

REPORT NO. R 0 6 - 0 0 9 4

APR 1 2 2006

OFFICE OF THE CITY ATTORNEY ROCKARD J. DELGADILLO CITY ATTORNEY

REPORT RE:

DRAFT ORDINANCE AUTHORIZING THE ADOPTION OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND CALIFORNIA WHITEBIRD, INC.

The Honorable City Council of the City of Los Angeles Room 395, City Hall 200 North Spring Street Los Angeles, California 90012

Council File No. 05-1388-S1 CPC 2004-7739-DA - not transmitted

Honorable Members:

The City Planning Commission recommended that the City Council adopt an ordinance authorizing the execution of a development agreement between California Whitebird, Inc. and the City.

This office has prepared and now transmits for your action the draft ordinance with attached development agreement, each approved as to form and legality.

CHARTER FINDINGS

Pursuant to Charter Section 559, on March 30, 2006, the Director of Planning, on behalf of the Planning Commission, approved the draft ordinance and development agreement and recommended that the City Council adopt it. A copy of that report is attached. Should the City Council adopt this ordinance, it may comply with the provisions of Charter Section 558 by either adopting the findings prepared by the Director of Planning attached to the file, or by making its own findings.

The Honorable City Council of the City of Los Angeles Page 2

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GOVERNMENT CODE REQUIRED DEVELOPMENT AGREEMENT FINDINGS

The findings required by the Government Code for adoption of development agreements are contained in the draft ordinance. By adopting the ordinance, you will be making these findings.

CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") CLEARANCE

On October 19, 2005, the City Council certified EIR No. 2002-2481 ENV, (State Clearinghouse No. 2002091018) and adopted findings and a mitigation monitoring program in connection with its approval of tract map no. 61672.¹ The project encompassed in tract map no. 61672 and described in the EIR is the same project that is the subject of the proposed development agreement. The City Planning Commission indicated in its July 7, 2005 Determination that it believes the EIR is also adequate for this development agreement. The Director of Planning, in making its Charter required findings on behalf of the City Planning Commission, referenced and summarized these CEQA findings as well.

However, once an EIR is certified for a project, and findings adopted, no additional environmental clearance is required unless the conditions described in State CEQA Guidelines Section 15162(a) have occurred.² If you find that none of these conditions have occurred, then your approval of the project is exempt from further CEQA review under State CEQA Guidelines Section 15162(c) and City CEQA Guidelines, Article II, sec. 2, I, i.e., "Any activity (approval of bids, execution of contracts, allocation of funds, etc.) for which the underlying project has previously been evaluated for environmental significance and processed according to the requirements of [City CEQA] Guidelines."

Therefore, if you wish to approve this development agreement you should make the finding of exemption, in lieu of readopting the findings you previously made in connection with the tract map approval.

The CEQA findings, including a statement of overriding considerations, that were previously adopted by City Council were attached as Exhibit E-3 to the July 7, 2005 determination of the City Planning Commission recommending approval of this development agreement.

The conditions in State CEQA Guidelines Section 15162(a), generally described, are substantial changes in the project or circumstances or significant new information showing that the project will have new or more severe significant effects than those described in the EIR.

The Honorable City Council of the City of Los Angeles Page 3

BACKGROUND AND SUMMARY OF DEVELOPMENT AGREEMENT PROVISIONS

The development agreement relates to property in the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan area located at 7000-8000 La Tuna Canyon Road.

The project covered by the agreement is a development of 221 single-family homes on individual lots clustered on 142 acres, 138 acres of private open space, private recreational amenities, and the preservation of 607 acres as permanent open space on an 887 acre site at 7000-8000 La Tuna Canyon Road. The project was approved by the City Council under Case No. VTT-61672-2A and Council File No. 05-1388 on October 3, 2005.

The development agreement provides that for the 20-year term of the agreement, the project will not be subject to future changes in the LAMC that might otherwise affect the project and specifically permits the developer to construct the project as authorized by the City Council under Case No. VTT-61672-2A.

The development agreement is generally consistent with the City's prototype for development agreements, except for the addition of the following provisions:

- The Developer is required to transfer fee title to the Public Open Space to the Santa Monica Mountains Conservancy or a another qualified transferee prior to the issuance of a building permit or the recordation of the final map, whichever occurs first.
- A non-exclusive easement is reserved for the Developer on the Public Open Space located to the south and west of Interstate 210 for the construction of wet and dry utilities and related site improvements to provide drainage, water, sewer and other utility and infrastructure services. Developer is also given the right to reserve an exclusive easement on the Public Open Space for the creation, enhancement, replacement and maintenance of habitat and other biological resources for the purpose of mitigating biological impacts associated with the Project.
- The Developer agrees to a maximum height restriction of 30 feet on all of the single-family homes on the Property.
- The Developer agrees not to construct any sound walls.
- The Agreement will terminate upon the sale of individual lots, but despite this termination, each lot will continue to be subject to the maximum height and floor area ratio set forth the Agreement.

The Honorable City Council of the City of Los Angeles Page 4

COUNCIL RULE 38 REFERRAL

Copies of the draft ordinance and development agreement were sent, pursuant to Council Rule 38, to the Department of Planning (copy attached).

HEARING REQUIRED

Before action may be taken on either the draft ordinance or the development agreement, the City must comply with the provisions of Government Code Sections 65867, 65090, and 65091. Those sections require, among other things, notice and a public hearing. In addition, the City's Development Agreement Procedures state that the City Council shall not take any action on any development agreement matter prior to the expiration of the 24-day notice required by the City procedures.

RECOMMENDED ACTIONS

If the City Council intends to approve the proposed development agreement, it should:

1. Adopt the March 30, 2006 charter findings prepared by the Director of Planning, on behalf of the Planning Commission;

2. Find, for the reasons described above, that the project is exempt from CEQA under State CEQA Guidelines Section 15162(c) and City CEQA Guidelines, Article II, sec. 2, I;

3. Approve the attached draft ordinance authorizing the execution of the development agreement, and making the required Government Code findings.

If you have any questions, please contact Laura Cadogan at (213) 978-8179. A member of this office will be available when you consider this matter to answer any questions you may have.

Sincerely,

ROCKARD J.-DELGADILLO, City Attorney

By

Eter 🔊 Assistant Attorney

PJG:LC:mrc (#120285 ssche-03) Transmittal ORDINANCE NO.

An ordinance authorizing the execution of the Development Agreement by and between the City of Los Angeles and Whitebird, Inc., doing business in California as California Whitebird, Inc., relating to real property in the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan area located at 7000-8000 La Tuna Canyon Road.

WHEREAS, the City of Los Angeles has granted and approved certain entitlement with respect to the "Canyon Hills" project, which consists of the development of 221 single-family detached homes, together with public and private recreational amenities (the "Project");

WHEREAS, the City Planning Commission on February 24, 2005, approved and recommended that the City Council approve the Development Agreement attached to Council File No. 05-1388-S1, by and between the City of Los Angeles and Whitebird, Inc., a Nevada corporation, doing business in California as California Whitebird, Inc. (the "Development Agreement"), which development agreement is hereby incorporated by reference and incorporated into the provisions of this ordinance; and

WHEREAS, after due notice the City Planning Commission and the City Council did conduct public hearings on this matter; and

WHEREAS, pursuant to California Government Code Sections 65864 <u>et seq</u>., the City Planning Commission has transmitted its findings and recommendations; and

WHEREAS, the Development Agreement is in the public interest and is consistent with the City's General Plan, including the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan (the "Community Plan"), and the San Gabriel/Verdugo Mountains Scenic Preservation Specific Plan adopted by the City Council on December 19, 2003 pursuant to Ordinance No. 175,736 (the "Specific Plan"); and

WHEREAS, the City Council has reviewed and considered the Development Agreement and the findings and recommendations of the City Planning Commission in connection therewith.

NOW THEREFORE,

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. The City Council finds with respect to the Development Agreement that:

The Development Agreement is consistent with the City's General Plan and with the objectives, policies and programs specified in the Community Plan, a portion of the City's General Plan. Specifically, the Development Agreement encourages construction of the Project, which will, among other things, (I) preserve existing views of hillside and mountainous areas by preserving a significant portion of the project site as open space and conforming to all of the scenic corridor and ridgeline protection requirements in the Specific Plan, (ii) promote greater individual choice in type, quality and location of housing, (iii) minimize grading to reduce the effects on environmentally sensitive areas, (iv) protect existing single-family equestrian oriented neighborhoods and horsekeeping districts from encroachment by higher-density residential development, (v) encourage the retention of passive and visual open space to provide a balance to the urban development in the Sunland-Tujunga community and (vi) preserve as much of the remaining undeveloped hillside land on the project site as feasible for open space and recreational uses, each of which are explicitly stated policies in the Community Plan;

The Development Agreement is consistent with the requirements and restrictions in the Specific Plan. Specifically, the Development Agreement encourages the construction of the Project and (I) none of the project homes will be located in whole or in part in a designated "Prominent Ridgeline Protection Area", (ii) the highest point of the roof, structural or parapet wall of each project home will be at least 25 vertical feet from any designated "Prominent Ridgeline" in the Specific Plan, (iii) none of the project homes on the portion of the project site north of Interstate 210 will be constructed in a manner that silhouettes any homes against the skyline above the Verdugo Crestline Prominent Ridgeline when viewed from any designated Scenic Highway to the north of the project site, (iv) no grading or berming shall occur with respect to the Project that will alter the elevation of the crest of any designated Prominent Ridgeline in the Specific Plan, (v) no removal of native vegetation would occur within any designated Prominent Ridgeline Protection Area in connection with the Project, except as permitted in Section 6A.6 of the Specific Plan, and (vi) none of the project homes located within 500 feet from Interstate 210 or La Tuna Canyon Road, which are designated Scenic Highways in the Specific Plan, will exceed 30 feet in height;

The intensity, building height and use set forth in the Development Agreement are permitted by or is consistent with the Community Plan land use designations and zoning designations for the project site, as amended by the City Council on October 19, 2005 pursuant to Ordinance No. 177090, and the Specific Plan;

The Development Agreement will not be detrimental to the public health, safety and general welfare since it encourages the construction of a project that is desirable and beneficial to the public. Furthermore, the Development Agreement specifically permits application to the Project of rules and regulations enacted after the effective date of the Development Agreement that are necessary to protect the public health and safety and are generally applicable on a citywide basis;

The Development Agreement complies with all applicable City and State regulations governing development agreements; and

It is necessary to strengthen the public planning process and to reduce the public and private costs of development uncertainty.

Sec. 2. The City Council hereby approves the Development Agreement by and between the City of Los Angeles and Whitebird, Inc., doing business in California as California Whitebird, Inc., attached hereto as <u>Exhibit A</u>, and authorizes and directs the Mayor to enter into the Development Agreement in the name of the City of Los Angeles, and, further, directs the City Clerk to record the Development Agreement and this Ordinance with the County Recorder within ten (10) days of its effective date of adoption.

Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

FRANK T. MARTINEZ, City Clerk

By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

ROCKARD J. DELGADILLO, City Attorney

adogan ura M. Βv LAURA M. CADØGAN Deputy City Attorney

Date <u>4-10-06</u>

File No. 05-1388-S1

Pursuant to Charter Section 559, I **approve** this ordinance on behalf of the City Planning Commission and recommend that it be adopted

March 39, 2006

See attached report

e Sup Director of Plannin

<u>Exhibit A</u>

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Development Agreement

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

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SHEPPARD, MULLIN, RICHTER & HAMPTON LLP 333 S. Hope Street, 48th Floor Los Angeles, California 90071 Attn: Jack H. Rubens, Esq.

DEVELOPMENT AGREEMENT

between

THE CITY OF LOS ANGELES

and

CALIFORNIA WHITEBIRD, INC.

dated as of

_____, 2006

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DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement"), dated as of ______, 2006, is entered into by and between the CITY OF LOS ANGELES, a municipal corporation (the "City"), and WHITEBIRD, INC., a Nevada corporation, doing business in California as California Whitebird, Inc. ("Developer"), pursuant to California Government Code Section 65864 et seq. and the implementing procedures of the City, based upon an initial application dated December 21, 2004, with respect to the following:

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

"Applicable Rules" means the rules, regulations, ordinances and 1.1 officially adopted policies of the City in force as of the Effective Date of this Agreement. Notwithstanding the language of this Section or any other language in this Agreement, (a) the Applicable Rules shall include this Agreement and the Project Approvals in effect as of the Effective Date of this Agreement, except for the Reserved Powers, (b) all specifications, standards and policies regarding the design and construction of public works facilities, if any, shall be those that are in effect at the time the project plans are being processed for approval and/or under construction and (c) Developer shall not be exempt from payment of affordable housing mitigation fees, if any, pursuant to Los Angeles Municipal Code Section 91.107.4.7 or any subsequently enacted ordinance. Furthermore, the Applicable Rules shall include the City-wide programs which will be enacted after the Effective Date of this Agreement for (i) storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972, and subsequent amendments thereto, and (ii) traffic congestion management mandated by the Congestion Management Program, California Government Code Section 65088 et seq., or any successor statute.

1.2 "City Council" means the City Council of the City, the legislative body of the City pursuant to Section 240 of the Los Angeles City Charter.

1.3 "City Planning Commission" means the Board of Commissioners of the Department of City Planning, as described in Section 551 of the Los Angeles City Charter.

1.4 "Community Plan" means the Sunland-Tujunga-Lake View Terrace-Shadow Hills-East La Tuna Canyon Community Plan.

1.5 "Development Agreement Act" means Section 65864 et seq. of the California Government Code.

1.6 "Discretionary Action" or "Discretionary Approval" means an action which requires the exercise of judgment, deliberation or a decision on the part of the City, including any board, commission or department and any officer or employee thereof, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires the City, including any board, commission or department any officer or employee thereof, to determine whether there has been compliance with statutes, ordinances or regulations.

1.7 "Effective Date" is the date on which this Agreement is attested by the City Clerk of the City of Los Angeles after execution by Developer and the Mayor of the City.

1.8 "General Plan" means the General Plan of the City.

1.9 "Mortgage" means any mortgage, deed of trust, encumbrance, sale leaseback or other security interest encumbering all or any portion of the Property or Developer's interest in this Agreement, given by Developer for the purpose of securing funds to be used for financing the acquisition of the Property or any portion thereof, the construction of improvements thereon and/or any other expenditures reasonably necessary and appropriate to develop the Project.

1.10 "Mortgagee" means the holder of the beneficial interest under any Mortgage, or the owner of the Property, or portion thereof or interest therein, under a Mortgage.

1.11 "**Parties**" means, collectively, Developer and the City.

1.12 "**Party**" means any one of Developer or the City.

"Processing Fees and Charges" means all fees and charges 1.13 required by the City, including, but not limited to, fees for land use applications, project permits, building applications, building permits, grading permits, maps and certificates of occupancy which are necessary to accomplish the intent and purpose of this Agreement. Expressly exempted from Processing Fees and Charges are all impact fees, linkage fees, or exactions which may be imposed by the City on development projects on a City-wide basis pursuant to laws enacted after the Effective Date of this Agreement, except as specifically provided for in this Agreement. The amount of the Processing Fees and Charges to be applied in connection with the development of the Project shall be the amount which is in effect on a City-wide basis at the time an application for the City action is made. Notwithstanding the language of this Section or any other language in this Agreement, (a) Developer shall not be exempt from the payment of affordable housing mitigation fees, if any, pursuant to Los Angeles Municipal Code Section 91.107.4.7 or any subsequently enacted ordinance and (b) Developer shall not be exempt from the payment of fees, if any, imposed on a City-wide basis as part of the

City's program for storm water pollution abatement mandated by the Federal Water Pollution Control Act of 1972 and subsequent amendments thereto, or from the payment of fees, if any, imposed as a result of the City's program for compliance with the Congestion Management Program mandated by California Government Code Section 65088 et seq. or any successor statute.

1.14 "**Project**" means the development of 221 detached single-family homes on a portion of the Property, together with certain public and private recreational amenities, as more particularly described in the Project Approvals. The Project is commonly known as "Canyon Hills".

1.15 "**Project Approvals**" means the city approvals with respect to the Project set forth in <u>Exhibit "C"</u> attached hereto.

1.16 "**Property**" means that certain real property located at 7000-8000 La Tuna Canyon Road in the City, as more particularly described in <u>Exhibit "A"</u> attached hereto and as more particularly shown on <u>Exhibit "B-2"</u> attached hereto.

