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ORDINANCE NO. C-7960

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING APPLICATION FOR A DEVELOPMENT AGREEMENT IN THE VICINITY OF LAKEWOOD BOULEVARD AND CARSON STREET PURSUANT TO CHAPTER 21.29 OF THE LONG BEACH MUNICIPAL CODE, DIRECTING THE CITY ATTORNEY TO PREPARE A DEVELOPMENT AGREEMENT EMBODYING THE APPLICATION AND AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE, ON BEHALF OF THE CITY, A DEVELOPMENT AGREEMENT WITH MCDONNELL DOUGLAS CORPORATION FOR THE DOUGLAS PARK PROJECT

The City Council of the City of Long Beach ordains as follows:

Section 1. Recitals

A. In response to requirements of State law, the City Council has enacted Chapter 21.29 of the Long Beach Municipal Code to establish procedures and requirements for the consideration of development agreements upon application of persons having a legal or equitable interest in property proposed to be subject to such an agreement.

B. The City has conducted discussions initiated by property interest-holders in that development commonly known as Douglas Park in the vicinity of Lakewood Boulevard and Carson Street relating to their application for a development agreement.

C. This application having been deemed complete by the Director of Planning and Building, and environmental review having been prepared as required by law,

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 the Long Beach Planning Commission conducted a public hearing on this matter on
2 October 7, 2004. Following that hearing, the Commission recommended to
3 the City Council that it approve the application for said development agreement.

4 D. Following receipt of a written report of such action by the Planning
5 Commission, and notice having been duly given by the City Clerk, the City Council
6 conducted a public hearing on this matter on December 14, 2004. At such
7 public hearing, all persons were given a full and fair opportunity to be heard and to present
8 written or oral testimony.

9 E. Following such public hearing, the City Council deliberated, considered
10 and acted upon the application in accordance with provisions of law and as set forth in this
11 ordinance.

12
13 Sec. 2. Development Agreement Incorporated by Reference

14 A. An application for a Development Agreement has been filed with the
15 Director of Planning and Building by McDonnell Douglas Corporation, a Maryland
16 corporation, and a wholly owned subsidiary of The Boeing Company, a Delaware
17 corporation.

18 B. The application, along with the draft of the proposed terms and
19 conditions for a development agreement and relevant exhibits relating to the application,
20 is hereby incorporated into this ordinance as Exhibit "A".

21
22 Sec. 3. Findings

23 A. Based on facts supporting such findings as set forth in the record of
24 the public hearing conducted by the City Council on December 14, 2004, and
25 incorporated herein by reference, relating to the Development Agreement listed and
26 incorporated in Section 2 of this ordinance, the City Council hereby finds:

27 1. That the Development Agreement is consistent with the Long
28 Beach General Plan and any and all applicable specific plans, and

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1 2. That the Agreement will promote the general welfare and public
2 interest of the City of Long Beach.

3

4 Sec. 4. Application Approval

5 A. Based upon such findings and upon recommendation of the Long
6 Beach Planning Commission, and after a full, fair and duly noticed public hearing as
7 required by law, the City Council hereby approves the application for Development
8 Agreement as such application is incorporated into this ordinance by reference in the form
9 of Development Agreement as set forth in Subsection 2.B of this ordinance.

10 B. Accordingly, the City Attorney is directed to prepare the Development
11 Agreement on the condition that such Development Agreement and its exhibits shall be in
12 substantially that form and content as is as set forth in Exhibit "A" to this ordinance.

13 C. As thus prepared, and when approved as to form by the City Attorney,
14 the City Manager is hereby authorized and directed to execute the Development
15 Agreement on behalf of the City in accordance with the provisions set forth in Long Beach
16 Municipal Code 21.29.050.

17 D. The City Clerk shall cause a copy of said Development Agreement to be
18 recorded in the office of the Registrar/Recorder of the County of Los Angeles no later than
19 ten days after its execution.

20

21 Sec. 5. As provided in Subsection 21.29.030.F of the Long Beach Municipal
22 Code, this ordinance may be subjected to referendum in the manner provided by law.

23

24 Sec. 6. The City Clerk shall certify to the passage of this ordinance by the
25 City Council and cause it to be posted in three conspicuous places in the City of Long
26 Beach, and it shall take effect on the thirty-first day after it is approved by the Mayor.

27 I hereby certify that the foregoing ordinance was adopted by the City
28 Council of the City of Long Beach at its meeting of December 21, 2004, by

1 the following vote:

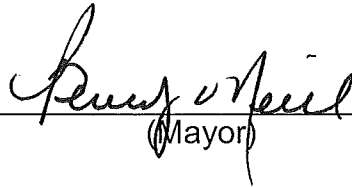
2 Ayes: Councilmembers: Baker, Colonna, O'Donnell,
3 Richardson, Reyes Uranga,
4 Gabelich, Lerch.

5
6 Noes: Councilmembers: Kell.

7
8 Absent: Councilmembers: Lowenthal.

9
10
11 
12 City Clerk

13
14 Approved: 12-23-04
15 (Date)

16
17 
18 (Mayor)

19
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Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

Recording Requested By:

CITY OF LONG BEACH
CITY CLERK

When Recorded, Mail to:

CITY OF LONG BEACH
CITY CLERK
333 W. Ocean Boulevard
1st Floor
Long Beach, CA 90802

DRAFT

Douglas Park

**DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF LONG BEACH
AND
THE McDONNELL DOUGLAS
CORPORATION**

**DOUGLAS PARK
DEVELOPMENT AGREEMENT**

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Exhibits:

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- “B” Project Vicinity Map**
- “C” Illustrative Site Plan**
- “D” PD-32**
- “E-1” On-Site Project Infrastructure Phasing Plan**
- “E-2” Park and Recreational Open Space Facilities Plan and Chart**
- “F” Transportation Improvements and Phasing Program**
- “G” Covenant And Agreement Regarding Lakewood Boulevard Landscape Improvements**
- “H” Performance Trigger Summary**
- “I” Impact Fees**
- “J” Certificate of Agreement Compliance**
- “K” Form of Assignment and Assumption Agreement**
- “L” Waiver of Right of First Refusal**
- “M” Legal Description of the City Parcel**
- “N” Right of Entry Permit Agreement**
- “O” Airspace And Avigation Easement**
- “P” Existing 60 CNEL Contour**
- “Q” Estoppel Certificate**

**DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF LONG BEACH
AND
MCDONNELL DOUGLAS CORPORATION**

THIS DEVELOPMENT AGREEMENT is executed this _____ day of _____, 2004, by and between the CITY OF LONG BEACH, a charter city and municipal corporation of the State of California, on the one hand, and McDONNELL DOUGLAS CORPORATION, a Maryland corporation and a wholly-owned subsidiary of The Boeing Company, a Delaware corporation, on the other hand, pursuant to the authority set forth in the Development Agreement Act, the City's inherent power as a charter city, and the Enabling Ordinance.

RECITALS

WHEREAS, the City and Company recognize that construction and development of Douglas Park (consisting of a mixed-use complex and other related facilities described herein) will benefit both Parties by (1) creating significant opportunities for economic growth in the City, the Southern California region and the State of California, (2) allowing the Company the opportunity to realize increased value and returns from its Property, (3) providing for implementation of the public infrastructure needed to accommodate that growth, and (4) generating significant economic benefits to the State, the Southern California region, the City and Company; and

WHEREAS, Douglas Park will be consistent with and will be designed and implemented to further numerous comprehensive planning objectives contained within the City's General Plan; and

WHEREAS, development of Douglas Park is designed and intended to create jobs, expand the City's economic base and provide a positive fiscal benefit to the City at full build out; and

WHEREAS, Douglas Park will provide opportunities for new hotel and retail growth in the City which will provide new general fund revenues; and

WHEREAS, in order to provide certainty and render the Project's development more feasible in light of the capital investment necessary to implement the Project and the extended planning horizon necessary to coordinate a project of such scope and complexity, and in order to realize the public benefits contemplated to result from the development of Douglas Park, the City is willing to agree with the Company that, with respect to the Property, certain existing governmental entitlements shall, to the extent specified herein, not be changed or supplemented with inconsistent burdens and exactions during the Term of this Agreement; and

WHEREAS, Company also recognizes and agrees that in extending these benefits to Company, the City will reserve certain legislative powers to protect the interests and

responsibilities of the City and to ensure that the public benefits contemplated by this Agreement are received; and

WHEREAS, the direct and indirect benefits the City expects to receive pursuant to this Agreement for its existing and future residents include, but are not limited to, Company's participation in funding or causing to be funded certain needed public improvements and facilities in the City; and

WHEREAS, these public facilities and improvements will not only facilitate the Project, but will provide benefits to the general public on a regional basis; and

WHEREAS, the Company wishes to undertake the obligations and requirements set forth herein in order to receive the benefits accruing to the Company from this Agreement and to achieve the public benefits contemplated herein, including Company's commitment to the balanced land use and development plan for the Property set forth herein, and Company's acceptance and approval of the conditions, requirements and restrictions imposed herein or incorporated herein by reference in connection with development of the Project; and

WHEREAS, for the foregoing reasons, the Parties desire to enter into a development agreement for the Douglas Park Project pursuant to the Development Agreement Act and the procedures and requirements established by the Enabling Ordinance upon the terms set forth herein.

AGREEMENT

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Act, as it applies to the City, the City's inherent powers as a charter city, and the Enabling Ordinance, and in consideration of the premises and mutual promises and covenants herein contained and other valuable consideration, the receipt and adequacy of which the Parties hereby acknowledge, the Parties hereto agree as follows:

1. DEFINITIONS

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

- 1.1 “**Accessory Use**” shall have the meaning set forth in PD-32.
- 1.2 “**Agreement**” means this Development Agreement.
- 1.3 “**Airspace And Avigation Easement**” means that easement, in the form attached hereto as Exhibit “O,” which will subject the Property to existing and future conditions caused by Long Beach Airport operations.
- 1.4 “**Attorneys’ Fees**” means and shall be limited to (a) attorneys’ fees, if any, awarded to a plaintiff by a court of competent jurisdiction pursuant to a final judgment in connection with any Litigation, or (b) the amount required to be paid, if any, to reimburse any plaintiff for the plaintiff’s attorneys’ fees as provided in a settlement agreement approved by City and Company in connection with any Litigation, as provided in Section 8.3.3 of this Agreement.
- 1.5 “**Bike Path**” means the bicycle trail comprising Segments 1, 2, 3, 4, and 5 as shown on Exhibits “E-1” and “E-2” attached hereto.
- 1.6 “**Boeing**” means The Boeing Company, a Delaware corporation, and its successors and assigns.
- 1.7 “**Bonds**” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refinancing thereof, which obligation may be incurred by or on behalf of a Public Financing District.
- 1.8 “**California Building Standards Codes**” means those building, electrical, mechanical, fire and other similar regulations, which are mandated by state law and which become applicable throughout the City, including, but not limited to, the California Building Code, the California Electrical Code, the California Mechanical Code, the California Plumbing

Code, and the California Fire Code (including those amendments to the promulgated California codes which reflect local modification to implement requirements justified by local conditions, as allowed by state law, and which are applicable City-wide).

1.9 “Certificate of Occupancy”, whether capitalized or not, means a temporary or permanent certificate of occupancy as defined in section 21.15.460 of the Code, excluding, however, temporary or permanent certificates of occupancy for model home units obtained for purposes of reasonable pre-sale marketing activities but only until the sale or rental of such model home units to the public.

1.10 “City” means the City of Long Beach, a charter city and municipal corporation of the State of California duly organized and existing under the Constitution and the laws of the State of California.

1.11 “City Agency” means each and every agency, department, board, and/or commission (including, without limitation, each and every advisory agency or board, including, without limitation, the Parks and Recreation Commission and Airport Advisory Commission) acting under the authority of the City, including, without limitation, the City Council and the Planning Commission.

1.12 “City Attorney” means the city attorney of City.

1.13 “City Council” means the city council of City and the legislative body of the City pursuant to section 65867 of the Development Agreement Act.

1.14 “City Funds” means any City general fund monies, any tax increment monies, and/or any transportation improvement or capital fund monies.

1.15 “City Manager” means the chief executive officer of City.

1.16 “City Parcel” means that real property located at the northeast corner of the Project, currently owned by the City, and more particularly described in Exhibit “M,” attached hereto.

1.17 “City Representatives” means all officials, advisory commissioners, agents, staff, employees, contractors, council members, planning commissioners, representatives, authorities, managers, affiliates, successors and assigns of the City or any City Agency.

1.18 “Code” means the City of Long Beach Municipal Code.

1.19 “Commercial Districts” means Sub Areas 7, 8A and 8B, as defined by the Development Standards.

1.20 “Company” means McDonnell Douglas Corporation, a Maryland corporation and a wholly-owned subsidiary of Boeing.

1.21 “Conditions of Approval” means any conditions, restrictions or requirements imposed by the Project Approvals, including, without limitation, any Development Requirements.

1.22 “Consumer Price Index” means the Consumer Price Index for all Urban Consumers, All items (1982-1984 = 100) for the Los Angeles-Riverside-Orange County Region or such successor index with which it may be replaced. If the above-described Consumer Price Index is discontinued during the Term for any reason and there is no successor or replacement index, City shall select a reasonable replacement index which is similar in nature and impact to the discontinued index and such replacement index shall be used in lieu of the discontinued index.

1.23 “Design Guidelines” means the guidelines for Development of the Project adopted by the City prior to or concurrently with the approval of the other Project Approvals.

1.24 “Development”, whether or not capitalized, means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of Project Infrastructure and public facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; and the installation of landscaping and park facilities and improvements. “Development” also includes the remodeling, renovation, rehabilitation,

repair, rebuilding, or replacement of any building, structure, improvement, landscaping or facility after the initial construction and completion thereof, as permitted under Section 3.2.1.5 during the Term.

1.25 “Development Agreement Act” means Article 2.5 of Chapter 4 of Division 1 of Title 7 (sections 65864 through 65869.5) of the California Government Code.

1.26 “Development Requirements” means the requirements of City imposed in connection with or pursuant to any Project Approval for the dedication of land, the construction or improvement of public facilities, or the payment of fees or assessments in order to lessen, offset, mitigate or compensate for the impacts of Development on the environment or other public interests.

1.27 “Development Standards” means those development standards, requirements, limitations and provisions, including, without limitation, height, density, setback, sideyards, lot sizes, and other zoning standards, incorporated into PD-32.

1.28 “Director” means the Director of Planning and Building of the City.

1.29 “Discretionary Action” or “Discretionary Approval” means an action which requires the exercise of judgment, deliberation or discretion on the part of City, including any City Agency and City Representatives, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires a City Agency or City Representative to determine whether there has been compliance with applicable statutes, ordinances, regulations or requirements.

1.30 “Distribution” shall have the meaning set forth in PD-32.

1.31 “Douglas Park” or “Douglas Park Project” means the Development of the Property and the City Parcel as contemplated by this Agreement.

1.32 “Douglas Park Planned Development District No. 32” or “PD-32” means Ordinance C-_____, attached hereto as Exhibit “D,” and the land use, development and other provisions contained therein, including without limitation, the Development Standards.

1.33 “**Effective Date**” means the date this Agreement, fully executed by the Parties, is recorded in the office of the Recorder of Los Angeles County.

1.34 “**Enabling Ordinance**” means Ordinance C-6533 §1 adopted by the City Council on October 4, 1988, which established Chapter 21.29 of the Code, which authorizes and enables the City to enter into development agreements in accordance with the Development Agreement Act.

1.35 “**Environmental Impact Report**” means the detailed environmental impact document prepared pursuant to California Public Resources Code section 21000 *et seq.* covering the Project and assigned State Clearinghouse Number 2001051048.

1.36 “**Floor Area**” shall have the meaning set forth in PD-32.

1.37 “**General Plan**” means the General Plan of the City of Long Beach.

1.38 “**Housing Districts**” means Sub Areas 1A, 1B, 2, 3, 4, 5 and 6, as defined by the Development Standards.

1.39 “**Impact Fees**” means impact fees, linkage fees, exactions, assessments or fair share charges or other similar impact fees or charges imposed by the City on or in connection with the impacts of new development pursuant to rules, regulations, ordinances and policies of the City, as set forth in Exhibit “I,” attached hereto. Impact Fees do not include (i) Processing Fees and Charges, or (ii) City-wide fees or charges of general applicability, provided that such City-wide fees or charges are not imposed on or in connection with the impacts of new development.

1.40 “**Inspections**” means all field inspections and reviews by City Agencies or City Representatives during the course of construction of the Project and the processing of certificates of occupancy (permanent or temporary).

1.41 “**Lakewood Boulevard Landscape Improvements**” means those landscaping improvements installed or to be installed pursuant to that certain Covenant And Agreement

between Company and the City, which is being recorded concurrently with this Agreement and is attached as Exhibit “G” hereto.

1.42 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations, guidelines and official policies of the City in force as of the Effective Date governing the permitted uses of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction guidelines, standards and specifications applicable to the Development of the Property. “Land Use Regulations” includes, without limitation, the General Plan, PD-32 (including the Development Standards), the Design Guidelines, and the Impact Fees. Notwithstanding the language of this Section or any other language in this Agreement, all duly adopted codes, regulations, specifications and standards regarding the initial design and construction prior to acceptance of Public Improvement Facilities, if any, shall be those that are in effect at the time the construction plans for such Public Improvement Facilities are approved by the City. In any event, the term “Land Use Regulations” does not refer to or include any City ordinance, resolution, code, rule, regulation, or official policy governing:

- (a) the conduct of businesses, professions, and occupations;
- (b) taxes and assessments;
- (c) the control and abatement of nuisances;
- (d) the granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property; and
- (e) the exercise of the power of eminent domain.

1.43 “Liabilities” means all liabilities, losses, damages (including, without limitation, penalties, fines and monetary sanctions), expenses, charges, or costs of whatsoever character,

nature and kind, including reasonable attorneys' fees and costs incurred by the indemnified Party with respect to counsel of its choice.

1.44 "Litigation" means any legal action instituted by any third party challenging any aspect of this Agreement or the Project Approvals, including, without limitation, the adoption, validity or application of any provision of this Agreement, or the Project's compliance with all applicable federal and state prevailing wage requirements, including the requirements of California Labor Code section 1720 *et seq.*

1.45 "Ministerial Permits and Approvals" means the non-discretionary permits, approvals, plans, Inspections, certificates, documents, licenses, and all other non-discretionary actions required to be taken by the City in order for Company to implement, develop and construct the Project, including, without limitation, building permits, public works permits, grading permits, encroachment permits, permanent certificates of occupancy, and other similar permits and approvals which are required by the Code to implement the Project in accordance with the Project Approvals. Ministerial Permits and Approvals shall not include any Discretionary Actions.

1.46 "Mitigation Monitoring Program" means the mitigation monitoring program adopted in connection with the City's approval of the Project Approvals and the certification of the Environmental Impact Report.

1.47 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or a lender under any other like security-device, and their successors and assigns.

1.48 "On-Site Project Infrastructure Phasing Plan" means the phasing of on-site Project Infrastructure in a manner that encourages and supports the development contemplated by this Agreement, including, without limitation, the job-creating commercial uses planned for Douglas Park, as more fully described and depicted in Exhibit "E-1." Such phasing is tied to residential development within the Project to ensure, among other matters, that infrastructure necessary to allow job-creating development within the Commercial Districts will be in place

concurrently with the completion of various portions of the residential development within the Housing Districts at Douglas Park and that certain public components of the Project, including the Parks and Recreational Open Space, are completed and available for use as the residential portions of the Project progress. Together with Exhibits “E-2” and “H,” the On-Site Project Infrastructure Phasing Plan identifies and describes the following six (6) phases of Project Infrastructure, which are further described in Section 2.4.2: Phase 1, which consists of the Phase 1 On-Site Roadway Infrastructure shown on Exhibit “E-1”, Park A, Park B, the Private Recreation Area, Segment 1 of the Bike Path, and the Lakewood Boulevard Landscape Improvements; Phase 2, which consists of the Phase 2 On-Site Roadway Infrastructure shown on Exhibit “E-1”; Phase 3, which consists of the Phase 3 On-Site Roadway Infrastructure shown on Exhibit “E-1” and Segments 4 and 5 of the Bike Path; Phase 4, which consists of Park D and Segment 3 of the Bike Path; Phase 5, which consists of Park C, the Pedestrian Easements / View Corridors, and Segment 2 of the Bike Path; and the Enclave Phase, which consists of the Enclave Phase On-Site Roadway Infrastructure shown on Exhibit “E-1”.

1.49 “On-Site Roadway Infrastructure” means the wet utilities (i.e., water, sewer and storm drainage) and dry utilities (i.e., conduits for telephone, electric, gas and cable), streets, traffic signage, traffic control devices, street lighting, sidewalks, and parkway landscaping, divided among the following four phases: Phase 1 On-Site Roadway Infrastructure, Phase 2 On-Site Roadway Infrastructure, Phase 3 On-Site Roadway Infrastructure, and Enclave Phase On-Site Roadway Infrastructure, as further described and depicted in the On-Site Project Infrastructure Phasing Plan attached hereto as Exhibit “E-1” and the Performance Trigger Summary attached hereto as Exhibit “H,” but excluding any Transportation Improvements.

1.50 “Parks” means Park A, Park B, Park C and Park D, which shall be made available and open for public use, as more fully described and depicted in Exhibits “E-1” and “E-2.”

1.51 “Parks and Recreational Open Space” means the Parks, the Private Recreation Area, Segments 1, 2, 3, 4 and 5 of the Bike Path, and the Pedestrian Easements / View Corridors, as more fully described and depicted in Exhibits “E-1” and “E-2” and Section 8.25 below.

1.52 “Parties” means collectively Company and City.

1.53 “Party” means any one of Company or City.

1.54 “Peak Hour” means the one-hour between the hours of 3:00 p.m. and 7:00 p.m. that exhibits the highest combination volume of Project and ambient traffic.

1.55 “Pedestrian Easements / View Corridors” means the two (2) pedestrian easements and view corridors, which shall be available and open for public use, described and depicted in Exhibits “E-1” and “E-2” and in the Development Standards.

1.56 “Planning Commission” means the Planning Commission of the City and the planning agency of the City pursuant to section 65867 of the Development Agreement Act.

1.57 “Private Recreation Area” means that area adjacent and contiguous to Park B, as described and depicted in Exhibits “E-1” and “E-2” and the Development Standards, that shall be reserved as private open space.

1.58 “Processing Fees and Charges” means all current and future processing fees and charges required by the City in connection with the Development of the Project, and which apply City-wide, including, but not limited to, fees for Ministerial Permits and Approvals, land use applications, tract or parcel maps, lot line adjustments, air rights lots, street vacations, certificates of occupancy and other similar permits. Processing Fees and Charges shall not include Impact Fees.

1.59 “Project” means the Development of the Property and the City Parcel as contemplated by Section 2.4 of this Agreement.

1.60 “Project Approvals” means the Discretionary Approvals for the Project that were approved by the City prior to or concurrently with the approval of the ordinance approving the application for this Agreement, directing the City Attorney to prepare this Agreement and

authorizing the execution of this Agreement by the City Manager on behalf of the City, which include: (1) Resolution R- _____ (adopting amendments to the Land Use, Noise and Transportation Elements of the General Plan and the Bicycle Master Plan; (2) Vesting Tentative Tract Map No. 61252; (3) Ordinance No. C- _____ (rezoning the Property and the City Parcel to Douglas Park Planned Development District No. 32); (4) Ordinance No. C- _____ (establishing the Douglas Park Planned Development District (PD-32), including the Development Standards); (5) Ordinance No. C- _____ (revising the Douglas Aircraft Planned Development District (PD-19)); (6) Ordinance No. C- _____ (revising the Noise District Map in section 8.80.160 of the Code; adding this Agreement to the list of approved development agreements in section 21.29.090 of the Code; and adding “PD-32 – Douglas Park” to section 21.37.020 of the Code); (7) Resolution R- _____ adopting the Design Guidelines; and (8) certification of the Environmental Impact Report, including the Mitigation Monitoring Program. References to the Project Approvals herein also shall be deemed to refer to and to incorporate the Development Requirements and Conditions of Approval imposed in connection with the Project Approvals.

1.61 “Project Infrastructure” means the On-Site Roadway Infrastructure, the Parks and Recreational Open Space, the Transportation Improvements, and the Lakewood Boulevard Landscape Improvements as each of the foregoing are described and depicted in one or more of the following exhibits: On-Site Project Infrastructure Phasing Plan attached hereto as Exhibit “E-1,” the Park and Recreational Open Space Facilities Plan and Chart attached hereto as Exhibit “E-2,” the Transportation Improvements and Phasing Program attached hereto as Exhibit “F,” the Covenant And Agreement Regarding Lakewood Boulevard Landscape Improvements attached hereto as Exhibit “G,” and the Performance Trigger Summary attached hereto as Exhibit “H.”

1.62 “**Property**” means the real property legally described in Exhibit “A” and located in the area shown as the Long Beach Portion of the Project Site on the Project Vicinity Map attached as Exhibit “B” to this Agreement.

1.63 “**Public Financing District**” means any assessment district, Mello-Roos or other special tax district, infrastructure financing district, maintenance district or other similar taxing district established or operated by the City.

1.64 “**Public Improvement Facilities**” means any Project Infrastructure improvement to be dedicated or made available to a governmental entity or public utility for public use.

1.65 “**Reserved Powers**” means the rights and authority excepted from this Agreement’s restrictions on the City’s police powers and which are instead reserved to the City. The Reserved Powers include the power to enact and implement rules, regulations, ordinances and policies after the Effective Date with respect to Development of the Project that may be in conflict with the Land Use Regulations, but: (1) prevent or remedy conditions which the City has found to be injurious or detrimental to the public health or safety; (2) are California Building Standards Codes; (3) are necessary to comply with state or federal laws, rules and regulations (whether enacted previous or subsequent to the Effective Date) or to comply with a court order or judgment of a state or federal court; (4) are agreed to or consented to by Company; (5) are City-wide fees or charges of general applicability provided that such City-wide fees or charges are not fees or charges imposed on or in connection with the impacts of new development in violation of the express limitations provided by this Agreement; or (6) are City-wide laws, regulations or ordinances relating to energy and/or resource conservation (so-called “sustainability” or “green building” laws, regulations, or ordinances).

1.66 “**School Agreement**” means that certain Agreement by and between Boeing Realty Corporation, an affiliate of the Company, and the Long Beach Unified School District dated February 23, 2004.

1.67 “**Section**” means the indicated section or subsection number of this Agreement.

1.68 “Subsequent Discretionary Project Approvals” means all Discretionary Actions or Discretionary Approvals applicable to the Project or the Property that are required to implement the Project in accordance with this Agreement and that are approved by the City after the Effective Date.

1.69 “Subsequent Land Use Regulations” means any change in or addition to the Land Use Regulations adopted and effective after the Effective Date, including, without limitation, any change in any applicable general or specific plan, zoning, subdivision, or building regulation, adopted or becoming effective after the Effective Date, including, without limitation, any such change by means of an ordinance, City Charter amendment, initiative, resolution, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the Mayor, City Council, Planning Commission or any other City Agency, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which conflicts with the rights granted to Company by this Agreement.

1.70 “Term” means the period of time from the Effective Date until the termination of this Agreement as provided in Section 4 of this Agreement.

1.71 “Transportation Improvements” means those transportation-related improvements described in the Transportation Improvements and Phasing Program, attached as Exhibit “F” to this Agreement, and in the Environmental Impact Report, which are required to service the Project and the Project area.

1.72 “Warehouse” shall have the meaning set forth in PD-32.

2. RECITALS OF PREMISES, PURPOSES 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 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.

2.2 City Procedures and Actions.

Pursuant to the authorization set forth in section 65865 of the Development Act, the City has established, by ordinance, procedures and requirements for the consideration of development agreements. Such procedures and requirements are set forth in Chapter 21.29, sections 21.29.010 through 21.29.090 of the Code.

In accordance with Chapter 21.29 of the Code, City has undertaken the necessary proceedings, has found and determined that this Agreement is consistent with the General Plan, and has adopted Ordinance No. _____ approving the application for this Agreement, directing the City Attorney to prepare this Agreement and authorizing the execution of this Agreement by the City Manager on behalf of the City.

2.3 The Property.

Company is the owner of approximately two hundred thirty-eight (238) acres located in City, as more particularly described in Exhibit "A" attached hereto and shown as the Long Beach Portion of the Project Site on the Project Vicinity Map attached hereto as Exhibit "B".

2.4 The Project.

It is the Company's intent to subdivide and develop the Property and the City Parcel as described below.

2.4.1 Description of the Major Components of the Project. As described by Douglas Park Planned Development District No. 32, Company seeks to develop Douglas Park as a mixed-use complex comprising eleven (11) Zoning Districts: the seven (7) Housing Districts, the three (3) Commercial Districts, and one (1) Park District (Sub Area 9). Development will consist of the major components described below and set forth in more detail in Exhibits "C," "D," "E-1," "E-2," "F," "G," and "H" attached hereto:

(a) A maximum of one thousand four hundred (1,400) residential dwelling units may be constructed in accordance with the conditions set forth in the Project Approvals. Sub Areas 1A, 1B, 2, 3, 4, 5, 6 and 9 contain approximately one hundred one (101) gross acres, including parks and roads. Not more than four hundred (400) for-rent multifamily units may be developed within the Project, which such units shall be located within Sub Area 1B. The contemplated number of unit types permitted and the distribution thereof within these Sub Areas is set forth in the Development Standards and summarized below:

Sub Areas

Sub Area	Applicable Code Zoning District	Use Classification
Sub Area 1A	R-4-N	High-density Multiple Residential
Sub Area 1B	R-4-N	High-density Multiple Residential
Sub Area 2	R-3-T	Multi-family Residential, Townhouse
Sub Area 3	R-4-R	Moderate-density Multiple Residential
Sub Area 4	R-1-M-3500	Single-family Residential – detached unit with Alley (35’ x 100’ lots)
	R-1-M-4500	Single-family Residential – detached unit with Alley (45’ x 100’ lots)
Sub Area 5	R-4-R	Moderate-density Multiple Residential
Sub Area 6	R-4-R	Moderate-density Multiple Residential
Sub Area 7	N/A	Office and “Main Street” Commercial, Hotel, Light Industrial, Aviation-related Uses
Sub Area 8A	N/A	Office, Commercial, Light Industrial, Aviation-Related Uses
Sub Area 8B	N/A	Continued Aircraft Manufacturing Support, Light Industrial
Sub Area 9	P	Parks and Private Recreation Area

(b) A maximum of three million three hundred thousand (3,300,000) square feet of Floor Area within Sub Areas 7, 8A and 8B for commercial uses (which maximum shall be reduced by any Floor Area devoted to retail uses in Sub Area 1B as described in Section 2.4.1(d), below). Floor Area within Sub Area 7 will be devoted to those uses set forth in the Development Standards, constructed and operated in accordance with and subject to the Project Approvals. Manufacturing uses are not permitted in Sub Area 7. Floor Area within Sub Area 8A may be devoted to most uses permitted in Sub Area 7, and to those light industrial uses and manufacturing uses set forth in the Development Standards, constructed and operated in accordance with and subject to the Project Approvals.

Floor Area within Sub Area 8B may be devoted to all uses permitted in Sub Area 8A, and, subject to the abandonment provisions contained in PD-32, those uses permitted within Sub Area 8B as of the Effective Date. Warehouse and Distribution uses are permitted within Sub Areas 7, 8A and 8B, but only as Accessory Uses, which shall not, at any time, exceed fifty (50) percent of the total Floor Area located on the legal lot or parcel containing such Accessory Use within Sub Areas 7, 8A and 8B. No housing of any kind will be permitted in Sub Areas 7, 8A and 8B. The total commercial Floor Area developed pursuant to this Agreement within the City of Long Beach shall be reduced by each square foot of Development that is actually developed within the City of Lakewood in reliance upon the Environmental Impact Report, including any addenda thereto; and

(c) A maximum of four hundred (400) hotel guest rooms or suites of rooms within Sub Area 7, constructed in accordance with and subject to the conditions set forth in the Project Approvals; and

(d) A maximum of two hundred thousand (200,000) square feet of Floor Area devoted to retail uses within the Property, with retail uses allowed only in Sub Area 7 and the portion of Sub Area 1B designated as the Mixed-Use Overlay Zone on Figure 4 in the Development Standards. The total of any Floor Area devoted to any such retail uses and any Floor Area devoted to commercial uses pursuant to Section 2.4.1(b) shall not exceed three million three hundred thousand (3,300,000) square feet of Floor Area; and

(e) Public and private improvements, including major road improvements and other Project Infrastructure as described in Section 2.4.2 and Exhibits "E-1," "E-2," "F," "G," and "H"; and

(f) As more particularly described on Exhibits "E-1" and "E-2" attached hereto, approximately thirteen (13) gross acres of Parks and Recreational

Open Space within the Project, including (i) nine and three tenths (9.3) gross acres of publicly owned and/or publicly accessible park space located north of "F" Street, including Park A (containing approximately four tenths (0.4) gross acres), Park B (containing approximately two (2) gross acres), Park C (containing approximately one and one tenth (1.1) gross acres), and Park D (containing approximately five and eight tenths (5.8) gross acres); (ii) Segments 1, 2, 3, and 4 of the Bike Path (containing approximately two and two tenths (2.2) gross acres); (iii) the Pedestrian Easements / View Corridors (containing approximately three tenths (0.3) gross acres); and (iv) the Private Recreation Area (containing approximately one and two tenths (1.2) gross acres of private open space) and other areas elsewhere in the Project at Company's discretion, where access may be limited to residents of Douglas Park.

In connection with the Development of the Project, Company and City also contemplate construction by Company of Segment 5 of the Bike Path adjacent to "F" Street in the City of Lakewood, consisting of approximately one-half (0.5) gross acres, subject to the approval of the City of Lakewood, which approval Company shall use reasonable best efforts to obtain.

The major components described above are more fully described by and must comply with all requirements set forth in PD-32, which shall be construed together with this Agreement. The requirements set forth in PD-32 and this Agreement are cumulative and the requirements of both PD-32 and this Agreement shall be met.

2.4.2 Description of Major Project Infrastructure Improvements to be Included Within the Scope of this Agreement; On-Site Project Infrastructure Phasing Plan Requirements. The Transportation Improvements which are a part of the Project are described in the Transportation Improvements and Phasing Program attached as Exhibit "F" hereto and shall be constructed or implemented in accordance with the timing set forth in Exhibit "F". The

Park and Recreational Open Space improvements which are a part of the Project are described in the Park and Recreational Open Space Facilities Plan and Chart, which is Exhibit "E-2" hereto. The Lakewood Boulevard Landscape Improvements which are a part of the Project are those landscaping improvements which have been or will be installed pursuant to Exhibit "G" hereto. The other major on-site Project Infrastructure improvements are described in the On-Site Project Infrastructure Phasing Plan, which is Exhibit "E-1" hereto. Consistent with Exhibits "E-1," "E-2," "G" and "H" hereto, Project Infrastructure (excluding the Transportation Improvements to be constructed or implemented in accordance with Exhibit "F") shall be constructed in the following phases:

(a) Phase 1: The "Phase 1 Project Infrastructure" shall consist of the Phase 1 On-Site Roadway Infrastructure shown on Exhibit "E-1", Park A, Park B, the Private Recreation Area, Segment 1 of the Bike Path, and the Lakewood Boulevard Landscape Improvements. All Phase 1 Project Infrastructure must be completed in accordance with all City-approved plans and specifications, and, where applicable, inspected and accepted by the City prior to issuance of the first (1st) Certificate of Occupancy for any residential unit within the Project;

(b) Phase 2: The "Phase 2 Project Infrastructure" shall consist of the Phase 2 On-Site Roadway Infrastructure shown on Exhibit "E-1." All Phase 2 Project Infrastructure must be completed in accordance with all City-approved plans and specifications, and, where applicable, inspected and accepted by the City prior to the sooner of (i) issuance of the seven hundred and first (701st) Certificate of Occupancy for a residential unit within the Project or (ii) issuance of a Certificate of Occupancy for any units which would allow occupancy of more than fifty percent (50%) of the total residential acreage (net of Parks and Recreational Open Space and streets) contained within the Housing Districts;

(c) Phase 3: The "Phase 3 Project Infrastructure" shall consist of the Phase 3 On-Site Roadway Infrastructure shown on Exhibit "E-1" (i.e., completion of "F" Street, defined as extension and connection to the intersection of Cover Street and Paramount Boulevard) and

Segments 4 and 5 of the Bike Path (a portion of the Phase 3 On-Site Roadway Infrastructure and Segment 5 of the Bike Path being located in and subject to the approval of the City of Lakewood, which approval Company shall use reasonable best efforts to obtain). All Phase 3 Project Infrastructure must be completed in accordance with all City-approved plans and specifications, and, where applicable, inspected and accepted by the City, upon the sooner of (i) delivery to the City of a fully improved Park D, or (ii) the third (3rd) anniversary of the issuance of a Certificate of Occupancy for the seven hundred and first (701st) residential unit within the Project;

(d) Phase 4. The “Phase 4 Project Infrastructure” shall consist of Park D and Segment 3 of the Bike Path. All Phase 4 Project Infrastructure must be completed in accordance with all City-approved plans and specifications, and, where applicable, inspected and accepted by the City prior to the sooner of (i) issuance of the seven hundred and first (701st) Certificate of Occupancy for a residential unit within the Project or (ii) the fifth (5th) anniversary of acceptance by the City of the Phase 1 On-Site Roadway Infrastructure;

(e) Phase 5. The “Phase 5 Project Infrastructure” shall consist of Park C, the Pedestrian Easements / View Corridors, and Segment 2 of the Bike Path. With the exception of the Pedestrian Easements / View Corridors, all Phase 5 Project Infrastructure must be completed in accordance with all City-approved plans and specifications, and, where applicable, inspected and accepted by the City prior to the sooner of (i) the sooner of (x) issuance of a Certificate of Occupancy for the nine hundred and first (901st) residential unit within the Project or (y) issuance of a Certificate of Occupancy for any units which would allow occupancy of more than sixty five percent (65%) of the total residential acreage (net of Parks and Recreational Open Space and streets) contained within the Housing Districts, or (ii) issuance of the first (1st) Certificate of Occupancy for a residential unit in Sub Area 5. The Pedestrian Easements / View Corridors shall be completed in accordance with all City-approved plans and specifications, and, if applicable, inspected and accepted by the City prior to the issuance of the first (1st) Certificate of Occupancy in Sub Area 5.

(f) Enclave Phase. The “Enclave Phase Infrastructure” shall consist of the Enclave Phase On-Site Roadway Infrastructure shown on Exhibit “E-1.” In the event Boeing declares, in accordance with the Development Standards, its intention to abandon any aviation-related uses currently permitted within Sub Area 8B and owned and operated by Boeing, all Enclave Phase Infrastructure within the area where such abandoned uses are located must thereafter be diligently completed in accordance with all City-approved plans and specifications, and, where applicable, inspected and accepted by the City.

2.4.3 Maintenance of Landscaping and Other Improvements; Master Declaration; Use Restrictions. The Parties agree that, following completion of each of the following improvements and notwithstanding public ownership of all or a part thereof, the Company, and its successors and assigns, shall be responsible for all costs of repair, replacement, maintenance and other like costs (collectively, “Maintenance”) required in connection with the Lakewood Boulevard Landscape Improvements, all parkway and median landscaping, the Parks, and the Pedestrian Easements / View Corridors (collectively, the “Privately Maintained Publicly Owned Infrastructure”); provided, however, that the City shall provide, at no cost to Company, all necessary irrigation water (which may be reclaimed water) and electrical power to the irrigation control devices for the Lakewood Boulevard Landscape Improvements, all parkway and median landscaping within the Project and all Parks within the Project. City shall also maintain the Bike Paths and sidewalks after construction by the Company and acceptance by the City. Prior to the sale of any portion of the Property by the Company, or issuance of any certificates of occupancy within the Project, whichever occurs first, Company shall submit to the City for its approval, which shall not be unreasonably withheld, conditioned or delayed (and, following such approval, shall record against the Property), a Master Declaration of Covenants, Conditions and Restrictions (the “CC&Rs”), which shall be binding upon the Company and all successors and assigns owning all or any portion of the Property (collectively the “Property Owners”), and which shall (a) obligate those parties to either perform all Maintenance in

accordance with City-required standards set forth in the CC&Rs or reimburse the City, as Company shall elect, for all costs of such Maintenance of the Privately Maintained Publicly Owned Infrastructure, which election shall be made by the Company prior to issuance of the first Certificate of Occupancy for the Project, (b) provide that those portions of the CC&Rs described in this Section 2.4.3 shall not be modified without the consent of the City, which shall not be unreasonably withheld, conditioned or delayed, (c) provide that the City shall have the direct right to enforce the obligations expressed to be for the City's benefit in the event of the failure of the Property Owners to do so, and (d) provide for indemnification of the City from any such Maintenance costs or expenses or any claims, causes of action or Liabilities arising from the manner of performance of such Maintenance by the Property Owners (or an association of such owners formed for the purpose, *inter alia*, of performing such Maintenance (the "Association")) or any act or omission of the Property Owners or the Association in connection with the performance of such Maintenance. The CC&Rs shall also (i) restrict the Housing Districts to development of and use as for-sale housing, except as otherwise permitted in Sub Area 1B under Section 2.4.1(a), and prohibit any developer of such portion of the Project or any successor owner of all or substantially all of a development project within such portion of the Project from rental of such housing prior to the initial sale of that housing pursuant to a final subdivision public report and, after the initial sale, further prohibiting, for a period of at least one (1) year after such initial sale, any rental of such housing, (ii) set forth in full the Airport Compatibility Measures language set forth in Section 8.32, (iii) require that all Privately Maintained Publicly Owned Infrastructure remain open to the public in perpetuity, and (iv) contain use restrictions with respect to certain uses within the Project which Company and City consider to be undesirable or inappropriate for the Project, in each case in a form and substance approved by the Company and City, which approvals shall not be unreasonably withheld, conditioned or delayed. Notwithstanding anything in this Agreement which is or appears to the contrary, all

alleys within the Project shall be privately constructed, privately owned and privately maintained and City shall have no capital or Maintenance obligation with respect thereto.

2.4.4 Dedication of Land for Public Purposes. Provisions for the dedication of land for public purposes are included within the description of Transportation Improvements on Exhibit “F” hereto and within the description of the other major Project Infrastructure improvements set forth in the On-Site Project Infrastructure Phasing Plan, which is Exhibit “E-1” hereto, including the Parks and Recreational Open Space requirements described in Exhibit “E-2” and Sections 2.4.1(f) above and 8.25 below.

2.4.5 Maximum Height of Project Buildings. The maximum height of each of the Project’s proposed buildings is set forth in PD-32. However, proposed building heights must in any event and in all cases not exceed those limits established by the Federal Aviation Administration’s regulations in which building heights are measured from mean sea level and are measured to the highest point of the building, including antennas and appurtenances.

2.5 Public Objectives.

In accordance with the legislative findings set forth in section 65864 of the Development Agreement Act, City wishes to attain certain public objectives that will be furthered by this Agreement, including the orderly development of the Property in accordance with the Land Use Regulations and the Project Approvals. Moreover, this Agreement 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. Additionally, although Development in accordance with this Agreement will restrain the City’s land use and other relevant police powers to the extent expressly set forth herein, the Agreement will provide 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 the City, Company will

receive assurances that the Project may be developed during the Term of this Agreement in accordance with the Land Use Regulations and the Project Approvals, subject to the terms and conditions of this Agreement and the Conditions of Approval.

The Parties believe that such orderly Development of the Project will provide many benefits to the Parties, including without limitation the following:

2.5.1 Comprehensive Planning Objectives. The Development of the Property pursuant to this Agreement will facilitate the implementation of the General Plan, and will further the comprehensive planning objectives contained within the General Plan, including the following:

- (a) Maintaining and enhancing major employment centers, such as the Douglas Park Project area;
- (b) Expanding and attracting new business to the City;
- (c) Providing for construction of new housing along major arterial corridors by removing underutilized and deteriorated commercial and industrial structures and recycling these old commercial and industrial properties by developing carefully designed, quality residential uses that promote better living conditions, promote access to employment centers, and protect established neighborhoods from intrusion of higher density housing;
- (d) Locating new multi-family housing in proximity to growing employment centers to decrease travel time, reduce traffic congestion, lessen energy consumption and improve air quality;
- (e) Assisting in improving the quality and availability of neighborhood housing and in building a strong network of healthy neighborhoods;
- (f) Redirecting growth to major employment/activity centers, such as the Douglas Park Project area;

(g) Developing a well-balanced community offering planned and protected residential districts, an adequate park and recreation system for all future residents, well-planned commercial districts, and a coordinated circulation system for fast, safe, and efficient movement of people and commodities;

(h) Providing usable open space tailored to Project-generated recreational demands that would otherwise be placed on public open space and recreation resources;

(i) Improving the urban environment in order to make Long Beach a more pleasant place to live, work, play and raise a family;

(j) Incorporating open space to provide a contrast to, and relief from, the tensions associated with urban living;

(k) Maximizing the development, economic, and job-creating potential of under-utilized properties zoned for commercial and manufacturing uses.

2.5.2 City Development Objectives. The public benefits to be received as a result of the development of the Project through this Agreement include, among others:

(a) Development of a major business center within the City providing opportunities for temporary employment during construction for up to an estimated three thousand eight hundred (3,800) persons and, at build out, permanent local long-term employment for up to an estimated eleven thousand (11,000) persons with an estimated annual direct and indirect payroll of over one billion dollars (\$1,000,000,000);

(b) Construction of major Project Infrastructure improvements in accordance with and as described in Exhibits "E-1," "E-2," and "H," which will ensure that infrastructure necessary to allow job-creating development within the Commercial Districts will be in place concurrently with the completion of various portions of the residential development within the Housing Districts;

(c) Construction of the Transportation Improvements in accordance with and as described in Exhibit "F", which will mitigate, to the extent feasible, the traffic impacts of the Project;

(d) Construction and maintenance of the Lakewood Boulevard Landscape Improvements, which will beautify one of the City's most important arterials;

(e) Mitigation (in excess of statutory requirements) of the impacts on the schools within the Long Beach Unified School District through the School Agreement;

(f) Contribution of three million dollars (\$3,000,000) in fees towards the affordable housing needs of the City;

(g) Meeting the open space, park and recreation needs of the future residents of the Project through the payment of the park and recreation Impact Fees, as described in Exhibit "I" hereto, in addition to the provision of on-site Parks and Recreational Open Space;

(h) Protection of the present and future free and unrestricted use of Long Beach Airport – Daugherty Field as a public and commercial use airport, and protection of the City from potential exposure to airport noise-related litigation initiated by future residents of the Project through the Airspace And Avigation Easement and the location of residential uses in areas of the Project site least impacted by airport noise;

(i) Assurance that development of the Project will proceed in accordance with a master plan which was the result of a comprehensive and coordinated planning process by and among Company, City and the community in which private and public goals, objectives and interests were thoughtfully integrated and resolved in an optimal fashion.

2.6 Company Objectives.

In accordance with the legislative findings set forth in section 65864 of the Development Agreement Act, and with full recognition of the City's policy of judicious restraints on its police powers, Company wishes to obtain reasonable assurances that, following receipt of all necessary discretionary approvals for the Project (i.e., the Project Approvals and the Subsequent Discretionary Project Approvals), Company will be able to develop the Project in accordance with the Land Use Regulations and with the Project Approvals. Because of the nature of the Project and the type and extent of the Transportation Improvements and the other major Project Infrastructure improvements to be provided by the Project, the Development of the Project will take a long period of time to complete. The decision by the Company to commence the Project is based on expectations of proceeding with the Project to completion. In the absence of this Agreement, Company would have no assurance that it can complete the Project. For any number of currently foreseeable and unforeseeable reasons, including, without limitation, regional traffic and related impacts (such as impacts on air quality) resulting from development outside the jurisdiction of City, pressures on the City could be created (a) to halt the Project at a point short of total build-out, (b) to defer or delay completion of the Project, or (c) to apply new rules, regulations or official policies to the Project inconsistent with this Agreement in such a manner as to significantly increase the cost or reduce the size of the Project. The potential loss of anticipated revenue associated with these development risks and uncertainties would, in the absence of this Agreement, deter and discourage Company from making a long-term commitment to the implementation of the Project. In addition, the costs of the Transportation Improvements, the Lakewood Boulevard Landscape Improvements, the other Project Infrastructure improvements and the school facilities described in the School Agreement to be funded by Company directly or indirectly will be in the millions of dollars and will be incurred by Company well in advance of the completion of all of the private income-producing components of the Project which provide the economic return required to justify and offset the

investment in such Project Infrastructure improvements. Accordingly, Company cannot prudently continue the development of the Project and such associated Transportation Improvements, other Project Infrastructure improvements and payment of school fees without reasonable assurance that, subject to the terms of this Agreement and the Reserved Powers, it will be able to complete the Project in accordance with the Project Approvals and the Land Use Regulations, and it is only the assurance of the ability to complete the private income-producing components of the Project in accordance with the Project Approvals and the Land Use Regulations that provides the inducement to Company to agree to commit the land and financial resources represented by the Transportation Improvements, the Lakewood Boulevard Landscape Improvements, the other Project Infrastructure improvements, the Housing Payment (as defined in Section 8.30 of this Agreement), and the payment of Impact Fees and school fees.

2.7 Applicability of the Agreement. This Agreement does not: (a) grant density, intensity or uses in excess of that otherwise established in the Project Approvals and the Land Use Regulations; (b) supersede, nullify or amend any condition imposed in the Project Approvals; (c) eliminate City discretion with respect to future Discretionary Actions relating to Douglas Park if such Discretionary Actions are initiated and submitted by Company or any other owner of the Property or any portion thereof after the Effective Date; (d) guarantee that Company will receive any profits from the Project; or (e) amend the City's General Plan. This Agreement has a fixed Term and is not permanent.

3. AGREEMENT AND ASSURANCES

3.1 Agreement and Assurances on the Part of Company.

In consideration of the covenants and agreements of City set forth herein, and in consideration of City's assurances with respect to Company's right to complete the Project set forth in Section 3.2 below, Company hereby agrees as follows:

3.1.1 Project Development. Company agrees that it will use commercially reasonable efforts, in accordance with its own business judgment and taking into consideration

market conditions and other economic factors influencing its business decisions concerning timing of the commencement or continuation of development, to develop the Project in accordance with the terms and conditions of this Agreement, including, without limitation, the Project Approvals and the Land Use Regulations, including:

3.1.1.1 As more fully described in PD-32 and Section 2.4.1 above, an integrated mixed use development comprised of housing and commercial uses.

3.1.1.2 The Transportation Improvements identified in Exhibit "F", the Parks and Recreational Open Space described in Exhibit "E-2", the Lakewood Boulevard Landscape Improvements described in Exhibit "G", and the other Project Infrastructure improvements, in each case in accordance with the On-Site Project Infrastructure Phasing Plan attached as Exhibit "E-1", the Transportation Improvements and Phasing Program attached as Exhibit "F", the Performance Trigger Summary set forth in Exhibit "H", and the requirements of this Agreement.

3.1.2 Timing of Development. The Parties acknowledge that Company cannot predict when or the rate at which the Project will be developed. Such decisions depend upon numerous factors which are not all within the control of Company, such as market orientation and demand, interest rates, absorption, availability of financing and other similar factors. Because the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the intent of Company and City to hereby cure that defect by acknowledging and providing that, subject to the limitations expressly set forth in this Agreement, including the On-Site Project Infrastructure Phasing Plan, Company shall have the right to develop the Property in such order and at such rate and at such times as Company deems appropriate within the exercise of its business judgment. City acknowledges that such a right is consistent with the intent, purpose and understanding of the Parties to this Agreement. Company

will use commercially reasonable efforts, in accordance with its own business judgment and taking into consideration market conditions and other economic factors influencing its business decisions, to develop the Project in accordance with the provisions and conditions of this Agreement, including, without limitation, the Project Approvals and the Land Use Regulations. Nothing in this Section is intended to alter the standard durational limits of any applicable permits issued to Company.

3.2 Agreement and Assurances on the Part of City.

In order to effectuate the premises, purposes and intent set forth in Section 2 above, and as an inducement for Company to obligate itself to carry out the covenants and conditions set forth in this Agreement, including the preceding Section 3.1 of this Agreement, City hereby agrees that Company shall have a vested right to carry out and complete the entire Project, as specifically described and set forth in this Agreement, subject to the terms and conditions of this Agreement, including, without limitation, the Project Approvals and the Land Use Regulations. In furtherance of such agreement and assurance, and pursuant to the authority and provisions set forth in the Development Agreement Act and Chapter 21.29 of the Code, City, in entering into this Agreement, hereby agrees and acknowledges that:

3.2.1 Entitlement to Develop.

3.2.1.1 Project Entitlement. Company has the vested right, to the fullest extent allowed under the Development Agreement Act, to develop the Project, in accordance with and subject to the Project Approvals and the Land Use Regulations without any further Discretionary Action being obtained from the City other than any applicable Subsequent Discretionary Project Approvals, and City finds and certifies that the Project is consistent with the General Plan and the applicable Land Use Regulations. This Agreement shall vest the right to develop the Property with the permitted uses of land, and with the density and intensity of uses specifically set forth in the Project Approvals, which includes, without limitation, the major components of the Project described in Section 2.4.1 of this Agreement.

