit of Developer for the purpose of constructing, operating and maintaining a portion of the Parking Structure and enabling the provision of a vehicular passageway throughout the Parking Structure. City Easement shall be enforceable as a covenant running with the land and an equitable servitude upon the lands overlying the Parking Structure, binding upon said lands, each person having or acquiring any right title or interest in said lands or any part thereof, or any improvements thereon, and upon their respective successors and assigns, and shall run for the benefit of the Developer and its successors and assigns owning or operating the Parking Structure. The grant of these Easements shall survive the termination of this Parking Agreement.

2.2 Developer Grant Easements in Developer Parking Parcels. The Developer hereby grants to City, for the benefit of City, non-exclusive easement for pedestrian and vehicular ingress and egress for that certain real property (referred to herein as the “**Developer Parking Parcels**”) described in Exhibit B. (“Developer Easement”) The Developer Easement shall be enforceable as a covenant running with the land and an equitable servitude upon the Parking Structure, binding upon each person having or acquiring any right, title, or interest in the Site or any part thereof, or any improvements thereon, and upon their respective successors and assigns, and shall run for the benefit of the City and its successors and assigns owning or operating the Parking Structure. Any conveyance of all or any part of or interest in the Parking Structure or Project shall be subject to, and by this Parking Agreement is deemed to be subject to, Easement

granted by Developer to the Developer Parking Parcels. The grant of these Easements shall survive the termination of this Parking Agreement.

2.3 Term. The term of this Parking Agreement shall remain in effect so long as the City owns the Public Parking Parcel.

ARTICLE 3

OPERATION OF PARKING STRUCTURE

3.1 Costs of Operation and Maintenance. During the term of this Parking Agreement, Developer shall be solely responsible for all costs and expenses incurred for operating and maintaining, or causing to be operated and maintained, the Parking Structure, in accordance with the terms of this Parking Agreement.

3.2 Public Parking. Upon the issuance of a certificate of occupancy or certificate of completion by the City for the Parking Structure, or as soon thereafter as the Parties may mutually agree, the Public Parking Parcel which contains 211 public parking spaces, shall be available to members of the public twenty-four (24) hours a day, 365 days a year (the “**Public Parking**”). Developer shall ensure that the Residential tenants, Hotel Guests, and the staff for any use within the Project shall park in those designated spaces and shall not utilize the Public Parking at any time unless they pay for use of the Public Parking. Any use of the Public Parking by Residential tenants, Hotel Guests, and the staff for any use within the Project shall be subject to paying the Public Parking Fee consistent with the current Public Parking Rates set in accordance with Section 3.3.

3.2.1 No Common Area on floors within the Parking Structure containing Public Parking Parcels be used for parking without the express written consent of the City, nor shall any Common Area necessary to access the Public Parking Area be used for parking without the express written consent of the City.

3.2.2 Developer understands that the City currently sells monthly parking passes, and thirty (30) parking spaces are leased to California State University, Fullerton Foundation. The lease with California State University, Fullerton Foundation is set to expire on December 31, 2028. The City will work with California State University, Fullerton Foundation to relocate the thirty (30) leased parking spaces. If the relocation cannot be accomplished the Developer will accommodate the lease as part of the 211 public parking spaces.

3.2.3 If the thirty (30) leased parking spaces are unable to be relocated prior to the execution of this Agreement, these thirty (30) leased parking spaces shall not be subject to the parking rates as set forth in Section 3.3.

3.3 Parking Rates. Developer shall be entitled to establish the Public Parking Rates. The parking rates should be consistent with parking rates in the surrounding area. Public Parking Rates shall be approved in writing by the City. Developer shall not lease or issue any monthly parking pass for the Public Parking Space(s) without the prior written approval of the City.

3.4 Parking Revenue.

3.4.1 Collection of Parking Revenue. Developer may either provide staff to collect the Public Parking Fees, utilize automated equipment to collect the Public Parking Fees or a combination of staff and automated equipment. The Parking Rates shall be charged and collected twenty-four (24) hours a day.

3.4.2 Distribution of Parking Revenue. Developer shall use and distribute the Public Parking Revenue in the following order (1) payment of any Third Party Parking Agreement, if one is executed by Developer in accordance with DDA Section 5.13.2; (2) Parking Structure Operation expenses; (3) Payment of the Parking Structure Debt incurred by the City; (4) Distribution to City and Developer in compliance with Terms of the DDA Section 5.13, et. seq.

3.5 Developer's Duties. The Developer at all times shall have full control of and management of the Parking Structure, subject to the following:

3.5.1 Parking Structure Debt. Developer covenants and agrees pursuant to the terms of the DDA that Developer shall be solely responsible to pay the Parking Structure Debt in accordance with the terms of the DDA.

3.5.2 Management and Operating Plan. At least ninety (90) days prior to the completion of the Parking Structure, Developer shall submit to the City a Management and Operating Plan for the Parking Structure.

3.5.2.1 The Management and Operating Plan shall contain the following:

- (a) the method of collection of Parking Fees (e.g. staff collection at gate, automated gates or pay point);
- (b) the proposed fee structure for the Parking Rates;
- (c) the maintenance schedule including a telephone number where the City can contact someone twenty-four (24) hours a day to identify any deficiencies with the maintenance of the Parking Structure;
- (d) if Developer will be using a Third Party Operator, the proposed agreement with the Third Party Operator shall be provided; and
- (e) the annual Budget to the operation of the Parking Structure.

3.5.2.2 City shall be entitled to request and Developer shall provide any additional information City determines in its sole discretion is necessary to ensure the adequate operation of the Parking Structure.

3.5.3 Consistent with the approved Site Plans for the Project, Developer shall be entitled to post signage and paint curbs and lines in a manner typical of Parking Structure such as, without limitation, restricting the hours and duration of parking, designating specific spaces for use by members of the Public, or the Hotel or Residential use; designating specific spaces for handicapped parking, and establishing speed limits, gates, controls and other barriers and routes of travel. At no time shall Developer designate any parking within the Public Parking Parcel for any use other than Public Parking.

3.5.4 Enforce the observation of posted speed limits within the Parking Structure and to enforce parking restrictions including the duration of parking, and specified purpose spaces, and in connection therewith, to exact fines and penalties and/or cause vehicles to be towed away at the vehicle owner's expense in accordance with applicable parking ordinances.

3.5.5 In consultation with City's Police Department and in compliance with all City laws and regulations, institute security measures which may include, but are not limited to, gates, parking attendants, video cameras, motion sensors, lighting, and other means of controlling and securing the Parking Structure against unauthorized entry or improper, undesirable, or criminal conduct. It is further understood that notwithstanding that the Public Parking to be made available, Developer retains the right to exclude any specific person or persons who may have committed or be suspected of committing any improper, undesirable or criminal conduct or for any other reasons whatsoever except and to the extent prohibited by law.

3.5.6 Maintenance of Parking Structure. During the Term, Developer shall maintain, or cause to be maintained, in good condition and repair Parking Structure, in a neat, clean, sanitary and orderly condition, ordinary wear and tear and casualty excepted, including landscaping, utility systems, lighting, paving, irrigation systems, drainage facilities or systems, grading, subsidence, retaining walls or similar support structures foundations, directional signage, ornamentation, and all other improvements on or to the Parking Structure, now existing or made in the future. All maintenance shall be done in accordance with the all applicable Federal, State and local statutes, ordinances, rules, standards and regulations.

3.5.6.1 Developer shall provide a telephone number that the City can contact twenty-four (24) hours a day to report any maintenance deficiency.

3.5.6.2 Developer shall make repairs as soon as practicable and shall notify City once the maintenance deficiency is corrected. If Developer fails to correct the maintenance deficiency within forty-eight (48) hours of being reported by the City, unless Developer has requested additional time is necessary to correct the maintenance deficiency, City in its sole discretion has the right but not the duty to correct the maintenance deficiency, or to hire a contractor to perform the correction. Developer shall be liable for all costs incurred by the City to correct the maintenance deficiency, including City Staff time, and shall reimburse City for the costs within ten (10) days of receiving the invoice from the City. Should Developer fail to pay the invoice within thirty (30) calendar days from invoice, the costs shall accrue interest at the lesser of: (i) the rate of ten percent (10%) per annum or (ii) the Usury Limit, until paid in full. The City's right, but not the obligation, to cure any maintenance deficiencies shall not be deemed to create any special duty of care or create any right of any third parties, whether founded in tort or contract.

3.6 Insurance.

3.6.1 Continuously during the Term, Developer shall furnish, or shall cause to be furnished, to City evidence that Developer maintains Commercial General Liability insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001; such insurance policy or policies (including umbrella coverage, if any) to afford with minimum limits of at least Three Million Dollars (\$3,000,000.00) per occurrence for bodily injury, personal injury and property damage.

3.6.2 Endorsements containing the following four provisions shall be obtained for the policies providing the above insurance:

3.6.2.1 Additional named insureds: “The City of Santa Ana, its elective and appointive boards, officers, agents, volunteers and employees are added as additional named insureds with respect to this subject project and contract with the City.”

3.6.2.2 Notice: “Said policy shall not terminate nor shall it be canceled or the coverage reduced until after thirty (30) days written notice is given to the City of Santa Ana.”

3.6.2.3 Primary coverage: “Said policy and coverage as is afforded to the City of Santa Ana, its elective and appointive boards, officers, agents, volunteers and employees shall be primary insurance and not contributing with any other insurance maintained by the City of Santa Ana.”

3.6.2.4 Cross-liability/Severability of interests: “Said policy provides cross-liability coverage for Developer and City and provides for severability of interests.”

3.6.3 Any and all insurance policies required hereunder shall be obtained and maintained at all times from insurance companies admitted in the State of California and rated at least A:VIII in Best's Insurance Guide. Any insurance maintained hereunder may be maintained under blanket policies, covering other risks and properties.

3.6.4 Developer agrees that any policy limits specified in this Section 3.6 shall be increased from time to time during the Term as reasonably requested by City in writing as follows:

3.6.4.1 City may request no more than once in any five (5) year period during the Term that the coverage limits be reviewed to set forth an increase in coverage limits.

3.6.4.2 Upon receipt of such a request from City, Developer shall consult with Developer's insurance agent and City shall consult with its Risk Manager, and the insurance limits shall be increased, if appropriate, to equal the then-prevailing commercially reasonable levels of insurance carried by prudent and responsible owners of similar privately-owned parking facilities in Orange County.

3.7 Indemnity.

3.7.1 To the fullest extent permitted by law, Developer shall fully indemnify, defend (at Developer's sole cost and expense and with legal counsel selected and approved by City, in City's sole discretion), protect and hold harmless City, its elected officials, directors, board members, officers, employees, contractors, volunteers, agents and attorneys (collectively “City Indemnitees”) from and against any and all actual claims, demands, obligations, acts, causes of action, damages, costs, expenses, losses, judgments, fines, penalties and liabilities, in law or in equity (“Claims”), to person or property, of every kind or nature whatsoever claimed, made or suffered by any person or entity, relating to this Parking Agreement, the construction or condition of the Parking Structure, or operation of the Parking Structure by Developer, or its employees, agents, contractors or representatives (“Third Party Challenge”), except insofar as such Claims are the result of gross negligence or willful misconduct of any City Indemnitee. Developer further agrees that City may use its own legal staff or outside counsel in connection with defense of any Third-Party Challenge, at the City Attorney's sole discretion, and City shall

have the right to select outside counsel of its choice, in its sole discretion. All reasonable costs to City associated with its defense of any Third Party Challenge, including but not limited to the time and expenses of the City Attorney's Office, other City staff, any Consultants or experts retained in connection with the Third Party Challenge, attorney's fees of City's selected outside counsel, and litigation costs shall be fully reimbursed to City by Developer. City will provide Developer with monthly invoices for all such costs in the case of a Third Party Challenge. Developer shall make payment to City for any costs covered by this section within thirty (30) days of receipt of an invoice from City for such costs.

3.7.2 Developer's waivers with regard to City as well as its commitments to the defense and indemnification of City set forth herein shall remain in full force and effect throughout all stages of any lawsuit, claim, or proceeding.

3.7.3 In the event of any Third Party Challenge, the Parties shall cooperate in defending against such challenge. Each party shall promptly notify the other of any such challenges. Developer shall assist and cooperate at its expense with City in connection with any such challenges.

3.7.4 In any action at law or equity or other legal or administrative proceeding arising out of or relating to this Parking Agreement, or Developer's operation of the Parking Structure, neither City nor Developer shall be entitled to damages or other remedies or relief except as expressly set forth in this Parking Agreement. Permitted remedies shall include mandatory or injunctive relief, writ of mandate, specific performance of this Parking Agreement, or a claim for reimbursement of unexpended funds and advanced by Developer to City. Without limiting the generality of the foregoing, neither City nor Developer shall be liable under any circumstances for any direct, indirect, special, compensatory, consequential, punitive or exemplary damages, regardless of whether the claim for damages is based on contract, tort, statute or other basis of liability.

3.7.5 Indemnification Survives Termination. The rights and obligations set forth in this Section 3.7 shall survive termination of this Parking Agreement.

3.8 Developer Solely Responsible. Developer acknowledges and agrees that it is solely responsible for the operation and maintenance of Parking Structure and that City shall have no liability for any claims arising out of such operation and maintenance of Parking Structure.

3.9 Restoration After Casualty. Subject to the limitations contained in this Section 3.9, in case of casualty resulting in damage or destruction to the Parking Structure during the Term, Developer shall restore the Parking Structure, as nearly as feasible to its condition prior to the casualty (except that Developer shall have the right to make reasonable alterations).

3.10 Developer's Obligation to Pay Taxes. During the Term, Developer shall pay all lawfully required property taxes and assessments on the Site, including, without limitation, real estate and personal property taxes, and any and all utility, city, or county assessments, lawfully assessed, levied, confirmed, or imposed during the Term of this Parking Agreement, whether or not now customary or within the contemplation of City and Developer.

3.10.1 Developer will have the right to contest the amount or validity, in whole or in part, of any tax or assessment by appropriate proceedings diligently conducted in good faith, only after paying the tax or posting such security as may be reasonably and customarily

necessary in order to protect the Public Parking against loss or forfeiture. Upon the termination of those proceedings, Developer will pay the amount of the tax or part of the tax as finally determined, the payment of which may have been deferred during the prosecution of the proceedings, together with any costs, fees, interest, penalties, or other related liabilities. City will not be required to join in any contest or proceedings unless the provisions of any law or regulations then in effect require that the proceedings be brought by or in the name of City. In that event, City will join in the proceedings or permit them to be brought in its name; however, City will not be subjected to any liability for the payment of any costs or expenses in connection with any contest or proceedings, and Developer will indemnify City against and hold City harmless from any of those costs and expenses.

3.11 Covenants Running with the Land. The covenants of this Article 2 and 3 shall be covenants running with the land under California Civil Code Section 1468 of the Developer Property and of the Public Access Parcels for the benefit of the and the City, and binding upon successive owners of the Developer Property, until the end of the term, as defined in Section 2.3.

ARTICLE 4

AUDITS

4.1 Audit and Records. The Developer agrees to provide, within forty-eight (48) of written notice provided by City, such reasonable reports, ledgers, receipts, invoices and similar documentation as may be necessary or relevant to the determination of Revenue received by Developer from the collection of Parking Fees, the Costs of Operation and Maintenance of the Parking Structure, and data regarding Parking Structure activity. City or its designee may request any other information it deems necessary to monitor compliance with the requirements set forth in the DDA or this Parking Agreement. Such records shall be maintained for a period of no less than five (5) years from their creation. The City may at any time, require the Developer to allow an audit of its books and records concerning the operation and maintenance of the Parking Structure by a certified public accounting firm of the City's choice and shall direct its accountants, attorneys, consultants and others having possession or control of such information and/or documentation to reasonably cooperate with the City's auditors; provided, however, that the Developer shall be required to disclose or make available any information or document subject to a privilege or exemption pursuant to any provision of the California Evidence Code.

4.1.1 City shall be permitted to inspect and photocopy same, and to retain copies, outside of the Developer's premises, of any and all records with appropriate safeguards, if such retention is deemed necessary by the City in its reasonable discretion. This information shall be kept by the City in strictest confidence allowed by law.

4.1.2 All books, records, documents and any other evidence referenced in this Section 4.1 shall be maintained or made available in a single location in Santa Ana.

4.1.3 Once every fiscal year, City may request an audit to be performed by an independent audit firm selected by City, Developer shall be solely responsible for the expense of this audit. City may perform additional audits during the fiscal year, but any additional audit(s) shall be at the sole expense of the City.

4.2 If the conclusion of such audit is that the Developer has understated its Parking Revenue by more than ten percent (10%), or overstated its Expenses by more than ten percent

(10%), in any quarter, the Developer shall reimburse the City any underpayment of Fees owed to City within ten (10) days written demand therefor, computed from the date that such underpayment was otherwise due, together shall accrue interest at the lesser of: (i) the rate of ten percent (10%) per annum or (ii) the Usury Limit, until paid in full.

ARTICLE 5

DEFAULTS AND TERMINATION

5.1 Event of Default. Each of the following shall constitute an “Event of Default” under this Parking Agreement:

5.1.1 Failure by a Party to comply with and observe any of the conditions, terms, or covenants set forth in this Parking Agreement, if such failure remains uncured within sixty (60) days after written notice of such failure from the other Party in the manner provided herein or, with respect to a default that cannot be cured within thirty (30) days, if the Party in default fails to commence such cure within such sixty (60) day period or thereafter fails to diligently and continuously proceed with such cure to completion. However, if a different period, notice requirement, or remedy is specified under any other section of this Parking Agreement, then the specific provision shall control.

5.1.2 At City’s sole discretion, City can request developer Terminate the Third Party Operator. Developer shall replace the Third Party Operator within ninety (90) calendar days of City’s request.

5.1.3 At City’s sole discretion if Developer fails to cure the default, City shall have the right but not the obligation to become the operator of the Parking Structure. If City becomes the Operator, all City incurred expenses including staff time for the operation of the Parking Structure shall be paid by the Parking Revenue received by the Parking Structure, should the Parking Revenue be insufficient to cover City incurred expenses, then Developer shall reimburse the City for the City’s incurred expenses that were not covered by the Parking Revenue. Developer shall pay City within thirty (30) calendar days after written demand for payment from the City. Any amount expended by the City pursuant to this Section 5.3.1 that is not reimbursed to the City by the Developer within thirty (30) calendar days after written demand to the Developer for such reimbursement, shall accrue interest at the lesser of: (i) the rate of ten percent (10%) per annum or (ii) the Usury Limit, until paid in full.

5.1.4 Should Developer purchase Public Parking Parcel from City and Record of a covenant to retain and maintain the 211 Public Parking Spaces in perpetuity the benefit of the City, then the terms of this Parking Agreement shall expire, excepting however, that the Indemnity Provisions and all granted Easements, for access and parking shall survive the termination of this Parking Agreement.

5.2 Legal Actions. Either party may institute legal action to cure, correct or remedy any default, and recover damages for any such default, or to obtain any other remedy available to that party, in law or in equity, consistent with the provisions of this Parking Agreement. Such legal actions must be instituted in the Superior Court of the County of Orange County, State of California.

ARTICLE 6

MISCELLANEOUS TERMS

6.1 Entire Agreement. This Parking Agreement, which incorporates the DDA, contains the entire agreement between the Parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Parking Agreement shall be of no force and effect. This Parking Agreement may be amended only by a subsequent document in writing, signed by the Parties.

6.2 Attorneys' Fees. In the event of any action or proceeding relating to this Parking Agreement or any breach thereof, the prevailing Party shall be entitled to recover from the non-prevailing Party, in addition to all other relief available to it, its reasonable attorneys' fees and costs.

6.3 Binding Effect. This instrument shall be binding on and shall inure to the benefit of Developer and City, and their respective permitted successors, assigns, heirs, executors and administrators, and shall run with the land comprising the Parking Structure, and be binding upon all successor owners, lessees and mortgagees of the Site, and inure to the benefit of all successor owners of the Site and their mortgagees.

6.4 City Manager's Authority. The City Manager is hereby given the authority, on behalf of the City, to approve minor, non-substantive amendments to this Parking Agreement, and to give, condition or withhold the City's approvals as described herein, all without the need to return to the City's governing board for approval or ratification.

6.5 Subordination. At Developer's request from time to time, the City shall sign such documents as may be requested by Developer, to confirm that the City's rights under this Parking Agreement, are subject and subordinate to other encumbrances on the Site including, without limitation, deeds of trust and declarations of covenants, conditions, restrictions and reciprocal easements; provided, however, that as a condition of signing any document, the City shall be provided an agreement from the holder of the senior encumbrance that, except in the case of an Event of Default on the part of the City, the City's rights under this Parking Agreement including, without limitation, the Parking Covenant, shall not be disturbed.

[Signatures on following pages]

**SIGNATURE PAGE
TO
GRANT OF EASEMENTS AND RECIPROCAL ACCESS, PARKING OPERATION
AND MAINTENANCE AGREEMENT**

By and Between

CITY OF SANTA ANA AND CARIBOU INDUSTRIES, INC.

CITY OF SANTA ANA:

DEVELOPER:

CARIBOU INDUSTRIES, INC.

By: _____

Name: _____

Its: _____

Attest:

By: _____

City Clerk

By:  _____

Name: _____

Its: Pres. _____

By: _____

Name: _____

Its: _____

APPROVED AS TO FORM:

By: _____

City Attorney

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT "A"
TO
GRANT OF EASEMENTS AND RECIPROCAL ACCESS, PARKING OPERATION
AND MAINTENANCE AGREEMENT

PROPERTY LEGAL DESCRIPTION

All of that certain real property situated in the State of California, County of Orange, City of Santa Ana, described as follows:

Parcel 1:

All of Lots 2, 3, 6 and the Southerly 10.00 feet of the Northerly 20.00 feet of Lot 5 in Block 11 and all of Lots 1, 2, 3, 4, 5, and 6 in Block 12 of the Town of Santa Ana, as shown on a Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California. Together with that portion of Sycamore Street, 60.00 feet wide, as shown on said Map, as vacated and described in that certain Resolution No. 82-17 of the City Council of the City of Santa Ana, a certified copy of which was recorded February 11, 1982, as Document No. 82-051577 of Official Records of Orange County, California, bounded Southerly by the North line of Third Street, 60.00 feet wide, and bounded Northerly by a line parallel with and distant Northerly 140.00 feet, measured at right angles, from said North line of Third Street.

Excepting therefrom the Easterly 15.00 feet of said Lot 3 in said Block 11.

Parcel 2:

A perpetual easement for ingress and egress over the South 2.50 feet of the East 15.00 feet of Lot 3 in Block 11 of the Town of Santa Ana, as shown on Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, as reserved in the Deed of J.E. Lieberg et al, dated June 5, 1923 and recorded in Book 475, page 362 of Deeds, records of Orange County, California.

Parcel 3:

The right to use that portion of a brick wall of the building on Lot 1 in Block 11 of the Town of Santa Ana, as per Map recorded in Book 2, page 51 of Miscellaneous Records of Los Angeles County, California, which adjoins the East boundary line of the South 25.00 feet of Lot 2 in said Block 11, as a party wall, as granted by that certain Agreement, dated July 1, 1919 by and between H.R. Andre, also known as Roy Andre, et al, as parties of the first part, and L.J. Carden et al, as parties of the second part, recorded August 19, 1919 in Book 341, page 362 of Deeds, Records of Orange County, California.

EXHIBIT B
City Easement and Developer Easements

RECORDING REQUESTED BY:
AND WHEN RECORDED MAIL TO:

City of Santa Ana
Clerk of the Council
20 Civic Center Plaza (M-30)
P.O. Box 1988
Santa Ana, California 92702
Attention: Clerk of the Council

*Free Recording pursuant to
Government Code 27383*

DENSITY BONUS HOUSING AGREEMENT

This DENSITY BONUS HOUSING AGREEMENT ("Agreement"), made and entered into this ____ day of _____, 2020, by and between the City of Santa Ana, a charter city and municipal corporation of the State of California ("City"), and Caribou Industries, Inc., a Nevada corporation ("Developer"). City and Developer are sometimes referred to collectively as the "Parties" and individually as a "Party."

RECITALS

A. The City owns that certain property located within the City of Santa Ana, County of Orange, State of California, commonly known as 201 West 3rd Street, Santa Ana, California, 92701, and legally described as set forth in Exhibit A attached hereto and incorporated herein by this reference as if set forth in full ("Property").

B. Based on the reasons identified in the Disposition and Development Agreement between the Parties, the City desires to convey the Property and the Developer desires to accept the Property for the purpose of development of the Project as defined herein.

C. Developer is proposing to construct a mixed use commercial and residential development consisting of one-hundred and seventy-one (171) residential rental units and 13,419 square feet of commercial space on the Property, in addition to a parking structure and hotel, as more particularly set forth in Density Bonus Application No. 2020-01 and Site Plan Review No. 2020-01 ("Project").

D. Santa Ana Municipal Code sections 41-1600, *et seq.* ("City Density Bonus for Affordable Housing"), and California Government Code sections 65915, *et seq.* ("State Density Bonus Law"), set forth a process to provide increased residential densities and/or incentives, concessions, or waivers to property owners or developers who guarantee that a portion of their residential development will be available to low income, very-low income, or senior (also known as "qualified") households. These regulations are intended to materially assist the housing industry in providing adequate and affordable housing for all economic segments of the community and to provide a balance of housing opportunities for very-low income, low income and senior households throughout the city.

E. The Project is proposing a total number of one-hundred and seventy-one (171) residential units, including eleven (11) percent (nineteen (19) units) for very-low income households. Accordingly, the Developer is able to seek an onsite parking standards incentive, concessions and waivers pursuant to the California Government Code because the Project will include onsite affordable units. Specifically, pursuant to California Government Code section 65915(p)(1), the Developer is seeking a reduction to provide onsite parking at the ratio of one (1) stall for studio or one-bedroom units, and two (2) stalls for two- to three-bedroom units, a concession for open space, and a concession for massing pursuant to California Government Code section 65915(d)(1), as well as waivers for building height and floor area pursuant to California Government Code Section 65915(e)(1).

