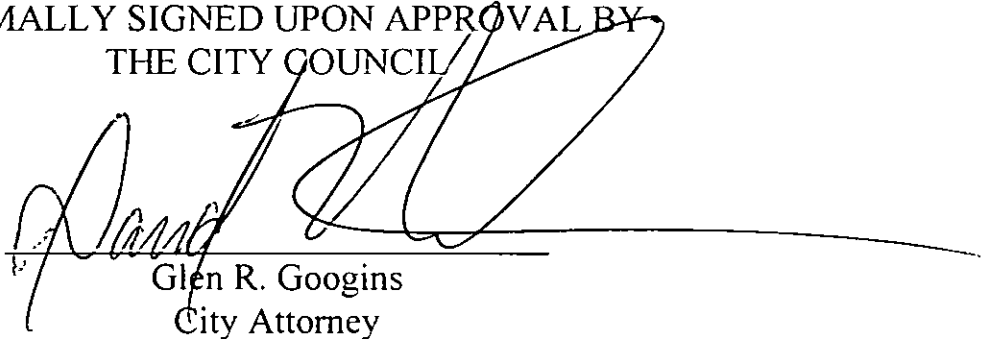


THE ATTACHED AGREEMENT HAS BEEN REVIEWED  
AND APPROVED AS TO FORM BY THE CITY  
ATTORNEY'S OFFICE AND WILL BE  
FORMALLY SIGNED UPON APPROVAL BY  
THE CITY COUNCIL

  
Glen R. Googins  
City Attorney

Dated: 10/31/14

AGREEMENT  
BETWEEN  
THE CITY OF CHULA VISTA AND  
BALDWIN & SONS  
REGARDING  
CONSTRUCTOIN OF PARKS  
P-1, P-2, P-3 AND P-6  
IN A PORTION OF OTAY RANCH VILLAGE 2

Recording Requested By:  
and  
When Recorded Mail To:

City Clerk  
City of Chula Vista  
276 Fourth Avenue  
Chula Vista, California 91910

EXEMPT FROM RECORDER'S FEES  
Pursuant to Government Code §6103

(ABOVE SPACE FOR RECORDER'S USE ONLY)

**AGREEMENT REGARDING  
CONSTRUCTION OF PARKS P-1, P-2, P-3, P-5 and P-6 IN A PORTION OF  
OTAY RANCH VILLAGE 2**

THIS AGREEMENT REGARDING CONSTRUCTION OF PARKS IN A PORTION OF OTAY RANCH VILLAGE 2 ("**Agreement**") is made as of this \_\_\_ day of \_\_\_\_\_ 2014, by and between the CITY OF CHULA VISTA, a California municipal corporation and charter city ("**City**"), BALDWIN & SONS, a California limited liability company ("**Baldwin & Sons**"), and the entities comprising the "Master Developer" as defined in Section 1.9 below, (together, "**Master Developer**"), with reference to the following facts:

A. Otay Ranch is a master planned community within City that consists of various "Villages." A portion of Otay Ranch, called Village 2 ("**Village 2**"), will consist of a mixture of residential, retail, industrial, employment, civic, and cultural uses.

B. Master Developer owns approximately 75 percent of the Village 2 residential units. The legal description of the approximately 327 acres of Village 2 owned by Master Developer ("**Master Developer Property**"), which is the subject of this Agreement, is described on Exhibit A-1 attached and shown on Exhibit A-2 attached.

C. California Government Code §§66477, *et seq.* (the "**Quimby Act**") and the City's Parklands and Public Facilities Ordinance [Chula Vista Municipal Code ("**CVMC**") Chapter 17.10 *et seq.*] ("**PLDO**"), as amended, require that development projects provide land and improvements for neighborhood and community parks and recreational facilities, allow for a credit against the payment of fees or dedication of land if the subdivider provides park and recreational improvements, and permit the City to require a combination of dedication and payment of in-lieu fees if the City determines that the combination would better serve the public.

D. The Quimby Act, the PLDO and the Otay Ranch General Development Plan ("**GDP**") parks and open space policies require that Village 2 provide three (3) acres of neighborhood and community parks per 1,000 residents. These requirements have been and will be imposed on the Master Developer Property, along with those portions of Village 2 owned by others, through conditions of approval of tentative maps and supplemental subdivision improvement agreements.