3.2.1.2 Nonapplication of Subsequent Land Use Regulations. Except as otherwise provided by this Agreement with respect to the Reserved Powers, any Subsequent Land Use Regulations shall not be applied by City to the Project.

3.2.1.3 Changes in California Building Standards 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 California Building Standards Codes pursuant to the Reserved Powers.

3.2.1.4 Changes Mandated by Federal or State Law. Notwithstanding any provision of this Agreement to the contrary, the Property shall also be subject to subsequently enacted state or federal laws or regulations which preempt local regulations, or mandate the adoption of local regulations, or are in conflict with local regulations or with the Project Approvals and this Agreement. As provided in section 65869.5 of the Development Agreement Act, in the event that state or federal laws or regulations enacted after the Effective Date 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. Upon discovery of a subsequently enacted federal or state law meeting the requirements of this Section, City or Company shall provide the other Party with written notice of the state or federal law or regulation, and a written statement of the conflicts thereby raised with the provisions of local regulations or this Agreement. Promptly thereafter City and Company shall meet and confer in good faith in a reasonable attempt to modify this Agreement, as necessary, to comply with such federal or state law or regulation provided City shall not be obligated to agree to any modification materially increasing its obligations or materially adversely affecting its rights and benefits hereunder. In such discussions, City and Company will attempt to preserve the terms of this Agreement and the rights of Company as derived from this Agreement to the maximum feasible extent while resolving the conflict. If City, in its judgment, determines it necessary to modify this Agreement

to address such conflict, it shall have the right and responsibility to do so, and shall not have any liability to Company for doing so. City also agrees to process, in accordance with the provisions of Section 3.3 of this Agreement, Company's proposed changes to the Project that are necessary to comply with such federal or state law and that such proposed Project changes shall be conclusively deemed to be consistent with this Agreement without any further need for any amendment to this Agreement or any of its Exhibits.

3.2.1.5 Right to Remodel, Renovate, Rehabilitate, Repair, Rebuild or Replace. Company's vested rights under this Agreement shall include, without limitation, the right to remodel, renovate, rehabilitate, repair, rebuild or replace the Project or any portion thereof throughout the applicable Term for any reason including, without limitation, in the event of damage, destruction or obsolescence of the Project or any portion thereof, subject to the Land Use Regulations and the Reserved Powers. To the extent that all or any portion of the Project is remodeled, renovated, rehabilitated, repaired, rebuilt or replaced, Company may locate such reconstructed portion of the Project subject to the requirements of the Land Use Regulations, the Project Approvals and the Reserved Powers. Any Impact Fees related to such remodeled, renovated, rehabilitated, repaired, rebuilt, or replaced Project or portion thereof will be limited, under the terms of this Agreement, to the Impact Fees in effect as of the Effective Date increased by the percentage increase in the Consumer Price Index between the Effective Date and the date on which such Fees are payable. Notwithstanding the foregoing, Company reserves the right to protest or object to any Fees charged on any remodeled, renovated, rehabilitated, repaired, rebuilt or replaced Project or portion thereof based upon its rights under the then applicable law. Furthermore, notwithstanding anything to the contrary in this Section, the rights created under this Section 3.2.1.5 shall be limited to Company and any transferees of the Project succeeding to the Company's rights under this Agreement pursuant to Section 8.16 and in any event shall not extend to any owner or tenant of any individual completed residential unit.

3.2.1.6 Health and Safety Emergencies. In the event that any future public health or safety emergencies arise with respect to the Development contemplated by this Agreement, City agrees that it shall attempt, if reasonably possible as determined by the City in its discretion, to address such emergency in a way that does not have a material adverse impact on Development of the Property in accordance with the Project Approvals and the Land Use Regulations, and if the City determines, in its discretion, that it is not reasonably possible to so address such health or safety emergency, to select that option for addressing the situation which, in the City's discretion, minimizes, so far as reasonably possible, the impact on Development of the Property in accordance with the Project Approvals and the Land Use Regulations while still addressing such health or safety emergency in a manner acceptable to the City.

3.2.1.7 Agreed Changes and Other Reserved Powers. This Agreement shall not preclude application to the Project of rules, regulations, ordinances and officially adopted plans and policies in conflict with the Land Use Regulations or the Project Approvals where such additional rules, regulations, ordinances and officially adopted plans and policies (a) are mutually agreed to in writing by Company and City in accordance with the requirements of Section 8.10 of this Agreement or (b) result from the Reserved Powers.

3.2.2 Subsequent Discretionary Project Approvals; Consistent Subsequent Requirements. In accordance with California Government Code section 65865.2, City hereby agrees that it will not withhold or condition any Subsequent Discretionary Project Approval in a manner which would prevent Development of the Property for the uses and to the density or intensity of Development set forth in this Agreement, provided that Company reasonably and satisfactorily complies with all procedures, actions, payment of Processing Fees and Charges, conditions and criteria generally required of developers by City for processing applications for development, consistent with this Agreement. During the Term of this Agreement, City shall not require Company to obtain any approvals or permits for the development of the Project in accordance with the terms of this Agreement other than those permits or approvals which are

required by the Land Use Regulations and any other governmental requirements applicable to the Project in accordance with the terms of this Agreement. All Subsequent Discretionary Project Approvals shall be subject to the terms and conditions of this Agreement. Any Subsequent Discretionary Project Approval, or any conditions, terms, restrictions and requirements of any such Subsequent Discretionary Project Approval, shall not prevent development of Douglas Park for the uses and to the maximum density or intensity of development set forth in this Agreement.

In accordance with Government Code section 65866, nothing in this Agreement shall prevent the City, in subsequent actions applicable to the Property, from applying new rules, regulations and policies which do not conflict with the Land Use Regulations applicable to the Property under this Agreement and such new rules, regulations and policies shall be applicable to the Property.

In consideration for the covenants of City set forth herein and the rights granted to the Company hereunder, Company shall not seek any modification to this Agreement and/or the Project Approvals that (a) would expand the Housing Districts or allow any increase in the intensity or density of the residential uses therein or (b) would allow Warehouse and Distribution uses in the Project other than as an Accessory Use as currently permitted under this Agreement and PD-32. Company acknowledges that any such modification would disrupt the carefully structured development balance set forth herein and would deprive the City of the benefits contemplated by this Agreement and that development balance.

3.2.3 Consistency with Land Use Regulations. City finds, based upon all information made available to City prior to or concurrently with the execution of this Agreement, that there are no Land Use Regulations that would prohibit or prevent the full completion and occupancy of the Project in accordance with the uses, densities, Project design and heights incorporated and agreed to herein.

3.2.4 Time Period of Tentative Map. As provided in California Government Code section 66452.6, the term of Vesting Tentative Tract Map. No. 61252 (approved by the

City Council on _____, 2004) is hereby extended so that it will remain valid for the Term of this Agreement. In addition, notwithstanding any Condition of Approval or other provision of the Project Approvals which may provide to the contrary, every Project Approval shall remain valid for the Term of this Agreement.

3.2.5 Moratoria. In the event an ordinance, resolution or other measure is hereafter enacted, whether by action of City, by initiative, or otherwise, which affects the rate, timing, or sequencing of the Development of all or any part of Douglas Park, or implementation or construction of any Condition of Approval (“Moratorium”), City agrees that the changes imposed by such Moratorium shall not apply to Douglas Park or this Agreement, unless such changes are applied pursuant to the City’s exercise of its Reserved Powers or other applicable provision of this Agreement, and, if applicable to Douglas Park, shall toll the Term for the period of time that such Moratorium actually delays the rate or timing or affects the sequencing of the Development of all or any part of Douglas Park. Company shall not request or, unless requested or permitted to do so by the City, support adoption of any such Moratorium during the Term.

3.2.6 Standard City Services. The City agrees to provide generally applicable standard municipal services to the Project upon the same terms as provided elsewhere in the City; provided, however, the City does not guarantee any particular level of municipal service to Company or the Property.

3.2.7 Impact Fees. Impact Fees imposed by the City with respect to the Project during the Term of this Agreement shall be only those Impact Fees set forth in Exhibit “I” attached hereto. Impact Fees imposed by the City on the Project may not be increased in amount after the Effective Date. This Agreement shall not limit any impact fees, linkage fees, exaction, assessments or fair share charges or other similar fees or charges imposed by other governmental entities and which the City is required to collect or assess pursuant to applicable law (e.g., school district impact fees pursuant to Government Code section 65995). The City acknowledges and finds that the Transportation Improvements identified in the Conditions of Approval that are to

be implemented in connection with the Project provide regional mobility benefits beyond measured Project impacts but that those Transportation Improvements of regional benefit were not contemplated by the nexus studies and/or master plans supporting the City's Traffic Impact Fees. The City further finds that the cost of implementing the Transportation Improvements exceeds the amount of Traffic Impact Fees that might otherwise be payable under Chapter 18.17 and Chapter 18.18 of the Code in connection with the Development. As a result of and in consideration for the implementation of such Transportation Improvements and the On-Site Roadway Infrastructure, all Traffic Impact Fees that might otherwise be payable under Chapter 18.17 and Chapter 18.18 of the Code in connection with the Development are hereby acknowledged to be fully offset by the construction of the Transportation Improvements and the On-Site Roadway Infrastructure and therefore are deemed to satisfy the requirements of section 18.17.110 of the Code and thus to qualify for a credit against the applicable Traffic Impact Fees that might otherwise be payable under Chapter 18.17 and Chapter 18.18 of the Code in connection with the Development. There shall be no other credits or offsets to any Impact Fees, and notwithstanding any improvements or design elements contained in the Project or constructed in connection therewith, the Company shall pay all other Impact Fees applicable to the Project, including sewer and park fees, in full, as set forth in Exhibit "I".

3.3 Entitlements, Permits and Expediting Inspections.

The City and Company have agreed on the following provisions to expedite development of the Project:

3.3.1 City Project Coordinator. In order to facilitate the expeditious completion of the Project, the City shall select a City Project Coordinator for the Project. The City Project Coordinator shall be the primary City designee responsible for coordinating all processing of Ministerial Permits and Approvals and all Subsequent Discretionary Project Approvals, if any, for the Project. The City Project Coordinator shall be either an outside consultant selected by City or a City employee of a sufficiently high level in the City to be

authorized to effectively perform the duties of the City Project Coordinator. The City Project Coordinator shall be permitted to delegate day-to-day oversight to one or more department directors or other identified assistants of the City Project Coordinator. The City shall consult with Company as to its proposed selection of the City Project Coordinator and shall take into consideration Company's comments regarding the selection; provided that the selection of such City Project Coordinator shall be made by the City in its sole discretion. The City shall endeavor to maintain reasonable consistency with respect to the City Project Coordinator assigned to the Project through the completion of the Project subject to City employee performance criteria and operational requirements. Company shall assist in the efforts of the City Project Coordinator by promptly providing information reasonably requested by the City or the City Project Coordinator in order to clarify an application or to otherwise facilitate processing of an application.

Company shall pay to the City the costs of the City Project Coordinator (whether an outside consultant or City employee), including overhead costs and costs of identified assistants of the City Project Coordinator, for work related to the Project. The City shall invoice Company monthly for the actual costs of the City Project Coordinator and such assistants on an hourly basis and Company will pay such invoices within thirty (30) days of receipt. Company shall not be entitled to a credit for the costs of the City Project Coordinator or such assistants against the standard Processing Fees and Charges paid by Company or any other fee which would normally be required to be paid by Company. Company shall appoint a Company Project Manager who shall serve as the primary interface with the City Project Coordinator. Company will endeavor to maintain reasonable consistency with respect to the Company Project Manager assigned to the Project through completion of the Project subject to Company employee performance criteria and operational requirements.

The position of City Project Coordinator shall be eliminated after a term of three (3) years from the Effective Date, unless the Parties mutually agree to extend said term. In the event that the position of City Project Coordinator is eliminated, the Parties may thereafter

reinstate the position upon mutual agreement at any time during the Term of this Agreement, subject to continued reimbursement by Company to City of the costs of such City Project Coordinator as set forth above.

3.3.2 Processing Fees and Charges. Company shall pay all Processing Fees and Charges applicable to the Project and all actions in implementation thereof. Applicable Processing Fees and Charges shall include all such fees in effect on a City-wide basis from time to time in accordance with their terms, including all increases in Processing Fees and Charges hereafter authorized by the City. In the event that the magnitude of the Project provides opportunities to realize economies of scale with respect to Processing Fees and Charges, the City will consider, in good faith, any proposals of Company for alternative fee arrangements that would benefit both Parties; provided that agreement to any such alternate arrangement shall be in the sole discretion of the City.

3.3.3 Timeframes and Staffing for Processing and Review. Expeditious processing of Ministerial Permits and Approvals, Inspections, Subsequent Discretionary Project Approvals, if any, and any other approvals or actions required for the Project are important to the implementation of the Project. Recognizing the importance of timely processing and review of Ministerial Permits and Approvals and Inspections, the City will work with Company in good faith to process and review such Ministerial Permits and Approvals and Inspections in a timely manner.

3.3.3.1 Ministerial Permits and Approvals/Inspections; Standard Guidelines; Additional Staffing for Expedited Processing. The City will review and/or complete all requests for Ministerial Permits and Approvals as expeditiously as reasonably possible after Company submits full and complete applications for such Ministerial Permits and Approvals. City will also, as expeditiously as reasonably possible, respond to requests for Inspections by Company. City shall have no monetary liability or responsibility and shall not be subjected to any monetary damage claim (whether consequential, incidental or otherwise) for

any delay in processing, issuance or completion of any Ministerial Permits and Approvals or any Inspections or other approvals. If the City fails to process Ministerial Permits and Approvals and Discretionary Actions and to respond to requests for Inspections such that the progress of the Project is materially delayed, such failure shall be referred to the City Manager. The City Manager shall review the City's performance in this regard and shall establish a plan in conjunction with the City Project Coordinator and the Company Project Manager which is intended to address any deficiencies. If, at any time during the implementation of this Agreement, Company is not satisfied with the processing timeframes resulting from use of standard City staffing and consultants, the City shall, at Company's written request and expense, hire plan check, inspection and other personnel, or hire additional consultants for such actions, or allocate use of exclusively dedicated staff time, as City shall elect in its sole discretion, such that expedited timeframes can be achieved; provided that, in that event, Company shall pay all direct and indirect costs incurred by City in connection with any above-standard processing measures, including overhead costs and all costs of selecting, employing, supervising and reviewing any additional consultants. The City shall consult in good faith with Company as to any additional consultants to be hired pursuant to this Section; provided that the City shall retain sole discretion as to selection of any such consultants. In order to provide the City with advance notice of upcoming applications for Ministerial Permits and Approvals, Company shall supply to the City, no later than January 1 of each year, a list of the various Ministerial Permits and Approvals which Company reasonably anticipates will be requested during that year. Such list shall be updated quarterly, unless updated sooner by the Company. Company will also include on its list its expected schedule for requested Inspections. To the extent, if any (a) that any outside consultants or exclusively dedicated staff performs work on the Project under this Section and Company reimburses City for the costs of such consultants or staff as provided above, and (b) the City determines, in its sole discretion, that those reimbursements paid to the City in connection with such outside consultants or exclusively dedicated staff, when combined with any

standard Processing Fees and Charges concurrently paid to the City, result in a “double counting” payment by the Company to the City with respect to the cost to the City of processing any applications or approvals for the Project, then the City shall provide a credit to the Company against the standard Processing Fees and Charges paid by Company or which normally would have been required to be paid by Company as necessary to avoid such double payment of costs by the Company. Company shall pay all reimbursements to the City required under this Section within thirty (30) days after Company receives an invoice identifying such reimbursable expenses. In no event shall Company withhold or delay any portion of such reimbursement or the payment of any Processing Fees or Charges based on any credit or alleged credit by Company unless and until City has confirmed in writing Company’s right to such credit and the manner and timing for application of that credit.

3.3.3.2 Subsequent Discretionary Project Approvals and Other

Permits. City shall also respond, as expeditiously as reasonably possible, to all requests by Company for conditional use permits, subdivision maps, lot tie agreements, site plan review, lot line adjustments, project permits, encroachment permits, air space or air rights lots, street vacations and other Subsequent Discretionary Project Approvals, if any. Company shall supply to the City, no later than January 1 of each year, a list of the various Subsequent Discretionary Project Approvals which Company reasonably anticipates will be requested during that year with respect to the Project. Such list shall be updated quarterly unless updated sooner by the Company. Such list shall be utilized to provide advance notice to the City of all upcoming applications for Subsequent Discretionary Project Approvals. At Company’s request and expense, the City will retain consultants to assist the City in the review of Subsequent Discretionary Project Approvals in accordance with the terms and subject to the requirements and limitations, including reimbursement of City expenses, set forth in Section 3.3.3.1 above with respect to Ministerial Permits and Approvals.

3.3.4 Permit/Approval Dispute Resolution. Any disputes or questions of interpretation relating to implementation of the Project Approvals or Subsequent Discretionary Project Approvals, or with respect to Ministerial Permits and Approvals or Inspections, shall be resolved through the City's established procedures, including the Site Plan Review process, as set forth in PD-32 and, in connection therewith, the Parties shall cooperate with each other in good faith to achieve the expeditious resolution of such matter. Any disputes or questions of interpretation relating to implementation of this Agreement shall be referred to the City Project Coordinator (or the Director, if there is no City Project Coordinator) and, in connection therewith, the Parties shall meet and confer in good faith to achieve the expeditious resolution of such matter. If no such resolution is reached, the Parties may pursue the remedies set forth in Section 7.

4. TERM.

4.1 Basic Term. The Project is a multi-phased Development which will occur over many years, the exact number of which will be determined ultimately by market conditions and other business factors. It is the intent of the Parties to establish as the Term of this Agreement more than sufficient time to complete the Project, so that if current expectations prove to be unrealistic, Company will have additional time in which to complete the Project, including the Transportation Improvements, in an economically sound manner. Therefore, this Agreement shall commence upon the Effective Date and shall remain in effect until completion of the development of the Property and the City Parcel as contemplated by Section 2.4 of this Agreement or for a term of twenty (20) years after the Effective Date, whichever is earlier, unless said Term is terminated, modified or extended pursuant to the express provisions set forth in this Agreement or by mutual written consent of the Parties hereto. Following the expiration of said Term, this Agreement shall be deemed terminated and of no further force and effect; provided, however, such termination shall not affect any right or duty arising from City entitlements or approvals, including the Project Approvals, approved prior to, concurrently with

or subsequent to the Effective Date or any right or duty of Company which has accrued as of the date of such termination or which, by its terms, expressly survives such termination. As provided in Section 3.2.5 of this Agreement, the Term of this Agreement shall automatically be extended for the period of time of any actual delay resulting from any Moratorium.

4.2 Early Full Termination of Agreement. The Agreement is terminable: (a) by both Parties, with mutual written consent of the Parties, or (b) by City, following an uncured material default by the Company as set forth in Section 7 or following an Annual Review, as set forth in Section 5, or (c) by Company, following an uncured material default by City as set forth in Section 7.

5. ANNUAL REVIEW.

5.1 Annual Review Procedure. During the Term of this Agreement, the Company shall initiate and the City shall conduct an annual review of the Company's compliance with this Agreement. As provided in the Development Agreement Act, such annual review shall be limited in scope to determining good faith compliance with the provisions of this Agreement. As part of that review, Company shall submit an annual monitoring review statement to the Planning Commission describing its actions in compliance with this Agreement, in a form acceptable to the City, within forty-five (45) days after written notice from the City requesting that statement. The Planning Commission shall receive and review such statement and notify Company of any non-compliance within forty-five (45) days of receipt of the statement. Upon notification of any non-compliance, Company shall have the opportunity to cure any non-compliance within sixty (60) days or such longer period as is reasonably necessary to cure such non-compliance, provided that Company shall continuously and diligently pursue such cure at all times until such non-compliance is cured. If Company fails to timely cure such non-compliance, in City's reasonable discretion, then the City Council shall review the matter within thirty (30) days thereafter.

5.2 Termination or Modification of Agreement. In the event the City Council determines on the basis of substantial evidence that the Company has not complied in good faith with the terms of this Agreement, the City may modify or terminate this Agreement in accordance with the Development Agreement Act and Chapter 21.29.070 of the Code. Notwithstanding any provision to the contrary in any City procedures, there shall be no modification of this Agreement unless the City Council acts pursuant to sections 65867 and 65868 of the Development Agreement Act.

5.3 Certificate of Agreement Compliance. If, at the conclusion of an annual review, Company is found to be in good faith compliance with this Agreement, City shall, upon request by Company, issue a Certificate of Agreement Compliance (“Certificate”) to Company stating that, after the most recent annual review and based upon the information then known to the City, (a) this Agreement remains in effect and (b) Company is, to the current actual knowledge of the City, in good faith compliance with the Agreement as required by section 65865.1 of the Development Agreement Act. The Certificate shall be in the form attached hereto as Exhibit “J”. Company may record the Certificate with the County Recorder. Additionally, as set forth in Section 8.43, either Party may at any time request from the other an estoppel certificate confirming, in addition to the foregoing, the status of the other Party’s performance of its obligations under this Agreement to the actual knowledge of the certifying Party. Any such Certificate delivered pursuant to this Section shall not estop the Party delivering the Certificate from asserting a breach or default, or pursuing any rights arising therefrom, with respect to any matter which may be subsequently discovered by the certifying Party or which may occur subsequent to the date of such Certificate.

5.4 Failure of Annual Review. City’s failure to conduct a review at least annually of Company’s compliance with the terms and conditions of this Agreement shall not constitute or be construed by City or Company as a breach of or a default under this Agreement.

5.5 Annual Review Fee. Company shall pay the applicable annual review fee imposed for annual review of development agreements pursuant to Resolution R- _____ adopted by the City Council on _____.

6. VESTED RIGHTS TO DEVELOP.

Subject to the terms of this Agreement, Company shall have a vested right to develop the Property in accordance with, and to the extent of, the Project Approvals. City and Company hereby acknowledge and agree that all of the Development allowed under the Project Approvals is vested specifically with Company, and may not be utilized by any other subsequent owner or lessee of a parcel or parcels of the Property except with the express written assignment by Company pursuant to Section 8.16, and then only to the extent of such assignment; provided, however, that nothing herein shall be deemed to preclude a subsequent owner or lessee of a parcel or parcels of the Property from seeking additional entitlements to Development to the extent that such entitlements are additive to, and not a reduction of, the Development rights hereby vested with Company and to the further extent that such entitlements do not (a) expand the Housing Districts or increase the intensity or density of the residential uses therein or (b) allow Warehouse and Distribution uses other than as an Accessory Use as currently permitted under this Agreement and PD-32.

7. DEFAULT, REMEDIES AND DISPUTE RESOLUTION

7.1 Intent.

Under this Agreement, Company's obligation to City is to develop the Project, including the construction of the Transportation Improvements, the Lakewood Boulevard Landscape Improvements and the other Project Infrastructure improvements, subject to the conditions established in the Project Approvals and the terms of this Agreement and in accordance with the Land Use Regulations, and to pay any amounts or reimbursements due to City under the express terms of this Agreement, including, without limitation, the Housing Payment under Section 8.30, and City's obligation to Company is to permit Company to

complete the Project in accordance with the Project Approvals, the Land Use Regulations, and the terms of this Agreement. The Parties agree that the following provisions shall govern the availability of remedies should either Party breach its obligations under this Agreement.

7.2 City's Remedies.

7.2.1 Default by Company. In addition to the annual review process under Section 5 above, in the event Company does not perform its obligations under this Agreement in a timely manner, the City shall have those rights and remedies provided for in this Agreement, including, without limitation, Section 7.6; provided, that the City's right to compel specific performance of the obligations of Company shall be subject to the limitations set forth in Section 7.2.5 of this Agreement; and provided, further, the City shall have no right to monetary damages as a result of any failure by Company to start or complete the Project (other than to the extent arising from the Company's failure to complete, remove or secure improvements as required by Section 7.2.5 below or to pay any amounts or reimbursements due to City under the express terms of this Agreement including, without limitation, the Housing Payment under Section 8.30). Nothing in this Section 7.2.1 shall limit the City's right to terminate this Agreement in accordance with Section 7.2.4.

7.2.2 Notice of Default. With respect to a default by the Company under this Agreement, the City shall first submit to Company a written notice of default in the manner prescribed in Section 8.5, identifying with specificity those obligations of Company which have not been performed. Upon receipt of the notice of default, Company 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 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 Company shall continuously and diligently pursue such remedy at all times until such default(s) is cured.

7.2.3 Failure to Cure Default Procedure. If, after the cure period has elapsed, the City finds and determines that Company remains in default and the City wishes to terminate or modify this Agreement, the Director shall make a report to that effect to the Planning Commission and set a public hearing before the Commission in accordance with the notice and hearing requirements of sections 65867 and 65868 of the Development Agreement Act. If, after public hearing, the Planning Commission finds and determines that Company has not cured the default pursuant to this Section 7.2, and that the City is entitled to terminate or modify this Agreement, Company shall be entitled to appeal that finding and determination to the City Council in accordance with Section 8.2. In the event of a finding and determination that all defaults are cured, there shall be no appeal by any person or entity.

7.2.4 Termination or Modification of Agreement. If it is determined pursuant to the above-described procedures that the Company has failed to timely cure a material breach of the obligations under this Agreement, City shall have the right to modify or terminate this Agreement as provided in Chapter 21.29.070C of the Code; provided, however, that with respect to a material breach of a severable obligation, as defined in Section 8.16.2, any such termination (as opposed to a modification) of this Agreement may only affect the portion of the Property affected by such breach; and further provided that with respect to a modification (as opposed to termination) of this Agreement, any modification that would materially increase the Company's obligations under this Agreement may not be made unilaterally by City and shall require the consent of Company.

7.2.5 Specific Performance. Except as provided in this Section, the City shall have no right to seek a remedy of specific performance with respect to the Development of the Project. The City's right to seek specific performance in connection with the Development of the Project shall be specifically limited to (a) compelling Company to complete or demolish any uncompleted improvements initiated in connection with the Project which are located on public property or property which has been offered for dedication to the public, with the choice of

whether to demolish or complete such improvements and the method of such demolition or completion of such improvements to be selected by the City in its sole discretion, (b) compelling Company to dedicate and properly complete any public improvements which are required by the Project Approvals or the Land Use Regulations to be dedicated and/or completed prior to occupancy of those Project improvements in fact constructed on the Property pursuant to this Agreement, and (c) compelling Company to complete, demolish or make safe and secure any uncompleted private improvements located on the Property with the choice of whether to demolish, complete or secure such private improvements and the method of such demolition, completion and securing such private improvements to be selected by Company in its sole discretion. Notwithstanding anything in Section 7.2 to the contrary and notwithstanding any termination of this Agreement, the City shall have the right to enforce all applicable provisions of the Land Use Regulations and the Project Approvals for any portion of the Project actually constructed and to collect all payments and reimbursements due to City under the express terms of this Agreement.

7.3 Company's Remedies.

7.3.1 Default and Notice of Default. With respect to a default by the City under this Agreement, Company shall first submit to the City a written notice of default in the manner prescribed in Section 8.5, identifying with specificity those obligations of the City 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 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.

7.3.2 Specific Performance; Waiver of Damage Remedies. Both Parties agree and recognize that, due to the size, scope, and nature of the Project, including the Project

Infrastructure improvements that must be made in the initial phases of the Project, the design and placement of various discrete uses and structures, and the functional and economic interrelationships of the various components of the Project, as a practical matter it will not be possible physically, financially and as a matter of land use planning, to restore Douglas Park to its former state once any significant portion of Douglas Park is developed and/or any portion of the Project Infrastructure is constructed. Further, the City would not be willing to enter into this Agreement if it created any monetary exposure for damages (whether actual, compensatory, consequential, punitive or otherwise) in the event of a breach by City hereunder. For the above reasons, the Parties agree that, except as expressly provided in Section 7.3.3, specific performance is the proper remedy and shall be the only remedy available to Company in the event of the City's failure to carry out its obligations hereunder. Company specifically acknowledges that it may not seek monetary damages of any kind in the event of a default by the City under this Agreement, and Company hereby waives, relinquishes and surrenders any right to any such monetary remedies. Company covenants not to sue for or claim any monetary damages for the breach by the City of any provision of this Agreement and hereby agrees to indemnify, defend and hold the City and all City Representatives harmless from any cost, loss, liability, expense or claim (including attorneys' fees) arising from or related to any claim brought by Company inconsistent with the foregoing waivers. The Company may also, in its discretion, terminate this Agreement upon occurrence of specified events, as provided in Section 7.5. Without limitation of the foregoing, any and all claims against the City arising under this Agreement and falling within the scope of the California Tort Claims Act shall be made in accordance with the requirements of the California Tort Claims Act (or any successor statute) set forth in California Government Code section 810 *et seq.*

7.3.3 Restitution of Improper Development Fees. In the event any Impact Fees are imposed by City on Development of the Project other than those authorized pursuant to this Agreement, Company shall be entitled to recover from City restitution of all such improperly

1. DEFINITIONS

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

1.1 “**Accessory Use**” shall have the meaning set forth in PD-32.

1.2 “**Agreement**” means this Development Agreement.

1.3 “**Airspace And Avigation Easement**” means that easement, in the form attached hereto as Exhibit “O,” which will subject the Property to existing and future conditions caused by Long Beach Airport operations.

1.4 “**Attorneys’ Fees**” means and shall be limited to (a) attorneys’ fees, if any, awarded to a plaintiff by a court of competent jurisdiction pursuant to a final judgment in connection with any Litigation, or (b) the amount required to be paid, if any, to reimburse any plaintiff for the plaintiff’s attorneys’ fees as provided in a settlement agreement approved by City and Company in connection with any Litigation, as provided in Section 8.3.3 of this Agreement.

1.5 “**Bike Path**” means the bicycle trail comprising Segments 1, 2, 3, 4, and 5 as shown on Exhibits “E-1” and “E-2” attached hereto.

1.6 “**Boeing**” means The Boeing Company, a Delaware corporation, and its successors and assigns.

1.7 “**Bonds**” means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refinancing thereof, which obligation may be incurred by or on behalf of a Public Financing District.

1.8 “**California Building Standards Codes**” means those building, electrical, mechanical, fire and other similar regulations, which are mandated by state law and which become applicable throughout the City, including, but not limited to, the California Building Code, the California Electrical Code, the California Mechanical Code, the California Plumbing

assessed Impact Fees paid under protest, together with interest thereon to the extent and at the rate provided by applicable law. Any and all such claims for restitution falling within the scope of the California Tort Claims Act shall be made in accordance with the California Tort Claims Act (or any successor statute) set forth in California Government Code section 810 *et seq.*

7.4 Rights and Duties Following Termination.

Upon the termination of this Agreement, no Party shall have any further right or obligation hereunder except with respect to (a) any obligations to have been performed or which have accrued prior to said termination, (b) any default in the performance of the provisions of this Agreement which has occurred prior to said termination, or (c) any obligations arising under a provision of this Agreement which expressly provides that it survives the termination of this Agreement. The termination of this Agreement shall not alter or limit in any way the CC&Rs, which shall continue to be binding on the Property Owners in accordance with the terms set forth therein.

7.5 Company's Right To Terminate Upon Specified Events.

Notwithstanding any other provisions of this Agreement to the contrary, Company retains the right to terminate this Agreement upon thirty (30) days written notice to City in the event that Company reasonably determines that continued Development of the Project has become economically infeasible due to (i) changed market conditions, (ii) increased Development costs, (iii) burdens imposed, consistent with this Agreement, by the City as conditions to Subsequent Discretionary Project Approvals, (iv) the City's exercise of its Reserved Powers in a way deemed by Company to be inconsistent with the Development of the Project, or (v) upon the City's failure to perform any material duty or obligation hereunder which is not cured within the applicable cure period set forth herein. In the event Company exercises this right, it shall nonetheless be responsible for (a) the completion, as soon thereafter as reasonably possible, of all Project Infrastructure that has been commenced at the time that Company exercises such right, (b) performance of the obligations of the Company set forth in

Section 7.2.5 above, (c) to the extent not covered by (a) and (b) above, mitigation of impacts to City resulting from Development that may have occurred on the Property prior to the notice of termination on a fair share or nexus basis, and (d) any portion of the Housing Payment that has become or later becomes payable as set forth in Section 8.30. Within the thirty (30) day notice period City and Company shall meet to identify any mitigation obligation described in subsection (c) of this Section that may remain to be satisfied. If the Parties are in disagreement at the end of the thirty (30) day notice period, the Agreement shall nevertheless be terminated and the dispute over any remaining mitigation obligation shall thereafter be resolved pursuant to Section 7.6.

7.6 Legal Actions.

Subject to the limitation on remedies imposed by this Agreement, either Party may institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation, enforce by specific performance the obligations and rights of the Parties hereto or seek declaratory relief with respect to its rights, obligations or interpretations of this Agreement. The limitation of remedies set forth herein shall not limit any provisional remedies, including, without limitation, injunctive or similar relief, from any court of competent jurisdiction as may be necessary to protect the benefit to a Party of its rights and permitted remedies hereunder.

8. GENERAL PROVISIONS

8.1 Effective Date.

This Agreement shall be effective upon its execution by a duly authorized representative of each Party hereto and recordation with the Los Angeles County Recorder, as hereinafter provided. As provided in section 65868.5 of the Development Agreement Act, a copy of this Agreement shall be recorded with the Los Angeles County Recorder within ten (10) days after its execution by both Parties. Amendments to this Agreement approved by the Parties pursuant to Section 8.10 of this Agreement shall also be recorded.

8.2 Appeals to City Council.

Where an appeal by Company to the City Council from a finding and/or determination of the Planning Commission or any other City Agency is created by this Agreement, such appeal shall be filed, if at all, within twenty (20) days after the delivery of notice in accordance with Section 8.5 of such finding and/or determination to Company. The City Council shall act upon the finding and/or determination within ninety (90) days after such delivery of notice, or within such additional period as may be agreed to by the Company, which agreement shall not be unreasonably withheld, conditioned or delayed. In the event that the City Council fails to act within said ninety (90)-day period, or such additional period as may be agreed to by the Company, Company may seek remedies under Section 7.3.

8.3 Cooperation and Implementation

8.3.1 Processing. Upon satisfactory completion by Company of all required preliminary actions and payment of applicable Processing Fees and Charges, including the fee for processing this Agreement, City shall process all required steps necessary for the implementation of this Agreement and development of the Douglas Park Project in accordance with the terms of this Agreement. Company shall, in a timely manner, provide City with all documents, plans and other information necessary for City to carry out such processing.

8.3.2 Other Governmental Permits. Company 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. City, at no out-of-pocket cost or expense to the City, shall reasonably cooperate with Company in its endeavors to obtain such permits and approvals and shall, from time to time at the request of Company, consider, in good faith and in the City's sole discretion, agreements with any such entity to ensure the availability of such permits and approvals, or services, provided such agreements are reasonable and do not result in any additional cost or expense or other adverse impact to City. Such entities may

include, but are not limited to, school districts, utility districts or providers, the City of Lakewood, the County of Los Angeles Airport Land Use Commission, the County of Los Angeles Public Works Department, the County of Los Angeles Flood Control District and the California Department of Transportation (“Caltrans”). These agreements may include, without limitation, 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. Company shall reimburse City for all costs and expenses incurred in connection with reviewing, negotiating or entering into any such agreement provided that Company has requested the City to do so. Company shall indemnify, defend (with counsel selected by the indemnified Party), and hold harmless City, all City Agencies, and each City Representative from and against any and all claims, causes of action and Liabilities incurred by the indemnified Party arising from or related to any challenge by any person or entity to any such agreement, and shall reimburse City for any costs and expenses incurred by City in enforcing any such agreement. Any fees, assessments, or other amounts payable by City under any such agreement shall be borne by Company, except where Company has notified City in writing, prior to City entering into such agreement, that it does not desire for City to execute such an agreement.

8.3.3 Cooperation in the Event of Legal Challenge By Third Party. In the event of any Litigation, the Parties hereby agree to affirmatively cooperate in defending said action.

8.3.3.1 Company and City Legal Counsel. In the event any Litigation (including any cross-action) is filed against the City and/or Company, the Party receiving service of such action shall notify the other in writing of such Litigation promptly after service upon it and shall transmit to the other any and all documents (including, without limitation, correspondence and pleadings) received by, or served upon, it in connection with such Litigation. Within ten (10) days after delivery of such notice, Company shall retain and appoint legal

counsel (“Counsel” for purposes of this section 8.3.3) with respect to the Litigation. The Parties acknowledge that Counsel will appear and represent Company in connection with such Litigation and such Counsel shall, at the request of the City Attorney, cooperate with the City Attorney, shall prepare drafts, for review by the City Attorney, of all pleadings, motions and other Litigation-related documents, and shall coordinate legal strategy and otherwise cooperate with City in connection with the Litigation, all at Company’s cost and expense. Company shall also pay all filing fees, court costs and similar out-of-pocket expenses required for the City to defend the Litigation. The City Attorney or his designee shall appear on behalf of the City in any such Litigation and shall at all times retain final authority and control over all documents to be filed on the City’s behalf and all actions to be taken by the City with respect to Litigation. The Company shall be responsible for reimbursing the City for reasonable fees or costs of any attorneys hired by the City in connection with such Litigation, but the Company shall not be responsible for paying any fees, costs, Attorneys’ Fees or expenses resulting from unreasonable actions taken by the City in connection with the Litigation against the written advice of Counsel given to City prior to the action taken. The City shall cooperate with Counsel’s defense of the Litigation, and shall make its records (other than documents privileged from disclosure) and personnel available to Counsel as may be reasonably requested by Counsel in connection with the Litigation.

8.3.3.2 Reimbursement of Attorneys’ Fees. Within thirty (30) days after delivery of a final judgment awarding Attorneys’ Fees or costs to a plaintiff or upon execution of a written settlement agreement by and between the City and a plaintiff which requires the City to pay Attorneys’ Fees or costs to a plaintiff, Company shall pay such Attorneys’ Fees and costs to the plaintiff as required unless the City settles any Litigation, in whole or in part, without Company’s prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed.

8.3.3.3 Indemnification. Company shall indemnify, save and hold the City, City Agencies, and City Representatives (collectively, “the City” in this Section 8.3.3.3) harmless from any and all Liabilities to the extent they arise from or are related to any Litigation. Notwithstanding any other provision of this Section 8.3.3, the City’s sole right under this Agreement to reimbursement of Attorney Fees awarded in connection with the defense of Litigation is that set forth in Section 8.3.3.2. Furthermore, City shall be deemed to have waived its right to any further reimbursement or indemnification with respect to an individual Litigation matter under this Section 8.3.3 if the City settles such Litigation, in whole or in part, without Company’s prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding any provision to the contrary, if the City is indemnified with respect to a Litigation matter pursuant to this Section 8.3.3.3, Company, as the indemnifying Party, shall at all times retain final authority and control over all documents to be filed in such Litigation by the Company subject to the City’s review and approval thereof, which approval shall not be unreasonably withheld, conditioned or delayed. Nothing in this Section 8.3.3 shall waive or limit any obligations of the Company or rights and protections of the City set forth in any Project Approvals.

8.3.3.4 Joint Defense. It is understood and agreed that Counsel shall represent Company and that the City shall not be considered the client of Counsel, nor Company the client of the City Attorney. Both Company and the City understand that the requirements of cooperation contained in this Agreement apply only as to matters reasonably necessary for the accomplishment of the defense of the Litigation and shared information is intended to be, and must be, kept confidential. In the event of any conflict between the covenants of cooperation set forth in this Section and any legal obligations imposed upon City, those legal obligations shall control and the City’s compliance therewith shall not constitute a breach or violation of any provisions of this Section 8.3. Without limitation of the foregoing, nothing in this Agreement shall limit the City’s discretion in responding to any California Public Records Act request it

may receive, and the City shall have the absolute right to respond to such request in such manner as it determines legally necessary or appropriate without restriction or limitation by this Agreement.

8.3.3.5 Continuing Obligations. This Section 8.3.3 shall survive termination of this Agreement.

8.4 Relationship of Parties.

It is understood and agreed by the Parties hereto that the contractual relationship created between the Parties hereunder is that of independent contracting parties and not an agency relationship. City and Company hereby renounce the existence of any form of joint venture or partnership between them and agree that nothing contained herein or in any document executed in connection herewith shall be construed as making City and Company joint venturers or partners.

8.5 Notices.

Any notice or communication required under this Agreement between the City or Company shall be in writing and shall be effective when delivered by registered or certified mail, postage prepaid, return receipt requested; when delivered personally; or when delivered by courier service. 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 or delivered by courier, 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 set forth herein, or any additional address, to which such notice or communication shall be given. Until notified under the preceding sentence, such notices or communications shall be given to the Parties at their addresses set forth below:

If to City: Director of Planning and Building
City of Long Beach
333 W. Ocean Boulevard, Fourth Floor
Long Beach, California 90802

With Copies to: City Manager
City of Long Beach
333 W. Ocean Boulevard, Thirteenth Floor
Long Beach, California 90802

City Attorney
City of Long Beach
333 W. Ocean Boulevard, Eleventh Floor
Long Beach, California 90802

If to Company: McDonnell Douglas Corporation
c/o Boeing Realty Corporation
15480 Laguna Canyon Road
Suite 200
Irvine, California 92618-2114
Attention: Stephen Barker

With Copies to: Douglas Park
c/o Boeing Realty Corporation
15480 Laguna Canyon Road
Suite 200
Irvine, California 92618-2114
Attention: DeDe Soto

Latham & Watkins
633 W. Fifth Street, Suite 4000
Los Angeles, California 90071-2007
Attention: Dale K. Neal

8.6 Company Hold Harmless.

Company hereby agrees to and shall indemnify, save, hold harmless and defend the City, the City Agencies and the City Representatives (collectively, "the City" in this Section), from any and all claims, causes of action and Liabilities which may arise, directly or indirectly, from Company's or its representatives', consultants', contractors', subcontractors', agents', or

employees' operations, acts or omissions in connection with the Development of the Project, whether such operations, acts or omissions be by Company or any of Company's representatives, consultants, contractors, subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Company or any of Company's representatives, consultants, contractors or subcontractors. Nothing in this Section shall be construed to mean that Company shall hold the City harmless and/or defend it to the extent that such claims, causes of action or Liabilities arise from the negligent acts of the City or any person or entity acting on City's behalf; provided that the foregoing limitation shall not be construed to apply to Company or its successors or assigns or their agents, employees, representatives, consultants, contractors, or subcontractors, to the extent acting on City's behalf pursuant to the terms of this Agreement. City agrees that it shall fully cooperate with Company in the defense of any matter in which Company is defending and/or holding the City harmless. Company shall be relieved from any further liability under this Section with respect to any portion of the Property transferred to another party where such transferee assumes Company's rights and obligations under this Agreement pursuant to Section 8.16 with respect to such portion of the Property transferred; provided that upon such transfer, the indemnity set forth herein shall automatically apply to such transferee, with all references herein to "Company" deemed references to such transferee, and further provided that such transferee assumes the obligations under this Section 8.6 in writing and reaffirms its indemnity of City pursuant to this Section.

8.7 Insurance.

To the extent that the Company carries commercial general liability (or equivalent) insurance with respect to the Project, or a portion thereof, during the Term, Company shall name the City as an additional insured on all policies evidencing such insurance.

8.8 Severability and Termination.

If any provision of this Agreement should be determined by a court to be invalid or unenforceable, or if any provision of this Agreement is superseded or rendered unenforceable

according to the terms of any law which becomes effective after the date of this Agreement, the unenforceable provision shall be deemed severable and the remaining provisions of this Agreement shall remain in full force and effect and continue to be binding on both Parties.

8.9 Time of Essence.

Time is of the essence for each provision of this Agreement in which time is an element.

8.10 Modification or Amendment.

Subject to meeting the notice and hearing requirements of section 65867 of the Development Agreement Act, this Agreement may be modified or amended from time to time by mutual consent of the Parties or their successors in interest in accordance with the provisions of section 65868 of the Development Agreement Act. Notwithstanding anything herein to the contrary, City shall have no obligation to grant any application for modification to this Agreement and/or the Project Approvals by Company that either expands the Housing Districts or increases the intensity or density of the residential uses therein or allows Warehouse and Distribution uses other than as an Accessory Use as currently permitted under this Agreement and PD-32. The mixture of uses and interrelationship of the components of the Project have been extensively negotiated and carefully balanced and any such modification could materially affect the economic and planning goals of and the impact contemplated by this Agreement. City would not have entered into this Agreement if Company had any right to any such modification. If approved in a form to which Company and City have consented in writing, any change in the Project Approvals or Project after the Effective Date shall be incorporated herein as an addendum, and may be further changed from time to time only as provided in this Section. Any change in the Project Approvals or Project made in accordance with the procedures required by the Land Use Regulations and with the written consent of the Company and City as required by this Agreement shall be conclusively deemed to be consistent with this Agreement, without any further need for any amendment to this Agreement or any of its Exhibits.

8.11 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 referring expressly to the provisions to be waived. No waiver of any right or remedy in respect of any occurrence or event shall be deemed a waiver of any right or remedy in respect of any other occurrence or event.

8.12 Equitable Servitudes and Covenants Running with the Land.

Any successors in interest to the City and Company shall be subject to the provisions set forth in sections 65865.4 and 65868.5 of the Development Agreement Act. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to Development of the Property: (a) is for the benefit of and is a burden upon the Property; (b) runs with the Property and each portion thereof; and (c) is binding upon each Party and each successor in interest during ownership of the Property or any portion thereof. Nothing herein shall waive or limit the provisions of Section 6 or Section 8.16, and no successor owner of the Property, any portion thereof or any interest therein shall have any rights hereunder except and to the extent assigned to them by Company in writing pursuant to Section 8.16. In any event, no owner or tenant of an individual completed residential unit within the Project shall have any rights under this Agreement, including under Section 3.2.1.5.

8.13 Governing State Law; Compliance With Applicable Law.

This Agreement shall be construed 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. The Company shall cause all work performed in connection with construction of the Project to be performed in compliance with (a) all applicable laws, ordinances, rules and regulations of federal, state, county or municipal

governments or agencies (including, without limitation, all applicable federal and state labor standards, including the prevailing wage provisions of sections 1770 *et seq.* of the California Labor Code), and (b) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction. The Company shall indemnify, defend and hold the City, the City Agencies and the City Representatives harmless from any and all claims, causes of action and Liabilities based upon or arising from the failure of any work related to the Project to comply with all such applicable legal requirements, including, without limitation, any such claims, causes of action or Liabilities that may be asserted against or incurred by City, any City Agencies or any City Representatives with respect to or in any way arising from the Project's compliance with or failure to comply with applicable laws, including all applicable federal and state labor requirements including, without limitation, the requirements of California Labor Code section 1770 *et seq.*

Company agrees that all public work (as defined in California Labor Code section 1720) performed pursuant to this Agreement (the "Public Work"), if any, shall comply with the requirements of California Labor Code sections 1770 *et seq.* City and the City Representatives make no representation or statement that the Project, or any portion thereof, is or is not a "public work" as defined in California Labor Code section 1720.

In all bid specifications, contracts and subcontracts for any such Public Work, Company (or its general contractor, in the case of subcontracts) shall obtain the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in this locality for each craft, classification or type of worker needed to perform the Public Work, and shall include such rates in the bid specifications, contract or subcontract. Such bid specifications, contract or subcontract must contain the following provision: "It shall be mandatory for the contractor to pay not less than the said prevailing rate of wages to all workers employed by the contractor in the execution of this contract. The contractor expressly agrees to

comply with the penalty provisions of California Labor Code section 1775 and the payroll record keeping requirements of California Labor Code section 1771.”

Each portion of the Project shall proceed only after procurement of each permit, license, or other authorization that may be required by any governmental agency having jurisdiction, and the Company shall be responsible for the procurement and maintenance thereof, in such form as may be required of the Company and all entities engaged in work on the Property by applicable law. Except with respect to the portion of the indemnity set forth above in this Section 8.13 applicable to compliance of the Project with all prevailing wage requirements, Company shall be relieved from any further liability under this Section with respect to any portion of the Property transferred to another party where such transferee assumes Company’s rights and obligations under this Agreement pursuant to Section 8.16 with respect to such portion of the Property transferred; provided that upon such transfer, the covenants and indemnity set forth herein shall automatically apply to such transferee, with all references herein to “Company” deemed references to such transferee, and further provided that such transferee assumes the obligations under this Section 8.13 in writing and reaffirms its indemnity of the City, the City Agencies and the City Representatives pursuant to this Section. With respect to the portion of the above indemnity concerning compliance with all prevailing wage requirements, each transferee of Company shall assume in writing and expressly reaffirm that assignee’s indemnity of the City, the City Agencies and the City Representatives with respect to compliance with such prevailing wage requirements to the extent applicable to the portion of the Property acquired by said transferee, but such assumption shall not release or relieve Company from its liability under such portion of that indemnity and Company shall remain jointly and severally liable with such transferee for said indemnity; provided, that, at the time of such transfer by Company, it may request that City agree to release Company from such continuing liability under its indemnity based upon the financial capacity of the Company’s proposed transferee, but any such release shall be at the City’s sole discretion and election and, to be effective, shall be in writing.

8.14 Constructive Notice and Acceptance.

Every person who after the Effective Date of this Agreement owns or acquires any right, title, or 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, and all rights and interests of such person in the Property shall be subject to the terms, requirements and provisions of this Agreement.

8.15 Requests for Payment.

With respect to any requests by the City for payment of amounts due under this Agreement, Company retains its right to review any invoices or requests for payments submitted by the City pursuant to this Agreement. Company shall review and reasonably approve such invoices or requests for payment or shall identify any disputed amounts within twenty (20) days after receipt. In the event Company fails to respond within such twenty (20) day period, City may pursue its remedies under Section 7.2. At Company's request, the City shall provide Company with reasonable information or back-up material supporting such invoices or requests for payment. Company shall have a right, at Company's expense, to audit City books and records in connection with such invoices or requests for payment at City's offices, with reasonable notice, during business hours. If Company disputes any invoices or requests for payment, Company shall timely pay all undisputed amounts and the Company Project Manager and City Project Coordinator shall expeditiously meet and confer in good faith to resolve any such dispute. If the Parties cannot resolve such dispute, the City Manager and senior Company management shall expeditiously meet and confer in good faith to resolve the dispute. If the City Manager and senior Company management cannot resolve the dispute, the Parties may pursue their respective remedies set forth in Section 7 of this Agreement.

8.16 Assignment.

8.16.1 Right to Assign. Company shall have the right to sell, encumber, convey, assign or otherwise transfer, in whole or in part, directly or indirectly, its rights, interests and obligations under this Agreement, to any person or entity at any time during the Term of this Agreement provided that Company first obtain the written consent of the City. Such consent may not be unreasonably withheld or conditioned and must be granted upon demonstration by Company to the reasonable satisfaction of the City Manager that the assignee (or any guarantor of the assignee's performance) has the financial ability to meet the obligations proposed to be assigned and to undertake and complete the portion of the Project affected by such assignment and that the proposed assignee has adequate experience with developments of comparable scope and complexity and has successfully completed such developments. Any request for City approval of an assignment shall be in writing and accompanied by certified financial statements of the proposed assignee and any additional information concerning the identity, financial condition and experience of the assignee as the City may reasonably request; provided, that, any such request for additional information by the City shall be made, if at all, within ten (10) business days after City's receipt of the request for approval of the proposed assignment. If City wishes to disapprove any proposed assignment, City shall set forth in writing and in reasonable detail the grounds for such disapproval. If the City fails to disapprove any proposed assignment within forty-five (45) days after receipt of written request for such approval delivered in the manner set forth in Section 8.5 and delivery of the required and requested additional information, if any, described above, such proposed assignment shall be deemed to be approved. Any attempted transfer in violation of this provision shall be void ab initio, and shall constitute a breach of this Agreement. All successors and assigns of Company that wish to assign any rights under this Agreement shall also be bound by the terms of this Section 8.16 and each successive assignment of the rights hereunder shall also be subject to the requirements of this Agreement. Any assignment shall be documented by and shall require a written Assignment and Assumption Agreement substantially in the form attached hereto as Exhibit "K". Any approval required of

the City under this Section 8.16 may be provided by the City Manager and the City Manager is hereby delegated the authority to provide such approval; provided that nothing herein shall require the City Manager to act prior to submission of such matter to the City Council if the City Manager considers that review necessary or helpful in the City Manager's sole discretion. Any such submission of the City Manager to the City Council shall not extend the forty-five (45) day period to disapprove the assignment set forth in this Section.