F. The Project complies with the affordable housing requirements set forth in the State Density Bonus Law and City Density Bonus for Affordable Housing. For purposes of this Agreement, the Project shall be the "housing development" as defined in the State Density Bonus Law.

G. In light of the purpose of the State Density Bonus Law and City Density Bonus for Affordable Housing, and the express provisions of Government Code section 65915(p), the City has determined to grant Developer's application for density bonus and related onsite parking standards incentive, two concessions and waivers.

H. This Agreement, and the exhibits attached hereto and incorporated herein by reference, are intended to set forth the terms and conditions for the implementation of the Project's requirement to provide affordable housing units in exchange for receiving the density bonus incentive set forth herein.

NOW, THEREFORE, in consideration of the above recitals, which are incorporated herein by this reference, and of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS

1.1 Definitions. In addition to the terms that may be defined elsewhere in this Agreement, the following terms when used in this Agreement shall be defined as follows:

1.1.1 **"Adjusted for family size appropriate to the unit"** shall have the meaning set forth by Health and Safety Code Section 50052.5(h).

1.1.2 **"Affordable Rent"** means the maximum Monthly Rent that may be charged to and paid by an Eligible Household for the Affordable Units, as required by the terms of this Agreement. The Affordable Rent shall be adjusted to reflect a reasonable utilities allowance for utilities paid by the household using the Santa Ana Housing Authority Multi-Family Housing Utility Allowance Schedule, and shall be updated no less than annually.

1.1.3 **"Affordable Rent Schedule"** means a rent schedule established as of the date of issuance of an occupancy permit (exclusive of tenant utility payments or security deposits) for the required number/percentage of the total number of units in the Project which are to be rented or available for rent to very-low income tenants. Said Affordable Rent Schedule shall be established at the time of the issuance of the occupancy permit ("Initial Rent Schedule") and shall be created in accordance with the Orange County, California Primary Metropolitan Statistical Area ("PMSA") as published by the California Department of Housing and Community Development ("HCD"), adjusted for family size, and shall be updated no less than annually.

1.1.4 **"Affordable Units"** means nineteen (19) units, which shall be comprised of ten (10) studio units, six (6) one-bedroom units, and three (3) two-bedroom units for Very-Low Income Tenants. Any change to the number or distribution of Affordable Units is subject to City Manager approval.

1.1.5 **"Agreement"** means this Density Bonus Housing Agreement.

1.1.6 **"Base Units"** means the one hundred and twenty-seven (127) Units that Developer would be authorized to develop on the Property without application of the State Density Bonus Law.

1.1.7 **"City"** means the City of Santa Ana, California

1.1.8 **"City Council"** means the City Council of the City of Santa Ana.

1.1.9 **"City Attorney"** means the City Attorney for the City of Santa Ana.

1.1.10 **"City Manager"** means the City Manager for the City of Santa Ana.

1.1.11 **"City's Planning Commission"** means the Planning Commission for the City of Santa Ana.

1.1.12 **"Density Bonus Housing Agreement Term"** means the period during which this Agreement shall be in full force and effect, as provided for in Section 6.1 below.

1.1.13 **"Density Bonus Units"** means the forty-four (44) Units in addition to the Base Units that Developer shall develop pursuant to the terms and conditions of this Agreement, of which Developer would not be entitled to develop without providing the Affordable Units. Pursuant to density allowance in the State Density Bonus Law, Developer would be allowed up to forty-five (45) Density Bonus Units, but has elected to utilize forty-four (44) Density Bonus Units pursuant to the plans submitted by Developer.

1.1.14 **"Developer"** means Caribou Industries, Inc., a Nevada corporation, and its permitted successors and assigns to all or any part of the Property.

1.1.15 **"Effective Date"** means the date the Developer and the City shall record or cause to be recorded in the Official Records for Orange County, California, an executed original of this Agreement, pursuant to section 4.1 herein.

1.1.16 **"Eligible Household"** means a Household whose income does not exceed the qualifying limit for a "very-low income tenant" as defined herein, which means persons and families whose income does not exceed the qualifying limit for very-low income households.

1.1.17 **"Household"** means all persons residing in a Unit.

1.1.18 **"Median Income"** means the Orange County, California area median income, adjusted for family size appropriate to the unit, as periodically published by HCD.

1.1.19 **"Monthly Rent"** means the total of monthly payments for (a) use and occupancy of each Affordable Unit and land and facilities associated therewith, (b) any separately charged fees or service charges assessed by Developer which are required of all tenants, other than security deposits, application fees or credit check fees (c) a reasonable allowance for an adequate level of service of utilities not included in (a) or (b) above, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuels, but not including telephone or cable service, and (d) possessory interest, taxes or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than Developer. In the event that certain utility charges are paid by the landlord rather than the tenant, no utility allowance shall be deducted from the rent for that type of utility charge.

1.1.20 **"Project"** means that certain mixed use commercial and residential development as more particularly described in Recital B and Section 2 of this Agreement.

1.1.21 **"Property"** means that certain real property more particularly described in the legal description in Exhibit A and improvements thereon.

1.1.22 **"State Density Bonus Law"** means Government Code sections 65915, et seq., as they exist on the Effective Date.

1.1.23 **"Unit"** means a residential dwelling unit within the Project to be constructed by Developer pursuant to this Agreement.

1.1.24 **"Unrestricted Units"** means the Units within the Project to be constructed by Developer to a Household without restriction.

1.1.25 **"Very-Low Income Tenant"** means persons and families whose income does not exceed fifty (50%) of the area median income for the Orange County, California PMSA, adjusted for household size, as published by HCD.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

- 1.2.1 **Exhibit A** – Legal Description of the Property
- 1.2.2 **Exhibit B** – Tenant Verification
- 1.2.3 **Exhibit C** – Annual Tenant Recertification
- 1.2.4 **Exhibit D** – Annual Rental Housing Compliance Report
- 1.2.5 **Exhibit E** – Notice of Affordability Restrictions on Transfer of Property
- 1.2.6 **Exhibit F** – Parking Management Plan
- 1.2.7 **Exhibit G** – Map of Location of Initial Affordable Units
- 1.2.8 **Exhibit H** – Density Bonus Setup Fee

2. DEVELOPMENT OF THE PROPERTY

2.1 Project. Developer shall develop, operate, and maintain the Property as a one-hundred and seventy-one (171) Unit mixed use commercial and residential development, with nineteen (19) Affordable Units for Very-Low Income Tenants.

2.2 Density Bonus. The Project shall have one-hundred and seventy-one (171) Units, including nineteen (19) Affordable Units, to be rented, occupied, operated, and maintained pursuant to the terms and conditions of this Agreement. Developer understands and agrees that Developer is utilizing a thirty-five percent (35%) density bonus increase provided by the State Density Bonus Law (127 Base Units x 35% = 45 State Density Bonus Units) for a total of 171 units. Although Developer has a right to construct up to forty-five (45) State Density Bonus Units on the Property, Developer has elected to construct or develop, or otherwise claim a right to construct or develop, no more than forty-four (44) State Density Bonus Units on the Property.

2.3 Development Concessions, Incentives, and Waivers. As set forth in the City entitlements, Developer petitioned for and is hereby granted the following concessions, incentives, and waivers as part of the approval of Density Bonus Agreement No. 2020-01 for the Project:

2.3.1 The onsite parking standards for the Project shall be reduced from 2.15 parking spaces per unit to 1.15 spaces per unit pursuant to California Government Code sections 65915(p)(1), which provides onsite parking at the ratio of one (1) stall for studio or one-bedroom units, and two (2) stalls for two- to three-bedroom units, for a total of 196 onsite parking spaces for the Project.

2.3.2 The General Plan Land Use Element Downtown District Center floor area ratio maximum of 3.0 shall be waived in accordance with Government Code Section 65915(e)(1), as such a maximum floor area for the development site of 4.2 with floor area as defined by California Government Code Section 65917.2(a)(2) shall be permitted for the development site.

2.3.3 The Santa Ana Municipal Code Section 41-2011(a) Lined Block Building Type 10-story maximum development standard for this Project shall be waived in accordance with Government Code Section 65915(e)(1), as such sixteen stories shall be a permitted for the Project.

2.3.4 The Santa Ana Municipal Code Section 41-2023(f) Open Space development standard for this Project shall be modified in accordance with Government Code Section 65915(d)(1), as such the common open space shall be provided as roof decks on various building levels for the Project.

2.3.5 The Santa Ana Municipal Code Section 41-2023(i) Massing development standard for this Project shall be modified in accordance with Government Code Section 65915(d)(1), as such the massing ratio for level three shall be permitted at 94 percent for the Project.

2.4 No Further Concessions, Incentives, or Waivers. Developer acknowledges and agrees that the concessions, incentives, and waivers set forth in section 2.3 above fully satisfies any duty City may have under the Santa Ana Municipal Code, the Density Bonus Law, or any other law or regulation to provide any development incentive or to waive any building, zoning, or other requirement in return for providing Affordable Units. By this Agreement, Developer releases any and all claims Developer may have against City in any way relating to or arising from City's obligation to waive requirements of or provide development incentives pursuant to any state, federal, or local law, rule, or regulation applicable to the Project.

2.5 Unrestricted Units. The Project, for purposes of this Agreement, may have no more than one-hundred and fifty-two (152) Unrestricted Units comprised of eighty-five (85) studio units, forty-five (45) one-bedroom units and twenty-two (22) two-bedroom units. Any change to the unit distribution of the Unrestricted Units may affect the comparability of the Affordable Units and is subject to City Manager approval.

2.6 Affordable Units. The Project, for purposes of this Agreement, shall have no less than nineteen (19) Units, which shall be comprised of ten (10) studio units, six (6) one-bedroom units, and three (3) two-bedroom units, designated as Affordable Units pursuant to the terms and conditions of this Agreement. The Affordable Units shall be consistent with all City approvals, comparable in bedroom distribution and amenities to the Unrestricted Units, and shall be located throughout the Project as required under Santa Ana Municipal Code section 41-1602(c)(6).

2.7 Minimum Development Standards for Affordable Units. The Affordable Units shall be constructed with the same exterior appearance and interior features, fixtures, and amenities, and shall use the same type and quality of materials as provided for any Unrestricted Units.

2.8 Permits and Processing; Compliance with Laws. Developer, at its sole cost and expense, shall secure or cause to be secured any and all permits that may be required by City or any other federal, state, or local governmental entity having or claiming jurisdiction over the Property or Project. Upon securing any and all permits, Developer shall carry out and perform the development, operation, and maintenance of the Project in conformity with all applicable federal,

state, and local laws and regulations, and all conditions of approval issued by the City Council and City's Planning Commission for the Project. Any changes to the Project shall be reviewed by the City to determine compliance with this Agreement. If any changes to the Project shall materially alter the ability of Developer to comply with any terms of this Agreement in City's sole determination, then City shall have the option to declare this Agreement null and void in its sole discretion.

2.9 Relocation Prior to Development of Project. If relocation is required prior to the completion of development of the Project, Developer shall have the sole and exclusive responsibility for providing relocation assistance and paying all relocation costs as may be required to comply with applicable federal and state laws and regulations. In addition to any other indemnity provided by Developer under this Agreement, Developer shall indemnify, defend (with counsel of City's choosing and the consent of Developer, which shall not be unreasonably withheld, and which may be joint defense counsel upon City's and Developer's consent), and hold harmless City and all of its officials, officers, employees, representatives, volunteers and agents from any and all alleged or actual claims, causes of action, liabilities, and damages from any third party for relocation assistance, benefits and costs prior to the completion of the development of the Project.

2.10 Local Sourcing Plan. Developer agrees to make a good faith effort to encourage contractors and suppliers to hire and procure locally, to the extent that it is cost effective and does not delay the overall project development schedule.

2.11 Mechanic's Liens; Indemnification. Developer shall take all actions reasonably necessary to remove any future mechanic's liens or other similar liens (including design professional liens) against the Property or Project, or any part thereof, by reason of work, labor, services, or materials supplied or claimed to have been supplied to Developer or anyone holding the Property or Project, or any part thereof, through or under Developer. Prior to the recording of this Agreement (or memorandum thereof) pursuant to Section 4.1 below, Developer shall provide evidence from the Title Company of any new recordings against the Property or Project. City hereby reserves all rights to post notices of non-responsibility and any other notices as may be appropriate upon a filing of a mechanic's lien. In addition to any other indemnity provided by Developer under this Agreement, Developer shall indemnify, defend (with counsel of City's choosing and the consent of Developer, which shall not be unreasonably withheld, and which may be joint defense counsel upon City's and Developer's consent), and hold harmless City and all of its officials, officers, employees, representatives, volunteers and agents from any and all alleged or actual claims, causes of action, liabilities, and damages from any third party by reason of a mechanic's lien or work, labor, services, or materials supplied or claimed to have been supplied to Developer or anyone holding the Property or Project, or any part thereof, through or under Developer.

3. AFFORDABILITY

3.1 Total Affordability Term. Each Affordable Unit shall be restricted to use and occupancy by an Eligible Household for a total period of no less than fifty-five (55) years ("Total Affordability Term"). The Total Affordability Term for an Affordable Unit shall commence on

the date that the building in which the Affordable Unit is located receives all required occupancy permits from the City.

3.2 Memorializing Commencement of Total Affordability Term. Developer shall keep detailed records of the commencement date of the Total Affordability Term for each Affordable Unit. City shall have the right to review and verify said records to ensure that the commencement date specified by Developer for an Affordable Unit coincides with the date that the initial Affordable Unit received all permits from City required for occupancy of the Unit. In the event that a conflict exists between the date specified by Developer for the commencement of the Total Affordability Term for an Affordable Unit and the date specified by City's issuance of all required permits for occupancy of the Unit, the date specified by City's issuance of all required permits for occupancy of the Unit shall control.

3.3 Levels of Affordability.

3.3.1 Very-Low Income Tenants. Developer covenants that no less than nineteen (19) Affordable Units in the Project shall at all times during the Density Bonus Housing Agreement Term be rented to, or held vacant and available for immediate occupancy by Very-Low Income Tenants, at a rent that does not exceed fifty (50%) of the area median income for the Orange County, California PMSA, adjusted for household size, as published by HCD, including an allowance for utilities.

4. OPERATION OF THE PROJECT BY DEVELOPER

4.1 Payment of Density Bonus Setup Fee and Recording of Documents. The Developer must pay the Density Bonus Setup Fee in the amount of fifty-six thousand six hundred ninety-seven dollars and twelve cents (\$56,697.12) prior to the issuance of building permits for the Project. The amount of the Density Bonus Setup Fee is based on the calculation attached herewith as Exhibit H and incorporated herein by this reference. After the payment of the Density Bonus Setup Fee, but before issuance of building permits for the Project, Developer and the City shall record or cause to be recorded in the Official Records for Orange County, California, an executed original of this Agreement. City shall cooperate with Developer in promptly executing in recordable form this Agreement. The date of recording of the Agreement shall be the Effective Date of the Agreement. Upon the date of recording, the terms and conditions of this Agreement shall be binding upon and run with the Property and the Project. It is the express intent and agreement between the Parties that this Agreement shall remain binding and enforceable against the Property, the Project, and the Units to ensure compliance with the State Density Bonus Law and City Density Bonus Law, and to ensure the continued supply of Affordable Units in the Project.

4.2 Rental of Units. Upon the completion of construction of the Project and receipt by Developer of all required permits for the occupancy of the Units, Developer shall rent or cause to be rented each Affordable Unit for the Total Affordability Term for such Affordable Unit in accordance with the terms and conditions set forth in this Agreement, which provide among other terms and conditions for the rental of each Affordable Unit at an Affordable Rent to an Eligible Household for the Total Affordability Term.

4.3 Location of Affordable Units. During the Density Bonus Housing Agreement Term, the Affordable Units shall be dispersed throughout the Project in accordance with the terms and conditions set forth in this Agreement. The Affordable Units shall be permitted to float among all one-hundred and seventy-one (171) apartment Units in the Project. The units shall be evenly distributed among all levels of the project in the one building that comprises the Project. The location of the first nineteen (19) Affordable Units to be occupied is attached herewith as Exhibit G and incorporated herein by reference. Any future changes in the distribution of the Affordable Units requires prior written approval from the City Housing Division.

4.4 Occupancy Levels. The number of persons permitted to occupy each Affordable Unit shall not exceed the occupancy permitted pursuant to Health and Safety Code section 50052.5(h). In the event that a household residing in an Affordable Unit exceeds the permitted number of persons, then that household shall be placed on a waiting list for the appropriate-sized unit and be eligible for transfer when an appropriate-sized unit becomes available. The household will be placed on the waiting list for up to one-hundred and eighty (180) days. If an appropriate-sized unit does not become available during the 180 days, the Developer will have grounds to terminate that household's lease. If the household refuses to transfer to an appropriate-sized unit then the Developer will also have grounds to terminate that household's lease.

4.4.1 Written Notification. Developer shall provide written notification informing the household that: it is over-occupancy; has been placed on a waiting list for up to one-hundred and eighty (180) days; the expiration date of the waiting list; and the terms for terminating the lease. A written status update will be provided to the household at one-hundred and twenty (120) days, ninety (90) days, sixty (60) days and thirty (30) days if applicable.

4.5 Use of the Property. All uses conducted on the Property, including, without limitation, all activities undertaken by the Developer pursuant to this Agreement, shall conform to all applicable provisions of the Santa Ana Municipal Code and other applicable federal, state, and local laws, rules, and regulations. The Project shall at all times during the term of this Agreement be used as an apartment complex and none of the Affordable Units in the Project shall at any time be utilized on a transient basis, nor shall the Property or any portion thereof ever be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium or rest home, or be converted to condominium ownership. All of the community facilities and any social programs provided to the Project's residents shall be available on an equal, nondiscriminatory basis to residents of all Units at the Project.

4.6 Maintenance. Developer shall, at all times during the term of this Agreement, cause the Property and the Project to be maintained in a decent, safe and sanitary manner, regardless of cause of the disrepair. Developer shall be fully and solely responsible for costs of maintenance, repair, addition and improvements. City, and any of its employees, agents, contractors or designees shall have the right to enter upon the Property at reasonable times and in a reasonable manner to inspect the Project.

4.7 Marketing and Resident Selection Plan. Each Affordable Unit shall be leased to Eligible Households selected by Developer who meet all of the requirements provided herein.

Prior to Certificate of Occupancy, Developer shall prepare and obtain City's approval, which approval shall not be unreasonably withheld, of a marketing program and resident selection plan for the leasing of the Affordable Units at the Project ("Marketing Program"). The leasing of the Affordable Units shall thereafter be marketed in accordance with the Marketing Program as the same may be amended from time to time with City's prior written approval, which approval shall not unreasonably be withheld. Upon request, Developer shall provide City with periodic reports with respect to the leasing of the Housing Units.

4.7.1 The Marketing Program shall include, but is not limited to, marketing and community outreach activities, proposed tenant selection criteria, occupancy standards, income requirements, timeline and details for outreach and marketing, data collection, record keeping and monitoring, procedures for complaints, and compliance assessment. Components of the resident selection plan shall include, but are not limited to, the application process, interview procedure, apartment offer and assignment, rejected applications, and wait list management. All requirements set forth herein shall be incorporated in the Marketing Program.

4.8 Rental Lease Agreement. Developer shall prepare and obtain City's approval, which approval shall not be unreasonably withheld, of a rental lease agreement ("Lease Agreement"). All Lease Agreements must 1) identify the names and ages of all members of the household who will occupy the Affordable Unit; and 2) state that the Household's right to occupy the Affordable Unit is subject to compliance with the Median Income requirements, adjusted for family size appropriate to the unit, as periodically published by HCD. All Lease Agreements must be consistent with the terms contained in this Density Bonus Agreement.

4.8.1 Prohibited Lease Terms. The Lease Agreement may not contain any of the following provisions:

- (a) Agreement to be Sued. Agreement by the tenant to be sued, to admit to guilt, or to a judgment in favor of the Developer in a lawsuit brought in connection with the lease;
- (b) Treatment of Property. Agreement by tenant that the Developer may take, hold, or sell personal property of household members without notice to tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The Developer may dispose of this personal property in accordance with State law;
- (c) Excusing Developer of Responsibility. Agreement by the tenant not to hold the Developer or the Developer's agent legally responsible for any action or failure to act, whether intentional or negligent;
- (d) Waiver of Notice. Agreement of the tenant that the Developer may institute a lawsuit without notice to the tenant;
- (e) Waiver of Legal Proceedings. Agreement by the tenant that the Developer may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;

- (f) Waiver of a Jury Trial. Agreement by the tenant to waive any rights to a trial by jury;
- (g) Waiver of Right to Appeal Court Decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
- (h) Tenant Chargeable with Cost of Legal Action Regardless of Outcome. Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Developer against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

4.9 Selection of Tenants.

4.9.1 Developer shall be responsible for the selection of tenants for the Affordable Units in compliance with lawful and reasonable criteria and the requirements of this Agreement.

4.9.2 Local preference for Santa Ana residents and workers in tenant selection for the Affordable Units shall be a requirement of the Project. Subject to applicable laws and regulations governing nondiscrimination and preferences in housing occupancy required by the State of California, the Developer shall give preference in leasing the Affordable Units to households that live and/or work in the City of Santa Ana or who have an active Housing Choice Voucher issued by the Housing Authority of the City of Santa Ana or any other Public Housing Authority.

4.9.3 All applicants will be screened and "lotterized." A waiting list will be created from a lottery generated from the initial pool of rental applications. The waiting list will track applicant name and contact information, lottery number (or designated number after the initial lottery), household income, household size, status of application, and any other information deemed necessary. The waiting list will be maintained as an electronic file and available for audit by the City of Santa Ana in accordance with resident selection procedures as set forth herein.

4.9.4 Prior to the rental or lease of an Affordable Unit to a tenant(s), Developer shall require the tenant(s) to execute a written lease and to complete a Tenant Income Verification Form (in substantially the form attached hereto as Exhibit B) certifying that the tenant(s) occupying the Affordable Unit is/are an Eligible Household and otherwise meet(s) the eligibility requirements established for the Affordable Unit. Developer shall verify the income of the tenant(s) as set forth herein.

4.10 Income Verification and Certification.

Developer agrees to make a good faith effort to verify that the income and asset statement provided by an applicant in an income certification is accurate by taking, at a minimum, at least one of the following steps as a part of the verification process: (1) obtain three months consecutive pay stubs for the most recent pay period, (2) obtain an income tax return for the most recent tax year, (3) obtain an income verification form from the applicant's current employer, (4) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies, or

(5) if the applicant is unemployed and has no such tax return, obtain another form of independent verification.

4.10.1 Gross Household Income. Gross household income means all income from whatever source from all Adult Household members, which is anticipated to be received during the 12-month period following the date of the determination of Gross Household Income. The applicable sources of income are defined in California Code of Regulations Title 25 Housing and Community Development Section 6914.

4.10.2 Annual Recertification. Developer agrees to recertify household eligibility annually. Notification of Annual Tenant Recertification shall be sent to the household in substantially the form attached hereto as Exhibit C. An Annual Rental Housing Compliance Report ("Annual Compliance Report") shall be sent to the City in substantially the form attached hereto as Exhibit D. The Annual Compliance Report shall be due to the City within 30 days of the anniversary of the commencement of the Total Affordability Term, which is the date that each building receives all required occupancy permits from the City.

4.10.3 Continued Income Qualification and Vacated Affordable Units. If the annual recertification demonstrates that a previously eligible tenant's gross household income exceeds the Median Income for the Affordable Unit, the pertinent actions from the following list must be taken:

- (a) The Developer may offer to rent the unit to the previously, but no longer, Eligible Household as an Unrestricted Unit without any limitations on rental rates. In that case, the Developer must then make available for rent to an Eligible Household another unit within the Project that meets the size and location requirements for Affordable Units under this Density Bonus Agreement. If there are no vacant units meeting those requirements, then the next available unit within the Project which does meet those requirements must be rented to an Eligible Household.
- (b) If the no longer Eligible Household either moves to another Unrestricted Unit within the Project or leaves the Project altogether, then the vacated Affordable Unit or, at Developer's election any other Unrestricted Unit within the Project which meets the size and location requirements for Affordable Units under this Density Bonus Agreement and has the same number of bedrooms as the vacated unit shall be rented as an Affordable Unit to an Eligible Household.

4.11 Monitoring and Recordkeeping. Throughout the Term of this Agreement, Developer shall annually complete and submit to City a Certification of Continuing Program Compliance in the form provided by City. Developer agrees to pay a reasonable fee, as set by City resolution, for the purpose of paying the actual costs associated with the City's obligation to monitor Developer's compliance with the affordability restrictions contained in this Agreement related to the Affordable Units, not to exceed monitoring costs for up to nineteen (19) Affordable Units. Representatives of City shall be entitled to enter the Property if necessary after review of

above documentation, upon at least forty-eight (48) hour notice, to monitor compliance with this Agreement, and shall be entitled to inspect the records of the Project relating to the Affordable Units and to conduct an independent audit or inspection of such records at a location within the City that is reasonably acceptable to the City. Developer agrees to cooperate with City in making the Property and the records of the Project relating to the Affordable Units available for such inspection or audit. Developer agrees to maintain each record of the Project for no less than five (5) years after creation of each such record.

Developer shall allow the City to conduct annual inspections of each of the Affordable Units on the Property after the date of construction completion, with reasonable notice. Developer shall cure any defects or deficiencies found by the City while conducting such inspections within ten (10) Business Days of written notice thereof, or such longer period as is reasonable within the sole discretion of the City.