1.17 "Public Open Space" means approximately 607 acres of the Property, which includes Subareas 1, 2, 3, 4, 5, 5a, 6a, 16a, 17, 18 and 18a as described and shown on Exhibits "B-1" and "B-2" attached hereto and incorporated herein by this reference, all of which Subareas are part of the Vesting Tentative Map.

"Reserved Powers" means the rights and authority excepted from 1.18 this Agreement's restrictions on the City's police powers and which are instead reserved to the City. The Reserved Powers include the powers to enact regulations or take future Discretionary Actions after the Effective Date of this Agreement that may be in conflict with the Applicable Rules, but: (a) are necessary to protect the public health and safety, and are generally applicable on a City-wide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes and similar acts of God); (b) are amendments to Chapter IX of the Los Angeles Municipal Code Section 91.101 et seq. (Building Code) or Chapter V of the Los Angeles Municipal Code Section 57.01.01 et seq. (Fire Code) regarding the construction, engineering and design standards for private and public improvements to be constructed on the Property; (c) are necessary to comply with State and federal laws and regulations (whether enacted previous or subsequent to the Effective Date of this Agreement); or (d) constitute Processing Fees and Charges imposed or required by the City to cover its actual costs in processing applications, permit requests and approvals of the Project or in monitoring compliance with permits issued or approvals granted for the performance of any conditions imposed on the Project.

1.19 "Specific Plan" means the San Gabriel/Verdugo Mountains Scenic Preservation Specific Plan adopted by the City Council on December 19, 2003 pursuant to Ordinance No. 175,736.

1.20 "Term" means the period of time during which this Agreement shall be in effect and shall bind the City and Developer, as described in Section 7.2, below.

1.21 "Vesting Tentative Map" means Vesting Tentative Tract Map No. 061672 with respect to the Project.

1.22 "Zone Change" means the zone change described in Item 1b of Exhibit "C" attached hereto.

2. RECITALS OF PREMISES, PURPOSE AND INTENT.

2.1 State Enabling Statute. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted the Development Agreement Act, which authorizes any city to enter into binding development agreements establishing certain development rights in real property with persons having legal or equitable interests in such property. Section 65864 of the Development Agreement Act expressly provides as follows:

"The Legislature finds and declares that:

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

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

Notwithstanding the foregoing, to ensure that the City remains responsive and accountable to its residents while pursuing the benefits of development agreements contemplated by the Legislature, the City: (a) accepts restraints on its police powers contained in development agreements only to the extent and for the duration required to achieve the mutual objectives of the parties; and (b) to offset such restraints, seeks public

benefits which go beyond those obtained by traditional City controls and conditions imposed on development project applications.

2.2 City Procedures and Actions.

2.2.1 Planning Commission Action. On January 27 and February 24, 2005, the City Planning Commission conducted a duly-noticed public hearing with respect to the Project and, on February 24, 2005, took certain actions with respect to the Approvals and recommended that the City Council adopt an ordinance approving this Agreement.

2.2.2 City Council Action. The City Council on ______, 2006 after conducting a duly-noticed public hearing, adopted Ordinance No. _______, to become effective on the thirty-first day after publication, approving this Agreement, found that its provisions are consistent with the City's General Plan, including the Community Plan, and the Specific Plan, and authorized the execution of this Agreement.

2.3 **Purpose of this Agreement.**

2.3.1 Developer Objectives. In accordance with the legislative findings set forth in the Development Agreement Act, and with full recognition of the City's policy of judicious restraints on its police powers, Developer wishes to obtain reasonable assurances that the Project may be developed in accordance with the Applicable Rules and with the terms of this Agreement and subject to the City's Reserved Powers. In the absence of this Agreement, Developer would have no assurance that it can complete the Project for the uses and to the density and intensity of development set forth in this Agreement. This Agreement, therefore, is necessary to assure Developer that the Project will not be (a) reduced in density, intensity or use, (b) subjected to new rules, regulations, ordinances or official policies which are not related to compliance with State or federal mandates or health and safety enactments related to critical situations such as, but not limited to, the lack of water availability or sewer or landfill capacity.

2.3.2 Mutual Objectives. Development of the Project in accordance with this Agreement will provide for the orderly development of the Property in accordance with the objectives set forth in the General Plan, including the Community Plan, and the Specific Plan. Moreover, a development agreement for the Project will eliminate uncertainty in planning for and securing orderly development of the Project, assure installation of necessary improvements, assure attainment of maximum efficient resource utilization within the City at the least economic cost to its citizens and otherwise achieve the goals and purposes for which the Development Agreement Act was enacted. The parties believe that such orderly development of the Project will provide many public benefits to the City, as described in Section 3.1.3, below. Additionally, although

development of the Project in accordance with this Development Agreement will restrain the City's land use or other relevant police powers, the Development Agreement will provide the City with sufficient reserved powers during the term hereof to remain responsible and accountable to its residents. In exchange for these and other benefits to City, Developer will receive assurance that the Project may be developed during the term of this Agreement in accordance with the Applicable Rules and Reserved Powers, subject to the terms and conditions of this Agreement.

2.4 Applicability of the Agreement. This Agreement does not: (a) grant density or intensity in excess of that otherwise established in the Applicable Rules; (b) eliminate future Discretionary Actions relating to the Project if applications requiring such Discretionary Action are initiated and submitted by the owner of the Property after the Effective Date of this Agreement; (c) guarantee that Developer will receive any profits from the Project; (d) prohibit the Project's participation in any benefit assessment district that is generally applicable to surrounding properties; or (e) amend the City's General Plan. This Agreement has a fixed term. Furthermore, in any subsequent actions applicable to the Property, the City may apply such new rules, regulations and official policies as are contained in its Reserved Powers.

3. AGREEMENT AND ASSURANCES.

3.1 Agreement and Assurance on the Part of Developer. In consideration for the City entering into this Agreement, and as an inducement for the City to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, Developer hereby agrees as follows:

3.1.1 Project Development. The Project consists of the development of 221 single-family detached homes that will be clustered on a portion of the Property located on the north side of Interstate 210 and commonly referred to as "Development Area A", which includes Subareas 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16 as described and shown on Exhibits "B-1" and "B-2". The Project also includes the design and installation of a traffic signal at the intersection of Development Area A Access/Interstate 210 Westbound Ramps and La Tuna Canyon Road, as well as the construction of an internal circulation system, the installation of utilities and site drainage improvements and private recreational amenities. It is understood that Developer's development of the Project depends on a number of factors, including without limitation the housing market, the availability of financing and the general economic climate of the area. Nothing in this Agreement shall be construed as requiring Developer to develop Project and any failure to develop, or a delay in developing, the Project shall not be deemed a default of Developer under this Agreement; provided, however, that if Developer proceeds with the development of the Project in accordance with its own business judgment and taking into account market conditions and economic

considerations, it shall carry out such development in accordance with the terms and conditions of this Agreement.

Phasing of Development. The parties acknowledge that 3.1.2 Developer cannot at this time predict when or the rate at which phases of the Property would be developed. Such decisions depend upon numerous factors which are not all within the control of Developer, such as market orientation and demand, interest rates and competition. Because the California Supreme Court held in Pardee Construction Co. v. City of Camarillo, 37 Cal. 3d 465 (1984), that the failure of the parties therein to provide for the timing of development permitted a later adopted initiative restricting the timing of development and controlling the parties' agreement, it is the intent of Developer and the City to hereby acknowledge and provide for the right of Developer to develop the Project in such order and at such rate and times as Developer deems appropriate within the exercise of its sole and subjective business judgment. The City acknowledges that such a right is consistent with the intent, purpose and understanding of the parties to this Agreement. Developer will use its best efforts, in accordance with its own business judgment and taking into consideration market conditions and other economic factors influencing its business decision, to commence or to continue development, and to develop the Project in accordance with the terms and conditions of this Agreement and with the Applicable Rules.

3.1.3 Additional Consideration for this Agreement. The Project will provide the public benefits:

3.1.3.1 Public Open Space. Prior to the City Council's adoption of the Zone Change, Developer voluntarily offered to preserve all of the Public Open Space as permanent open space. When the City Council adopted the Zone Change on October 19, 2005, it included "Q" Condition of Approval No. 5, which states that prior to the issuance of a building permit or the recordation of the final map, whichever occurs first, Developer shall offer to donate the Public Open Space to a public or non-profit agency for its maintenance as public open space. As an additional public benefit that exceeds the requirements of "Q" Condition of Approval No. 5, Developer agrees that, prior to the issuance of a building permit or the recordation of the final map, whichever occurs first, Developer shall transfer fee title to the Public Open Space to the Santa Monica Mountains Conservancy or another qualified transferee that agrees to preserve the Public Open Space as permanent open space, and the Public Open Space shall not be subject to the lien of any Mortgage at the time such transfer occurs; provided, however, that (a) Developer shall have the right to reserve a non-exclusive easement or easements on, over, through and across the portion of the Public Open Space located to the south and west of Interstate 210 for the construction of wet and dry utilities and related site improvements to provide drainage, water, sewer and other utility and infrastructure services to Development Area A from points of connection with utility services located outside the boundaries of the Property and (b) Developer shall have the

right to reserve an exclusive easement or easements on, over, through and across the Public Open Space for the creation, enhancement, replacement and maintenance of habitat and other biological resources for the purpose of mitigating biological impacts associated with the development of the Project, including without limitation the satisfaction of any conditions of approval imposed by the City or any State or federal agency regarding the same. Developer shall first offer to transfer the Public Open Space to the Santa Monica Mountains Conservancy before offering the Public Open Space to any other qualified transferee. In the event that no such qualified entity is willing to accept the public open space, it shall be the responsibility of the homeowner's association to establish a funding source for the perpetual maintenance of the public open space.

3.1.3.2 Maximum Height and Size. As a condition to the approval of the Zone Change, "Q" Condition of Approval No. 4a requires in part that the maximum height of all single-family dwellings and accessory structures that are visible from the right-of-way of La Tuna Canyon Road or Interstate 210 shall not exceed 30 feet. As an additional public benefit that exceeds this requirement in "Q" Condition of Approval No. 4a, Developer agrees that the maximum height (as defined in Section 12.03 of the Los Angeles Municipal Code under the heading "Height of Building or Structure") of the single-family homes to be constructed on the Property shall be 30 feet, except that the maximum height of all such homes on custom lots identified in the Vesting Tentative Map that are not located within a designated "Scenic Highway Corridor" under the Specific Plan or are not visible from the right-of-way of La Tuna Canyon Road or Interstate 210 shall be governed by the applicable provisions of the Los Angeles Municipal Code. In addition, the size of the single-family homes to be constructed on the Property shall not otherwise exceed the maximum floor area ratio set forth in the Los Angeles Municipal Code.

3.1.3.3 Soundwalls. The Project includes a series of soundwalls adjacent to Interstate 210. As a condition to the approval of the Vesting Tentative Map, Developer agreed to minimize the number and length of soundwalls and/or their visibility, to the extent practicable. As an additional public benefit that exceeds the scope of that condition, Developer agrees not to build any of the approved soundwalls.

3.1.3.4 Housing. The development of the Project will help alleviate the substantial housing shortage in the City and, in particular, the northeast San Fernando Valley.

3.1.3.5 Economic Benefits. The development of the Project will provide hundreds of construction jobs, new permanent jobs, additional property tax revenues and otherwise provide a substantial boost to the local economy.

3.2 Agreement and Assurances on the Part of the City. In consideration for Developer entering into this Agreement, and as an inducement for

Developer to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the premises, purposes and intentions set forth in Article 2 of this Agreement, the City hereby agrees as follows:

3.2.1 Entitlement to Develop. Developer has the right to develop the Project subject to the terms and conditions of this Agreement, the Applicable Rules and the Reserved Powers.

3.2.2 Consistency with Applicable Rules. Based upon all information made available to the City up to or concurrently with the execution of this Agreement, the City finds and certifies that no Applicable Rules prohibit or prevent the full completion and occupancy of the Project in accordance with the uses, densities, designs and heights incorporated and agreed to herein.

3.2.3 Changes in Applicable Rules.

3.2.3.1 Nonapplication of Changes in Applicable Rules. Any change in, or addition to, the Applicable Rules, including, without limitation, any change in any applicable general or specific plan, zoning or building regulation, adopted or becoming effective after the Effective Date of this Agreement, including, without limitation, any such change by means of ordinance, City Charter amendment, initiative, referendum, resolution, motion, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the Mayor, City Council, City Planning Commission or any other Board, Commission or Department of the City, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which would conflict in any way with the Applicable Rules or this Agreement, shall not be applied to the Project unless such changes represent an exercise of the City's Reserved Powers.

3.2.3.2 Developer Consent to Changes in Applicable Rules. Notwithstanding the provisions of Section 3.2.3.1, or any other provision of this Agreement, Developer may, in its sole discretion, consent in writing to the application of any change in the Applicable Rules to the Project.

3.2.3.3 Changes in Building and Fire Codes. Notwithstanding any provision of this Agreement to the contrary, development of the Project shall be subject to changes occurring from time to time in the Uniform Building Code and other uniform construction codes. In addition, development of the Project shall be subject to changes occurring from time to time in Chapters V and IX of the Los Angeles Municipal Code regarding the construction, engineering and design standards for both public and private improvements, provided that such changes are (a) necessary to the health and safety of the residents of the City, and (b) are generally applicable on a City-wide basis (except in the event of natural disasters as found by the Mayor or City Council such as floods, earthquakes and similar acts of God). **3.2.3.4** Changes Mandated by Federal or State Law. This Agreement shall not preclude the application to the Project of changes in, or additions to, the Applicable Rules, including rules, regulations, ordinances and official policies, to the extent that such changes or additions are mandated to be applied to developments such as this Project by State or federal regulations. In the event State or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended as may be necessary to comply with such State or federal laws or regulations.

3.2.4 Subsequent Development Review. The City shall not require Developer to obtain any approvals or permits for the development of the Project in accordance with this Agreement other than those permits or approvals which are required by the Applicable Rules or the Reserved Powers. However, any subsequent Discretionary Action or Discretionary Approval initiated by Developer which changes the uses, intensity, density, building height or phasing of the Project, or decreases the lot area, setbacks, yards, parking or other entitlements permitted on the Property as of the effective date of the ordinance authorizing the execution of this Agreement, shall be subject to the rules, regulations, ordinances and official policies of the City then in effect. Unless amended to provide otherwise, this Agreement shall not apply to any such subsequently approved Discretionary Actions.

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

3.2.6 Interim Use. The City agrees that Developer may use the Property during the term of this Agreement for any use which is otherwise permitted by the applicable zoning regulations and the General Plan in effect at the time of the interim use.

3.2.7 Moratoria or Interim Control Ordinances. In the event an ordinance, resolution or other measure is enacted, whether by action of the City, by initiative, or otherwise, which relates to the rate, timing, sequencing, or phasing of the development or construction on all or any part of the Property, City agrees that such ordinance, resolution or other measure shall not apply to the Property or this Agreement, unless such changes: (a) are found by the City to be necessary to the health and safety of the residents of the City, and (b) are generally applicable on a City-wide basis (except in

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the event of natural disasters as found by the Mayor or the City Council such as floods, earthquakes and similar acts of God).

3.2.8 Term of Vesting Tentative Map. In accordance with Section 66452.6(a)(1) of the California Government Code, the term of the Vesting Tentative Map, which was approved by the City Council on October 19, 2005, shall be the same as the Term of this Agreement.

4. **PERIODIC REVIEW.**

4.1 Annual Review. During the Term of this Agreement, the City shall review annually Developer compliance with this Agreement. Such periodic review shall be limited in scope to good faith compliance with the provisions of this Agreement as provided in the Development Agreement Act and Developer shall have the burden of demonstrating such good faith compliance.

4.2 Pre-Determination Procedure. Developer's submission of compliance with this Agreement, in a form which the Director of Planning may reasonably establish, shall be made in writing and transmitted to the Director of Planning not later than sixty (60) days prior to the yearly anniversary of the Effective Date. The public shall be afforded an opportunity to submit written comments regarding compliance to the Director of Planning at least sixty (60) days prior to the yearly anniversary of the Effective Date. All such public comments shall, upon receipt by the City, be made available to Developer.