8.16.2 Release of Transferring Owner; Non-Severable and Severable

Obligations. Except as otherwise provided in this Agreement, upon the sale, transfer or assignment of all or a portion of the Property by the Company or any successor transferor or assignor and the assignment to and assumption by its assignee of the rights and obligations of this Agreement applicable to the portion of the Property transferred, the Company or any such successor transferor or assignor shall be released of those obligations under this Agreement first arising after the effective date of that assignment that are so assigned by the Company or such successor transferor or assignor and assumed by its assignee; provided that the obligations under this Agreement that are so assigned are assumed in writing by the buyer, transferee, or assignee and are enforceable by the City against said buyer, transferee, or assignee. The following obligations of the Company (and any successor or assign of Company) under this Agreement shall at all times remain non-severable, and, notwithstanding any such assignment of a portion of the Property or obligations under this Agreement, a default under this Agreement with respect to any such obligations shall constitute a default under this entire Agreement and shall entitle City to exercise all of its rights hereunder, including termination of this Agreement in its entirety as provided for in Section 7.2.4 subject to the notice and cure provisions set forth in Section 7.2.2, which notice shall be provided to Company and the defaulting party or parties in the event of such default:

- (a) Construction of the On-Site Project Infrastructure as per the Performance Trigger Summary attached as Exhibit "H", including the On-Site Roadway

Infrastructure (including the Lakewood Boulevard Landscape Improvements), the Parks and Recreational Open Space (including the Park improvement and delivery obligations set forth in Section 8.25, but not including the payment of park and recreation Impact Fees listed on Exhibit "I" hereto, which is a severable obligation), and construction of the Transportation Improvements as per the Transportation Improvements and Phasing Program attached hereto as Exhibit "F";

- (b) The Maintenance of Privately Maintained Publicly Owned Infrastructure, including Maintenance of parkway and median landscaping, the Lakewood Boulevard Landscape Improvements and the Parks pursuant to Section 2.4.3;
- (c) The requirement to reimburse the City for costs of the City Project Coordinator pursuant to Section 3.3.1, to the extent such costs are incurred in connection with Development by the Company and not an assignee of the Company;
- (d) The Housing Payment requirements set forth in Section 8.30;
- (e) The School Agreement requirements set forth in Section 8.31;
- (f) The Public Art Requirement set forth in Section 8.45;
- (g) The Project Trip Cap set forth in Section 8.29;
- (h) The indemnity to the City, the City Agencies, and the City Representatives for Litigation set forth in Section 8.3.3.3 and for failure to comply with prevailing wage requirements as set forth in Section 8.13 (unless the Company is released from continuing liability as provided in Section 8.13); and

- (i) Any other obligation of this Agreement not listed in subsections (a) – (h) as determined by the Parties pursuant to the meet and confer provisions set forth below in Section 8.16.3.

Upon the conveyance of a portion of the Property and the assignment and assumption of the rights and obligations under the Agreement with respect thereto, the following obligations under this Agreement shall be deemed severable with respect to the assigned portion of the Property and this Agreement, and, following such a conveyance and assignment, a default under this Agreement with respect to any such assigned obligations shall constitute a default only by the breaching party (and shall not constitute a default under this entire Agreement) and shall only entitle the City to exercise its rights and to pursue the remedies hereunder with respect to the portion of the Property owned by the breaching party and to which such breach relates, including termination of this Agreement with respect to such portion of the Property, as provided for in Section 7.2.4:

- (j) Payment of Impact Fees pursuant to Section 3.2.7;
- (k) Payment of Processing Fees and Charges pursuant to Section 3.3.2;
- (l) Failure to reimburse City for costs of the City Project Coordinator pursuant to Section 3.3.1, to the extent such costs are incurred by an assignee of the Company and not Company;
- (m) Failure to pay costs incurred by City in connection with hiring plan check, inspection and other personnel or additional consultants to process Ministerial Permits and Approvals pursuant to Section 3.3.3.1;
- (n) Violation of the Project Approvals or the Land Use Regulations pursuant to Section 3.1.1;

- (o) Failure to indemnify the City as required by Section 8.6;
- (p) Failure to name the City as an additional insured pursuant to Section 8.7;
- (q) Failure to comply with applicable laws (except for prevailing wage laws) and/or to indemnify the City, the City Agencies and the City Representatives in connection therewith pursuant to Section 8.13;
- (r) Failure of an assignee of Company to comply with prevailing wage requirements as set forth in Section 8.13 if the Company is released from continuing liability with respect thereto as provided in Section 8.13; and
- (s) Any other obligation of this Agreement not listed in subsections (j) – (q) as determined by the Parties pursuant to the meet and confer provisions set forth below in Section 8.16.3.

8.16.3 Meet and Confer for Obligations Not Identified. Upon the request of Company, the Parties shall expeditiously meet and confer in a reasonable attempt to determine whether a particular obligation under this Agreement not specifically identified under Section 8.16.2 above should be treated as non-severable under Section 8.16.2(i) or severable pursuant to Section 8.16.2 (s). If the Parties cannot agree upon whether a particular obligation is non-severable or severable, the Parties may pursue their respective remedies set forth in Section 7 of this Agreement.

8.17 Tentative Subdivision Maps.

Pursuant to California Government Code section 66452(a), the duration of any tentative subdivision map approved for the Property, or any portion thereof, subsequent to the Effective Date shall automatically be extended for a period equal to the Term of this Agreement.

8.18 Water Availability.

The residential component of the Project is proposed for a site that is within an urbanized area and has been previously developed for urban uses, and the immediate contiguous properties surrounding the residential project site are, and previously have been, developed for urban uses. For these reasons, any tentative map prepared for the Project is exempt from the written verification of water availability requirements contained in section 66473.7 of the Development Agreement Act. This Section satisfies the requirement set forth in California Government Code section 65867.5(c).

8.19 Job Training.

Company agrees to use good faith efforts to create new jobs for low- or moderate-income persons as outlined by the City's Workforce Development Bureau. Company further agrees that it will use good faith efforts to require that all leases, subleases, purchase and sale agreements, concession agreements and licenses entered into by Company regarding any portion of the Project site shall require that all tenants, subtenants, transferees, concessionees and licensees use good faith efforts to create new jobs for low- or moderate-income persons as outlined by the City's Workforce Development Bureau.

In furtherance of these good faith efforts, Company agrees that it will reasonably cooperate with the City, through its Workforce Development Bureau and staff, with recruitment, screening and tracking. In implementing such efforts, the City, through its Workforce Development Bureau and staff, will provide to Company, its successors and assigns, and all Project tenants, subtenants, concessionees and licensees, services, at no cost, to pre-screen and qualify potential job applicants. Such services shall include assisting with community outreach to recruit qualified job applicants and conducting prescreening sessions to determine the most qualified applicants for jobs. All qualification and hiring decisions will be made by Company, its successors and assigns, or Project tenants, subtenants, concessionees or licensees, as applicable. The City's Workforce Development Bureau will be responsible for providing staff necessary for pre-employment assistance at no cost to Company. Company's failure to comply

with the provisions of this Section will not constitute a default under this Agreement or result in any right on the part of the City to terminate this Agreement or seek any other remedy otherwise available to the City under this Agreement.

8.20 Regulation by Other Public Agencies.

It is acknowledged by the Parties that other public agencies not subject to control by City possess authority to regulate aspects of the Development of the Property, and this Agreement does not limit the authority of such other public agencies.

8.21 Vesting Tentative Maps.

If any tentative or final map, or tentative or final parcel map, heretofore or hereafter approved in connection with Development of the Property, is a vesting map under the Subdivision Map Act (Government Code section 66410, et seq.), and if this Agreement is determined by a final judgment to be invalid or unenforceable insofar as it grants to Company a vested right to develop, then and to that extent the rights and protection afforded Company under the laws and ordinances applicable to vesting maps shall supersede the provisions of this Agreement. Except as set forth immediately above, Development of the Property shall occur only as provided in this Agreement, and the provisions in this Agreement shall be controlling over any conflicting provision of law or ordinance concerning vesting maps.

8.22 Pre-Existing Rights of First Refusal and Use Restrictions.

Upon completion of the Phase 1 On-Site Roadway Infrastructure as set forth in Section 2.4.2 and shown on Exhibit "E-1", hereto, including that portion of "F" Street that is part of the Phase 1 On-Site Roadway Infrastructure, City shall waive, in a recordable instrument or document in the form attached as Exhibit "L" hereto, any of its interests in or rights under the existing right of first refusal as well as any use restrictions over a portion of the Property (collectively, the "Pre-Existing Rights") contained in those Corporation Grant Deeds recorded in Los Angeles County as instrument numbers 81-1260432 and 81-1260433, Official Records. The City further acknowledges that none of the construction activities necessary to complete the

Phase 1 On-Site Roadway Infrastructure shall be deemed to be inconsistent with the Pre-Existing Rights and City reserves the right to waive, should it later elect in its sole discretion to do so, any of the Pre-Existing Rights prior to completion of the Phase 1 On-Site Roadway Infrastructure.

8.23 Public Financing Districts. Company may propose to initiate proceedings to form one or more Public Financing Districts with respect to the Property, or a portion thereof, to finance all or a portion of the cost of the design, engineering, acquisition, construction and maintenance costs of those eligible Public Improvement Facilities to be provided in connection with the Project (or portions thereof) pursuant to the Project Approvals and applicable law. City shall diligently process the formation of the Public Financing District so long as (a) the application complies with law, (b) is consistent with City's standards, (c) provides for a lien-to-value ratio (if applicable) and other financial terms that are customary in the marketplace and reasonably acceptable to City, (d) the person, firm or entity initiating the proceedings advances such amounts as City reasonably requires to provide for staff and outside consultants to undertake such processing and to cover any other costs or expenses to be incurred by the City in connection with such Public Financing District (subject to Section 8.23.1.2 below) and (e) City has reviewed and approved (subject to Section 8.23.1.3 below) the proposed consultants to serve such transaction including, without limitation, bond counsel and underwriter. City shall proceed with commercially reasonable diligence to sell any Bonds to be issued in such Public Financing District upon the best terms then reasonably available in the marketplace; provided, however, that City's duty to market Bonds shall be suspended during any period when marketing conditions render the issuance economically infeasible and City shall have no liability or responsibility to Company with respect to the terms or timing of the Bond issuance so long as City proceeds in good faith and in accordance with this Agreement and the law governing the Public Financing Districts. Company may initiate one or more such Public Financing District proceedings with respect to all, or a portion, of the Property.

8.23.1 General Parameters.

The following general parameters shall be applicable to any Public Financing District formed in connection with the Project:

8.23.1.1 Advances. Upon written request of the City, the Company shall advance all amounts necessary to pay all costs and expenses of the City in evaluating and structuring any Public Financing District, to the end that the City will not be obligated to pay any costs related to the formation or implementation of any Public Financing District from its own general funds. City staff will meet with the Company to establish a preliminary budget for such costs and will confer with the Company from time to time as to any necessary modifications to that budget.

8.23.1.2 Reimbursements. Company shall have the right to obtain reimbursement in any such Public Financing District proceedings, for any costs incurred or fees paid for administration, design and construction of improvements, fulfillment of the requirements of the Project Approvals and applicable law or implementation of mitigation measures that can properly be included in such Public Financing District proceedings (including, but not limited to, the costs advanced to the City as described in Section 8.23.1.1 above), such reimbursement to be made together with interest thereon at the rate of interest equal to the Company's cost of funds, subject to the limitations of applicable law. Company agrees to promptly submit to City an accounting of all such costs incurred by Company at such time as Company makes application for reimbursement.

8.23.1.3 Consultants. City shall consult with Company prior to engaging any consultant with respect to implementation of any Public Financing District (including, but not limited to, consultants in the following categories: bond counsel, underwriter, appraiser, market absorption analyst, financial advisor, special tax consultant, and project engineer) and Company shall be allowed an opportunity to provide input on each proposed consultant. The City shall consider all of Company's comments on the proposed consultants in its hiring

decisions; provided, however, that the City shall have final authority over the consultants selected.

8.23.2 Public Improvements.

8.23.2.1 Acquisition. To the extent available, any Public Improvement Facilities will be acquired with the proceeds of Bonds issued in the Public Financing District covering the Property, or a portion thereof. The City understands that the Project is a master-planned development that will take many years to complete. The City agrees that any Bonds that will be issued to finance the eligible Public Improvement Facilities may be issued in several series over time. The City further agrees to diligently issue each series of Bonds, provided that the customary terms of such issuance are adhered to.

8.23.2.2 Escrow Bonds. The City will allow the issuance of escrowed Bonds provided customary protections are contained in the issuing documents.

8.23.2.3 Cost Savings. Wherever possible, the City shall allow Bond proceeds to offset a cost savings on one portion of the Project against a cost overrun on a different portion of the Project in such a manner that construction or acquisition of Public Improvement Facilities shall not be prevented or delayed.

8.23.3 State and Local Assistance. In connection with implementation of the Project, the City, at no out-of-pocket cost or expense or other obligation or liability to City and without any recourse to City Funds, shall reasonably cooperate with the Company and the State of California, the County of Los Angeles, and any other agencies or departments that may provide assistance to or oversight of the Project, including, without limitation, the following:

- (a) California Educational Facilities Authority;
- (b) Department of Housing and Community Development;
- (c) California Infrastructure and Economic Development Bank;
- (d) Tax Credits Allocation Committee;
- (e) California Health Facilities Financing Authority;

- (f) California Department of Transportation;
- (g) California Transportation Commission;
- (h) Los Angeles County Metropolitan Transportation Authority;
- (i) Gateway Cities Council of Governments;
- (g) County of Los Angeles Airport Land Use Commission;
- (h) County of Los Angeles Public Works Department; and
- (i) County of Los Angeles Flood Control District.

8.23.4 Enterprise Zone. The City acknowledges that the Project is located in an Enterprise Zone. Accordingly, the City will reasonably cooperate with the Company to make available all financial incentives that the Company is eligible to receive with respect to the Project as a result of being located in an Enterprise Zone.

8.24 Maintenance of Public Improvement Facilities.

Subject to the provisions of Section 2.4.3 above and the obligation of the Company and its successors and assigns to maintain the Privately Maintained Publicly Owned Infrastructure and all Project alleys, the City agrees that any remaining Public Improvement Facilities accepted by the City shall, following such acceptance, be maintained by the City. Maintenance of all Public Improvement Facilities, whether by Company and its successors and assigns or by City, shall survive termination of this Agreement.

8.25 Parks; Park and Recreation Facilities Fees.

The Project will contain four (4) public parks, Park A, Park B, Park C, and Park D, containing a total of not less than nine and three tenths (9.3) gross acres. The Parks shall be located within the Housing Districts and on the City Parcel described in Exhibit "M" hereto. The Parks are more specifically identified and described in Exhibits "E-1" and "E-2" attached hereto.

8.25.1 Park A. Park A shall consist of approximately four tenths (0.4) gross acres. Park A shall be fully improved in accordance with City-approved plans, including

provision for public access, and the improvements thereon dedicated to and accepted by the City as part of the Phase 1 Project Infrastructure prior to the issuance of a Certificate of Occupancy for the first (1st) residential unit in the Project. The construction of Park A shall occur pursuant to a right of entry agreement between City and Company in the form attached hereto as Exhibit "N."

8.25.2 Park B. Park B shall consist of approximately two (2) gross acres.

Park B shall be fully improved in accordance with City-approved plans, including provision for public access, and dedicated to and accepted by the City as part of the Phase 1 Project Infrastructure prior to the issuance of a Certificate of Occupancy for the first (1st) residential unit in the Project.

8.25.3 Park C. Park C shall consist of approximately one and one tenth (1.1) gross acres , including a portion of Segment 2 of the Bike Path. Park C shall be fully improved in accordance with City-approved plans, including provision for public access, and dedicated to and accepted by the City prior to the sooner of (i) the sooner of (x) issuance of a Certificate of Occupancy for the nine hundred and first (901st) residential unit within the Project or (y) issuance of a Certificate of Occupancy for any units which would allow occupancy of more than sixty five percent (65%) of the total residential acreage (net of Parks and Recreational Open Space and streets) contained within the Housing Districts, or (ii) issuance of the first (1st) Certificate of Occupancy for a residential unit in Sub Area 5. If Park C cannot be improved and delivered within the timeframe set forth in this Section due to ongoing remediation of hazardous materials or substances, which Company, notwithstanding its reasonable best efforts, has been unable to complete prior to said timeframes, Company and City shall, upon request of Company, meet and confer in good faith to determine whether the Company may be allowed additional time to deliver Park C. Any extension (or extensions) of time to deliver Park C shall be within the City's sole discretion and may be granted or withheld in the discretion of the City on such terms as determined necessary or appropriate. The City Manager shall have the right and

authority (but not the obligation) to act on behalf of the City with respect to the approval of any such extension or extensions in writing.

8.25.4 Park D. Park D shall consist of approximately five and eight tenths (5.8) gross acres , including Segment 3 of the Bike Path. Park D shall be fully improved in accordance with City-approved plans, including provision for public access, and dedicated to and accepted by the City as part of the Phase 2 Project Infrastructure prior to the issuance of a Certificate of Occupancy for the seven hundred and first (701st) residential unit in the Project, except as provided below.

8.25.4.1 Intent of the Parties. The Parties agree that the intent of this Agreement is to provide a park in the area designated for Park D as shown on Exhibits “E-1” and “E-2”, hereto (the “Original Park D Location”). Consistent with that intent, the Parties agree that it is their intent and preference to cause the improvement and completion of Park D rather than payment of the Mitigation Amount, as defined below, in lieu of delivery of Park D, that payment of such Mitigation Amount is contemplated only in the event that environmental constraints render accomplishment of the Parties’ intent infeasible, that payment of such Mitigation Amount is a less desirable alternative to delivery of Park D for both the City and the Company, and that the Parties will use their good faith efforts to avoid that result.

8.25.4.2 Delay of Delivery Due to Remediation; Security. If Park D cannot be improved and delivered at the Original Park D Location prior to the issuance of a Certificate of Occupancy for the seven hundred and first (701st) residential unit in the Project due to ongoing remediation of hazardous materials or substances, which Company, notwithstanding its reasonable best efforts, has been unable to complete prior to said seven hundred and first (701st) Certificate of Occupancy, then, as a condition to issuance of the Certificate of Occupancy for the seven hundred and first (701st) residential unit, Company shall provide City with (a) all documentation reasonably necessary to establish the basis for and contemplated scope of the delay and to demonstrate to the City’s satisfaction, in its sole discretion, that Company has

exercised its best efforts and diligently taken all steps and pursued all permits, approvals and actions available to avoid such delay (which documentation shall include, if obtainable, written confirmation from the lead governmental agency handling such remediation effort that current development of Park D for park use is precluded by the uncompleted remediation of said property), and (b) a corporate guarantee from Boeing, or a letter of credit from Company or a successor or assign, in the amount of the "Projected Park Cost", as defined below, in each case in form and substance acceptable to the City (the "Security"). The Projected Park Cost shall mean an amount equal to seven million one hundred and fifty thousand dollars (\$7,150,000) increased by the percentage change in the CPI between the Effective Date and the date that is thirty (30) days prior to the posting of the Security. Upon demonstration, to the City's satisfaction in its sole discretion, that delay due to the uncompleted remediation was unavoidable and the posting of the Security, City shall proceed with issuance of certificates of occupancy notwithstanding the failure to complete Park D and Company will have until five (5) years after completion and acceptance by the City of the Phase 1 Project Infrastructure (the "Park D Outside Date") to deliver Park D.

8.25.4.3 Meet and Confer Prior to Park D Outside Date; Extension of Time or Relocation of Park D. If twelve (12) months prior to the Park D Outside Date, Company anticipates that additional time beyond the Park D Outside Date will be needed to deliver Park D due to the status of the ongoing remediation of Park D, Company and City shall, upon request of Company, meet and confer in good faith to determine whether the Company may be allowed additional time to deliver Park D, or whether the Company may relocate Park D to an alternative site in the vicinity of the Original Park D Location. Any extension (or extensions) of time to deliver Park D shall be within the City's sole discretion and may be granted or withheld in the discretion of the City on such terms as determined necessary or appropriate. The City Manager shall have the right and authority (but not the obligation) to act on behalf of the City with respect to the approval of any such extension or extensions in writing. Any permission to

relocate Park D shall be subject to approval by the City Council in its sole discretion and, if approved, Company, at its election, may request a Subsequent Discretionary Project Approval to determine the applicability of an alternative use(s), if any, for the Original Park D Location following completion of the relocated Park D.

8.25.4.4 Mitigation Amount; Meet and Confer Following Mitigation

Payment. If no extension of time beyond the Park D Outside Date or permission to relocate Park D is granted, or if Company fails to complete and dedicate Park D by the extended Park D Outside Date, as applicable, then, on the Park D Outside Date, as it may have been extended, Company shall pay to City, for application to offsite park and recreation facilities by the City, an amount equal to the Projected Park Cost (the "Mitigation Amount"). If Company fails to pay the Mitigation Amount to the City when it is due, then City shall be entitled to the legal rate of interest from the date the Mitigation Amount is due until the date it is paid, in addition to any attorneys' fees reasonably incurred by the City to enforce payment of or collect the Mitigation Amount, and the City shall have no further obligation to issue, and Company, on behalf of itself and its successors and assigns, hereby waives and relinquishes any further right to receive, any permits, approvals or certificates, including Certificates of Occupancy, in connection with further Development within the Project. The foregoing provision shall apply regardless of the form of Security posted by Company or its successors or assigns to secure the Mitigation Amount. Upon payment of the Mitigation Amount, Company shall have no further obligation to improve Park D nor any further obligation to offer to dedicate Park D to the City, except as provided below. Following payment of the Mitigation Amount, the Parties shall meet and confer in good faith to determine whether Company will continue efforts to remediate the Original Park D Location to active park and recreation standards, as determined by the Regional Water Quality Control Board, Los Angeles Region, or to some other standard as agreed to by the Parties; provided, that in any event, the Original Park D Location shall be remediated by Company at least to the standard required by and in accordance with applicable law. If, following payment of the

Mitigation Amount, the Parties agree that the Original Park D Location should be remediated to active park and recreation standards, Company shall irrevocably offer to dedicate the Original Park D Location to the City upon completion of such remediation. Any such irrevocable offer may expire after a period of time agreed to by the Parties. In the event that the Original Park D Location is dedicated to the City and/or improved by Company, such improvement by the Company to be at its sole election, following the payment of the Mitigation Amount as provided in this Section, the Company shall not be entitled to any refund of the Mitigation Amount or any portion thereof nor shall City have any obligation to Company to further improve Park D following the dedication thereof.

8.25.4.5 City's Failure to Accept Park D. In the event that Company completes the required remediation of Park D to park and recreation standards in accordance with applicable law, completes improvement of Park D in accordance with all City-approved plans, obtains City approval of those improvements, offers to dedicate to City a fully improved Park D before the Park D Outside Date or before the expiration of any extensions granted under Section 8.25.4.3 of this Agreement, performs all other obligations of Company under this Agreement with respect to Park D, and the City does not accept Park D for any reason, the Company shall have no further obligation to pay the Mitigation Amount, and shall be entitled to the return of any Security posted in connection therewith. In the event that City does not accept Park D, Park D shall be maintained as privately-maintained space available and open for public use in accordance with the provisions set forth in Section 8.25.6.

8.25.5 Park Plans; Indemnity; Impact Fees. Improvement of all Parks shall be in accordance with plans and specifications therefor to be approved by the City following the Effective Date. Company shall, without reimbursement from the City, prepare, develop, and process for City approval such plans prior to construction of each Park. In connection with preparation of those plans and as a part thereof, the City and Company shall also develop a mutually acceptable vehicular parking plan to allow full access to and use of the Parks and to

adequately service the Parks. In connection with improvement of Parks B, C, and D, Company shall offer to provide, or shall cause the Association to offer to provide, to the City an indemnity in form and substance reasonably acceptable to the City, indemnifying, defending and holding the City, the City Agencies, and the City Representatives harmless from any claims, causes of action or Liabilities resulting from any hazardous substances or materials located on, under or adjacent to the Park property in the event that City accepts delivery of the Park property, except to the extent any such hazardous substances, materials or related contamination was caused by the City, the City Agencies, or the City Representatives. The CC&Rs shall (a) obligate the Association to maintain the Parks in good condition and repair in perpetuity in accordance with minimum City standards at the sole expense of the Association and without cost or expense to the City; provided, however, that the City shall provide irrigation water (which may be reclaimed water) and power to the irrigation controllers for the Parks at no charge to the Association, and (b) require that the Parks, even if not accepted by the City, remain open for public use in accordance with the provisions set forth in Section 8.25.6. Notwithstanding anything herein to the contrary, City reserves the right to refuse any offer of dedication of any proposed Park if the City so elects in its discretion; provided, however, that in that event, so long as Company has completed improvement of the Parks in accordance with all City-approved plans and specifications, public access and parking has been provided for the Parks as contemplated herein, Company has completed any required remediation with respect to the Park site, including, without limitation, obtaining a no further action letter from all applicable governmental authorities, Company or the Association has offered to provide the required indemnity to the City, Company has established the required provisions for Maintenance of the Parks by the Association, and the Park areas are required to remain open and available for public use, the City's election not to accept title to the Parks shall not constitute a breach of this Agreement by the Company or constitute a failure by the Company to perform its park obligation hereunder. In the event and to the extent that City does not accept delivery of any of Park B, C or D, no

indemnity of the City shall be required under this Section with respect to the Park or Parks the delivery of which City elects not to accept. Notwithstanding anything to the contrary in this Agreement, Company shall pay all park and recreation Impact Fees applicable to development of the Project in addition to providing the Parks and Recreational Open Space areas and improvements required by Sections 2.4.1 and 8.25, and the construction and delivery of the Parks and Recreational Open Space improvements required by Sections 2.4.1 and 8.25 shall not limit, waive or in any way reduce those Impact Fees payable by Company pursuant to the remaining terms of this Agreement.

8.25.6 Maintenance Responsibilities in Event of City's Failure to Accept Parks.

In the event that City does not accept any of the Parks, Company, at its sole cost and expense, shall be required to maintain the Parks as privately maintained space available and open for public use in accordance with minimum City standards established in the CC&Rs. Such obligation may be assigned to the Association pursuant to the CC&Rs or another recorded instrument approved by City as provided by Section 2.4.3, but such assignment shall not waive or limit such Maintenance standards or affect in any way the requirement that the Parks remain open for public use.

8.26 Use of City Property for Park Improvements.

As set forth in Section 8.25 above, in connection with development of the Phase 1 Project Infrastructure, the Company, at its sole cost and expense, shall improve the City Parcel as a public park in accordance with the City-approved plans and specifications, including, if City so elects, integration of such park into the City bike path system; provided, however, that Company shall have no responsibility for remediation of any pre-existing hazardous materials located on or under the City Parcel for which neither the City, nor Company, nor Company's predecessors-in-interest are legally responsible. Company's improvement of the City Parcel as provided in this Section shall satisfy Company's Park A obligation under Section 8.25 above.

8.27 Transportation Demand Management Program.

The City shall cooperate with Company at no cost to the City in the implementation of transportation demand management actions and measures from the menu of actions and measures set forth in the Transportation Demand Management (“TDM”) program, as required by the Mitigation Monitoring Program. Subject to the Reserved Powers, the City agrees that so long as Company conforms to the TDM program required by the Mitigation Monitoring Program with respect to the Project, the Project will not be subject to any other City-imposed transportation demand management measures during the Term of this Agreement.

8.28 Transportation Improvements.

In addition to any TDM measures implemented with respect to the Project, the Project will incorporate the Transportation Improvements to service the Project and to reduce Project-related and regional background traffic impacts within the Project area. In the event any specific Transportation Improvement is constructed by a private entity other than Company, its successors or assigns, that specific Transportation Improvement mitigation requirement will be deemed to have been satisfied and no additional mitigation or cost will be required from Company for that Transportation Improvement. In the event that public funds (including, but not limited to, Federal or State government or third party funds received by the City, but not including any City Funds) for a Transportation Improvement come from sources not related to Company or the Project, that specific Transportation Improvement mitigation requirement also will be deemed to have been satisfied and no additional mitigation or cost will be required from Company for that Transportation Improvement. The City and Company may agree to jointly pursue other public funds for Transportation Improvement(s). If so, City and Company agree that pursuit of said public funds shall be at the sole risk and expense of the Company and that the Company shall not pursue funding otherwise available to the City for transportation purposes by formula or through the competitive process of the Los Angeles Metropolitan Transportation Authority. If City Funds are used for a Transportation Improvement, additional mitigation or

cost may be required from Company by City in an amount equal to those City Funds for enhancement of that Transportation Improvement or for additional transportation improvements. In the event a Transportation Improvement or related transportation requirement is rejected by a jurisdiction where such Improvement or requirement is located, a mitigation measure of reasonably similar cost and effectiveness may be substituted as City shall direct. If no feasible measure of reasonably similar cost and effectiveness can be identified, then an in-lieu payment in the amount of the cost of the original improvement shall be made to the City's Traffic Mitigation Program Fund. The cost of the original improvement shall be determined by a Project Study Report or equivalent document acceptable to the City's Director of Public Works.

If a regional or subregional transportation improvement program which contains, in whole or in part, the Project's Transportation Improvements is implemented or caused to be implemented by Company, Caltrans or any other public agency, or a combination of the foregoing entities without use of City Funds, Company will be excused from implementing any such Transportation Improvements once such transportation improvements are constructed pursuant to that program. In addition, if a regional or subregional transportation improvement program, which also mitigates Project traffic impacts, is implemented or caused to be implemented by Company, Caltrans or any other public agency, or a combination of the foregoing entities without use of City Funds, Company shall receive credit for such mitigation and will be excused from implementing any Transportation Improvements that were designed to mitigate such Project traffic impacts.

In the event that the Project is proceeding with timely preparation of plans and attempting to obtain approvals and permits for Transportation Improvements, and delays are encountered which the Parties mutually agree are beyond the control of the Company, no building permits or certificates of occupancy will be withheld by the City as a result of such delays. As to improvements not within the sole jurisdiction of the City of Long Beach, once the Company has suitably guaranteed (through a performance bond or other security reasonably

satisfactory to the City) the development of a Transportation Improvement (other than a Transportation Improvement included in the On-Site Project Infrastructure Phasing Plan) required to be implemented during a particular improvement phase of the Project, as described in Exhibit "F" to this Agreement, and if the Parties mutually agree implementation of such Transportation Improvement has been delayed for reasons beyond the control of the Company, the Company shall be entitled to a certificate of occupancy for any building that will generate Peak Hour trips which trigger such Transportation Improvement notwithstanding the delay in the construction thereof.

8.29 Project Trip Cap; Trip Generation; Trip Equivalency and Transportation Improvements Phasing.

The Project Trip Cap is five thousand eight hundred seventy-two (5,872) Peak-Hour trips. If the calculated Project trip generation exceeds such Trip Cap, no Project building permit shall be issued until the Company demonstrates that any trips in excess of such Trip Cap will be eliminated or the impacts of such excess trips are mitigated to the satisfaction of the City Traffic Engineer.

Implementation of the Transportation Improvements shall be triggered according to the calculated Project Peak Hour trip generation. The calculated Project Peak Hour trip generation shall be based on the Project Trip Generation Rates of Proposed Uses shown in Table F-1 of Exhibit "F", including trip generation credit for demolished buildings that have occurred or are expected to occur on or after October 1, 2002, as documented by the Company and as shown in Table F-1 of Exhibit "F". If more current trip generation rates applicable to the Project uses are available and have been published in the Institute of Transportation Engineers ("ITE") Trip Generation manual, the City Traffic Engineer shall have the option of using the more current ITE rates in calculating the Project Peak Hour trip generation. Where development flexibility is allowed, such flexibility shall be based on the Project Trip Generation Equivalency Rates for Proposed Uses shown in Table F-2 of Exhibit "F". For allowable Project uses that are

difficult to categorize according to Table F-1 or Table F-2 of Exhibit “F”, the City Traffic Engineer shall use reasonable methods to establish the appropriate trip generations or equivalencies for those uses.

The schedule for the implementation of the Transportation Improvements shall be based on the Transportation Improvements and Phasing Program shown in Exhibit “F”. The Company may voluntarily advance the implementation of any Transportation Improvement.

8.30 Project Assistance for Affordable Housing.

The Project will contribute to the affordable housing goals of the City through the payment by Company and its successors and assigns to the City’s Housing Development Fund of fees in the total amount of three million dollars (\$3,000,000) (the “Housing Payment”) for application by the City in such manner as it shall determine appropriate, in its sole discretion, towards the City’s existing and future affordable housing programs and costs. The Housing Payment will be payable at the following times and in the following amounts:

Payment Timing	Residential
Execution of Development Agreement ¹	250,000
1 st Residential Unit ²	425,000
451 st Residential Unit ²	675,000
901 st Residential Unit ²	650,000
TOTAL	2,000,000

¹ The initial payment will not be due until this Agreement has been approved and executed and the period for bringing any challenge thereto under Government Code section 65009(c)(1)(D) has expired with no challenge having been filed, or, if such challenge has been filed, resolution of such challenge in a manner which upholds the effectiveness of this Agreement or is otherwise approved by the Company, which approval shall not be unreasonably withheld.

² The payments shall be due within fifteen (15) days after the occurrence of the event triggering such payment. The triggering events for the three residential payments are, respectively: (i) issuance of the first (1st) certificate of occupancy for a residential unit; (ii) issuance of the four hundred and fifty first (451st) certificate of occupancy for a residential unit; and (iii) issuance of the nine hundred and first (901st) certificate of occupancy for a residential unit.

Payment Timing	Commercial
Phase 1 On-Site Roadway Infrastructure ³	325,000
Phase 2 On-Site Roadway Infrastructure ³	325,000
Phase 3 and/or Enclave Phase On-Site Roadway Infrastructure ³	350,000
TOTAL	1,000,000

The Parties acknowledge and agree that all payments made by Company pursuant to this Section are fees collected under a development agreement adopted pursuant to Article 2.5 (commencing with section 65864) of Chapter 4 for purposes of Government Code section 66000 *et seq.*, and that such fees are therefore exempt from the Mitigation Fee Act, except as provided in section 65865(e) of the Development Agreement Act. Notwithstanding anything in this Agreement to the contrary, Company's obligation to pay the Housing Payment shall survive termination of this Agreement; and, notwithstanding termination of this Agreement, if Development of the Property and the City Parcel, or any portion thereof, as contemplated by Section 2.4 thereafter occurs, the payments required by this Section 8.30 shall be made concurrent with such Development at the times provided herein. Payment of such amounts shall be a condition to issuance of certificates of occupancy for the applicable Development of the Project.

³ The payments shall be due within fifteen (15) days after the occurrence of the event triggering such payment. The triggering events for the three (3) On-Site Roadway Infrastructure phases are, respectively: (i) issuance of the first (1st) certificate of occupancy for a commercial use in the Project or completion of the Phase 1 On-Site Roadway Infrastructure, whichever occurs first; (ii) issuance of the first (1st) certificate of occupancy for a commercial use within the area covered by Phase 2 On-Site Roadway Infrastructure or completion of the Phase 2 On-Site Roadway Infrastructure, whichever occurs first; and (iii) issuance of the first (1st) certificate of occupancy for a commercial use within the areas covered by either the Phase 3 On-Site Roadway Infrastructure or the Enclave Phase On-Site Roadway Infrastructure or completion of the On-Site Roadway Infrastructure improvements within one of those Phases, whichever occurs first; provided that, for purposes of the foregoing (iii), all uses permitted in the Enclave prior to the Effective Date and owned and operated by Boeing on or after the Effective Date of this Agreement shall be disregarded; and, provided further, in no event shall the Phase 3/Enclave Phase payment be made later than five (5) years after the Phase 2 On-Site Roadway Infrastructure payment was due.

8.31 School Agreement.

Company shall cause Boeing Realty Corporation to comply with the terms of the School Agreement.

8.32 Airport Compatibility Measures.

The CC&Rs and any deed conveying all or a portion of the Property after the Effective Date shall contain a statement in substantially the following form:

The subject property is located in the immediate vicinity of Long Beach Airport – Daugherty Field (the “Airport”), which is a public use commercial airport serving the general public. As a result, owners and residents of the subject property are routinely subject to noise, dust, fumes and other effects from the operation of aircraft at, to and from the Airport. Aircraft using the Airport may routinely use the airspace above or in the vicinity of the subject property. The volume of aviation activity and resulting effects on the subject property may increase in the future. The effects of aircraft operations and the operation of the Airport may cause owners and residents of the subject property to experience inconvenience, annoyance, discomfort, and may otherwise impair or adversely affect normal activities on, and the comfortable use and enjoyment of, the subject property. These effects may also adversely affect the fair market value which the subject property might otherwise have in the absence of aircraft operations at, to or from the Airport. An easement has been granted and recorded which grants airspace rights over, and the right to cause such effects on, the subject property. This easement protects the right of such aircraft and airport operations and precludes any resulting claims of damage or injury to the subject property, or to any person residing on or owning the subject property.

Concurrently with the approval and execution of this Agreement, Company shall execute, deliver to the City, and record an Airspace And Avigation Easement over the Property in the form attached hereto as Exhibit “O”. In addition, any and all CC&Rs will refer to, describe and require adherence to the Airspace And Avigation Easement. In addition, Company or any of its successors and assigns which develop, construct, and then sell, rent or lease to any person any building or other structure on any portion of the Property shall require each

purchaser, renter or lessee of any such building or structure to execute a notarized “Acknowledgment of Notice of Airspace And Avigation Easement” (the “Acknowledgment”). The Acknowledgment shall be prepared in bold type, not less than 13 pt., and shall: (i) specify the portion of the Property being purchased or leased or rented; (ii) be executed and acknowledged by each purchaser or renter or lessee; (iii) contain the disclosure that an airspace and avigation easement has been recorded against, and is binding upon all persons owning, leasing or using the portion of the Property being sold or leased or rented; (iv) contain the disclosure required by this section to be included in the CC&Rs; and (v) contain an express Acknowledgment by the purchaser or renter or lessee that it is purchasing or renting or leasing the specified portion of the Property subject to such airspace and avigation easement and that, in so doing, it is waiving legal claims and rights which it might otherwise have with respect to the aviation activities permitted by such easement.

The original executed and notarized Acknowledgment shall be delivered by the escrow agent for the transaction, or if there is no escrow, by the seller or lessor, to the City at the address contained in Section 8.5.

Without limiting, restricting or in any way waiving the scope of the provisions set forth above, Company and its successors and assigns also hereby acknowledge and confirm their obligation to minimize the impacts of airport-related activities on the Project, including installation of double-paned windows and other construction standards, conduct of subsequent noise assessments or acoustical studies, compliance with Title 21 requirements, and prohibition of any residential uses inside the level 60 Community Noise Equivalent Level (CNEL) contour as that 60 CNEL exists on the Effective Date and as shown on Exhibit “P”, hereto. All residential uses depicted on Exhibit “C”, hereto, are hereby confirmed to be outside of the 60 CNEL contour for purposes of this Section

8.33 Provision of Real Property Interests by City.

In any instance where Company is required, as a condition of the Project Approvals, to construct any public improvement on land not owned by Company, City shall first have acquired the necessary real property interests to allow Company to construct such public improvements at the Company's expense, or, as provided in Government Code section 66462.5, such conditions requiring construction of that off-site improvement shall be conclusively deemed to be waived. All costs associated with such acquisition or condemnation proceedings, if any, shall be Company's responsibility, and may be included in the Public Financing District (although the failure to do so shall not excuse Company's responsibility for all such costs). As provided in Section 8.40 of this Agreement, no provision in this Agreement shall be construed, understood or applied to limit, restrict or waive in any manner any eminent domain powers of the City or any City Agency.

8.34 Binding Effect of Agreement.

From and following the Effective Date, Development of the Property and City actions on applications for Ministerial Permits and Approvals and Subsequent Discretionary Project Approvals respecting the Property shall be subject to the terms and provisions of this Agreement.

8.35 Statute of Limitation and Laches.

City and Company agree that each Party will undergo a change in position in detrimental reliance upon this Agreement from the time of its execution and subsequently. The Parties agree that section 65009(c)(1)(D) of the Government Code, which provides for a ninety (90) day statute of limitation to challenge this Agreement, is applicable to this Agreement. In addition, any person who may challenge the validity of this Agreement is hereby put on notice that, should the legality or validity of this Agreement be challenged by any third party in litigation which is filed and served more than ninety (90) days after the execution of this

Agreement, City and Company shall each assert the affirmative defense of laches with respect to such challenge, in addition to all other available defenses.

8.36 Entire Agreement.

This Agreement and the Project Approvals referenced herein set forth and contain 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, covenants, undertakings or agreements shall be admissible in any proceedings of any kind or nature to interpret or determine the provisions or conditions of this Agreement.

8.37 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. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all Parties having been represented by counsel in the negotiation and preparation thereof. 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.

8.38 Singular and Plural.

As used herein, the singular of any word includes the plural.

8.39 No Third Party Beneficiaries.

This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

8.40 Eminent Domain.

No provision of this Agreement shall be construed, understood or applied to limit, restrict or waive in any manner any eminent domain powers of the City or any City Agency.

8.41 Authority to Execute.

The person or persons executing this Agreement on behalf of Company warrants and represents that he/they have the authority to execute this Agreement on behalf of Company and warrants and represents that he/they has/have the authority to bind Company to the performance of its obligations hereunder.

8.42 Force Majeure.

Neither Party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes, court actions (such as restraining orders or injunctions), or other causes beyond the Party's control; provided, that, the foregoing shall not apply to, and a Party's performance shall not be excused for, lack of financing or availability of financial resources to a Party. If any such events shall occur, the Term of this Agreement and the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not, under any circumstances, be cumulatively extended under this Section for more than a total of five (5) years and, in no event, may the Term of this Agreement, as so extended, exceed twenty-five (25) years from the Effective Date of this Agreement.

8.43 Estoppel Certificate.

Within thirty (30) business days following a written request by either of the Parties, the other Party to this Agreement shall execute and deliver to the requesting Party a statement in the form attached as Exhibit "Q" hereto certifying (a) that this Agreement is unmodified and in full force and effect, or if there have been modifications hereto, that this Agreement is in full force and effect as modified and stating the date and nature of such modifications; (b) that there are no known current uncured defaults under this Agreement or

specifying the dates and nature of any such known default; and (c) as to any other reasonable information requested.

8.44 Mortgagee Protection.

The Parties hereto agree that this Agreement shall not prevent or limit Company, in any manner, at Company's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Company and representatives of such lenders to negotiate in good faith any such request for interpretation or modification; provided, that City shall have no obligation to agree to any interpretation or modification that would adversely affect its rights or increase its obligations under this Agreement or if such interpretation or modification is inconsistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Company in the performance of Company's obligations under this Agreement.

(c) If City timely receives a request from a Mortgagee requesting a copy of any notice of default given to Company under the terms of this Agreement, City shall provide a copy of that notice to the Mortgagee within ten

(10) days of sending the notice of default to Company. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed Company under this Agreement, except that as to a default requiring title or possession of the Property or any portion thereof to effectuate a cure, if the Mortgagee timely cures all defaults which do not require possession to effectuate a cure and commences foreclosure proceedings to acquire title to the Property or applicable portion thereof within ninety (90) days after receipt from City of the written notice of default and thereafter diligently and continuously prosecutes such foreclosure to completion, the Mortgagee shall be entitled to cure such default after obtaining title or possession provided that such Mortgagee does so promptly and diligently after obtaining title or possession.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Company's obligations or other affirmative covenants of Company hereunder, or to guarantee such performance; except that (i) to the extent that any covenant to be performed by Company is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and (ii) in the event any Mortgagee seeks to develop or use any portion of the Property acquired by such Mortgagee by foreclosure, deed of trust, or deed in lieu of foreclosure, or assert any rights of Company hereunder, such Mortgagee shall strictly comply with all of the terms, conditions and requirements of this Agreement and shall be subject thereto and bound thereby and shall comply with

the terms, conditions and requirements of the Project Approvals applicable to the Property or such part thereof so acquired by the Mortgagee.

8.45 Public Art Requirement.

The Project shall include a public art component reflecting the Property's historical significance or other thematic elements important to creating the Project's new identity, including, for example but not by way of limitation, propeller pylons and street plaques containing text and graphics of historical information, "First Around the World" Globe public area, or displays concerning the history and evolution of fabricating techniques and technology concerning airplane manufacture. Within one (1) year of the Effective Date, Company shall prepare and submit a Public Art Master Plan to be reviewed and approved by the Public Corporation for the Arts. The public art component will not be subject to any design review or Discretionary Approval by the City other than review and approval by the Public Corporation for the Arts. It is the intent of the Parties that the Public Art Master Plan be implemented in conjunction with Development of the Project.

IN WITNESS WHEREOF, the Parties have each executed this Agreement on the date first above written.

CITY OF LONG BEACH, a charter city and
municipal corporation of the State of California

By: _____
Name: _____
Title: City Manager
Date: _____

APPROVED AS TO FORM:

Date: _____

ROBERT SHANNON, City Attorney

By: _____

APPROVED AS TO FORM:

Date: _____

BROWN, WINFIELD, CANZONERI

By: _____

McDONNELL DOUGLAS CORPORATION, a
Maryland corporation

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

LA\657777.36 emd/BOEING LONG BEACH: Development Agreement

EXHIBIT A

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL 1:

THAT PORTION OF LOT 40 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 40; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 40.00 FEET TO THE INTERSECTION OF THE CENTER LINES OF LAKEWOOD BOULEVARD (100 FEET WIDE) AND CONANT STREET (80 FEET WIDE); THENCE NORTH 0 DEGREES 12 MINUTES 44 SECONDS EAST 782.60 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 50.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE FROM SAID TRUE POINT OF BEGINNING, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 219.08 FEET; THENCE NORTH 0 DEGREES 12 MINUTES 44 SECONDS EAST 594.30 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 113.30 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 6.42 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 105.78 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 587.88 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE ABOVE DESCRIBED LAND ON THE EAST.

PARCEL 2:

THOSE PORTIONS OF LOTS 39 AND 40 AND OF BIXBY STATION ROAD LYING BETWEEN SAID LOTS, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET FROM THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 2098.72 FEET; THENCE SOUTH 89 DEGREES 11 MINUTES 35 SECONDS EAST 46.92 FEET; THENCE NORTH 0 DEGREES 11 MINUTES 34 SECONDS EAST 441.97 FEET TO THE SOUTHERLY LINE OF THE NORTH 100 FEET OF SAID LOT 39; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 1562.71 FEET TO THE WESTERLY LINE OF THE EAST 160 FEET OF SAID LOT 39; THENCE ALONG SAID WESTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 100 FEET; THENCE PARALLEL WITH SAID NORTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 160 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT 39, DISTANT THEREON, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 200 FEET FROM THE NORTHEASTERLY CORNER THEREOF; THENCE ALONG LAST MENTIONED EASTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 359.97 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 45 SECONDS WEST 687.74 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 16 SECONDS WEST 725.64 FEET; THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 40, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 516.65 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 1354.90 FEET, MORE OR LESS, TO A POINT IN SAID SOUTHERLY LINE, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 565.15 FEET FROM THE POINT OF BEGINNING; THENCE ALONG SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 565.15 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE ABOVE DESCRIBED LAND ON THE EAST.

PARCEL 3:

THAT PORTION OF LOTS 40 AND 42 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 486.57 FEET FROM THE SOUTHWESTERLY CORNER THEREOF; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 40, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID LOTS, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 673.99 FEET; THENCE PARALLEL WITH THE EASTERLY LINE OF SAID LOT 42, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 200.70 FEET; THENCE SOUTH 78 DEGREES 05 MINUTES 36 SECONDS EAST 470.48 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 17 SECONDS EAST 558.38 FEET TO A POINT IN THE WESTERLY LINE OF PARCEL 3 HEREIN DESCRIBED; THENCE ALONG SAID WESTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 652.01 FEET, MORE OR LESS, TO A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET FROM THE SOUTHWESTERLY CORNER OF SAID LOT 40; THENCE ALONG SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 344.78 FEET TO THE POINT OF BEGINNING.

PARCEL 4:

THOSE PORTIONS OF LOTS 41 AND 42 AND OF BIXBY STATION ROAD LYING BETWEEN SAID LOTS, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 42, DISTANT THEREON NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 213.73 FEET FROM THE SOUTHEASTERLY CORNER THEREOF; THENCE PARALLEL WITH THE EASTERLY LINE OF SAID LOTS, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE PARALLEL WITH SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 26.31 FEET; THENCE PARALLEL WITH SAID EASTERLY LINES, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 859.27 FEET TO A POINT IN THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN PARCEL "D" OF THE DEED RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE, SOUTH 63 DEGREES 55 MINUTES 55 SECONDS WEST 15.48 FEET TO THE MOST WESTERLY CORNER OF THE LAND SO DESCRIBED; THENCE PARALLEL WITH SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 665.10 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 865.00 FEET FROM THE EASTERLY LINE OF SAID LOT 41; THENCE ALONG SAID PARALLEL LINE AND THE SOUTHERLY PROLONGATION THEREOF, SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 526.88 FEET TO THE SOUTHERLY LINE OF THE LAND CONVEYED TO LOS ANGELES & SALT LAKE RAILROAD COMPANY, BY DEED RECORDED IN BOOK 17896 PAGE 358, OFFICIAL RECORDS; THENCE ALONG THE SOUTHERLY LINE OF SAID RAILROAD LAND, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 557.50 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 1422.50 FEET FROM THE EASTERLY LINE OF SAID LOT 42; THENCE ALONG SAID PARALLEL LINE, SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 870 FEET TO THE SOUTHERLY LINE OF SAID LOT 42; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS

EAST 1208.77 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF LOTS 39 AND 41 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 39, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 391.15 FEET FROM THE NORTHWESTERLY CORNER THEREOF; THENCE SOUTH 17 DEGREES 39 MINUTES 25 SECONDS WEST 1103.34 FEET TO THE MOST NORTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL "D" OF THE DEED RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG THE NORTHWESTERLY LINE OF THE LAND SO DESCRIBED, SOUTH 53 DEGREES 55 MINUTES 55 SECONDS WEST 21.09 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHWESTERLY LINE, SOUTH 53 DEGREES 55 MINUTES 55 SECONDS WEST 113.25 FEET; THENCE SOUTH 72 DEGREES 20 MINUTES 35 SECONDS EAST 126.98 FEET; THENCE NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 91.30 FEET; THENCE NORTH 72 DEGREES 20 MINUTES 35 SECONDS WEST 59.97 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 6:

THAT PORTION OF LOT 39 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 391.15 FEET FROM THE NORTHWEST CORNER OF SAID LOT; THENCE ALONG SAID NORTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 2050.47 FEET TO THE NORTHWEST CORNER OF THE LAND CONVEYED TO MIKE LYMAN BY DEED RECORDED FEBRUARY 18, 1941 AS INSTRUMENT NO. 18 IN BOOK 18190 PAGE 223, OFFICIAL RECORDS; THENCE ALONG THE WESTERLY LINE OF THE LAND OF LYMAN, SOUTH 0 DEGREES 11 MINUTES 58 SECONDS WEST 100 FEET; THENCE ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO WESTERN LAND IMPROVEMENT COMPANY BY DEED RECORDED DECEMBER 13, 1940 AS INSTRUMENT NO. 22 IN BOOK 18034 PAGE 218, OFFICIAL RECORDS, TO AND ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO WESTERN LAND IMPROVEMENT COMPANY BY PARCEL "A" OF THE DEED RECORDED OCTOBER 2, 1941 AS INSTRUMENT NO. 59 IN BOOK 18735 PAGE 243, OFFICIAL RECORDS, NORTH 89 DEGREES 47 MINUTES 44.35 SECONDS WEST 2081.92 FEET TO THE NORTHWEST CORNER OF THE LAND SO CONVEYED BY THE LAST MENTIONED DEED; THENCE ALONG THE NORTHEASTERLY PROLONGATION OF THE WESTERLY LINE OF THE LAND SO CONVEYED BY THE LAST MENTIONED DEED, NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 104.83 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF CARSON STREET, AS CONVEYED TO THE COUNTY OF LOS ANGELES BY DEED RECORDED IN BOOK 10906 PAGE 178, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF LOT 39 AS DESCRIBED IN GRANT DEED TO THE CITY OF LONG BEACH WHICH RECORDED JULY 12, 2000 AS INSTRUMENT NO. 00-1064084 AND SEPTEMBER 28, 2000 AS INSTRUMENT NO. 00-1526582.