4.12 Notice of Affordability Restrictions on Transfer of Property. In the event Developer wishes to sell or transfer the Project during the Total Affordability Term, the City and the Developer shall execute and deposit into escrow a Notice of Affordability Restrictions on Transfer of the Property as contained herein (Exhibit E). The sale or transfer of the Property shall not be effective unless and until the City and the transferee execute the documents necessary to transfer the Density Bonus Agreement obligations from the Developer to the transferee.

4.13 [Intentionally Reserved]

4.14 Alternative Transportation and Energy Source, Resource Conservation, and LEED Certification. While not a condition of the project's Density Bonus, in recognition of the City's desire to optimize the energy efficiency of the project, Developer agrees to consult with the project design team, a CABEC certified 2016 Certified Energy Analyst, a LEED AP Homes (low-rise and mid-rise), LEED AP BD+C (high rise), National Green Building Standard (NGBS) Green Verifier, or GreenPoint Rater (*one person may meet both of these latter qualifications*) early in the project design process to evaluate a building energy model analysis and identify and consider energy efficiency or generation measures. Prior to the meeting, the energy analyst shall complete an initial energy model based on either current T24 standards or, if the project is eligible, the California Utility Allowance Calculator using best available information on the project. To the extent financially feasible for the project, Developer agrees to incorporate and optimize energy efficient building materials, methods, and amenities.

4.15 Onsite Property Manager. The Project shall have 24-hour on-site Property Management services and personnel. Up-to-date 24-hour contact information for the on-site personnel shall be provided to the following City agencies on an ongoing basis:

- (a) Police Department
- (b) Fire Department
- (c) Planning and Building Agency
- (d) Community Development Agency

4.16 Emergency Evacuation Plan. Developer shall submit and obtain approval of an Emergency Evacuation Plan (the EEP) from City Police and Fire Protection agencies prior to

issuance of a Certificate of Occupancy. Up-to-date 24-hour emergency contact information for the on-site personnel shall be provided to the City on an ongoing basis and the approved EEP shall be kept onsite and also be submitted to the following City Agencies:

- (a) Police Department
- (b) Fire Department
- (c) Planning and Building Agency
- (d) Community Development Agency

4.17 Crime Free Housing. Developer shall work with City staff to develop a crime free housing policy, procedure, and design plan (the "CFH Plan"). Developer shall submit and obtain approval from the PBA that the CFH Plan meets the requirements of this Subsection 4.17 prior to issuance of the Certificate of Occupancy. The approved CFH Plan shall be implemented and administered by Property Management.

4.18 Parking Management Plan. Developer has provided a parking management plan ("PMP"), attached herewith as Exhibit F and incorporated herein by reference, which indicates that, if needed, valet service for on-site vehicle stacking for the entire parking structure could create an additional 122 parking spaces, raising the total onsite residential parking spaces from 196 to 318 and raising the total parking supply in the parking structure from 490 to 612 spaces. In addition, the PMP indicates that an additional 50 offsite parking spaces at a nearby City-owned parking structure could be leased on a long term basis. The PMP shall be adhered to and be enforced by the Project at all times. Additionally, the City may enforce the provisions of the PMP against the Developer in the City's sole discretion.

5. [INTENTIONALLY RESERVED]

6. TERM OF THIS AGREEMENT

6.1 Term. The term of this Agreement ("Density Bonus Housing Agreement Term") shall commence on the Effective Date and shall continue until the date that is fifty-five (55) years after the City issues the last certificate of occupancy for the building in which the Affordable Units are located.

7. DEFAULT AND TERMINATION; INDEMNIFICATION

7.1 Default. Failure or delay by any Party to perform any term or provision of this Agreement, which is not cured within thirty (30) days after receipt of notice from the other Party specifying the default (or such other period specifically provided herein), constitutes a default under this Agreement; provided, however, if such default is of the nature requiring more than thirty (30) days to cure, the defaulting Party shall avoid default hereunder by commencing to cure within such thirty (30) day period, and thereafter diligently pursuing such cure to completion within an additional sixty (60) days following the conclusion of such thirty (30) day period (for a total of ninety (90) days). Except as required to protect against further damages, the injured Party may not institute proceedings against the Party in default until the time for cure has expired. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

7.2 Rights and Remedies Cumulative. The rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

7.3 Indemnification. In addition to any other indemnity specifically provided in this Agreement, Developer agrees to defend (with counsel of City's choosing and the consent of Developer, which shall not be unreasonably withheld, and which may be joint defense counsel upon City's and Developer's consent) indemnify and hold harmless City and its respective officers, officials, agents, employees, representatives, and volunteers (collectively, "Indemnitees") from and against any loss, liability, claim, or judgment arising from any act or omission of Developer in connection with its obligations under this Agreement, except to the extent caused by the active negligence or willful misconduct of Indemnitees.

8. ASSIGNMENT; COVENANTS RUN WITH THE LAND

8.1 Assignment by Developer.

8.1.1 Prohibited Transfers or Assignments. Except as authorized in Section 8.1.2 below, Developer shall not sell, transfer, or assign the Property or Project in whole or in part, or transfer or assign Developer's rights and obligations in this Agreement, without City's prior written approval, which shall not be unreasonably withheld ("Permitted Transfer"). In connection with Permitted Transfer, Developer shall: (i) notify City in writing of the sale, transfer, or assignment of all or any portion of the Property, and (ii) deliver to City an assignment and assumption agreement (or other agreement) in a form approved by City and executed by Developer and its transferee/assignee pursuant to which Developer's transferee/assignee assumes all of Developer's covenants and obligations set forth herein with respect to the Property or the portion thereof so transferred. Any request for transfer or assignment of the Agreement by Developer shall require the payment of fees or a deposit to compensate the City for approximate expenses incurred by Developer to City, as applicable, for the City's review of the request. Upon the delivery of the assignment and assumption agreement as provided for above for a Permitted Transfer, or in the event of a sale of the Property as provided for in Section 8.1.1, Developer shall be released from any future obligations under this Agreement.

8.1.2 Sale of Property. Developer agrees and declares that the Property and the Project shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, operated, sold, and approved subject to all obligations set forth or incorporated in this Agreement, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Property and the Project. All of the obligations set forth or incorporated in this Agreement shall constitute covenants which run with the land and shall be binding on Developer and its successors and assigns, and all parties having or acquiring any right, title or interest in, or to any part of the Property or Project. Developer further understands and agrees that the Density Bonus permit approvals received for this Project have been made on the condition that Developer and all subsequent owners, or other successors and assigns of the Property and/or Project lease and rent the Affordable Units in accordance with the terms and conditions stipulated in Sections 4, 5 and 6

of this Agreement for a term of fifty-five (55) consecutive years commencing upon the date of issuance of the last certificate of occupancy for the Project.

8.1.3 Subsequent Assignment. As used in this Agreement, the term "Developer" shall be deemed to include any such transferee or assignee after the date such sale, transfer, or assignment occurs in compliance with this Agreement.

8.1.4 Unpermitted Assignments Void. Any sale, transfer, or assignment made in violation of this Agreement shall be null and void, and City shall have the right to pursue any right or remedy at law or in equity to enforce the provisions of the restriction against unpermitted sales, transfers, or assignments.

8.2 Covenants Run with the Land. The Property shall be held, sold, conveyed, hypothecated, encumbered, used, occupied and improved subject to the covenants, conditions, and restrictions set forth herein. The covenants, conditions, restrictions, reservations, equitable servitudes, liens and charges set forth in this Agreement shall run with the Property and shall be binding upon Developer and all persons having any right, title or interest in the Property, or any part thereof, their heirs, and successive owners and assigns, shall inure to the benefit of City and its successors and assigns, and may be enforced by City and its successors and assigns. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of City and its successors and assigns, and the parties hereto expressly agree that this Agreement and the covenants herein shall run in favor of City, without regard to whether City is or remains an owner of any land or interest therein to which such covenants relate. However, all such covenants and restrictions shall be deemed to run in favor of all real property owned by City which real property shall be deemed the benefited property of such covenants and this Agreement shall create equitable servitudes and covenants appurtenant to all real property owned by City and running with the Property in accordance with the provisions of Civil Code Section 1468. Furthermore, all of the covenants, conditions, and restrictions contained herein shall also constitute easements in gross running in favor of City. City is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land, for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. Developer hereby declares its understanding and intent that the burden of the covenants set forth herein touch and concern the land and that the Developer's interest in the Property is rendered less valuable thereby. Developer hereby further declares its understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Property by the citizens of City and by furthering the health, safety, and welfare of the residents of City.

9. MISCELLANEOUS

9.1 Entire Agreement. This Agreement and all of its exhibits and attachments set forth and contain the entire understanding and agreement of the parties with respect to the density bonus of the Project, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be

admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

9.2 Amendment. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance approved by the City Council and signed on behalf of each party. Any requested alteration, change or modification of the Agreement by Developer shall require the payment of fees or deposit by Developer to City, as applicable, for the City's review of the request. Each alteration, change, or modification to this Agreement shall be recorded against the Property in the Official Records of Orange County, California.

9.3 Notices.

9.3.1 Delivery. As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder. All notices shall be in writing and shall be considered given either: (i) when delivered in person to the recipient named below; or (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; or (iii) two (2) days after deposit in the United States mail in a sealed envelope, first class mail and postage prepaid, and addressed to the recipient named below; or (iv) one (1) day after deposit with a known and reliable next-day document delivery service (such as Federal Express), charges prepaid and delivery scheduled next-day to the recipient named below, provided that the sending party receives a confirmation of delivery from the delivery service provider; or (v) the first business day following the date of transmittal of any facsimile, provided confirmation of successful transmittal is retained by the sending Party. All notices shall be addressed as follows:

If to City:	City of Santa Ana Community Development Agency 20 Civic Center Plaza (M-26) P.O. Box 1988 Santa Ana, California 92702 Attention: Housing Manager
With a copy to:	Office of the City Attorney City of Santa Ana 20 Civic Center Plaza, 7th Floor (M-29) Santa Ana, California 92702
If to Developer:	Caribou Industries, Inc. 1103 North Broadway Santa Ana, CA 92701

9.3.2 Change of Address. Either Party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or

representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

9.4 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform, taking into consideration the purposes of this Agreement.

9.5 Interpretation and Governing Law. This Agreement and any dispute hereunder shall be governed and interpreted in accordance with the laws of the State of California without regard to conflict of law principles. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all Parties having been represented by counsel in the negotiation and preparation hereof.

9.6 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

9.7 Singular and Plural. As used herein, the singular of any word includes the plural, and vice versa, as context so dictates. Masculine, feminine, and neuter forms of any word include the other as context so dictates.

9.8 Joint and Several Obligations. If at any time during the term of this Agreement the Property and/or Project is owned, in whole or in part, by more than one Developer, all obligations of such Developer under this Agreement shall be joint and several, and the default of any such Developer shall be the default of all such Developers.

9.9 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

9.10 Computation of Days. Unless otherwise specified in this Agreement or any Exhibit attached hereto, use of the term "days" shall mean calendar days. For purposes of this Agreement and all Exhibits attached hereto, "business days" shall mean every day of the week except Saturdays, Sundays, official State holidays as recognized in Government Code Section 19853(a) or successor statute, and any days in which Santa Ana City Hall is closed for business.

9.11 Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by the other Party with the terms of this Agreement thereafter.

9.12 Non-Discrimination. In performing its obligations under this Agreement, Developer shall not discriminate because of race, color, creed, religion, sex, marital status, sexual orientation, age, national origin, ancestry, or disability, as defined and prohibited by applicable law, in the recruitment, selection, training, utilization, promotion, termination or other related

activities. Developer affirms that it is an equal opportunity employer and shall comply with all applicable federal, state and local laws and regulations.

9.13 Third Party Beneficiaries. No person or entity, other than City and Developer shall have any right of action based upon any provision of this Agreement.

9.14 Force Majeure. Neither Party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the Party's control (including the Party's employment force), court actions (such as restraining orders or injunctions), or other causes beyond the Party's control, including delays by any governmental entity (although the City may not benefit from this provision for a delay that results from City's failure to perform its obligations under this Agreement), or an insurance company of either party. If any such events shall occur, the term of this Agreement and the time for performance by either Party of any of its obligations hereunder may be extended by the written agreement of the Parties for the period of time that such events prevented such performance.

9.15 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the Party benefited thereby of the covenants to be performed hereunder by such benefited Party.

9.16 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all permitted successors in interest to the Parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and (c) is binding upon each Party and each successor in interest approved pursuant to this Agreement during ownership of the Property or any portion thereof.

9.17 Counterparts. This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the Parties had executed the same instrument.

9.18 Jurisdiction and Venue. Any action at law or in equity under this Agreement or brought by a Party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Orange, State of California, and the Parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

9.19 Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties hereto that the development of the Project is a private development, that neither Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this

Agreement. The only relationship between City and Developer is that of a government entity regulating the development of private property and the Developer of such property.

9.20 Further Actions and Instruments. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either Party at any time, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement. City hereby authorizes City Manager to take such other actions and negotiate and execute any additional agreements as may be necessary or proper to fulfill the City's obligations under this Agreement. The City Manager may delegate her or his powers and duties under this Agreement to an authorized management level employee of the City.

9.21 Estoppel Certificate. Within ten (10) business days following a written request by any of the Parties, the other Party shall execute and deliver to the requesting Party a statement certifying that (i) either this Agreement is unmodified and in full force and effect or there have been specified (date and nature) modifications to the Agreement, but it remains in full force and effect as modified; and (ii) either there are no known current uncured defaults under this Agreement or that the responding Party alleges that specified (date and nature) defaults exist. The statement shall also provide any other reasonable information requested. The failure to timely deliver this statement shall constitute a conclusive presumption that this Agreement is in full force and effect without modification, except as may be represented by the requesting Party, and that there are no uncured defaults in the performance of the requesting Party, except as may be represented by the requesting Party.

9.22 No Subordination. City's approval of the necessary land use entitlements that authorize Developer to develop, operate, and maintain the Project was based upon Developer's obligation to provide the Affordable Units pursuant to the State Density Bonus Law, City Density Bonus for Affordable Housing, and the terms and conditions of this Agreement. For the Term of the Density Bonus Housing Agreement, this Agreement shall have priority over any and all mortgages, deeds of trust, and other similar forms of secured financing recorded against the Property or any portion thereof. Developer expressly understands and acknowledges that state law requires preservation of affordability covenants in connection with the approval of this density bonus project.

9.23 Attorneys' Fees and Costs. If either Party to this Agreement commences an action against the other Party to this Agreement arising out of or in connection with this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees, expert witness fees, costs of investigation, and costs of suit from the losing Party.

9.24 Authority to Execute. The person or persons executing this Agreement on behalf of each Party warrants and represents that he or she/they have the authority to execute this Agreement on behalf of his or her/their corporation, partnership or business entity and warrants

and represents that he or she/they has/have the authority to bind the Party to the performance of its obligations hereunder.

{Signatures on following page}

IN WITNESS WHEREOF, the parties hereto have caused this Density Bonus Housing Agreement to be executed on the date set forth at the beginning of this Agreement.

ATTEST:

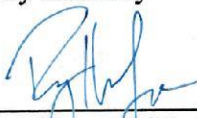
CITY OF SANTA ANA

Daisy Gomez
Clerk of the Council

Kristine Ridge
City Manager

APPROVED AS TO FORM

Sonia R. Carvalho
City Attorney



By: Ryan O. Hodge
Assistant City Attorney

RECOMMENDED FOR APPROVAL:

CARIBOU INDUSTRIES, INC.

Steven A. Mendoza
Executive Director
Community Development Agency

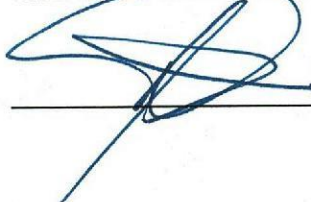


EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT "A"

**3RD & BROADWAY
201 W. 3RD STREET
LEGAL DESCRIPTION**

THOSE CERTAIN PARCELS OF LAND IN THE CITY OF SANTA ANA, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING LOTS 2 AND 3 AND A PORTION OF LOTS 1, 4, 5, 6 ALL IN BLOCK 12 TOGETHER WITH LOTS 2, AND A PORTION OF LOTS 3 AND 6 ALL IN BLOCK 11 AND TOGETHER WITH A PORTION OF SYCAMORE STREET OF PLAT OF THE TOWN OF SANTA ANA SANTIAGO DE SANTA ANA RANCHO LOS ANGELES CO. CALIFORNIA RECORDED IN BOOK 2 PAGE5 OF MISCELLANEOUS RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1:

POINT OF BEGINNING **(POB)** BEING THE CENTERLINE INTERSECTION OF N. BROADWAY (80' WIDE AND FORMERLY WEST STREET) AND 3RD STREET (60' WIDE) AS SHOWN ON SAID PLAT; THENCE ALONG THE CENTERLINE OF 3RD STREET SOUTH 89°28'55" EAST 40.00 FEET; THENCE AT RIGHT ANGLE TO SAID CENTERLINE NORTH 00°37'20" EAST 29.98 FEET TO THE SOUTHWESTERLY CORNER OF SAID LOT 1 OF SAID BLOCK 12; SAID SOUTHWESTERLY CORNER ALSO BEING THE NORTHEASTERLY RIGHT OF WAY CORNER OF 3RD & BROADWAY AND THE TRUE POINT OF BEGINNING **(TPOB)**; THENCE ALONG THE WESTERLY BOUNDARY OF SAID LOTS 2, 3 AND 6 OF SAID BLOCK BEING ALSO THE EASTERLY RIGHT OF WAY OF SAID BROADWAY NORTH 00°37'20" EAST 145.00 FEET TO A LINE 5' SOUTHERLY AND PARALLEL TO THE NORTH LINE OF SAID LOTS 5 AND 6 OF SAID BLOCK 12; THENCE ALONG SAID PARRALLEL LINE SOUTH 89°29'14" EAST 247.10 FEET TO THE PROLONGATION OF A LINE THAT IS 3 FEET WESTERLY AND PARALLEL TO THE EASTERLY BOUNDARY OF SAID LOTS 1, 4, 5 OF SAID BLOCK 12; THENCE SOUTH 00°37'20" WEST 144.99 FEET ALONG SAID PARALLEL LINE TO THE SOUTHERLY BOUNDARY OF SAID LOTS 1 AND 2 OF SAID BLOCK 12 SAID SOUTHERLY BOUNDARY BEING THE NORTHERLY RIGHT OF WAY OF SAID 3RD STREET; THENCE ALONG SAID SOUTHERLY BOUNDARY AND SAID NORTHERLY RIGHT OF WAY LINE NORTH 89°29'26" WEST 247.10 FEET TO THE TRUE POINT OF BEGINNING.

MORE PARTICULARLY SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF

CONTAINING 35,828 SQUARE FEET, MORE OR LESS

PARCEL 2:

POINT OF BEGINNING **(POB)** BEING THE CENTERLINE INTERSECTION OF N. BROADWAY (80' WIDE AND FORMERLY WEST STREET) AND 3RD STREET (60' WIDE) AS SHOWN ON SAID PLAT; THENCE ALONG THE CENTERLINE OF SAID 3RD STREET SOUTH 89°28'55" EAST 347.10 FEET; THENCE AT RIGHT ANGLE TO SAID CENTERLINE NORTH 00°36'57" EAST 29.99 FEET TO A POINT OF INTERSECTION OF A LINE 3 FEET WESTERLY AND PARRALLEL TO SAID LOTS 2, 3 AND 6 OF SAID BLOCK 11 WITH THE PROLONGATION OF THE SOUTHERLY BOUNDARY OF SAID LOT 2 OF SAID BLOCK 11 SAID SOUTHERLY BOUNDARY BEING THE NORTHERLY RIGHT OF WAY OF SAID 3RD STREET, SAID POINT BEING THE TRUE POINT OF BEGINNING **(TPOB)**; THENCE NORTH 00°36'57" EAST 144.99 FEET ALONG SAID PARALLEL LINE TO A LINE 5 FEET SOUTHERLY AND PARALLEL TO SAID LOT 6 OF SAID BLOCK 11; THENCE SOUTH 89°28'55" EAST 127.93 FEET ALONG SAID PARRALLEL LINE TO THE PROLONGATION OF THE EASTERLY BOUNDARY LINE OF SAID LOT 6 OF SAID BLOCK 11; THENCE SOUTH 00°33'48" WEST 45.00 FEET ALONG SAID PROLONGATION AND SAID EASTERLY BOUNDARY TO THE NORTHERLY BOUNDARY LINE OF SAID LOT 3 OF SAID BLOCK 11; THENCE

EXHIBIT 7

NORTH 89°28'48" WEST 15.00 FEET ALONG SAID NORTHERLY BOUNDARY LINE TO A LINE 15 FEET WESTERLY AND PARRALLEL TO THE EASTERLY BOUNDARY LINE OF SAID LOT 3 OF SAID BLOCK 11; THENCE ALONG SAID PARRALLEL LINE SOUTH 00°33'48" WEST 49.99 FEET TO THE NORTHERLY LINE OF SAID LOT 2 OF SAID BLOCK 11; THENCE SOUTH 89°28'48" EAST 15.00 FEET ALONG SAID NORTHERLY LINE TO THE EASTERLY BOUNDARY LINE OF SAID LOT 2 OF SAID BLOCK 11; THENCE SOUTH 00°33'48" WEST 49.99 FEET ALONG SAID EASTERLY LINE TO THE SOUTHERLY LINE OF SAID LOT 2 OF SAID BLOCK 11; SAID SOUTHERLY BOUNDARY LINE ALSO BEING THE NORTHERLY RIGHT OF WAY LINE OF SAID 3RD STREET; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE AND SAID SOUTHERLY BOUNDARY LINE AND SAID PROLONGATION OF SAID LOT 2 NORTH 89°06.47" WEST 128.06 FEET TO THE THE TRUE POINT OF BEGINNING.

MORE PARTICULARLY SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF

CONTAINING 17,807 SQUARE FEET, MORE OR LESS

DEREK J. MCGREGOR, PLS #6496 EXP. 6/30/2021

J:\JOBS\1262-03 17th And Main\Legal\1262-03_Legal Description (Exhibit A).Docx

EXHIBIT B

TENANT VERIFICATION

TENANT INCOME VERIFICATION FORM

Head of Household (Print Name): _____

Address: _____

Telephone Number: Home: _____ Work: _____ Cell: _____

Date of Birth: _____ Social Security #: _____

Household Composition

List All Household Members Living in the Inclusionary Unit

Name	Sex	Age	Dependent (Y/N)	Social Security #

List additional household members on a separate sheet of paper.

TENANT INCOME VERIFICATION FORM

Monthly Gross Income *

List All Sources of Income of All Household Members Living in the Inclusionary Unit

Part 1: Earned Income

		Head of Household	Other Adult Household Members	Total
1.	Gross amount, before payroll deductions of wages, salaries, overtime pay, commissions, fees, tips and bonuses.	\$	\$	\$
2.	Net income from business.	\$	\$	\$
3.	Social security, annuities, insurance policies, pension/retirement funds, disability or death benefits received periodically.	\$	\$	\$
4.	Payment in lieu of earnings, such as unemployment, disability compensation, worker's compensation and severance pay.	\$	\$	\$
5.	Public assistance, welfare payments	\$	\$	\$
6.	Alimony, child support, other periodic allowances	\$	\$	\$
7.	Regular pay, special pay and allowances of members of the Armed Forces	\$	\$	\$
8.	Other	\$	\$	\$
Subtotal: Monthly Earned Income				\$
Total Monthly Earned Income x 12 = \$ _____ Total Annual Household Gross Earned Income				

TENANT INCOME VERIFICATION FORM

Monthly Gross Income *

List All Sources of Income of All Household Members Living in the Inclusionary Unit

Part 2: Investment Income

		Head of Household	Other Adult Household Members	Total Household Investment Income
1.	Interest paid on Bank and Savings accounts	\$	\$	\$
2.	Dividends and other payments from stocks and bonds	\$	\$	\$
3.	Income from real property (i.e. rental property)	\$	\$	\$
4.	Other (describe)	\$	\$	\$
Subtotal: Monthly Investment Income:				\$
Total Monthly Investment Income x 12 = \$ _____ Total Annual Household Investment Income				

*Note: The following items are not considered income: casual or sporadic gifts; amounts specifically for or in reimbursement of medical expenses; lump sum payments such as inheritances, insurance payments, capital gains and settlement for personal or property losses; educational scholarships paid directly to the student or educational institution; special pay to a serviceman head of family away from home and under hostile fire; relocation payments under federal, state or local law; foster child care payments; value of coupon allotments for purpose of food under Food Stamp Act of 1964 which is in excess of amount actually charged the eligible household; payments received pursuant to participation in the following programs: VISTA, Service Learning Programs, and Special Volunteer Programs, SCORE, ACE, Retired Senior Volunteer Program, Foster Grandparent Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience.

TENANT INCOME VERIFICATION FORM

Assets **

List the Current Value of All Assets of All Household Members Living in the Inclusionary Unit

If the Asset generates income, that income must be specified In Part 2 above

		Head of Household Value	Other Adult Household Members Value	Total Value of Assets
1.	Bank and Savings accounts	\$	\$	\$
2.	Stocks and bonds	\$	\$	\$
3.	Real property (i.e. rental property)	\$	\$	\$
4.	Other (describe)	\$	\$	\$
Total Asset Value \$ _____				

****Note:** Necessary items, such as furniture and automobiles, used for personal use are excluded from household assets. Collections of items for hobby, investment or business purposes must be included in household assets. If the total value of household assets exceeds \$5,000, the calculation of the household's annual income shall include the greater of the actual amount of income, if any, derived from all of the household assets; or 10% of the total value of the assets.

TENANT INCOME VERIFICATION FORM

If the total asset value exceeds \$5,000, perform the calculations in the following table. If the total asset value is less than \$5,000, the amount of investment income to be included in annual household income is \$0.