4.3 Director's Determination. On or before the yearly anniversary of the Effective Date of the Agreement, the Director of Planning shall make a determination regarding whether or not Developer has complied in good faith with the provisions and conditions of this Agreement. This determination shall be made in writing with reasonable specificity, and a copy of the determination shall be provided to Developer in the manner prescribed in Section 7.14. Copies of the determination shall also be available to members of the public.

4.4 Appeal By Developer. In the event the Director of Planning makes a finding and determination of non-compliance, Developer shall be entitled to appeal that determination to the City Planning Commission. After a public hearing on the appeal, the City Planning Commission shall make written findings and determinations, on the basis of substantial evidence, whether or not Developer has complied in good faith with the provisions and conditions of this Agreement. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

4.5 **Period To Cure Non-Compliance.** If, as a result of this Annual Review procedure, it is found and determined by the Director of Planning or the City

Planning Commission, on appeal, that Developer has not complied in good faith with the provisions and conditions of this Agreement, the City, after denial of any appeal or, where no appeal is taken, after the expiration of the appeal period described in Section 7.3, shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 7.14, stating with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of default, Developer shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after receipt of the notice of default, by mutual consent of the City and Developer, provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

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

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

4.8 Reimbursement Of Costs. Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to accomplish the required annual review.

5. **DEFAULT PROVISIONS.**

5.1 Default By Developer

5.1.1 Default. In the event Developer does not perform its obligations under the Agreement in a timely manner, the City shall have all rights and remedies provided herein, which shall include compelling the specific performance of the obligations of Developer under this Agreement, or modification or termination of this Agreement, provided that the City has first complied with the procedure in Section 5.1.2; provided, however, that the City shall have no right to monetary damages under this Agreement as the result of any default by Developer.

5.1.2 Notice Of Default. The City through the Director of Planning shall submit to Developer, by registered or certified mail, return receipt requested, a written notice of default in the manner prescribed in Section 7.14, identifying with specificity those obligations of Developer which have not been performed. Upon receipt of the notice of default, Developer shall promptly commence to cure the identified default(s) at the earliest reasonable time after receipt of the notice of default and shall complete the cure of such default(s) not later than sixty (60) days after receipt of the notice of default, period as is reasonably necessary to remedy such default(s), provided that Developer shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

Failure To Cure Default Procedure. If, after the cure 5.1.3 period has elapsed, the Director of Planning finds and determines that Developer, or its successors, transferees and/or assignees, as the case may be, remains in default and that the City intends to terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, the Director shall make a report to the City Planning Commission and then set a public hearing before the City Planning Commission in accordance with the notice and hearing requirements of Government Code Sections 65867 and 65868. If, after public hearing, the City Planning Commission finds and determines, on the basis of substantial evidence, that Developer, or its successors, transferees and/or assigns, as the case may be, has not cured default pursuant to this Section, and that the City shall terminate or modify this Agreement, or those transferred or assigned rights and obligations, as the case may be, Developer and its successors, transferees and/or assigns, shall be entitled to appeal that finding and determination to the City Council in accordance with Section 7.3. In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity. Nothing in this Section or this Agreement shall be construed as modifying or abrogating Los Angeles City Charter Section 245 (City Council review of Commission and Board actions).

5.1.4 Termination Or Modification Of Agreement. The City may terminate or modify this Agreement, or those transferred or assigned rights and

obligations, as the case may be, after such final determination of the City Council or, where no appeal is taken, after the expiration of the appeal periods described in Section 7.3. There shall be no modifications of this Agreement unless the City Council acts pursuant to Government Code Sections 65867.5 and 65868, irrespective of whether an appeal is taken as provided in Section 7.3.

5.2 Default By The City.

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

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

5.3 No Monetary Damages. It is acknowledged by the parties that the City would not have entered into this Agreement if it were liable in monetary damages under or with respect to this Agreement or the application thereof. Both parties agree and recognize that, as a practical matter, it will not be possible physically, financially and as a matter of land use planning, to restore the Property to its prior state following the commencement of the Project. Furthermore, Developer has invested a considerable amount of time and financial resources and planning to determine the kind, location and intensity of use, improvements and structure for the Project. For these reasons, it may not be possible to determine an amount of time and financial resources in planning to arrive at the kind, location, intensity of use, and improvements for the Project, nor to calculate the consideration the City would require to enter into this Agreement to justify such exposure. Therefore, the parties agree that each of the parties may pursue any remedy at law or equity available for any breach of any provision of this Agreement,

except that the parties shall not be liable in monetary damages and the parties covenant not to sue for or claim any monetary damages for the breach of any provision of this Agreement.

6. MORTGAGEE PROTECTIONS.

6.1 Encumbrances on the Property. Developer shall have the same right to encumber Developer's right, title and interest in, to and under this Agreement and the Property that Developer would have absent this Agreement pursuant to one or more Mortgages, provided that any such Mortgage is given for the purpose of securing funds to be used for financing the acquisition of the Property or any portion thereof, the construction of improvements thereon, and/or any other expenditures reasonably necessary and appropriate to develop the Project.

6.2 Mortgagee Protection. This Agreement shall be superior and senior to the lien of any Mortgage recorded after the date on which this Agreement is recorded. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, and any acquisition or acceptance of title or any right or interest in or with respect to the Property or any portion thereof by Mortgagee, whether pursuant to foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination or otherwise, shall be subject to all of the terms and conditions of this Agreement.

6.3 Notice of Default to Mortgagee; Right to Cure. Whenever the City shall deliver any notice or demand to Developer with respect to any breach or default by Developer under this Agreement or the results of any periodic review pursuant to Article 4, the City shall concurrently deliver to each Mortgagee a copy of such notice or demand, provided that such Mortgagee(s) has informed the City in writing of its address for notices. Each Mortgagee shall have the right, but not the obligation, to cure any such default within sixty (60) days after receipt of such notice. Notwithstanding the foregoing, the City's failure to comply with this Section shall not constitute a default or grounds for termination of this Agreement.

6.4 Modification of Article; Conflicts. The City hereby agrees to cooperate in including in this Agreement by suitable amendment from time to time any provision which may reasonably be requested by any proposed Mortgagee for the purpose of allowing such Mortgagee reasonable means to protect or preserve a lien and security interest of its Mortgage hereunder, as well as such other documents containing terms and provisions customarily required by Mortgagees (taking into account the customary requirements of their participants, syndication partners or rating agencies) in connection with any such financing. The City agrees to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to effectuate any such amendment; provided, however, that any such amendment shall not in any way materially adversely affect any rights of either Party under this Agreement. If there is

any conflict between this Article $\underline{6}$ and any other provisions contained in this Agreement, this Article $\underline{6}$ shall control.

7. GENERAL PROVISIONS.

7.1 Effective Date. This Agreement shall be effective upon such date as it is attested by the City Clerk of the City of Los Angeles ("Effective Date") after execution by Developer and the Mayor of the City of Los Angeles.

7.2 Term. The term of this Agreement ("Term") shall commence on the Effective Date and shall extend for a period of twenty (20) years after the Effective Date, unless said Term is otherwise terminated, modified or extended by circumstances set forth in this Agreement or by mutual consent in writing of the Parties hereto. Following the expiration of the Term, this Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Property. The Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from the exercise of the City's Reserved Powers or Moratoria.

7.3 Appeals To City Council. Where an appeal by Developer to the City Council from a finding and/or determination of the City Planning Commission is created by this Agreement, such appeal shall be taken, if at all, within twenty (20) days after the mailing of such finding and/or determination to Developer, or its successors, transferees, and/or assignees, as the case may be, in accordance with Section 7.14. The City Council shall act upon the finding and/or determination of the City Planning Commission within eighty (80) days after such mailing, or within such additional period as may be agreed upon by the Developer and the Council. The failure of the City Council to act shall not be deemed to be a denial or an approval of the appeal, which shall remain pending until final City Council action.

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

7.5 Dispute Resolution.

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

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

7.5.3 Arbitration Procedures. Upon appointment of the arbitrator, the matter shall be set for arbitration at a time not less than thirty (30) nor more than ninety (90) days from the effective date of the appointment of the arbitrator. The arbitration shall be conducted under the procedures set forth in Code of Civil Procedure Section 638 et seq., or under such other procedures as are agreeable to both Parties, except that provisions of the California Code of Civil Procedure pertaining to discovery and the provisions of the California Evidence Code shall be applicable to such proceeding.

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

7.6 Legal Action. Subject to the limitations on remedies imposed by this Agreement, either Party may, in addition to any other rights or remedies, institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation, or enforce by specific performance the obligations and rights of the Parties hereto, seek declaratory relief with respect to its rights, obligations or interpretations of this Agreement, or pursue other remedies under applicable law.

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

7.8 Amendments. This Agreement may be amended from time to time by mutual consent in writing of the parties to this Agreement in accordance with Government Code Section 65868. Any amendment to this Agreement which relates to the Term, permitted uses, density or intensity of use, height, or size of buildings, provisions for reservation and dedication of land, conditions, restrictions, and requirements relating to subsequent discretionary action, or any conditions or covenants relating to the use of the Property shall require notice and public hearing before the parties may execute an amendment thereto. Developer shall reimburse the City for its actual costs, reasonably and necessarily incurred, to review any amendments requested by Developer, including the cost of any public hearings.

7.9 Assignment. The Property, as well as the rights and obligations of Developer under this Agreement, may be transferred or assigned in whole by Developer without the consent of the City; provided, however, that because this Agreement is intended to represent an integrated plan, the failure of any successor-in-interest to perform the obligations assigned to it may result, at the City's option, in a declaration that this Agreement has been breached and an election to terminate this Agreement in its entirety as provided for in Section 5.1. Developer, or any successor transferor, shall give prior written notice to the City of its intention to assign or transfer any of its interests, rights or obligations under this Agreement and a complete disclosure of the identity of the assignee or transferee, including copies of the Articles of Incorporation in the case of corporations and the names of individual partners in the case of partnerships. Any failure by Developer to provide said notice shall be curable in accordance with the provisions of Section 5.1.

7.9.1 Release Upon Assignment. Upon assignment, in full or in part, of Developer's rights and interests under this Agreement pursuant to this Section 7.9 in connection with the sale or transfer of any portion of the Property, Developer shall be released from its obligations under this Agreement with respect to such portion of the Property, provided that (a) Developer has delivered to the City the notice required pursuant to the preceding paragraph and (b) the transferee expressly and unconditionally assumes all of the rights and obligations of Developer under this Agreement with respect to such portion of the Property. 7.9.2 Allocation of Rights. Notwithstanding anything to the contrary in this Section, Developer shall have the right to allocate contractually with any proposed purchaser, transferee or assignee of all or any portion of Development Area A (as defined in Section 3.1.1, above) the rights and obligations of Developer hereunder with respect to such portion of Development Area A, including without limitation permitted density and/or other development rights, and the right and obligation to construct improvements, all of which shall be set forth in a written assignment and assumption agreement between Developer and the proposed purchaser, transferee or assignee. Developer, or any successor transferor, shall give prior written notice to the City of its intention to make such contractual allocation and a complete disclosure of the identity of the proposed purchaser, transferee or assignee.

7.9.3 Sale of Individual Lots. Notwithstanding anything to the contrary in this Agreement, the burden of this Agreement shall terminate as to any lot which has been finally subdivided and sold individually to the purchaser thereof, and thereupon and without the execution or recordation of any further document or instrument such lot shall be released from and no longer subject to or burdened by the provisions of this Agreement, except that each such lot shall continue to be subject to the restrictions with respect to maximum height and floor area ratio set forth in Section 3.1.3.2, above; provided, however, that the benefits of this Agreement shall continue to run as to any such lot until the earlier of the construction of a building on such lot or the termination of this Agreement, at which time this Agreement shall terminate as to such lot.

7.10 Covenants. The provisions of this Agreement shall constitute covenants which shall run with the land comprising the Property for the benefit thereof, and the burdens and benefits hereof shall bind and inure to the benefit of the Parties hereto and their respective assignees, transferees, and successors.

7.11 Cooperation And Implementation.

7.11.1 Processing. Upon satisfactory completion by Developer of all required preliminary actions and payment of appropriate Processing Fees and Charges, including the fee for processing this Agreement, the City shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Property in accordance with the terms of this Agreement. Developer shall, in a timely manner, provide the City with all documents, plans, fees and other information necessary for the City to carry out its processing obligations.

7.11.2 Other Governmental Permits. Developer shall apply in a timely manner for such other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the development of, or provision of services to, the Project. The City shall cooperate with Developer in its endeavors to obtain such permits and approvals and

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

7.11.3 Cooperation In The Event Of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to affirmatively cooperate in defending said action.

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

7.13 Hold Harmless. Developer hereby agrees to and shall indemnify, save, hold harmless and defend the City, and its elected and appointed representatives, boards, commissions, officers, agents, and employees (collectively, the "<u>City</u>" in this Section), from any and all claims, costs, and liability for any damages, personal injury or death which may arise, directly or indirectly, from Developer or Developer's contractors, subcontractors, agents, or employees' operations in connection with the construction of the Project, whether such operations be by Developer or any of Developer's contractors, subcontractors, by any one or more persons directly or indirectly employed by, or acting as agent for Developer or any of Developer's contractors. Developer further agrees to and shall indemnify, save, hold the City harmless and, if requested by the City, Developer shall defend the City in any action brought by a third party

(a) challenging the validity of this Agreement or (b) seeking damages which may arise directly or indirectly from the negotiation, formation, execution, enforcement or termination of this Agreement. Nothing in this Section shall be construed to mean that Developer shall hold the City harmless and/or defend it from any claims arising from, or alleged to arise from, the negligent acts, or negligent failure to act, on the part of the City. City agrees that it shall fully cooperate with Developer in the defense of any matter in which Developer is defending and/or holding the City harmless. The City may make all reasonable decisions with respect to its representation in any legal proceeding.

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

If to the City:

Director of Planning City of Los Angeles City Hall Room 561-C 200 North Spring Street Los Angeles, California 90012 with a copy to:

City Attorney, City of Los Angeles Real Property/Environment Division 700 City Hall East, 200 N. Main Street Los Angeles, California 90012

If to Developer:

California Whitebird, Inc. 534 E. Lamar Boulevard, Suite 200 Arlington, Texas 76011 Attention: Ms. Linda Thomas with a copy to:

Sheppard, Mullin, Richter & Hampton LLP 333 S. Hope Street, 48th Floor Los Angeles, California 90071 Attention: Jack H. Rubens, Esq.

7.15 Recordation. As provided in Government Code Section 65868.5, the City Clerk of Los Angeles shall record a copy of this Agreement with the Registrar-Recorder of the County of Los Angeles within ten (10) days following its execution by both Parties. Developer shall provide the City Clerk with the fees for such recording prior to or at the time of such recording.

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

7.17 Successors And Assignees. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties, any subsequent owner of all or any portion of the Property and their respective successors and assignees.

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

7.19 Time Of The Essence. Time is of the essence for each provision of this Agreement of which time is an element.

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

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

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

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

7.24 Estoppel Certificates. Any Party may, at any time, deliver written notice to any other Party requesting such Party to certify in writing that, to the best knowledge of the certifying Party, (a) this Agreement is in full force and effect and a binding obligation of the Parties, (b) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (c) the requesting Party is not in default in the performance of its obligations set forth in this Agreement or, if in default, to describe therein the nature of such default(s). A Party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof. Any third party, including a Mortgagee, shall be entitled to rely on such certificate. The Party requesting such certificate shall reimburse the Party providing such certificate for its actual and reasonable cost of complying with such request.

7.25 Counterparts. This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement, not counting the Cover Page or Table of Contents, consists of twenty-four (24) pages and four (4) Exhibits which constitute the entire understanding and agreement of the parties. The Exhibits are identified as follows:

Exhibit "A"	Legal Description of Property
Exhibit "B-1"	Description of Property and Subareas
Exhibit "B-2"	Depiction of Property and Subareas
Exhibit "C"	Project Approvals

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

"City":

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

Ву ____

Antonio R. Villaraigosa, Mayor

DATE: _____

APPROVED AS TO FORM: ROCKARD S. DELGADILLO, City Attorney

By _____ Laura M. Cadogan, Deputy City Attorney

DATE: _____

ATTEST: FRANK MARTINEZ, City Clerk

By _____ Deputy

DATE: _____

"Developer":

WHITEBIRD, INC., a Nevada corporation, doing business in California as California Whitebird, Inc.