PARCEL 7:

THOSE PORTIONS OF LOTS 39 AND 40 AND OF BIXBY STATION ROAD, VACATED, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 40; THENCE ALONG THE SOUTH LINE OF SAID LOT NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 1204.70 FEET, MORE OR LESS, TO THE SOUTHEASTERLY CORNER OF PARCEL 3, DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., INC., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF PARCEL 3, NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 1354.90 FEET TO AN ANGLE POINT THEREIN; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 516.65 FEET; THENCE NORTH 0 DEGREES 12 MINUTES 16 SECONDS EAST 725.64 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 45 SECONDS EAST 687.74 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT 39; THENCE ALONG SAID EASTERLY LINE AND ALONG THE EASTERLY LINE OF SAID LOT 40, SOUTH 0 DEGREES 11 MINUTES 58 SECONDS WEST 2080.58 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE LAST ABOVE DESCRIBED LAND ON THE EAST.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND CONTAINING 2.973 ACRES AND DESIGNATED AS PARCEL 2 IN SAID QUITCLAIM DEED TO DOUGLAS AIRCRAFT COMPANY.

PARCEL 8:

THOSE PORTIONS OF LOTS 40 AND 42 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 40; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 486.57 FEET ALONG THE SOUTH LINE OF SAID LOT TO THE SOUTHWEST CORNER OF PARCEL 4 DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID PARCEL NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 700.30 FEET TO THE INTERSECTION WITH THE EAST LINE OF PARCEL 5 DESCRIBED IN SAID QUITCLAIM DEED; THENCE SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 546.77 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 5; THENCE ALONG THE SOUTH LINE OF SAID LOT 42, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 213.73 FEET TO THE POINT OF BEGINNING.

PARCEL 9:

THOSE PORTIONS OF LOTS 39, 40, 41 AND 42 AND OF BIXBY STATION ROAD, VACATED, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 40; THENCE ALONG THE SOUTH LINE

OF SAID LOT SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET TO THE SOUTHWEST CORNER OF PARCEL 3 DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE WEST LINE OF SAID PARCEL 3, NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 652.01 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING THE NORTHEAST CORNER OF PARCEL 4 DESCRIBED IN SAID QUITCLAIM DEED; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID PARCEL 4, NORTH 89 DEGREES 47 MINUTES 17 SECONDS WEST 558.38 FEET; THENCE NORTH 78 DEGREES 05 MINUTES 36 SECONDS WEST 470.48 FEET TO THE EAST LINE OF PARCEL 5 DESCRIBED IN SAID QUITCLAIM DEED; THENCE ALONG LAST SAID EAST LINE NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 658.57 FEET, MORE OR LESS, TO THE INTERSECTION WITH THE NORTHWESTERLY LINE OF PARCEL D OF TRACT NO. 2 AS DESCRIBED IN DEED FROM WESTERN LAND IMPROVEMENT COMPANY, RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 53 DEGREES 55 MINUTES 55 SECONDS EAST 306.99 FEET TO THE MOST NORTHERLY CORNER OF SAID PARCEL D; THENCE ALONG THE WESTERLY LINE OF PARCEL A OF TRACT NO. 2 AS DESCRIBED IN LAST SAID DEED, NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 998.51 FEET TO A LINE PARALLEL WITH THE NORTH LINE OF SAID LOT 39 AND DISTANT SOUTHERLY THEREFROM 100 FEET, MEASURED AT RIGHT ANGLES; THENCE ALONG SAID PARALLEL LINE SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 519.21 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 3 IN THE QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO.; THENCE ALONG THE WEST LINE OF LAST SAID PARCEL SOUTH 0 DEGREES 11 MINUTES 34 SECONDS WEST 441.97 FEET; THENCE NORTH 89 DEGREES 31 MINUTES 35 SECONDS WEST 46.92 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 1446.71 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND CONTAINING 0.196 ACRE AND DESIGNATED AS PARCEL 6 IN SAID QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO.

PARCEL 10:

THOSE PORTIONS OF LOTS 49, 51 AND 52 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THOSE PORTIONS OF LAKEWOOD BOULEVARD, (FORMERLY KNOWN AS CERRITOS AVENUE, 80 FEET WIDE) AS SHOWN ON SAID TRACT NO. 8084 NOW VACATED AND ABANDONED BY THE STATE OF CALIFORNIA HIGHWAY COMMISSION, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 19, 1959 AS INSTRUMENT NO. 3601, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF LAKEWOOD BOULEVARD (100 FEET WIDE) AS DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES RECORDED JANUARY 5, 1932 AS INSTRUMENT NO. 1160 IN BOOK 11271 PAGE 368, OFFICIAL RECORDS, WITH THE NORTHERLY LINE OF SAID LOT 51; THENCE ALONG SAID LAKEWOOD BOULEVARD (100 FEET WIDE), SOUTH 0 DEGREES 06 MINUTES 03 SECONDS WEST 133.81 FEET TO A POINT IN A NON-TANGENT CURVE CONCAVE EASTERLY 2077 FEET, A TANGENT WHICH BEARS SOUTH 9 DEGREES 09 MINUTES 01 SECONDS EAST FROM SAID POINT AND SO RECITED IN SAID VACATION AND ABANDONMENT; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10 DEGREES 15 MINUTES 46 SECONDS AN ARC DISTANCE OF 372.03 FEET; THENCE SOUTH 25 DEGREES 16 MINUTES 10 SECONDS EAST 18.01 FEET TO THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE WESTERLY BOUNDARY OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA RECORDED NOVEMBER 2, 1959 AS INSTRUMENT NO. 3959, OFFICIAL RECORDS AS RECITED AS HAVING A BEARING AND LENGTH OF "SOUTH 25 DEGREES 16 MINUTES 02 SECONDS EAST 106.64 FEET"; THENCE SOUTH 25 DEGREES 16 MINUTES 02 SECONDS EAST TO A LINE THAT IS PARALLEL WITH AND DISTANT 583.00 FEET SOUTHERLY FROM THE NORTHERLY LINES OF SAID LOTS 49, 51 AND

52; THENCE ALONG SAID PARALLEL LINE NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3800.79 FEET; THENCE NORTH 0 DEGREES 08 MINUTES 55 SECONDS WEST 533.01 FEET; THENCE NORTH 45 DEGREES 01 MINUTES 25 SECONDS WEST 70.86 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT 49, SAID POINT BEING DISTANT NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3718.10 FEET ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, FROM THE POINT OF BEGINNING; THENCE ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, SOUTH 89 DEGREES 53 MINUTES 56 SECONDS EAST 3718.10 FEET TO THE POINT OF BEGINNING.

EXCEPT FROM THAT PORTION THEREOF LYING WITHIN THE LINES OF SAID LOT 52, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND, FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES OR OTHER USE OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATED WELLS AND PRODUCE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES FROM ANY PORTION OF SAID LAND WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS RESERVED IN THE DEED FROM MONTANA LAND COMPANY, RECORDED IN BOOK 32094 PAGE 1, OFFICIAL RECORDS, AND AS PROVIDED IN DECREE RECORDED IN BOOK 43923 PAGE 236, OFFICIAL RECORDS.

PARCEL 11:

AN EASEMENT, APPURTENANT TO LAND DESCRIBED ABOVE AS PARCEL 10, WHICH EASEMENT SHALL CONSTITUTE A RIGHT OF INGRESS AND EGRESS TO AND FROM THE TAXIWAYS AND RUNWAYS OF THE LONG BEACH AIRPORT AS DELINEATED ON EXHIBIT C-1, ATTACHED TO DEEDS RECORDED DECEMBER 24, 1981 AS INSTRUMENT NOS. 81-1260432, 81-1260433, 81-1260434 AND 81-1260435 FROM THE LAND DESCRIBED ABOVE AS PARCEL 16, WHICH ABUTS THE LONG BEACH AIRPORT. SAID EASEMENT IS APPURTENANT, RUNNING WITH THE LAND, AND NOT PERSONAL.

PARCEL 12:

THAT CERTAIN STRIP OF LAND 20 FEET IN WIDTH BEING THOSE PORTIONS OF LOTS 41, 43 AND 44 AND OF VACATED BIXBY STATION ROAD, AS SHOWN ON THE MAP OF TRACT NO. 8084, PARTLY IN THE CITY OF LONG BEACH AND PARTLY IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED IN DEED TO LOS ANGELES & SALT LAKE RAILROAD COMPANY, A UTAH CORPORATION, RECORDED NOVEMBER 23, 1940 AS INSTRUMENT NO. 1800 IN BOOK 17896 PAGE 358 OF OFFICIAL RECORDS.

EXCEPT THEREFROM THAT PORTION THEREOF LYING WITHIN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED IN QUITCLAIM DEED TO MONTANA LAND COMPANY, A CALIFORNIA CORPORATION, RECORDED OCTOBER 2, 1941 AS INSTRUMENT NO. 58 IN BOOK 18826 PAGE 47 OF OFFICIAL RECORDS.

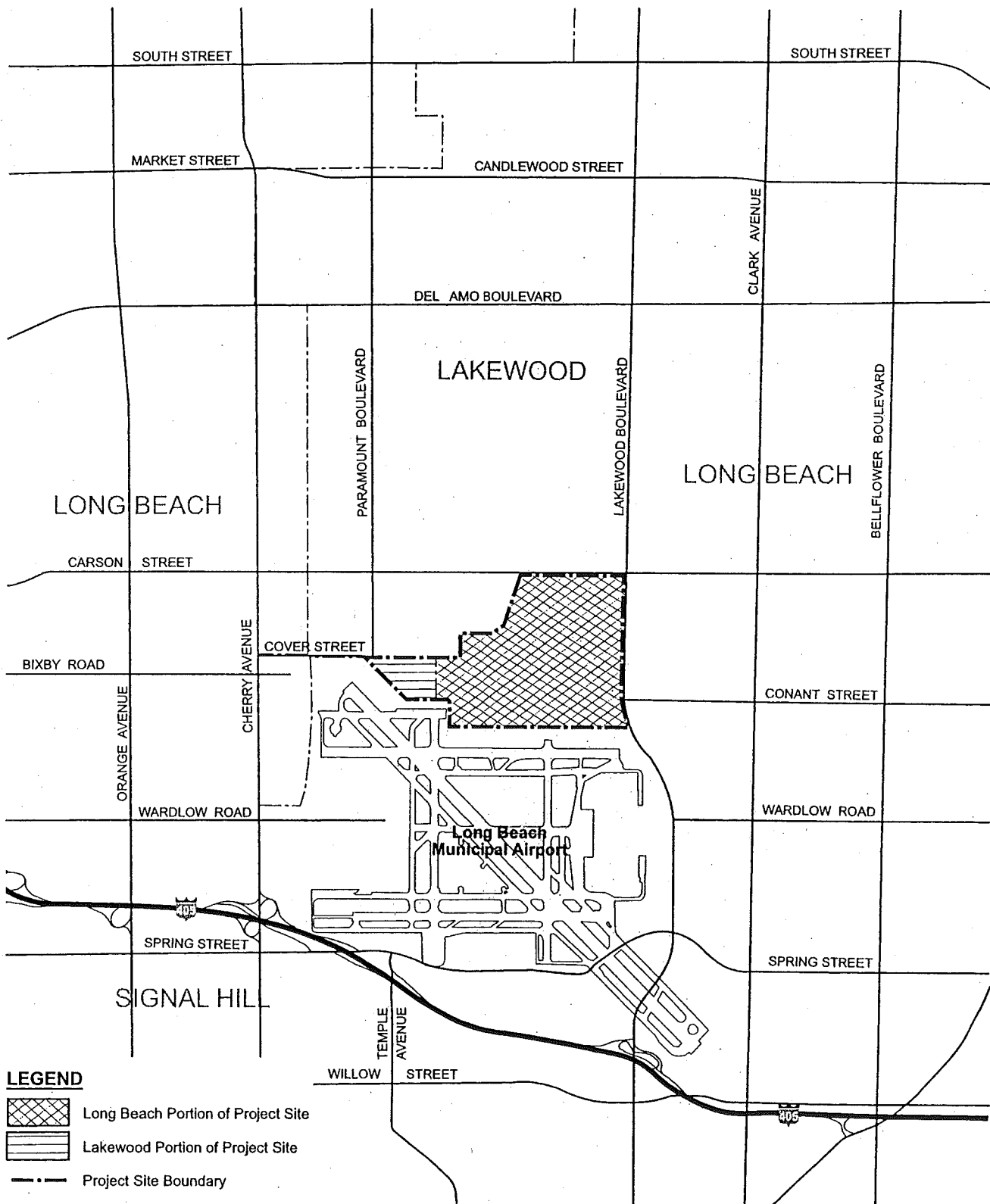
ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS "PARCEL F" IN FINAL ORDER OF CONDEMNATION HAD IN LOS ANGELES SUPERIOR COURT CASE NO. LBC-23999, A CERTIFIED COPY OF WHICH RECORDED SEPTEMBER 28, 1960 AS INSTRUMENT NO. 1191 OF OFFICIAL RECORDS.

ALSO EXCEPTING ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER




NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, WHICH LIE 500 FEET OR MORE BELOW THE SURFACE OF THE PROPERTY, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE PROPERTY, AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY GRANTEE, ITS SUCCESSORS OR ASSIGNS, AS EXCEPTED AND RESERVED BY UNION PACIFIC RAILROAD COMPANY, A DELAWARE CORPORATION, IN DEED RECORDED MARCH 31, 2004 AS INSTRUMENT NO. 04-0756993.

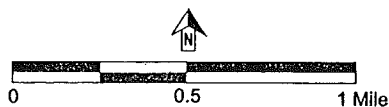
EXHIBIT B

EXHIBIT B



LEGEND

-  Long Beach Portion of Project Site
-  Lakewood Portion of Project Site
-  Project Site Boundary

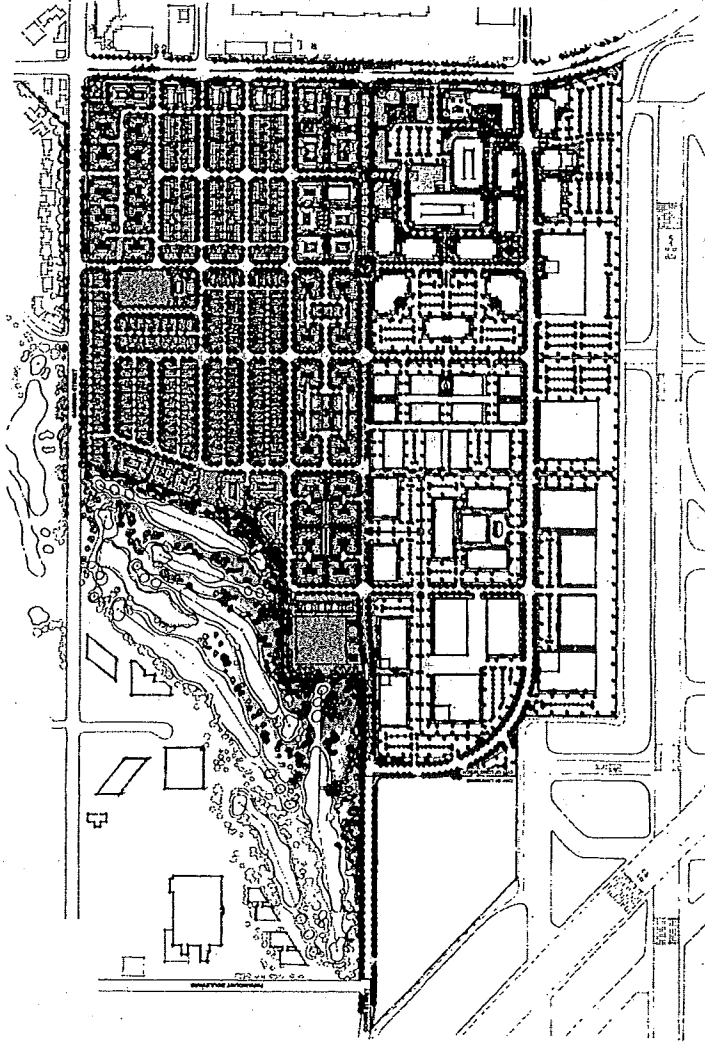


Source: PCR Services Corporation, 2004.

Project Vicinity Map

EXHIBIT C

EXHIBIT C



May 26, 2004



Illustrative Site Plan



JOHNSON FAIN

Boeing Realty Corporation

STANDARD PACIFIC ENERGY



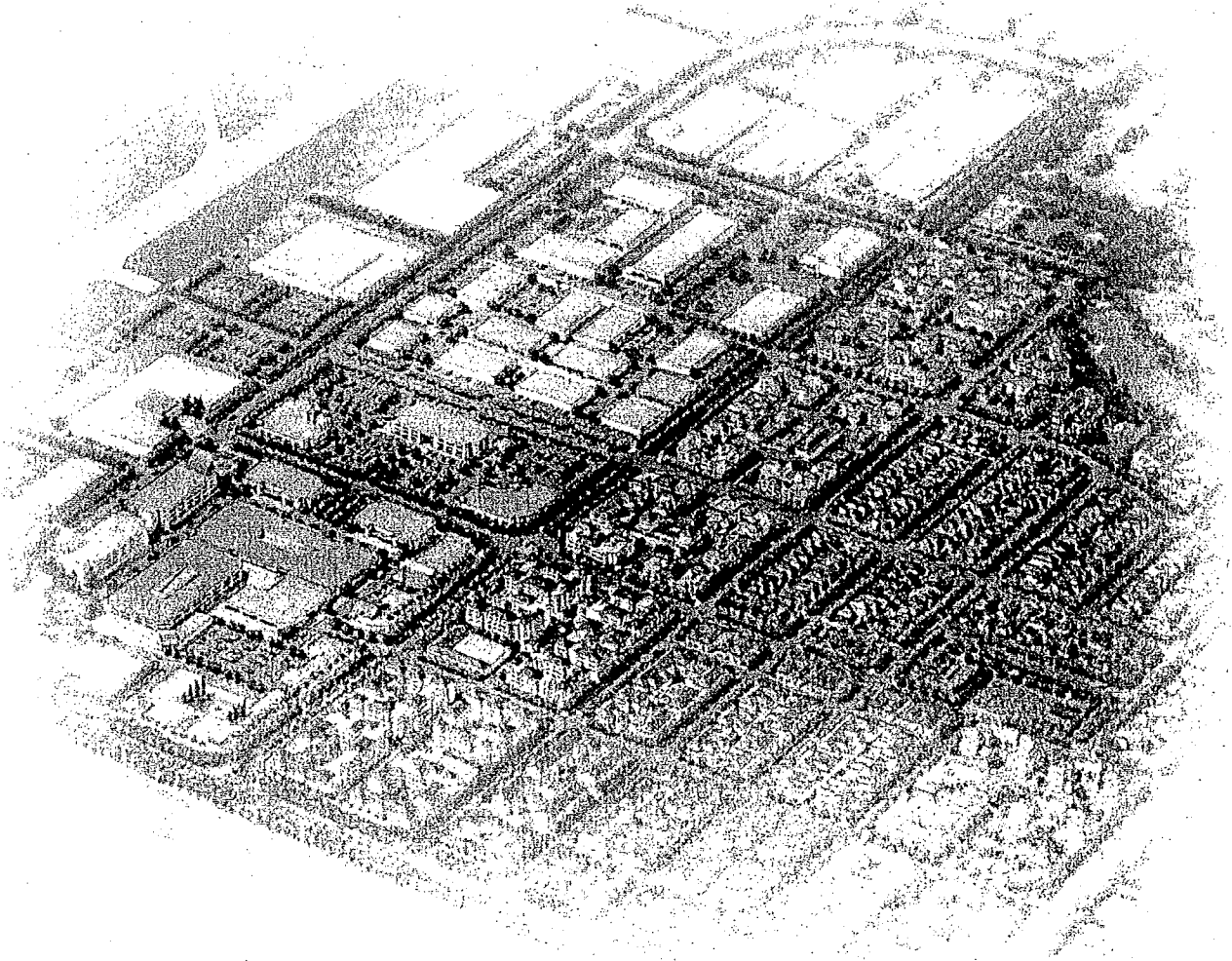
EXHIBIT D



DOUGLAS PARK
LONG BEACH

PD - 32 DEVELOPMENT STANDARDS

November 17, 2004



CITY OF LONG BEACH

BOEING REALTY
CORPORATION

JOHNSON FAIN

THE COLLABORATIVE WEST
Landscape Standards



DOUGLAS PARK
LONG BEACH

P D - 3 2 D E V E L O P M E N T S T A N D A R D S

November 17, 2004

CITY OF LONG BEACH

BOEING REALTY
CORPORATION

JOHNSON FAIN

THE COLLABORATIVE WEST
Landscape Standards

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division I
introduction

NOVEMBER 17, 2004

Development Standards

The Development Standards for Planned Development 32 (PD-32) are intended to be consistent with the City of Long Beach Municipal District Code (LBMC) except as otherwise noted. They are mandatory provisions that along with the Design Guidelines and the Development Agreement (DA) between McDonald Douglas Corporation, a wholly-owned subsidiary of the Boeing Company (Boeing) and the City will govern the development of the Plan Area within the City of Long Beach as defined in the Plan Boundary Map (see Figure 3 on page 11) unless a variance is obtained. They regulate areas such as land use, density, height, setbacks, streetwalls, view corridors, open space, parking/ loading and access.

The City of Long Beach may, at its discretion, grant variances to the Development Standards contained in this document where the enforcement would otherwise constitute an unreasonable limitation beyond the intent and purpose of the Development Standards, and where such a variance is consistent with the public health, safety and welfare.

Although every attempt has been made to make these development standards consistent with the LBMC, the Department of Planning and Building of the City of Long Beach shall resolve any conflicts between these two documents as part of the Design Review Process.

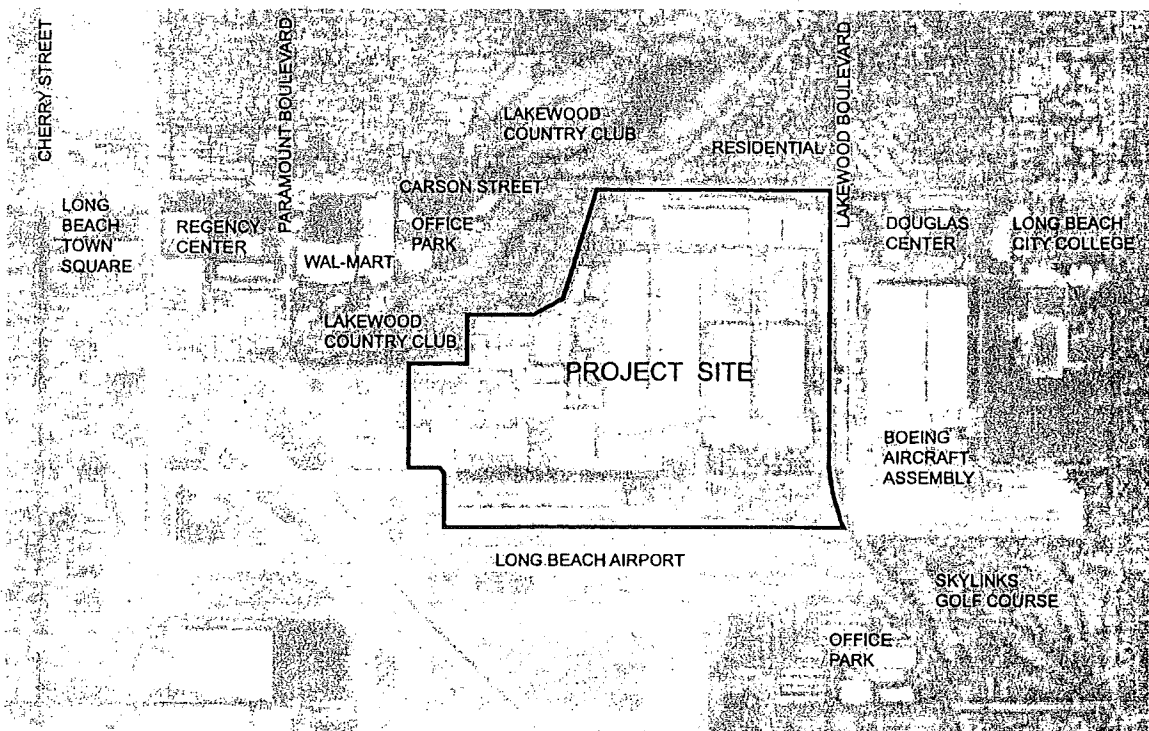


Figure 1 : Project Site and Vicinity Map

I n t e n t

In reviewing development proposals and land use issues, the City Council, Planning Commission, and Site Plan Review Committee shall be directed by following goals and objectives:

General Urban Design Goals

- The Master Plan shall acknowledge and appropriately respond to the varying contexts and adjacencies of the site – arterial boulevards, airport and airplane manufacturing, golf course and commercial and residential uses.
- The Master Plan shall create an Urban Design Framework that ensures the creation of a distinctive environment that creates long-term value and quality while being flexible enough to accommodate changes in the economy and real estate market. The urban design shall be based on a framework of proven historical patterns and precedents found in Long Beach's distinctive and historic neighborhoods.
- A sense of place shall be created with clearly defined street hierarchy and character. The majority of Long Beach streets are laid out in a rectilinear grid pattern, which is appropriate to creating compact, walkable districts and neighborhoods.
- The master plan shall establish pedestrian orientation and human scale by limiting block sizes to those based on historical patterns and precedent:

Streets

- Design streets as places of shared use. Design streets as public open space to promote pedestrian orientation, sociability and safety. Street Right-of-Ways should be consistent with the minimum standards set forth in the Long Beach Municipal Code (LBMC table 47-1).
- Commercial streets should be scaled appropriately to accommodate pedestrian sidewalks and planted parkways. Major arterial streets with multiple traffic lanes should include landscaped features to maintain an appropriate human scale, and as a way to interface between residential and commercial uses.
- In accordance with the Master Street Tree Plan (see Division V), street trees shall be located to provide shade for pedestrians, and provide appropriate scale and rhythm to the street (regular spacing and consistent alignment).
- Street trees, parkway treatments, gateways and other landscape elements shall reflect the character of the community's most distinctive maturely landscaped streets (i.e. Bixby Knolls, Virginia Country Club, and Park Estates for residential streets and Ocean Boulevard in downtown Long Beach for commercial streets).

Open Space

- The Master Plan shall incorporate public open space and parks to mitigate congestion and provide relief and recreation (in addition to providing private and usable open space per code LBMC Section 21.31.230).
- Locate parks as focal points in the residential portion of the master plan while creating a sense of invitation and comfort to a diversity of users.
- Design the parks to have a variety of passive and active uses while maintaining a serene character.

Residential Uses

- Consistent with the Residential District Standards of the LBMC Chapter 21.31, create residential districts that are based on the scale and character of traditional Long Beach neighborhoods.
- In single family detached uses, locate garages at the rear of the property, accessed from rear alleys. This will maintain the sociability and pedestrian orientation of the neighborhood by limiting curb cuts and garage doors on the street.
- Promote high quality construction and amenities in a variety of architectural styles that promote well-being, neighborhood sociability and maintain value. Architecture should include features drawn from historic patterns and scale.
- Establish residential districts that reflect traditional neighborhood patterns, take advantage of open space amenities, and are compatible with adjacent land uses. Create appropriate and compatible transitions between single family and multi-family districts.
- On selected streets, establish "build to" lines that create a consistent street edge that defines the street as a pedestrian friendly cohesive space.
- Design residential units on the first level with individual stoops, porches and entrances to create visual interest, street level activity and neighborhood cohesion.
- To the extent possible, parking should be located below multi-family residential buildings in subterranean or semi- subterranean structures.

Commercial / Mixed-Use Uses

- Development should emphasize pedestrian orientation and the creation of a distinctive village-like urban environment that mitigates conflicts between proposed commercial uses and new and existing residential uses.
- While carefully planning for the needs of vehicular circulation, emphasize a pedestrian friendly character with buildings located at front setbacks. Locate parking in structures or at the rear or side of buildings.
- Development should be appropriately scaled and based on compatibility with adjoining uses.

Design Review Process

This section of the PD-32 Development Standards establishes the procedures and requirements for review of development and use permits, and shall be consistent with the LBMC. PD-32 will have two entities, the Boeing (or its successor) Design Review Committee (DRC) and the Planning and Building Department of the City of Long Beach (City), which will play a role in reviewing and permitting development proposals. These procedures are established in order to coordinate the review by the two entities.

The role of the DRC is strictly advisory, and its decisions shall not constitute implied City approval of a proposal. The Design Review Process with the City shall be governed by the Site Plan Review process contained in Division V of LBMC Chapter 21.25. The Development Standards contained in this document along with the Design Guidelines for the project shall be used by the City throughout the Site Plan Review process. Proposals not complying with these documents will be deemed unacceptable, and will be rejected.

While the City will strictly adhere to the requirements of the Site Plan Review process in the LBMC, the following provides a general guide to the applicant for the overall design review process, including special submittal requirements in addition to those in the LBMC.

Step 1 : Conceptual Site Plan Review

Applicant shall submit conceptual plans in accordance with the application filing requirements and instructions of the City of Long Beach Planning Permit Application to the DRC for an initial review of compliance with the PD-32 Development Standards and Design Guidelines. Following such review, the DRC shall acknowledge conceptual approval of submittal in writing to the City prior to the applicant submitting plans to the City for Conceptual Site Plan Review in accordance with LBMC Section 21.25.502.B.

In order to maintain consistency with the maximum density thresholds stipulated in the Environmental Impact Report and the Development Agreement for the project, the initial written approval by the DRC shall include a summary of the total number of residential units and/ or commercial density (building area) approved and remaining to date. Both the written DRC approval and density summary shall be included as part of the initial submittal to the City for Site Plan Review.

Step 2 : Site Plan Review

Upon approval of Conceptual Site Plan Review by the City, the applicant shall submit a Design Package in accordance with the application filing requirements and instructions of the City of Long Beach Planning Permit Application to the DRC for review. Upon

review and written acknowledgement of approval by the DRC to the City, the applicant shall submit the Design Package to the City for Site Plan Review in accordance with LBMC Section 21.25.502A.

Step 3 : Compliance Check

Applicant shall submit a Final Design Development Package (site plan and architecture) to the DRC for compliance check. The main purpose of this step is to confirm that project development is consistent with prior approvals and conditions prior to submitting for Plan Check with the City (construction ready documents). The City, at its discretion, may require submittal of this package for compliance with conditions of approval.

Step 4 : Record Set

Upon receipt of Building Permit, the applicant shall file a complete copy of the permitted plans bearing the City stamps of approval with DRC.

Federal Aviation Administration (FAA) Approval : During the design process, the applicant must complete and submit Form 7460-1 to the FAA. Prior to issuance of a building permit a copy of all written findings from the FAA regarding compliance with Part 77 height limit regulations related to the Long Beach Airport.

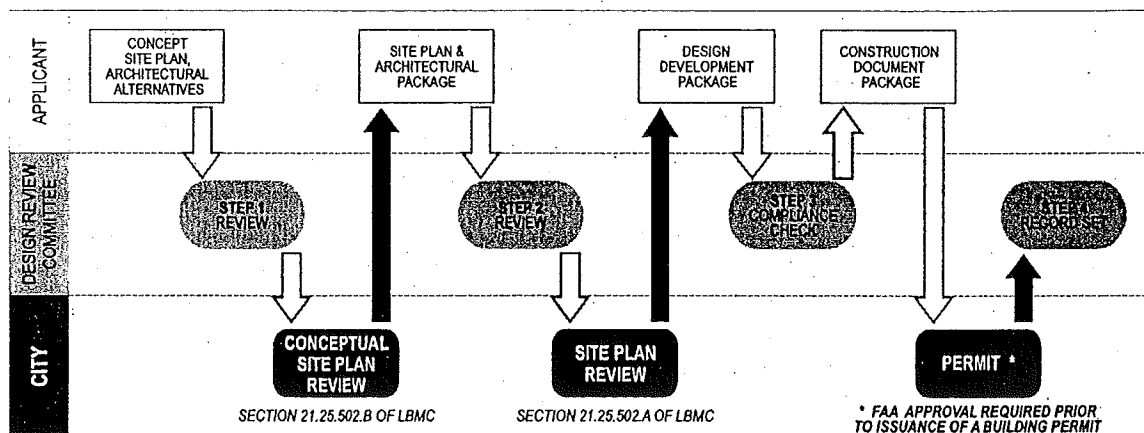
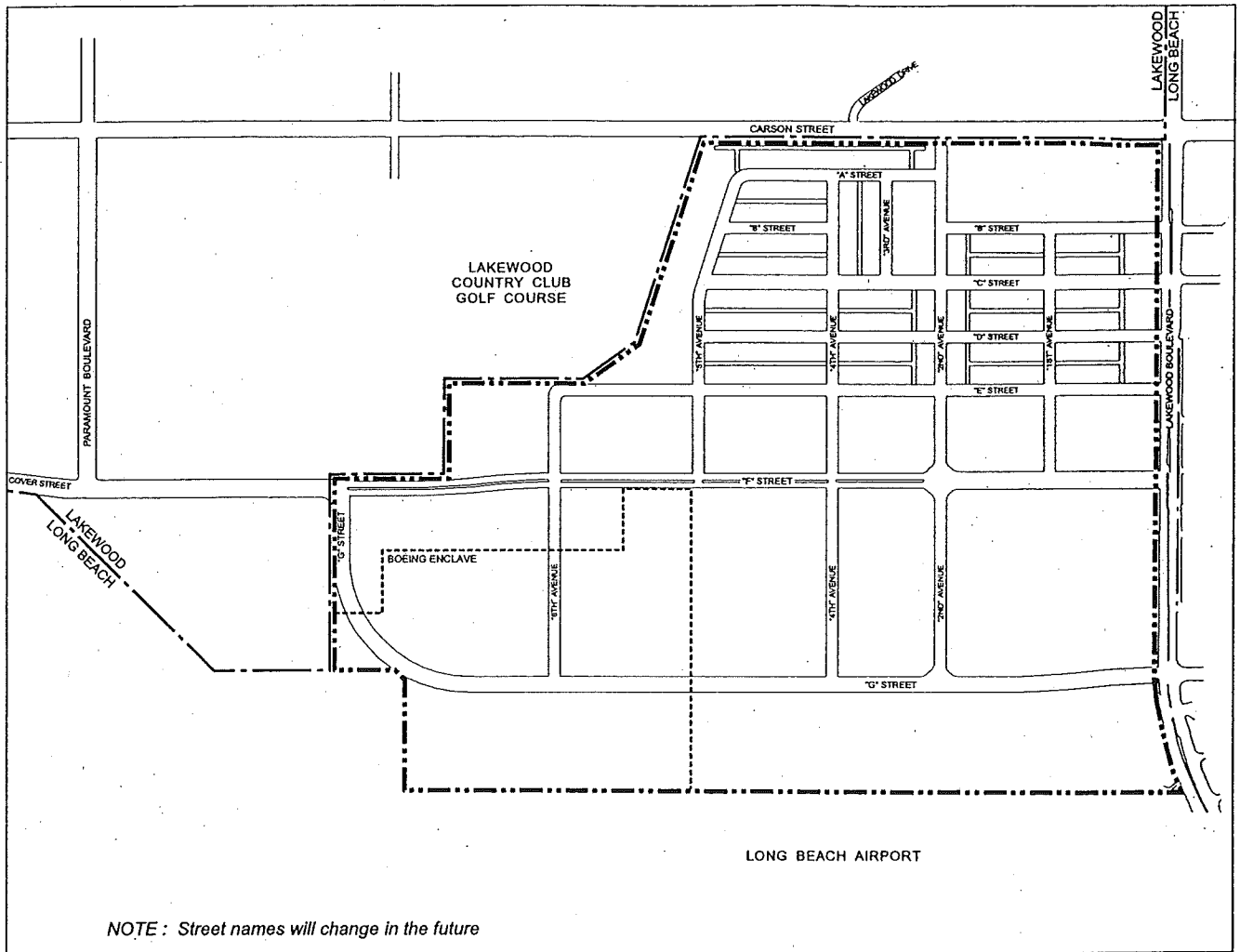


Figure 2 : Design Review Process

Division II
Establishing the Framework

NOVEMBER 17, 2004

Establishing the Framework



- PD Boundary

- City Boundary

- Boeing Enclave
(This sub area will allow aircraft-manufacturing uses to continue. Should Boeing declare its intention to abandon current aviation-related uses within this sub area, the area will be developed with uses consistent with sub area 8A)

Figure 3 : Plan Boundary, Development Block & Street Grids

Planning Sub Areas

The PD-32 planning area is divided into eleven sub areas as illustrated on Figure 4. The intent and general standards for each of these sub areas are as follows:

Residential Sub Areas

Sub Area 1A

Located along Lakewood Boulevard, this high density, multifamily residential district is intended to create an articulated and consistent urban edge of multi-story residential buildings that relate to the scale of the boulevard, and act as buffers for the lower density residential uses to the west. A small public park at the corner of Lakewood Blvd. and Carson Street will be adjacent to part of this sub area.

This sub area shall be consistent with the R-4-N District of the LBMC, unless otherwise specified in this document.

Sub Area 1B

This sub area is located along "F" Street, and it will be the northern edge of a major "gateway" to the planned area. A Mixed Use Overlay zone is established along this edge, which will contain a mix of high density multifamily residential uses, along with active ground floor retail storefronts and pedestrian-serving uses with special on-street parking provisions.

The residential portions of this sub area shall be consistent with the R-4-N District of the LBMC, unless otherwise specified in this document.

Sub Area 2

This sub area will consist of townhouse (traditionally known as "rowhouse") residential buildings. It is intended to become a major contributor to the character of the planned area with consistent building edges, lush landscaped streets, and use of alleys for garage access. This sub area will become the transition between higher density residential uses along Lakewood Boulevard, and the lower density residential uses to the west.

This sub area shall be consistent with the R-3-T District of the LBMC, unless otherwise specified in this document.

Sub Area 3

This sub area will consist of moderate density, multifamily residential uses. It is intended to provide a moderate density use as a transition to the existing scale of older and lower density developments to the north, with the higher density development along Lakewood Boulevard. Along the Carson Street edge, this sub area will provide a setback for the implementation of a bikeway connection.

This sub area shall be consistent with the R-4-R District of the LBMC, unless otherwise specified in this document.

Sub Area 4

This sub area is a single-family residential district with small and moderate sized lots, and will be based on the scale and character of traditional Long Beach neighborhoods, including the use of alleys for garage access. A major public park within this district will be the focal point and the heart of the neighborhood and will provide for a diversity of users.

This sub area shall be consistent with the R-1-M District of the LBMC, unless otherwise specified in this document.

Sub Area 5

This sub area consists of moderate density, multifamily residential uses. This sub area will serve as the project's edge to the existing Lakewood Country Club golf course. This edge is intended to be a porous urban edge that takes advantage of the golf course adjacency. Views to the existing golf course will be provided through the location of view corridors in the form of a small park, pedestrian connections, and landscaped easements. This sub area will provide a setback for the implementation of a bikeway connection.

This sub area shall be consistent with the R-4-R District of the LBMC, unless otherwise specified in this document.

Sub Area 6

This sub area consists of moderate density, multifamily residential uses. Located along "F" Street, it will serve as a continuation of the urban edge established in the mixed use district in Sub Area 1, and will act as a buffer to the lower density residential uses to its north. A major public park will become the anchor to the west of the sub area, and will provide for a variety of recreational use opportunities for all residents.

This sub area shall be consistent with the R-4-R District of the LBMC, unless otherwise specified in this document.

Commercial Sub Areas

Sub Area 7

This sub area located immediately west of Lakewood Boulevard is intended as a primarily office “main street” commercial use zone along with R&D, some light industrial uses, aviation-related uses south of “G” Street, as well as hotel and retail uses to be located along Lakewood Boulevard and/ or “F” Street.

Along “F” Street, this sub area is the southern edge of a major “gateway” to the project, and will be part of the Mixed Use Overlay zone in conjunction with Sub Area 1B. Such edge is envisioned as an active pedestrian edge with ground floor retail storefronts, pedestrian serving uses, hotel lobby/ public uses, and upper story commercial uses, along with special on-street parking provisions.

Table 1 : Sub Areas

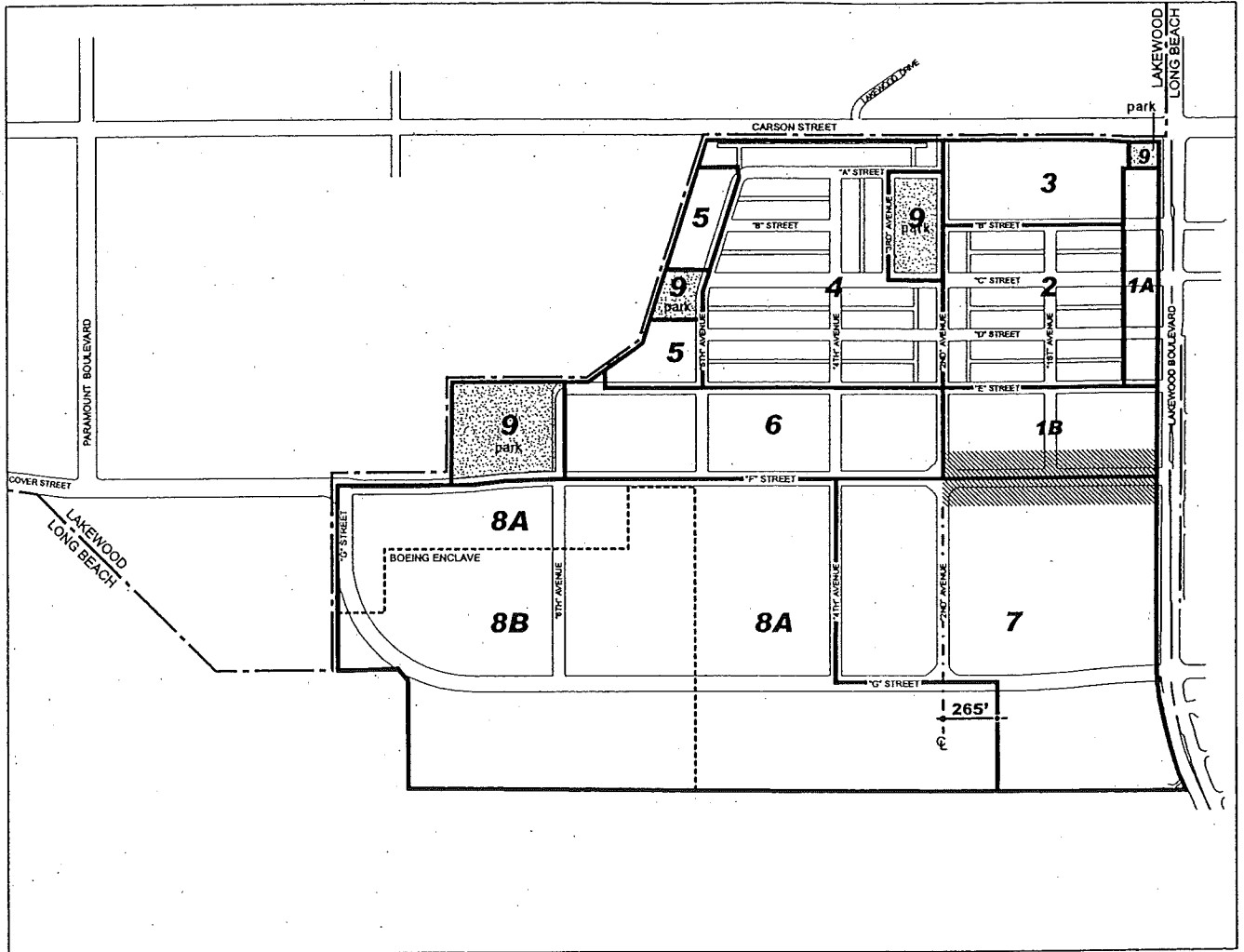
Sub Area	Applicable LBMC Zoning District	Use Classification
Sub Area 1A	R-4-N	High-density Multiple Residential
Sub Area 1B	R-4-N	High-density Multiple Residential
Sub Area 2	R-3-T	Multi-family Residential, Townhouse
Sub Area 3	R-4-R	Moderate-density Multiple Residential
Sub Area 4	R-1-M-3500 **	Single-family Residential - detached unit with Alley. (35' x 100' lots)
	R-1-M-4500 **	Single-family Residential - detached unit with Alley. (45' X 100' lots)
Sub Area 5	R-4-R	Moderate-density Multiple Residential
Sub Area 6	R-4-R	Moderate-density Multiple Residential
Sub Area 7	N/A	Office & “Main Street” Commercial, Hotel, Light Industrial*, Aviation-related Uses
Sub Area 8A	N/A	Office, Commercial, Light Industrial*, Aviation-Related Uses
Sub Area 8B	N/A	Continued Aircraft Manufacturing Support, Light Industrial*
Sub Area 9	P	Parks and Private Recreation Area

NOTE : Sub Areas shall generally be consistent with the applicable LBMC zoning districts listed above except as otherwise provided in this document.

Accessory Use :- As defined in LBMC

** Warehouse / Distribution: Warehouse and Distribution uses are prohibited as a principal use within Sub Areas 7, 8A and 8B. Warehouse and Distribution uses shall be permitted as an Accessory Use provided it does not, at any time, exceed fifty (50) percent of the total Floor Area located on the legal lot or parcel containing such Accessory Use within Sub Areas 7, 8A and 8B.*

*** The numerical suffix refers to the minimum lot area.*



Mixed-Use Overlay Zone
 (See special development standards for sub areas 1B & 7)



All Parks shall be in Sub Area 9
 (See special development standards for additional landscaped buffers / landscaped setbacks within each sub area)



Boeing Enclave
 (This sub area will allow aircraft-manufacturing uses to continue. Should Boeing declare its intention to abandon current aviation-related uses within this sub area, the area will be developed with uses consistent with sub area 8A)

Note: The eastern boundary between sub areas 7 and 8A (south of "G" Street) shall be 265 feet east of the centerline of "2nd" Avenue.

Figure 4 : Planning Sub Areas

Sub Area 8A

In addition to the uses in Sub Area 7, this sub area is intended to include light industrial uses, certain aviation related uses south of "G" Street, manufacturing, and warehouse/ distribution (as an accessory use).

Sub Area 8B

Also known as the Boeing Enclave, Sub Area 8B is a 43.5 acre area currently housing facilities related to aircraft production; ground support; receiving and delivery operations; customer operations; aircraft and avionic testing; and other related uses. This sub area will allow aircraft manufacturing, and aviation-related uses associated with the existing area to continue. Should current operations of this sub area be discontinued, the area will be developed with uses consistent with Sub Area 8A, at which time the Development Standards for Sub Area 8A shall govern.

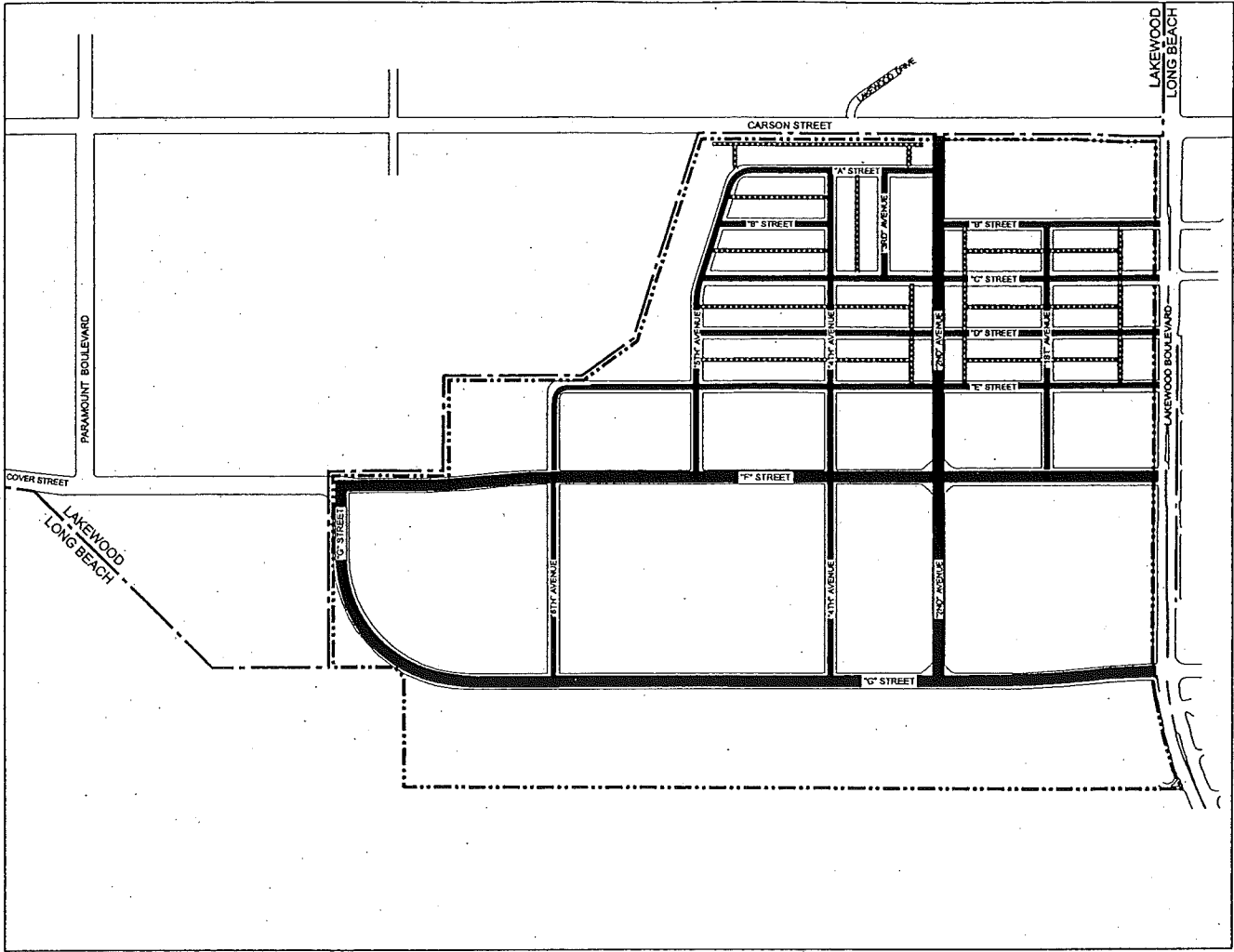
Sub Area 9




This sub area shall include all parks noted in the sub area map (Figure 4). Development of such parks shall be consistent with the Park District of the LBMC, unless otherwise specified in this document.

Street Hierarchy

Public rights-of-way shall be reserved, dedicated and improved as provided for in LBMC Chapter 21.47 (Dedication, Reservation and Improvement of Public Rights-of-Way). Refer to Development Agreement (DA) between Boeing and the City for phasing and timing of improvements.

The Director of Public Works shall approve all proposed street improvements as part of the Site Plan Review Process, or as part of the approval for each Final Map.



-  Collector
-  Local Street
-  Required Private Alley

Note: All on-site infrastructure will be developed in accordance with the infrastructure phasing plan in the Development Agreement (DA).

This map represents the street infrastructure at full build-out but does not include any additional private roads that might be necessary for access to individual buildings within any development parcels.

Figure 5 : Street Hierarchy

Parks

At full buildout, PD-32 will include four (4) public parks comprising at least 9.3 gross acres (not including the private portion of the park along 2nd Avenue - see Figure 6) . These four (4) parks are located on "F" Street west of 6th Avenue, on 5th Avenue at the terminus of "C" Street, on 2nd Avenue between "A" Street and "C" Street, and the southwest corner of Carson Street and Lakewood Boulevard. All park uses are to be Recreational as defined by the General Plan Open Space and Recreation Element and are to be fully accessible to the public. The Department of Parks Recreation and Marine shall approve all park improvements as part of the Site Plan Review Process, and in accordance with the Master Street Tree Plan. (Refer to Division V : Appendix).