E. Master Developer has complied with its park obligations for those residential units for which building permits have already been issued in accordance with the PLDO.

F. In lieu of continuing to pay the development portion of the PAD Fees for its development in Village 2, Master Developer would like to satisfy its park requirements by providing Neighborhood Parks (defined below) in Village 2 in "Turnkey" condition (defined below), on the terms and conditions of this Agreement.

G. Five (5) public Neighborhood Parks planned in Village 2 are shown conceptually on Exhibit B. In addition, the parties anticipate that additional Neighborhood Parks in Village 2 will be identified in future SPA plan amendments initiated by Master Developer from time to time.

H. The parties intend by this Agreement to give Master Developer the right to satisfy park requirements for the Eligible Neighborhoods (defined below) by providing Neighborhood Parks in Village 2 in "Turnkey" condition, in the manner described in this Agreement.

I. This Agreement does not increase or decrease any park obligations but instead clarifies responsibility for the delivery of completed parks by addressing the park design, park construction, bonding, reimbursements, and the level of amenities to be provided.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1 **Definitions.** In addition to terms defined in the Recitals, the following terms shall have the indicated definitions throughout this Agreement:

1.1 **"Budget"** means the balance of PAD Fees deferred, identified on the Tracking Table, at the time a Neighborhood Park is required based on the number of EDUs for which permits have been issued.

1.2 **"Commence Construction"** means a construction permit or other such approval necessary to commence construction has been issued by the City and construction staging has begun.

1.3 **"Completion of Construction"** means that a park has been completed to the reasonable satisfaction of City's Director of Development Services, exclusive of the Maintenance Establishment Period.

1.4 **"Construction Costs"** means all of the costs of providing a Park, including: design costs; City fees and charges (including all charges for staff time processing plans and approvals); bonding fees and premiums; labor and materials; project management, administration and supervision (including in-house time); and maintenance costs during any required establishment and warranty period.

1.5 "CVMC" means City's Municipal Code.

1.6 "Deferred PAD Fees" means the amount of PAD Fees that the Master Developer would have paid had the Master Developer not chosen to provide Turnkey Parks in lieu of the payment of PAD Fees.

1.7 "Eligible Neighborhoods" means neighborhoods R4B(a), R-4B(b), R-5B, R-8A, R-8B, R-8C, R-9B, R-10A, R-10B, R-11, R-12, R-14, R-15B, R-16B, R-17B(a), R-17B(b), R-18A(b), R-18B(b), R-19B, R-20, R-21B, R-23, R-24, R-25A, R-27, R-31, MU-1, MU-2, MU-3 and C-1 of Village 2 of Otay Ranch.

1.8 "Maintenance Establishment Period" means the period of time between Completion of Construction and turnover of the park to the City in which the contractor is responsible for maintaining the park to ensure that the plant material is fully established before the park opens for public use. The duration of this period and maintenance operations will be specified in the contract documents for the specific park project, subject to adjustment as determined by the City in its sole discretion.

1.9 "Master Developer" means, collectively, the entities shown in the first column (labelled "Owner") of Exhibit A-1.

1.10 "Neighborhood Park" means a neighborhood park as shown on Exhibit B and more particularly described in the SPA Plan.

1.11 Net Deferred PAD Fees means the balance of Deferred Pad Fees identified in the Tracking Table.

1.12 "PAD Fees" means parkland acquisition and park development fee obligations pursuant to the Quimby Act and the City's PLDO.

1.13 "Park Improvements" means the improvements per the City-approved park construction documents.

1.14 "Park Master Plan" means the Master Plan as defined in the Chula Vista Landscape Manual Section One – Submittals and approved by the Parks and Recreation Commission and the City Council.

1.15 "Tracking Table" means a PAD Fee/credit tracking table in the form attached to this agreement as Exhibit C as may be amended from time to time, which amendment may be accomplished administratively. The Tracking Table will track building permits issued, the parkland development portion of the PAD Fees deferred, cumulative totals, and any other items as determined by the parties.

1.16 "Turnkey" means designed and constructed consistent with the provisions of the Chula Vista Landscape Manual, the SPA Plan, and related Development Services Department specifications and policies in effect on the date of this Agreement, and ready for use

without any further improvements required as determined by the Director of Development Services.