By _____

Linda Thomas, President

APPROVED AS TO FORM:

By_____

Jack H. Rubens for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP, Counsel for Developer

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

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

PARCEL 1: (apn 2561-7-10,12)

THAT PORTION OF LOT 203 OF THE WESTERN EMPIRE TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 18 PAGES 162 AND 163 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING WESTERLY OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 200 OF SAID WESTERN EMPIRE TRACT; THENCE SOUTH 1928.42 FEET TO THE INTERSECTION WITH THE SOUTH LINE OF RANCHO TUJUNGA, AS SHOWN ON MAP RECORDED IN BOOK 1 PAGE 561 OF PATENTS, SAID POINT OF INTERSECTION BEING ON A DIRECT LINE BETWEEN STATION 13 AND 14 OF SAID RANCHO TUJUNGA.

EXCEPT THOSE PORTIONS OF SAID LOT 203, WITHIN THE 150 FOOT RIGHT OF WAY OF THE SOUTHERN CALIFORNIA EDISON COMPANY, LTD., DESCRIBED IN CERTIFICATE NO. GP-62886, ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLES OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47831-I, IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT, CASE NO. NC C-87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743 IN BOOK D7065 PAGE 531 OFFICIAL RECORDS.

PARCEL 2: (apn 2562-8-6)

THOSE PORTIONS OF LOTS 2 AND 7 OF FRACTIONAL SECTION 24, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LOS ANGELES, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF LOT 236 OF THE HILLHAVEN TRACT, AS PER MAP RECORDED IN BOOK 72 PAGES 48 AND 49 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID MOST SOUTHERLY CORNER BEING ALSO AN ANGLE POINT IN THE BOUNDARY OF SAID HILLHAVEN TRACT; THENCE ALONG SAID BOUNDARY SOUTH 39 DEGREES 20'0" WEST 122.37 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG SAID BOUNDARY, SOUTH 2 DEGREES 05'00" EAST 62.00 FEET TO A POINT, SAID POINT TO BE KNOWN AS POINT 'A' FOR THE PURPOSE OF THIS DESCRIPTION ONLY; THENCE CONTINUING ALONG SAID BOUNDARY, SOUTH 2 DEGREES 05'00" EAST 30.49 FEET; THENCE LEAVING SAID BOUNDARY ON A LINE PARALLEL WITH AND DISTANT SOUTHERLY 30.00 FEET MEASURED AT RIGHT ANGLES, FROM A LINE WHICH LEAVES A POINT IN THE WESTERLY LINE OF SAID LOT 7, DISTANT NORTHERLY THEREON NORTH 0 DEGREES 29'30" WEST 1542.00 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 7 AND PASSES THROUGH THE SAID POINT 'A', NORTH 81 DEGREES 48'30" WEST 149.33 FEET; THENCE SOUTH 26 DEGREES 53'05" WEST 617.26 FEET; THENCE SOUTH 76 DEGREES 47'30" EAST 210.00 FEET; THENCE NORTH 86 DEGREES 12'30" EAST 434.42 FEET TO THE WESTERLY BOUNDARY OF THE PROPERTY DESCRIBED IN CERTIFICATE OF TITLE NO. IN-77773, ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLE OF SAID COUNTY; THENCE ALONG SAID WESTERLY BOUNDARY SOUTH 9 DEGREES 00'00" WEST 211.11 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG SAID WESTERLY BOUNDARY SOUTH 7

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DEGREES 55'00" EAST 59.57 FEET TO THE INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT SOUTHERLY 80.00 FEET MEASURED AT RIGHT ANGLES FROM THAT CERTAIN COURSE HEREINABOVE DESCRIBED AS HAVING A BEARING AND LENGTH OF NORTH 86 DEGREES 12'30" EAST 434.42 FEET AND THE EASTERLY PROLONGATION THEREOF, SAID INTERSECTION BEING THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE ALONG SAID PARALLEL LINE SOUTH 86 DEGREES 12'30" WEST TO THE INTERSECTION WITH THE SOUTHWESTERLY PROLONGATION OF THAT CERTAIN COURSE HEREINABOVE DESCRIBED AS HAVING A BEARING AND LENGTH OF SOUTH 26 DEGREES 53'05" WEST 617.26 FEET; THENCE ALONG SAID PROLONGATION AND SAID LAST MENTIONED CERTAIN COURSE NORTH 26 DEGREES 53'05" EAST TO SAID FIRST MENTIONED PARALLEL LINE; THENCE ALONG SAID FIRST MENTIONED PARALLEL LINE SOUTH 81 DEGREES 48'30" EAST 149.33 FEET TO SAID BOUNDARY OF THE HILLHAVEN TRACT; THENCE ALONG SAID BOUNDARY OF THE HILLHAVEN TRACT, NORTH 2 DEGREES 05'00" WEST 30.49 FEET TO SAID LAST LINE HEREINABOVE DESCRIBED AS PASSING THROUGH SAID POINT 'A'; THENCE ALONG SAID LINE TO SAID POINT IN THE WESTERLY LINE OF SAID LOT 7, DISTANT THEREON NORTH 0 DEGREES 29'30" WEST 1542.00 FEET FROM THE SOUTHWEST CORNER THEREOF; THENCE ALONG THE WESTERLY AND SOUTHEASTERLY LINES OF SAID LOT 7, SOUTH 0 DEGREES 29'30" EAST 1542.00 FEET AND NORTH 67 DEGREES 19'30" EAST 1432.73 FEET TO SAID WESTERLY BOUNDARY OF THE LAND DESCRIBED IN SAID CERTIFICATE OF TITLE; THENCE ALONG SAID WESTERLY BOUNDARY NORTH 7 DEGREES 55'00" WEST 175.50 FEET TO THE TRUE POINT OF BEGINNING.

NOTE: THE ABOVE DESCRIBED PROPERTY IS SHOWN ON A LICENSED SURVEYOR'S MAP FILED IN BOOK 18 PAGE 39 OF RECORD OF SURVEYS, RECORDS OF SAID COUNTY.

PARCEL 3: (apn 2561-7-7)

THAT PORTION OF LOT 203 OF THE WESTERN EMPIRE TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 18 PAGES 162 AND 163 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING EASTERLY OF A LINE COMMENCING AT THE SOUTHEAST CORNER OF LOT 200 OF SAID WESTERN EMPIRE TRACT; THENCE SOUTH 1913.79 FEET TO THE INTERSECTION WITH THE SOUTH LINE OF RANCHO TUJUNGA, SHOWN ON MAP RECORDED IN BOOK 1 PAGE 561 OF PATENTS, SAID POINT OF INTERSECTION BEING ON DIRECT LINE BETWEEN STATIONS 13 AND 14 OF SAID RANCHO TUJUNGA.

EXCEPT THEREFROM THAT PORTION OF SAID LOT WITHIN THE 150 FOOT RIGHT OF WAY OF THE SOUTHERN CALIFORNIA EDISON COMPANY, LTD., DESCRIBED IN CERTIFICATE NO. GP-62886, ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLES OF LOS ANGELES COUNTY.

ALSO EXCEPT THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LOT, 566.94 FEET TO THE NORTHEASTERLY LINE OF THE 150 FOOT RIGHT OF WAY OF THE SOUTHERN CALIFORNIA EDISON COMPANY, LTD., DESCRIBED IN CERTIFICATE NO. GP-62886, ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLES OF LOS ANGELES COUNTY; THENCE ALONG SAID NORTHEASTERLY LINE NORTH 72 DEGREES 19'05" WEST 362.53 FEET; THENCE NORTH 9 DEGREES 57'18" EAST 290.27 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 130 FEET AND A RADIAL LINE TO SAID POINT BEARS NORTH 37 DEGREES 17' EAST; THENCE WESTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.03 FEET; THENCE SOUTH 85 DEGREES 22' WEST 176.53 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 240 FEET; THENCE WESTERLY ALONG SAID CURVE 83.78 FEET; THENCE NORTH 74 DEGREES 38' WEST 18.33 FEET TO THE WESTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO YVES MEVEL AND WIFE, RECORDED ON SEPTEMBER 14, 1954 AS INSTRUMENT NO. 656 IN BOOK 45565 PAGE 309 OFFICIAL RECORDS; THENCE NORTHERLY ALONG SAID WESTERLY 141.28 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT 203; THENCE EASTERLY ALONG SAID NORTHERLY

LINE 661.04 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION AS DESCRIBED IN DEED RECORDED MAY 22, 2003 AS INSTRUMENT NO. 03-1459452.

PARCEL 4: (apn 2401-32-3, 5 to 8; 2561-33-2)

LOT 1 OF SECTION 26, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LOS ANGELES, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE ON JULY 18,1904.

EXCEPT THE EAST 150 FEET THEREOF.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS PARCEL 11A, AS CONDEMNED BY FINAL DECREE ENTERED IN CASE NO. 729135, SUPERIOR COURT, A CERTIFIED COPY THEREOF BEING RECORDED DECEMBER 18, 1963 AS INSTRUMENT NO. 4626 IN BOOK D2294 PAGE 326 OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF LYING SOUTHERLY OF THE SOUTHERLY LINE OF THAT CERTAIN STRIP OF LAND 84 FEET WIDE DESCRIBED IN DEED TO THE CITY OF LOS ANGELES, RECORDED ON FEBRUARY 6, 1958 AS INSTRUMENT NO. 3279 IN BOOK D5 PAGE 675 OFFICIAL RECORDS.

PARCEL 5: (apn 2561-33-3; 2562-4-9,11; 2562-5-3, 4, 6, 7)

LOT 5 OF SECTION 24, LOT 1 SECTION 25 AND THE EAST 150 FEET OF LOT 1 OF SECTION 26, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LOS ANGELES, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47817-13 (AMENDED) IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT, CASE NO. NC C87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531 OFFICIAL RECORDS.

PARCEL 6: (apn 2561-9-5, 6, 10, 12, 16)

LOTS 2 AND 3, THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, ALL IN FRACTIONAL SECTION 23, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LOS ANGELES, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT FROM THE SAID LOT 3 AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, THAT PORTION THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, DISTANT NORTH 1 DEGREES 5'30" EAST 29.10 FEET FROM THE SOUTHWEST CORNER THEREOF; THENCE NORTH 44 DEGREES 34'30" EAST 368.20 FEET TO A 1 INCH IRON PIPE; THENCE NORTH 31 DEGREES 55'30" EAST 154 FEET TO A 1 INCH IRON PIPE; THENCE NORTH 24 DEGREES 47'30" WEST, 314.10 FEET TO A 1 INCH IRON PIPE; THENCE NORTH 89 DEGREES 9' WEST 195.24 FEET TO A POINT IN THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF THE SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER; THENCE ALONG SAID LINE, SOUTH 1 DEGREES 5'30" WEST, 681.13 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47637-1 (AMENDED) IN THE FINAL DECREE OF CONDEMNATION, ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT, CASE NO. NC C 87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743 IN BOOK D7065 PAGE 531 OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LOT 3 INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 263 IN THE FINAL DECREE OF CONDEMNATION, ENTERED IN LOS ANGELES SUPERIOR COURT, CASE NO. C 994078, A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 20, 1976 AS INSTRUMENT NO. 2371 IN BOOK D7048 PAGE 173 OFFICIAL RECORDS.

PARCEL 7: (apn 2545-18-2 AND 4; 2546-10-9)

THAT PORTION OF LOT 64 OF THE WEST PORTION OF TUJUNGA RANCH, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 29 PAGE 50 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EASTERLY LINE OF SAID LOT 64, SAID POINT BEING THE SOUTHEAST CORNER OF LOT 4072 OF TRACT 3923, AS PER MAP RECORDED IN BOOK 44 PAGE 49 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE IN A GENERAL WESTERLY DIRECTION ALONG THE GENERAL SOUTHERLY LINE OF SAID TRACT 3923, TO A POINT IN THE SOUTHERLY LINE OF LOT 4056 OF SAID TRACT 3923, MARKED BY A THREE FOURTHS INCH IRON PIPE WHICH BEARS NORTH 78 DEGREES 44' WEST 30.12 FEET, FROM THE SOUTHEAST CORNER OF SAID LOT 4056, SAID POINT ALSO BEING THE NORTHEASTERLY CORNER OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. MQ-4838 ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLE OF SAID COUNTY; THENCE IN A GENERAL SOUTHERLY DIRECTION ALONG THE EASTERLY BOUNDARY OF SAID LAND IN SAID CERTIFICATE OF TITLE NO. MQ-4838, THE FOLLOWING COURSES AND DISTANCES, SOUTH 13 DEGREES 40' WEST 151.72 FEET; SOUTH 26 DEGREES 43' WEST 224.74 FEET; SOUTH 21 DEGREES 41' EAST 436.72 FEET; SOUTH 36 DEGREES 26' WEST 143.51 FEET; SOUTH 19 DEGREES 16' WEST 170 FEET; SOUTH 24 DEGREES 31' WEST 133.52 FEET; SOUTH 20 DEGREES 54' WEST 167 FEET AND SOUTH 52 DEGREES 47' WEST 41.10 FEET TO THE MOST EASTERLY NORTHEAST CORNER OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. SE-48274 AND 5 ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLE OF SAID COUNTY; THENCE SOUTHERLY AND SOUTHWESTERLY ALONG THE SOUTHEASTERLY LINE OF SAID LAND DESCRIBED IN SAID CERTIFICATE NO. SE-48274 AND 5 THE FOLLOWING COURSES AND DISTANCES, SOUTH 43 DEGREES 04' EAST 16.93 FEET TO A BRASS CAP IN CONCRETE MARKED FOR TRIANGULATION POINT OF LOS ANGELES COUNTY; SOUTH 23 DEGREES 02' WEST 152.45 FEET; SOUTH 38 DEGREES 02' WEST 125.43 FEET; SOUTH 18 DEGREES 01' WEST 243.09 FEET; SOUTH 67 DEGREES 21' WEST 119.48 FEET; SOUTH 29 DEGREES 41' WEST 196.45 FEET AND SOUTH 54 DEGREES 38' WEST 105.07 FEET TO THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. EW-49468 ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLE OF SAID COUNTY; THENCE ALONG SAID LAST MENTIONED SOUTHWESTERLY LINE, SOUTH 21 DEGREES 29'20" EAST 2665.24 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF SAID LOT 64; THENCE NORTH 87 DEGREES 00' EAST ALONG SAID SOUTHERLY LINE 6.94 CHAINS TO THE SOUTHEAST CORNER OF SAID LOT 64; THENCE NORTH ALONG THE EAST LINE OF SAID LOT 64, TO THE SOUTHEAST CORNER OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. XX-96488 ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLE OF SAID COUNTY; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID LAST DESCRIBED LAND 120 FEET TO THE SOUTHWEST CORNER OF SAID LAND; THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID LAND 120 FEET TO THE NORTHWEST CORNER OF SAID LAND; THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID LAND 120 FEET TO THE EASTERLY LINE OF SAID LOT 64; THENCE NORTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE TO THE POINT OF BEGINNING.

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EXCEPT THEREFROM THAT PORTION, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE EASTERLY LINE OF SAID LOT 64, DISTANT SOUTHERLY THEREON 186.36 FEET FROM THE SOUTHEASTERLY CORNER OF LOT 4072 OF TRACT 3923, IN BOOK 44 PAGE 49 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE CONTINUING SOUTHERLY ALONG SAID EASTERLY LINE 258.02 FEET, TO THE NORTHERLY LINE OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE XX-96488 ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLES OF SAID COUNTY; THENCE ALONG SAID NORTHERLY LINE SOUTH 89 DEGREES 25'18" WEST 63.85 FEET TO A POINT ON A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 50 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 83 DEGREES 12'03" EAST; THENCE NORTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 32.34 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 98.18 FEET; THENCE NORTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 67.69 FEET; THENCE NORTH 4 DEGREES 15'35" WET 28.71 FEET; THENCE NORTH 5 DEGREES 55'10" EAST 97.92 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 50 FEET; THENCE NORTHERLY AND EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.23 FEET; THENCE NORTHERLY AND EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.23 FEET; THENCE NORTHERLY AND EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.23 FEET; THENCE NORTHERLY AND EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.23 FEET; THENCE NORTHERLY AND EASTERLY ALONG SAID CURVE, AN ARC DISTANCE OF 95.23 FEET; THENCE SOUTH 59 DEGREES 06'05" EAST 17.40 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM A STRIP OF LAND 150 FEET IN WIDTH, AS CONVEYED TO THE SOUTHERN CALIFORNIA EDISON COMPANY, LTD., A CORPORATION, BY DOCUMENT NO. 195130 FILED SEPTEMBER 27, 1930 IN THE OFFICE OF THE REGISTRAR OF TITLES OF LOS ANGELES COUNTY, AND ENTERED ON CERTIFICATE NO. GP-62888 AND SHOWN ON LICENSED SURVEYOR'S MAP FILED IN BOOK 30 PAGE 15 AND IN BOOK 41 PAGE 15 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47826-1 AND 47833-1 IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT, CASE NO. NC C87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743 IN BOOK D7065 PAGE 531 OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF LAND LYING WITHIN THE LAND DESCRIBED IN DEED RECORDED MAY 16, 2000 AS INSTRUMENT NO. 00-752467.