Calculation of Investment Income to be Included in Annual Household Income			
1.	Total Annual Household Investment Income		\$
2.	Total Asset Value	\$	x 10% \$
The Greater of #1 or #2 = Investment Income to be Included in Annual Household Income \$_____			

Calculation of the Household's Total Annual Income	
Total Annual Household Gross Earned Income	\$
Total Investment Income to be Included in Annual Household Income	\$
Total Household Income	\$

Documentation	
Attach True Copies of the Relevant Documents Listed Below	
Paycheck stubs from two most recent pay periods	Bank/Savings account verification
Employment verification	Self-employment verification
Income tax return	Unemployment verification
Social security verification	Welfare verification
Alimony/child support verification	Disability income verification
Other (Describe)	

AFFIDAVIT

This Affidavit is made with the knowledge that it will be relied upon by the _____ City of Santa Ana, our landlord and the owner of our apartment building, to determine maximum income for eligibility. (I/we) warrant that all information set forth in this document is true, correct and complete and based upon information (I/we) deem reliable and based upon such investigation as (I/we) deemed necessary.

(I/We) acknowledge that (I/we) have been advised that the making of any misrepresentation or misstatement in this affidavit will constitute a material breach of (my/our) rental agreement with the property owner to rent the unit and will additionally enable the property owner to initiate and pursue all applicable legal and equitable remedies with respect to the unit and to me/us.

(I/We) do hereby swear under penalty of perjury that the foregoing statements are true and correct and that this affidavit has been executed as of the date specified below by each adult member of the household which intends to occupy an Inclusionary Unit located at _____, Santa Ana, California.

Signature

Date

Printed Name

Executed at _____, Santa Ana, California

Signature

Date

Printed Name

Executed at _____, Santa Ana, California

EXHIBIT C

ANNUAL TENANT RECERTIFICATION

**ANNUAL TENANT RECERTIFICATION
CITY OF SANTA ANA
AFFORDABLE RENTAL HOUSING PROGRAM**

Date:

Tenant Name:

Unit Address:

Dear _____:

In accordance with the requirements imposed by the City of Santa Ana (City), and your lease, the City requires that we review your income and family composition every year. To complete our review, the Property Owner or Property Manager will set up a meeting with you to receive the necessary information.

When you attend the meeting with the Property Owner or Property Manager you must bring documents that verify the income of all the adult members of your household. This information can include income tax returns, employment verification, wage statements, interest statements, and/or unemployment compensation statements.

Cooperation with the recertification requirement is a condition of continuing tenancy in an Inclusionary Unit. You must report the required information to enable the Property Owner to process the recertification by **Month/Day**.

Sincerely,

Property Manager / Property Owner

EXHIBIT D

ANNUAL RENTAL HOUSING COMPLIANCE REPORT

HOUSING OPPORTUNITY ORDINANCE COMPLIANCE REPORT ANNUAL RENTAL HOUSING COMPLIANCE REPORT

Date: _____

Reporting Period: _____

of Affordable Units: _____

Very-Low Income Units

Low Income Units

[illegible]

EXHIBIT E

NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY

EXHIBIT E**NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY**

NOTICE IS HEREBY GIVEN that the CITY OF SANTA ANA, a charter city and municipal corporation organized and existing under the Constitution and laws of the State of California, has entered into a Density Bonus Agreement with _____, a _____ (“Property Owner”). The Density Bonus Agreement imposes income and affordability covenants on designated Affordable Units with the Project located at _____, Santa Ana, Orange County, Assessor’s Parcel Number _____, and further described in the legal description provided in Exhibit A to the Density Bonus Agreement.

The Density Bonus Agreement was recorded as Document/Instrument Number _____, and shall remain in effect until _____, 20____
(Insert date of the termination of the Affordability Period). The Density Bonus Agreement imposes the following income and affordability restrictions on the Affordable Units.

Number of Bedrooms	Very-Low Income Households	Low Income Households
Studio Units		
One-Bedroom Units		
Two-Bedroom Units		
Three-Bedroom Units		
Four-Bedroom Units		

In the event the Property Owner wishes to sell or transfer the Project during the Affordability Period, the City and the Property Owner shall execute and deposit into escrow this Notice of Affordability Covenants on Transfer of the Property. The sale or transfer of the Property shall not be effective unless and until the City and transferee execute the documents necessary to transfer the Density Bonus Agreement obligations from the Property Owner to the transferee. This Notice of Affordability Covenants on Transfer of the Property in no way modifies the provisions of the Density Bonus Agreement. In the event of any conflict between this Notice of Affordability Covenants on Transfer of the Property and the Density Bonus Agreement, the terms of the Density Bonus Agreement shall prevail.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Notice of Affordability Restrictions on Transfer of Property as of the dates set forth below.

[Signatures on Following Pages]

**SIGNATURE PAGE
TO
NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY**

CITY:
CITY OF SANTA ANA
A California Charter City and Municipal
Corporation

By: _____

Name: Kristine Ridge

Its: City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____

Ryan O. Hodge
Assistant City Attorney

**SIGNATURE PAGE
TO
NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY**

PROPERTY OWNER:

A _____

By: _____

Name: _____

Its: _____

Date: _____

EXHIBIT F

PARKING MANAGEMENT PLAN



September 9, 2020

Mr. Michael F. Harrah
Caribou Industries, Inc.
1103 North Broadway
Santa Ana, CA 92701

SUBJECT: 3RD & BROADWAY PARKING ASSESSMENT (REVISED)

Dear Mr. Michael F. Harrah:

Urban Crossroads, Inc. is pleased to provide the following Parking Assessment for the 3rd & Broadway (Project) located on the northeast corner of 3rd Street and Broadway in the City of Santa Ana. The Project is proposed to include the development of up to 171 residential units, a 75-room hotel, and 13,419 square feet of commercial space (including retail and food/beverage establishments), and rooftop amenities ancillary to residential and hotel uses. Of the residential units 19 (eleven percent) will be reserved for very low-income households for a period of 55 years, therefore the parking ratios for affordable housing specified in California Government Code Section 65915 are applicable. To demonstrate that adequate parking supply exists for Project, this parking assessment provides a review of the parking requirements and estimates the peak parking demands for the Project land uses. A total of 279 parking spaces are dedicated to the mixed-use development (residential) and hotel as shown in Exhibit A. In addition, this Parking Assessment was developed to support an Addendum to the certified Transit Zoning Code (TZC) programmatic Environmental Impact Report (EIR). The 3rd & Broadway Project location is shown on Exhibit B.

Consistent with statewide mandates (see AB 32, SB 375, SB 743) and SCAG's 2016-2040 RTP/SCS to place increased density near major transportation and employment center, the Proposed Project would introduce a diverse mix of land uses; places residents in the immediate vicinity of County and City governmental offices, shops, restaurants, bars, local art scenes, parks; and would be within walking distance to several major public transit opportunities.

PROXIMITY TO PEDESTRIAN RESOURCES

Pedestrian circulation would be provided via existing public sidewalks along Main Street, 3rd Street, 4th Street, and Broadway Avenue within the vicinity of the project frontage, which will connect to the Project site. The project will protect the existing sidewalk along project frontage, and if necessary, repair or reconstruct sidewalks along the project frontage per the City's request. The existing sidewalk system within the project vicinity provides direct connectivity throughout Downtown Santa Ana, inclusive of the Santa Ana Metrolink Station located on Santa Ana Boulevard east of Santiago Street, as well as the City's public parking structures located to the east and west of the subject property along 5th Street. From the project site, it would take approximately 20 minutes to walk to the Santa Ana Metrolink Station that is 1 mile from the site.

Mr. Michael F. Harrah
Caribou Industries, Inc.
September 9, 2020
Page 2

PROXIMITY TO PUBLIC TRANSIT

Bus routes serving the Project area within ¼-mile of the Project's location include OCTA routes 19, 53, 55, 64, 83, 145, 206, 462 and 757 as shown on Exhibit C.

These routes provide connections to several areas countywide. In addition, the project site is about one mile from the Santa Ana Regional Transportation Station, which is served by regional trains including Amtrak and Metrolink, and bus lines such as Greyhound and several OCTA bus routes. The Project would be within walking distance of the planned OC Streetcar, expected to be in operation in 2022 as shown on Exhibit D.

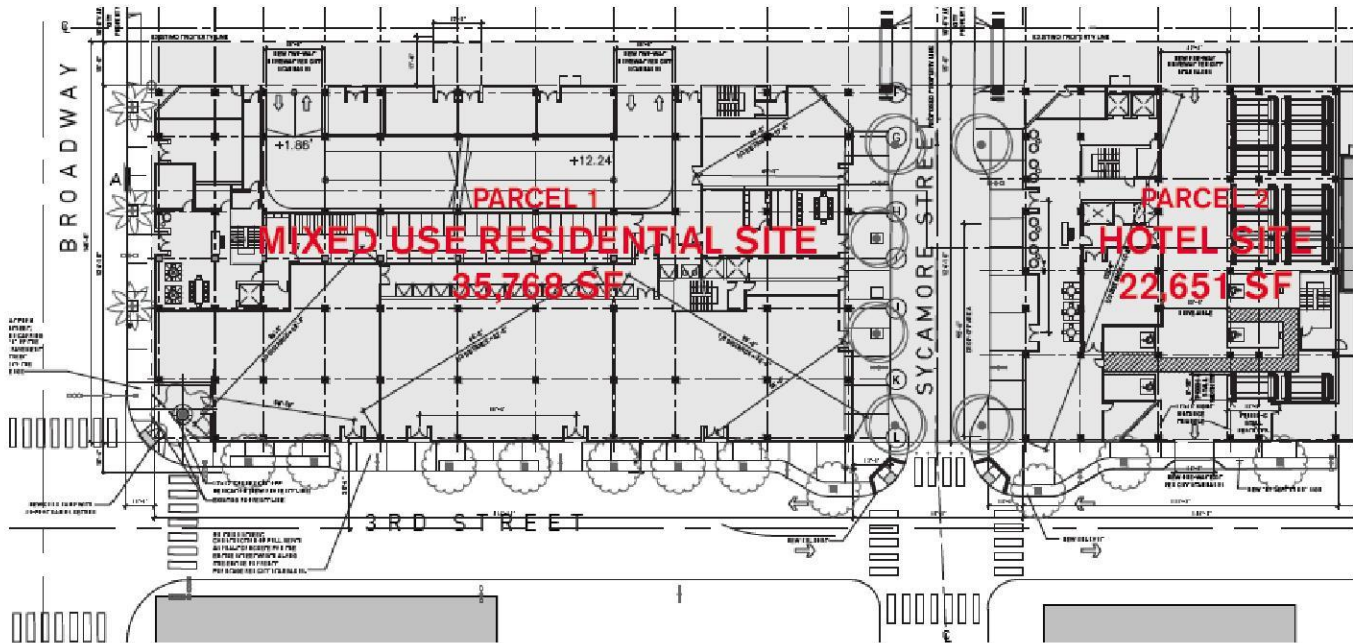
The Project is within a transit priority area as defined by Public Resources Code (PRC) Section 21099(a)(7). A transit priority area is an area within one-half mile of a major transit stop that is existing (or planned under certain conditions). A major transit stop includes the intersection of two or more major bus routes with a frequency service interval of 15 minutes or less during the morning and afternoon peak commute periods (PRC §21064.3). The Project site is within 0.15 miles of the intersection of Bus Routes 53/53X (north-south along Main Street), 55, and 64/64X (east-west via 1st Street). The Project site and adjacent bus stops are shown on Exhibit E.

PROXIMITY TO BICYCLE FACILITIES

The City of Santa Ana promotes bicycling as a means of mobility and a way in which to improve the quality of life within its community. The Bikeway Master Plan recognizes the needs of bicycle users and aims to create a complete and safe bicycle network throughout the City. Currently, not many bicycle facilities exist in the study area, with the exception of a Class II bike lane along Civic Center Drive, between Flower Street and Broadway. However, review of Exhibit F which presents the City's Bikeway Master Plan, shows that bicycle lanes are proposed to be built throughout the study area. As shown in Exhibit F, Class II bike lanes are proposed to be integrated along Civic Center Drive, Santa Ana Boulevard, and Main Street.

Mr. Michael F. Harrah
 Caribou Industries, Inc.
 September 9, 2020
 Page 3

EXHIBIT A: 3RD & BROADWAY BUILDING DESIGN SITE PLAN



PLAN NOTES

PROPOSED PARKING SPACES PER LEVEL			
LEVELS	PUBLIC	HOTEL	RESIDENTIAL
Level P1	106	8	
Level 1		46	
Level 2	39		
Level 3	39		
Level 4	27	12	
Level 5	0	17	43
Level 6			59
Level 7			56
Level 8			38
TOTAL	211 SPACES	83 SPACES	196 SPACES
BIKE PARKING			
	REQUIRED		PROPOSED
PUBLIC	3 SPACES		17 SPACES
RESIDENTIAL	16 SPACES		16 SPACES

Mr. Michael F. Harrah
Caribou Industries, Inc.
September 9, 2020
Page 4

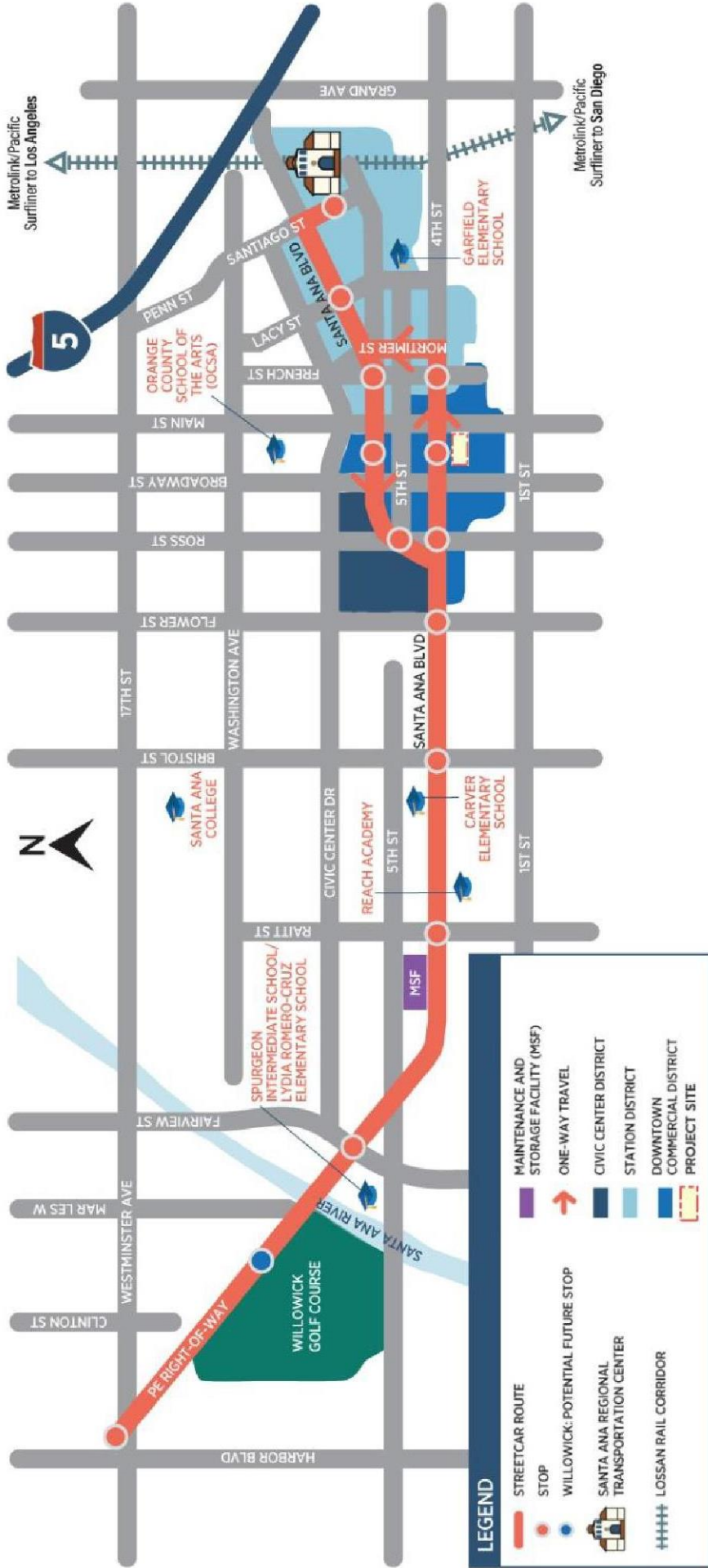
EXHIBIT B: 3RD & BROADWAY BUILDING LOCATION MAP

Mr. Michael F. Harrah
Caribou Industries, Inc.
September 9, 2020
Page 5

EXHIBIT C: OCTA ROUTE MAP AND PROJECT LOCATION

Mr. Michael F. Harrah
Caribou Industries, Inc.
September 9, 2020
Page 6

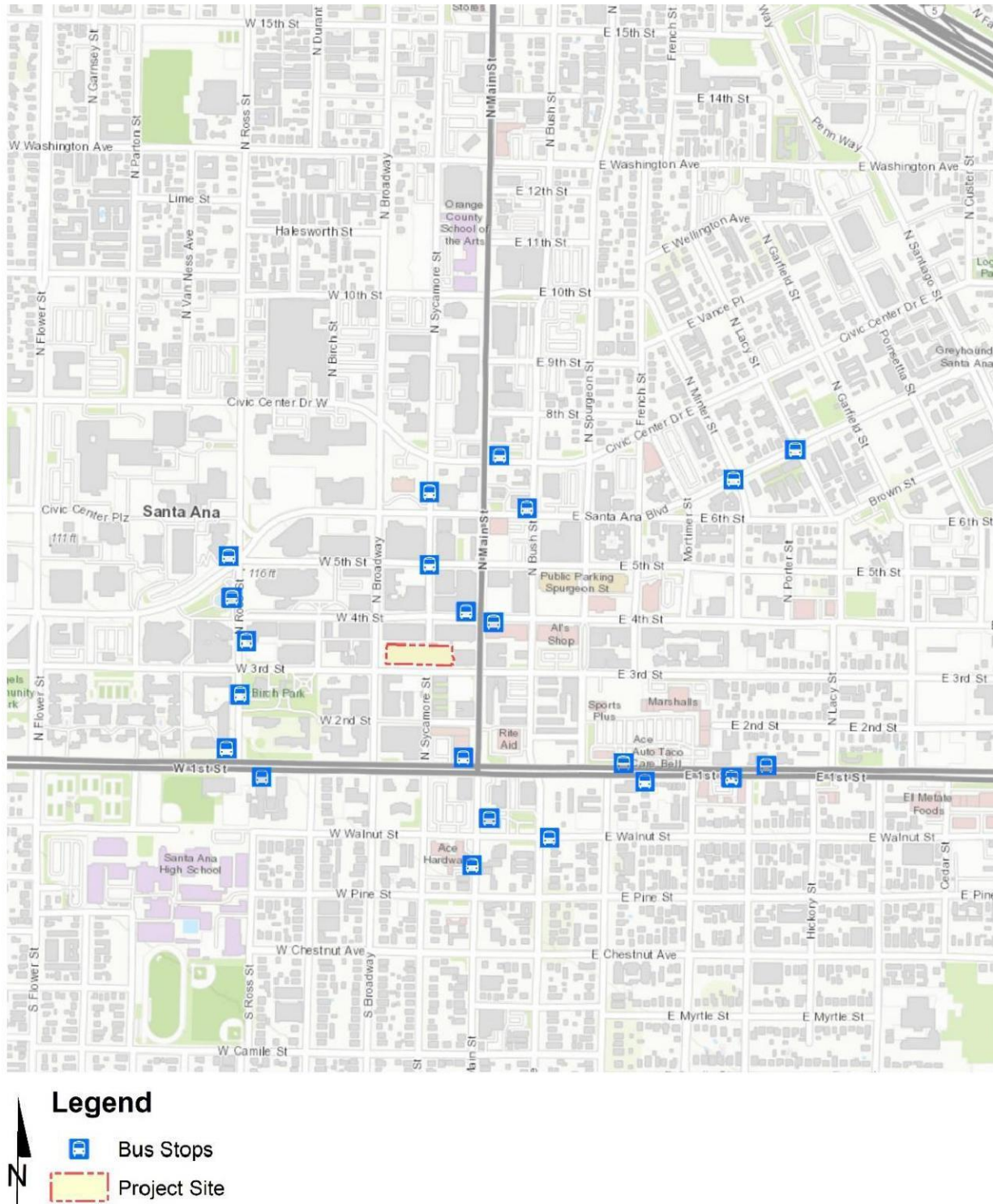
EXHIBIT D: THE PROJECT SITE IN RELATION TO THE OC STREETCAR ROUTE



75A-436

Mr. Michael F. Harrah
 Caribou Industries, Inc.
 September 9, 2020
 Page 7

EXHIBIT E: PROJECT SITE AND NEARBY BUS STOP



[illegible]

CALIFORNIA GOVERNMENT CODE SECTION 65915 – RESIDENTIAL PARKING

The California Government Code Section 65915 (p)(1) identifies parking requirements as follows: one (1) on-site parking space for each 0-1 bedroom unit, two (2) on-site parking spaces for each 2 bedroom unit. As such, the parking requirements for the residential portion of the Project are calculated as follows:

- 95 – Studio Units x 1 on-site parking space = 95 parking spaces required.
- 51 – 1 Bedroom Units x 1 on-site parking space = 51 parking spaces required.
- 25 – 2 Bedroom Units x 2 on-site parking spaces = 50 parking spaces required.

As identified, 196 parking spaces are required pursuant to the California Government Code Section (p)(1).

SANTA ANA TRANSIT ZONING CODE- RESIDENTIAL PARKING

The Santa Ana transit zoning code requires 2 spaces/unit for studios, 1-bedroom apartments, 2-bedroom apartments, and 3-bedroom apartments. Additionally, 0.15 spaces/unit must be provided for guest parking. Therefore, for the Project, 368 parking spaces are required for a total parking ratio of 2.15 which is calculated by dividing the spaces required by the number of units, or 368 spots /171 units for the Project as shown on Table 1. Comparing this parking requirement against a proposed parking supply of 196 parking spaces results in a parking deficit of 172 spaces.

Parking space requirements per multiple cities and jurisdictions based on the unit count for the Project are listed on Table 1. As shown, the City of Santa Ana's Transit Zoning Code requirements are amongst the most restrictive parking requirements (e.g. require the most parking).

TABLE 1: COMPARATIVE PARKING RATIO AND DEMAND

	Units	Santa Ana Transit Zoning Code Downtown		City of Santa Ana Parking Code		City of Long Beach Downtown Plan		City of Long Beach Long Beach Bldg. Redevelopment		City of San Diego for TODs		City of Santa Monica (TODs and Mixed Use)		TCRP Report 128 for TODs		City of Los Angeles Code for TODs		City of Sacramento (Traditional District)		City of Sacramento Urban District	
		Ratio	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio	Spaces	Ratio	Spaces
Studio	95	2 Spaces/unit	190	1 Space/unit	95	1 Space/unit	95	0.5 Spaces/unit	47.5	1 Space/unit	95	1 Space/unit	95	1.1 Spaces/unit	105	1 Space/unit	95	1 Space/unit	95	1 Space/unit	95
1-Bedroom	51	2 Spaces/unit	102	1 Space/unit	51	1 Space/unit	51	1.5 Spaces/unit	76.5	1.25 Spaces/unit	51	1 Space/unit	51	1.1 Spaces/unit	56	1 Space/unit	51	1 Space/unit	51	1 Space/unit	51
2-Bedroom	25	2 Spaces/unit	50	1 Space/unit	25	1 Space/unit	25	1.5 Spaces/unit	37.5	1.75 Spaces/unit	44	1 Space/unit	44	1.1 Spaces/unit	28	1 Space/unit	25	1 Space/unit	25	1 Space/unit	25
3-Bedroom	0	2 Spaces/unit	0	1 Space/unit	0	1 Space/unit	0	1.5 Spaces/unit	0	2 Spaces/unit	0	1.5 Spaces/unit	0	1.1 Spaces/unit	0	1 Space/unit	0	1 Space/unit	0	1 Space/unit	0
Total Units	171																				
Guest Parking		0.15 Spaces/unit	26	0.25 of total	43	0.25 Spaces/unit	43	0.25 Spaces/unit	34	None	0	None	0	None	0	None	0	None	0	None	0
Total Spaces Required			368		214		214		170		203		171		188		171		171		171
Proposed Supply (on site)																					
Blended Parking Ratio			196		196		196		196		196		196		196		196		196		196
Surplus or Deficiency			-172		0		-18		0		0		-7		0		0		0		25

COMMERCIAL PARKING

Pursuant to California Government Code Section 65915(e)(1), the Project is exempt from providing parking spaces for the commercial use. It is anticipated that employees and patrons for the commercial businesses will utilize a portion of the 211 on site public parking stalls. These spaces provide direct access to the commercial uses which if the TZO standards were applied would require 34 spaces.

CITY OF SANTA ANA PARKING REQUIREMENTS – HOTEL USE

Section 41-1344 of the City of Santa Ana Municipal Code (SAMC) includes an off-street parking rate of one space for each guest room, plus one spaces for each ten rooms. As such, the parking requirements for the hotel portion of the Project are calculated as follows:

- 75 rooms x 1 on-site parking space = 75 parking spaces required.
- 75 rooms x (1/10) on-site parking space = 7.5 parking spaces required.

As identified, 83 parking spaces are required pursuant to the City's Municipal Code requirements.

Although application of the parking requirements set forth in the TZO SAMC Section 41-2011 Non-Residential Uses would require 156 spaces for the hotel, given the mixed-use nature, urban location (it is expected that many patrons would use ride-sharing or public transit), the fact that hotels are not typically 100% occupied, it is appropriate to utilize the SAMC Section 41-1344 Hotel parking in lieu of the TZO parking requirements.