2 **Provision of Park P-3 and Reimbursement.** The City has collected substantial PAD Fees from Master Developer and other owners from development within Village 2, which fees can be used toward the construction of a park. Subject to the execution and approval by City Council of a separate reimbursement agreement for Neighborhood Park P-3 (the "Park Reimbursement Agreement"), (a) Master Developer shall provide Neighborhood Park P-3 in Turnkey condition in accordance with its approved Park Master Plan, and (b) City shall reimburse Master Developer for costs expended by Master Developer for Neighborhood Park P-3 from the PAD Fees already collected from developers within Village 2. Costs expended by Master Developer for the provision of Neighborhood Park P-3 shall be subject to the review and approval by the Director of Development Services in accordance with provisions of the Park Reimbursement Agreement. All other Neighborhood Parks constructed by Master Developer in Village 2 shall be constructed by Master Developer in lieu of the payment of further Neighborhood Park PAD Fees for the development of the Master Developer Property.

3 **Provision of Turnkey Parks In Lieu of Payment of PAD Fees.**

3.1 **Right to Provide.** Master Developer shall have the right to satisfy Quimby Act and PLDO park requirements for the Eligible Neighborhoods by providing Neighborhood Parks in Village 2 in "Turnkey" condition instead of paying PAD Fees.

3.2 **Tracking.** The City and Master Developer will use the Tracking Table (a) to track Master Developer's PAD Fee obligations deferred and (b) to determine when sufficient PAD Fees have been deferred to commence the design and construction of the next Neighborhood Park. The Tracking Table will not track park obligations for the Community Park or for developers other than the Master Developer.

3.3 **Insufficient Credits.** To the extent that Master Developer's Deferred PAD Fees exceed the Budgets of the Turnkey Neighborhood Parks provided by Master Developer, Master Developer shall be responsible for paying the balance of the Deferred PAD Fees as required by the PLDO.

4 **Development of the Turnkey Parks.** Master Developer shall construct Neighborhood Park Improvements, pursuant to CVMC §§17.10.040 and 17.10.050, on the following terms:

4.1 **Park Design and Approval of Construction Documents.** Master Developer shall use City's customary procedures to design, and obtain City approval of the designs of, the Neighborhood Parks. All Neighborhood Park Master Plan designs and design approvals shall be consistent with Village 2 SPA Plan, the PLDO and the City's Landscape Manual. Each Neighborhood Park Master Plan shall be processed through the following steps:

(a) City and Master Developer shall enter into a three party agreement with a landscape architect to design a Neighborhood Park Master Plan (where one has not

already been prepared), and prepare Neighborhood Park construction documents, to the satisfaction of the Director of Development Services.

(b) In order to facilitate the Neighborhood Park Master Plan and Construction Document process and milestones identified in the City's Landscape Manual, City and Master Developer shall hold a scoping meeting at the beginning of the design process for each Neighborhood Park to confirm the design intent of the particular Neighborhood Park(s) and to identify applicable City requirements prior to initiating design work. Each Neighborhood Park shall be designed to have a Construction Cost equal to the Budget.

4.2 Coordination. City and Master Developer acknowledge the need for close coordination during the design phase to ensure the final, approved documents reflect the intent of the City's park and recreation master plan, the park and recreation element of the general plan and the SPA plan, and other applicable City requirements. City and Master Developer also acknowledge that refinement to the process may be appropriate over the term of this Agreement to improve the design, review, delivery and ongoing operation of Village 2 Parks. To accomplish this end result, a "post design-construction" meeting shall be held among City, Master Developer and the design team to identify areas where actions can be taken (design, materials, construction coordination, phasing, delivery, maintenance, etc.) that could improve the design and delivery of each subsequent Park.

4.3 Level of Improvements. The Improvements for each Neighborhood Park provided pursuant to this Agreement shall be in Turnkey condition and consistent with the SPA Plan. As adjacent land uses are defined, Master Developer or City may propose that facilities to be provided within each Neighborhood Park be modified or rearranged to complement adjacent land uses. Such changes are subject to City review and approval.