PARCEL 8: (apn 2561-7-13)

THE NORTH ONE-HALF OF LOT 96 OF THE MONTE VISTA TRACT, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 6 PAGE 324 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF THE HIGHWAY VACATED BY ORDER OF THE BOARD OF SUPERVISORS IN ROAD BOOK 13 PAGE 44, ADJOINING SAID LOT ON THE EAST AND NORTH AND LYING WESTERLY OF THE WESTERN EMPIRE TRACT, AS PER MAP RECORDED IN BOOK 18 PAGE 162 OF MAPS, AND LYING SOUTHERLY OF THE CENTER LINE OF SAID HIGHWAY ADJOINING SAID LOT ON THE NORTH.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47826-1 IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO. LNC C87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743 IN BOOK D7065 PAGE 531 OFFICIAL RECORDS.

PARCEL 8A:

INTENTIONALLY DELETED.

PARCEL 9:

AN EASEMENT 60 FEET WIDE, FOR STREET AND HIGHWAY PURPOSES, OVER THAT PORTION OF LOT 64 OF THE WEST PORTION OF TUJUNGA RANCH, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 29 PAGE 50 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING ADJACENT TO AND WESTERLY OF THE EAST LINE OF SAID LOT AND NORTH OF AND ADJACENT TO THE PROPERTY DESCRIBED IN CERTIFICATE OF TITLE NO. KX-96486 ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLE OF LOS ANGELES COUNTY, AND EXTENDING WESTERLY TO THE CENTER LINE OF THE RIGHT OF WAY SHOWN ON DOCUMENT NO. 9603-Y FILED ON JULY 5, 1938, SHOWN ON CERTIFICATE NO'S. GK-61219 AND XL-77248 IN THE OFFICE OF THE REGISTRAR OF TITLES OF LOS ANGELES COUNTY.

PARCEL 10: (apn 2545-18-2; 2546-10-5)

THAT PORTION OF LOT 64 OF THE WEST PORTION OF TUJUNGA RANCH, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 29 PAGES 51 AND 52 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY CORNER OF TRACT 3923, AS PER MAP RECORDED IN BOOK 44 PAGES 49 AND 50 OF MAPS; THENCE ALONG THE SOUTHERLY LINES OF SAID TRACT 3923, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 65 DEGREES 50' EAST 42.96 FEET; SOUTH 61 DEGREES 50' EAST 31.44 FEET; SOUTH 56 DEGREES 50' EAST 30.72 FEET; SOUTH 49 DEGREES 50' EAST 30.13 FEET; SOUTH 44 DEGREES 50' EAST 30.00 FEET; SOUTH 36 DEGREES 50' EAST 30.27 FEET; SOUTH 34 DEGREES 04' EAST 30.50 FEET; SOUTH 75 DEGREES 19' EAST 224.73 FEET ALONG A CURVE CONCAVE TO THE NORTHEAST AND HAVING A RADIUS OF 15 FEET, A DISTANCE OF 26.20 FEET; SOUTH 4 DEGREES 37' WEST 184.86 FEET; NORTH 54 DEGREES 33' EAST 39.20 FEET; NORTH 67 DEGREES 42' EAST 33.64 FEET AND SOUTH 85 DEGREES 50' EAST 67.16 FEET TO THE MOST NORTHERLY CORNER OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. MQ-4838 ON FILE IN THE OFFICE OF THE REGISTRAR OF TITLES OF SAID COUNTY, MARKED ON A THREE FOURTHS INCH IRON PIPE IN THE SOUTHERLY LINE OF SAID TRACT 3923; THENCE ALONG THE NORTHERLY, WESTERLY, SOUTHWESTERLY AND SOUTHERLY LINES OF SAID LAND THE FOLLOWING COURSES AND DISTANCES:

SOUTH 52 DEGREES 31' WEST 224.13 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 37 DEGREES 48' WEST 122.20 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 50 DEGREES 00' WEST 119.74 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 54 DEGREES 31' WEST 336.86 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 14 DEGREES 40' EAST 150.15 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 9 DEGREES 23' WEST 269.16 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 43 DEGREES 25' EAST 157.22 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 73 DEGREES 44' EAST 213.29 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 61 DEGREES 12' EAST 108.11 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 33 DEGREES 21' EAST 101.71 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 13 DEGREES 16' EAST 169.49 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 38 DEGREES 04' EAST 132.79 FEET TO A THREE FOURTHS INCH IRON PIPE; SOUTH 65 DEGREES 39' EAST 91.24 FEET TO A THREE FOURTHS INCH IRON PIPE; AND NORTH 63 DEGREES 00' EAST 191.65 FEET TO A TWO INCH PIPE; THENCE SOUTH 43 DEGREES 04' EAST 16.93 FEET TO A BRASS CAP IN CONCRETE MARKED FOR TRIANGULATION POINT OF LOS ANGELES COUNTY; THENCE SOUTH 23 DEGREES 02' WEST 152.45 FEET; THENCE SOUTH 34 DEGREES 02' WEST 125.43 FEET; THENCE SOUTH 18 DEGREES 01' WEST 243.09 FEET; THENCE SOUTH 67 DEGREES 21' WEST 119.48 FEET; THENCE SOUTH 29 DEGREES 41' WEST 196.45 FEET; THENCE SOUTH 54 DEGREES 38' WEST 105.87 FEET TO THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. EW-49468 ON FILE IN THE OFFICE OF SAID REGISTRAR OF TITLE; THENCE

W02-LA:LRE\70780163.11 031506 EXHIBIT "A" Page 6 of 16 ALONG LAST MENTIONED SOUTHWESTERLY LINE, NORTH 21 DEGREES 24'20" WEST 972.68 FEET TO THE SOUTHERLY LINE OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. MC-66701 ON FILE IN THE OFFICE OF SAID REGISTRAR OF TITLES; THENCE ALONG LAST MENTIONED SOUTHERLY LINE SOUTH 72 DEGREES 23'10" EAST 21.57 FEET TO THE SOUTHEASTERLY CORNER OF LAST MENTIONED LAND; THENCE ALONG THE EASTERLY LINE OF LAST MENTIONED LAND, NORTH 21 DEGREES 11'50" WEST 390.35 FEET TO THE WESTERLY LINE OF SAID LAND DESCRIBED IN CERTIFICATE OF TITLE NO. EW-49468; THENCE ALONG LAST MENTIONED WESTERLY LINE NORTH 2 DEGREES 44'02" EAST 1221.31 FEET TO A POINT IN THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF SAID TRACT 3923; DISTANT SOUTHWESTERLY THEREON 226.71 FEET FROM A TWO INCH IRON PIPE AT THE MOST WESTERLY CORNER OF SAID TRACT 3923; THENCE NORTH 45 DEGREES 34' EAST 226.91 FEET TO THE POINT OF BEGINNING.

EXCEPT THE RIGHT OF WAY OF THE SOUTHERN CALIFORNIA EDISON COMPANY, LTD., 150.00 FEET WIDE, AS DESCRIBED IN CERTIFICATE OF TITLE NO. GP-62888 ON FILE IN THE OFFICE OF SAID REGISTRAR OF TITLES AND SHOWN ON MAP FILED IN BOOK 31 PAGE 15 OF RECORD OF SURVEYS, AND ALSO IN BOOK 30 PAGE 15 RECORD OF SURVEYS.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47826-2, IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO. NC C 87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531 OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 11: (apn 2561-7-16, 18, 19, 21, 22)

THE SOUTH HALF OF LOT 96 AND ALL OF LOT 97 OF MONTE VISTA, IN THE CITY OF LOS ANGELES, AS PER MAP RECORDED IN BOOK 6, PAGES 324 AND 325 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THOSE PORTIONS OF THE HIGHWAY VACATED BY AN ORDER OF THE BOARD OF SUPERVISORS OF SAID COUNTY, ON FILE IN ROAD BOOK 13 PAGE 44, IN THE OFFICE OF THE SAID BOARD OF SUPERVISORS, ADJOINING SAID LOTS 96 AND 97 OF THE EAST AND LYING WESTERLY OF THE WESTERN EMPIRE TRACT, AS PER MAP RECORDED IN BOOK 18, PAGES 162 AND 163 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT FROM SAID LOT 96, THAT PORTION THEREOF, DESCRIBED IN DEED TO SOUTHERN CALIFORNIA EDISON COMPANY, LTD., DATED AUGUST 14, 1930 AND FILED SEPTEMBER 27, 1930 AS INSTRUMENT NO. 195129, IN THE OFFICE OF THE REGISTRAR OF TITLES OF LOS ANGELES COUNTY, AND DESCRIBED IN CERTIFICATE OF TITLE NO. GP-62887, IN THE OFFICE OF SAID REGISTRAR.

ALSO EXCEPT ONE-FOURTH OF ALL OIL, MINERALS, GAS, HYDROCARBON AND ALLIED SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT RIGHT OF ENTRY ON SAID LAND, AS RESERVED BY ROY E. WEST AND NANCY V. WEST, HUSBAND AND WIFE, IN DEED RECORDED JANUARY 25, 1952, IN BOOK 38117 PAGE 377 OFFICIAL RECORDS.

ALSO EXCEPT ONE-HALF OF ALL OIL, MINERALS, GAS, HYDROCARBON AND ALLIED SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT THE RIGHT OF ENTRY ON SAID LAND, AS RESERVED BY ROSE FRANKLIN, A MARRIED WOMAN, AS HER SEPARATE PROPERTY, BY DEED RECORDED MARCH 16, 1965 AS INSTRUMENT NO. 1474, IN BOOK D2833 PAGE 97 OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47828-1 AND 47831-1 IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO. NC C 87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531 OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 12: (apn 2562-4-8)

THAT PORTION OF LOT 4 OF SECTION 24 TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED AS PARCEL 47837-1 (AMENDED) IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT, CASE NO. NC C 87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531 OFFICIAL RECORDS.

PARCEL 13: (apn 2401-34-3; 2561-9-7, 13, 15; 2561-33-1; 2562-4-1, 5, 6, 12, 14; 2562-6-3, 5, 6, 8; 2562-7-1)

THOSE PORTIONS OF FRACTIONAL SECTIONS 24 AND 25, IN TOWNSHIP 2 NORTH, RANGE 14 WEST, IN THE RANCHO SAN RAFAEL, IN THE CITY OF LOS ANGELES, INCLUDED WITHIN THE LINES OF V. BEAUDRY'S MOUNTAINS, IN SAID CITY, AS PER MAP RECORDED IN BOOK 36, PAGES 67 TO 71 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO LOT 1, AND THE SOUTHEAST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER, ALL IN SECTION 23, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN SAID CITY, ACCORDING TO THE OFFICIAL PLAT THEREOF.

ALSO LOTS 3, 4, AND 6 IN SECTION 24, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN SAID CITY, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT FROM SAID ABOVE PORTION OF FRACTIONAL SECTION 25, THOSE PORTIONS DESCRIBED IN THE PARTIAL RECONVEYANCE, RECORDED ON MARCH 4 1965 IN BOOK R2192 PAGE 644 OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED PARCEL 47837-1 (AMENDED) IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO. NC C 87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531 OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT ONE-TENTH OF ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS, UNDER AND IN SAID LAND, WITHOUT RIGHT OF ENTRY, TO THE LOS ANGELES SHRINE HOSPITAL FOR CRIPPLED CHILDREN, A CALIFORNIA CORPORATION, AS PROVIDED IN DEED FROM J. DE BELL, ALSO KNOWN AS JOSEPH D. BELL, ALSO KNOWN AS JOSEPH A. DE BELL, WHO ACQUIRED TITLE AS J. D. BELL, A SINGLE MAN, TO VERDUGO MOUNTAINS, INC., A CORPORATION, RECORDED AUGUST 8, 1963 AS INSTRUMENT NO. 1122, IN BOOK D2137 PAGE 114 OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION LYING SOUTHWESTERLY OF THE NORTHEASTERLY LINE OF LA TUNA CANYON ROAD AS DESCRIBED IN DEED RECORDED FEBRUARY 6, 1958 AS INSTRUMENT NO. 3279.

ALSO EXCEPT THEREFROM THAT PORTION LYING WITHIN THE LAND DESCRIBED IN DEED RECORDED DECEMBER 31, 2003 AS INSTRUMENT NO. 03-3912319.

PARCEL 14: (apn 2572-28-25/26)

THE NORTHWEST ONE-FOURTH OF THE NORTHWEST ONE-FOURTH OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 13 WEST, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON COUNTY SURVEYOR'S MAP B-725 ON FILE IN THE OFFICE OF THE COUNTY ENGINEER OF SAID COUNTY.

EXCEPT THAT PORTION OF SAID LAND CONVEYED TO THE CITY OF LOS ANGELES, BY DEED RECORDED DECEMBER 20, 1960 AS INSTRUMENT NO. 1385, IN BOOK D1069 PAGE 778 OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM, THAT PORTION OF SAID LAND LYING SOUTHERLY OF THE SOUTHERLY LINE OF LA TUNA CANYON ROAD, AS SHOWN ON COUNTY SURVEYOR'S MAP 10259-2, SHEET 2, ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF THAT CERTAIN STRIP OF LAND, 84.00 FEET WIDE, DESCRIBED IN THE DEED TO THE CITY OF LOS ANGELES, RECORDED ON FEBRUARY 6, 1958 AS INSTRUMENT NO. 3279, IN BOOK D5 PAGE 675, OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47837-1 (AMENDED) IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT, CASE NO. C87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531 OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND LYING WITHIN THE LAND DESCRIBED IN DEED RECORDED MARCH 17, 2004 AS INSTRUMENT NO. 04-632002.

PARCEL 15: (APN 2572-28-27)

THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 30 AND THE NORTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 30, TOWNSHIP 2 NORTH, RANGE 13 WEST, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON COUNTY SURVEYOR'S MAP NO. B-725 ON FILE IN THE OFFICE OF THE COUNTY ENGINEER OF SAID COUNTY.

EXCEPT THEREFROM, THAT PORTION OF SAID LAND LYING SOUTHERLY OF THE NORTHERLY LINE OF LA TUNA CANYON ROAD, AS SHOWN ON COUNTY SURVEYOR'S MAP NO. B-259, SHEET 2, ON FILE IN THE OFFICE OF THE COUNTY ENGINEER OF SAID COUNTY.

ALSO EXCEPT THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF THAT CERTAIN STRIP OF LAND 84.00 FEET WIDE, DESCRIBED IN THE DEED TO THE CITY OF LOS ANGELES, RECORDED ON FEBRUARY 6, 1958 AS INSTRUMENT NO. 3279, IN BOOK D5 PAGE 675 OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCELS 47837-I (AMENDED), 47837-6, 49264 AND 56121, IN THE FINAL DECREE OF CONDEMNATION, ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT, CASE NO. NC C878778, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531, OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND LYING WITHIN THE LAND DESCRIBED IN DEED RECORDED MARCH 17, 2004 AS INSTRUMENT NO. 04-632002.