Additionally, the SAMC Hotel Parking requirements are commensurate with industry standards for other cities in Orange County. For example:

- City of Anaheim has a requirement of 0.8 space per guest room. If this were applied to the Project site, only 60 parking spaces would be required.
- City of Costa Mesa has a requirement of 1 space for each 2 rentable units. If this were applied to the Project site, only 38 parking spaces would be required.
- City of Buena Park has a requirement of 1 space per guest room. If this were applied to the Project, only 75 parking spaces would be required.

As previously identified, 83 parking spaces are required pursuant to the City's Municipal Code requirements. Lastly, valet parking will be provided for the hotel to utilize the mechanical lifts and reserved stalls in the adjacent mixed-use building, this will further ensure that the hotel parking demand is met.

EXISTING PUBLIC PARKING STRUCTURE

The Project site is proposed to replace an existing parking structure that includes 438 parking stalls. The Project includes 211 public replacement stalls as part of the Project.

3RD & BROADWAY PARKING SUPPLY

Due to the nature of daytime public parking demands and nighttime residential building parking demands, it is expected that many of these spaces may effectively be shared between the public daytime and residential nighttime uses (as needed). Additionally, there are four (4) existing public (owned by the City) and eight (8) private parking lots or structures located in a ¼ mile radius of the Project site, as illustrated on Exhibit G. As such, any public demand can easily be accommodated at these other parking locations.

PARKING MANAGEMENT PLAN

The following measures are available to the Project to mitigate any parking deficiencies in the event the proposed onsite parking supply is determined to be greater than provided by the Project, as proposed.

- **PMP Measure 1:** Property Owner/Property Management Company shall assign (1) parking space to every residential unit. Additional spaces may be purchased and assigned to any residential unit that requests additional assigned spaces with priority given to two-bedroom units, subject to availability as determined by the Property Owner/Property Management Company.
- **PMP Measure 2:** Upon commencement of any lease for the residential units, the Property Owner/Property Management Company shall provide information on alternative modes of transportation (e.g., a transit map, bus route map, etc.) to promote non-vehicular modes of transportation by future residents.
- **PMP Measure 3:** If the Property Owner and/or Property Management Company determine that the actual parking demand for the site exceeds the State Code's affordable housing parking requirement, the Property Owner/Property Management Company shall provide on-site valet service for the entire structure. Appendix A presents a conceptual valet plan which illustrates up to an additional 122 spaces could be accommodated, if needed.

To implement the valet operation, the Property Owner/Property Management Company would engage the services of a well-established valet operations company such as ABC Valet, PPS Parking, and Elite Valet Services.

- **PMP Measure 4:** If the Property Owner and/or Property Management Company further determines, even after implementation of above-mentioned PMP measures, that offsite parking is required for the Project's residential tenants, residential tenants may purchase additional parking within the near-by public parking structure via the agreement that the Property

Owner/Property Management Company established with the City Community Development Agency.

To facilitate this PMP measure, the Property Owner/Property Management Company would seek City Council approval and upon Council approval, execute an agreement with the City of Santa Ana to acquire the rights to lease spaces on behalf of the Project's residents. Pursuant to communications with the City Community Development Agency, the Property Owner/Property Management Company would secure up to 50 spaces for residents of the Project as part of the agreement, which would allow the Project residents to access the designated parking structure(s) 24-hours a day seven (7) days a week.

Although the mixed-used Project includes 211 public replacement stalls which could be used to meet potential parking demands, additional off-site parking structures are illustrated on Exhibit G, these structures/lots are within a ¼ mile of the Project site (e.g. within walking distance). Based on information provided by the City, there are 1,159 total spaces available at the aforementioned off-site public structures (400 spaces at Lot C, 400 spaces at Lot D, 700 spaces at Lot B, and 59 spaces at Lot 1).

- **PMP Measure 5:** If the Property Owner and/or Property Management Company further determines, even after implementation of above-mentioned PMP measures that additional parking is needed, the Property Owner/Property Management Company shall restrict on-site parking to only residential tenants. The only exception would be spaces designated and signed for prospective resident tenants and/or short-term parking for retail customers.

All retail customers, resident guests, and hotel guests would be required to park in one of the near-by public parking structures or utilize on-street parking. Exhibit G summarizes public and private off-site structures within a ¼ mile of the Project site. Based on information provided by the City, there are 1,559 total spaces available at the aforementioned public structures.

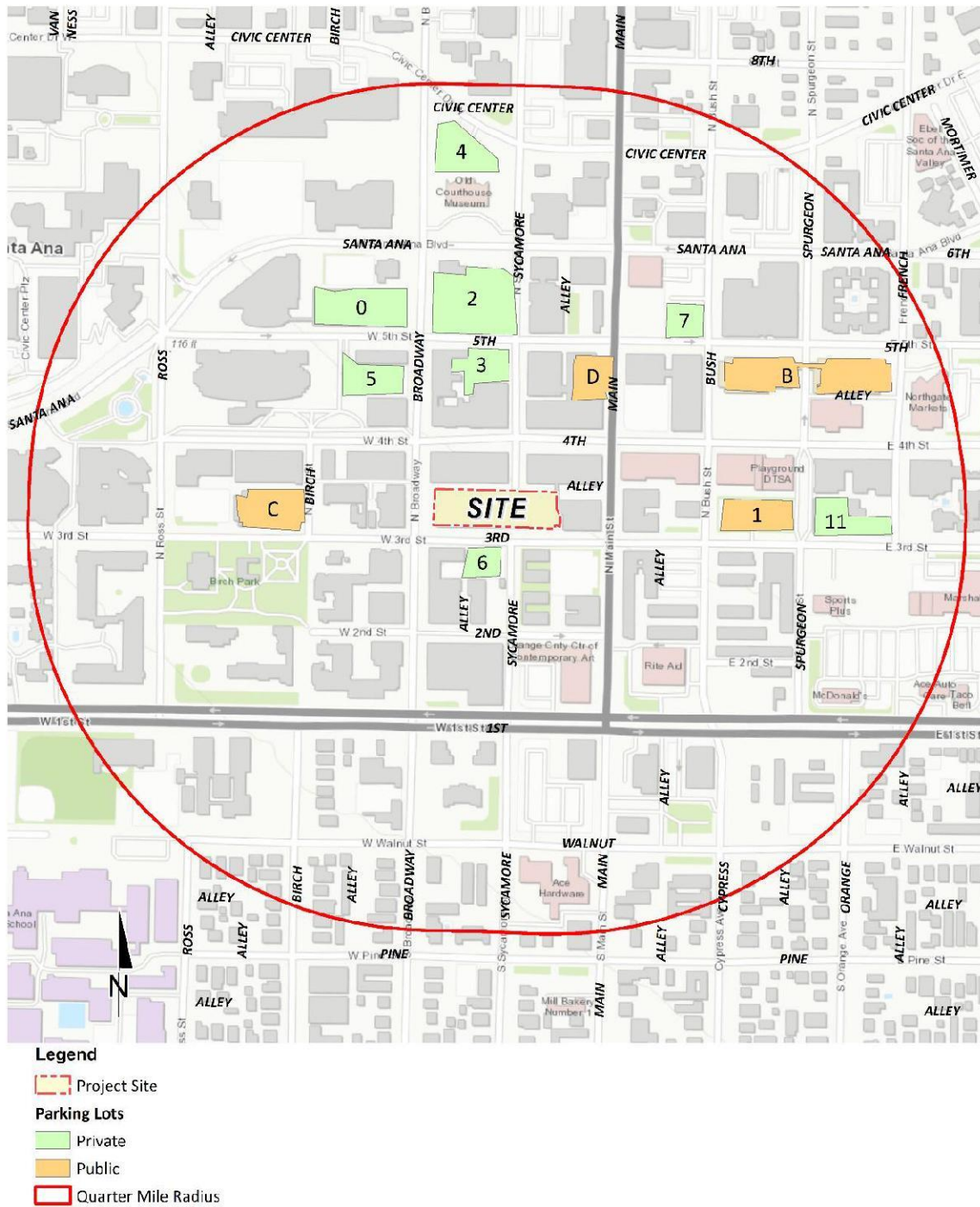
If the Property Owner and/or Property Management Company determine that offsite parking is required for the Project, the Property Owner/Property Management Company shall execute an agreement with the City of Santa Ana to acquire the rights to lease spaces on behalf of retail/hotel employees.

- **PMP Measure 6:** The Property Owner/Property Management Company shall enter into a lease with the City for use of up to 34 public parking spaces for commercial tenants, if needed.
- **PMP Measure 7:** The parking conditions will be reviewed/monitored on a quarterly basis by the Property Owner/Property Management Company and appropriate actions detailed above will be taken to ensure the necessary PMP measures are being implemented.

Through this monitoring and cooperation with tenants as a result of the quarterly review/monitoring a partnership will be formed to ensure that residential tenants, retail employees, hotel employees, and Management Company personnel on the property work together to ensure adequate parking is available.

Mr. Michael F. Harrah
 Caribou Industries, Inc.
 September 9, 2020
 Page 14

EXHIBIT G: 3RD & BROADWAY PARKING LOTS/STRUCTURES WITHIN ¼ MILE



Mr. Michael F. Harrah
Caribou Industries, Inc.
September 9, 2020
Page 15

Table 2 provides a summary of the Project's residential parking supply ratio with implementation of the above-recommended PMP measures. A review of *Row A* of Table 2 shows that the Project's parking ratio calculates to 1.15 spaces/unit (196 spaces ÷ 171 units).

With implementation of PMP measure No. 3, which would be attained by providing valet parking for the entire parking structure (122 spaces), the Project's parking supply ratio would increase to 1.86 spaces/unit (318 spaces ÷ 196 units) as shown on Row B of Table 2.

With implement of PMP measure No. 4 (in addition to PMP No. 3) which would be attained by leasing up to 50 off-site parking spaces within the City-owned parking structure, the Project's parking supply ratio would increase to 2.15 spaces/unit (368 spaces ÷ 196 units) as shown on Row C of Table 2.

CONCLUSIONS

This analysis demonstrates that the Project is providing adequate parking supply (a total of 279 spaces for the Residential and Hotel Use). The inclusion of 196 parking spots for the Residential use satisfies the requirements of the California Government Code Section 65915 (p)(1) and the inclusion of 83 parking spaces satisfies the requirements of section 41-1344 of the City of Santa Ana Municipal Code (SAMC).

While such an action is not required, applicable PMPs have been identified which would allow the Project to attain the 2.15 blended parking ratio required by the Santa Ana Transit Zoning Code, if it were applied.

These findings are consistent with the *less than significant* findings in the TZC EIR (*Long-term cumulative development under the implementation of this Transit Zoning Code would not result in inadequate parking capacity*). If you have any questions, please contact me at (949) 660-1994.

Respectfully submitted,

URBAN CROSSROADS, INC.



Haseeb Qureshi
Associate Principal

Mr. Michael F. Harrah
 Caribou Industries, Inc.
 September 9, 2020
 Page 16

TABLE 2: PROJECT PARKING SUMMARY – PARKING SUPPLY RATIOS

Use	Quantity	Parking Rate	Required Parking spaces
Residential	171 units	95 Studio Units x 1 space	95
		51 One-Bedroom Units x 1 space	51
		25 Two-bedroom Units x 2 spaces	50
		Parking Requirement	196
Proposed On-site Parking Supply			196
A. Composite Parking supply Ratio (sp/du)			1.15
Proposed On-site Parking Supply + PMP Measure 3			318
B. Composite Parking supply Ratio (sp/du)			1.86
Proposed On-site Parking Supply + PMP Measure 3 + PMP Measure 4			368
C. Composite Parking supply Ratio (sp/du)			2.15