Permitted Uses/ Development Standards

Development of all parks shall comply with the provisions of LBMC Chapter 21.35 (Park District). The following exceptions shall apply:

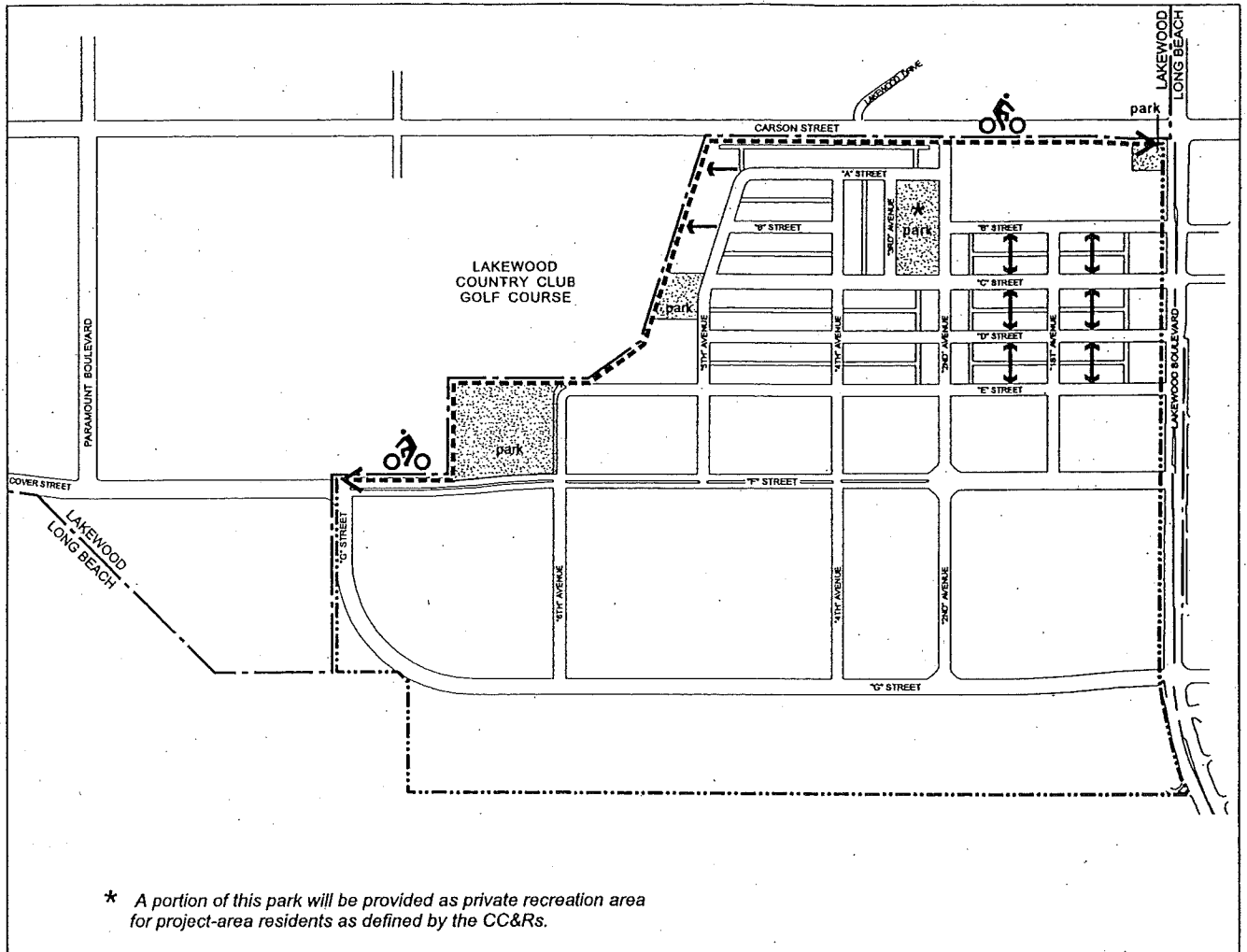
- Campgrounds shall not be permitted.
- Recreational vehicle campgrounds shall not be permitted.





Parking

The number of parking spaces required shall comply with the provisions of LBMC Chapter 21.41 (Off-Street Parking and Loading Requirements). The required parking shall consist of the parking spaces provided on site, if any, as well as curbside parking immediately adjacent to the park.

Exceptions

- Soccer – provide twenty (20) spaces per field.
- Half court basketball – provide four (4) spaces per court.
- Play structures or play structure surface area – provide one (1) space per 500 square feet.
- Bandshell/Amphitheater – Developer of Sub Area 8 shall comply with the provisions of LBMC Section 21.41.223 (Parking-Joint use and parking district) for joint use parking conditions. Parking fees shall not be permitted.
- Recreational use (as defined by the General Plan Open Space and Recreation Element) – provide two (2) spaces per acre. This supersedes the Open recreation requirements in Table 41-1C of LBMC Section 21.41.216 (Parking-Required number of spaces).
- The park located on the southwest corner of Lakewood Blvd. and Carson St. does not require parking.



-  Proposed Parks
-  Class 1 Two-Way Bike Path
-  Landscaped Pedestrian Easements
-  Paseo: Mid-Block Pedestrian Connection

Note: The pedestrian link at the western end of "B" Street may be modified to become a visual link to the Lakewood Country Club Golf course through site plan review process. (See Special Standards for sub area 5)

Note: Paseos shall be located generally at mid-block, and shall be lined up across alleys.

Figure 6 : Proposed Parks & Bike Paths.

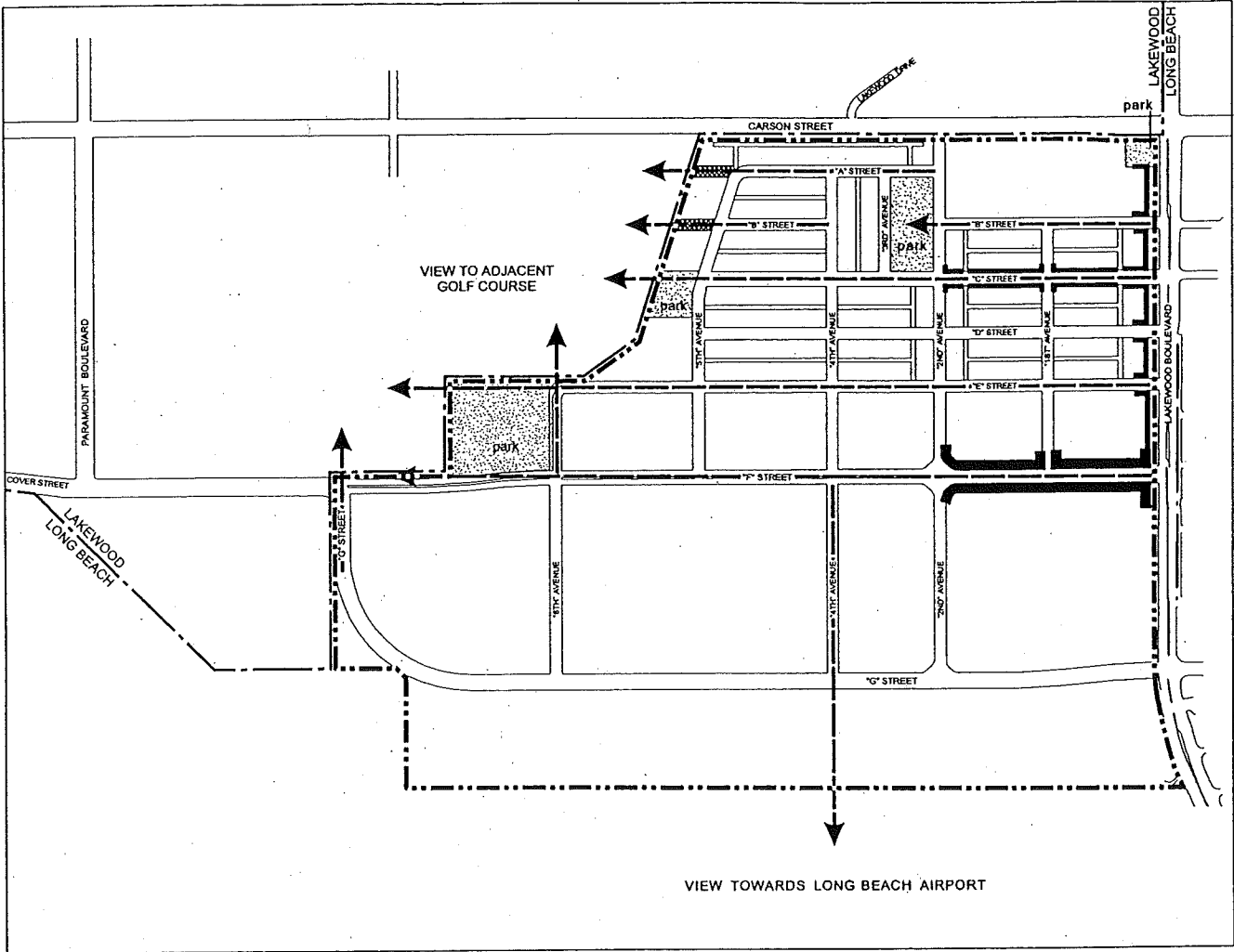
Build-To Lines

Build-to-lines are defined as a continuous building edge at the property lines on designated streets, allowing for occasional breaks in the street wall for features such as entries, courtyards, or mid-block Paseos. They are established in selected locations to create a consistent street edge that defines the street as a pedestrian friendly cohesive space.

Certain streets have mandatory setbacks from the property line and are identified in the section on Setbacks in this document; build-to lines shall be observed at the boundary of such setback. See Special Development Standards (Division 3) in this document for specific requirements and criteria for each sub area.

View Corridors

View corridors follow street alignments and are established to preserve orientation, provide a sense of place through visual linkages to the existing golf course, proposed park space and the Airport. No building or portion thereof shall block a view corridor. In the case of the designated view corridor terminating in the park at the end of "B" street, such view corridor may terminate in the recreation building located at the park, as long as the building is designed in a manner that reflects its importance.








- 
View Corridors
(Alignments shown on map are general in nature)
- 
View Corridor Easements
- 
Proposed Parks
- 
Primary Build-To Lines
(See special development standards for sub areas 1B and 7 for additional information)
- 
Secondary Build-To Lines
(See special development standards for sub areas 1A, 1B and 2 for additional information)

Figure 7 : Build-To Lines & View Corridors

Generalized Height Zones

PD-32 has two types of height restrictions, and the most restrictive provision shall apply in every instance.

Federal Aviation Administration (FAA)

All building heights shall conform to the Long Beach Airport – Runway Approach Zones – Standard for determining obstruction in air navigation – as per Part 77 of federal aviation regulations map dated 6-21-1982 (or as updated). The maximum heights depicted on such map are measured by mean sea level and must be measured to the highest portion of the structure, including antennas, signs, elevators, mechanical equipment and other appurtenances. The applicant is responsible for thoroughly investigating all restrictions for an individual parcel of land on the site, including the filing and processing of any required forms with the FAA (see Figure 8).

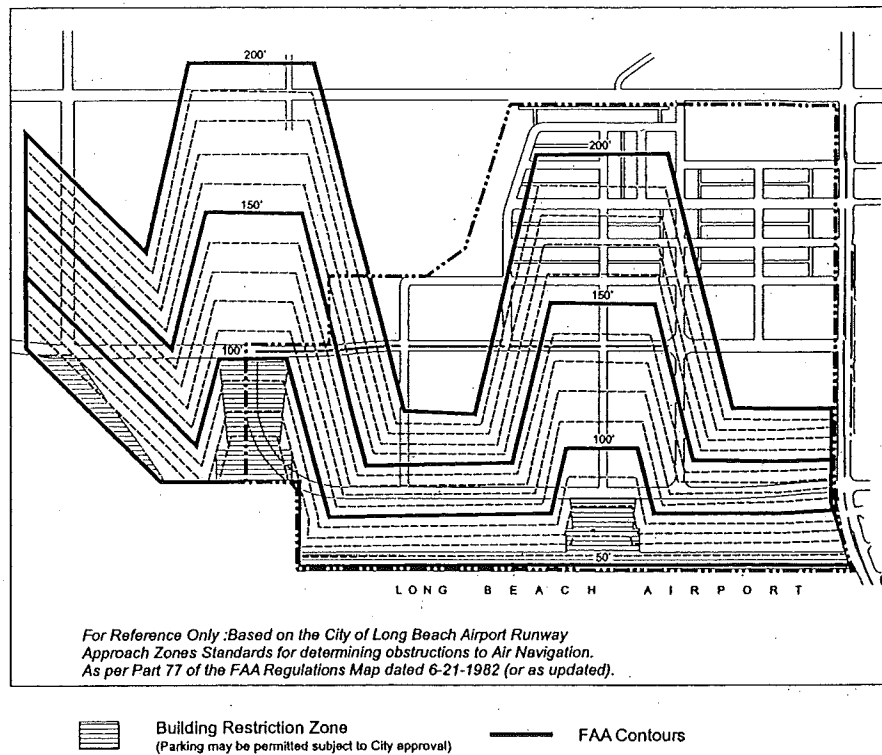
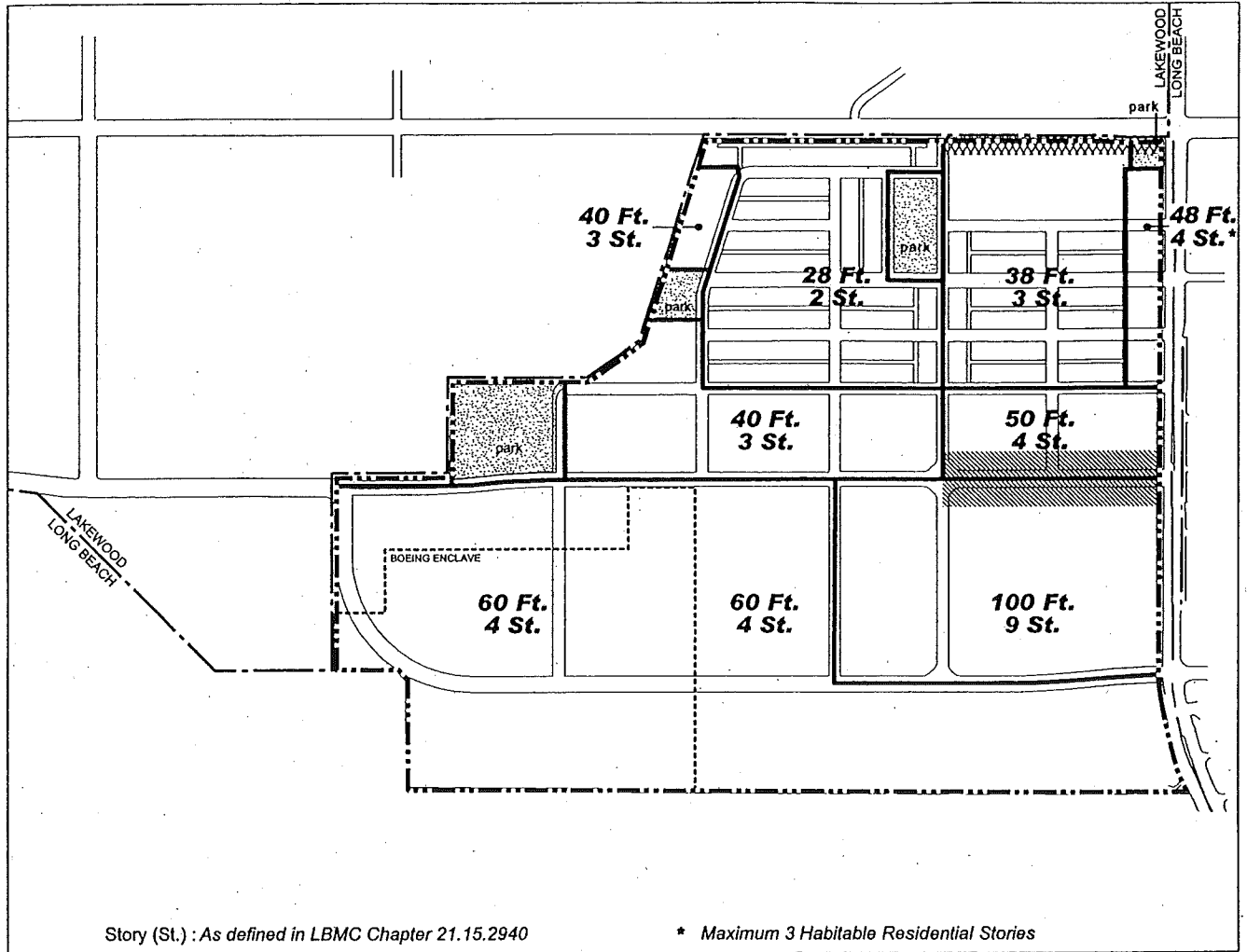


Figure 8 : FAA Height Contours



Proposed Parks
 (Maximum Bldg. Height = 30 Ft. with exceptions for band shells, overhead structures and sculptural elements)



Mixed-Use Overlay Zone
 (See special development standards for sub areas 1A & 7)

NOTE : The maximum height limits indicated on this map are further detailed in the special development standards. These heights shall be used in conjunction with Part 77 of the FAA Regulations Map dated 6-21-1982 (or as updated).



35-foot height limitation
 This height zone runs from the curb at Carson Street to a line 100 ft. south of the curb, and from Lakewood Blvd. at the east to 2nd Street along the west. (See special development standards for sub area 3)

Figure 9 : Generalized Height Zones

PD-32 Height Zones

All building heights shall be consistent with the definition of height contained in LBMC Section 21.15.1330, and shall be measured from the curb to the top of the parapet or mid-point of a sloping roof of the proposed structures. Unoccupied architectural features may exceed these limitations through the Site Plan Review process, provided such features are consistent with the Urban Design intent of marking project entries, establishing street wall edges, and/or creating visual markers.

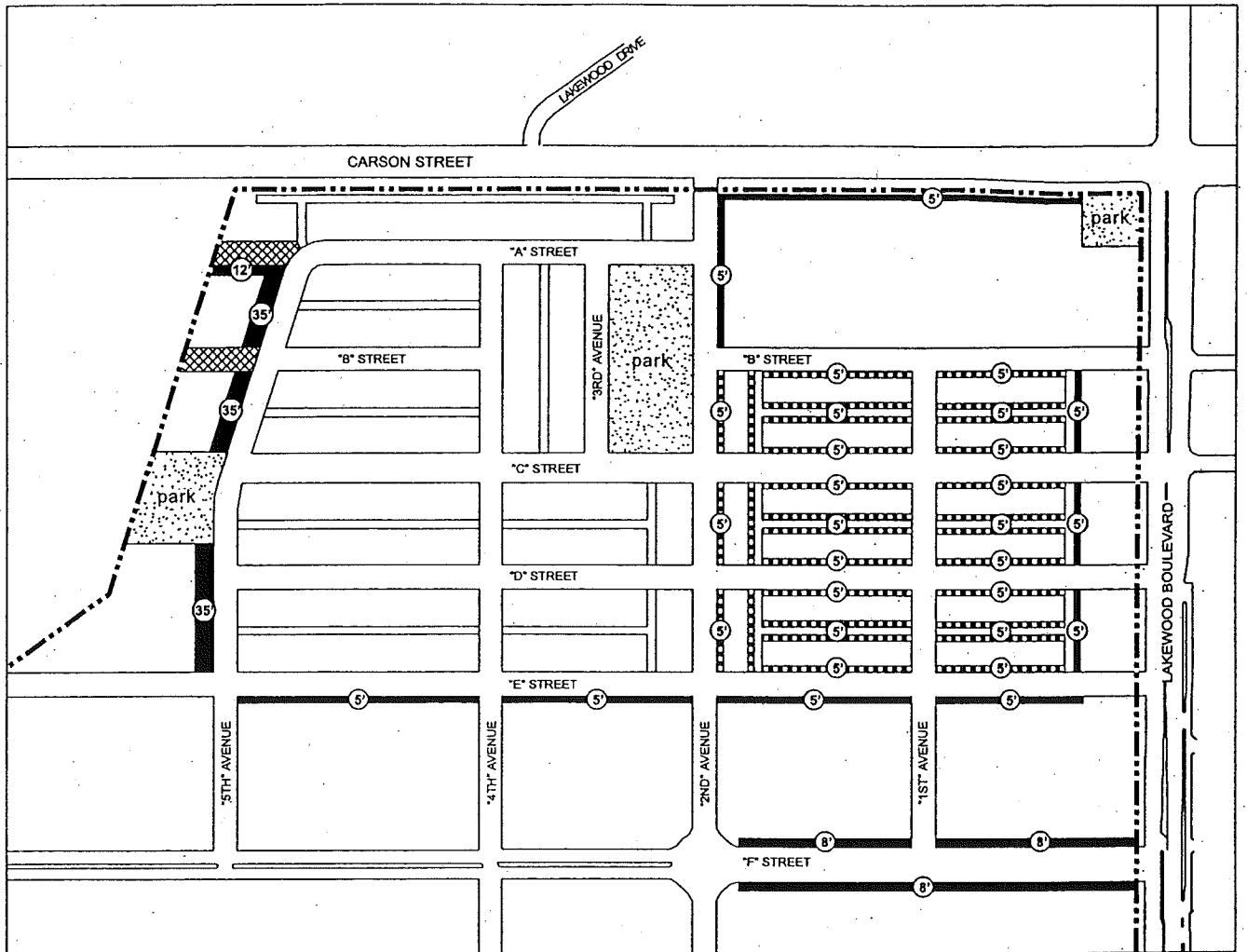
Figure 9 establishes the maximum permitted building heights in both feet and stories. A measurement of height shall use the definition of height contained in LBMC Section 21.15.1330.

Exceptions

- Exceptions listed in LBMC Section 21.31.220 shall apply, excluding the R-4-H Height Incentive provisions in such Section.

Stepbacks

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building setback/ stepback requirements as shown in the illustrative sections included in Divisions II and III of this document.






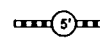


- | | | | |
|---|---|---|---|
|  | 35-foot step-back at third story of golf-course condos along "5th" Avenue |  | 5-foot step-back across the street/alley from row-houses and single-family dwellings |
|  | 12-foot step-back at third story of golf-course condos along view corridor |  | 5-foot step-back at third story along street-frontage and alleys throughout sub area 2 (Row-houses) |
|  | 8-foot step-back along "F" Street
(See special development standards for sub areas 1B & 7) |  | View Corridor Easements |

Figure 10 : Step-Backs Diagram

Division III
Residential Sub Area Standards

NOVEMBER 17, 2004

Residential Sub Area Standards

Unless otherwise noted in this document, all development in the residential sub areas shall be consistent with the applicable residential districts development standards in the LBMC, as shown in Table 1.

Permitted Uses

Residential Uses

Consistent with the Sub Area Map (Figure 4), the following uses shall apply to those sub areas.

Table 2 : Residential Use Table

Use	Sub Area 1A and 1B	Sub Area 2	Sub Areas 3 and 6	Sub Area 4	Sub Area 5
Single-family detached or attached	N	Y	Y	Y	Y
Multi-family dwelling	Y	N	Y	N	Y
Townhouse	Y	Y	Y	N	Y
Secondary housing units (see Section 21.51.275)	N	N	N	A	N
Other Uses					
Child day-care home - small or large facility [1-14 persons] (see Sections 21.52.249 + 21.15.480 + 21.15.490)	N	N	N	A	N
Electrical distribution station (see Section 21.52.223 + 21.15.960)	N	N	Y (Through SPR only in Sub Area 3)	N	N
Group home (1-6 persons) (see Section 21.15.1200)	Y	Y	Y	Y	Y
Existing Building 1C - Boeing Data Center	Y	N	N	N	N

Y = Yes N = No A = Accessory Use

Those uses which are permitted subject to an Administrative Use Permit or Conditional Use Permit shall be subject to the same processes defined in the LBMC.

Commercial uses in Mixed Use Overlay Zone

Sites fronting on both the northerly and southerly edges of "F" Street between Lakewood Boulevard and 2nd Avenue shall permit the commercial uses of the Neighborhood Commercial, Pedestrian-oriented (CNP) zoning district, Chapter 21.32 of the LBMC.

Permitted Density

Table 3 establishes the permitted densities in each sub area. In calculating the number of units permitted on a site, the following shall apply:

Maximum Number of Dwelling Units

The maximum number of dwelling units in all residential sub areas shall not exceed 1,400 units. Note that using the Maximum Density (Dwelling Units per acre) throughout each sub area may yield an arithmetic result greater than 1,400 units, and therefore the Maximum Density is only intended to provide limited flexibility in the location of density, and shall not be interpreted as an entitlement.

Table 3 : Permitted Lot Size & Density in Residential Sub Areas

Sub Area	No. of Units / Lot	Minimum Lot Area (including alley easements)	Minimum Lot Width (excluding alley easements)	Maximum Density
Sub Area 1A	N/A	18,000 sq.ft.	120 ft.	50 DU / acre
Sub Area 1B	N/A	18,000 sq.ft.	120 ft.	50 DU / acre
Sub Area 2	N/A	18,000 sq.ft.	22 ft. *	20 DU / acre
Sub Area 3	N/A	18,000 sq.ft.	120 ft.	25 DU / acre
Sub Area 4	One	3,500 sq.ft.	35 ft.	14 DU / acre
		4,500 sq.ft.	45 ft.	10 DU / acre
Sub Area 5	N/A	18,000 sq.ft.	120 ft.	27 DU / acre
Sub Area 6	N/A	18,000 sq.ft.	120 ft.	25 DU / acre

The maximum number of dwelling units in all residential sub areas combined shall not exceed 1,400 units

There will be a minimum of 100 lots of at least 4,500 s.f. in Sub Area 4

* Refers to Unit Width - not Lot Width

Net Lot Area

All densities are calculated on the basis of net lot area (lot size minus any required dedications for public right-of-way improvements)

Fractional Densities

Fractional densities shall not be counted in determining the number of units allowed on the site.

Setbacks

Setbacks shall be provided for the purpose of providing light, air, pedestrian and vehicular circulation, emergency access and general aesthetic improvements. All lots shall have one front yard and one rear yard, with the exception of through lots, which may have two (2) front yards and no rear yard. All other property lines for all lots shall be considered side property lines.

All setbacks shall be provided as specified in the Special Development Standards section (Division III) of this document. Semi-subterranean and subterranean parking garages must comply with the required building setbacks.

Permitted projections

The projections permitted into the required setbacks shall be those permitted in Table 31-3 of LBMC Section 21.31.215.

Corner Cut-off

At corners of properties at street intersections, intersections of streets and alleys and at intersections of driveways and property lines, new construction shall not be permitted in such a manner that it significantly impedes visibility between heights of 3 feet and 7 feet above the ground in a corner cut-off of at least 6 feet by 6 feet (measured from the intersection of the property lines or the intersection of a driveway, alley, and a property line). One vertical support element such as a column is permitted in the corner area, if the cross-section of the element fits within a circle with a diameter of 18 inches. This requirement may be waived through the Site Plan Review process if the Director of Public Works finds that the cut-off is not necessary

Usable Open Space

Usable open space in terms of square feet per dwelling unit shall be provided as indicated in Table 4 of this document, unless noted otherwise. In all sub areas except Sub Area 2 and 4, each dwelling unit shall provide fifty percent (50%) of the open space as common open space and fifty percent (50%) as private open space. See Special Development Standards for each sub area for additional requirements and/or exemptions. Actual percentages can be adjusted through Site Plan Review.

The design of the open space shall comply with the open space requirements of L BMC Section 21.31.230.

Table 4 : Usable Open Space Requirements in Residential Sub Areas

Sub Area	Min. Usable Open Space per Unit
Sub Area 1A	150 sq. ft. *
Sub Area 1B	150 sq. ft. *
Sub Area 2	250 sq. ft. **
Sub Area 3	150 sq. ft.
Sub Area 4	10% of Lot Area ***
Sub Area 5	150 sq. ft.
Sub Area 6	150 sq. ft.

* Private open space requirements for units facing Lakewood Boulevard or "F" Street can be met using common open space.

Refer to the special development standards for additional usable open space requirements for the mixed-use overlay zone.

** 100 percent private open space is allowed.

*** Minimum usable open space dimension is 8 ft. Front porches within front setbacks with a minimum depth of 8 ft. can be used as part of the required open space.

All open space requirements must be accomplished within individual parcels. However, on lots less than 4,500 sf, off-set side yard easements may be allowed at the discretion of the Director of Building and Planning, but area not on the subject parcel may not be used to meet minimum dimension or area requirements.

At least 50% of the minimum usable open space must be open to the sky.

Definitions of Usable Open Space, Common Open Space and Private Open Space shall be per L BMC.

Minimum Courtyard Dimensions

In multi-family projects, and in the event that courtyards are used as part of the Usable Open Space requirement, courtyards shall be designed to create an attractive and comfortable on-site open space area in order to enable residents to enjoy outdoor living and recreational activities. Courtyard designs shall conform to the standards as specified in LBMC Section 21.31.242.

Residential Amenities

Multi-family residential buildings in Sub Areas 1, 3, 5 and 6 consisting of 20 or more units shall provide a common recreation/ multi-purpose room or rooms of three hundred (300) or more square feet furnished with recreational facilities, or other recreational amenities such a swimming pool, play equipment, or other facilities directed to a specific demographic section of the housing market which may be deemed to be of equivalent value by the Site Plan Review Committee or Planning Commission.

Additionally, residential developments shall provide storage cabinets or storage rooms and/or bicycle storage areas to the satisfaction of the Site Plan Review Committee.

Privacy Standards

Privacy standards shall apply to all multi-family residential development, and shall be consistent with LBMC Section 21.31.240, unless waived through the Site Plan Review Process.

Accessory Structures

With the exception of setbacks, which are set by this document; attached and detached accessory structures shall be subject to the development standards specified in LBMC Section 21.31.245.

Pedestrian Access

Location and design of building entries and elevators in the case of multi-family residential development shall be subject to the development standards specified in LBMC Section 21.31.250.

Distance Between Buildings

Minimum separation of two (2) or more detached principal use buildings on the same lot shall be eight feet (8').

Mechanical Equipment Screening on Rooftops

All mechanical equipment on rooftops shall be screened from public view by solid screening devices at least as high as the equipment being screened. Development standards specified in LBMC Section 21.31.265 shall apply.

Trash Receptacles

All trash areas shall be screened from public view on all sides. See LBMC Section 21.46.080 (21.31.245?) (Accessory Structures) for additional requirements.

Utility Meters Screening

All utility meters shall be fully screened from view from a public right-of-way. The development standards in LBMC Section 21.31.270 shall apply.

Undergrounding of Utilities

All projects requiring site plan review shall underground all overhead utility service to the site. The utility company's design of the electric system, including locations and aesthetic treatment, shall be in accordance with the regulations of the Public Utilities Commission of the State of California.

Off-street Parking and Loading Requirements

Parking and loading areas shall be provided as required in LBMC Chapter 21.41 (Off-Street Parking and Loading Requirements).

Guest Parking Requirement

The required parking for guests may be fulfilled by those parking spaces provided on-site as well those curbside parking spaces along the frontage of the streets immediately adjacent to the residential use. Street parking on both sides of "F" Street between Lakewood Boulevard and Second Avenue shall not be used to satisfy this requirement.

Vehicular Access

Curb cuts are prohibited along Lakewood Boulevard and Carson Street with the exception of one right-in / right-out driveway for Sub Area 3.

Landscaping Requirements

All lots in residential districts shall be landscaped as provided for in LBMC Chapter 21.42 (Landscaping Standards). The following exceptions shall apply:

Street Trees

- Street frontage within Sub Areas 1, 2, 3, and 5. Within the required setback area along all street frontages, except driveways, a minimum five-foot-wide (5') landscaping strip (inside dimensions to planter) shall be provided. This area shall be landscaped with one (1) tree for each twenty (20) linear feet of street frontage. These trees may be grouped, but at least one (1) group shall be located within each 100 feet of street frontage. Accent trees shall be planted at areas of significance, such as, intersections, pedestrian paseos, and key site heritage locations. For each tree three (3) shrubs shall be provided. This supersedes LBMC Section 21.42.040 B1 (Landscaping standards-R-3, R-4, and non residential districts excluding IM, IG, and IP industrial districts).
- For required trees, at least twenty-four inch (24") box (but not less than seven feet (7') in height) shall be provided. Accent trees that establish a point of significance, as described above, shall be thirty-six inch (36") box (but not less than ten feet (10') in height). This supersedes LBMC Section 21.42.040 C1 (Landscaping standards-R-3, R-4, and non residential districts excluding IM, IG, and IP industrial districts).
- Street trees shall be spaced as provided for in LBMC Section 14.28.020 (Planting). Alternate tree spacing may be approved by the Director of Public Works in accordance with the LBMC, these Standards, and the Master Street Tree Plan (See Division V).

Parkway Landscaping

- Plant material in parkways may be turf, groundcover, flowers, shrubs, and street trees. This supersedes LBMC Section 21.42.060 C2 (Landscaping standards-Public right-of-way).
- All new developments shall be required to provide street trees in the abutting parkway/sidewalk areas. The suggested species of street trees and spacing are listed in Division V. Alternative species may be approved through the Site Plan Review process and may be appealed to the Director of Planning and Building and the City Planning Commission.

Fences and Garden Walls

Fences and garden walls are permitted accessory structures subject to the development standards contained in LBMC Chapter 21.43 (Fences and Garden Walls).

Signs

On-site signs are permitted accessory structures subject to the development standards contained in LBMC Chapter 21.44 (On-Premises Signs).

Special Development Standards

Sub Area 1A:

Located along Lakewood Boulevard, Sub Area 1A is intended to create an articulated and consistent urban edge of multi-story residential buildings that relate to the scale of the boulevard, which shall act as buffers for the lower density residential uses to the west. A small public park at the corner of Lakewood Blvd. and Carson Street is adjacent to this sub area and shall be taken into consideration in the design of this sub area.

Setbacks and Building Stepbacks

Table 5 : Setbacks for Residential Sub Area 1A

Minimum Street Setback	Lakewood Blvd. Setback	Minimum Bldg. to Bldg. Setback	Minimum Alley Setback
15'	26'	8'	15' **

* *Stoops may encroach into the Street Setback*

** *Measured from property line at centerline of alley. Minimum dimension from edge of alley is 5 ft.*

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building stepback requirements as shown in the illustrative sections of this document. Where stepbacks are required, 25% of the frontage is allowed without a stepback.

Build-to line standard

For build-to- lines in Sub Area 1A, at least 60% of the ground floor building frontage at a minimum height of 15' shall be constructed along the established build-to-line. Articulated courtyard walls built along such line can be used to satisfy this requirement.

Facade Articulation

No continuous building wall shall extend more than 60 feet in width without a facade articulation element. Facade articulation shall consist of elements such as expressed structural bays, pilasters, moldings, recessed wall panels, or display features to create visual interest.

Blank Walls

Blank walls are not allowed along build-to-line frontages. Along other frontages, the maximum length of a blank wall without articulation or relief of at least 6 inches in depth shall be 25 feet.

Private Usable Open Space/ Balconies

Balconies along the Lakewood Boulevard edge are discouraged. The requirement for private usable open space for units affected by this provision may be waived through Site Plan Review, provided that equivalent common usable open space is provided on site.

Vehicular Driveway Access

Vehicular driveway access shall be taken via the alleys serving the site, or secondary neighborhood streets that will not disrupt pedestrian circulation. Access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area. Mid-block driveway access along Lakewood Boulevard is not allowed. These requirements may be modified through the Site Plan Review process.

On-Grade Parking Garages

Location

On-grade garages must be screened on street sides by residential units, the building entrance lobby or other portions of the building. The screening requirement may be waived through the Site Plan Review process only if the garage wall is deemed to be architecturally integrated into the design of the overall building, and is located along a secondary street.

Architectural treatment

Parking structures must be designed with the same care and attention as the buildings they serve. They shall be compatible in architectural treatment and detail.

Screening

Ramps, cars, and sources of artificial lighting in parking structures shall be minimally visible from public streets, public parks, and residential uses.

Sub Area 1B:

Located along "F" Street, this sub area shall consist of a Mixed Use Overlay zone, which shall contain a mix of multifamily residential uses, with active ground floor retail storefronts and pedestrian serving uses with special on-street parking provisions.

Table 6 : Setbacks for Residential Sub Area 1B

Minimum Street Setback	"F" Street Setback	Lakewood Blvd. Setback	Minimum Bldg. to Bldg. Setback
15'	2'	26'	8'

Private open space requirement for units facing Lakewood Blvd or 'F' Street can be met using common open space.

Setbacks and Building Stepbacks

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building setback/ stepback requirements as shown in the illustrative sections included in this section of the document.

For four-story buildings, 70% of the "F" Street-fronting facade must provide an eight-foot step-back. The step-back may occur above either the second or third floor. The remaining 30% of the street-fronting facade may be constructed with no additional setback or step-back requirements. For three-story buildings, 30% of the "F" Street-fronting facade must contain an eight foot minimum step-back. The step-back may occur above either the first or second floor.

This criteria may be waived during Site Plan Review at the discretion of the Director of Planning and Building or the Planning Commission if the height of the street wall proposed is consistent with the existing or proposed street wall on the opposite side of the street.

Mixed Use Overlay Zone

Frontages along "F" Street shall provide pedestrian-oriented uses, which are generally consistent with the CNP zone in Chapter 21.32 of the LBMC and will include the following:

- Restaurants & ready-to-eat foods
- Retail sales
- Personal service uses
- Lobbies of: hotels, office buildings, residential developments, movie/live theaters, or of any other entertainment uses
- Public plazas and outdoor dining areas.

Pedestrian-oriented uses shall occupy at least 60% of the ground floor building frontage on streets where active pedestrian uses are required. "Shadow" art galleries, historical displays, artist studios, back office uses or sales offices may be allowed as temporary transitional uses.

Minimum First Floor Height

The minimum first floor height of uses on the ground floor shall be 16 feet above the adjacent sidewalk. Exceptions to this requirement may be granted through Site Plan Review.

Minimum Depth of Ground Floor Space

Within the Mixed Use Overlay Zone, ground floor spaces shall have a minimum average depth of 50 feet. Any retail space that may occur at the corner of "1st" Avenue and "F" Street is exempt from this requirement. Other exceptions to this requirement may be granted through Site Plan Review.

Display/Clear Window Requirement

Clear, non-reflective display windows/doors shall comprise at least 60% of the ground floor street facade of pedestrian-oriented uses. The maximum height of the bottom sill of required display windows shall not exceed 30 inches above the adjacent sidewalk. The minimum head height for storefronts and windows at the ground floor should be 10 feet above the adjacent sidewalk.

First Floor Elevation

The first level of buildings which require ground floor pedestrian oriented uses shall have a floor elevation which approximates the elevation of the adjacent sidewalk.

Setback

Required setback along streets with pedestrian serving uses shall be hardscape and shall be considered an extension of the sidewalk. No landscape of such setback is allowed.

Awnings and Canopies

Store front canopies and/ or awnings are required unless waived through the Site Plan Review process. The minimum vertical clearance between the ground or street level and the bottom of the awning should be 10 feet. Awnings should be placed below the ground floor cornice (or below the sills of the second story windows if no cornice exists). Awnings should be divided into sections to reflect the major vertical divisions of the facade. The awning/canopy may encroach over the public sidewalk provided at least 4 feet of clearance is maintained from the street curb line. For awnings and canopies, the materials, shape, rigidity, reflectance, color, lighting, and signage, should relate to the architectural design of the building.

Entrances Facing the Street

Entrances to uses on ground and upper floors must open onto the public right-of-way. Entrance doors should be setback at least three feet from the property line in order to avoid encroachment on to right-of-way.

Build-to-line standard

For build-to- lines along "F" Street, at least 60% of the ground floor building frontage at a minimum height of 15' shall be constructed along the established build-to-line. Arcades, colonnades, porches, and articulated courtyard walls built along such line can be used to satisfy this requirement.

If the remaining portion of the ground floor is setback, it shall not be more than 20' in length nor setback more than 10' from the build-to-line, in order to maintain the continuity of the intended street wall.

Facade Articulation

No continuous building wall shall extend more than 60 feet in width without a facade articulation element.

Blank walls are discouraged, and the maximum width of a blank wall without articulation or relief of at least 6 inches in depth shall be 25 feet. Facade articulation shall consist of elements such as expressed structural bays, pilasters, moldings, recessed wall panels, or display features to create visual interest.

Building Height

Additional building height on the first 100 feet of building depth fronting "F" Street (measured from "F Street property line) may be allowed through the Site Plan Review Process provided that such additional height is not used to increase the number of habitable floors allowed in this document, and the additional height is used for architectural features that are consistent with the "main street" vision for the street. In no case shall the allowed increase in height be more than 10 feet above the allowed building height.

Private Usable Open Space/ Balconies

Balconies for the first two floors of "F" are not allowed, unless waived through Site Plan Review. The requirement for private usable open space for units affected by this provision may be waived through Site Plan Review, provided that equivalent common open space is provided on the same parcel.

Vehicular Driveway Access

Vehicular driveway access is prohibited along frontages which require pedestrian-oriented uses. All other vehicular access shall be taken via the alleys serving the site or secondary neighborhood streets that will not disrupt pedestrian circulation. Access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area. These requirements may be modified through the Site Plan Review process. Mid-block driveway access along Lakewood Boulevard is not allowed.

On-Grade Parking Garages

Location

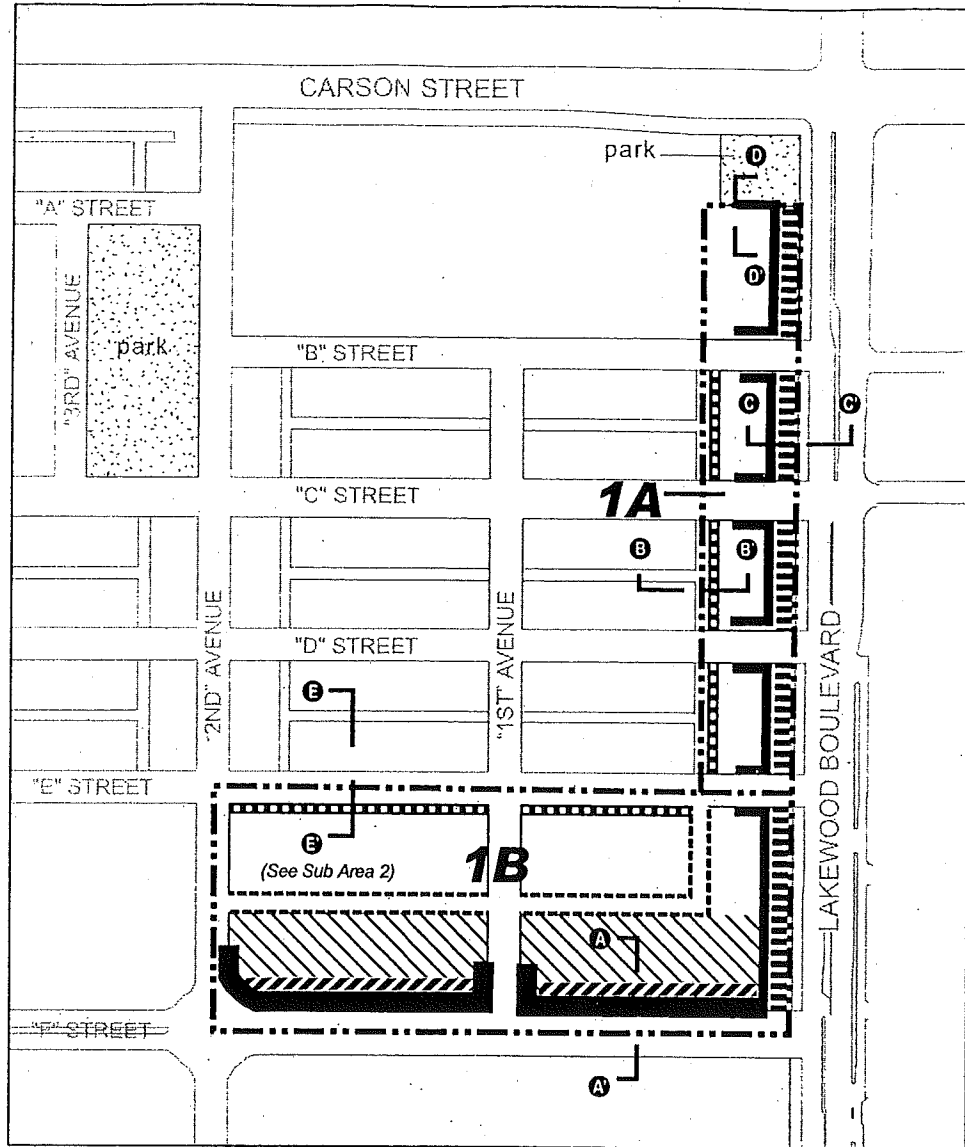
On-grade garages must be screened on street sides by residential units, the building entrance lobby or other portions of the building. The screening requirement may be waived through the Site Plan Review process only if the garage wall is deemed to be architecturally integrated into the design of the overall building, and is located along a secondary street.

Architectural treatment

Parking structures must be designed with the same care and attention as the buildings they serve. They should be compatible in architectural treatment and detail.

Screening

Ramps, cars, and sources of artificial lighting in parking structures shall be minimally visible from public streets, public parks, and residential uses.










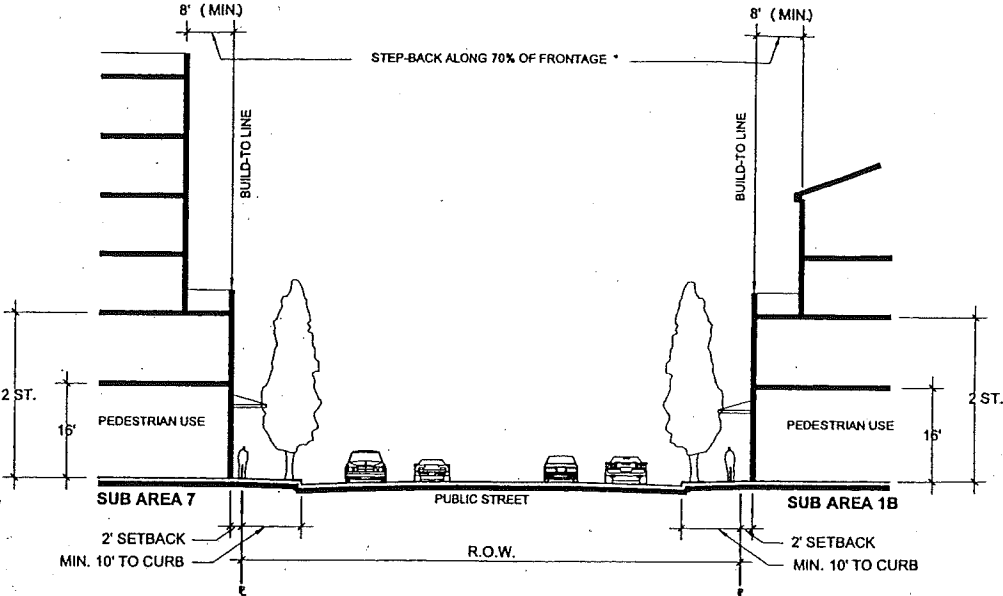
-  Primary 'Build-To' Lines
-  Secondary 'Build-To' Lines
-  26' Minimum Building Setback along Lakewood Boulevard
-  Preferred Location of Access Streets
-  Mixed Use Overlay Zone
-  8' Min. Building 'Step-Back' at 2nd. / 3rd. Story (Refer to Section A-A')
-  5' Min. 4th. Story 'Step-Back' (Refer to Sections B-B' & E-E')

Figure 11 : Sub Areas 1A and 1B



*NOTE: REFER TO STEP-BACK REQUIREMENTS FOR ADDITIONAL INFORMATION

Figure 12 : Section A-A'

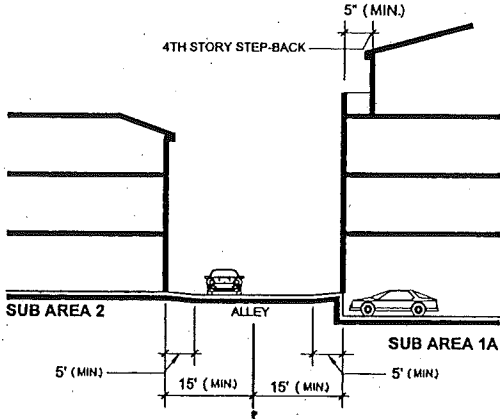


Figure 13 : Section B-B'

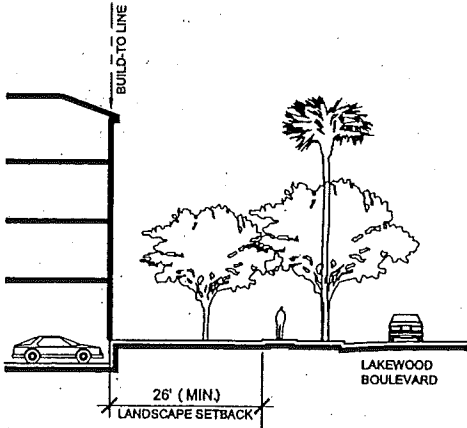


Figure 14 : Section C-C'

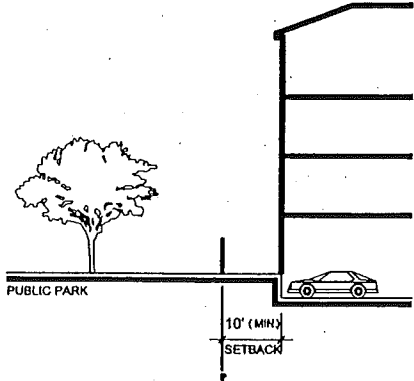


Figure 15 : Section D-D'

Sub Area 2:

This sub area shall consist of townhouse (traditional row house) residential buildings. It is intended to become a major contributor to the character of the planned area with consistent building edges, lush landscaped streets, and use of private alleys for garage access. This sub area will become the transition between higher density residential uses along Lakewood Boulevard, and the lower density residential uses to the west. "C" Street leading to the park between 2nd and 3rd Avenues is envisioned as the main residential entry way to the neighborhood.

Setbacks and Building Stepbacks

Table 7 : Setbacks for Residential Sub Area 2

Minimum Street Setback	Minimum Rear Setback	Minimum Alley Setback	Minimum Bldg. to Bldg. Setback
10' *	15' **	15' @ alley ***	10'

* *Stoops and Porches may encroach 5 ft. into the Street Setback. Porches shall be as defined in the LBMC. Street setback to a 3rd story is 15 ft.*

** *Measured from property line at centerline of alley. Rear setback to a 3rd story is 20 ft.*

*** *Measured from property line at centerline of alley. Minimum dimension from edge of alley is 5 ft.*

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building setback/ stepback requirements as shown in the illustrative sections included in this section of the document. Where stepbacks are required, 25% of the frontage is allowed without a stepback.

Build-to line standard

Build-to-lines on both north and south sides of "C" Street are established along the required setback line (see illustrative sections). At least 60% of the ground floor building frontage at a minimum height of 15' shall be constructed along the established build-to-line. Porches located along this line are encouraged in this sub

area, and can be used to satisfy this requirement. In the event that porches encroach on setback as allowed in the setbacks section of this document; 100% of the ground floor of the building frontage shall be built to the build-to-line.

Other streets in this sub area are encouraged to follow this same build-to-line requirement.

Building Edge/ Facade Articulation

Along build-to-line frontages, the intent in this sub area is to have the residential units aligned along a common setback in order to create a consistent and articulated urban edge of residential scale. No blank walls shall be allowed along the build-to-line frontages and facade articulation is required in the form of porches, entries, and other features to create visual interest.

Vehicular Driveway Access

All vehicular access shall be taken via the required private alleys serving the sub area. Access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area. This requirement may be waived through the Site Plan Review process if necessary.

Paseo - Mid Block Pedestrian Connection

In order to promote pedestrian circulation and to provide meaningful massing breaks along the east west direction of the blocks in this sub area, mid block pedestrian connections called paseos are required. Such walkways shall have a minimum width dimension of 10 feet, shall be publicly accessible, and must align across alleys. This requirement may be modified through Site plan Review.

