

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: 6/3/4

SECOND AMENDMENT TO EXCLUSIVE NEGOTIATING
AGREEMENT BETWEEN
THE CITY OF CHULA VISTA AND
HOMEFED CORPORATION FOR
UNIVERSITY PROJECT

SECOND AMENDMENT TO EXCLUSIVE NEGOTIATING AGREEMENT

[University Project]

This SECOND AMENDMENT TO EXCLUSIVE NEGOTIATING AGREEMENT ("Agreement") is entered into effective as of JUNE 10, 2014 ("Effective Date") by and between the CITY OF CHULA VISTA, a chartered municipal corporation ("City") and HOMEFED CORPORATION, a Delaware corporation ("Developer") with reference to the following facts:

Recitals

A. City owns or will own certain real property comprised of approximately 375 acres located in the Otay Ranch and Eastlake communities of the City of Chula Vista, California, as more particularly described in Section 2.1 hereof (the "Property").

B. City wishes to foster the development of a new university and regional technology park on the Property, as more particularly described in Section 2.2 hereof (the "Project"), in a manner and form consistent with the goals and objectives of its General Plan and Otay Ranch General Development Plan.

C. Given the complexity and long-term development horizon for the Project City wishes to explore an arrangement with a land developer to serve as master-developer for the Project.

D. Developer has unique qualifications to serve as this the master developer for the Project because of Developer's (i) proven track record of successful and award-winning development, (ii) familiarity with Otay Ranch and the Project, given its extensive land holdings and ongoing entitlement processing of Villages 8 West and 9 near the Project site, (iii) financial strength and stability as evidenced by reportings as a publicly traded company subject to the requirements of the Federal Securities and Exchange Commission, and (iv) effective relationship with City staff based on mutual trust, cooperation and respect. Accordingly, City recognizes Developer as uniquely qualified for purposes of this Agreement, and, potentially, as a uniquely qualified sole-source candidate to act as master-developer of the Project.

E. Developer shares the City's interest in exploring and negotiating the possible terms and conditions under which Developer would act as master-developer for the Project, and is willing to invest substantial time and resources towards the advancement of the Project during the course of such exploration and negotiation provided that City is willing to negotiate exclusively with Developer for a specified time period on the terms and conditions provided herein.

F. Due to the unique nature of the proposed Project, its potential for fostering economic development and educational advancement, and for providing a valuable amenity for the citizens of the City of Chula Vista, and Developer's unique "master-

developer” qualifications (described above), City is willing to enter into this Agreement with Developer on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the above recitals, the mutual covenants contained herein, and other good and valuable consideration, the parties hereby acknowledge as satisfactory, CITY AND DEVELOPER HEREBY AGREE AS FOLLOWS:

Agreement

- 1. Amendment of Section 1.3.** Section 1.3 of the First Amended Agreement is amended to replace the words “...for up to five (5) additional ninety (90) day periods...” with “...for up to two (2) additional ninety (90) day periods...”

[Balance of Page Intentionally Left Blank; Agreement Continues on Following Page]

IN WITNESS WHEREOF, the parties hereto hereby execute this Agreement as of the Effective Date set forth above, thereby indicating their agreement to all the terms and conditions hereof.

CITY:

CITY OF CHULA VISTA,

a chartered municipal corporation

By: _____

Its: _____

Attest:

Donna Norris, City Clerk

Approved as to form:

Glen R. Googins, City Attorney

DEVELOPER:

HOMEFED CORPORATION,

a Delaware corporation

By: _____

Paul Borden, President