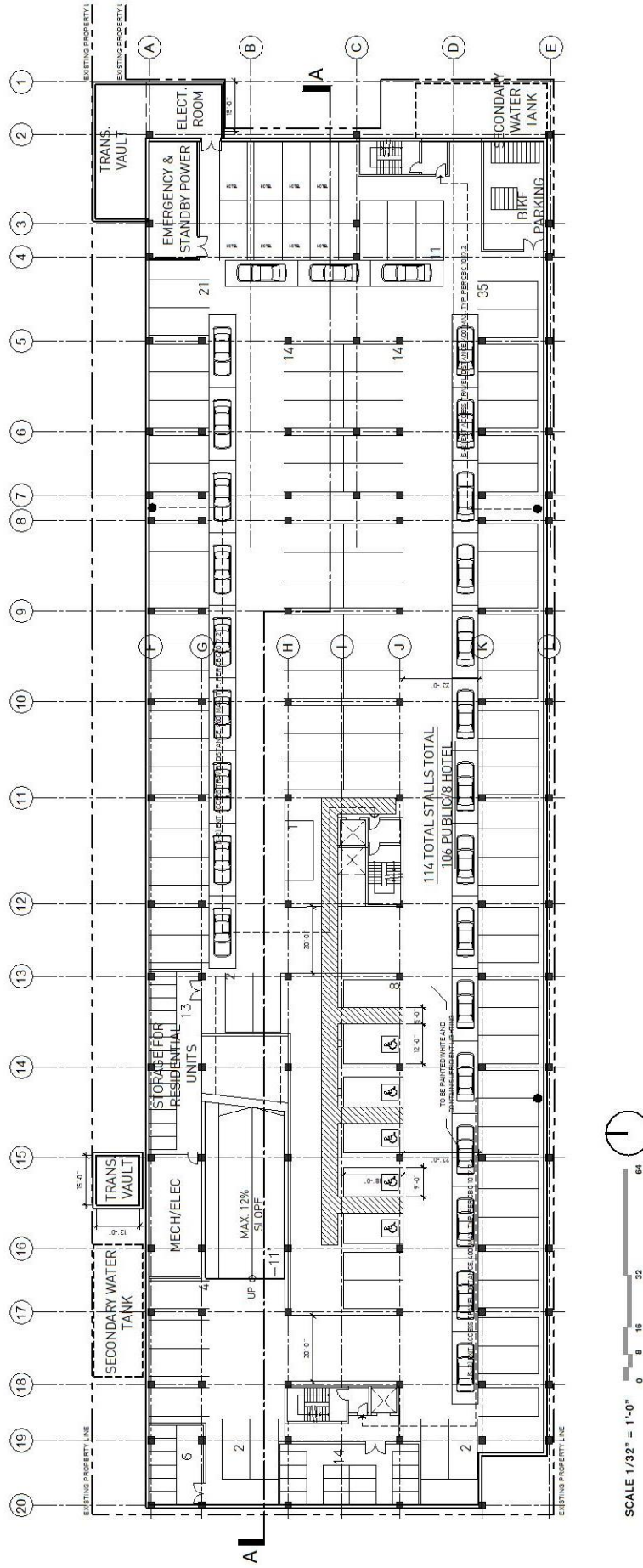
APPENDIX A: 3RD & BROADWAY CONCEPTUAL VALET LAYOUT

studioneleven

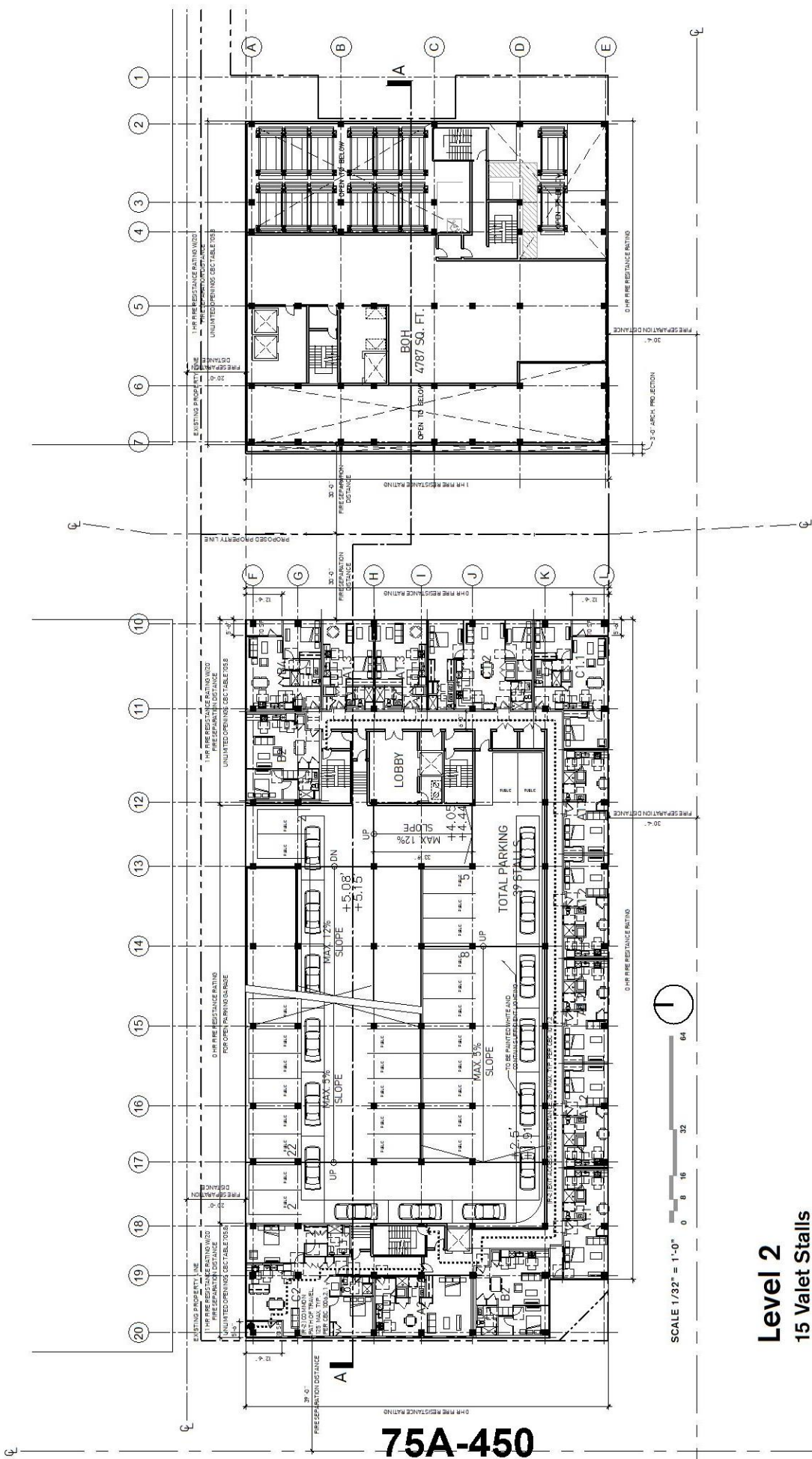
3rd & Broadway Valet Parking Study

75A-448

Caribou Industries September 09, 2020



Level P1
 27 Valet Stalls
 114 Parking Stalls
 141 Parking Stalls Total

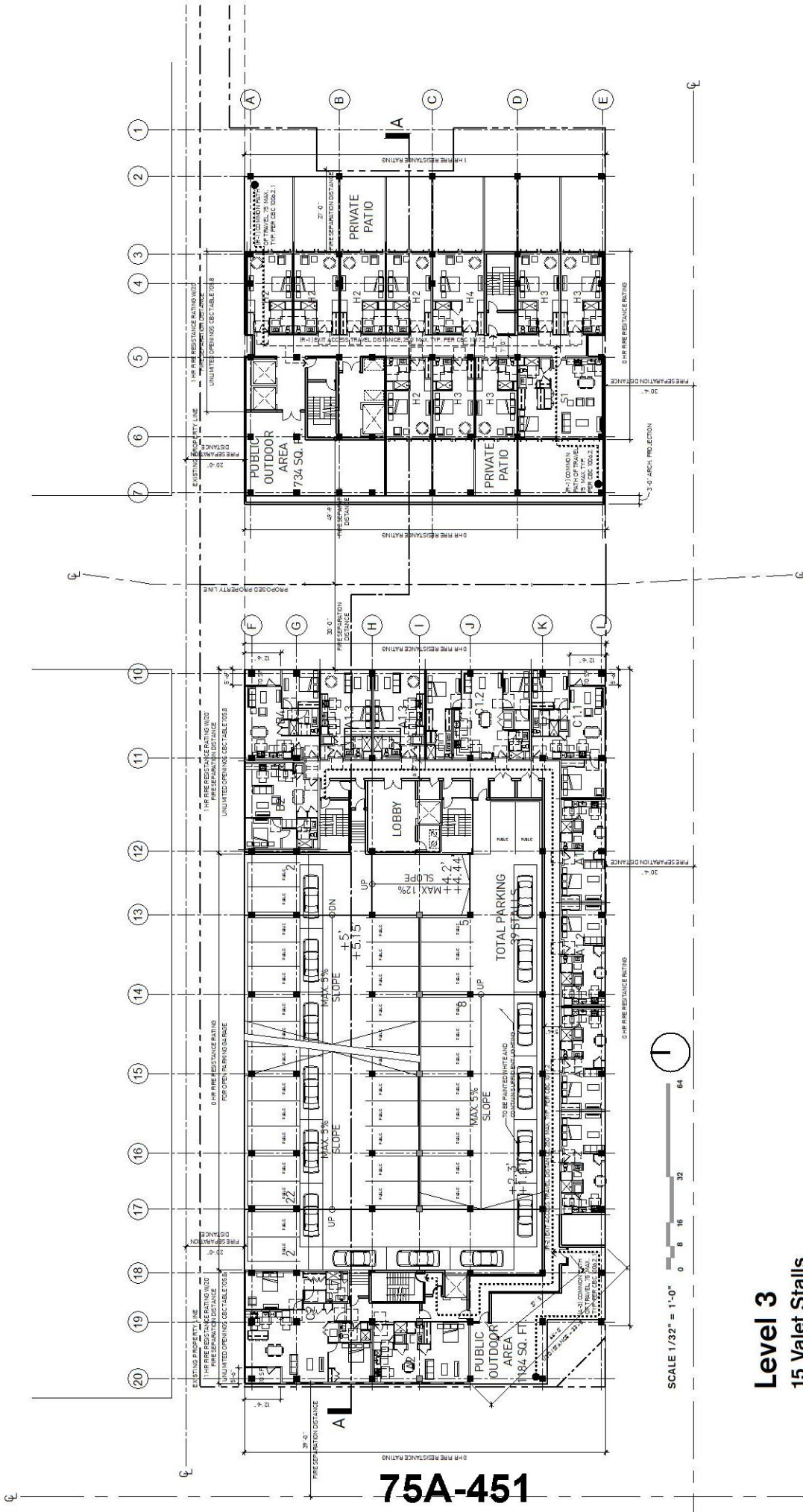


Level 2

15 Valet Stalls

39 Parking Stalls

54 Parking Stalls Total

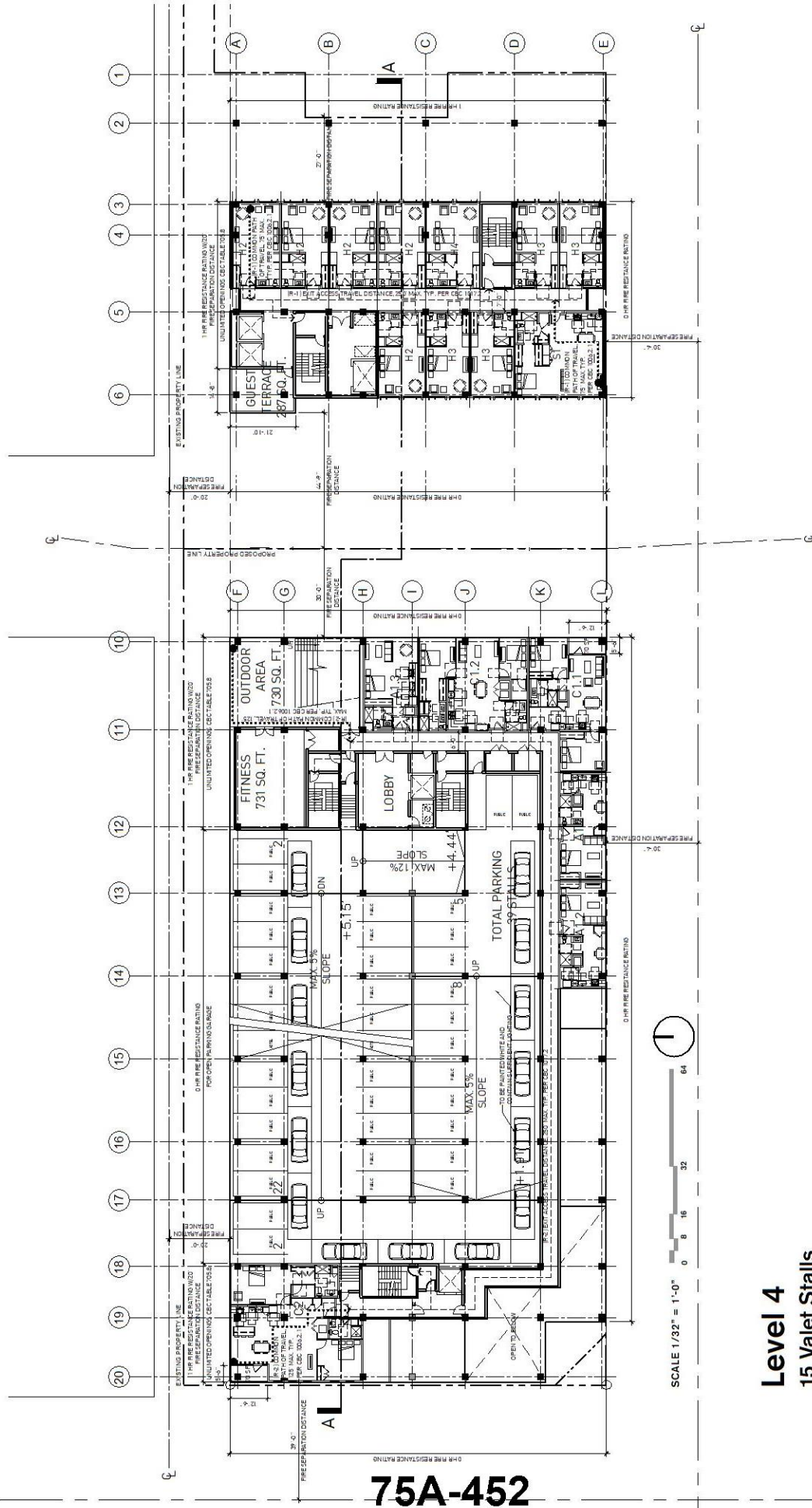


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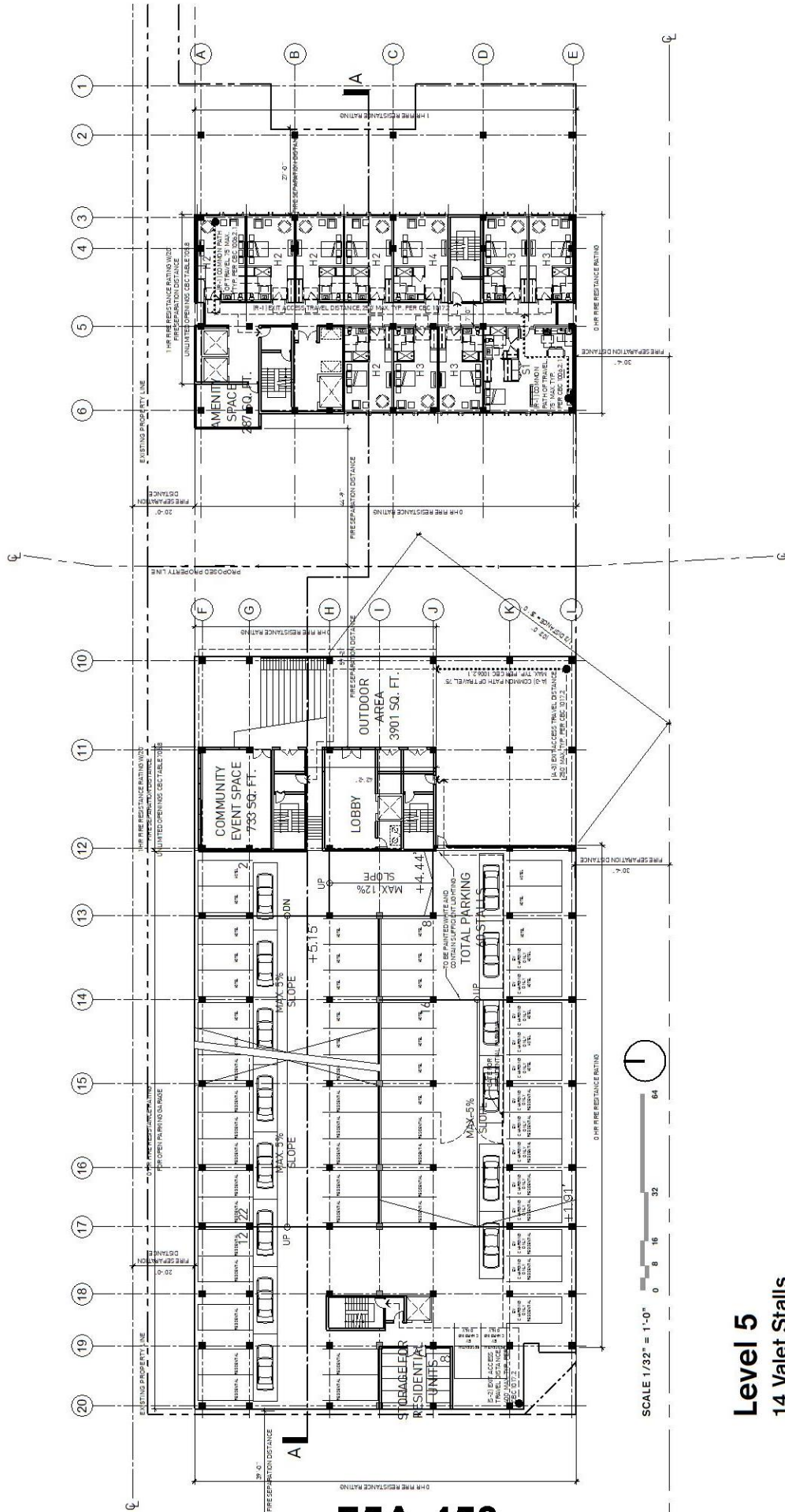


SCALE 1/32" = 1'-0"

Level 3
 15 Valet Stalls
 39 Parking Stalls
 54 Parking Stalls Total

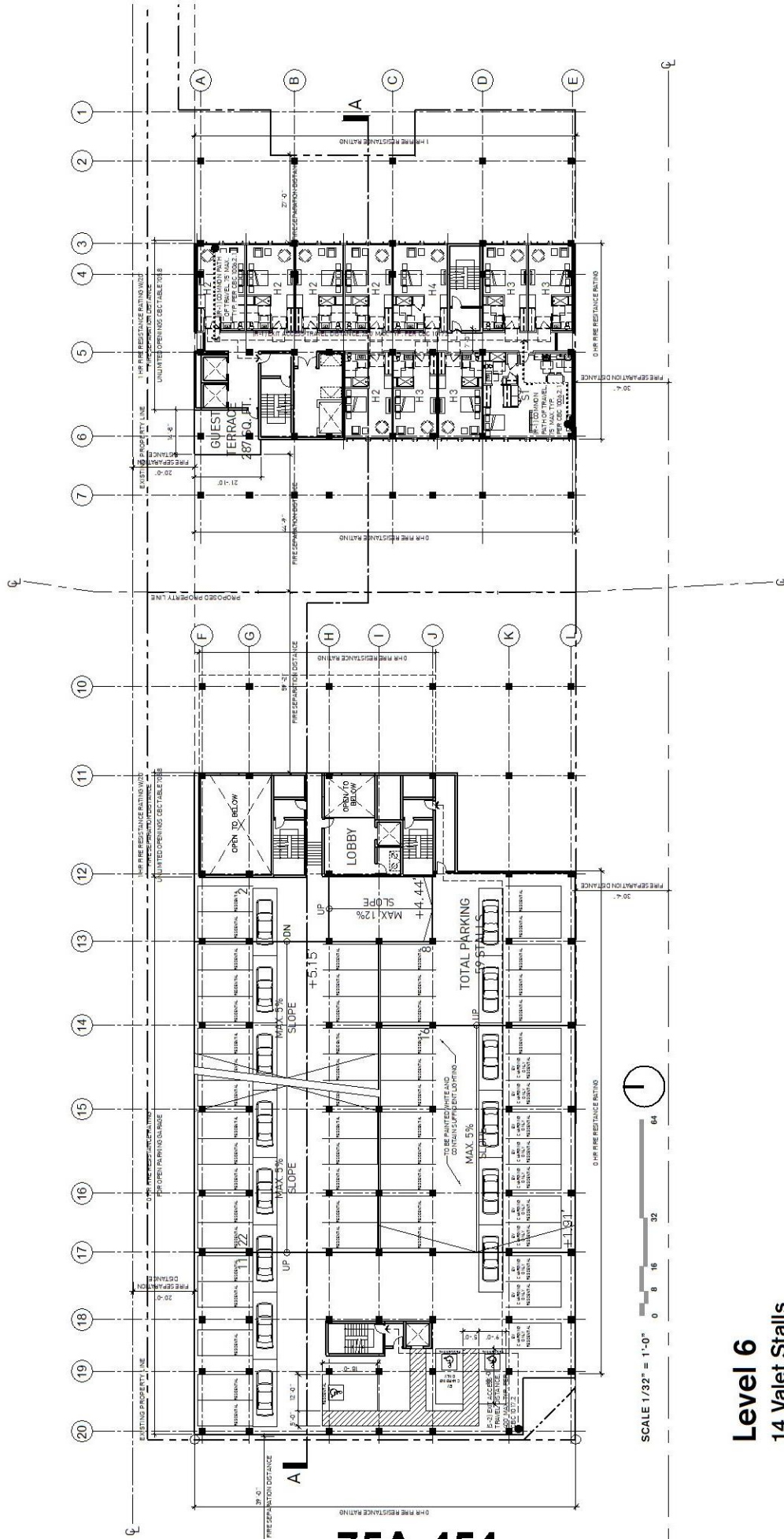


75A-452



75A-453

Level 5
 14 Valet Stalls
 60 Parking Stalls
 74 Parking Stalls Total

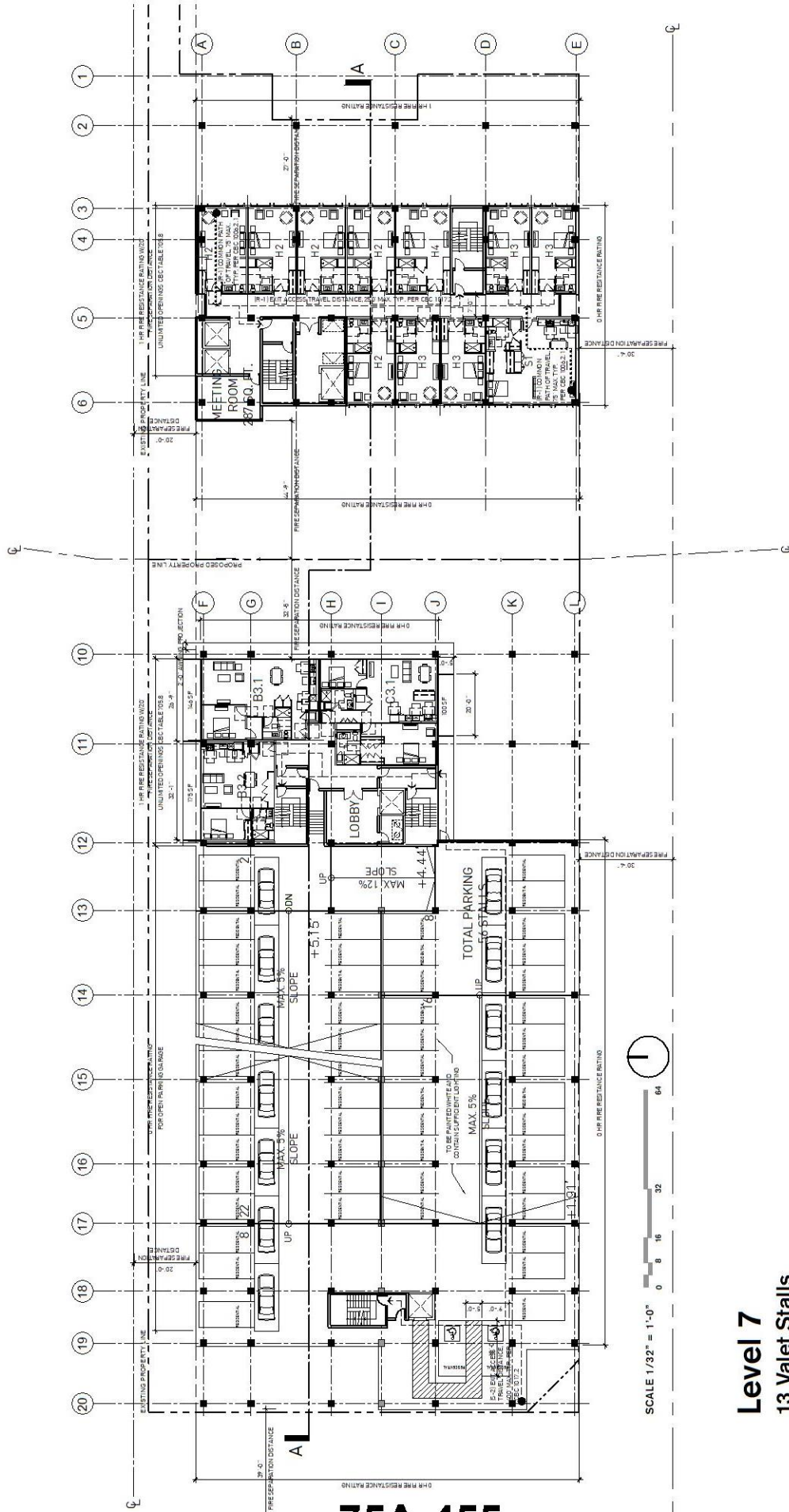


75A-454



SCALE 1/32" = 1'-0"

Level 6
 14 Valet Stalls
 59 Parking Stalls
 73 Parking Stalls Total



Level 7
 13 Valet Stalls
 56 Parking Stalls
 69 Parking Stalls Total

75A-455

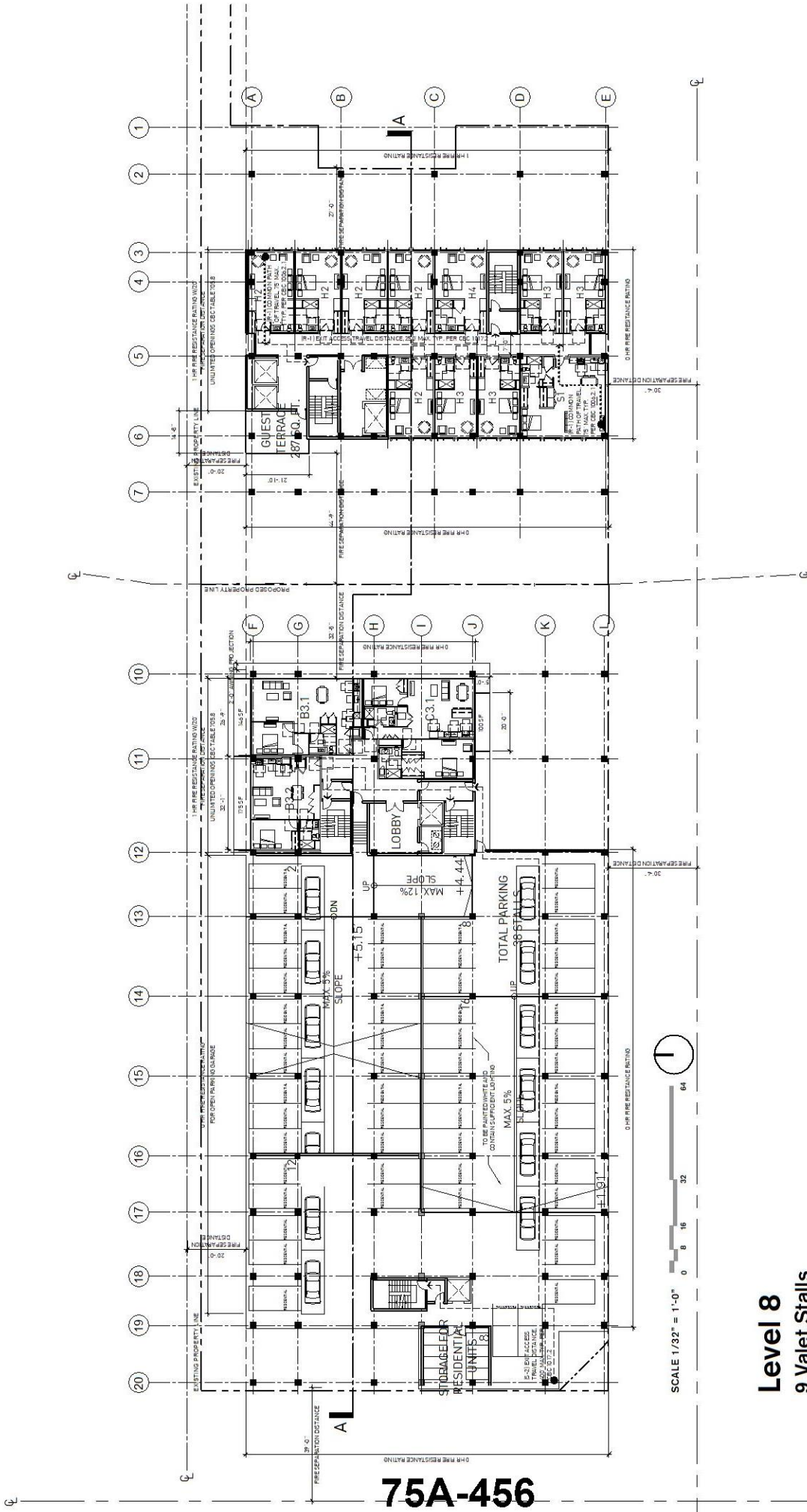
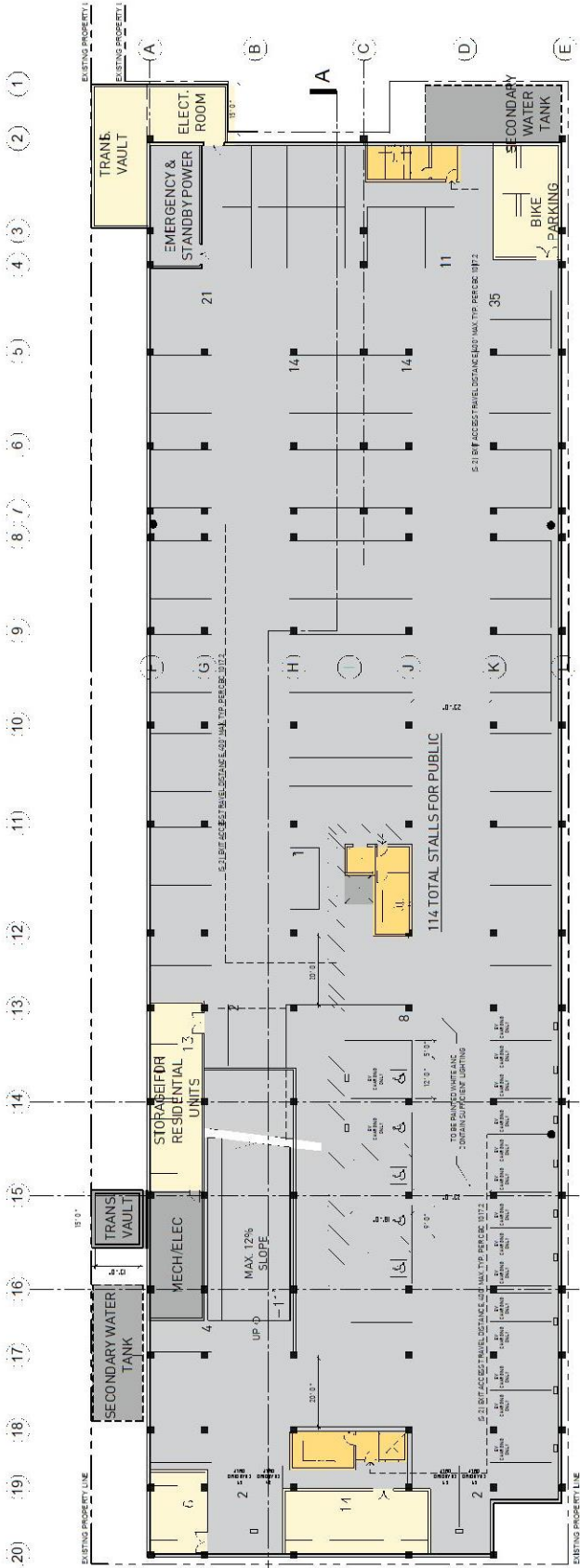


EXHIBIT G

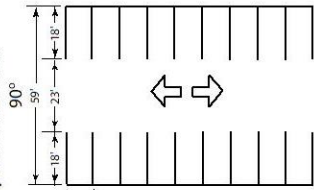
MAP OF LOCATION OF INITIAL AFFORDABLE UNITS

0 AFFORDABLE UNITS

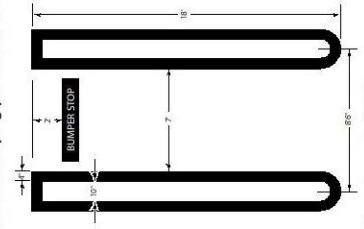


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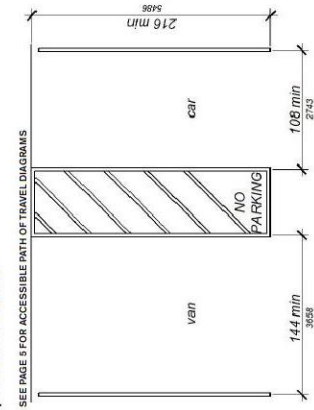
Typical Standard Parking Layout
per SAMC 41-1303



Typical Parking Stall
Double Striping per SAMC 41-1303



Typical Accessible Stall Dimensions (Van & Standard)
per CBC 11B-502.2

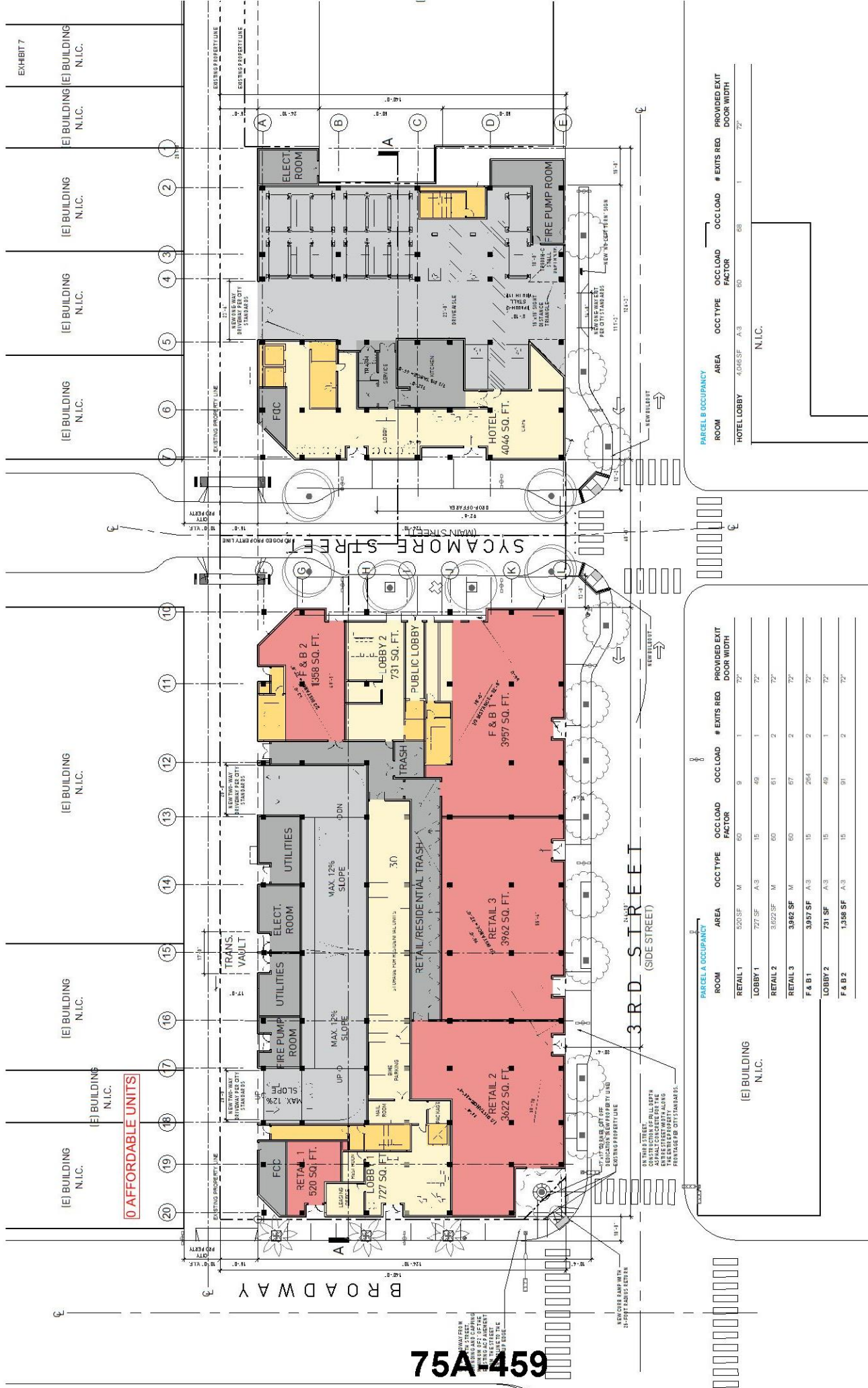


SUBTERRANEAN PARKING OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
PARKING	40,126 SF	S, D	100	240	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 246
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 82
MINIMUM EXIT WIDTHS OF STAIRS = 82 OCCUPANTS * 0.3 = 24.6"
MINIMUM EXIT WIDTHS OF STAIRS = 82 OCCUPANTS * 0.3 = 25"
PROVIDED WIDTH OF EXIT STAIRS = 58"