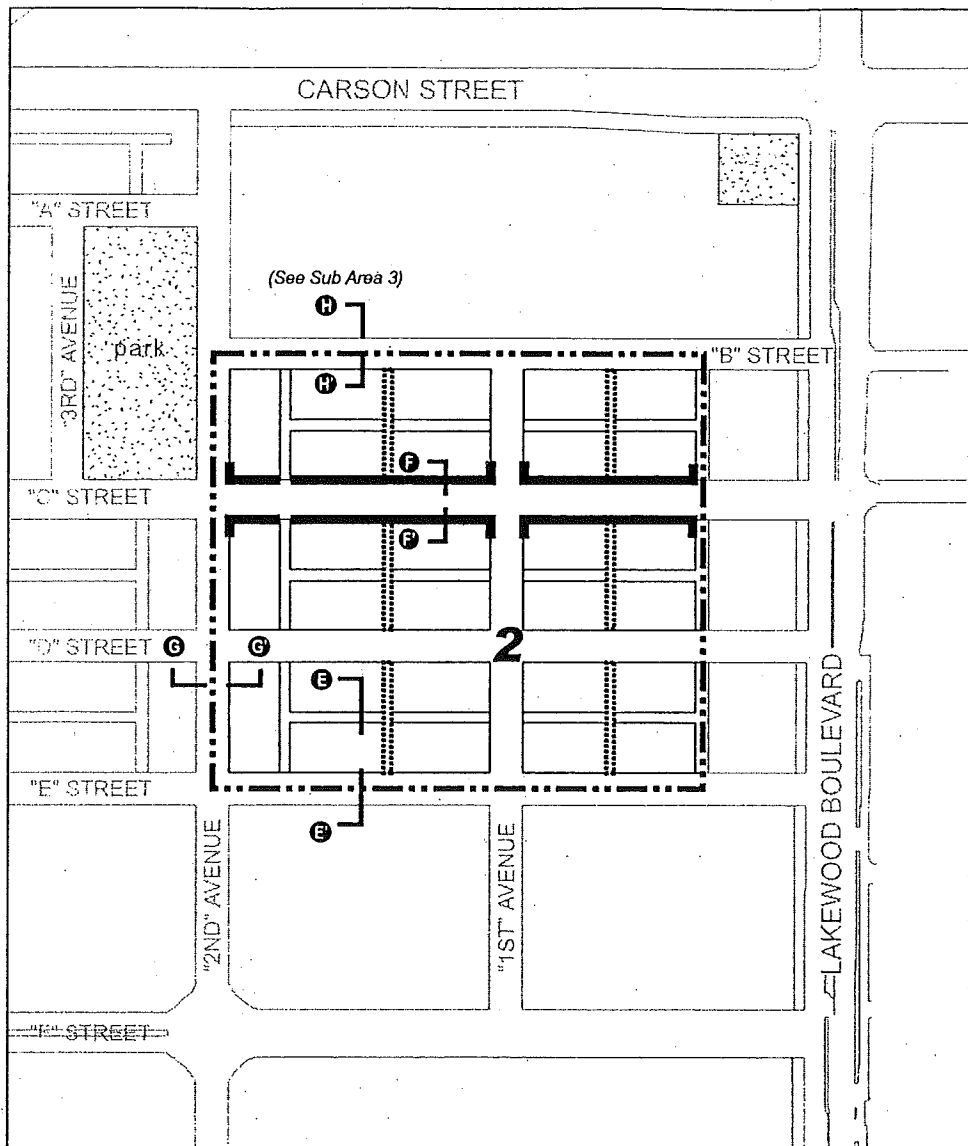
On-Grade Parking Garages

Location

On-grade garages must be located at the rear of the lots and shall be accessible only through the private alley system serving this sub area. Parking in front yard setbacks is prohibited.

Architectural treatment

Garages must be designed with the same care and attention as the buildings they serve. They should be compatible in architectural treatment and detail.



Secondary 'Build-To' Lines



'Paseo' : Mid-Block Pedestrian Connection

Figure 16 : Sub Area 2

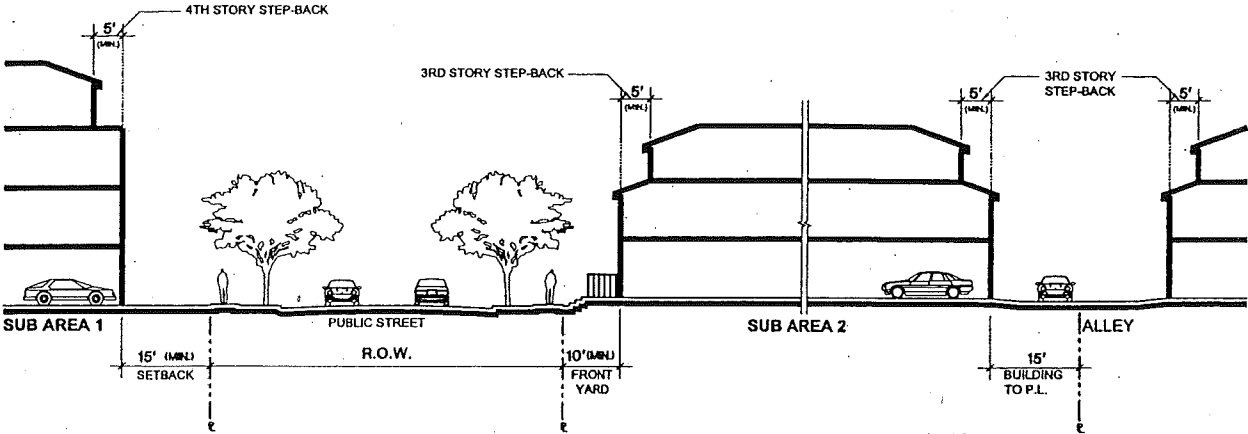
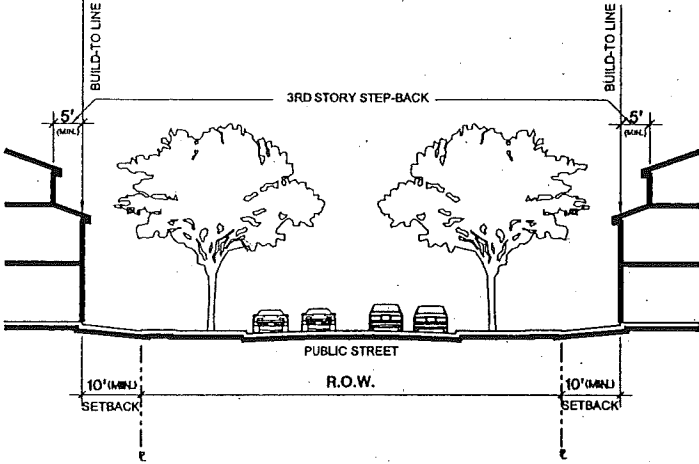


Figure 17 : Section E-E'



*NOTE: 10' PREFERRED SETBACK TO ESTABLISH AN ARTICULATED STREET EDGE

Figure 18 : Section F-F'

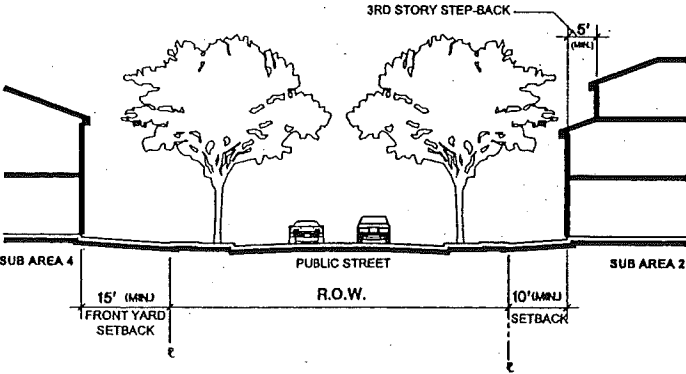


Figure 19 : Section G-G'

Sub Area 3 :

This sub area shall consist of moderate density, multifamily residential uses. It is intended to provide a moderate density use to be compatible with the existing older and lower density developments to the north. Along the Carson Street edge, this sub area shall provide a setback for the implementation of a bikeway connection.

Building Stepbacks

Table 8 : Setbacks for Residential Sub Area 3

Minimum Street Setback	Minimum Carson Street Setback	Minimum Bldg. to Bldg. Setback
15'*	10' **	8'

* *Stoops and Porches may encroach 5 ft. into the Street Setback. Porches shall be as defined in the LBMC.*

** *Measured from wall at the property line.*

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building setback/ stepback requirements as shown in the illustrative sections included in this section of the document. Particular attention shall be placed in the area fronting the park on 2nd Avenue. Where stepbacks are required, 25% of the frontage is allowed without a stepback.

Bike Path Setbacks

A 30 foot parkway shall be provided immediately behind the street curb to accommodate a pedestrian sidewalk, Class I bike path, and associated landscape along the Carson Street frontage. It is envisioned that such residential uses will not front on Carson Street, and a minimum 10 feet rear setback (in addition to bike path parkway) is required for the residential units immediately adjacent to the bike path.

Facade Articulation

No continuous building wall shall extend more than 60 feet in width without a facade articulation element. Blank walls are discouraged, and the maximum width of a blank wall without articulation or relief of at least 6 inches in depth shall be 25

feet. Facade articulation shall consist of elements such as expressed structural bays, pilasters, moldings, recessed wall panels, or display features to create visual interest.

Vehicular Driveway Access

All access streets and driveways that are built as part of this sub area shall reinforce the grid imposed by the street hierarchy of the Plan Area. Vehicular driveway access is prohibited from 2nd Avenue, and all vehicular access shall be taken via alleys or secondary neighborhood streets that will not disrupt pedestrian circulation. These requirements may be modified through the Site Plan Review process.

On-Grade Parking Garages

Location

On-grade garages must be screened on street sides by residential units, the building entrance lobby or other portions of the building. The screening requirement may be waived through the Site Plan Review process only if the garage wall is deemed to be architecturally integrated into the design of the overall building, and is located along a secondary street.

Architectural treatment

Parking structures must be designed with the same care and attention as the buildings they serve. They shall be compatible in architectural treatment and detail.

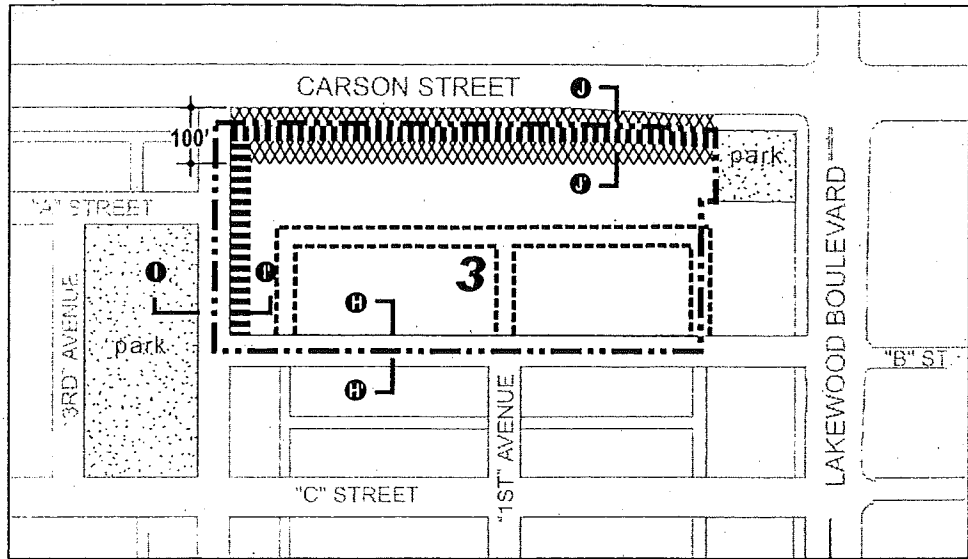
Screening

Ramps, cars, and sources of artificial lighting in parking structures shall be minimally visible from public streets, public parks, and residential uses.

Electrical Substation

An electrical substation may be developed near the south-west corner of Lakewood Boulevard and Carson Street. Southern California Edison has provided general information on the size of the facility. The substation shall have a maximum footprint of approximately 230-feet by 305-feet, and power lines connecting to the substation shall be routed through new underground substructures.

The substation shall have a low profile structure (equipment will be approximately 12 feet in height) with underground feed lines, with an 8-foot perimeter masonry screen wall located at the building setback line, and associated perimeter landscaping between the right-of-way and the wall consisting of trees, shrubs, and ground cover. (Refer to Figure 21).






- 
35-foot height limitation
This height zone runs from the curb at Carson Street to a line 100 ft. south of the curb, and from Lakewood Blvd. at the east to 2nd Street along the west.
- 
5' Minimum 3rd. Story 'Step-Back'
(Refer to Sections I-I' & J-J')
- 
Preferred Location of Access Streets

Figure 20 : Sub Area 3

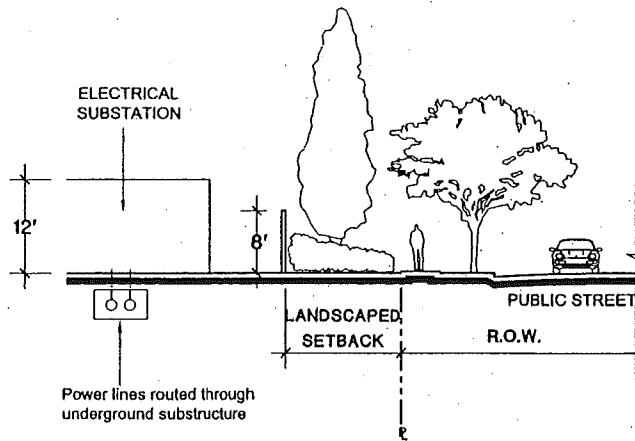


Figure 21 : Section through Electrical Substation

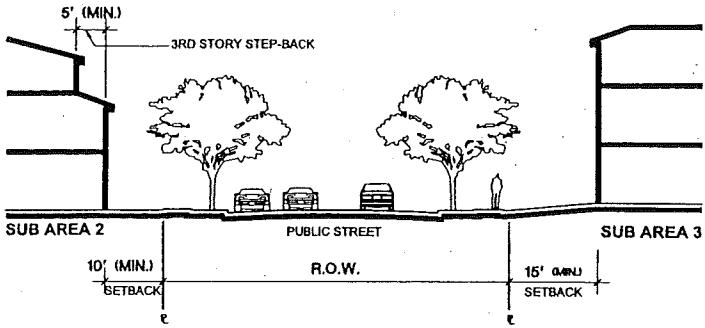


Figure 22 : Section H-H'

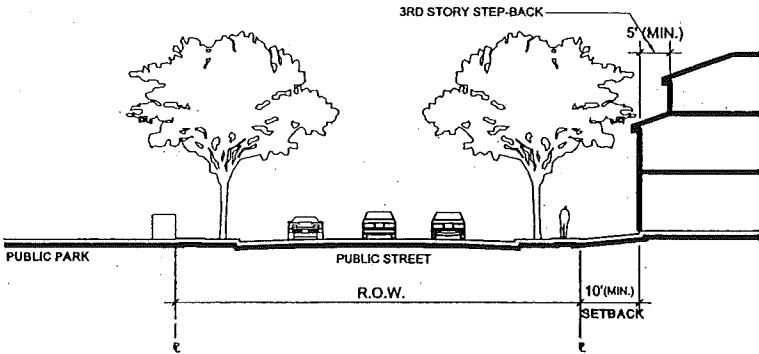


Figure 23 : Section I-I'

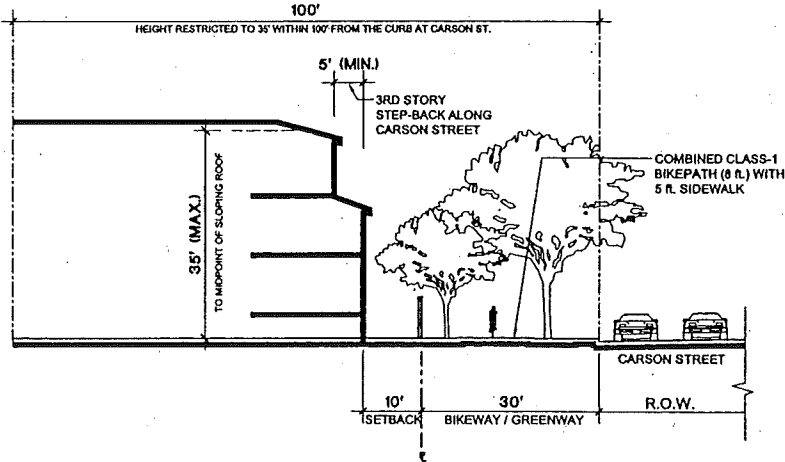


Figure 24 : Section J-J'

Sub Area 4:

This sub area shall be a single-family residential district with small to moderate sized lots, and will be based on the character of traditional Long Beach neighborhoods, including the use of alleys for garage access. At the heart of this sub area, a public park will be located as a focal point of the neighborhood.

Setbacks

Table 9 : Setbacks for Residential Sub Area 4

Minimum Lot Area	Minimum Street Setback	Minimum Porch Setback	Minimum Side Setback	Minimum Alley Setback
3500	Front - 15' * Side - 10' **	10' ***	4'	14' ****
4500	Front - 15' * Side - 10' **	10' ***	4'	14' ****

- * On any given block, 33% of the houses may have a habitable single story projection with a 10 ft. setback and a maximum width of 13 ft. 50% of these houses may have a habitable second story projection of the same dimension.
- ** Side setback to a privacy wall or fence is 5 ft. from the property line. On "Reverse Corner Lots" the setback to a privacy wall or fence is 10 ft.
- *** 50% of the houses must have covered front porches with a minimum depth of 5 ft. and an area of at least 60 square feet. At the discretion of the Director of Building and Planning during site plan review, courtyard alternatives to front porches within the front setback may be allowed as part of the required usable open space.
- **** Measured from property line at centerline of alley.

Bike Path Setback

A 30 feet parkway shall be provided immediately behind the street curb to accommodate a pedestrian sidewalk, Class I bike path, and associated landscape along the Carson Street frontage. Residential uses immediately adjacent to the bike path shall provide an additional 26' setback to incorporate access alleys.

Building Edge/ Massing

The intent for this sub area is to emulate historic Long Beach neighborhoods with consistent landscaped setbacks fronting the streets. Porches, stoops, and building entries shall be located along the street front to establish a consistent character, and pedestrian scale throughout the sub area. Building stepbacks and roofs shall be used to further articulate the buildings, and to enhance the pedestrian experience.

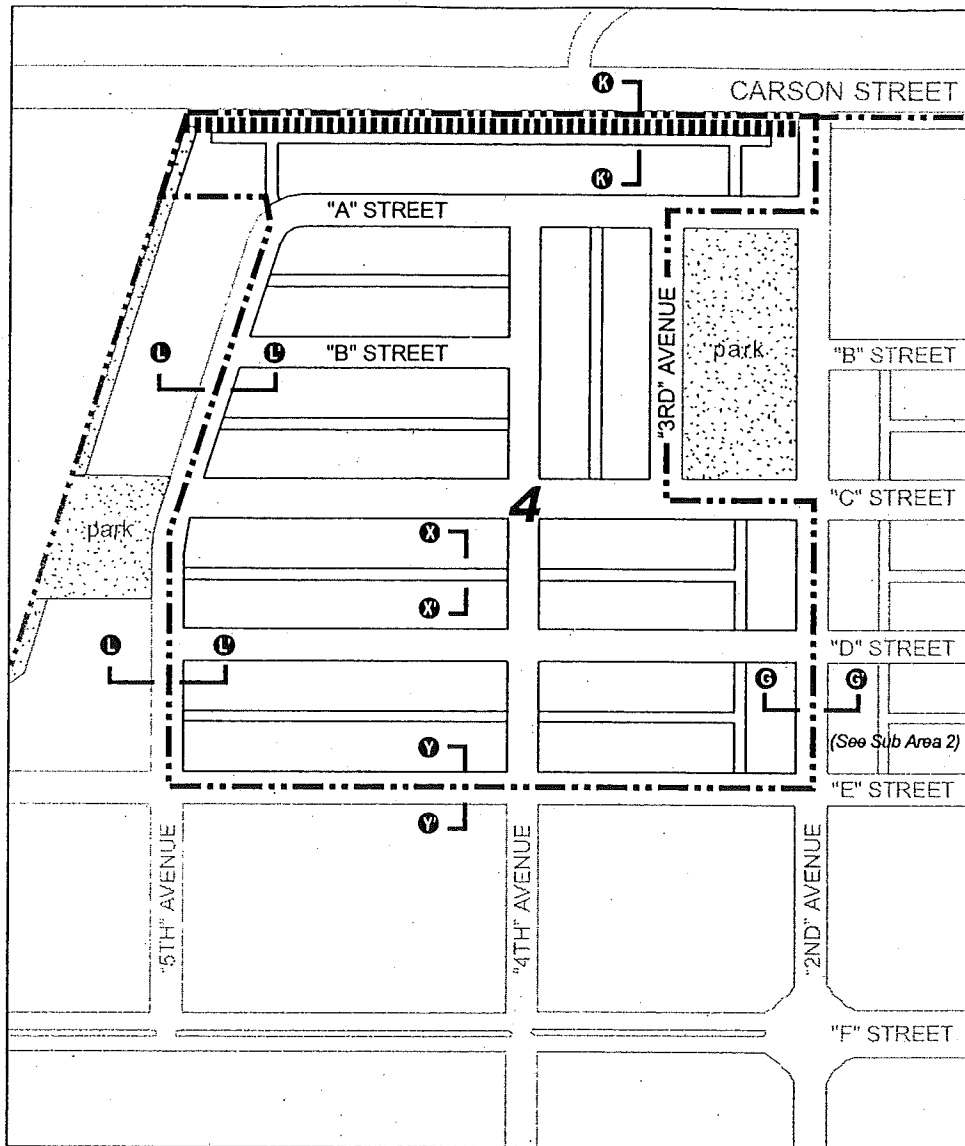
Vehicular Driveway Access


All vehicular access shall be taken via the required private alleys serving the sub area. Access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area.

On-Grade Parking Garages

Location

On-grade garages must be located at the rear of the lots and shall be accessible only through the private alley system serving this sub area. Parking in front yard setbacks is prohibited.




 26' Minimum Building Setback
 along Carson Street
 (Refer to Section K-K)

Note: There shall be a minimum of 100 lots of at least 4,500 s.f. in Sub Area 4

Figure 25 : Sub Area 4

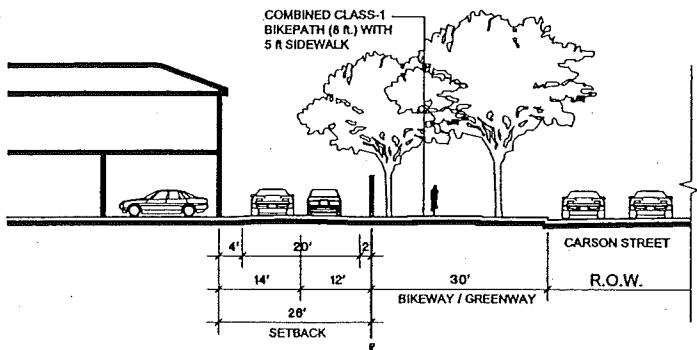


Figure 26 : Section K-K'

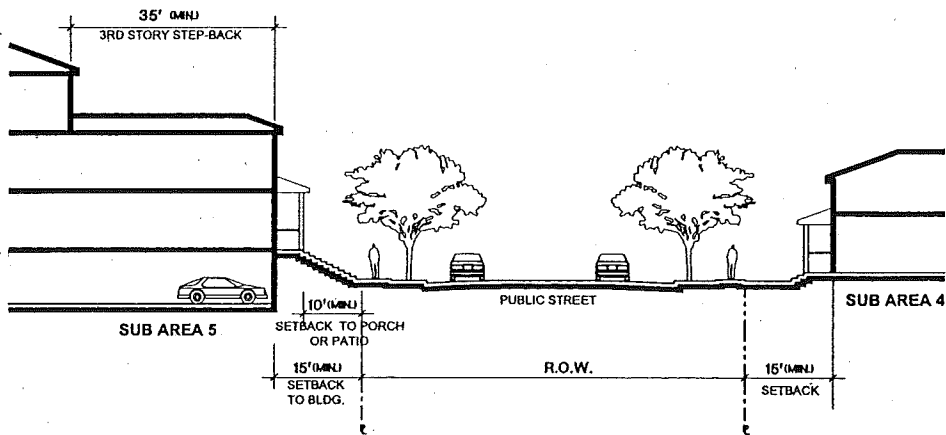


Figure 27 : Section L-L'

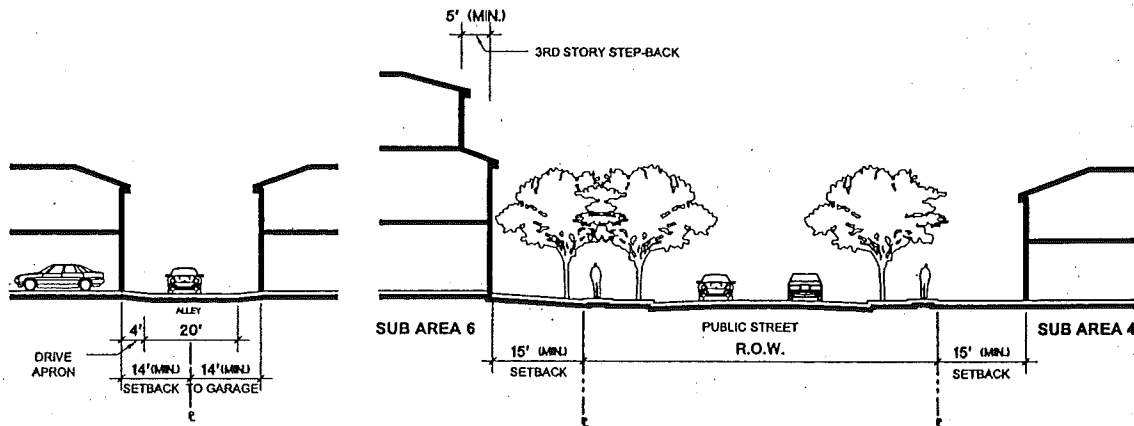


Figure 28 : Section X-X'

Figure 29 : Section Y-Y'

Sub Area 5 :

This sub area shall consist of moderate density, multifamily residential uses. This sub-area will serve as the project's edge to the existing Lakewood Country Club golf course, and it shall be designed as a porous urban edge that takes advantage of the golf course views and adjacency. A setback along the existing golf course edge shall contain a Class I bike path. The location of view corridors to the golf course and the design of a small public park shall be incorporated into this sub area.

Setbacks and Building Stepbacks

Table 10 : Setbacks for Residential Sub Area 5

Minimum Street Setback	Minimum Rear Setback	Minimum Side Setback	Minimum Bldg. to Bldg. Setback
15' *	10' **	10' ***	8'

* *Sloops and Porches may encroach 5 ft. into the Street Setback. Porches shall be as defined in the LBMC. Setback to 3rd story is 50 ft.*

** *Measured from the bike path easement. Balcony projections are not allowed within the setback.*

*** *Side yard setback at the northernmost building near 'A' Street is 58 ft. and 70 ft. to a 3rd story.*

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building setback/ stepback requirements as shown in the illustrative sections included in this section of the document. Where stepbacks are required, 25% of the frontage is allowed without a stepback.

Bike Path Setback

A setback of 20 feet in width shall be provided along the existing golf course frontage to incorporate the required Class I bike path for the project. Residential uses immediately adjacent to the bike path shall provide an additional setback of 10 feet. Patios and balconies fronting this edge are encouraged, but shall not project over the required setbacks.

Building Edge/ Facade Articulation

No continuous building wall shall extend more than 60 feet in width without a facade articulation element. Blank walls are discouraged, and the maximum width of a blank wall without articulation or relief of at least 6 inches in depth shall be 25 feet. Facade articulation shall consist of elements such as expressed structural bays, pilasters, moldings, recessed wall panels, or display features to create visual interest.

Vehicular Driveway Access

All vehicular access shall be taken via secondary neighborhood streets that will not disrupt pedestrian circulation. Access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area. This requirement may be modified through the Site Plan Review process.

On-Grade Parking Garages

Location

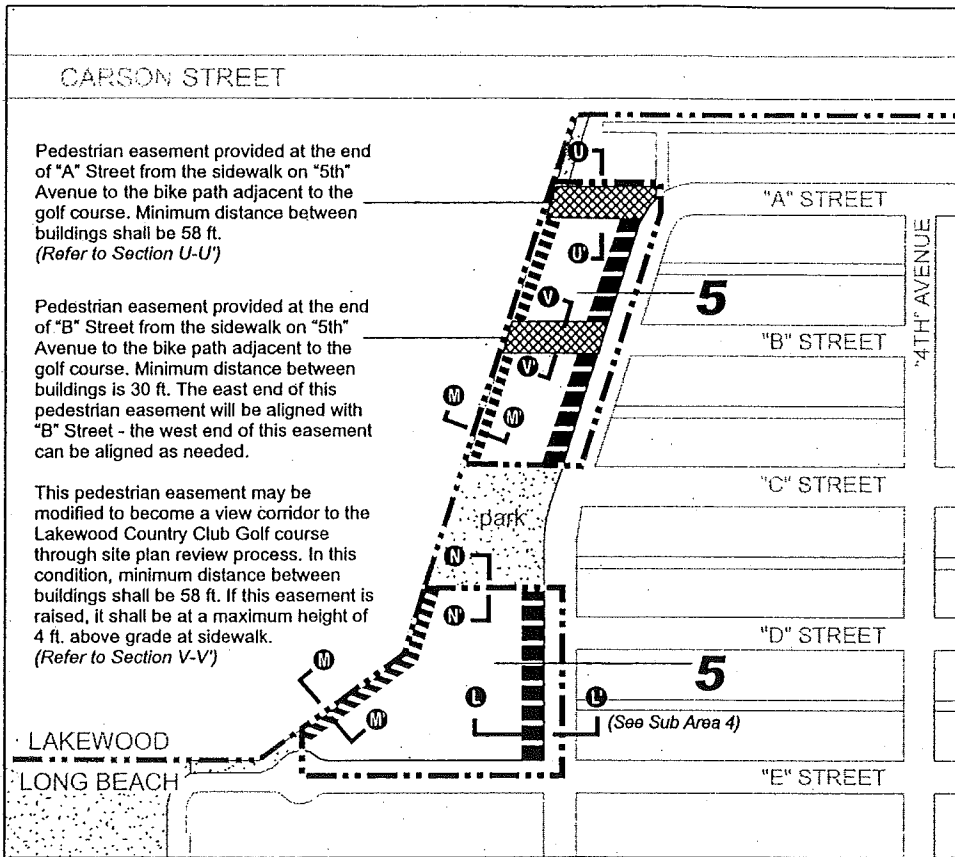
On-grade garages must be screened on street sides by residential units, the building entrance lobby or other portions of the building. The screening requirement may be waived through the Site Plan Review process only if the garage wall is deemed to be architecturally integrated into the design of the overall building, and is located along a secondary street.

Architectural treatment

Parking structures must be designed with the same care and attention as the buildings they serve. They should be compatible in architectural treatment and detail.

Screening

Ramps, cars, and sources of artificial lighting in parking structures should be minimally visible from public streets, public parks, and residential uses.



10' Minimum Building Setback from Bikeway Easement (Refer to Section M-M')



Pedestrian Easement / View Corridor



35' Minimum 3rd. Story 'Step-Back' (Refer to Section L-L')

Figure 30 : Sub Area 5

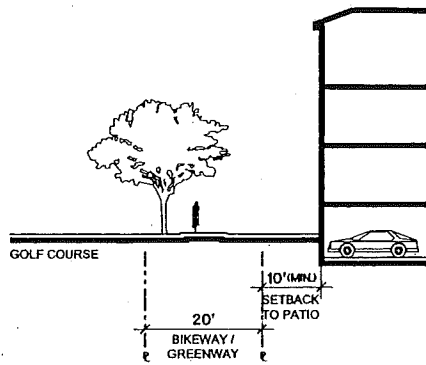


Figure 32 : Section M-M'

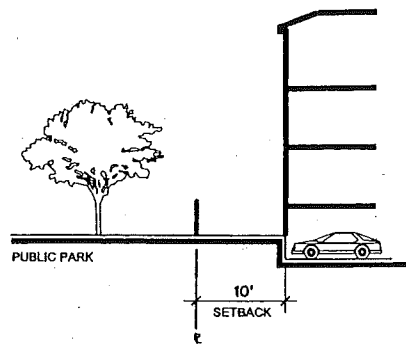


Figure 31 : Section N-N'

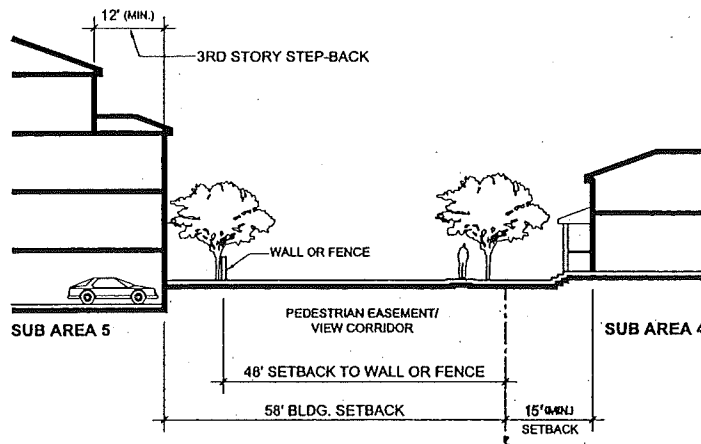


Figure 33 : Section U-U'

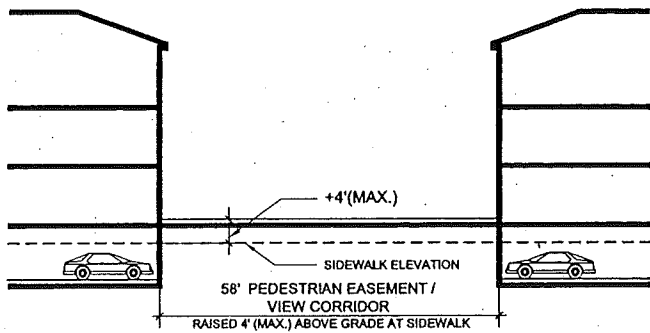


Figure 34 : Section V-V' - Option 1

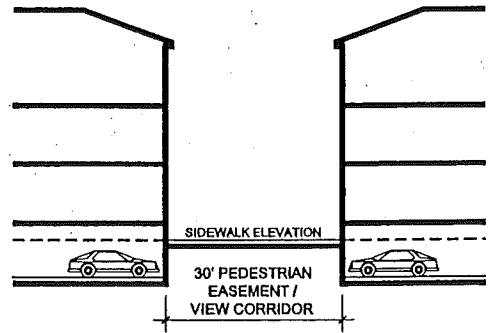


Figure 35 : Section V-V' - Option 2

Sub Area 6 :

This sub area shall consist of moderate density, multifamily residential uses. Located along "F" Street, it will serve as a continuation of the urban edge established in the mixed use district in Sub Area 1, and shall act as a buffer to the lower density residential uses to its north. A major public park will become the anchor to the west of the sub area, and shall be incorporated in the design of the sub area.

Setbacks

Table 11 : Setbacks for Residential Sub Area 6

Minimum Street Setback	Minimum "F" Street Setback	Minimum Bldg. to Bldg. Setback
15' *	18'	8'

* *Stoops and Porches may encroach 5 ft. into the Street Setback.
Porches shall be as defined in the LBMC.*

A continuous landscaped setback 18' in width shall be provided along "F" Street as a way to buffer the residential units fronting the street, and as a unifying design element for both sides of the Street. If parking lots are located along this frontage, they shall maintain the required landscaped setback. The landscape design of such setbacks shall be coordinated with those in Sub Area 7 and 8A.

Building Stepbacks

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building setback/ stepback requirements as shown in the illustrative sections included in this section of the document.

Facade Articulation

No continuous building wall shall extend more than 60 feet in width without a facade articulation element. Blank walls are discouraged, and the maximum width of a blank wall without articulation or relief of at least 6 inches in depth shall be 25 feet. Facade articulation shall consist of elements such as expressed structural bays, pilasters, moldings, recessed wall panels, or display features to create visual interest.

Vehicular Driveway Access

All vehicular access shall be taken via alleys and secondary neighborhood streets that will not disrupt pedestrian circulation. Access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area. This requirement may be modified through the Site Plan Review process.

On-Grade Parking Garages

Location

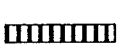
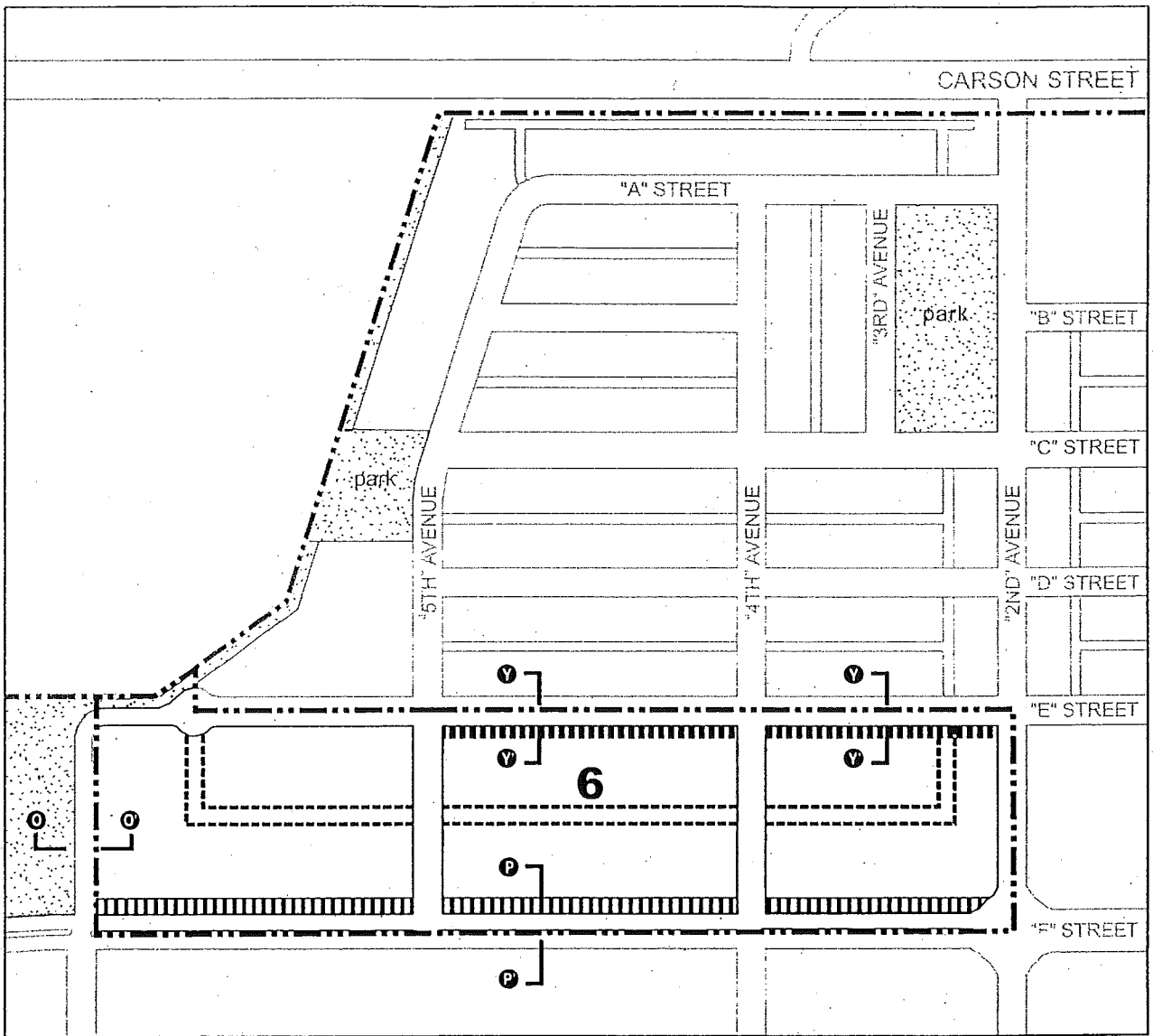
On-grade garages must be screened on street sides by residential units, the building entrance lobby or other portions of the building. The screening requirement may be waived through the Site Plan Review process only if the garage wall is deemed to be architecturally integrated into the design of the overall building, and is located along a secondary street.

Architectural treatment

Parking structures must be designed with the same care and attention as the buildings they serve. They should be compatible in architectural treatment and detail.

Screening

Ramps, cars, and sources of artificial lighting in parking structures should be minimally visible from public streets, public parks, and residential uses.



18' Minimum Building Setback
along F Street



Preferred Location of
Access Streets



5-foot step-back at third story along street frontage and alleys throughout sub area 2 (Row-houses)

Figure 36 : Sub Area 6

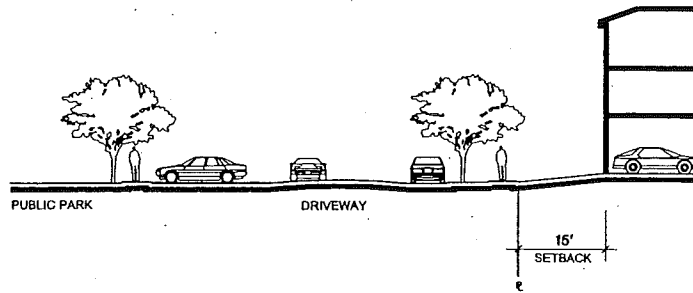


Figure 37 : Section O-O'

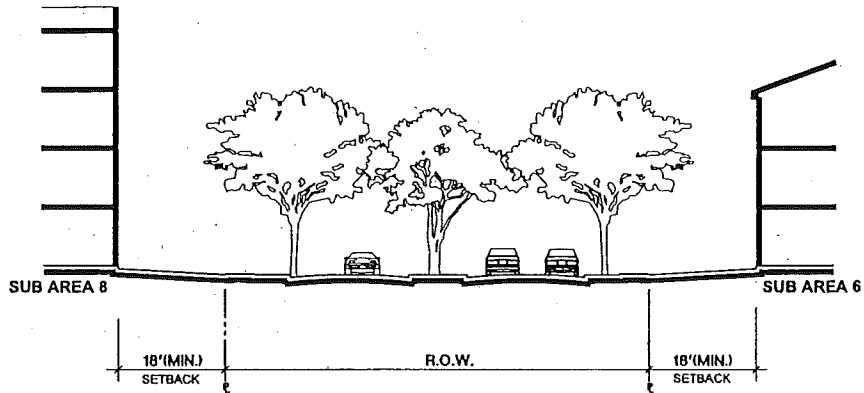


Figure 38 : Section P-P'

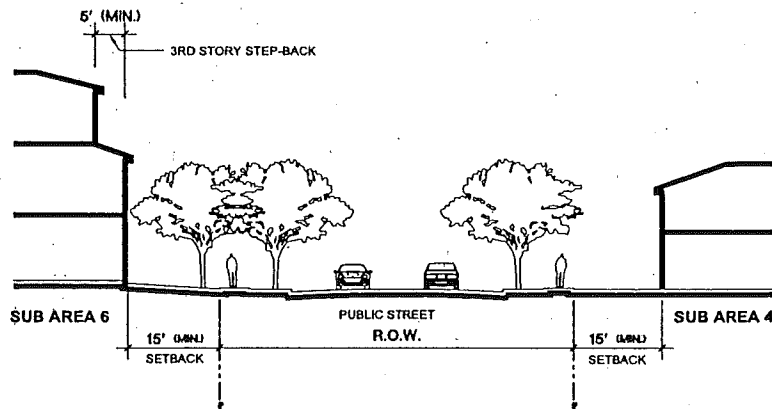


Figure 39: Section Y-Y'

Division IV
Commercial/Industrial Sub Area Standards

NOVEMBER 17, 2004

Commercial/ Industrial Sub Area Standards

Unless otherwise noted in this document, all development in the commercial and industrial sub areas is intended to be consistent with the commercial/ industrial districts development standards in the LBMC.

Permitted Uses

The principal use in all commercial sub areas shall be commercial and /or industrial as indicated in Table 12. Residential use is not permitted.

Table 12 indicates the classes of uses permitted (Y), not permitted (N), permitted as a conditional use (C), permitted as an administrative use (AP), permitted as an accessory use (A), and permitted as a temporary use (T) in all districts. Some classes of uses may be classified as "Y/C". "Y/C" shall mean a use is permitted by right unless located on a lot within three-hundred (300') or less from the nearest residential district, in which case a Conditional Use Permit (C) shall be required pursuant to Chapter 21.25, Division II of the LBMC. The location of the lot housing a proposed use relative to a residentially-zoned property shall represent the sole factor for determining whether discretionary review is required. If any building housing the principal proposed use in Sub Area 8A or 8B, or any outdoor activity which represents the principal use of the property, is located on a lot three hundred (300') or less from the nearest residential district, then Conditional Use Permit (C) review shall be required.

Commercial uses in Mixed Use Overlay Zone

Sites fronting on both the northerly and southerly edges of "F" Street between Lakewood Boulevard and 2nd Avenue shall permit the commercial uses of the Neighborhood Commercial, Pedestrian oriented (CNP) zoning district of Chapter 21.32 of the LBMC.

Definitions

Floor Area

Floor Area means the total area of all floors of a building, as measured to the exterior surfaces of exterior walls. Floor Area includes halls and lobbies of a building, but does not include utility and elevator cores, stairwells, parking and restrooms.

Accessory Use

Accessory Use means a use that is customarily incidental and/or necessarily related to the principal use of the land, building, or structure. An accessory use is located on the same lot as the principal building or use and is dependent upon the principal use for the majority of its use or activity.

Warehouse

Warehouse means a building or portion thereof where goods or materials that are ready to be delivered to a retail outlet or sold to another business are kept for a period of time greater than seventy-two (72) hours prior to such delivery or sale.

Distribution

Distribution means a building or portion thereof where goods or materials that are ready to be delivered to a retail outlet or sold to another business are kept for a period of time less than seventy-two (72) hours prior to such delivery or sale.

Table 12 : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone	Notes
Alcoholic Beverage Sales				The concentration of existing ABC licenses and the area crime rate are factors considered in reviewing applications for alcohol sales
Off-premises sales w/in 500 ft. of district allowing residential uses	C	N	N	For alcoholic beverage sales exempted from the CUP process, see footnote (1).
Off-premises sales more than 500 ft. from district allowing residential uses	Y	N	N	
On-premises sales w/in 500 ft. of district allowing residential uses	C	C	N	
On-premises sales more than 500 ft. from district allowing residential uses	Y	Y	N	
Automobile (Vehicle) Uses				All outdoor display, storage, service and repair of vehicles is subject to special standards (see LBMC Chapter 21.45)
Auto detailing (with hand held machines only)	AP	AP	N	Mobile businesses prohibited. Permitted in 8A Zoning District: Auto Detailing (with hand held machines only) only as accessory use to parking structure
Car wash	N	N	N	
Diesel fuel sales	N	N	N	See LBMC Section 21.52.222.
Gasoline sales	N	N	N	
General auto repair (body work, painting, etc.)	N	C	N	Uses allowed indoors only.
Limousine service (does not include auto repair)	AP	AP	N	Nonconforming parking rights do not apply (see LBMC Section 21.27.070).
Minor auto repair, tune up, and lube, smog test	N	N	N	
Motorcycle/jet ski sales and repair	C	C	N	Also see industrial zones, Table 33-1
Parking service – principal use	C	C	N	Interim Use Only. No permanent Parking Services shall be permitted
Recreational vehicle storage	C	C	N	Interim Use Only. No permanent Recreational vehicle storage shall be permitted
Rental agency (does not include repair)	Y	Y	N	
Automobile Sales (does not include auto repair)	N	N	N	
Towing	N	A	N	Accessory to general auto repair. Free-standing tow yards shall be prohibited.
Vehicle parts (with installation); tire store	C	N	N	
Vehicle parts (w/o installation)	Y	N	N	

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone*	Notes
Billboards	N	N	N	All Billboards Prohibited
Business Office Support				
Copy, fax, mail box, or supplies	Y	Y	N	
Equipment sales, rental, or repair	Y	Y	N	
Off-set printing	Y	Y	N	
Entertainment				
Amusement machines (4 or fewer)	A	A	N	See Zoning Code Section 21.51.205 (special development standards).
Banquet room rental	A	A	N	Accessory to restaurant only (see LBMC Section 21.51.215).
Dancing (accessory use)	Y	Y	N	Accessory to restaurant, tavern, club. City Council hearing is required for new and transferred business licenses.
Live or movie theater (w/100 seats or less)	Y	N	N	For theaters w/more than 100 seats, see "Movie theater."
Mock boxing or wrestling	N	N	N	
Movie theater (or live theater w/100+ seats)	C	N	N	
Pool tables (up to 3 tables)	A	A	N	Accessory to restaurant, tavern, club (see LBMC Section 21.51.260).
Private club, social club, night club, pool hall or hall rental within 500 ft. of district allowing residential uses	C	N	N	City Council hearing is required for new and transferred business licenses.
Restaurant with entertainment	Y	A	N	City Council hearing is required for new and transferred business licenses. Restaurants proposing to locate within 8A shall be allowed only as an accessory use on the ground floor of Office building.
Other entertainment uses (arcade, bowling alley, miniature golf, tennis club, skating rink, etc.)	C	C	N	
Financial Services				
ATM – Walk-up or freestanding machine on interior of building; walk-up machine on exterior of building	Y	Y	N	Requires 2 (5 minute) parking spaces for each ATM machine. Spaces shall be located within 100 ft. Such spaces may be existing required parking.
ATM – Freestanding machine, exterior	AP	AP	N	
ATM – Drive-thru machine	AP	AP	N	For drive-thru machine see standards for drive-thru lane in LBMC Section 21.45.130.
Bank, credit union, savings & loan	Y	Y	N	
Check cashing	N	N	N	
Escrow, stocks and bonds broker	Y	Y	N	
All other financial services not listed above	C	C	N	

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone	Notes
Food Processing				
Food and kindred products (SIC Code 20)	N	Y/C	N	<p>Permitted in 8A Zoning District: All uses included in SIC Code 20, except as noted below. SIC Code 2048 (includes slaughtering animals for animal feed) SIC Code 201 (includes meat packing plants, meat & poultry products) SIC Code 2091 (Canned & Cured Fish and Seafood) SIC Code 2092 (Prepared Fresh or Frozen Fish/ Seafoods) Any Permitted use proposing to locate within 300 feet of a Residentially Zoned property shall be subject to a Conditional Use Permit, subject to the requirements in LBMC Sections 21.25.201 thru 21.25.212.</p>
Institutional				
Church or temple	N	N	N	
Convalescent hospital or home	N	N	N	
Crematorium	N	N	N	
Day care or preschool	C	N	N	
Industrial arts trade school	Y	Y	N	
Mortuary	N	N	N	
Parsonage	N	N	N	
Private elementary or secondary school	N	N	N	
Professional school/business school	Y	Y	N	
Social service office (with food distribution)	N	N	N	
Social service office (without food distribution)	N	N	N	
Other institutional uses	C	C	N	
Manufacturing				
Apparel and other finished products made from fabrics and similar materials (SIC Code 23)	N	Y	N	<p>Permitted in 8A Zoning District: The uses within these SIC Codes are limited to operations containing primarily manufacturing space with accessory display and storage uses. Freestanding Distribution centers that are primarily Warehouses are prohibited.</p>
Printing, publishing and allied industries (SIC Code 27)	N	Y	N	
Chemicals & Allied Products Mfgs (SIC Code 28)	N	N	N	
Leather and leather products (SIC Code 31)	N	Y	N	<p>Prohibited in 8A Zoning District: SIC Code 311 (Leather Tanning and Finishing)</p>
Electronic and other electrical equipment and components, except computer equipment (SIC Code 36)	N	Y	N	

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone	Notes
Measuring, analyzing, and controlling instruments; photographic, medical and optical goods; watches and clocks (SIC Code 38)	Y	Y	N	
Miscellaneous manufacturing industries (SIC Code 39) - Including Jewellery Manufacturing; Toys Manufacturing; Sporting Goods Manufacturing; and Household Products.	N	Y	N	Permitted in 8A Zoning District: All uses included in SIC Code 39, so long as the specific operation of the use is non-nuisance in nature (e.g., noise, hazardous materials, odors, dust, light and glare) and are either confined completely within the property or result in limited secondary impacts in terms of traffic, air emissions, and hours of operation, consistent with LBMC Section 21.33.020.
Furniture and Fixtures (SIC Code 25)	N	Y	N	
Paper and allied products (SIC Code 26)	N	Y	N	Prohibited in 8A Zoning District: SIC Code 261 (Pulp Mills) SIC Code 262 (Paper Mills) SIC Code 263 (Paperboard Mills)
Rubber and miscellaneous plastics products (SIC Code 30)	N	Y/C	N	Prohibited in 8A Zoning District: SIC Code 3011 (Tires & Inner Tubes)
Textile mill products (SIC Code 22)	N	Y/C	N	
Lumber and wood products, except furniture (SIC Code 24) - Including: Hardwood Products; Wooden Cabinets Miscellaneous Wood Products	N	Y/C	N	Prohibited in 8A Zoning District: SIC Code 2411 (Logging) SIC Code 2421 (Sawmills & Planing Mills - General) Permitted in 8A Zoning District: All other uses included in SIC Code 24, so long as the specific operation of the use is non-nuisance in nature (e.g., noise, hazardous materials, odors, dust, light and glare) and are either confined completely within the property or result in limited secondary impacts in terms of traffic, air emissions, and hours of operation, consistent with Zoning Code Section 21.33.020.
Stone, clay, glass, and concrete products (SIC Code 32)	N	Y/C	N	Prohibited in 8A Zoning District: SIC Code 324 (Hydraulic Cement) SIC Code 325 (Structural Clay Products) SIC Code 327 (Concrete, Gypsum, and Plaster Products)
Fabricated metal products, except machinery and transportation equipment (SIC Code 34)	N	Y/C	N	Prohibited in 8A Zoning District: SIC Code 348 (Ordinance and Accessories)
Industrial and commercial machinery and computer equipment (SIC Code 35)	N	Y	N	
Transportation equipment (SIC Code 37)	N	Y/C	N	

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone	Notes
Tobacco products (SIC Code 21)	N	Y/C	N	
Petroleum refining and related industries (SIC Code 29)	N	N	N	
Primary metal industries (SIC Code 33)	N	N	N	
Electric Gas & Sanitary Services (SIC Code 49)	N	N	N	
Personal Services				
Basic personal services (barber/beauty shop, catering, party counseling (w/o trucks), diet center, dog/cat grooming, dry cleaner, fitness center/health club, dance/karate studio, locksmith, mailbox rental, nail/manicure shop, repair shop for small appliances or electronic equipment, bicycles, tailoring, shoe repair, tanning salon, travel agent, or veterinary clinic w/o boarding).	Y	A	N	Basic personal service uses proposing to locate within 8A shall be allowed only as an accessory use on the ground floor of Office building.
Fortunetelling	N	N	N	
House cleaning service	AP	AP	N	
Laundromat	C	N	N	
Laundry, cleaning and garment services (SIC Code 721)	N	Y	N	
Massage therapy	A	A	N	See special conditions in LBMC Section 21.51.243. Special adult entertainment standards for massage parlor (see LBMC Section 21.45.110).
Recycling center	N	N	N	
Recycling collection center for cans and bottles (staff attended)	N	N	N	
Recycling containers for cans and bottles	A	N	N	Accessory to a grocery store only (see LBMC Section 21.51.265).
Repair shop (stove, refrigerator, upholstery, lawn mowers, etc.) - (SIC Code 76)	N	Y	N	For small appliance repair, see "Basic Personal Services."
Repair services with outdoor operations (SIC Code 76)	N	N	N	
Self storage (indoor only)	N	N	N	
Shoe-shine stand (indoor/outdoor)	A	A	N	Accessory to barber, car wash, grocery, hotel, office, or restaurant use.
Tattoo parlor	N	N	N	
Termite and pest control	N	C	N	See "Misc. - Storage of Hazardous Materials."
Veterinary Services for Animal Specialties (SIC Code 0742) Animal Specialty Services, Boarding, Kennels, Shelters (SIC Code 0752)	N	C	N	Also see "Basic Personal Services."
All personal services not listed	AP	AP	N	

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone	Notes
Professional Services				
Accounting, advertising, architecture, artist studio, bookkeeping, business headquarters, chiropractic, computer programming, consulting, contracting, dentistry, engineering, insurance, law, marketing, medicine, photography, psychiatry, psychology, real estate, or tax preparation (Including SIC Codes 60, 61, 62, 63, 64, 65, 67, 73 [except 7353 and 7359], 861, 862, 863, 864, and 87)	Y	Y	N	Prohibited in 8A Zoning District: SIC Code 9223 (Correctional Institutions) SIC Code 8744 (Jails, privately operated-correctional facilities, adult privately operated) SIC Code 7353 (Heavy Construction Equipment Rental) SIC Code 7359 (Equipment Rental and Leasing) Permitted in 7 & 8A Zoning Districts: The uses within these SIC Codes are limited to operations containing primarily office space with accessory display and storage uses. Freestanding Distribution centers that are primarily Warehouses are prohibited.
All professional offices not listed	AP	AP	N	
Aviation-Related Uses				
Aviation-related uses including, maintenance and storage, pilot/passenger amenities (restrooms, food services, classrooms and office spaces), charter operations and aircraft rentals (SIC Code 45)	C	C	N	All aviation-related uses must meet the provisions of the City's Noise Compatibility Ordinance, the Airport Rules, Regulations and Minimum Standards for aeronautical activities and be subject to Long Beach Airport fees for like aeronautical activities as specified in the Airport Rates & Fees Resolution.
Aircraft Manufacturing	N	Y	Y	
Aircraft Storage	Y	Y	Y	SIC Code 45 uses shall require a conditional use permit outside the boundaries of the Long Beach Airport and/or on adjacent properties directly supporting airport operations. Further, certain uses may be subject to "Through-the-Fence" agreement(s) between the City of Long Beach and Long Beach Airport. Aviation-related uses shall be allowed only in the geographic area south of "G" Street.
Aircraft Services for On-site Aircraft (For on-site aircraft only (not for commercial purposes)	Y	Y	Y	
Commercial Aviation Services (Provided by those holding valid agreements to conduct business on Long Beach Airport)	Y	Y	Y	
Special Events	Y	Y	Y	Special Events including aeronautical uses not covered above, as approved in advance by the Airport Manager.
Residential Uses	N	N	N	No Residential Uses shall be permitted.
Restaurant And Ready-To-Eat Foods				
Outdoor dining	A	A	N	
Restaurants and ready-to-eat foods with drive-thru lanes	N	N	N	Special standards apply (See LBMC Section 21.45.130).
Restaurants and ready-to-eat foods without drive-thru lanes	Y	A	N	Restaurants proposing to locate within either 8A or 8B shall be allowed only as an accessory use on the ground floor of Office building.
Vending carts	AP	AP	N	Special standards apply (See LBMC Section 21.45.170).