4.4 Construction/Timing. Master Developer shall start the design for each Neighborhood Park not later than the point when Net Deferred PAD Fees for such Neighborhood Park equal 50% of the Budget for the Neighborhood Park. Master Developer shall not commence construction until City has approved the construction budget for each Neighborhood Park. Master Developer shall Commence Construction of each Neighborhood Park not later than the point when Net Deferred PAD Fees equal 100% of the Budget for the Neighborhood Park. Master Developer shall then pursue that construction diligently to completion and in accordance with the timeframes set forth in the Bid Documents, which have been reviewed and approved by the City.

4.5 Boundary Adjustments. The parties agree that minor adjustments to Neighborhood Park boundaries may be appropriate to optimize the interface with adjacent development. All such adjustments shall be subject to City review and approval. Nothing in this section shall be construed as allowing any reduction in the overall acreage of Parks required under the PLDO for the actual development of the Property, but additional acreage provided may result in a credit at City's discretion.

4.6 Documentation of Costs. Master Developer shall, within sixty (60) days of Completion of Construction, provide City, for its review and approval, all documentation City reasonably requires to evidence the completion and costs of each Neighborhood Park. Master

Developer shall, within sixty (60) days of Completion of Maintenance Establishment Period, provide City, for its review and approval, all documentation City reasonably requires to evidence the satisfactory completion of the Maintenance Establishment Period and final costs of each Neighborhood Park.

4.7 **Title.** City shall accept title to each Neighborhood Park pursuant to its customary procedures. City shall accept and provide credit for Neighborhood Parks on land subject to easements so long as the land is usable open space and a park use would not be inconsistent with the easements, such as underground sewer easements, as reasonably determined by the Director of Development Services.

5 **Security.** Upon request of the City, and no later than 60 days from that request, the Master Developer shall post security with City in an amount up to 110% of the cost of constructing the Neighborhood Park Improvements, as determined by City based on final construction documents submitted by Master Developer. The security shall be posted prior to receiving any building permits for Village 2 from the date of the request for the security from the City. City may use that security to complete construction of such Neighborhood Parks should Master Developer fail to meet its obligations to do so. City may reduce and release these securities pursuant to City's customary procedures and schedules pro rata upon completion of the Neighborhood Parks. All security shall be a bond or letter of credit subject to the reasonable approval of City. Cost of obtaining security shall be included in the overall Neighborhood Park cost. City may, at its sole discretion, waive the requirement for posting of security.

6 **Public Works.** When constructing, or entering into any contract relating to the design or construction of, a Park, a Park Improvement or any other park or recreational improvements required by this Agreement (collectively, the "Improvements"), Master Developer shall comply with City Charter Section 1009, the City's policies and procedures governing competitive bidding for public works projects, and all other applicable local, state and federal requirements in effect at the time the bidding and contracting for, or construction of, the Improvements takes place.

7 **Changes.** City reserves its right to amend the PLDO, SPA Plan and parks master plan, subject to state and federal law and to a development agreement between City and Master Developer. The Parties agree that, should any changes in state or federal law result in one or more provisions of this Agreement no longer being enforceable, the Parties shall meet and confer regarding amending the Agreement accordingly. The required PLDO fee obligations and values are subject to periodic updates. Master Developer's fee obligations are based on the level of fees in effect at the time the fees are paid (or would have been paid had they not been deferred).

8 **City Action.** If the City Council finds that the proposed design of a Neighborhood Park within the Master Developer Property is inconsistent with the SPA Plan, Master Developer shall have the opportunity to re-design the park and submit the revised design for the City Council's consideration.

9 **Miscellaneous Provisions.**

9.1 **Notices.** All notices and demands given pursuant to this Agreement shall be written. They shall be deemed served (i) immediately, upon personal delivery; (ii) the next business day, if sent prepaid by recognized overnight service such as FedEx for delivery the next business day; or (iii) three (3) business days after deposit in the United States mail, certified or registered mail, return receipt requested, first-class postage prepaid. Until notice of a change of address is properly given, notice shall be given:

If to City: City of Chula Vista  
Attn: City Manager  
276 Fourth Avenue  
Chula Vista, California 91910

With a copy to: Office of the City Attorney  
Attn: City Attorney  
276 Fourth Avenue  
Chula Vista, California 91910

If to Master Developer: Baldwin & Sons, LLC  
610 West Ash Street, #1500  
San Diego, California 92101  
Attn: Mr. Nick Lee

and: SunRanch Capital Partners, LLC  
610 West Ash Street, #1500  
San Diego, California 92101  
Attn: Mr. Stephen Haase

With a copy to: Law Offices of R. Martin Bohl  
501 West Broadway, Suite 520  
San Diego, California 92101  
Attn: R. Martin Bohl

9.2 **Captions.** Captions in this Agreement are inserted for convenience of reference. They do not define, describe or limit any term of this Agreement.