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Q

0 AFFORDABLE UNITS



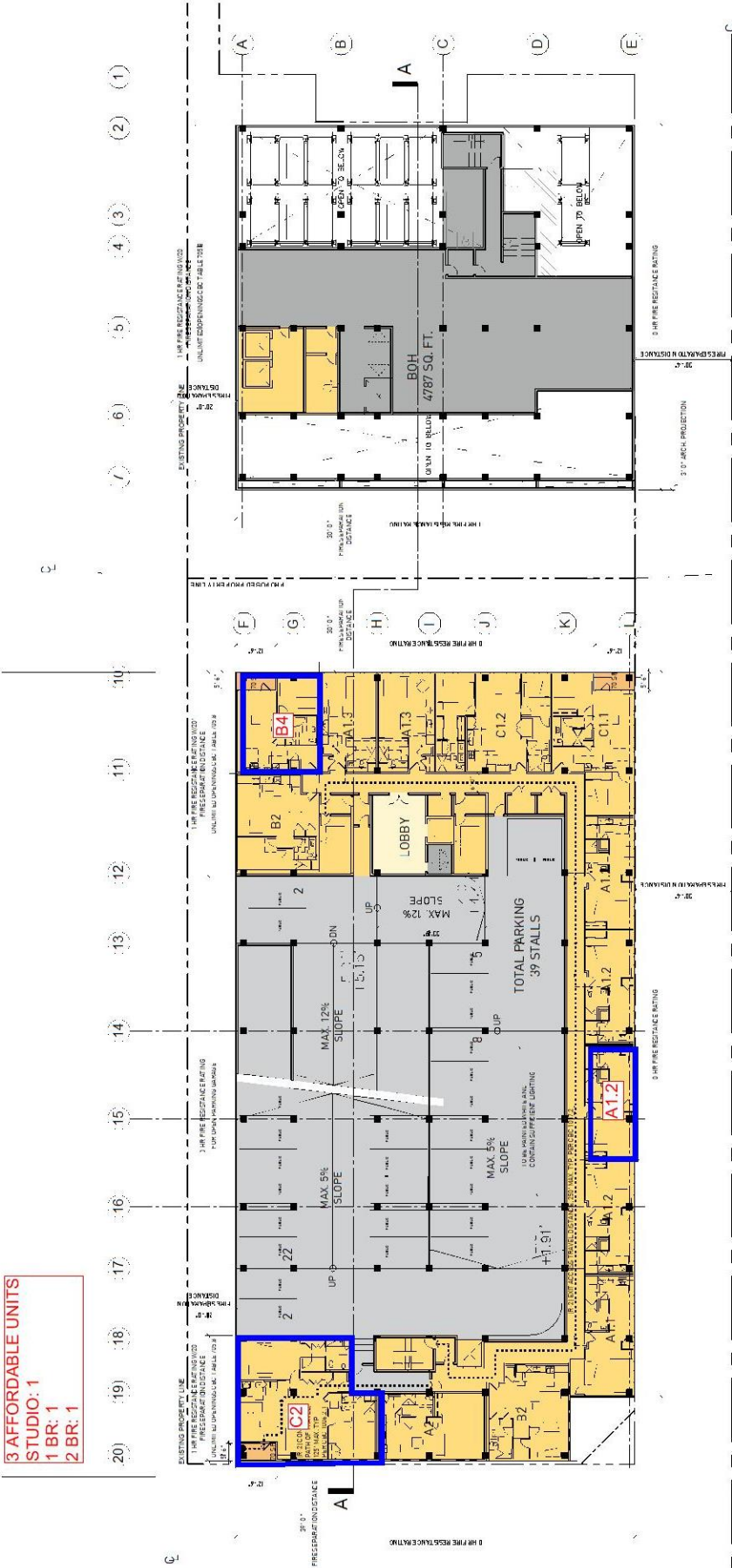
PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
STORAGE	4,863 SF	S-2	200	25	1	30"

TOTAL OCCUPANT LOAD ON FLOOR = 25
OCCUPANT LOAD DIVIDED BY (2) PROVIDED STAIRS = 13
MINIMUM EXIT WIDTH OF STAIRS = 13 OCCUPANTS * 0.3 = 3.9' (44" MIN. PER CBC 1011.2)
PROVIDED WIDTH OF EXIT STAIRS = 58"
MINIMUM EXIT WIDTH OF STAIRS = 13 OCCUPANTS * 0.3 = 3.9' (44" MIN. PER CBC 1011.2)
PROVIDED WIDTH OF STAIRS CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTH OF STAIRS = 13 OCCUPANTS * 0.3 = 3.9' (44" MIN. PER CBC 1011.2)
PROVIDED WIDTH OF EXIT STAIRS = 58"



3 AFFORDABLE UNITS
STUDIO: 1
1 BR: 1
2 BR: 1



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
PARKING	13,258 SF	S-2	200	77	2	360"
RESIDENTIAL UNITS + CORRIDOR	13,600 SF	R-2	200	68	2	360"

TOTAL OCCUPANT LOAD ON FLOOR = 145
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 49
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 49 OCCUPANTS * 0.2 = 9.8"
MINIMUM EXIT WIDTHS OF STAIRS = 49 OCCUPANTS * 0.3 = 14.7"
PROVIDED WIDTH OF EXIT STAIRS = 58"

PARCEL B OCCUPANCY

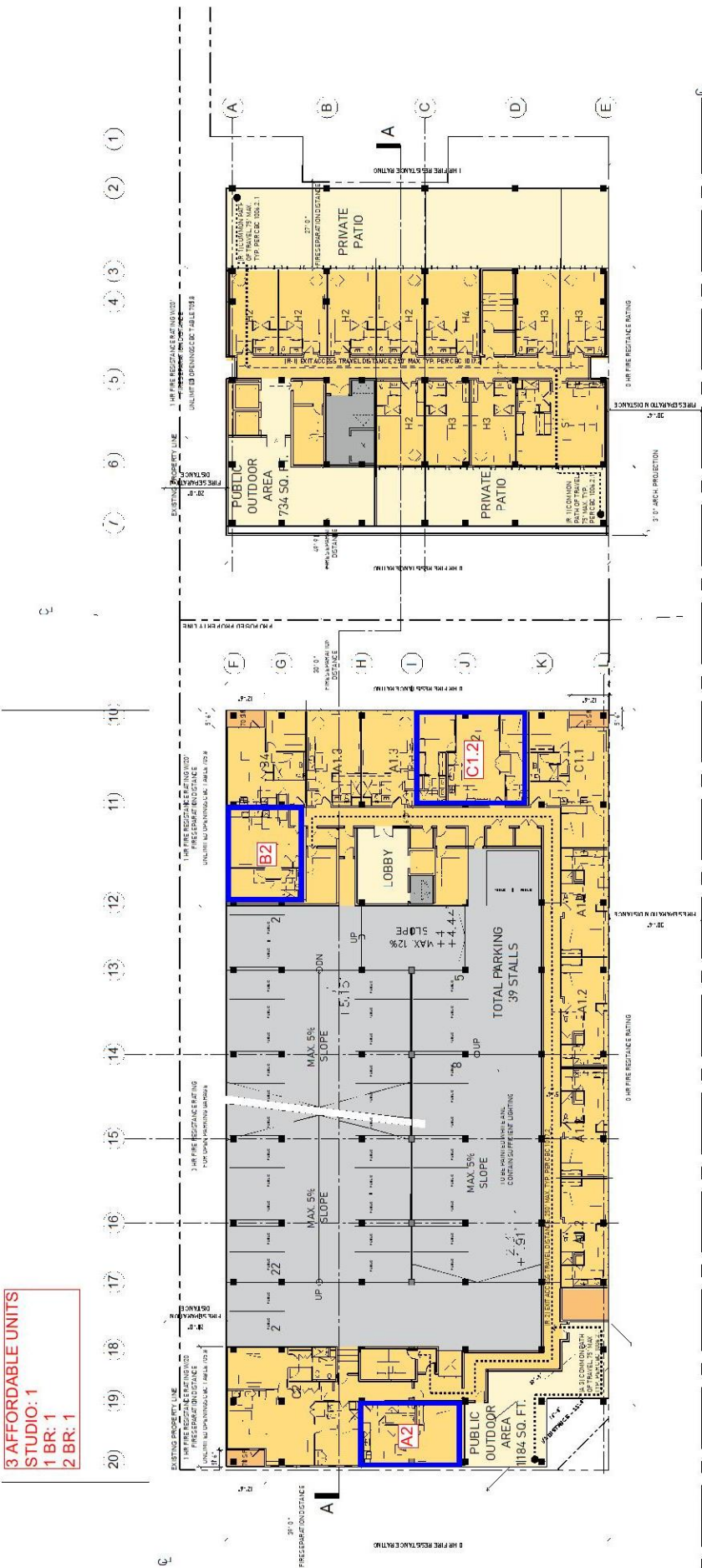
2ND & BROADWAY AFFORDABLE UNIT NO.		TOTAL	
LEVEL	STUDIO	1 BEDRM	2 BEDRM
LEVEL 1	0	0	0
LEVEL 2	1	1	1
LEVEL 3	1	1	1
LEVEL 4	1	1	1
LEVEL 5	1	1	1
LEVEL 6	1	1	1
LEVEL 7	1	1	1
LEVEL 8	1	1	1
LEVEL 9	1	1	1
LEVEL 10	1	1	1
LEVEL 11	1	1	1
LEVEL 12	1	1	1
LEVEL 13	1	1	1
LEVEL 14	1	1	1
LEVEL 15	1	1	1
TOTAL	10	10	10

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
BOH	4,787 SF	S-2	200	24	1	360"

TOTAL OCCUPANT LOAD ON FLOOR = 24
OCCUPANT LOAD DIVIDED BY (2) PROVIDED STAIRS = 12
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 12 OCCUPANTS * 0.2 = 2.4"
MINIMUM EXIT WIDTHS OF STAIRS = 12 OCCUPANTS * 0.3 = 3.6"
PROVIDED WIDTH OF EXIT STAIRS = 58"



3 AFFORDABLE UNITS
STUDIO: 1
1 BR: 1
2 BR: 1



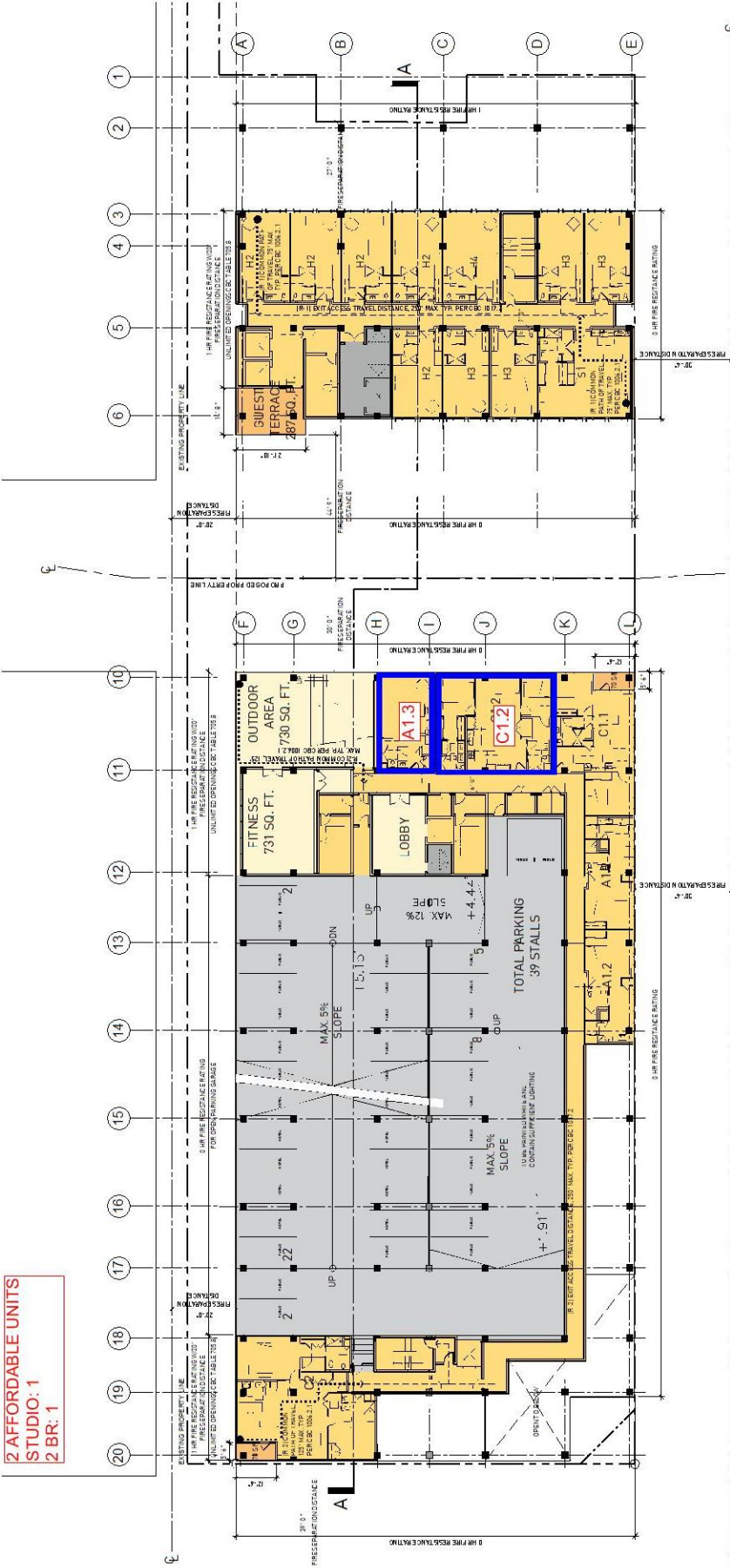
2ND & BROADWAY AFFORDABLE UNIT NO.		TOTAL	
LEVEL	STUDIO	1 BR	2 BR
LEVEL 1	0	0	0
LEVEL 2	0	0	0
LEVEL 3	0	0	0
LEVEL 4	0	0	0
LEVEL 5	0	0	0
LEVEL 6	0	0	0
LEVEL 7	0	0	0
LEVEL 8	0	0	0
LEVEL 9	0	0	0
LEVEL 10	0	0	0
LEVEL 11	0	0	0
LEVEL 12	0	0	0
LEVEL 13	0	0	0
LEVEL 14	0	0	0
LEVEL 15	0	0	0
TOTAL	0	0	0

PARCEL A OCCUPANCY		TOTAL	
ROOM	AREA	OCC TYPE	OCC LOAD
PARKING	18,208 SF	S, 2	77
PUBLIC OUTDOOR AREA	1,350 SF	A, 3	91
RESIDENTIAL UNITS + CORRIDOR	12,000 SF	R, 2	60
TOTAL OCCUPANT LOAD ON FLOOR = 228			
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 76			
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 76 OCCUPANTS * 0.2 = 45.6"			
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH			
PROVIDED WIDTH OF EXIT STAIRS = 58"			

PARCEL B OCCUPANCY		TOTAL	
ROOM	AREA	OCC TYPE	OCC LOAD
PUBLIC OUTDOOR AREA	734 SF	A, 3	49
HOTEL UNITS + CORRIDOR + PRIVATE PATIOS	13,000 SF	R, 1	65
TOTAL OCCUPANT LOAD ON FLOOR = 114			
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 57 OCCUPANTS * 0.2 = 11.4"			
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH			
PROVIDED WIDTH OF EXIT STAIRS = 58"			



2 AFFORDABLE UNITS
STUDIO: 1
2 BR: 1



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
PARKING	18,208 SF	S-2	200	77	2	36"
OUTDOOR AREA	730 SF	A-3	15	49	1	72"
FITNESS	731 SF	A-3	15	49	1	72"
RESIDENTIAL UNITS + CORRIDOR	8,200 SF	R-2	200	41	2	36"

TOTAL OCCUPANT LOAD ON FLOOR: 216
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 72
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 72 OCCUPANTS * 0.2 = 43.2"
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 72 OCCUPANTS * 0.3 = 21.6"
PROVIDED WIDTH OF EXIT STAIRS = 36"

PARCEL B OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
GUEST TERRACE	287 SF	A-3	15	20	1	36"
HOTEL UNITS + CORRIDOR	8,000 SF	R-1	200	40	2	36"

TOTAL OCCUPANT LOAD ON FLOOR: 60
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 30
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 30 OCCUPANTS * 0.2 = 6.0"
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 30 OCCUPANTS * 0.3 = 9.0"
PROVIDED WIDTH OF EXIT STAIRS = 36"

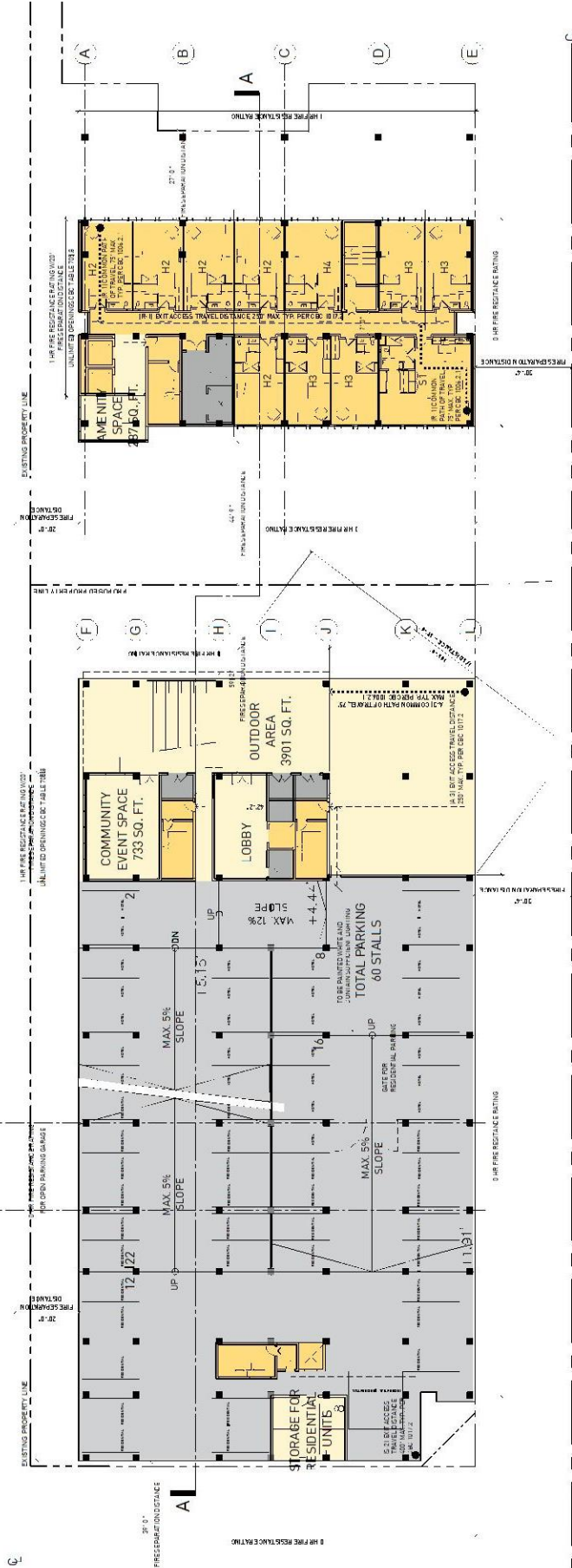
2ND & BROADWAY AFFORDABLE UNIT HOUSING

LEVEL	STUDIO	1 BEDROOM	2 BEDROOM	TOTAL
LEVEL 1	0	0	0	0
LEVEL 1.5	1	1	1	3
LEVEL 2	1	1	1	3
LEVEL 3	1	1	1	3
LEVEL 4	1	1	1	3
LEVEL 5	1	1	1	3
LEVEL 6	1	1	1	3
LEVEL 7	1	1	1	3
LEVEL 8	1	1	1	3
LEVEL 9	1	1	1	3
LEVEL 10	1	1	1	3
LEVEL 11	1	1	1	3
LEVEL 12	1	1	1	3
LEVEL 13	1	1	1	3
LEVEL 14	1	1	1	3
LEVEL 15	1	1	1	3
TOTAL	10	10	10	30

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0 AFFORDABLE UNITS

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
COMMUNITY EVENT SPACE	733 SF	A-3	15	49	1	72"
OUTDOOR AREA	3,901 SF	A-3	15	261	2	36"
PARKING	22,437 SF	S-2	200	113	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 423
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 141
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 141 OCCUPANTS * 0.2 = 84.6"
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTH OF STAIRS = 141 OCCUPANTS * 0.3 = 42.3"
PROVIDED WIDTH OF EXIT STAIRS = 58"

PARCEL B OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
AMENITY SPACE	287 SF	A-3	15	20	1	36"
HOTEL UNITS + CORRIDOR	8,000 SF	R-1	200	40	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 60
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 20
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 20 OCCUPANTS * 0.2 = 4.0"
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTH OF STAIRS = 20 OCCUPANTS * 0.3 = 9.0"
PROVIDED WIDTH OF EXIT STAIRS = 58"

2ND & BROADWAY AFFORDABLE UNIT NO.

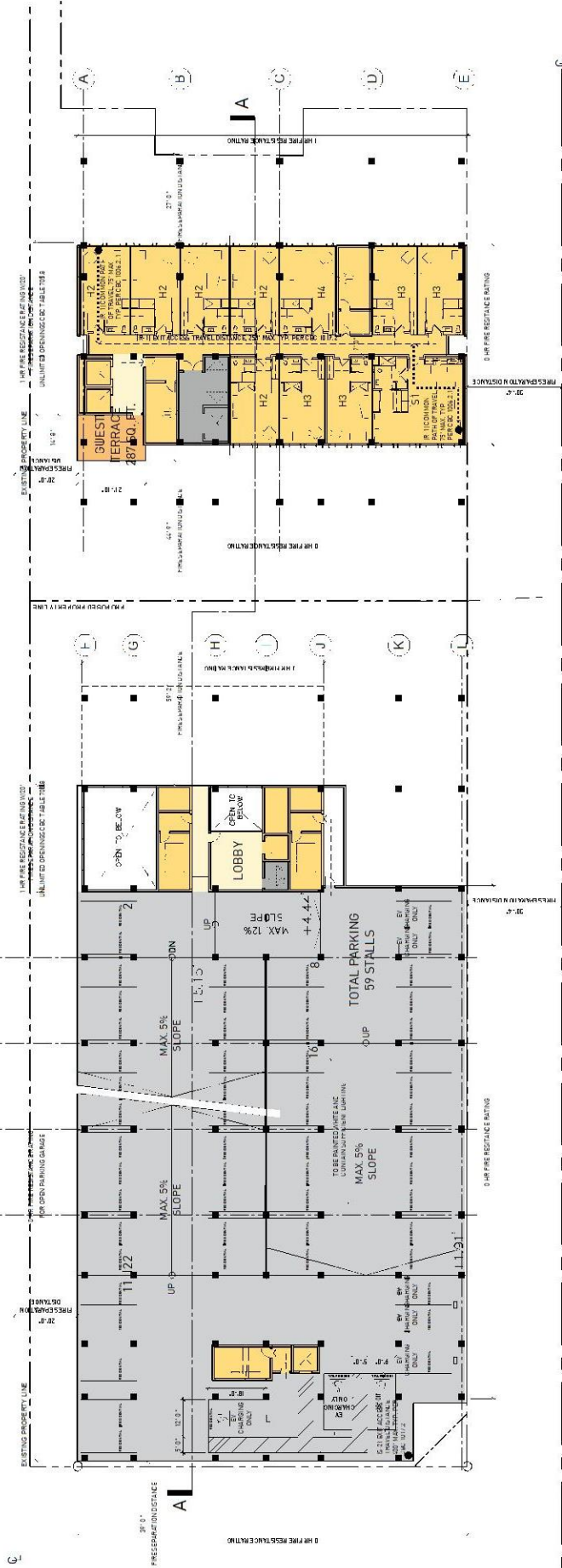
LEVEL	STUDIO	1 BEDROOM	2 BEDROOM	TOTAL
LEVEL 1	0	0	0	0
LEVEL 1.5	1	1	1	3
LEVEL 2	1	1	1	3
LEVEL 3	1	1	1	3
LEVEL 4	1	1	1	3
LEVEL 5	1	1	1	3
LEVEL 6	1	1	1	3
LEVEL 7	1	1	1	3
LEVEL 8	1	1	1	3
LEVEL 9	1	1	1	3
LEVEL 10	1	1	1	3
LEVEL 11	1	1	1	3
LEVEL 12	1	1	1	3
LEVEL 13	1	1	1	3
LEVEL 14	1	1	1	3
LEVEL 15	1	1	1	3
TOTAL	10	10	10	30



0 AFFORDABLE UNITS

1

(20) (19) (18) (17) (16) (15) (14) (13) (12) (11) (10) (9) (8) (7) (6) (5) (4) (3) (2) (1)



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
PARKING	22,437 SF	S-2	200	113	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 113
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 38
PROVIDED WIDTH OF DOORS/CORRIDORS = 38 OCCUPANTS * 0.2 = 7.6"
MINIMUM EXIT WIDTHS OF STAIRS = 38 OCCUPANTS * 0.3 = 11.3"
PROVIDED WIDTH OF EXIT STAIRS = 58"

2ND & BROADWAY AFFORDABLE UNIT NO.