PARCEL 16:(APN 2562-3-5; 2563-25-PORTION 9)

THAT PORTION OF LOT 229 OF THE WESTERN EMPIRE TRACT, SHEET NO. 4, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18 PAGE 162 ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 229; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF SAID LOT 229, TO THE SOUTHERLY LINE OF THE LAND FIRST DESCRIBED IN THE DEED TO EDWARD C. ROESER AND WIFE, FILED AS DOCUMENT NO. 16153-V ON AUGUST 31, 1953 IN THE OFFICE OF THE REGISTRAR OF LAND TITLE OF SAID COUNTY; THENCE ALONG THE WESTERLY AND NORTHERLY BOUNDARY LINE OF SAID LAND OF ROESER, NORTH 9°30'55" EAST 271.977 FEET; THENCE SOUTH 78°41'50" EAST 109.16 FEET; THENCE NORTH 51°24'30" EAST 91.78 FEET; THENCE SOUTH 61°37'30" EAST 64.08 FEET; THENCE NORTH 75°19'59" EAST 55.31 FEET TO AN ANGLE POINT IN THE WESTERLY BOUNDARY LINE OF THE HILLHAVEN TRACT, AS PER MAP RECORDED IN BOOK 72 PAGE 48 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE BOUNDARY LINE OF SAID HILLHAVEN TRACT, NORTH 75°06' EAST 80.75 FEET; THENCE SOUTH 10°21' WEST 48.22 FEET; THENCE SOUTH 9°56' EAST 81.05 FEET; THENCE SOUTH 62°23' EAST 50.44 FEET; THENCE NORTH 9°56' WEST 104.63 FEET; THENCE NORTH 10°21' EAST 115.46 FEET; THENCE SOUTH 88°19' WEST 30 FEET; THENCE LEAVING THE BOUNDARY LINE OF SAID HILLHAVEN TRACT, SHOWN SOUTH 21°02'40" WEST 11.21 FEET; THENCE SOUTH 79°49'30" WEST 72.69 FEET; THENCE SOUTH 67°01'30" WEST 83.22 FEET; THENCE NORTH 61°37'30" WEST 71.30 FEET; THENCE SOUTH 51°25'30" WEST 70.70 FEET; THENCE NORTH 28°45'30" WEST 162.99 FEET; THENCE NORTH 8°20'54" EAST 147.29 FEET, MORE OR LESS, TO A POINT IN THE SOUTHERLY LINE OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED TO SALLY M. BRITTAN, RECORDED AUGUST 3, 1951 AS INSTRUMENT NO. 21996-T, IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY; THENCE WESTERLY AND NORTHERLY ALONG THE SOUTHERLY AND WESTERLY LINES OF SAID LAND TO BRITTAN TO THE SOUTHERLY LINE OF TRACT NO. 8959, AS SHOWN ON MAP RECORDED IN BOOK 122 PAGE 18 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE WESTERLY FOLLOWING THE SOUTHERLY BOUNDARY LINE OF SAID TRACT NO. 8959, TO THE MOST EASTERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO GEORGE G. GLADE AND WIFE, RECORDED MARCH 24, 1949 AS DOCUMENT NO. 5479-R, IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY; THENCE ALONG THE SOUTHERLY AND WESTERLY LINE OF SAID LAND OF GLADE, SOUTH 32°12'24" WEST 44 FEET; THENCE SOUTH 67°42'57" WEST 178.36 FEET;THENCE NORTH 22°55'56" WEST 131 FEET; THENCE NORTH 15°18'46" WEST 134.25 FEET; THENCE NORTH 3°18'54" EAST 25 FEET TO THE NORTHWEST CORNER OF SAID LAND OF GLADE; THENCE NORTH 86°41'04" WEST 24.47 FEET; THENCE SOUTH 82°53'30" WEST 82.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY, AND HAVING A RADIUS OF 85 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 105°47'15" A DISTANCE OF 156.94 FEET; THENCE SOUTH 22°53'45" EAST 86.46 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 90 FEET; THENCE SOUTHWESTERLY ALONG SAID LAST MENTIONED CURVE, THROUGH AN ANGLE OF 96°12'45" A DISTANCE OF 151.13 FEET; THENCE SOUTH 73°19' WEST 232.41 FEET; THENCE SOUTH 83°18'15" WEST 39.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, AND HAVING A RADIUS OF 100 FEET; THENCE WESTERLY ALONG SAID LAST MENTIONED CURVE, THROUGH AN ANGLE OF 46°51'35" A DISTANCE OF 81.79 FEET; THENCE NORTH 49°50'10" WEST 122.38 FEET; THENCE NORTH 34°08'50" WEST 70.08 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND AHVNIG A RADIUS OF 100 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 61°08'10" A DISTANCE OF 106.70 FEET; THENCE SOUTH 84°43'00" WEST 105.45 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, AND HAVING A RADIUS OF 100 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 22°32'00" A DISTANCE OF 39.33 FEET; THENCE NORTH 72°45'00" WEST 159.60 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 100 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH AN ANGLE OF 25°08'30" A DISTANCE OF

43.88 FEET; THENCE NORTH 47°36′30″ WEST 47.06 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 55 FEET; THENCE WESTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 29°55′15″ A DISTANCE OF 28.72 FEET TO A POINT, A RADIAL LINE TO SAID POINT BEARS NORTH 12°28′15″ EAST; THENCE SOUTH 0°54′30″ EAST 27.73 FEET, MOL, TO THE CENTERLINE OF THE 50 FOOT STRIP OF LAND DESCRIBED IN PARCEL 5 OF THE DEED TO CARL E. GORMON, ET UX., FILED AS DOCUMENT NO. 13766-W, ON AUGUST 26, 1954, IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY;THENCE ALONG SAID CENTERLINE, NORTH 65°15′40″ WEST TO A POINT IN THAT CERTAIN COURSE IN THE EASTERLY LINE OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DEED TO CARL E. GORMAN, ET UX., HAVING A BEARING AND LENGTH OF SOUTH 6°00′ WEST 155 FEET, SAID POINT BEING DISTANT NORTH 6°00′ EAST ALONG SAID EASTERLY LINE, 30.90 FEET FROM THE SOUTHEASTERLY CORNER OF SAID LAST MENTIONED PARCEL 1; THENCE ALONG THE BOUNDARY LINE OF SAID LAND OF GORMAN, ET UX., SOUTH 6°00′ WEST 30.90 FEET; THENCE NORTH 67°00′ WEST 85° TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 150 FEET; THENCE WESTERLY ALONG SAID CURVE TO THE WESTERLY LINE OF SAID LOT 229; THENCE SOUTHERLY ALONG SAID WESTERLY LINE TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE RANCHO TUJUNGA, AS SHOWN ON MAP RECORDED IN BOOK 1 PAGE 561 ET SEQ., OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDR OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LOT 229, CONVEYED TO SOUTHERN CALIFORNIA EDISON COMPANY, LTD., DESCRIBED IN DOCUMENT NO. 19519, REGISTERED SEPTEMBER 27, 1930 ON CERTIFICATE OF TITLE NO. GP-6284, IN THE OFFICE OF THE REGISTRAR OF TITLES OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LOT 229, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHEASTERLY LINE OF VERDUGO CRESTLINE DRIVE, 50 FEET WIDE, AS SHOWN ON MAP OF TRACT NO. 8959, IN BOOK 122 PAGE 18 OF MAPS, COUNTY OF LOS ANGELES, DISTANT THEREON SOUTH 42°05' WEST 12.00 FEET FROM T HE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE ON SAID SOUTHEASTERLY LINE HAVING A BEARING OF NORTH 42°05' EAST AND A LENGTH OF 42.61 FEET; THENCE SOUTH 87°41'00" EAST 117.54 FEET TO THE NORTHERLY TERMINUS OF THAT CERTAIN COURSE DESCRIBED AS HAVING A BEARING AND LENGTH OF NORTH 16°45' WEST 107.49 FEET, IN THE DEED REGISTERED AUGUST 13, 1951 AS DOCUMENT NO. 21996-T; THENCE ALONG SAID LAST MENTIONED CERTAIN COURSE SOUTH 16°45' EAST 107.59 FEET TO THE SOUTHERLY TERMINUS OF SAID LAST MENTIONED CERTAIN COURSE; THENCE ALONG THE SOUTHERLY LINE OF THE LAND FIRST DESCRIBED IN SAID DEED TO SALLY M. BRITTAN, NORTH 72°17'40" EAST 8.77 FEET; THENCE ALONG THE WESTERLY LINE OF THE LAND SECONDLY DESCRIBED IN SAID DEED TO SALLY M. BRITTAN, SOUTH 8°20'54" WEST 156.21 FEET TO THE MOST SOUTHERLY CORNER OF SAID LAST MENTIONED LAND; THENCE SOUTH 33°05'12" WEST 69.45 FEET; THENCE NORTH 63°15'00" WEST 202.77 FEET TO THE EASTERLY LINE OF SAID VERDUGO CRESTLINE DRIVE, SAID EASTERLY LINE BEING ALSO THE EASTERLY BOUNDARY OF SAID TRACT NO. 8959; THENCE IN A GENERALLY NORTHERLY DIRECTION FOLLOWING ALONG THE EASTERLY BOUNDARY OF SAID TRACT NO. 8959, BEING ALONG SAID VERDUGO CRESTLINE DRIVE, TO SAID POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LOT 229 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY TERMINIUS OF THAT CERTAIN COURSE HAVING A BEARING AND DISTANCE OF "NORTH 42° 05' 00" EAST 42.61 FEET" ON THE SOUTHEASTERLY LINE OF VERDUGO CRESTLINE DRIVE, 50 FEET WIDE, AS SHOWN ON TRACT NO. 8959, FILED IN BOOK 122 PAGE 18 OF MAPS, RECORDS OF SAID COUNTY;

THENCE, SOUTHWESTERLY ALONG SAID CERTAIN COURSE TO THE NORTHERLY LINE OF THE LAND DESCRIBED IN DEED RECORDED NOVEMBER 5, 1963 IN BOOK D2244 PAGE 879 OF OFFICIAL

RECORDS, IN SAID OFFICE OF THE COUNTY RECORDER;

THENCE EASTERLY ALONG SAID NORTHERLY LINE TO THE NORTHERLY TERMINUS OF THAT CERTAIN COURSE HAVING A BEARING AND DISTANCE OF "NORTH 16° 45' 00" WEST 107.59 FEET" ON THE WESTERLY LINE OF THE LAND DESCRIBED IN DEED REGISTERED AUGUST 3, 1951 AS INSTRUMENT NO. 21996-T OF TORRENS, IN SAID OFFICE OF THE COUNTY RECORDER;

THENCE, NORTHERLY ALONG SAID WESTERLY LINE TO THE SOUTHERLY LINE OF VERDUGO CRESTLINE DRIVE, AS SHOWN ON SAID TRACT NO. 8959;

THENCE, WESTERLY AND SOUTHWESTERLY ALONG THE SOUTHERLY AND SOUTHEASTERLY LINES OF VERDUGO CRESTLINE DRIVE, AS SHOWN ON SAID TRACT NO. 8959, TO THE POINT OF BEGINNING.

(THE ABOVE EXCEPTION DESCRIPTION IS BASED ON RECORD INFORMATION ONLY, AND NOT BASED ON SURVEY INFORMATION.)

PARCEL 17: (apn 2562-3-12)

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THAT PORTION OF LOT 206 1/2 OF THE WESTERN EMPIRE TRACT, SHEET NO. 4, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18 PAGE 162 ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID LOT 206 ½; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID LOT 206 ½ TO THE SOUTHWESTERLY CORNER OF SAID LOT 206 ½; THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID LOT206 ½ TO A POINT IN THE SOUTHERLY BOUNDARY OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED TO BOYD A. TAYLOR, RECORDED ON JULY 12, 1955 AS INSTRUMENT NO. 83, IN BOOK 48321 PAGE 130 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE IN A GENERALLY NORTHEASTERLY DIRECTION FOLLOWING ALONG THE SOUTHEASTERLY BOUNDARY OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DEED TO TAYLOR, TO THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED TO CARL E. GORMON, AND WIFE, FILED ON AUGUST 26, 1954 AS DOCUMENT NO. 13766-W, IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY; THENCE NORTHEASTERLY AND EASTERLY FOLLOWING ALONG THE SOUTHERSTRALY AND SOUTHERLY BOUNDARY OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DESCRIBED IN PARCEL 1 OF SAID COUNTY; THENCE NORTHEASTERLY AND EASTERLY FOLLOWING ALONG THE SOUTHEASTERLY AND SOUTHERLY BOUNDARY OF THE LAND DESCRIBED IN PARCEL 1 OF SAID LOT 206 ½; THENCE SOUTHERLY ALONG SAID EASTERLY LINE TO SAID POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITH THE 150.00 FEET RIGHT OF WAY OF THE SOUTHERN CALIFORNIA EDISON COMPANY, LTD., DESCRIBED IN DOCUMENT NO. 195128 FILED ON SEPTEMBER 27, 1930 ENTERED ON CERTIFICATE NO. GP-62883, IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY.

ALSO EXCEPT THEREFROM ANY PORTION OF SAID LAND LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE RANCHO TUJUNGA, SHOWN ON MAP RECORDED IN BOOK 1 PAGES 151 AND 152 OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 18: (APN REMAINDER 2563-25-9)

THAT PORTION OF LOT 229 OF THE WESTERN EMPIRE TRACT, SHEET NO. 4, IN THE CITY OF LOS ANGELES, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18 PAGE 162 ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

EXHIBIT "A" Page 12 of 16

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF THE 50 FOOT STRIP OF LAND DESCRIBED IN PARCEL 5 OF THE DEED TO CARL E. GORMON, ET UX., REGISTERED AS DOCUMENT NO. 13766-W ON AUGUST 26, 1954 IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY, WITH THE SOUTHERLY PROLONGATION OF THAT PORTION OF THE WESTERLY LINE OF THE LAND DESCRIBED IN PARCEL 1, OF THE DEED OF TRUST REGISTERED AS DOCUMENT NO. 16266-V ON SEPTEMBER 2, 1953 IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES RECITED THEREIN AS HAVING A BEARING AND LENGTH OF NORTH 0°54'30" WEST 380.77 FEET; THENCE NORTH 0°54'30" WEST ALONG SAID PROLONGATION TO AND ALONG AID WESTERLY LINE, 408.50 FEET, MORE OR LESS, TO A POINT, SAID POINT BEING DESIGNATED AS POINT "A" FOR THE PURPOSE OF THIS DESCRIPTION, SAID POINT "A" BEING ON A LINE WHICH BEARS SOUTH 69°33'30" WEST FROM A POINT IN THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. HD-66985, ON FILE IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES, DISTANT THEREON NORTH 36°41' WEST 240 FEET FROM THE MOST SOUTHERLY CORNER OF SAID LAST MENTIONED LAND; THENCE FROM SAID POINT "A"; NORTH 69°33'30" EAST TO THE WESTERLY LINE OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED OF TRUST REGISTERED AS DOCUMENT NO. 6-X, ON JANUARY 3, 1955 IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES; THENCE NORTH 12°23'40" WEST ALONG THE WESTERLY LINE OF SAID LAND DESCRIBED IN DOCUMENT NO. 6-X, TO THE NORTHWEST CORNER OF SAID LAND; THENCE NORTH 87°22'15" EAST ALONG THE NORTHERLY LINE OF SAID LAND TO A LINE WHICH BEARS NORTH 69°33'30" EAST FROM SAID POINT "A": THENCE NORTH 69°33'30" EAST ALONG SAID LAST MENTIONED LINE TO THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED IN SAID CERTIFICATE OF TITLE NO. HD-66785; THENCE SOUTH 36°41' EAST ALONG SAID PROLONGED LINE TO THE MOST WESTERLY CORNER OF THE LAND DESCRIBED IN SAID CERTIFICATE OF TITLE NO. HD-66985; THENCE ALONG THE NORTHWESTERLY LINES OF SAID CERTIFICATE OF TITLE NO. HD-66985, AS FOLLOWS:

NORTH 53° 19' EAST 181.30 FEET AND NORTH 89° 08' EAST 212.22 FEET TO THE MOST NORTHERLY CORNER OF SAID LAND, SAID MOST NORTHERLY CORNER BEING IN THE WESTERLY LINE OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. CX-33926, ON FILE IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES; THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE NORTHERLY LINE OF SAID LOT 229, THENCE WESTERLY ALONG SAID NORTHERLY LINE TO THE NORTHEASTERLY CORNER OF THE LAND DESCRIBED AS PARCEL 1 IN THE DEED TO PETER T. PETERSON, ET UX., REGISTERED AS DOCUMENT NO. 13674-W, ON AUGUST 25, 1954 IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES; THENCE ALONG THE BOUNDARY LINES OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DEED TO PETER T. PETERSON, ET UX., AS FOLLOWS:

SOUTH 5°47'47" WEST 241.41 FEET; SOUTH 53°36'47" WEST 453.19 FEET, MORE OR LESS, TO AN ANGLE POINT THEREIN AND NORTH 62°00' WEST TO THE MOST EASTERLY CORNER OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DEED TO CARL E. GORMON, ET UX., REGISTERED AS DOCUMENT NO. 13766-W ON AUGUST 26, 1954 THENCE SOUTH 6°00' WEST ALONG THE EASTERLY LINE OF SAID LAST MENTIONED PARCEL 1, TO THE CENTERLINE OF THE 50 FEET STRIP OF LAND DESCRIBED IN PARCEL 5 OF SAID DEED TO CARL E. GORMON, ET UX.; THENCE SOUTH 65°15'40" EAST, ALONG SAID CENTERLINE TO THE POINT OF BEGINNING.