9.3 **Entire Agreement.** This Agreement embodies the entire agreement and understanding between the parties regarding the subject matter hereof. No prior or contemporaneous oral or written representations, agreements, understandings and/or statements regarding its subject matter shall have any force or effect. This Agreement is not intended to supersede or amend any other agreement between the parties unless expressly noted. However, all previous written agreements, such as supplemental subdivision improvement agreements, by and between the parties relating to park obligations, as well as City's Parks and Recreation Master Plan and Landscape Manual, remain in full force and effect except to the extent they conflict with this Agreement.



9.4 Scope. This Agreement applies only to the Master Developer Property; it shall not relieve developers other than the Master Developer (and its subsidiary entities, merchant builders and other buyers of portions of the Master Developer Property) from any responsibility to meet park development obligations per the PLDO.

9.5 Contents of Agreement. All recitals set forth above and all exhibits attached hereto are part of this Agreement.

9.6 Severability. If any provision of this Agreement or its particular application is held invalid or unenforceable, the remaining provisions of this Agreement, and their application, shall remain in full force and effect, unless a party's consideration materially fails as a result.

9.7 Recordation. The City may record this Amendment in the Office of the County Recorder of San Diego County, California.

9.8 Preparation of Agreement. No inference, assumption or presumption shall be drawn from the fact that a party or its attorney drafted this Agreement. It shall be conclusively presumed that all parties participated equally in drafting this Agreement.

9.9 Authority. Each party warrants and represents that it has legal authority and capacity to enter into this Agreement, and that it has taken all necessary action to authorize its entry into this Agreement. Each individual signing this Agreement on behalf of an entity warrants that his/her principal has duly authorized him/her to sign this Agreement on its behalf so as to bind his/her principal.

9.10 Modification. This Agreement may not be modified, terminated or rescinded, in whole or in part, except by written instrument duly executed and acknowledged by the parties hereto, their successors or assigns.

9.11 Successors.

9.11.1 In the event that Master Developer transfers or assigns its interest in the Master Developer Property in whole or in part, to any person or entity during the Term of this Agreement, any such transferee or assignee shall be bound by the terms and conditions of this Agreement, as applicable to the portion of the Master Developer Property acquired by the transfer or assignment. Notwithstanding the foregoing, no assignment or transfer shall relieve the Master Developer from any of its obligations under this Agreement without prior written consent by the City, which consent shall not be unreasonably withheld.

9.11.2 Master Developer's design, construction and payment obligations hereunder may be performed or reimbursed, in whole or in part, by a community facilities district or similar financing district, subject to approval by City. Except as otherwise provided in or as modified by the Development Agreement, Master Developer may pursue construction in accordance with CVMC §3.50.140 et seq.

9.11.3 Compliance with this Agreement shall be deemed to satisfy Master Developer's PLDO and SPA Plan obligations relating to Neighborhood Parks. Once all Neighborhood Parks and their associated improvements have been constructed and dedicated, as required by this Agreement, all Neighborhood Park dedication and improvement requirements for the Master Developer Property shall be deemed complete and the obligation shall be removed from title, as to Master Developer and any merchant builders developing within the Master Developer Property.

9.11.4 Notwithstanding any other provision of this Agreement:

9.11.4.1 When any individual lot has been finally subdivided and sold, leased, or made available for lease to a member of the public or any other ultimate user, and a certificate of occupancy has been obtained for the building(s) on the lot, that lot and its owner shall have no further obligations under and shall be released from this Agreement.

9.11.4.2 Upon the conveyance of any lot, parcel, or other property, whether residential, commercial, or open space, to a homeowners' association, property owners' association, or public or quasi-public entity, that lot, parcel, or property and its owner shall have no further obligations under and shall be released from this Agreement.