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone	Notes
Retail Sales				
Basic retail sales (SIC Codes 54, 5735, 5942, 7841) (except uses listed below)	Y	A	N	Used clothing, antiques, art, books (new and used), coins, collectibles, food stores, jewelry, and trading cards are included in "Basic Retail Sales." Basic retail sales uses proposing to locate within 8A shall be allowed only as an accessory use on the ground floor of an Office building.
Building supply or hardware store with lumber, drywall, or masonry (including SIC Code 52, 57)	Y	N	N	For hardware store without lumber, drywall, or masonry, see "Basic Retail Sales."
Gun Store and Gun Repair	AP	N	N	Allowed only as an accessory use to primary Sporting Goods establishment
Major household appliances (refrigerator, stove, etc.)	Y	Y	N	
Manufacture of products sold on-site	A	A	N	See LBMC Section 21.51.240.
Merchandise mall, indoor swap meet	N	N	N	
Outdoor sales events (flea markets, swap meets, etc.)	N	N	N	
Outdoor vending – Flower, plant, fruit, or vegetables in conjunction with sale of related products from a retail store	A	N	N	See LBMC Section 21.51.255.
Outdoor vending – Food carts	AP	AP	N	See LBMC Section 21.45.170.
Outdoor vending – Flower cart or news cart	Y	Y	N	See LBMC Section 21.45.135.
Pawn shop	N	N	N	
Thrift store, used merchandise	N	N	N	Also see note under "Basic Retail Sales."
Vending machines	A	A	N	Accessory to existing retail sales. See LBMC Section 21.51.295.
Temporary Lodging				
Hotel/Motel	Y	Y	N	
Shelters	N	N	N	
Temporary Uses				
Carnival, event, fair, trade show, etc.	T	T	N	
Construction trailer	T	T	T	
Outdoor Vending – Mobile food truck at construction sites	T	T	T	See LBMC Section 21.53.106.
Transportation & Communication Facilities				
Communications Facilities – Freestanding monopole cellular and personal communication services	C	C	N	See LBMC Section 21.52.210.
Communication Facilities – Attached/ roof mounted cellular and personal communication services	Y	Y	N	See LBMC Section 21.45.115.
Communications (SIC 48)	N	Y/C	N	SIC Code 483 (Radio and television broadcasting stations) and Microwave transmission or relay towers are permitted only with approval of a Conditional Use Permit

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Use	7 Zone	8A Zone	8B Zone	Notes
Communication Facilities – Electrical distribution station	C	C	N	
Local and suburban transit and interurban highway passenger transportation (SIC Code 41)	N	N	N	
Local Trucking Without Storage (SIC Code 4212)	N	N	N	
Courier Service Except by Air (SIC Code 4215)	N	C	N	
Transportation Services (SIC Code 47) - Including: Tour Operators; Transportation Consulting;	N	C	N	
Transportation-Related Uses with no outdoor container storage	N	N	N	
Transportation-Related Uses with outdoor container storage associated with shipping/ trucking/rail	N	N	N	
Helipads	C	C	N	Aviation-related uses shall be allowed only in the geographic area south of "G" Street.
Wholesale Trade				
Wholesale Trade - durable goods (SIC Code 50) - and nondurable goods (SIC Code 51)	Y	Y	N	Permitted in 7 & 8A Zoning Districts: The uses within SIC Code 50 and 51 are limited to operations containing primarily office space with accessory display and storage uses. Freestanding Distribution centers that are primarily Warehouses are prohibited.
Miscellaneous				
Office, research and development, aircraft manufacturing and aircraft manufacturing related uses.	N	N	Y	

8B Zone is that area known as the "Boeing Enclave" -- Once Boeing declares its intention to abandon any aviation-related uses within either all or a portion of the 8B area, the Zoning shall immediately revert to the 8A Zoning standards then in effect. Should a portion of the land Zoned 8B revert to 8A Zoning, only that portion of land shall be affected by the reversion, NOT the entire land area Zoned 8B.

Table 12 (continued) : Uses in Commercial / Industrial Sub Areas

Abbreviations:

Y = Yes (permitted use).

N = Not permitted (prohibited use).

C = Conditional Use Permit required. For special conditions, see LBMC Chapter 21.52

A = Accessory Use. For special development standards, see LBMC Chapter 21.51

AP = Administrative Use Permit required. For special conditions, see LBMC Chapter 21.52

T = Temporary Use. Subject to provisions contained in LBMC Chapter 21.53

IP = Interim Park Use permit required. For special conditions, see LBMC Chapter 21.52

Y/C = Either permitted by right or subject to Conditional Use Permit review, depending upon locational criteria contained under "Permitted Uses".

Footnote:

(1) The following alcoholic beverage sales may be exempted from the Conditional Use Permit requirement.

- a. Restaurants with alcoholic beverage service only with meals. This generally means any use with a fixed bar is not exempt. A service bar is not considered a fixed bar. A sushi bar, where alcoholic beverages are served at the same bar where meals are served, is considered serving alcoholic beverages only with meal service. A cocktail lounge without a bar, but with primarily service of only hors d'oeuvres and alcoholic beverages is not exempt. Any restaurant with more than 30 percent of gross sales consisting of alcoholic beverages shall lose its exemption and be required to obtain a Conditional Use Permit to continue to sell alcohol.
- b. Use located more than 500 ft. from zoning districts allowing residential use.
- c. Department store or florist with accessory sale of alcoholic beverages.
- d. Grocery stores of 20,000 sq. ft. or greater with accessory sale of alcoholic beverages.
- e. Existing legal, nonconforming uses. (Ord. C-7663 § 42, 1999).

Minimum Lot Area

Table 13 establishes the minimum lot area in each sub area.

Table 13 : Permitted Lot Area in Commercial Sub Areas

Sub Area	Minimum Lot Area
Sub Area 7	20,000 sq.ft.
Sub Area 8A	15,000 sq.ft.
Sub Area 8B	<i>This sub area will allow current aviation-related uses to continue. Should current uses within this sub area be discontinued, the area will be developed with uses consistent with sub area 8A</i>

Maximum development in all commercial sub areas combined not to exceed 3,300,000 sq. ft. (including 200,000 sq. ft. of retail uses) plus 400 hotel rooms.

Setbacks

Setbacks shall be provided for the purpose of providing light, air, pedestrian and vehicular circulation, emergency access and general aesthetic improvements.

The required setbacks indicated in Table 14 shall be clear of all structures from the ground to the sky (except as otherwise permitted) and shall be landscaped and maintained in a neat and healthy condition according to the landscaping provisions of this document. Where setbacks are required, 25% of the frontage is allowed without a setback.

Table 14 : Required Yard Setbacks between Buildings and Property Lines in Commercial Sub Areas

Sub Area	Minimum Front Yard Setbacks for Building (ft)		Minimum Setback from Interior Property Line (ft)
	From Arterial Road	From Local Street	
Sub Area 7	18 ft. *	18 ft.	5 ft. **
Sub Area 8A	18 ft.	18 ft.	5 ft. **
Sub Area 8B	<i>This sub area will allow current aviation-related uses to continue. Should current uses within this sub area be discontinued, the area will be developed with uses consistent with sub area 8A</i>		

* Refer to Special Development Standards for additional setback requirements for the mixed-use overlay zone.

** Subject to Siteplan Review Process

Table 15 : Required Yard Setbacks between Parking Lots and Property Lines in Commercial Sub Areas

Sub Area	Minimum Front Yard Setbacks for Parking Lot (ft.)		Minimum Setback from Interior Property Line (ft.)
	From Arterial Road	From Local Street	
Sub Area 7	6 ft. *	6 ft.	6 ft. **
Sub Area 8A	6 ft. *	6 ft.	6 ft. **
Sub Area 8B	<i>This sub area will allow current aviation-related uses to continue. Should current uses within this sub area be discontinued, the area will be developed with uses consistent with sub area 8A</i>		

* Along "F" Street surface parking lots shall be setback 18 ft. from property line.

** This standard can be waived for property lines between joint-use parking lots through site plan review process

Corner Cut-off

At corners of properties at street intersections, intersections of streets and alleys and at intersections of driveways and property lines, new construction shall not be permitted in such a manner that it significantly impedes visibility between visibility between heights of 3 feet and 7 feet above the ground in a corner cut-off of at least 6 feet by 6 feet (Measured from the intersection of the property lines or the intersection of a driveway and a property line). One vertical support element such as a column is permitted in the corner area, if the cross-section of the element fits within a circle with a diameter of 18 inches. This requirement may be waived through the Site Plan Review process if the Director of Public Works finds that the cut-off is not necessary.

Permitted Structures

No structures are permitted in required setbacks (yards), except:

- Signs, as specified in the chapter relating to on-premises signs (LBMC Chapter 21.44);
- Outdoor dining (subject to approval from Site Plan Review Committee);
- Vehicle parking (surface lots). Table 15 of this document establishes the minimum landscaped setback required between the parking lot and the street property line.
- Awnings as allowed by the Uniform Building Code.
- Projections are permitted into the required setbacks in accordance with those permitted in the Commercial Zoning Districts of the LBMC (see LBMC Section 21.32.220 C)

Required Landscaping

All required setbacks, shall contain an area not less than 6 feet in width planted with trees, shrubs and/or ground cover. Along "F" Street and "G" Street, the entire eighteen feet (18) of setback shall be landscaped. With the exception of access driveways, surface parking shall be prohibited within the required landscaped setbacks of "F" & "G" streets. See Special Development Standards for additional requirements.

General Screening Requirements

The following required screening shall apply in all commercial sub areas:

Open Storage

Open storage shall be prohibited. Merchandise is not permitted to be displayed outdoors, unless specifically granted through Site Plan Review.

On-Grade Parking Garages

Architectural treatment

Parking structures must be designed with the same care and attention as the buildings they serve. They should be compatible in architectural treatment and detail.

Screening

Ramps, cars, and sources of artificial lighting in parking structures should be minimally visible from public streets, public parks, and residential uses.

Surface Parking Lots

All surface parking lots including parking area screening and landscaping shall be designed in accordance with the development standards in LBMC Chapter 21.41.

Mechanical Equipment on Rooftops

In all commercial zones, rooftop mechanical equipment, except solar collectors and rain gutters, shall be screened on all sides by screening not less than the height of the equipment being screened. Such equipment shall also be screened from view from higher buildings in the zone to the satisfaction of the Site Plan Review Committee and the Director of Planning and Building.

Secured

All rooftop mechanical equipment shall be secured from unauthorized entry to the satisfaction of the Director of Planning and Building.

Materials

All rooftop mechanical equipment screening devices shall be of a material requiring a low degree of maintenance. Wood shall not be utilized. All screening devices shall be well integrated into the design of the building through such items as parapet walls continuous with the walls of the structure, architectural roof features, or equipment rooms. Louvered designs are acceptable if consistent with the building design style.

Substitutions

Well-planned, compact, architecturally integrated rooftop equipment may be substituted for screening with the approval of the Site Plan Review Committee and the Director of Planning and Building.

General Requirements for the Design of Buildings

All commercial buildings shall comply with the following design criteria:

Architectural Themes

Architectural themes, modules and materials present on the main facade of the building shall be used on all other facades.

Change of Material

Each side of a building must contain a primary and an accent material, and the accent material(s) must cover not less than ten percent (10%) of the facade.

Building Finished Grade

All commercial buildings shall have the first habitable floor level not more than four feet (4') above grade within the front thirty feet (30') of the lot.

Accessory Structures

Use Restrictions

The use of accessory buildings and structures shall conform to the requirements of LBMC Chapter 21.51 (Accessory Uses).

Locations Permitted

Accessory structures and buildings may be placed anywhere on a lot except within the required setbacks.

Trash Receptacles

Adequate trash receptacles shall be provided to accommodate all refuse generated on a site. All trash areas shall be screened from public view on all sides, and shall conform to the development standards contained in LBMC Chapter 21.45 (Special Development Standards).

Utility Meters Screening

All utility meters shall be fully screened from view from a public right-of-way.

Undergrounding of Utilities

All projects requiring site plan review shall underground all overhead utility service to the site. The utility company's design of the electric system, including locations and aesthetic treatment, shall be in accordance with the regulations of the Public Utilities Commission of the State of California.

Off-street Parking and Loading Requirements

Parking and loading areas shall be provided as required in LBMC Chapter 21.41 (Off-Street Parking and Loading Requirements).

Landscaping Requirements

Landscaping shall be provided as required by LBMC Chapter 21.42 (Landscaping Standards) unless otherwise noted.

Fences and Garden Walls

Fences and garden walls are not permitted within required front street setbacks unless granted through the Site Plan Review process. Otherwise, fences and garden walls are permitted accessory structures subject to the development standards contained in LBMC Chapter 21.43 (Fences and Garden Walls).

Signs

On-premises signs are permitted in all districts subject to the requirements of LBMC Chapter 21.44 (On-premise Signs).

Right-of-way Dedications and Improvements

Public rights-of-way shall be reserved, dedicated and improved as provided for in LBMC Chapter 21.47 (Dedication, Reservation and Improvement of Public Rights-of-Way).

Special Development Standards

Sub Area 7:

This sub area located immediately west of Lakewood Boulevard shall be primarily an office commercial use zone along with R&D, some light industrial uses and aviation-related uses south of "G" Street. In addition, hotel use will be located adjacent to one of the following: Lakewood Boulevard, "F" Street or "G" Street.

Along "F" Street, this sub area is the southern edge of a major "gateway" to the project, and shall be part of the Mixed Use Overlay zone in conjunction with Sub Area 1. This overlay zone is envisioned as an active "main street" pedestrian edge with ground floor retail storefronts, pedestrian serving uses, hotel lobby/ public uses, and upper story commercial uses, along with special on-street parking provisions.

Mixed Use Overlay Zone

Frontages along "F" Street shall provide pedestrian-oriented uses, which are defined to include the following:

- Restaurants & ready-to-eat foods
- Retail sales
- Personal service uses
- Lobbies of: hotels, office buildings, residential developments, movie/live theaters, or of any other entertainment uses
- Public plazas and outdoor dining areas.

Pedestrian-oriented uses shall occupy at least 60% of the ground floor building frontage on streets where active pedestrian uses are required. "Shadow" art galleries, historical displays, artist studios, back office uses or sales offices may be allowed as temporary transitional uses.

Minimum Depth of Ground Floor Space

Within the Mixed Use Overlay Zone, ground floor spaces shall have a minimum average depth of 50 feet. Exceptions to this requirement may be granted through Site Plan Review.

Display/Clear Window Requirement

Clear, non-reflective display windows/doors shall comprise at least 60% of the ground floor street facade of pedestrian-oriented uses. Such glass should be clear with an exterior daylight reflectance of not more than eight percent (8%). Ground floor wall sections without windows should be not more than 5 feet in width, and the maximum height of the bottom sill of required display windows shall not exceed 30 inches above the adjacent sidewalk.

First Floor Elevation

In order to promote easy pedestrian access, the first level of buildings which require ground floor pedestrian oriented uses shall have a floor elevation which approximates the elevation of the adjacent sidewalk.

Setback

Required setback along streets with pedestrian serving uses shall be hardscape and shall be considered an extension of the sidewalk. No landscape of such setback is allowed.

Awnings and Canopies

Store front awnings are required, unless waived through the Site Plan Review process. The minimum vertical clearance between the ground or street level and the bottom of the awning should be 10 feet. Awnings should be placed below the ground floor cornice (or below the sills of the second story windows if no cornice exists). Awnings should be divided into sections to reflect the major vertical divisions of the facade. The awning/canopy may encroach over the public sidewalk provided at least 4 feet of clearance is maintained from the street curb line. For awnings and canopies, the materials, shape, rigidity, reflectance, color, lighting, and signage, should relate to the architectural design of the building.

Entrances Facing the Street

Entrances to uses on ground and upper floors must open onto the public right-of-way. Entrance doors should be setback at least three feet from the property line in order to avoid encroachment on to right-of-way.

Exterior Design

Exterior elevations shall be designed with extensive articulation to create visual interest and enhance pedestrian activity along the site. Three dimensional elements such as cornices, pilasters and structural bays shall be used to break up the facade planes. Ground floor facades shall be distinguished from upper floors by cornices, changes of material and/or other architectural devices.

Build-to line standard

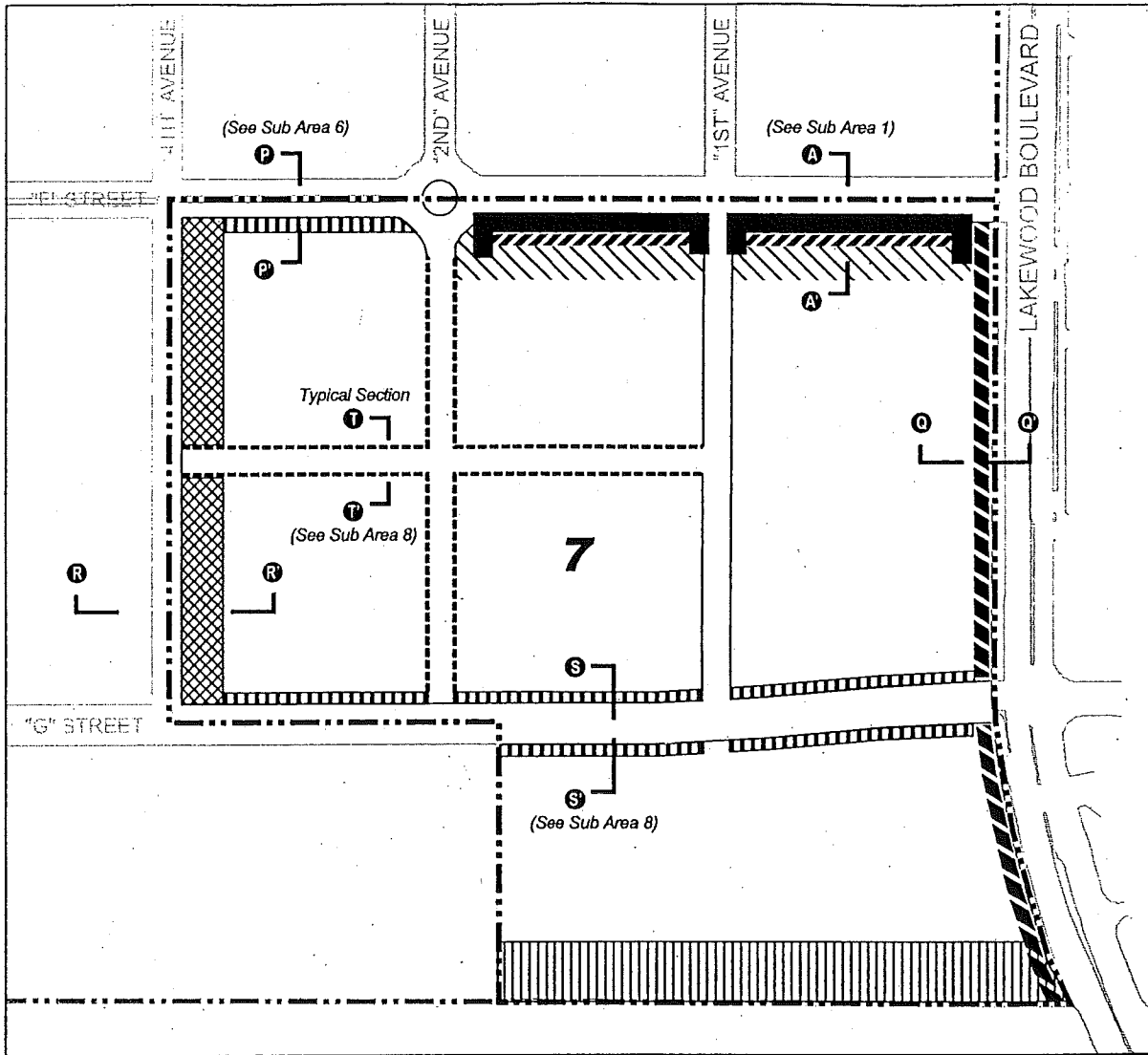
A primary build-to line is established for buildings fronting "F" Street. At least 60% of the ground floor building frontage at a minimum height of 16 feet shall be constructed along the established build-to-line. Arcades, colonnades, porches, and articulated courtyard walls built along such line can be used to satisfy this requirement.









If the remaining portion of the ground floor is setback, it shall not be more than 20 feet in length nor setback more than 10 feet from the build-to-line, in order to maintain the continuity of the intended street wall.

Facade Articulation

Along "F" Street, no continuous building wall shall extend more than 60 feet in width without a facade articulation element.

Blank walls are not allowed along "F". Elsewhere, the maximum width of a blank wall without articulation or relief of at least 6 inches in depth shall be 25 feet. Facade articulation shall consist of elements such as expressed structural bays, pilasters, moldings, recessed wall panels, or display features to create visual interest.



-  55' Minimum Building Setback along "4th" Avenue
 -  26' Minimum Building Setback along Lakewood Boulevard
 -  18' Minimum Building Setback along "F" & "G" Streets
 -  8' Min. Building 'Step-Back' at 2nd. / 3rd. Story (Refer to Section A-A')
-  Primary 'Build-To' Lines
 -  Preferred Location of Access Streets
 -  Mixed Use Overlay Zone
 -  Building Restriction Zone * (Parking may be permitted subject to City approval)

* For Reference Only :Based on the City of Long Beach Airport Runway Approach Zones Standards for determining obstructions to Air Navigation. As per Part 77 of the FAA Regulations Map dated 6-21-1982 (or as updated).

Figure 40 : Sub Area 7

Building Stepbacks

Building stepbacks are in addition to building setbacks, and are established to create height and bulk transitions between buildings and public streets/ alleys/ parks, as well as between higher density uses and lower density uses. These transitions shall be controlled by building setback/ stepback requirements as shown in the illustrative sections included in this section of the document.

Vehicular Driveway Access

Vehicular driveway access is prohibited along frontages which require pedestrian-oriented uses. All other vehicular access shall be taken via secondary/ local streets that will not disrupt pedestrian circulation. Future access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area. This requirement may be modified through the Site Plan Review process if necessary.

Electrical Substation

An electrical substation may be developed in this Sub Area. Southern California Edison has provided general information on the size of the facility. The substation shall have a maximum footprint of approximately 230-feet by 305-feet, and power lines connecting to the substation shall be routed through new underground substructures.

The substation shall have a low profile structure (equipment will be approximately 20 feet in height) and underground feed lines, with an 8-foot perimeter masonry screen wall located at the building setback line, and associated perimeter landscaping between the right-of-way and the wall consisting of trees, shrubs, and ground cover.

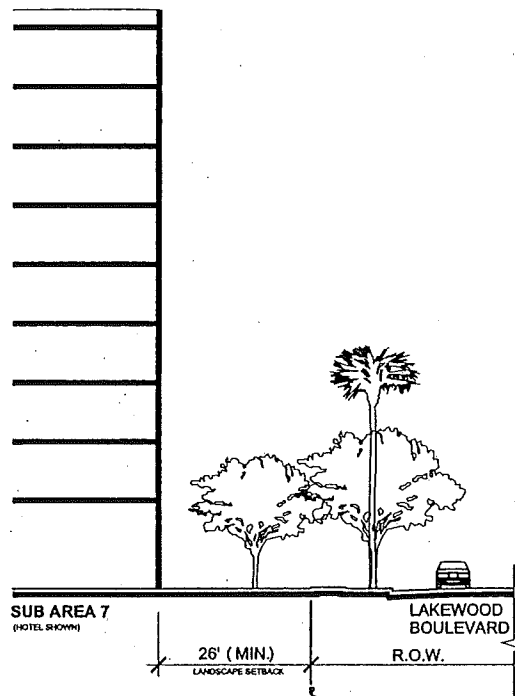


Figure 41 : Section Q-Q'

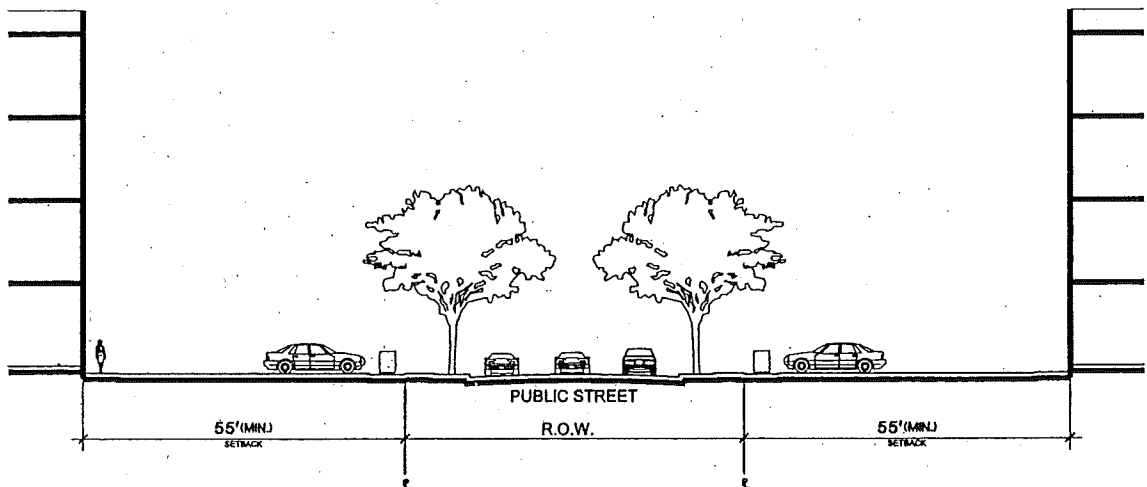


Figure 42 : Section R-R'

Sub Area 8:

Sub Area 8A:

This sub area shall be primarily a Research & Development and light industrial zone, along with aviation-related uses south of "G" Street. Uses allowed in Sub Area 7, are also allowed in this Sub Area.

Sub Area 8B:

Sub area 8B, also known as the Boeing Enclave, will allow aviation-related uses associated with the existing area to continue. Should current operations of this sub area be discontinued, the area will be developed with uses consistent with Sub Area 8A, and the following development standards shall apply to both.

Continuous Building Edge/ Facade Articulation

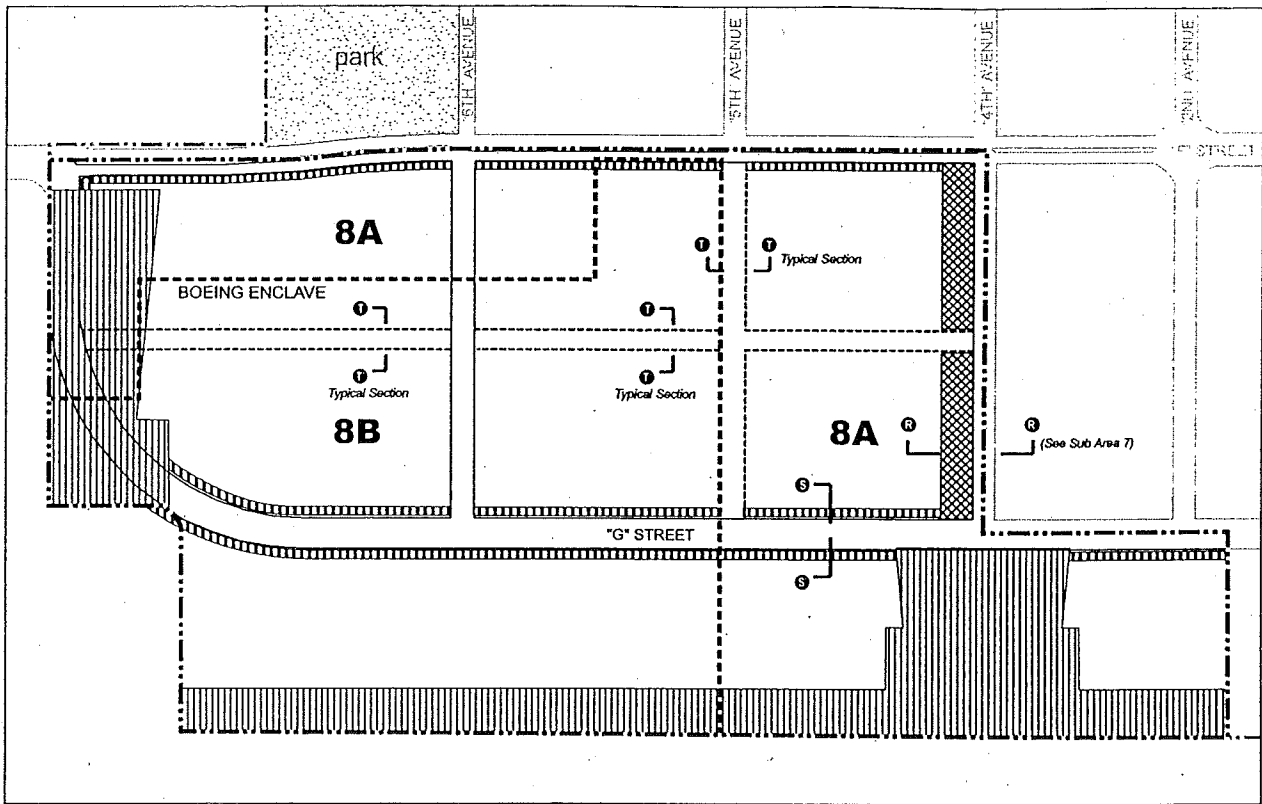
Along "F" Street, no continuous building wall shall extend more than 100 feet in width without a facade articulation element. Blank walls are discouraged, and the maximum width of a blank wall without articulation or relief of at least 6 inches in depth shall be 25 feet. Facade articulation shall consist of elements such as expressed structural bays, pilasters, moldings, recessed wall panels, or display features to create visual interest.

Vehicular Driveway Access

Future access streets and driveways are encouraged to reinforce the grid imposed by the street hierarchy of the Plan Area. This requirement may be waived through the Site Plan Review process if necessary.

Boeing Enclave Screening

The 48-acre Boeing Enclave, in which a variety of aircraft production-related uses presently operate is expected to remain operational during project construction for all or a portion of the development period until Boeing no longer has use for the Enclave in its current capacity. While in operation, an evergreen landscape hedge shall be installed on the eastern side of the Enclave and on the north side of the fence surrounding the Enclave to provide screening.



55' Minimum Building Setback
along "4th" Avenue



18' Minimum Building Setback
along "F" & "G" Streets



Preferred Location of
Access Streets



Building Restriction Zone *
(Parking may be permitted subject to City approval)

* For Reference Only :Based on the City of Long Beach
Airport Runway Approach Zones Standards for determining
obstructions to Air Navigation.
As per Part 77 of the FAA Regulations Map dated 6-21-1982
(or as updated).

Figure 43 : Sub Areas 8A and 8B

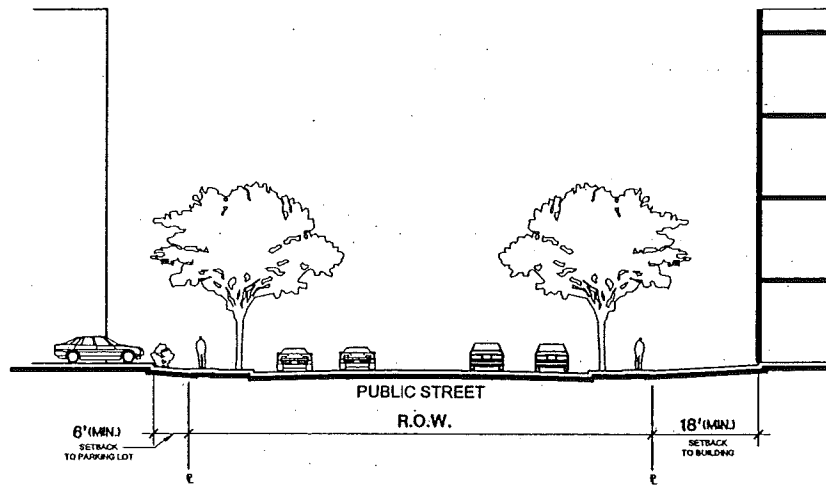


Figure 44 : Section S-S'

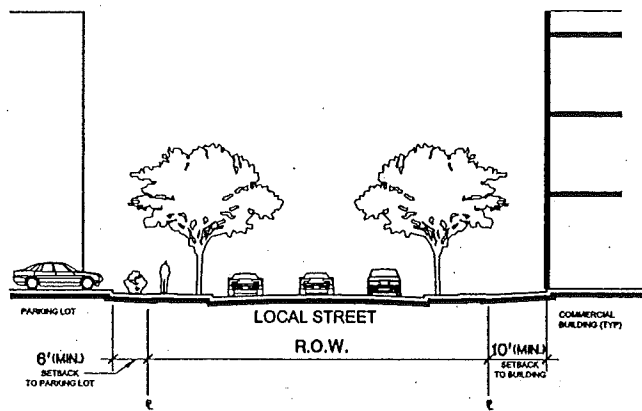


Figure 45 : Section T-T'

Division V
Appendix

Appendix

Master Street Tree Plan

The Master Street Tree Plan provides the suggested tree species, size, and spacing for the outlined streets below. Builder is to submit Landscape plans to the Director of Public Works for approval. The Director of Public Works may approve alternate species. Submittal requirements shall comply with the provisions of Chapter 21.25 (Specific Procedures) of the LBMC.

Frame Work Streets

"F" Street (Mixed Use - Lakewood Boulevard to "2nd")

Pyrus calleryana 'Bradford' - Bradford Pear

36" Box - 30' o.c.

Phoenix dactylifera - Date Palm

18' BTH - 30' o.c.

"F" Street (Residential/Commercial/Industrial - "2nd" to Paramount Blvd.)

Quercus Ilex - Holly Oak

36" Box - 35' o.c.

"G" Street

Magnolia grandiflora - Magnolia

36" Box - 35' o.c.

"2nd" Avenue

Jacaranda mimosifolia - Jacaranda

36" Box - 35' o.c.

"4th" Street Avenue

Ulmus parvifolia - Chinese Elm

36" Box - 40' o.c.

"C" Street

Cinnamomum camphora - Camphor Tree

36" Box - 40' o.c.

Residential Sub Streets

"A" Street (Park Frontage - "2nd" Avenue to "3rd" Avenue)

Jacaranda mimosifolia - Jacaranda

36" Box - 35' o.c.

"A" Street ("3rd" Avenue to "5th" Avenue)

Platanus x acerfolia - London Plane Tree

24" Box - 35' o.c.

"B" Street

Cupaniopsis anacardioides - Carrot Wood

24" Box - 30' o.c.

"D" Street

Pyrus calleryana 'Bradford' - Bradford Pear
24" Box - 30' o.c.

"E" Street

Liquidambar styraciflua - American Sweet Gum
24" Box - 30' o.c.

"1st" Avenue

Magnolia grandiflora - Magnolia
24" Box - 35' o.c.

"3rd" Avenue (Park Frontage)

Jacaranda mimosifolia - Jacaranda
36" Box - 35' o.c.

"5th" Avenue

Platanus x acerfolia - London Plane Tree
24" Box - 35' o.c.

Industrial Sub Streets

6th Street (Industrial/Park and Residential Frontage)

Ulmus parvifolia - Chinese Elm
24" Box - 40' o.c.

Setback

Eucalyptus species - Eucalyptus
24" Box - 25' o.c.
Melaleuca quinquenervia - Cajeput Tree
36" Box - 25' o.c.
Pinus species - Pine
36" Box - 30' o.c.
Tristania conferta - Brisbane Box
24" Box - 25' o.c.

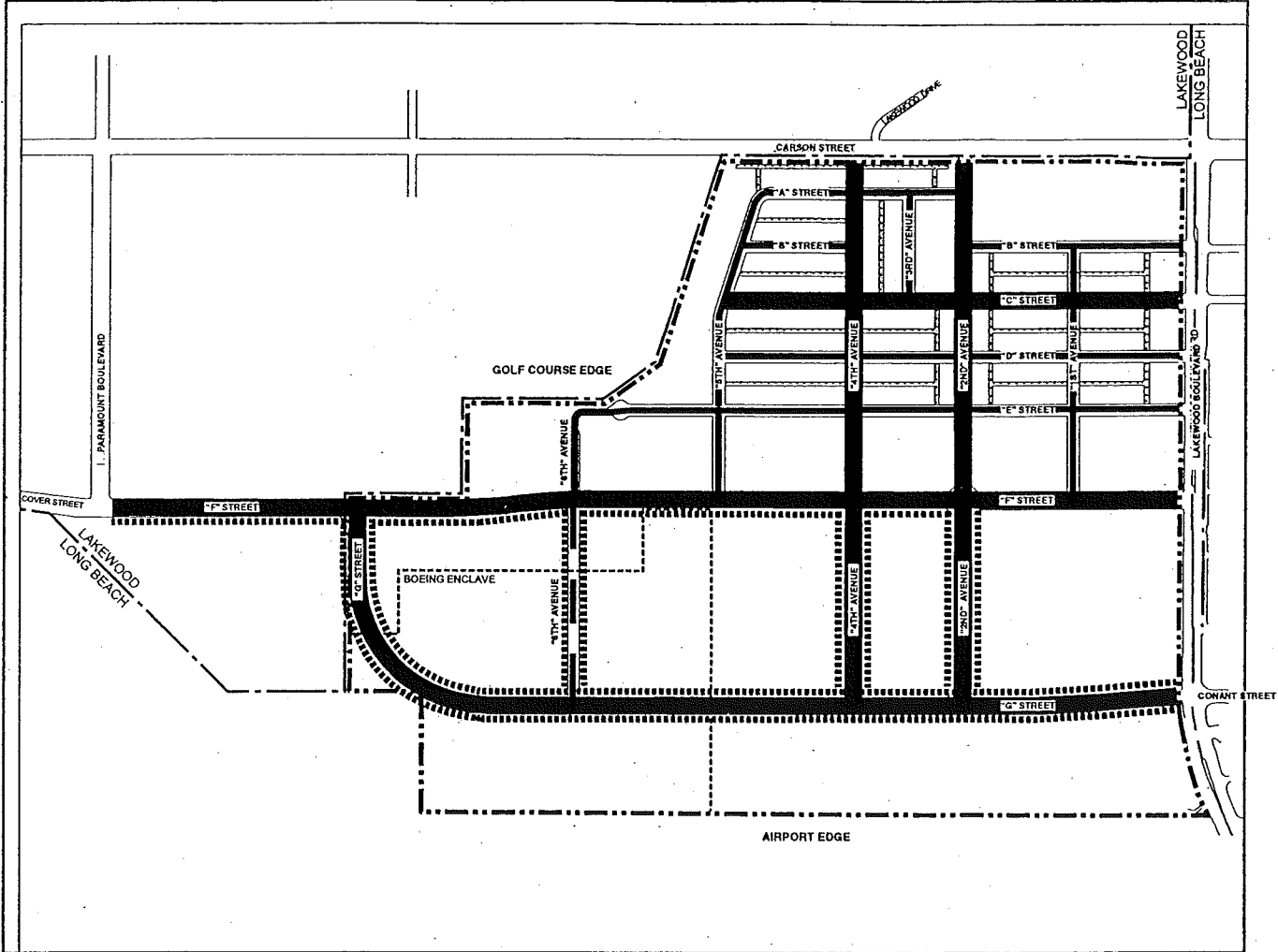


Figure 46 : Master Street Tree Plan

Alleys

- Cupressus sempervirens – Italian Cypress
24" Box
- Geijera parviflora – Australian Willow
24" box
- Lagerstroemia indica - Crape Myrtle
24" Box
- Melaleuca quinquenervia - Cajeput Tree
15 Gallon
- Metrosideros excelsus - New Zealand Christmas Tree
24" Box
- Thevetia peruviana - Yellow Oleander
24" Box
- Tristania conferta – Brisbane Box
15 Gallon

Edges

- Lakewood Boulevard (Airport Edge to Carson Street)
 - Pyrus Calleryana 'Bradford' - Bradford Pear
36" Box - 30' o.c.
 - Phoenix dactylifera - Date Palm (Where Height Restrictions Permit)
18' BTH - 30' o.c.

Carson Street Edge

- Eucalyptus species - Eucalyptus
24" Box - 30' o.c.
- Melaleuca quinquenervia - Cajeput Tree
24" Box - 25' o.c.
- Pinus species – Pine
24" Box - 30' o.c.

Golf Course Edge

- Eucalyptus species - Eucalyptus
24" Box - 30' o.c.
- Melaleuca quinquenervia - Cajeput Tree
24" Box - 25' o.c.
- Pinus species – Pine
24" Box - 30' o.c.

Airport Edge

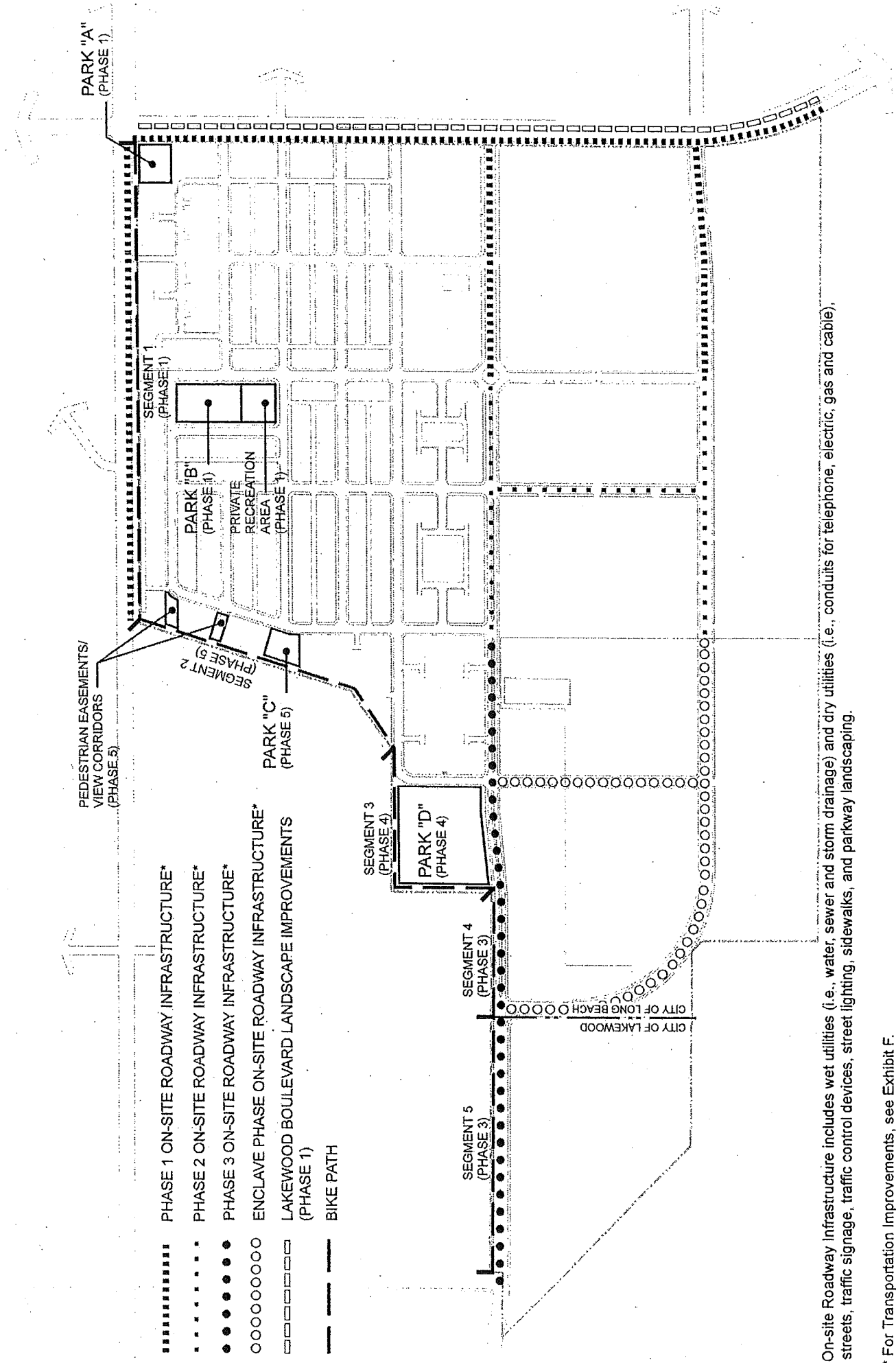
(Due to height restrictions edge will be screened with vines.)

- Distictis buccinatoria - Blood Red Trumpet Vine
15 gallon - 15' o.c.
- Lonicera japonica - Japanese Honeysuckle
15 gallon - 15' o.c.

EXHIBITS

E-1 & E-2

ON-SITE PROJECT INFRASTRUCTURE PHASING PLAN**



- PHASE 1 ON-SITE ROADWAY INFRASTRUCTURE*
- PHASE 2 ON-SITE ROADWAY INFRASTRUCTURE*
- PHASE 3 ON-SITE ROADWAY INFRASTRUCTURE*
- ENCLAVE PHASE ON-SITE ROADWAY INFRASTRUCTURE*
- LAKWOOD BOULEVARD LANDSCAPE IMPROVEMENTS (PHASE 1)
- BIKE PATH

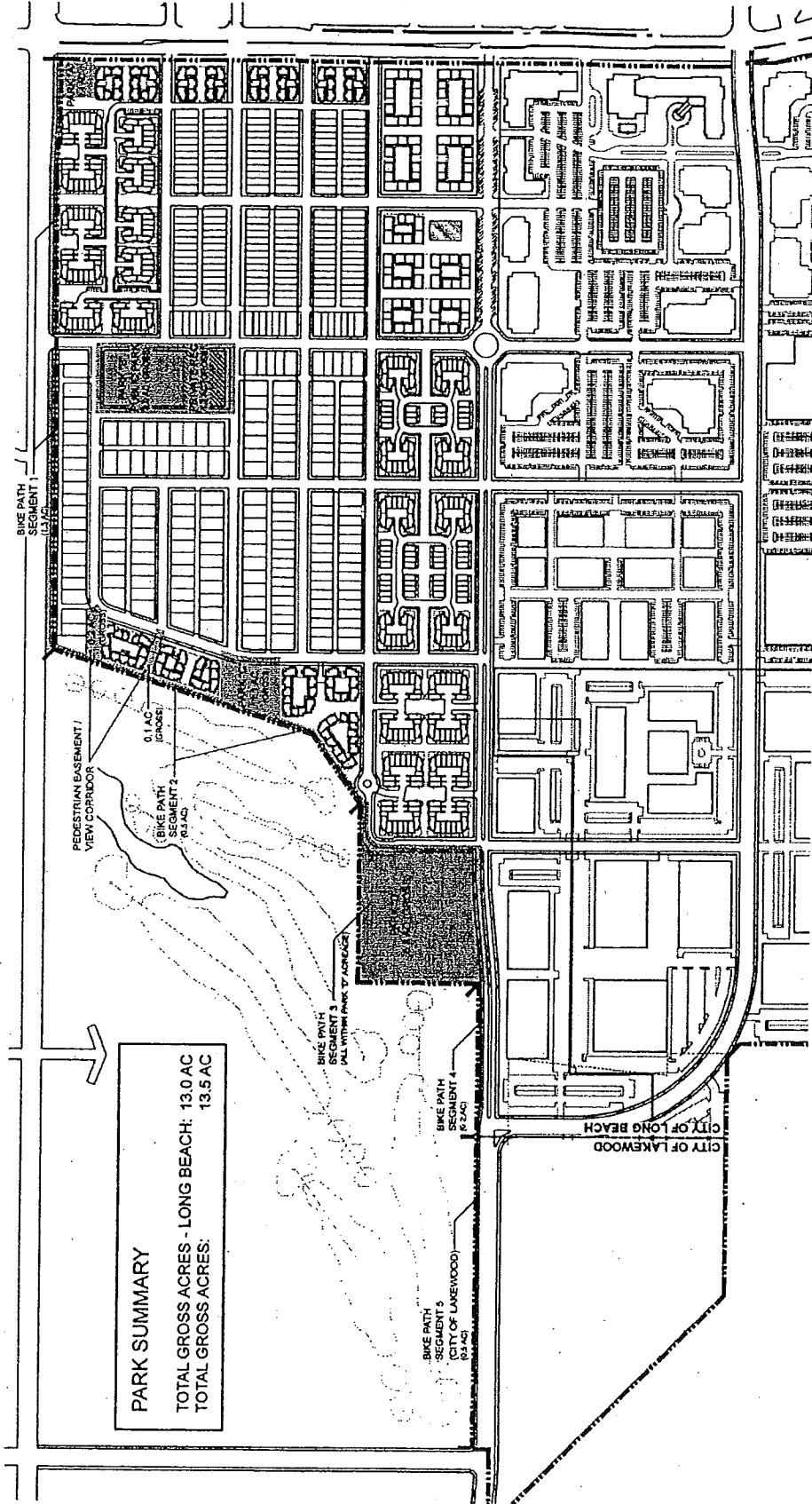
* On-site Roadway Infrastructure includes wet utilities (i.e., water, sewer and storm drainage) and dry utilities (i.e., conduits for telephone, electric, gas and cable), streets, traffic signage, traffic control devices, street lighting, sidewalks, and parkway landscaping.