LEVEL	STUDIO	1 BEDROOM	2 BEDROOM	TOTAL
LEVEL 1	0	0	0	0
LEVEL 1.5	0	1	1	2
LEVEL 2	0	1	1	2
LEVEL 3	0	1	1	2
LEVEL 4	0	1	1	2
LEVEL 5	0	1	1	2
LEVEL 6	0	1	1	2
LEVEL 7	0	1	1	2
LEVEL 8	0	1	1	2
LEVEL 9	0	1	1	2
LEVEL 10	0	1	1	2
LEVEL 11	0	1	1	2
LEVEL 12	0	1	1	2
LEVEL 13	0	1	1	2
LEVEL 14	0	1	1	2
LEVEL 15	0	1	1	2
LEVEL 16	0	1	1	2
LEVEL 17	0	1	1	2
LEVEL 18	0	1	1	2
LEVEL 19	0	1	1	2
LEVEL 20	0	1	1	2
TOTAL	0	20	20	40

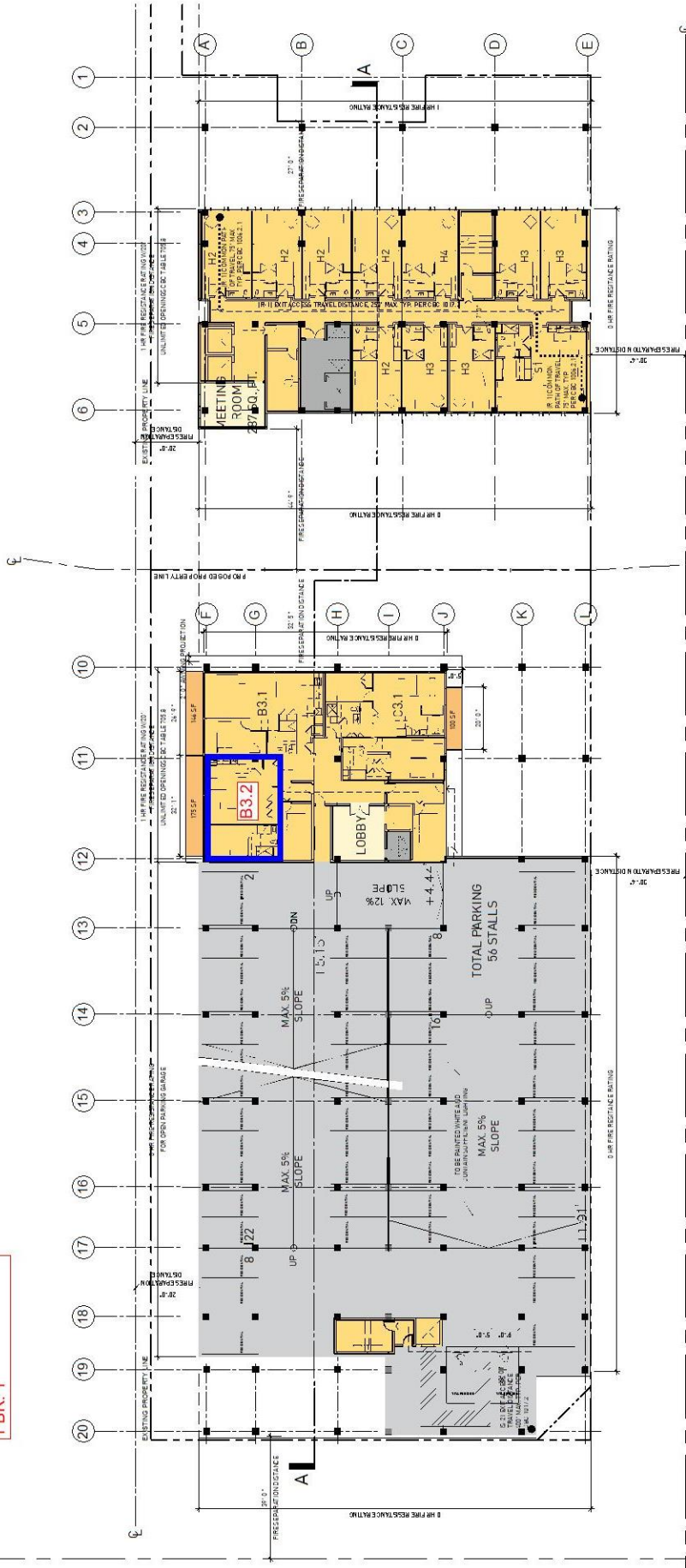
PARCEL B OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
GUEST TERRACE	287 SF	A-3	15	20	1	36"
HOTEL UNITS + CORRIDOR	8,000 SF	R-1	200	40	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 60
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 20
PROVIDED WIDTH OF DOORS/CORRIDORS = 30 OCCUPANTS * 0.2 = 6.0"
MINIMUM EXIT WIDTHS OF STAIRS = 30 OCCUPANTS * 0.3 = 9.0"
PROVIDED WIDTH OF EXIT STAIRS = 58"



1 AFFORDABLE UNIT
1 BR: 1



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
PARKING	22,608 SF	S-2	200	113	2	36"
RESIDENTIAL UNITS + CORRIDOR	3,800 SF	R-2	200	19	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 133
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 45
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 45 OCCUPANTS * 0.2 = 26.6"
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 45 OCCUPANTS * 0.3 = 13.5"
PROVIDED WIDTH OF EXIT STAIRS = 36"

PARCEL B OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
MEETING ROOM	287 SF	A-3	15	20	1	36"
HOTEL UNITS + CORRIDOR	8,000 SF	R-1	200	40	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 60
OCCUPANT LOAD DIVIDED BY (2) PROVIDED STAIRS = 30
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 30 OCCUPANTS * 0.2 = 6.0"
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 30 OCCUPANTS * 0.3 = 9.0"
PROVIDED WIDTH OF EXIT STAIRS = 36"

3RD & BROADWAY AFFORDABLE UNIT NO. 1

LEVEL	STUDY	BEDROOM	BATH	TOTAL
LEVEL 1	0	0	0	0
LEVEL 2	1	1	1	3
LEVEL 3	1	1	1	3
LEVEL 4	1	1	1	3
LEVEL 5	1	1	1	3
LEVEL 6	1	1	1	3
LEVEL 7	1	1	1	3
LEVEL 8	1	1	1	3
LEVEL 9	1	1	1	3
LEVEL 10	1	1	1	3
LEVEL 11	1	1	1	3
LEVEL 12	1	1	1	3
LEVEL 13	1	1	1	3
LEVEL 14	1	1	1	3
LEVEL 15	1	1	1	3
LEVEL 16	1	1	1	3
LEVEL 17	1	1	1	3
LEVEL 18	1	1	1	3
LEVEL 19	1	1	1	3
LEVEL 20	1	1	1	3
TOTAL	20	20	20	60

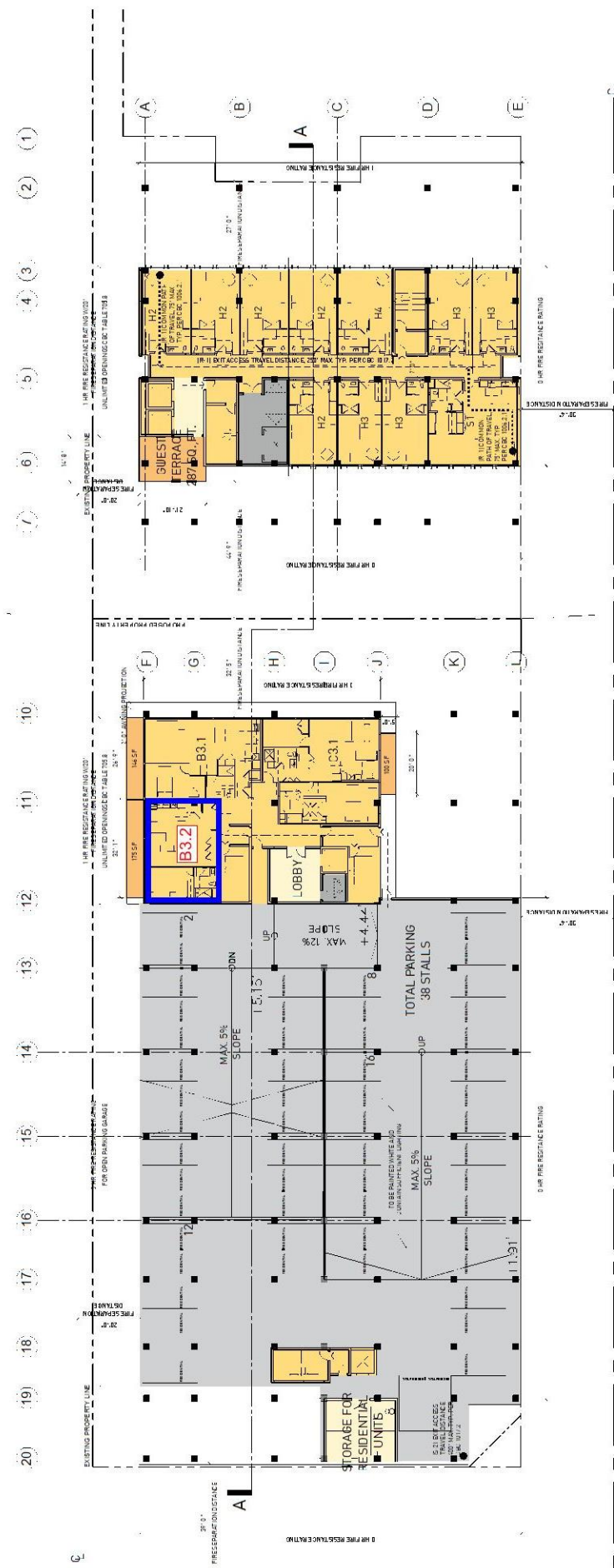


1 AFFORDABLE UNIT
1 BR: 1

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1

2



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
PARKING	21,438 SF	S-2	200	108	2	36"
RESIDENTIAL UNITS + CORRIDOR	3,800 SF	R-2	200	19	2	36"

TOTAL OCCUPANT LOAD ON FLOOR = 127
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 43
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 43 OCCUPANTS * 0.2 = 25.4"
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 43 OCCUPANTS * 0.3 = 12.9"
PROVIDED WIDTH OF EXIT STAIRS = 36"

PARCEL B OCCUPANCY

LEVEL	2ND & BROADWAY AFFORDABLE UNIT NO.			TOTAL		
	STUDIO	1 BEDROOM	2 BEDROOM	STUDIO	1 BEDROOM	2 BEDROOM
LEVEL 1	0	0	0	0	0	0
LEVEL 1.5	1	1	1	3	1	3
LEVEL 2	1	1	1	3	1	3
LEVEL 3	1	1	1	3	1	3
LEVEL 4	1	1	1	3	1	3
LEVEL 5	1	1	1	3	1	3
LEVEL 6	1	1	1	3	1	3
LEVEL 7	1	1	1	3	1	3
LEVEL 8	1	1	1	3	1	3
LEVEL 9	1	1	1	3	1	3
LEVEL 10	1	1	1	3	1	3
LEVEL 11	1	1	1	3	1	3
LEVEL 12	1	1	1	3	1	3
LEVEL 13	1	1	1	3	1	3
LEVEL 14	1	1	1	3	1	3
LEVEL 15	1	1	1	3	1	3
LEVEL 16	1	1	1	3	1	3
LEVEL 17	1	1	1	3	1	3
LEVEL 18	1	1	1	3	1	3
LEVEL 19	1	1	1	3	1	3
LEVEL 20	1	1	1	3	1	3
TOTAL	20	20	20	60	20	60

TOTAL OCCUPANT LOAD ON FLOOR = 40
OCCUPANT LOAD DIVIDED BY (3) PROVIDED STAIRS = 30
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 30 OCCUPANTS * 0.2 = 6.0"
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 30 OCCUPANTS * 0.3 = 9.0"
PROVIDED WIDTH OF EXIT STAIRS = 36"



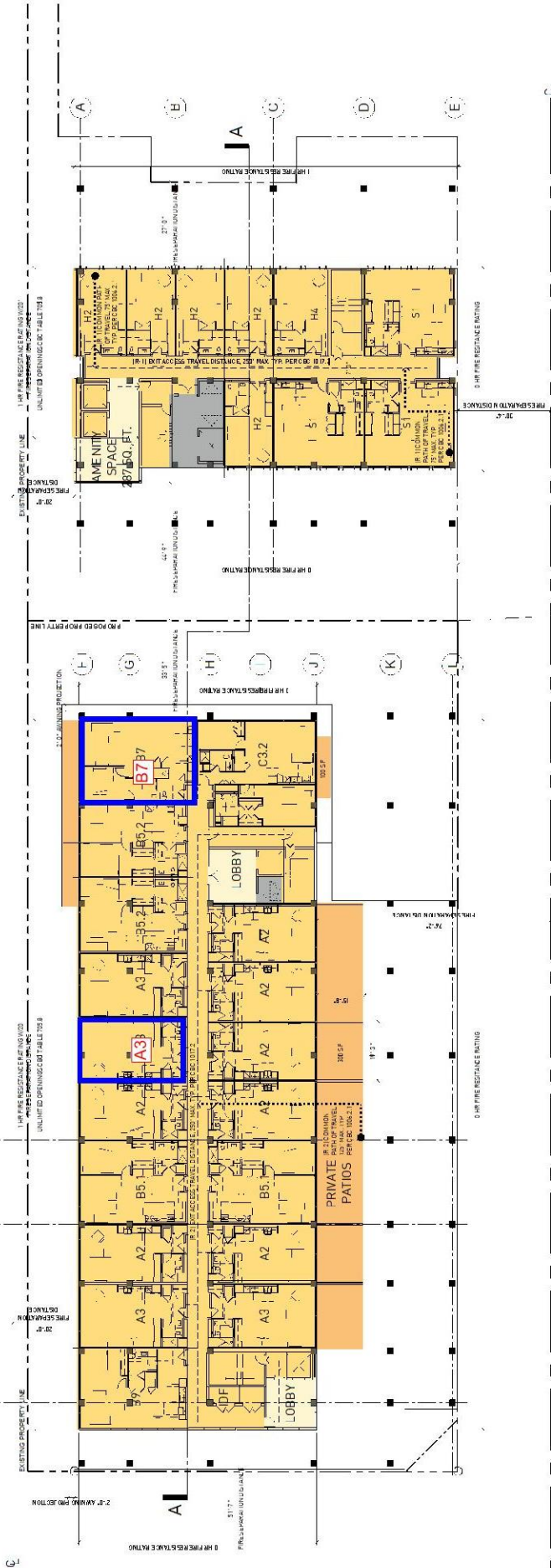
2 AFFORDABLE UNITS
STUDIO: 1
1 BR: 1

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1

1

(20) (19) (18) (17) (16) (15) (14) (13) (12) (11) (10) (9) (8) (7) (6) (5) (4) (3) (2) (1)



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
RESIDENTIAL UNITS + CORRIDOR + PRIVATE PATIOS	10,200 SF	R-2	200	146	2	360"

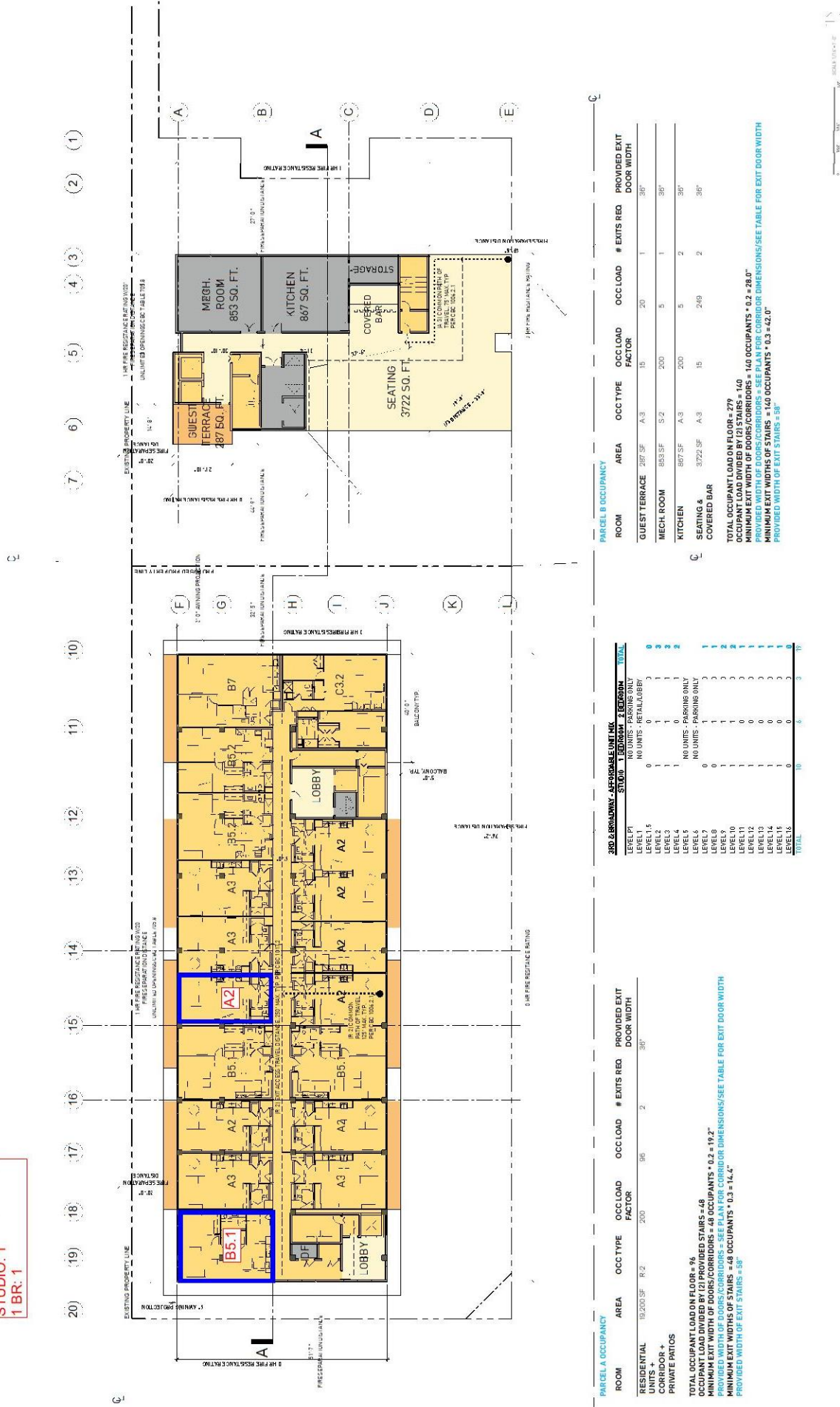
TOTAL OCCUPANT LOAD ON FLOOR = 48
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 48
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 48
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 48
PROVIDED WIDTH OF EXIT STAIRS = 58"

PARCEL B OCCUPANCY

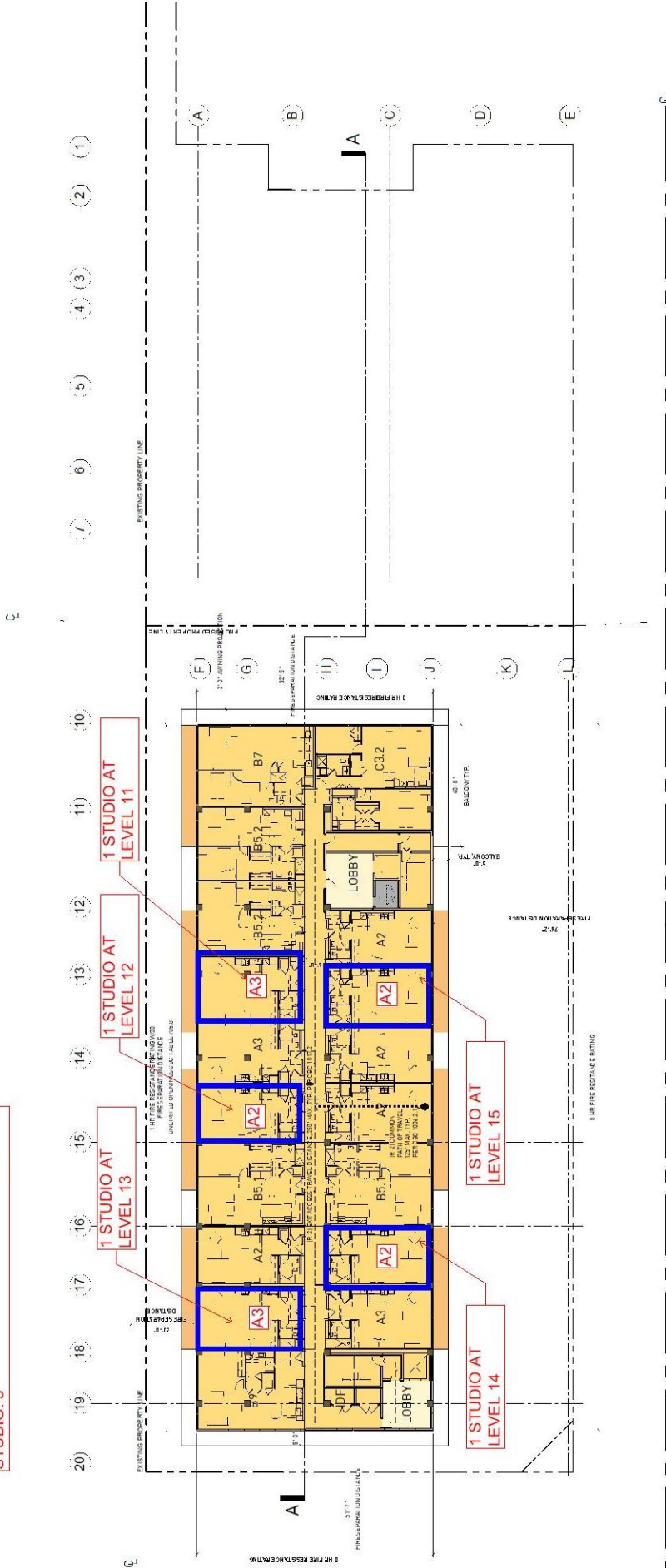
ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
AMENITY SPACE	287 SF	A-3	15	20	1	360"
HOTEL UNITS + CORRIDOR	8,000 SF	R-1	200	40	2	360"

TOTAL OCCUPANT LOAD ON FLOOR = 60
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 60
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 60
PROVIDED WIDTH OF DOORS/CORRIDORS = SEE PLAN FOR CORRIDOR DIMENSIONS/SEE TABLE FOR EXIT DOOR WIDTH
MINIMUM EXIT WIDTHS OF STAIRS = 60
PROVIDED WIDTH OF EXIT STAIRS = 58"





5 AFFORDABLE UNITS ACROSS LEVELS 11-15
STUDIO: 5



PARCEL A OCCUPANCY

ROOM	AREA	OCC TYPE	OCC LOAD FACTOR	OCC LOAD	# EXITS REQ	PROVIDED EXIT DOOR WIDTH
RESIDENTIAL UNITS + CORRIDOR + PRIVATE PATIOS	10,200 SF	R-2	200	50	2	30"

TOTAL OCCUPANT LOAD ON FLOOR = 48
MINIMUM EXIT WIDTH OF DOORS/CORRIDORS = 48 OCCUPANTS * 0.2 = 19.2"
MINIMUM EXIT WIDTHS OF STAIRS = 48 OCCUPANTS * 0.3 = 14.4"
PROVIDED WIDTH OF EXIT STAIRS = 58"

2ND & BROADWAY AFFORDABLE UNIT NO.			
LEVEL	STUDIO	1-BEDROOM	2-BEDROOM
LEVEL 11	0	0	0
LEVEL 12	1	1	1
LEVEL 13	1	1	1
LEVEL 14	1	0	1
LEVEL 15	0	1	1
LEVEL 16	0	1	1
LEVEL 17	0	1	1
LEVEL 18	0	1	1
LEVEL 19	0	1	1
LEVEL 20	0	1	1
TOTAL	10	6	3





EXHIBIT H

DENSITY BONUS SETUP FEE

Density Bonus Setup Fee

Included in Density Bonus Setup Fee:

	Occupancy	Type of Construction	Area (s.f.)	cost/ s.f.	Valuations
Parcel 1 (Mixed- Use Residential)	A-2	I-A	5,315	190.96	\$ 1,014,952.40
	A-3	I-A	12,271	192.20	\$ 2,358,486.20
	R-2	I-A	176,263	167.27	\$ 29,483,512.01
	B	I-A	228	200.26	\$ 45,659.28
	M	I-A	8,104	142.95	\$ 1,158,466.80
	S-2 *	I-A	104,608	107.99	\$ 11,296,617.92
					\$ 45,357,694.61

	1.00%	\$ 453,576.95
Density Bonus Fee	0.125	\$ 56,697.12

* Parcel 1, S-2 area excludes 57,212 sq ft for public parking.

Excluded from Density Bonus Setup Fee:

Subterranean Garage	S-2	I-A	51,176	107.99	\$ 5,526,496.24
Parcel 2 (Hotel)	A-2	I-A	1,039	190.96	\$ 198,407.44
	A-3	I-A	9,965	192.20	\$ 1,915,273.00
	R-1	I-A	49,953	199.70	\$ 9,975,614.10
	R-2	I-A	16,629	167.27	\$ 2,781,532.83
					\$ 14,870,827.37

EXHIBIT 8

SECOND AMENDMENT TO SECOND EXCLUSIVE NEGOTIATION AGREEMENT

This Second Amendment to Second Exclusive Negotiation Agreement is made and entered into this 20th day of October, 2020, by and between CARIBOU INDUSTRIES, INC., a Nevada corporation (“Developer”), and the CITY OF SANTA ANA, a charter city and municipal corporation, organized and existing under the Constitution and laws of the State of California (“City”).

RECITALS

- A. The City and Developer entered into Second Exclusive Negotiation Agreement No. A-2019-062, dated May 7, 2019, in order to provide a specified period of time to attempt to negotiate a disposition and development agreement (“DDA”) (“said Agreement”).
- B. On April 22, 2020, the City and Developer entered into a First Amendment to said Agreement, No. A-2020-071, in order to extend the Term of Agreement to extend the Negotiation Period until November 6, 2020.
- C. In accordance with the terms and conditions of said Agreement, the Parties desire to again amend the Term of Agreement section to extend the Negotiation Period for an additional sixty (60) days, until January 5, 2021.

NOW THEREFORE, in consideration of the mutual and respective promises, and subject to the terms and conditions of said Agreement, except as herein modified, the parties agree as follows:

- 1. Section 2, Term of Agreement, subsection (a), shall be amended to extend the Negotiation Period for an additional sixty (60) days, until January 5, 2021.
- 2. Section 2, Term of Agreement, subsection (d), shall be amended to read as follows:

“The Negotiation Period may only be extended by approval of the City Council.”
- 3. Except as hereinabove modified, all terms and conditions of said Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Second Exclusive Negotiation Agreement the date and year first above written.

CITY OF SANTA ANA


ATTEST:

DAISY GOMEZ
Clerk of the Council

KRISTINE RIDGE
City Manager

APPROVED AS TO FORM:

Sonia R. Carvalho
City Attorney

By: 

RYAN O. HODGE
Assistant City Attorney

RECOMMENDED FOR APPROVAL:

DEVELOPER:

STEVEN A. MENDOZA
Executive Director
Community Development Agency

Michael F. Harrah
President
Caribou Industries, Inc.

Dated: _____