PARCEL 19: (2563-26-6)

THAT PORTION OF LOT 229 OF THE WESTERN EMPIRE TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18, PAGES 162 ET SEQ., OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WESTERLY LINE OF TRACT NO. 8959, AS PER MAP RECORDED IN BOOK 122, PAGE 18 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DISTANT

NORTH 40°11'00" EAST 25.00 FEET FROM THE MOST WESTERLY CORNER OF SAID TRACT NO. 8959; THENCE NORTH 74°52'36" WEST 175.30 FEET; THENCE NORTH 86°53'30" WEST 82.18 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 85.00 FEET AND A RADIAL LINE AT THAT POINT WHICH BEARS NORTH 7°06'30" WEST; THENCE WESTERLY ALONG SAID CURVE 80.62 FEET TO A POINT, A RADIAL LINE TO SAID POINT BEARS NORTH 61°26'52" WEST; THENCE ALONG THE BOUNDARY OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. VP-74887, ON FILE IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY, AS FOLLOWS:

NORTH 51°29'20" WEST 262.84 FEET; SOUTH 4°59'00" WEST 208.93 FEET; NORTH 85°01'00" WEST 15.00 FEET AND SOUTH 4°59'00" WEST 14.47 FEET; THENCE LEAVING THE BOUNDARY OF THE LAND DESCRIBED IN SAID CERTIFICATE, ALONG THE BOUNDARY OF LAND DESCRIBED IN PARCEL 1 ON THE DEED OF TRUST REGISTERED JUNE 24, 1949 AS DOCUMENT NO. 1191-R, AND ENTERED ON CERTIFICATE OF TITLE NO. RS-44426, ON FILE IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES, AS FOLLOWS:

NORTH 54°48'00" WEST 55.97 FEET; THENCE NORTH 65°13'30" WEST, 119.96 FEET; THENCE NORTH 89°41'40" WEST 118.31 FEET AND SOUTH 9°30'00" WEST 178.29 FEET TO THE MOST WESTERLY CORNER OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DEED OF TRUST; THENCE ALONG THE WESTERLY CONTINUATION OF THAT CERTAIN CURVE DESCRIBED AS BEING CONCAVE SOUTHERLY, HAVING A RADIUS OF 100 FEET, A CENTRAL ANGLE OF 33°04'16" AND A LENGTH OF 57.72 FEET IN THE SOUTHWESTERLY BOUNDARY OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DEED OF TRUST, WESTERLY THROUGH THE ANGLE OF 28°03'54" A DISTANCE OF 48.98 FEET; THENCE SOUTH 84°43'00" WEST 105.45 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 100 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH AN ANGLE OF 22°32'00", A DISTANCE OF 39.33 FEET; THENCE NORTH 72°45'00" WEST 159.60 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 100 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 25°08'30" A DISTANCE OF 43.88 FEET; THENCE NORTH 47°36'30" WEST 47.06 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 55 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH AN ANGLE OF 29°55'15", A DISTANCE OF 28.72 FEET TO A POINT, A RADIAL LINE TO SAID POINT BEARS NORTH 12°28'15" EAST; THENCE NORTH 0°54'30" WEST 380.77 FEET TO A POINT, SAID POINT DESCRIBED AS POINT "A" FOR THE PURPOSE OF THIS DESCRIPTION, SAID POINT "A" BEING IN A LINE WHICH BEARS SOUTH 69°33'30" WEST FROM A POINT IN THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. ED-66985, ON FILE IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY, DISTANT THEREON NORTH 36°41' WEST 240 FEET FROM THE MOST SOUTHERLY CORNER OF SAID LAND; THENCE ALONG SAID LINE WHICH BEARS SOUTH 69°33'30" WEST TO SAID POINT "A", NORTH 69°33'30" EAST TO THE WESTERLY LINE OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED OF TRUST REGISTERED ON JANUARY 3, 1955 AS DOCUMENT NO. 6-X, IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES; THENCE ALONG THE BOUNDARIES OF THE LAND DESCRIBED IN PARCEL 1 OF SAID DEED OF TRUST AS FOLLOWS:

SOUTH 12°23'40" EAST TO AN ANGLE POINT THEREIN; SOUTH 15°32'50" EAST 100.35 FEET; SOUTH 65°21'10" EAST 178.88 FEET; NORTH 0°45'50" EAST 280.75 FEET AND SOUTH 87°22'15" WEST TO SAID LINE WHICH BEARS SOUTH 69°33'30" WEST TO SAID POINT "A"; THENCE ALONG SAID LINE NORTH 69°33'30" EAST TO THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID LAND DESCRIBED IN CERTIFICATE OF TITLE NO. ED-66985; THENCE SOUTH 36°41'EAST ALONG SAID PROLONGED LINE 240 FEET TO THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN SAID CERTIFICATE OF TITLE NO. ED-66985; THENCE ALONG THE BOUNDARY OF THE LAND DESCRIBED IN THE LAST MENTIONED CERTIFICATE AS FOLLOWS:

NORTH 53°19'00" EAST 136.06 FEET; THENCE NORTH 89°08'00" EAST 100.70 FEET AND NORTH 24°28'00" EAST 66.39 FEET, MORE OR LESS, TO AN ANGLE POINT IN THE NORTHERLY LINE OF THE

W02-LA:LRE\70780163.11 031506 EXHIBIT "A" Page 14 of 16 LAND DESCRIBED IN CERTIFICATE OF TITLE NO. CX-33926, ON FILE IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES; THENCE ALONG SAID NORTHERLY LINE NORTH 85°47'00" EAST 75.00 FEET TO THE MOST WESTERLY NORTHWEST CORNER OF THE LAND DESCRIBED IN CERTIFICATE OF TITLE NO. TJ-57534, IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES; THENCE ALONG THE BOUNDARY OF THE LAND DESCRIBED IN THE LAST MENTIONED CERTIFICATE AS FOLLOWS:

SOUTH 5°42′50″ EAST 38.50 FEET; SOUTH 88°08′15″ EAST 45.72 FEET; SOUTH 73°48′45″ EAST 218.81 FEET; SOUTH 40°18′45″ EAST 101.91 FEET; SOUTH 64°11′00″ EAST 59.21 FEET; SOUTH 41°40′00″ EAST 89.31 FEET; SOUTH 19°49′00″ EAST 74.39 FEET; SOUTH 61°51′30″ EAST 111.12 FEET; SOUTH 74°52′36″ EAST 45.79 FEET AND SOUTH 49°53′00″ EAST 5.56 FEET; THENCE SOUTH 40°11′00″ WEST 25.00 FEET TO THE POINT OF BEGINNING.

PARCEL 20: (apn 2562-3-15)

THAT PORTION OF LOT 206 OF THE WESTERN EMPIRE TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18, PAGES 162 AND 163 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED BY THE FOLLOWING DESCRIBED LINES:

BEGINNING AT A POINT IN THE WEST LINE OF SAID LOT THAT IS DISTANT 1425.35 FEET SOUTH THEREON FROM THE NORTHWEST CORNER OF SAID LOT, SAID POINT BEING THE MOST SOUTHERLY SOUTHWESTERLY CORNER OF THE LAND DESCRIBED IN PARCEL 1, OF THE DEED TO KERMIT W. AHLBERG AND WIFE, RECORDED ON JULY 19, 1955 AS INSTRUMENT NO. 629, IN BOOK 48388 PAGE 144, OF OFFICIAL RECORDS, THENCE EAST 302.69 FEET; THENCE NORTH 840 FEET TO THE SOUTHWESTERLY CORNER OF THE LAND DESCRIBED IN PARCEL 1 OF THE DEED TO BOYD A. TAYLOR, RECORDED ON JULY 12, 1955 IN BOOK 48321 PAGE 130, OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHERLY LINE OF SAID LAST MENTIONED LAND AS FOLLOWS:

SOUTH 70°34'30" EAST 89.24 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 100.28 FEET; SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 22°33'30", AN ARC DISTANCE OF 39.48 FEET; SOUTH 48°01'00" EAST 44 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 173.34 FEET; SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 19°48'40" AN ARC DISTANCE OF 59.94 FEET; SOUTH 67°49'40" EAST 50 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 75 FEET; SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 60°44'40", AN ARC DISTANCE OF 79.51 FEET; SOUTH 7°05'00" EAST 122.18 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 50 FEET AND THENCE SOUTHEASTERLY ALONG SAID CURVE TO THE EAST LINE OF SAID LOT 206; THENCE SOUTH ALONG SAID EAST LINE, WESTERLY ALONG THE SOUTHERLY LINE AND NORTH ALONG THE WEST LINE OF SAID LOT 206, TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION INCLUDED WITH THE 150 FOOT WIDE RIGHT OF WAY OF THE SOUTHERN CALIFORNIA EDISON COMPANY, LTD., AS DESCRIBED IN TORRENS CERTIFICATE NO. GP-62885, NOW ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47837-1 (AMENDED) IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO. NC C 87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531, OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 21: (apn 2562-8-2)

THOSE PORTIONS OF LOTS 1 AND 2 OF FRACTIONAL SECTION 24, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF THE PROPERTY DESCRIBED IN CERTIFICATE OF TITLES NO. HV-72441 ON FILE IN THE OFFICE OF THE REGISTRAR OF LAND TITLES OF SAID COUNTY WITH THE SOUTHWESTERLY LINE OF THE HILLHAVEN TRACT, AS SHOWN ON MAP RECORDED IN BOOK 72 PAGES 48 AND 49 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID HILLHAVEN TRACT, SOUTH 30°49' EAST 23.18 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG SAID LAST MENTIONED SOUTHWESTERLY LINE SOUTH 41°24' EAST 158.56 FEET TO AN ANGLE POINT THEREIN; THENCE ALONG THE NORTHWESTERLY LINE OF SAID HILLHAVEN TRACT, SOUTH 48°36' WEST 40.00 FEET TO AN ANGLE POINT THEREIN; BEING THE MOST NORTHERLY CORNER OF THE PROPERTY DESCRIBED IN CERTIFICATE OF TITLE NO. KR 94733 ON FILE IN THE OFFICE OF SAID REGISTRAR OF LAND TITLES; THENCE SOUTH 19°10' WEST 287.16 FEET TO THE NORTHWEST CORNER OF LOT 245 OF SAID HILLHAVEN TRACT, BEING ALSO AN ANGLE POINT IN THE BOUNDARY OF SAID HILLHAVEN TRACT, AND THE MOST WESTERLY CORNER OF THE PROPERTY DESCRIBED IN CERTIFICATE OF TITLE KR 94733; THENCE ALONG SAID BOUNDARY LINE, SOUTH 79°50' WEST 288.00 FEET TO THE MOST WESTERLY CORNER OF LOT 236 OF SAID HILLHAVEN TRACT, BEING MARKED BY A 2 INCH IRON PIPE; THENCE CONTINUING ALONG SAID BOUNDARY LINE SOUTH 10°10' EAST 145.70 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 236 BEING AN ANGLE POINT IN SAID BOUNDARY LINE; THENCE CONTINUING ALONG SAID BOUNDARY LINE SOUTH 39°20' WEST 122.37 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG SAID BOUNDARY LINE SOUTH 2°05' EAST 62.00 FEET; THENCE LEAVING SAID BOUNDARY LINE NORTH 81°48'30" WEST, 1105.00 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 2, AS SHOWN ON SAID LICENSED SURVEYOR'S MAP DISTANT THEREON NORTH 6°29'30" WEST 1542.00 FEET FROM THE SOUTHWEST CORNER OF LOT 7 OF SAID FRACTIONAL SECTION 24, BEING MARKED BY A 2 INCH IRON PIPE SET IN CONCRETE; THENCE ALONG SAID WESTERLY LINE, NORTH 0°29'30" WEST 1090.62 FEET TO AN INTERSECTION WITH THE SOUTHWESTERLY LINE OF THE PROPERTY DESCRIBED IN SAID CERTIFICATE OF TITLE HV-72441; THENCE ALONG SAID LAST MENTIONED SOUTHWESTERLY LINE SOUTH 72°17' EAST 1515.87 FEET TO THE POINT OF BEGINNING.

PARCEL 22: (apn 2561-31-4)

THE WEST 130.00 FEET, MEASURED AT RIGHT ANGLES, OF THAT PORTION OF THE WEST HALF OF THE SE QUARTER OF THE SE QUARTER OF THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 2 NORTH, RANGE 14 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, LYING NORTH OF THE NORTH LINE OF LA TUNA CANYON ROAD, AS DESCRIBED IN THE DEED RECORDED IN BOOK 7415 PAGE 284 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 47837-1 (AMENDED) IN THE FINAL DECREE OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO. NC C 87878, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 3, 1976 AS INSTRUMENT NO. 2743, IN BOOK D7065 PAGE 531, OF OFFICIAL RECORDS OF SAID COUNTY.

NOTE: THE ABOVE LEGAL DESCRIPTION IS PROFORMA ONLY, AND IS NOT TO BE USED FOR THE PURPOSES OF CONVEYANCE OR ENCUMBRANCE OF THE PROPERTY. IT IS BASED ONLY ON AN APPROXIMATION OF THE PROJECT AREA AS REPRESENTED TO FIRST AMERICAN BY OUR CUSTOMER.