9.12 Term. Unless terminated earlier in accordance with this Agreement, this Agreement shall remain in effect until, but shall automatically terminate upon, City acceptance of all the Neighborhood Parks per the terms of this Agreement; provided, however, that the provisions of **Section 9.16** (Indemnification) shall survive termination of this Agreement.

9.13 Termination. Baldwin & Sons, LLC, shall have the right, on behalf of all of the entities comprising Master Developer, to terminate this Agreement at any time with respect to a specific Neighborhood Park for which Deferred PAD Fees do not equal or exceed 50% of the Budget for such Neighborhood Park. Upon termination pursuant to this provision, Master Developer shall immediately remit to the City the full balance of the Net Deferred PAD Fees for such Neighborhood Park. Until such time as the Net Deferred PAD Fees have been paid in full, City may withhold building permits for Master Developer Property.

9.14 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any action arising under or relating to this Agreement shall be brought only in the federal or state courts located in San Diego County, State of California, and if applicable, the City of Chula Vista, or as close thereto as possible. Venue for this Agreement, and performance hereunder, shall be the City of Chula Vista.

9.15 Administrative Claims Requirements and Procedures. No suit or arbitration shall be brought arising out of this Agreement against the City unless a claim has first been presented in writing and filed with the City and acted upon by the City in accordance with the procedures set forth in Chapter 1.34 of the CVMC, as same may from time to time be amended (the provisions of which are incorporated by this reference as if fully set forth herein), and such policies and procedures used by City in the implementation of same.

9.16 Indemnification. Master Developer shall indemnify, protect and hold the City, its officers, employees, agents and independent contractors, free and harmless from any liability, costs, injury, including death, or damage of any kind or nature, relating to, arising out of, or alleged to be the result of the acts, omissions, negligence or willful misconduct of Master Developer or Master Developer's employees, subcontractors or other persons, agencies or firms for whom Master Developer is legally responsible, (collectively, "Master Developer"), relating to or arising from Master Developer's activities contemplated under this Agreement, excepting only those claims for damages arising from the active negligence or willful misconduct of the City. Master Developer shall defend, at its own expense, including attorneys' fees, the City, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions of Master Developer. The City may, in its discretion, participate in the defense of any such legal claim, action or proceeding at its own expense with the understanding that Master Developer's attorneys shall be lead counsel and City's attorneys shall, to the maximum extent feasible, cooperate with Master Developer's attorneys.

9.17 Non-liability of City Officials and Employees. No member, official, employee or consultant of the City shall be personally liable to Master Developer or its successor-in-interest in the event of any default or breach by City, or for any amount which may become due to Master Developer or to its successor-in-interest, or on any obligations under the terms of this Agreement.

9.18 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be the original and all of which shall constitute one and the same document.

**[End of page. Signature page follows this page.]**

IN WITNESS WHEREOF, this Agreement is executed by the City of Chula Vista acting by and through its City Manager pursuant to Resolution No. R-\_\_\_\_\_, authorizing such execution, and by Master Developer as of the day and year first set forth above.

CITY

BALDWIN & SONS

CITY OF CHULA VISTA, a California charter city and municipal corporation

BALDWIN & SONS, a California limited liability company

By: \_\_\_\_\_  
Mayor

By: Nee \_\_\_\_\_  
Nick Lee, Senior Project Manager

Date: \_\_\_\_\_

**[Master Developer signature pages follow this page]**

ATTEST:

By: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

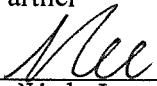
**MASTER DEVELOPER:**

**VILLAGE II OF OTAY HB SUB**

a California general partnership


By: Village II of Otay, L.P.,  
a Delaware limited partnership,  
Its: Managing General Partner

By: Village II of Otay GP, LLC,  
a Delaware limited liability company,  
Its: General Partner

By:   
Name: Nick Lee  
Title: Senior Project Manager

**OTAY RANCH II SUN 12, LLC**

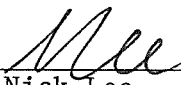
a Delaware limited liability company

By:   
Name: Nick Lee  
Title: Senior Project Manager

**OTAY RANCH VILLAGE II-PC-15, LLC**


a Delaware limited liability company

By: Heritage Building and Development, Inc.,  
a California corporation  
Its: Agent

By:   
Name: Nick Lee  
Title: Senior Project Manager

**VILLAGE II OF OTAY, L.P.**  
a Delaware limited partnership

By: Village II of Otay GP, LLC  
a Delaware limited liability company  
Its: General Partner

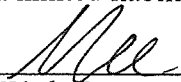
By:   
Name: Nick Lee  
Title: Senior Project Manager

**SUNRANCH CAPITAL PARTNERS, LLC**  
a Delaware limited liability company

By: SunPac Advisors, LLC  
Its: Manager

By:   
Name: Nick Lee  
Title: Senior Project Manager

**MONTECITO VILLAGE, LLC**  
a California limited liability company

By:   
Name: Nick Lee  
Title: Senior Project Manager

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

State of California }  
County of San Diego }

On October 30, 2014 before me, Cristin Beall, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Nick Lee  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Agreement Regarding Construction of Parks in Village 2

Document Date: not yet dated Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: City of Chula Vista

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Nick Lee Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): Senior Project Manager

Corporate Officer — Title(s): \_\_\_\_\_

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

**RIGHT THUMBPRINT OF SIGNER**  
Top of thumb here

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Exhibit A-1  
Legal Description of Master Developer Property  
(attached)



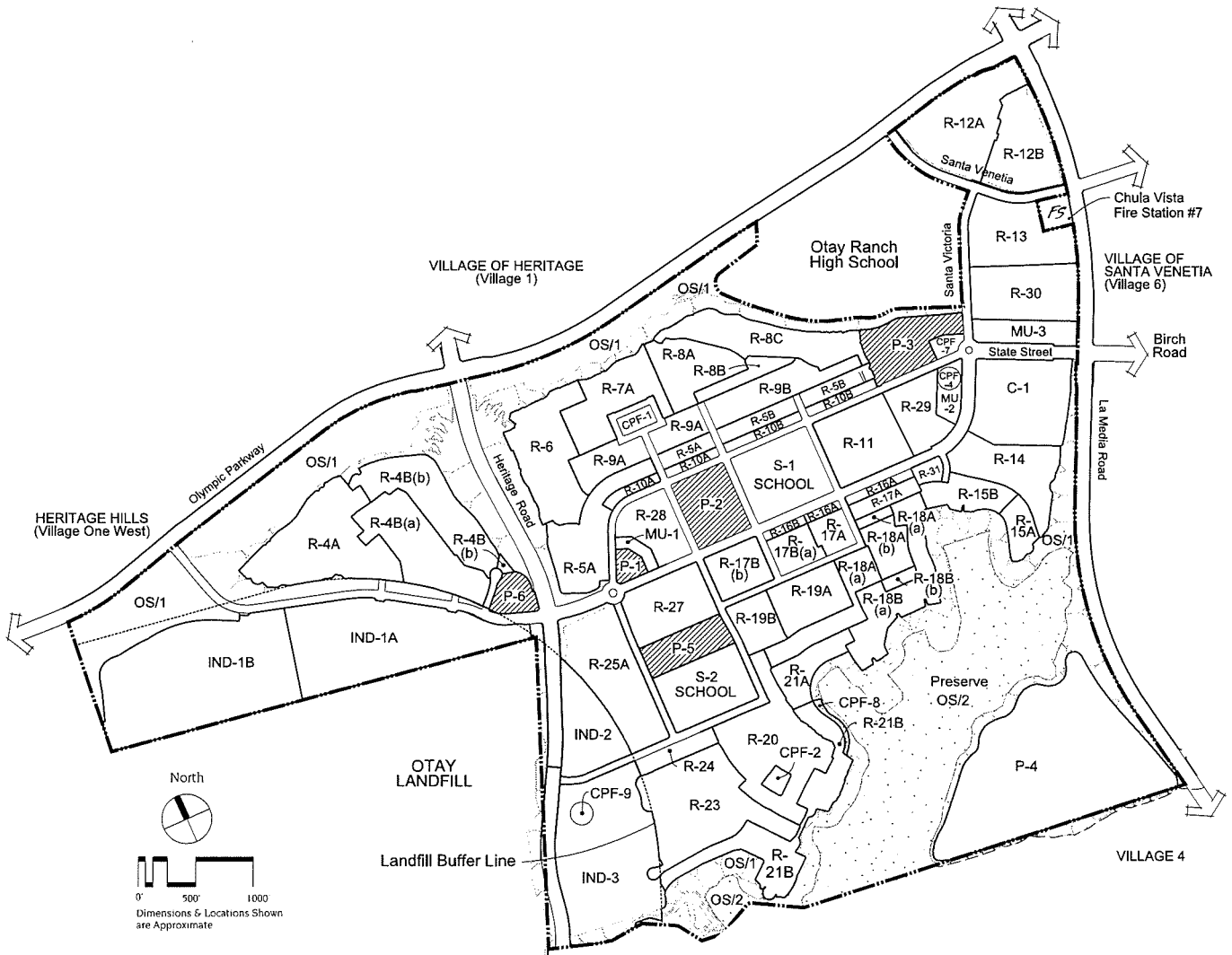
## Exhibit A-1

### VILLAGE TWO OWNERSHIP - PARKS AGREEMENT

Owner	Legal Description
Village II of Otay HB SUB, GP	<p>Lots 34, 35 and 41 of Chula Vista Tract No. 11-05 Otay Ranch Village 2 North "A" Map No. 2 and Otay Ranch Village 2 North Neighborhood R-5B Unit No. 1, in the City of Chula Vista, County of San Diego, State of California according to Map thereof No. 15865 filed in the office of the County Recorder of said county May 7, 2012.</p> <p>Lots 26 and 31 of Chula Vista Tract No. 06-05 Otay Ranch Village 2 and Portions of Village 4 "A" Map, in the City of Chula Vista, County of San Diego, State of California, according to Map thereof No. 15350 filed in the office of the County Recorder of said county May 26, 2006.</p>