EXHIBIT "A" Page 16 of 16

EXHIBITS "B-1" AND "B-2"

DEPICTION AND DESCRIPTION OF PROPERTY AND SUBAREAS

[SEE FOLLOWING TWO PAGES]

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W02-LA:LRE\70780163.11 031506

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EXHIBITS "B-1" AND "B-2"

Dev Area	Subarea	Acreage	Existing Plan Designation	Rec. Plan Designation	Existing Zoning	Recommended Zone
A	6	6.37	Minimum Residential	Minimum Residential	A1-1	(T)(Q)A1-1
Ă,	68	8.08	Minimum Residential	Open Space	A1-1	09
A	7	47.19	Minimum Residential	Low Residential	A1-1	(T)(Q)RE11-1-H
A	8	6.66	Very Low II	Low Residential	A1-1	(T)(O)RE11-1-H
A	9	2.91	Very Low II	Low Residential	RE11-1	(T)(Q)RE11-1-H
A	10	92.15	Minimum Residential	Low Residential	A1-1	(T)(Q)RE9-1-H
A	11	4.95	Very Low I	Low Residential	A1-1	(T)(Q)RE9-1-H
A	12	20.64	Minimum Residential	Minimum Residential	A1-1	(T)(Q)A1 1
A	13	4,92	Very Low I	Low Residential	A1-1	(T)(Q)RE9-1-H
A	14	32.63	Very Low I	Minimum Residential	A1-1	(T)(Q)A1-1
A	15	41.26	Very Low I	Low Residential	A1-1	(T)(Q)RE9-1-H
A	16	21.13	Very Low I	Minimum Residential	AI-1	(T)(Q)A1-1
A*	16a.	19.62	Very Low I	Open Space	A1-1	0S
Sub-	Total	308.51				
B	17	65.34	Minimum Residential	Minimum Residential	A1-1	No Action
B	18	24.57	Minimum Residential	Minimum Residentail	A1-1	No Action
B	18a	30.25	Minimum Residential	Open Space	A1-1	05
Sub-	Total	120.16				
C,	1	24,14	Minimum Residential	Open Space	A1-1-K	05
C	2	25.27	Minimum Residential	Open Space	A1-1	OS
5	3	254.40	Minimum Residential RPD	Open Space	A1-1	OS
C	4	8.68	Open Space	Open Space	A1-1	OS
C*	5	107.55	Minimum Residential	Open Space	A1-1	OS
C	5ฮ	40.0B	Minimum Residential	Open Space	A1-1	05

EXHIBIT "B-1" CPC 2004-4344 GPA/ZC Plan Amendment and Zone Change Requests

ð	1	24,14	Minimum Residential	Open Space	A1-1-K	05
ზ	2	25.27	Minimum Residential	Open Space	A1-1	05
t	3	254.40	Minimum Residential RPD	Open Space	A1-1	OS
C	4	8.68	Open Space	Open Space	A1-1	05
C*	5	107.55	Minimum Residential	Open Space	A1-1	OS
C,	5ฮ	40.0B	Minimum Residential	Open Space	A1-1	05
Stubs	Total	460.12				

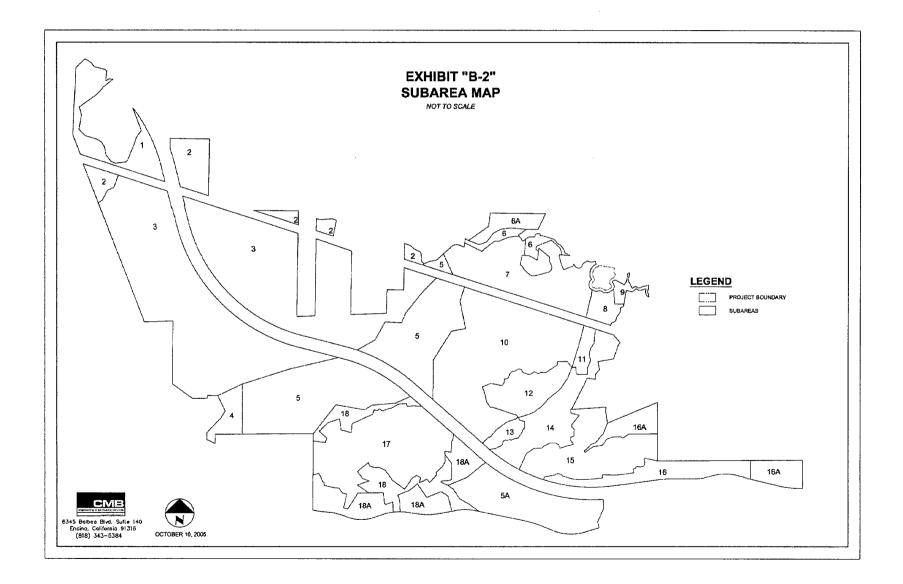
460.12

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TOTAL 888.79 Acres

10/10/2005

 * These Subareas are being donated as public open space.



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EXHIBIT "C"

PROJECT APPROVALS

- 1. General Plan Amendment and Zone Change (Case No. CPC-2004-4344-ZC-GPA-MPR and Council File No. 05-0388-S2) adopted by the City Council on October 19, 2005, as follows:
 - a. General Plan Amendment to change the land use designations in the Community Plan for portions of the Property from Minimum Residential, Very Low I Residential and Very Low II Residential to Minimum Residential, Low Residential and Open Space, as more particularly described and shown in Exhibits "B-1" and "B-2".
 - b. Zone Change to change the zoning designations for portions of the Property from A1-1 (Agricultural), A1-1-K (Agricultural) and RE11-1 (Residential Estate) to RE9-1-H (Residential Estate), RE11-1-H (Residential Estate) and OS (Open Space), as more particularly described and shown in <u>Exhibits "B-1"</u> and <u>"B-2"</u>.
- 2. Vesting Tentative Tract No. 061672 (Council File No. 05-0388) approved by the City Council on October 19, 2005.
- 3. Site Plan Review (Case No. CPC-2004-4345-SPP-SPR) approved by the City Planning Commission on February 24, 2005.
- 4. Project Permit Compliance Review with respect to the Specific Plan, including oak tree removal (Case No. CPC-2004-4345-SPP-SPR), approved by the City Planning Commission on February 24, 2005.
- 5. Final Environmental Impact Report for the Project (ENV-2002-2481-EIR).

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EXHIBIT "C"

, DEPARTMENT OF CITY PLANNING 200 N. Spring Street, Room 525 Los Angeles, CA 90012-4801

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CITY PLANNING COMMISSION JANE ELLISON USHER PRESIDENT ANDRES F. IRLANDO VICE-PRESIDENT DIEGO CARDOSO REGINA M. FREER ROBIN R. HUGHES SABRINA KAY FR. SPENCER T. KEZIOS WILLIAM ROSCHEN MICHAEL K. WOO

GABRIELE WILLIAMS COMMISSION EXECUTIVE ASSISTANT (213) 978-1300 CITY OF LOS ANGELES

CALIFORNIA



S. GAIL GOLDBERG, AICP DIRECTOR (213) 978-1271

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ANTONIO R. VILLARAIGOSA

March 30, 2006

Council File No. 05-1388 S-1 CPC File No. 2004-7739 DA (not transmitted)

The Honorable Rockard J. Delgadillo City Attorney Room 1800, City Hall East Mail Stop 140

ATTN: Laura M. Cadogan Deputy City Attorney

Dear Mr. Delgadillo:

AN ORDINANCE AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND CALIFORNIA WHITEBIRD, INC.

Pursuant to your March 16, 2006, memo transmitting a Development Agreement between the City of Los Angeles and California Whitebird, Inc. to the Department of City Planning, this office transmits our action and the Development Agreement to your office so that it may be transmitted to the City Council for its consideration.

Pursuant to Charter Section 559 and the City Planning Commission action delegating authority to the Director of Planning to act on behalf of the Commission on matters, as well as the authority under Charter Section 556 and 558, I have reviewed the findings of the City Planning Commission with respect to their action on City Planning Case No. 2004-7739 DA, dated February 24, 2005. On behalf of the Commission, I adopt their findings and approve the subject action. The subject draft Development Agreement is essentially the same as that approved by the City Planning Commission on February 24, 2005, except for; 1) modifying the transferring of Open Space areas prior to the issuance of a Certificate of Occupancy to transferring the Open Space areas prior to the issuance of a building permit or recordation of a final tract map, 2) Inclusion of

easements over the Open Space areas for the Developer to allow for maintenance, 3) exclusion of a public equestrian park in exchange for not constructing previously approved sound walls, 4) modification of mortgage protection to be consistent with other City of Los Angeles development agreements, and 5) termination of the Development Agreement as individual lots are sold. All of these items will provide further benefits to the City of Los Angeles.

<u>Findings</u>

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- 1. Citv Charter Section 556. The Development Agreement is consistent with the City's General Plan and with the objectives, policies and programs specified in the Community Plan, a portion of the City's General Plan. Specifically, the Development Agreement encourages construction of the Project, which will. among other things, (I) preserve existing views of hillside and mountainous areas by preserving a significant portion of the project site as open space and conforming to all of the scenic corridor and ridgeline protection requirements in the Specific Plan, (ii) promote greater individual choice in type, guality and location of housing, (iii) minimize grading to reduce the effects on environmentally sensitive areas, (iv) protect existing single-family equestrian oriented neighborhoods and horsekeeping districts from encroachment by higher-density residential development, (v) encourage the retention of passive and visual open space to provide a balance to the urban development in the Sunland-Tujunga community and (vi) preserve as much of the remaining undeveloped hillside land on the project site as feasible for open space and recreational uses, each of which are explicitly stated policies in the Community Plan.
- 2. In accordance with City Charter Section 558 (a), The Development Agreement is consistent with the requirements and restrictions in the Specific Plan. Specifically, the Development Agreement encourages the construction of the Project and (i) none of the project homes will be located in whole or in part in a designated "Prominent Ridgeline Protection Area", (ii) the highest point of the roof, structural or parapet wall of each project home will be at least 25 vertical feet from any designated "Prominent Ridgeline" in the Specific Plan, (iii) none of the project homes on the portion of the project site north of Interstate 210 will be constructed in a manner that silhouettes any homes against the skyline above the Verdugo Crestline Prominent Ridgeline when viewed from any designated Scenic Highway to the north of the project site, (iv) no grading or berming shall occur with respect to the Project that will alter the elevation of the crest of any designated Prominent Ridgeline in the Specific Plan, (v) no removal of native vegetation would occur within any designated Prominent Ridgeline Prominent Ridgeline Protection Area in connection with the Project, except as permitted in Section.
- 3. City Charter Section 558 (b)(2). The Development Agreement is in conformity with the public necessity, convenience, general welfare, and good zoning practice in that it will protect the community from potentially irreversible adverse impacts to a well-maintained, stable residential neighborhood from incompatible over development, which degrades the original character of the community.

4. California Environmental Quality Act (CEQA).

The Final EIR has identified unavoidable significant impacts that will result from implementation of the Project. Section 21081 of the California Public Resources Code and Section 15093(b) of the CEQA Guidelines provide that, when the decision of the public agency allows the occurrence of significant impacts identified in the Final EIR that are not substantially lessened or avoided, the lead agency must state in writing the reasons to support its action based on the Final EIR and/or other information in the record. Article I of the City's CEQA Guidelines incorporates all of the State CEQA Guidelines contained in Title 15, California Code of Regulations, Section 15000 et seq. and thereby requires, pursuant to Section 15093(b) of the CEQA Guidelines, that the decisionmaker adopt a Statement of Overriding Considerations at the time of approval of a project if it finds that significant adverse environmental effects identified in the Final EIR cannot be substantially lessened or avoided. These findings and the Statement of Overriding Considerations are based on substantial evidence in the record, including but not limited to the Final EIR, the source references in the Final EIR, and other documents and material that constitute the record of proceedings.

Based on the analysis in the Final EIR, the Project would result in significant unavoidable environmental impacts with respect to NO_X and PM_{10} emissions during construction, construction noise, artificial light as viewed from La Tuna Canyon Road and the existing residential areas adjacent to Development Area B, scenic vistas, scenic resources and visual character, and short-term effects on coast live oak trees, and it is not feasible to 'mitigate such impacts to a less-than-significant level.

Accordingly, the City adopts the following Statement of Overriding Considerations. The City recognizes that significant and unavoidable impacts will result from implementation of the Project. Having (i) adopted all feasible mitigation measures, (ii) rejected as infeasible alternatives to the Project discussed above, (iii) recognized all significant, unavoidable impacts, and (iv) balanced the benefits of the Project against the Project's significant and unavoidable impacts, the City hereby finds that the benefits outweigh and override the significant unavoidable impacts for the reasons stated below.

The reasons stated below summarize the benefits, goals and objectives of the Project, and provide the rationale for the benefits of the Project. Any one of the overriding considerations of economic, social, aesthetic and environmental benefits individually would be sufficient to outweigh the significant unavoidable impacts of the Project and justify the approval, adoption or issuance of all of the required permits, approvals and other entitlements for the Project and the certification of the completed Final EIR.

- a. Implementation of the Project will provide a substantial amount of highquality housing for local and area residents to meet existing and future needs of those desiring to live in the northeast San Fernando Valley.
- b. Implementation of the Project will provide greater regional housing opportunities for homebuyers and assist in satisfying the housing needs for the region.

- c. Approximately 607 acres of the 887-acre Site will be preserved as open space for scenic and recreational use and enjoyment.
- d. Implementation of the Project will create an ecologically sound development through a comprehensive program of resource protection, enhancement, and conservation (e.g., habitat creation and enhancement) and encourages recycling for both construction operations and long-term community activities.
- e. Implementation of the Project will provide up to 221 new single-family homes to help alleviate the substantial housing shortage in the City and, in particular, in the northeast San Fernando Valley.
- f. Implementation of the Project will provide open space and landscaping throughout the Site to enhance the visual character of the development.
- g. Implementation of the Project will establish a height limit of 30 feet for all new homes constructed in the Development Areas, which is more restrictive than the height limitations in the LAMC that would otherwise apply to most of the homes to be constructed in the Development Areas.
- h. Implementation of the Project will generate significant financial benefits for the City and the region.
- i. Implementation of the Project will create hundreds of construction jobs, new permanent jobs and provide a substantial boost to the local economy.
- j. Implementation of the Project will accommodate expected population and employment growth within the City and the Sunland-Tujunga Community Plan area and provide adequate supporting transportation and utility infrastructure and public services.
- k. The Development Areas have been designed to create a low-density, clustered residential community that avoids the appearance of "mass grading". The development of the new homes on only approximately 280 acres of the 887-acre Site will maximize the preservation of open space. The residential lots have been designed to take advantage of the existing terrain to minimize the visibility of the new homes from public viewing areas, particularly Interstate 210 and La Tuna Canyon Road. To the extent practical and feasible, landform grading techniques, including horizontal and vertical curves to reduce cut and fill and to blend manufactured slopes back into natural topography, will be used to preserve secondary ridgelines and avoid the appearance of a "tract" development. Grading will be balanced on the Site.
- Implementation of the Project will preserve the potential regional wildlife movement corridor that extends from Tujunga Wash southward, through the western portion of the southern subarea of the Site, to La Tuna Canyon Wash and then to the main body of the Verdugo Mountains south of La Tuna Canyon Road.

- m. Implementation of the Project will include the planting of new coast live oak trees at a minimum replacement ratio of 7.6:1 for impacted coast live oaks. The existing oak trees that will be impacted are in relatively poor health and little coast live oak regeneration has occurred in the Development Areas. In addition, many of the impacted oak trees are not currently visible or accessible due to difficult terrain and dense vegetation. Over the long-term, the new oak tree plantings would ensure the survival of an oak tree population within the Development Areas that is viewable and accessible.
- n. Implementation of the Project will reduce peak burned stormwater flow from the Site by at least 10 percent of the existing peak burned flow during a 50-year storm and eliminate approximately 58,600 cubic yards of debris in connection with a 50-year storm.
- o. Implementation of the Project will substantially decrease the fire risk with respect to the existing residential areas near the Development Areas. The Development Areas will be protected by a 200-foot fuel modification zone that will reduce the risk of a fire spreading from the Site to existing residential areas. Pavement of a portion of the Development Areas will also eliminate potential fuel. In addition, the proposed water tank(s) can be used in the event of a fire in the existing residential neighborhoods. Finally, the proposed secondary emergency access road for Development Area A that will begin at Inspiration Way will not only provide emergency access for the Project, but will also provide a direct evacuation route to the south for the existing residential areas in proximity to Development Area A.
- p. The average lumininance level on the project roadways will be reduced by 50 percent from 0.4 footcandles to 0.2 footcandles by implementing the Project as a private community.

Charter Section 559

For the foregoing reasons and as provided under the authority of Charter Section 559, I find that my action conforms with all applicable portions of the General Plan, and with the February 24, 2005 action of the City Planning Commission, and I, therefore, approve this ordinance (attached) and recommend that it be adopted by the City Council.

Very truly yours,

S. Gail Goldberg, AICP Director of Planning

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ROBERT H. SUTTON Deputy Director



WRITER'S DIRECT DIAL: (213) 978-8179 FACSIMILE: (213) 978-8090

OFFICE OF THE CITY ATTORNEY ROCKARD J. DELGADILLO CITY ATTORNEY

March 31, 2006

Ms. Gail Goldberg Director of Planning 200 North Spring Street, 5th Floor Los Angeles, California 90012

> Re: Draft of Ordinance Authorizing Execution of Development Agreement Between the City of Los Angeles and California Whitebird, Inc.

> > Council File No. 05-1388-S1

Dear Ms. Goldberg:

This Office has prepared and transmits herewith, pursuant to Council Rule 38, a draft of an ordinance authorizing the City to enter into a development agreement with California Whitebird, Inc., a draft of which is also transmitted, relating to the proposed development for 221 single-family homes in a clustered development for the property located at 7000-8000 La Tuna Canyon Road.

Please review the ordinance and make any comments you may have directly to the City Council when it hears this matter. If you have any questions concerning this draft ordinance, please contact me at (213) 978-8179.

Sincerely,

LAURA M. CADOĠAN Deputy City Attorney

LMC:mrc(#120042 ssche-03) Transmittal

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AN EQUAL EMPLOYMENT OPPORTUNITY – AFFIRMATIVE ACTION EMPLOYER 200 NORTH MAIN STREET • LOS ANGELES, CA 90012-4131• 213.978.8100 • 213.978.8310 TDD