Otay Ranch II Sun 12, LLC	<p>Lot 1 of Chula Vista Tract No. 06-05 Otay Ranch Village 2 and Portions of Village 4 "A" Map, in the City of Chula Vista, County of San Diego, State of California, according to Map thereof No. 15350 filed in the office of the County Recorder of said County May 26, 2006.</p>
Otay Ranch Village II-PC-15, LLC	<p>Lots "E" and "F" of Chula Vista Tract No. 06-05 Otay Ranch Village 2 Neighborhood R-15A, in the City of Chula Vista, County of San Diego, State of California, according to Map thereof No. 15862 filed in the office of the County Recorder of said county April 4, 2012.</p>
Village II of Otay, L.P.	<p>Lots 28 and 33 of Chula Vista Tract No. 06-05 Otay Ranch Village 2 and Portions of Village 4 "A" Map, in the City of Chula Vista, County of San Diego, State of California, according to Map thereof No. 15350 filed in the office of the County Recorder of said county May 26, 2006.</p>
SunRanch Capital Partners, LLC	<p>Lot 30 of Chula Vista Tract No. 06-05 Otay Ranch Village 2 and Portions of Village 4 "A" Map, in the City of Chula Vista, County of San Diego, State of California, according to Map thereof No. 15350 filed in the office of the County Recorder of said county May 26, 2006.</p>
Montecito Village, LLC	<p>Lots 4, 5, 9, and 14 of Chula Vista Tract No. 06-05 Otay Ranch Village 2 and Portions of Village 4 "A" Map, in the City of Chula Vista, County of San Diego, State of California, according to Map thereof No. 15350 filed in the office of the County Recorder of said county May 26, 2006.</p>

Exhibit A-2  
Depiction of Master Developer Property  
(attached)

# Exhibit B



## LEGEND



Neighborhood Parks

Exhibit B  
Conceptual Map of Village 2 Parks  
(attached)

Exhibit C  
Park Development Fee Credit Tracking Table  
(attached)

Column I of the Tracking Table will track the development component of PAD Fees deferred, calculated according to the PLDO. Column K of the Tracking Table will track the parkland dedication component deferred according to the PLDO. When the acreage amount in Column K equals or exceeds the acreage of the next Neighborhood Park to be developed, the corresponding dollar amount in Column I will be the Budget for the next Neighborhood Park. After the Budget for a Neighborhood Park is determined, both columns shall be reduced in the amounts devoted for the Neighborhood Park, and the deferral of PAD Fees shall continue until the acreage amount in Column K equals or exceeds the acreage of the next Neighborhood Park.