** For Transportation Improvements, see Exhibit F.

EXHIBIT E-2

Page 1

PARK AND RECREATIONAL OPEN SPACE FACILITIES PLAN



* THE PORTION OF BIKE PATH SEGMENT 2 WITHIN PARK "C" IS COUNTED IN THE ACREAGE OF PARK "C".
 ALL OF BIKE PATH SEGMENT 3 IS COUNTED IN THE ACREAGE OF PARK "D".

EXHIBIT E-2

page 2

**Douglas Park
Park and Recreational Open Space Facilities Chart**

	Gross Acreage*
Park A	0.4
Park B	2
Park C	1.1
Park D	5.8
Private Recreation Area	1.2
Bike Path - Segment 1 (Carson St.) (Carson St.)	1.5
Bike Path - Segment 2 ** (adjacent to golf course and partially within Park C)	0.5
Bike Path - Segment 3 *** (adjacent to golf course and all within Park D)	0
Bike Path - Segment 4 (adjacent to "F" Street in City of Long Beach)	0.2
Bike Path - Segment 5 **** (adjacent to "F" Street in City of Lakewood)	0.5
"A" Street Pedestrian Easement / View Corridor	0.2
"B" Street Pedestrian Easement / View Corridor	0.1
TOTAL GROSS ACREAGE	13.5 *****

- * All acreage is publicly accessible except for the Private Recreation Area
- ** The portion of Bike Path Segment 2 within Park C is counted in Park C above
- *** Bike Path Segment 3 is entirely within Park D and is counted in Park D above
- **** Bike Path Segment 5 is within the City of Lakewood.
- ***** Total Acreage in the City of Long Beach is 13.0 acres

EXHIBIT F

EXHIBIT F
DOUGLAS PARK
TRANSPORTATION IMPROVEMENTS AND PHASING PROGRAM

The goal of the Transportation Improvements Phasing Program for the Douglas Park project (the "Project") is to mitigate significant Project traffic impacts before they occur during the development of the Project. In order to accomplish this goal, the measures in this program necessary to mitigate a significant Peak Hour (as defined in the Development Agreement) traffic impact being caused at the location by the Project shall be in place, as described below. The procedures described below shall be followed to ensure the timely implementation of these measures.

The Project Trip Cap is 5,872 Peak Hour trips, which does not include any adjustments for internal trip reductions, or the Project Transportation Demand Management (TDM) Program. No Project building permit shall be issued if the calculated Project trip generation exceeds this Trip Cap and until otherwise demonstrated by the Company or its designee that any excess trips have been adequately reduced or mitigated to the satisfaction of the City Traffic Engineer.

Prior to the issuance of each new Project building permit, a calculation shall be made of the total site trip generation. This calculation shall add the trip generation of the new Project building to the total site trip generation calculated for the previously approved Project building permit. The calculations shall be based on the trip generation rates in Table F-1. These rates do not include any adjustments for internal trip reductions or the Project TDM Program. If more current trip generation rates applicable to Project uses are available and have been published in the Institute of Transportation Engineers (ITE) Trip Generation manual, the City Traffic Engineer shall have the option of using the more current ITE rates. Where development flexibility is allowed, such flexibility shall be based on the trip generation equivalency rates in Table F-2, unless the equivalency rates require revision due to the use of more current ITE trip generation rates as previously noted. For allowable Project uses that are difficult to categorize, the City Traffic Engineer shall use reasonable methods to establish the appropriate trip generations or equivalencies for those uses.

Trip generation credit shall also be granted for buildings demolished or removed from the site since October 1, 2000, as documented by the Company or its designee. Such credit shall be granted according to the "Existing Uses" trip generation rate of 0.30 per 1,000 gross square feet in Table F-1. This rate is based on site driveway traffic volumes counted approximately October 1, 2002, which inherently reflect occupied and unoccupied buildings that existed on the site at that time.

Table F-1
Project Trip Generation Rates for Proposed and Existing Uses

<u>Proposed Use</u>	<u>Trip Generation Rate</u>
Office Park ("Commercial District")	1.25 per 1,000 gsf
Single-Family Detached	1.01 per du
Apartment	0.59 per du
Condominium/Townhouse/Flat	0.43 per du
Retail	4.96 per 1,000 gsf
Hotel	0.61 per rm
 <u>Existing Uses To Be Removed</u>	
Office, R & D, Warehousing, Manufacturing Mechanical, Storage	0.30 per 1,000 gsf

Note: gsf = gross square feet
 du = dwelling unit
 rm = room

Table F-2
Project Trip Generation Equivalency Rates for Proposed Uses

Proposed Land Use and Unit of Measure	Peak Hour Trip Generation Equivalency Rate		
Office Park ("Comm. Distr."), 1,000 gsf	=	1.238 du	Single-Family Detached
	=	2.119 du	Apartment
	=	2.907 du	Condominium/Townhouse/Flat
	=	252.016 gsf	Retail
	=	2.049 rm	Hotel
Single-Family Detached, 1 du	=	808.000 gsf	Office Park ("Comm. Distr.")
	=	1.712 du	Apartment
	=	2.349 du	Condominium/Townhouse/Flat
	=	203.629 gsf	Retail
	=	1.656 rm	Hotel
Apartment, 1 du	=	472.000 gsf	Office Park ("Comm. Distr.")
	=	0.584 du	Single-Family Detached
	=	1.372 du	Condominium/Townhouse/Flat
	=	118.952 gsf	Retail
	=	0.967 rm	Hotel
Condominium/Townhouse/Flat, 1 du	=	344.000 gsf	Office Park ("Comm. Distr.")
	=	0.426 du	Single-Family Detached
	=	0.729 du	Apartment
	=	86.694 gsf	Retail
	=	0.705 rm	Hotel
Retail, 1,000 sf	=	3,968.000 gsf	Office Park ("Comm. Distr.")
	=	4.911 du	Single-Family Detached
	=	8.407 du	Apartment
	=	11.535 du	Condominium/Townhouse/Flat
	=	8.131 rm	Hotel
Hotel, 1 rm	=	488.000 gsf	Office Park ("Comm. Distr.")
	=	0.604 du	Single-Family Detached
	=	1.034 du	Apartment
	=	1.419 du	Condominium/Townhouse/Flat
	=	122.984 gsf	Retail

Based on the total site trip generation calculated with the inclusion of the new Project building, any applicable transportation improvement measures shall be assigned from the list below. All applicable measures shall be completed prior to the issuance of the final certificate of occupancy for the new Project building, except that such a certificate shall not be withheld if an applicable

measure is delayed by circumstances beyond the control of the Company or its designee, or rejected by a jurisdiction where the measure is located. In the event an applicable measure is rejected by a jurisdiction where the measure is located, prior to the construction or installation of that measure, a mitigation measure of reasonably similar cost and effectiveness may be substituted as the City shall direct. If no such measure can be identified, then an in-lieu payment in the amount of the cost of the original measure shall be made to the City's Traffic Mitigation Program Fund. The cost of the original improvement shall be determined by a Project Study Report or equivalent document acceptable to the Director of Public Works. In addition, the Company or its designee shall not be precluded from accelerating the implementation of any of these measures.

Category A - Area-Wide ATCS/ITS Measures

Adaptive Traffic Control System (ATCS) and Intelligent Transportation System (ITS) Connectivity with Freeway Ramps: Fund or cause the funding for the design and construction of a state-of-the-art traffic signal system, such as ATCS, along the following eight arterial corridors: 1) Del Amo Boulevard, approximately from the Long Beach Freeway to the San Gabriel River Freeway; 2) Carson street, approximately from Long Beach Boulevard-San Antonio Drive to the San Gabriel River Freeway; 3) Spring Street, approximately from Atlantic Avenue to the San Gabriel River Freeway; 4) Willow Street, approximately from Atlantic Avenue to the San Gabriel River Freeway; 5) Atlantic Avenue, approximately from the Artesia Freeway to Willow Street; 6) Cherry Avenue, approximately from the Artesia Freeway to Pacific Coast Highway; 7) Lakewood Boulevard, approximately from the Artesia Freeway to Stearns Street; and 8) Bellflower Boulevard, approximately from the Artesia Freeway to the San Diego Freeway.

In addition to funding for ATCS along the above eight corridors, an area-wide ITS program shall be included to improve capacity at both corridor and non-corridor signalized intersections. The ITS program will include interconnect, traffic detectors, surveillance cameras, message signs and other means that connect the surface street signal system with adjacent freeway on- and off-ramp meters and signals. Such connectivity and linkage with the freeway system will provide feedback to the surface street signal system and allow further adjustments in signal operations to enhance area-wide system capacity. The completed network of ATCS/ITS corridor and related improvements is illustrated in Figure F-1.

ATCS and the affiliated ITS program measures affecting the following intersections shall be installed no later than the triggering of the corresponding Peak Hour trips:

<u>Corridors and Study Intersections</u>	<u>Trigger Value*</u>
o Lakewood Corridor (A):	1,081*
- Lakewood Blvd./Carson St. (I/S #45; 1,081**)	
- Lakewood Blvd./Spring St. (I/S #78; 1,113**)	
- Lakewood Blvd./South St. (I/S #17; 1,332**)	
- Lakewood Blvd./Stearns St. (I/S #95; 1,499**)	
- Lakewood Blvd./Willow St. (I/S #89; 1,772**)	
o Bellflower/Spring Corridor	1,257*
- Bellflower Blvd./Wardlow Rd. (I/S #68; 1,257**)	
- Bellflower Blvd./Spring St. (I/S #80; 3,559**)	
- Spring St./Clark Ave. (I/S #79; 3,866**)	
- Spring St./Cherry Ave. (I/S #74; 5,073**)	
o Carson Corridor (A)	1,449*
- Carson St./Clark Ave. (I/S #47; 1,449**)	
- Carson St./Woodruff Ave. (I/S #49; 2,002**)	
- Carson St./Cherry Ave. (I/S #43; 2,183**)	
- Carson St./Palo Verde Ave. (I/S #50; 2,559**)	
o Paramount Corridor	1,507*
- Paramount Blvd./Del Amo Blvd. (I/S #31; 1,507**)	
- Paramount Blvd./South St. (I/S #16; 1,663**)	
- Paramount Blvd./Artesia Blvd. (I/S #12; 1,677**)	
- Paramount Blvd./Alondra Blvd. (I/S #2; 2,265**)	
o Redondo/Pacific Coast Hwy. Corridor	2,223*
- Pacific Coast Hwy./Redondo Ave. (I/S #99; 2,223**)	
- Redondo Ave./Anaheim St. (I/S #101; 3,384**)	
- Redondo Ave./Willow St. (I/S #88; 4,135**)	
- Redondo Ave./Spring St. (I/S #77; 4,403**)	
- Pacific Coast Hwy./7th St. (I/S #104; 5,073**)	

- o Lakewood Corridor (B) 2,402*
 - Lakewood Blvd./Artesia Blvd. (I/S #13; 2,402**)
 - Lakewood Blvd./Candlewood St. (I/S #23; 3,307**)
 - Lakewood Blvd./Del Amo Blvd. (I/S #32; 3,766**)
 - Lakewood Blvd./Wardlow Rd./Douglas Rd. (I/S #66; 4,584**)
 - Lakewood Blvd./Conant St.-G St. (I/S #60; 4,610**)
 - Lakewood Blvd./Alondra Blvd. (I/S #3; 4,850**)
- o Del Amo Corridor 3,194*
 - Del Amo Blvd./Clark Ave. (I/S #33; 3,194**)
 - Del Amo Blvd./Woodruff St. (I/S #35; 3,194**)
 - Del Amo Blvd./Orange Ave. (I/S #29; 3,718**)
 - Del Amo Blvd./Palo Verde Ave. (I/S #36; 4,459**)
- o Carson Corridor (B) 3,981*
 - Carson St./Los Coyotes Diagonal (#51; 3,981**)
 - Carson St./605 Fwy. SB Off-Ramp (#52; 4,646**)
 - Carson St./Norwalk Blvd. (#55; 4,646**)
 - Carson St./Paramount Blvd. (#44; 4,891**)
- o Atlantic Corridor 4,459*
 - Atlantic Ave./Carson St./ (I/S #41; 4,459**)
 - Atlantic Ave./Wardlow Rd. (I/S #63; 4,850**)
- o South St./Clark Ave. (I/S #18; 5,073**) 5,073*

** Individual intersection (I/S) trigger value.

Also, fund or cause the funding for the design and construction of a centralized ATCS/ITS command center to operate and manage the area-wide ATCS and affiliated ITS measures.

Trigger Value: 1,081 Peak Hour trips

Category B - Intersection Improvements

1. Carson Street/Lakewood Boulevard (Intersection 45, Cities of Long Beach and Lakewood): Widen on the west side of Lakewood Boulevard from Carson Street to F Street (new). At Carson Street, remove the second southbound left-turn lane; modify and shift the raised islands on the north and south legs; and restripe the north and south legs to provide an extended southbound left-turn lane, and a fourth southbound

through lane from north of Carson Street to the vicinity of F Street, where the lane becomes a right-turn-only lane accessing F Street.

Trigger Value: First Project residential certificate of occupancy.

2. F Street/Lakewood Boulevard (Intersection 106, City of Long Beach): Construct F Street as a fully improved public street with a curb-to-curb width of no less than 50 feet, exclusive of any raised median, between proposed 2nd Avenue and Lakewood Boulevard; open and modify the raised island on Lakewood Boulevard for left-turn channelization; and restripe to provide a northbound left-turn lane accessing F Street. Install a traffic signal to control this intersection.

Trigger Value: First Project residential certificate of occupancy.

3. Conant Street-G Street/Lakewood Boulevard (Intersection 60, City of Long Beach): Construct G Street as a fully improved public street with a basic curb-to-curb width of no less than 56 feet, exclusive of any raised median, between proposed 2nd Avenue and Lakewood Boulevard. Construct additional roadway width on G Street approaching Lakewood Boulevard to provide one left-turn lane, one through lane and two right-turn-only lanes eastbound. Restripe and convert the right-turn-only lane on the east leg of Conant Street to a westbound through/right-turn shared lane. Modify the existing traffic signal at Conant Street as necessary to control this intersection.

Trigger Values: First Project residential certificate of occupancy for construction of G Street and 3,637 Peak Hour trips for restriping changes to Conant Street.

4. Carson Street/2nd Avenue (Intersection 109, City of Long Beach): Construct 2nd Avenue as a fully improved public street with a curb-to-curb width no less than 50 feet, exclusive of any raised median, between Carson Street and proposed C Street. Restripe Carson Street to provide a westbound left-turn lane accessing 2nd Avenue (new). Install a traffic signal to control this intersection.

Trigger Value: Certificate of occupancy for first Project building along 2nd Avenue between Carson Street and C Street.

Also, construct 2nd Avenue as a fully improved public street with a curb-to-curb width of no less than 50 feet, exclusive of any raised median, between proposed C Street and proposed F Street no later than the certificate of occupancy for the first Project building along this street segment. In addition, construct 2nd Avenue as a fully improved public street with a curb-to-curb width of no less than 36 feet, exclusive of any raised median, between proposed F Street and proposed G Street no later than the certificate of occupancy for the first Project building along this street segment.

5. Douglas Center Drive-C Street/Lakewood Boulevard (Intersection 105, City of Long Beach): Construct C Street as a fully improved public street with a curb-to-curb width of no less than 36 feet, exclusive of any raised median, between proposed 2nd Avenue and Lakewood Boulevard; modify the raised island on Lakewood Boulevard for left-turn channelization; and restripe to provide a northbound left-turn lane accessing C Street. Modify the existing traffic signal at Douglas Center Drive as necessary to control this expanded intersection.

Trigger Value: Certificate of occupancy for first Project building along C Street between 2nd Avenue and Lakewood Boulevard.

6. Carson Street/Paramount Boulevard (Intersection 44, City of Lakewood): Widen on the east side of the south leg of Paramount Boulevard; modify and shift the raised island on the north leg; remove the raised island on the south leg; and restripe the north and south legs to provide a northbound right-turn-only lane on Paramount Boulevard.

Trigger Value: 618 Peak Hour trips.

7. Del Amo Boulevard/Lakewood Boulevard (Intersection 32, Cities of Lakewood and Long Beach): Widen on the east side of the north leg and the west side of the south leg of Lakewood Boulevard; remove the nose islands and modify the remaining raised islands on the north and south legs; and restripe the north and south legs to provide a second southbound left-turn and three through lanes in each direction on Lakewood Boulevard.

Trigger Value: 891 Peak Hour trips.

8. Carson Street/Bellflower Boulevard (Intersection 48, Cities of Long Beach and Lakewood): Prohibit parking during the AM peak period on the north side of Carson Street (up to approximately 75 spaces) for a length of approximately three blocks east and west of Bellflower Boulevard; modify and lengthen the left-turn channelization along the raised islands on the east and west legs of Carson Street; and restripe this length of Carson Street to provide a third westbound through lane, including conversion of the right-turn lane at Bellflower Boulevard, for the AM peak period and lengthened left-turn lanes approaching Bellflower Boulevard.

Trigger Value: 1,677 Peak Hour trips.

9. Wardlow Road and Cherry Avenue (Intersection 65, City of Long Beach): Remove on-street parking on Cherry Avenue; widen on both sides of the south leg of Cherry Avenue; shorten the raised island on the north leg; and restripe the north and south legs to provide a third southbound through lane.

Trigger Value: 1,851 Peak Hour trips.

10. Cover Street/Paramount Boulevard (Intersection 56, City of Lakewood); Cover Street from Paramount Boulevard to west of Industry Avenue (Cities of Long Beach and Lakewood): Construct and stripe the Project Roadway approaching the intersection of Cover Street/Paramount Boulevard to provide two through lanes and a right-turn-only lane westbound, and a bike lane in each direction. Reconstruct Cover Street as necessary and restripe to provide a left-turn lane and two through lanes eastbound, and a bike lane in each direction. Restripe Paramount Boulevard to provide a left-turn lane and a right-turn-only lane southbound.

Remove on-street parking on the north side of Cover Street (up to approximately three spaces); widen on the north side of Cover Street from approximately 100 feet west of to 340 feet east of Industry Avenue; modify and lengthen the left-turn channelization along the raised island on the east leg at Industry Avenue; and restripe to provide two through lanes, left-turn channelization and a bike lane in each direction, including an extended westbound left-turn lane at Industry Avenue, from Industry Avenue to the improvement at Paramount Boulevard. Restripe the west leg of Cover Street at Industry Avenue to provide two eastbound through lanes, including conversion of the right-turn-only lane, and two westbound right-turn-only lanes departing the intersection and approaching Cherry Avenue.

Restripe Industry Avenue between Cover Street and Bixby Road to provide a left-turn lane and two right-turn-only lanes northbound, a southbound through lane, and a bike lane in each direction.

Trigger Value: Pursuant to Section 2.4.2(c) of Development Agreement.

11. Cover Street/Cherry Avenue (Intersection 108, Cities of Long Beach and Lakewood): Remove on-street parking on the east side of Cherry Avenue (up to approximately 12 spaces) and both sides of Cover Street (up to approximately 24 spaces); open and modify the raised island on Cherry Avenue between Roosevelt Road and Bixby Road, and restripe to provide a southbound left-turn lane accessing Cherry Avenue and a third northbound through lane. Restripe Cover Street to provide a second westbound right-turn-only lane and no westbound left-turn lane. Remove the Stop sign control on Cover Street and install a "half signal" that controls all movements except for the southbound through movement on Cherry Avenue.

Trigger Value: Construction of No. 10 above.

12. Bixby Road and Cherry Avenue (Intersection 59, Cities of Long Beach and Lakewood): Remove on-street parking on Bixby Road between Cherry Avenue and Industry Avenue (up to approximately 37 spaces); and restripe the east leg of Bixby Road to provide one left-turn lane, one left-turn/through shared lane and one right-turn-only lane.

Trigger Value: Construction of No. 10 above.

Category C - Project Transportation Demand Management Program

Prior to the issuance of the first building permit for any Office Park (“Commercial District”) use, the Company or its designee shall submit for City approval a Transportation Demand Management (TDM) Program. The TDM Program shall be designed to achieve a 20 percent reduction in Peak Hour trips generated by the Office Park (“Commercial District”) uses. The employee commute mode choice shall be annually monitored and the TDM Program adjusted, if necessary, to achieve a 20 percent trip reduction. The City shall determine, based on actual performance, whether the TDM Program will reasonably achieve a 20 percent reduction in Peak Hour trips. The City shall not issue building permits for Office Park (“Commercial District”) uses beyond 2,480,000 gross square feet, except to the degree to which actual reductions have been achieved and subject to any adjustments for equivalency conversion between uses. The following formula shall be used for this determination:

$$\text{Allowable Office Park ("Comm. Distr.") Building Area} = (80\% \times 3,100,000 \text{ gsf}) + (\% \text{ actual trip reduction achieved} \times 3,100,000 \text{ gsf})$$

The issuance of building permits for Office Park (“Commercial District”) uses shall be subject to the limitation that the Office Park (“Commercial District”) building area shall not exceed 3,100,000 gross square feet unless other uses are reduced in size by the equivalency procedures. In the event that the equivalency procedures are used, the 3,100,000 gross square-foot limits described above shall all be adjusted accordingly.

Trigger Value: First Project building permit for Office Park (“Commercial District”) use.

Category D - Regional Transportation Improvements

San Diego Freeway Northbound On-Ramp from Southbound Cherry Avenue: Widen within the merge area where the two northbound on-ramps from Cherry Avenue converge to provide an elongation of the merge section for a smoother and safer merge. Relocate the ramp metering location for southbound traffic from Cherry Avenue to provide additional queuing length between the meter and Cherry Avenue.

Trigger Value: No later than 5,000 Peak Hour trips.

Category E - Neighborhood Traffic Management Measures

The Company or its designee shall make an initial lump sum payment of \$250,000 to the City of Long Beach, which the City shall administer for the study, design and implementation of neighborhood traffic management measures to deter potential Project traffic intrusion into the residential areas analyzed in the Draft EIR. The City shall coordinate with the City of Lakewood and other neighborhood groups in residential areas that may also be significantly affected by such traffic intrusion. Potential neighborhood traffic management measures may include, but not be limited to the following: additional Stop signs; speed humps; turn restrictions; signal timing strategies; signalization prohibiting through traffic movements; parking restrictions; diverters; chokers; cul-de-sacs; partial cul-de-sacs; median islands; woonerfs (“chicanes”); traffic circles; one-way streets; and residential identity signs, gates or monuments.

Trigger Value: First Project building permit for initial \$250,000 payment.

If requested by the City, and no sooner than 3,000 Peak Hour trips, and provided that the initial \$250,000 payment has been spent and a complete accounting thereof is submitted to and accepted by the Company or its designee, the Company or its designee shall make an additional lump sum payment of \$250,000 to the City for additional design and implementation of neighborhood traffic management measures for the above-described residential areas. Any unused portion of this payment shall be returned to the Company or its designee within one year after the expiration of the Development Agreement.

Category F - Bicycle Facility Improvements

In keeping with the intent of the Long Beach Bicycle Master Plan, the project shall continue to provide a Class I bike lane within the Carson Street parkway adjacent to the site, and shall provide a bike lane that extends south from Carson Street and west to the Paramount Boulevard/Cover Street intersection. These bicycle facility improvements shall occur concurrently with the phasing of the on-site streets.

Trigger Value: Pursuant to Section 2.4.2 of Development Agreement.

EXHIBIT G

EXHIBIT G
COVENANT AND AGREEMENT REGARDING LAKEWOOD BOULEVARD
LANDSCAPE IMPROVEMENTS

RECORDING REQUESTED BY
AND MAIL TO:

Boeing Realty Corporation
Douglas Park
P.O. Box 93005
Long Beach, California 90809-9854
Attention: _____

COVENANT AND AGREEMENT REGARDING LAKEWOOD BOULEVARD
LANDSCAPE IMPROVEMENTS

This Covenant and Agreement (the "Agreement") is made and entered into as of _____, 2004 by and between McDONNELL DOUGLAS CORPORATION, a Maryland corporation and a wholly-owned subsidiary of The Boeing Company, a Delaware corporation ("Company"), and the CITY OF LONG BEACH, a charter city and municipal corporation of the State of California (the "City") (collectively, the "Parties").

RECITALS

WHEREAS, Company is the owner of approximately 238 acres located in City of Long Beach, County of Los Angeles, State of California, as more particularly described in the Legal Description, attached hereto as Exhibit A (the "Property").

WHEREAS, Company has been engaged for several years in the planning and entitlement stages of a major land use project within the City known as Douglas Park (the "Douglas Park Project").

WHEREAS, Company concurrently herewith is entering into a Development Agreement with the City for the Douglas Park Project.

WHEREAS, pursuant to that certain Covenant And Agreement dated February 18, 2003 between Boeing Realty Corporation and the City (the "Phase 1 Agreement"), Company has previously constructed, or caused to be constructed, and is currently maintaining certain landscaping and planting for that portion of Lakewood Boulevard generally between Spring Street and Conant Street as shown on Exhibit B attached hereto (the "Phase 1 Landscaping"), in lieu of street trees normally specified by the City.

WHEREAS, as part of the Development Agreement, Company has agreed to construct and maintain certain landscaping and planting for that portion of Lakewood Boulevard between Conant Street and Carson Street as shown on Exhibit B attached hereto (the "Phase 2 Landscaping"), in lieu of street trees normally specified by the City.

WHEREAS, the Phase 1 Landscaping and the Phase 2 Landscaping are hereinafter referred to together as the "Lakewood Boulevard Landscaping."

WHEREAS, pursuant to this Agreement, upon completion of the Phase 2 Landscaping, Company shall maintain Phase 2 of the Lakewood Boulevard Landscaping as well as Phase 1 of the Lakewood Boulevard Landscaping.

WHEREAS, pursuant to the Phase 1 Agreement, City has reimbursed Boeing Realty Corporation ("BRC") all amounts owed by City to BRC under the Phase 1 Agreement, including the Capital Cost Contribution required under Section B of the Phase 1 Agreement and City has no further reimbursement obligation to BRC thereunder.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and other valuable consideration the receipt and adequacy of which the Parties hereby acknowledge, the Parties hereto agree as follows:

A. Agreement and Assurances on the Part of Company:

1. Installation

Company shall complete, to the reasonable satisfaction of the City, the installation of the Phase 2 Landscaping as set forth in detailed landscape improvement plans to be (i) prepared by Company consistent with the detailed landscape improvement plans prepared for the Phase 1 Landscaping and (ii) approved by the Director of the Department of Public Works of the City (the "Director"). Company shall notify the Director in writing within thirty (30) days of the completion of such installation. The Director shall have thirty (30) days thereafter to direct Company in writing to correct the installation work, if any, that has not been done in accord with this Agreement and the approved plans.

2. Maintenance

Following their installation, maintenance for the Lakewood Boulevard Landscaping shall be provided by Company or its successors and assigns with respect to the Property (which may include a property owners association) in accordance with the following guidelines. Except as expressly set forth below in "Parkways and Medians" (Paragraphs a, j, and k) below, all such maintenance shall be at the sole cost and expense of the Company or said successors and assigns:

Parkways and Medians

- a. The cost of all planting and irrigation installation, removal, maintenance and/or repair of landscaping and irrigation systems located in the parkway or median areas, will be at Company's expense. Irrigation water and power to the irrigation controllers will be supplied by the City at the City's expense.
- b. All weeds and debris within planting areas will be removed and hauled away as reasonably required by the City.

- c. All sprinklers and the irrigation lines will be maintained as reasonably required by the City.
- d. All dead plants will be removed and replaced as reasonably required by the City.
- e. All vegetation will be trimmed to clear the street and sidewalk at all times as reasonably required by the City.
- f. All vegetation will be trimmed and maintained at all times as reasonably required by the City.
- g. All vegetation will be watered and fertilized to assure its survival.
- h. Pests and diseases will be continuously controlled to provide a healthy environment for plants and the public.
- i. Planting areas will be maintained in a safe condition free of debris at all times.
- j. Sidewalks will be maintained free and clear of landscape debris at all times, however, overall sidewalk maintenance and repair will be the responsibility and liability of the City.
- k. Fencing along Lakewood Boulevard adjacent to the Skylinks Golf Course will be installed at Company's expense. Fencing will be maintained by the City.

Trees – General

- a. Trees will be watered regularly in sufficient quantity to maintain proper root moisture.
- b. Trees will be staked and tied properly at all times, until the tree's root systems are mature enough to support the tree.
- c. Trees will be checked regularly to prevent girdling of the tree trunk.
- d. Tree planting areas will be maintained at all times to coincide with the sidewalk grade with no vertical lip.
- e. Tree planting areas will be kept free of weeds and debris.
- f. Trees will be trimmed to reduce the tree's crown in an effort to increase the trunk and root system stability, and to contribute to public safety at all times as reasonably required by the City.
- g. If an emergency of any kind should occur, such as the tree uprooting, or a limb falling onto private property or into the street area, it shall be the responsibility of Company to eliminate all debris at no cost to the City after being notified by City.
- h. Trees will be trimmed in accordance with ISA standards, sprayed, removed and replaced as necessary to the reasonable satisfaction of the City.

Trees – Palms

- a. Palms will be watered regularly in sufficient quantity to maintain proper root moisture.
- b. Palms will be trimmed one time per year, sprayed, removed and replaced as necessary to the reasonable satisfaction of the City.

Company further agrees to:

- a) Provide the City with a certificate of insurance evidencing a commercial general liability insurance policy in the amount of \$1,000,000 covering the activities to be performed under the above-described maintenance agreement and provide annual proof of same. The City shall be named as an additional insured on such policy. Such insurance policy shall provide that the City be notified by registered mail at least thirty (30) days before the effective date of any expiration, cancellation or reduction in coverage. Failure to maintain the herein required

insurance or to faithfully perform any other requirement of this Agreement shall result in the City having the right, but not the obligation, to perform any such requirement on Company's behalf and to receive payment upon demand for the reasonable cost thereof from Company.

b) Indemnify and hold harmless the City, its officers, agents and employees, from and against all third-party cost, liability, loss, damage or expenditure of whatsoever kind and nature sustained or incurred by the City by reason of any failure by Company to faithfully perform the requirements of this Agreement (collectively, "Claims, Damages and Expenses"). Company hereby further agrees to assume, at its own expense, the defense of any action or actions to the extent based on any such failure by Company to so perform. Notwithstanding the foregoing, Company shall have no obligation to indemnify, hold harmless or defend City against any Claims, Damages and Expenses to the extent caused by or attributable to the City, or any person or entity acting on City's behalf, including without limitation City's employees, agents and contractors; provided, that the foregoing limitation shall not be construed to apply to Company or its successors or assigns, to the extent acting on City's behalf pursuant to the terms of this Agreement.

c) Waive any right to make or prosecute any claim or demand against the City, or any of its Boards, Departments, officers, employees, or agents for any damage that may occur to any of the street trees covered by this Agreement or property adjacent to said trees, or for any other loss, damage, cost or expense suffered by Company, caused in any manner by the City's actions in permitting Company to install and maintain the Lakewood Boulevard Landscaping.

B. Miscellaneous Provisions

1. This Agreement shall run with the Property and shall be binding upon any future owners and encumbrancers, their successors, heirs and assigns and shall continue in effect until the Parties approves its termination. Company's obligations, including indemnity and liability provisions, under this Agreement may be assigned to a corporation, partnership or other entity succeeding to Company's ownership in the Property, including, without limitation, to an association of owners of some or all of the lots into which the Property is now or hereafter subdivided, which association has the power, if necessary, to assess each owner for the costs of performing the obligations of Company under this Agreement. Upon any such assignment, Company shall have no further obligation under this Agreement with respect to any liabilities arising hereunder after the effective date of such assignment.

2. This Agreement supercedes in its entirety the Phase 1 Agreement which is hereby rescinded and has no further force or effect following the recordation of this Agreement.

IN WITNESS WHEREOF, the Parties have hereunto caused this Agreement to be executed and delivered, as of the date first appearing above, by their duly authorized officers.

CITY OF LONG BEACH, a charter city
and municipal corporation of the State of California

By: _____
City Manager

Date: _____

Approved as to Form,

_____, 2004
ROBERT SHANNON, City Attorney

Approved as to Form,

_____, 2004
Brown, Winfield & Canzoneri, Inc.,
Special Counsel

By: _____

By: _____

McDONNELL DOUGLAS CORPORATION, a
Maryland corporation

By: _____

Date: _____

By: _____

Date: _____

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL 1:

THAT PORTION OF LOT 40 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 40; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 40.00 FEET TO THE INTERSECTION OF THE CENTER LINES OF LAKEWOOD BOULEVARD (100 FEET WIDE) AND CONANT STREET (80 FEET WIDE); THENCE NORTH 0 DEGREES 12 MINUTES 44 SECONDS EAST 782.60 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 50.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE FROM SAID TRUE POINT OF BEGINNING, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 219.08 FEET; THENCE NORTH 0 DEGREES 12 MINUTES 44 SECONDS EAST 594.30 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 113.30 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 6.42 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 105.78 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 587.88 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE ABOVE DESCRIBED LAND ON THE EAST.

PARCEL 2:

THOSE PORTIONS OF LOTS 39 AND 40 AND OF BIXBY STATION ROAD LYING BETWEEN SAID LOTS, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET FROM THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 2098.72 FEET; THENCE SOUTH 89 DEGREES 11 MINUTES 35 SECONDS EAST 46.92 FEET; THENCE NORTH 0 DEGREES 11 MINUTES 34 SECONDS EAST 441.97 FEET TO THE SOUTHERLY LINE OF THE NORTH 100 FEET OF SAID LOT 39; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 1562.71 FEET TO THE WESTERLY LINE OF THE EAST 160 FEET OF SAID LOT 39; THENCE ALONG SAID WESTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 100 FEET; THENCE PARALLEL WITH SAID NORTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 160 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT 39, DISTANT THEREON, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 200 FEET FROM THE NORTHEASTERLY CORNER THEREOF; THENCE ALONG LAST MENTIONED EASTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 359.97 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 45 SECONDS WEST 687.74 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 16 SECONDS WEST 725.64 FEET; THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 40, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 516.65 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 1354.90 FEET, MORE OR LESS, TO A POINT IN SAID SOUTHERLY LINE, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 565.15 FEET FROM THE POINT OF BEGINNING; THENCE ALONG SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 565.15 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE ABOVE DESCRIBED LAND ON THE EAST.

PARCEL 3:

THAT PORTION OF LOTS 40 AND 42 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 486.57 FEET FROM THE SOUTHWESTERLY CORNER THEREOF; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 40, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID LOTS, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 673.99 FEET; THENCE PARALLEL WITH THE EASTERLY LINE OF SAID LOT 42, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 200.70 FEET; THENCE SOUTH 78 DEGREES 05 MINUTES 36 SECONDS EAST 470.48 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 17 SECONDS EAST 558.38 FEET TO A POINT IN THE WESTERLY LINE OF PARCEL 3 HEREIN DESCRIBED; THENCE ALONG SAID WESTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 652.01 FEET, MORE OR LESS, TO A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET FROM THE SOUTHWESTERLY CORNER OF SAID LOT 40; THENCE ALONG SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 344.78 FEET TO THE POINT OF BEGINNING.

PARCEL 4:

THOSE PORTIONS OF LOTS 41 AND 42 AND OF BIXBY STATION ROAD LYING BETWEEN SAID LOTS, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 42, DISTANT THEREON NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 213.73 FEET FROM THE SOUTHEASTERLY CORNER THEREOF; THENCE PARALLEL WITH THE EASTERLY LINE OF SAID LOTS, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE PARALLEL WITH SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 26.31 FEET; THENCE PARALLEL WITH SAID EASTERLY LINES, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 859.27 FEET TO A POINT IN THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN PARCEL "D" OF THE DEED RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE, SOUTH 63 DEGREES 55 MINUTES 55 SECONDS WEST 15.48 FEET TO THE MOST WESTERLY CORNER OF THE LAND SO DESCRIBED; THENCE PARALLEL WITH SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 665.10 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 865.00 FEET FROM THE EASTERLY LINE OF SAID LOT 41; THENCE ALONG SAID PARALLEL LINE AND THE SOUTHERLY PROLONGATION THEREOF, SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 526.88 FEET TO THE SOUTHERLY LINE OF THE LAND CONVEYED TO LOS ANGELES & SALT LAKE RAILROAD COMPANY, BY DEED RECORDED IN BOOK 17896 PAGE 358, OFFICIAL RECORDS; THENCE ALONG THE SOUTHERLY LINE OF SAID RAILROAD LAND, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 557.50 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 1422.50 FEET FROM THE EASTERLY LINE OF SAID LOT 42; THENCE ALONG SAID PARALLEL LINE, SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 870 FEET TO THE SOUTHERLY LINE OF SAID LOT 42; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS

EAST 1208.77 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF LOTS 39 AND 41 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 39, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 391.15 FEET FROM THE NORTHWESTERLY CORNER THEREOF; THENCE SOUTH 17 DEGREES 39 MINUTES 25 SECONDS WEST 1103.34 FEET TO THE MOST NORTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL "D" OF THE DEED RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG THE NORTHWESTERLY LINE OF THE LAND SO DESCRIBED, SOUTH 53 DEGREES 55 MINUTES 55 SECONDS WEST 21.09 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHWESTERLY LINE, SOUTH 53 DEGREES 55 MINUTES 55 SECONDS WEST 113.25 FEET; THENCE SOUTH 72 DEGREES 20 MINUTES 35 SECONDS EAST 126.98 FEET; THENCE NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 91.30 FEET; THENCE NORTH 72 DEGREES 20 MINUTES 35 SECONDS WEST 59.97 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 6:

THAT PORTION OF LOT 39 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 391.15 FEET FROM THE NORTHWEST CORNER OF SAID LOT; THENCE ALONG SAID NORTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 2050.47 FEET TO THE NORTHWEST CORNER OF THE LAND CONVEYED TO MIKE LYMAN BY DEED RECORDED FEBRUARY 18, 1941 AS INSTRUMENT NO. 18 IN BOOK 18190 PAGE 223, OFFICIAL RECORDS; THENCE ALONG THE WESTERLY LINE OF THE LAND OF LYMAN, SOUTH 0 DEGREES 11 MINUTES 58 SECONDS WEST 100 FEET; THENCE ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO WESTERN LAND IMPROVEMENT COMPANY BY DEED RECORDED DECEMBER 13, 1940 AS INSTRUMENT NO. 22 IN BOOK 18034 PAGE 218, OFFICIAL RECORDS, TO AND ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO WESTERN LAND IMPROVEMENT COMPANY BY PARCEL "A" OF THE DEED RECORDED OCTOBER 2, 1941 AS INSTRUMENT NO. 59 IN BOOK 18735 PAGE 243, OFFICIAL RECORDS, NORTH 89 DEGREES 47 MINUTES 44.35 SECONDS WEST 2081.92 FEET TO THE NORTHWEST CORNER OF THE LAND SO CONVEYED BY THE LAST MENTIONED DEED; THENCE ALONG THE NORTHEASTERLY PROLONGATION OF THE WESTERLY LINE OF THE LAND SO CONVEYED BY THE LAST MENTIONED DEED, NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 104.83 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF CARSON STREET, AS CONVEYED TO THE COUNTY OF LOS ANGELES BY DEED RECORDED IN BOOK 10906 PAGE 178, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF LOT 39 AS DESCRIBED IN GRANT DEED TO THE CITY OF LONG BEACH WHICH RECORDED JULY 12, 2000 AS INSTRUMENT NO. 00-1064084 AND SEPTEMBER 28, 2000 AS INSTRUMENT NO. 00-1526582.

PARCEL 7:

THOSE PORTIONS OF LOTS 39 AND 40 AND OF BIXBY STATION ROAD, VACATED, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 40; THENCE ALONG THE SOUTH LINE OF SAID LOT NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 1204.70 FEET, MORE OR LESS, TO THE SOUTHEASTERLY CORNER OF PARCEL 3, DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., INC., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF PARCEL 3, NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 1354.90 FEET TO AN ANGLE POINT THEREIN; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 516.65 FEET; THENCE NORTH 0 DEGREES 12 MINUTES 16 SECONDS EAST 725.64 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 45 SECONDS EAST 687.74 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT 39; THENCE ALONG SAID EASTERLY LINE AND ALONG THE EASTERLY LINE OF SAID LOT 40, SOUTH 0 DEGREES 11 MINUTES 58 SECONDS WEST 2080.58 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE LAST ABOVE DESCRIBED LAND ON THE EAST.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND CONTAINING 2.973 ACRES AND DESIGNATED AS PARCEL 2 IN SAID QUITCLAIM DEED TO DOUGLAS AIRCRAFT COMPANY.

PARCEL 8:

THOSE PORTIONS OF LOTS 40 AND 42 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 40; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 486.57 FEET ALONG THE SOUTH LINE OF SAID LOT TO THE SOUTHWEST CORNER OF PARCEL 4 DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID PARCEL NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 700.30 FEET TO THE INTERSECTION WITH THE EAST LINE OF PARCEL 5 DESCRIBED IN SAID QUITCLAIM DEED; THENCE SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 546.77 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 5; THENCE ALONG THE SOUTH LINE OF SAID LOT 42, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 213.73 FEET TO THE POINT OF BEGINNING.

PARCEL 9:

THOSE PORTIONS OF LOTS 39, 40, 41 AND 42 AND OF BIXBY STATION ROAD, VACATED, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 40; THENCE ALONG THE SOUTH LINE

OF SAID LOT SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET TO THE SOUTHWEST CORNER OF PARCEL 3 DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE WEST LINE OF SAID PARCEL 3, NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 652.01 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING THE NORTHEAST CORNER OF PARCEL 4 DESCRIBED IN SAID QUITCLAIM DEED; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID PARCEL 4, NORTH 89 DEGREES 47 MINUTES 17 SECONDS WEST 558.38 FEET; THENCE NORTH 78 DEGREES 05 MINUTES 36 SECONDS WEST 470.48 FEET TO THE EAST LINE OF PARCEL 5 DESCRIBED IN SAID QUITCLAIM DEED; THENCE ALONG LAST SAID EAST LINE NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 658.57 FEET, MORE OR LESS, TO THE INTERSECTION WITH THE NORTHWESTERLY LINE OF PARCEL D OF TRACT NO. 2 AS DESCRIBED IN DEED FROM WESTERN LAND IMPROVEMENT COMPANY, RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 53 DEGREES 55 MINUTES 55 SECONDS EAST 306.99 FEET TO THE MOST NORTHERLY CORNER OF SAID PARCEL D; THENCE ALONG THE WESTERLY LINE OF PARCEL A OF TRACT NO. 2 AS DESCRIBED IN LAST SAID DEED, NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 998.51 FEET TO A LINE PARALLEL WITH THE NORTH LINE OF SAID LOT 39 AND DISTANT SOUTHERLY THEREFROM 100 FEET, MEASURED AT RIGHT ANGLES; THENCE ALONG SAID PARALLEL LINE SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 519.21 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 3 IN THE QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO.; THENCE ALONG THE WEST LINE OF LAST SAID PARCEL SOUTH 0 DEGREES 11 MINUTES 34 SECONDS WEST 441.97 FEET; THENCE NORTH 89 DEGREES 31 MINUTES 35 SECONDS WEST 46.92 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 1446.71 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND CONTAINING 0.196 ACRE AND DESIGNATED AS PARCEL 6 IN SAID QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO..

PARCEL 10:

THOSE PORTIONS OF LOTS 49, 51 AND 52 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THOSE PORTIONS OF LAKEWOOD BOULEVARD, (FORMERLY KNOWN AS CERRITOS AVENUE, 80 FEET WIDE) AS SHOWN ON SAID TRACT NO. 8084 NOW VACATED AND ABANDONED BY THE STATE OF CALIFORNIA HIGHWAY COMMISSION, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 19, 1959 AS INSTRUMENT NO. 3601, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF LAKEWOOD BOULEVARD (100 FEET WIDE) AS DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES RECORDED JANUARY 5, 1932 AS INSTRUMENT NO. 1160 IN BOOK 11271 PAGE 368, OFFICIAL RECORDS, WITH THE NORTHERLY LINE OF SAID LOT 51; THENCE ALONG SAID LAKEWOOD BOULEVARD (100 FEET WIDE), SOUTH 0 DEGREES 06 MINUTES 03 SECONDS WEST 133.81 FEET TO A POINT IN A NON-TANGENT CURVE CONCAVE EASTERLY 2077 FEET, A TANGENT WHICH BEARS SOUTH 9 DEGREES 09 MINUTES 01 SECONDS EAST FROM SAID POINT AND SO RECITED IN SAID VACATION AND ABANDONMENT; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10 DEGREES 15 MINUTES 46 SECONDS AN ARC DISTANCE OF 372.03 FEET; THENCE SOUTH 25 DEGREES 16 MINUTES 10 SECONDS EAST 18.01 FEET TO THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE WESTERLY BOUNDARY OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA RECORDED NOVEMBER 2, 1959 AS INSTRUMENT NO. 3959, OFFICIAL RECORDS AS RECITED AS HAVING A BEARING AND LENGTH OF "SOUTH 25 DEGREES 16 MINUTES 02 SECONDS EAST 106.64 FEET"; THENCE SOUTH 25 DEGREES 16 MINUTES 02 SECONDS EAST TO A LINE THAT IS PARALLEL WITH AND DISTANT 583.00 FEET SOUTHERLY FROM THE NORTHERLY LINES OF SAID LOTS 49, 51 AND

52; THENCE ALONG SAID PARALLEL LINE NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3800.79 FEET; THENCE NORTH 0 DEGREES 08 MINUTES 55 SECONDS WEST 533.01 FEET; THENCE NORTH 45 DEGREES 01 MINUTES 25 SECONDS WEST 70.86 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT 49, SAID POINT BEING DISTANT NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3718.10 FEET ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, FROM THE POINT OF BEGINNING; THENCE ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, SOUTH 89 DEGREES 53 MINUTES 56 SECONDS EAST 3718.10 FEET TO THE POINT OF BEGINNING.

EXCEPT FROM THAT PORTION THEREOF LYING WITHIN THE LINES OF SAID LOT 52, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND, FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES OR OTHER USE OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATED WELLS AND PRODUCE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES FROM ANY PORTION OF SAID LAND WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS RESERVED IN THE DEED FROM MONTANA LAND COMPANY, RECORDED IN BOOK 32094 PAGE 1, OFFICIAL RECORDS, AND AS PROVIDED IN DECREE RECORDED IN BOOK 43923 PAGE 236, OFFICIAL RECORDS.

PARCEL 11:

AN EASEMENT, APPURTENANT TO LAND DESCRIBED ABOVE AS PARCEL 10, WHICH EASEMENT SHALL CONSTITUTE A RIGHT OF INGRESS AND EGRESS TO AND FROM THE TAXIWAYS AND RUNWAYS OF THE LONG BEACH AIRPORT AS DELINEATED ON EXHIBIT C-1, ATTACHED TO DEEDS RECORDED DECEMBER 24, 1981 AS INSTRUMENT NOS. 81-1260432, 81-1260433, 81-1260434 AND 81-1260435 FROM THE LAND DESCRIBED ABOVE AS PARCEL 16, WHICH ABUTS THE LONG BEACH AIRPORT. SAID EASEMENT IS APPURTENANT, RUNNING WITH THE LAND, AND NOT PERSONAL.

PARCEL 12:

THAT CERTAIN STRIP OF LAND 20 FEET IN WIDTH BEING THOSE PORTIONS OF LOTS 41, 43 AND 44 AND OF VACATED BIXBY STATION ROAD, AS SHOWN ON THE MAP OF TRACT NO. 8084, PARTLY IN THE CITY OF LONG BEACH AND PARTLY IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED IN DEED TO LOS ANGELES & SALT LAKE RAILROAD COMPANY, A UTAH CORPORATION, RECORDED NOVEMBER 23, 1940 AS INSTRUMENT NO. 1000 IN BOOK 17896 PAGE 358 OF OFFICIAL RECORDS.

EXCEPT THEREFROM THAT PORTION THEREOF LYING WITH THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED IN QUITCLAIM DEED TO MONTANA LAND COMPANY, A CALIFORNIA CORPORATION, RECORDED OCTOBER 2, 1941 AS INSTRUMENT NO. 58 IN BOOK 18826 PAGE 47 OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS "PARCEL P" IN FINAL ORDER OF CONDEMNATION HAD IN LOS ANGELES SUPERIOR COURT CASE NO. LBC-23999, A CERTIFIED COPY OF WHICH RECORDED SEPTEMBER 28, 1960 AS INSTRUMENT NO. 1191 OF OFFICIAL RECORDS.

ALSO EXCEPTING ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER

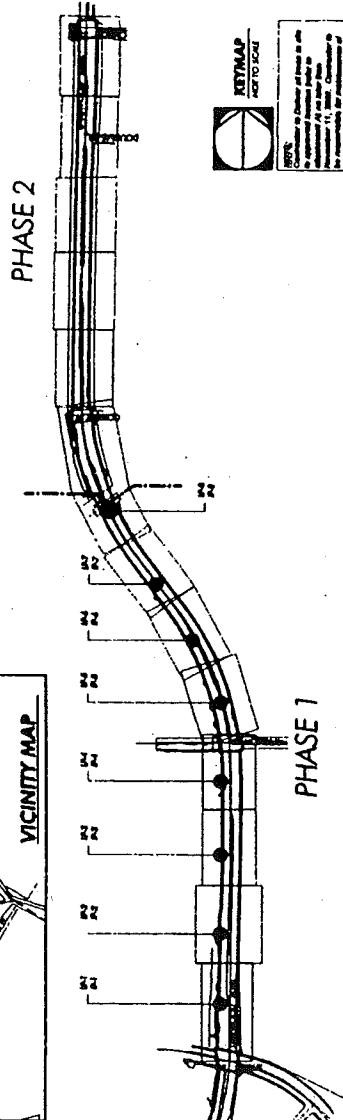
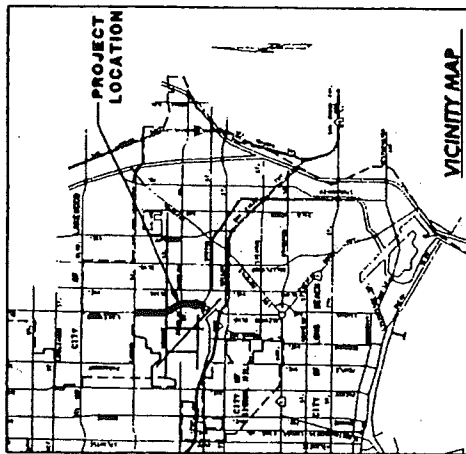
NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, WHICH LIE 500 FEET OR MORE BELOW THE SURFACE OF THE PROPERTY, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE PROPERTY, AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY GRANTEE, ITS SUCCESSORS OR ASSIGNS, AS EXCEPTED AND RESERVED BY UNION PACIFIC RAILROAD COMPANY, A DELAWARE CORPORATION, IN DEED RECORDED MARCH 31, 2004 AS INSTRUMENT NO. 04-0756993.

EXHIBIT B
PHASE 2 LANDSCAPING

LAKWOOD BOULEVARD
LANDSCAPE IMPROVEMNT PLAN
SPRING STREET TO CARSON STREET
LONG BEACH, CALIFORNIA

SHEET INDEX

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PROJECT INFORMATION

DATE: 12/15/2006
PROJECT: LAKWOOD BOULEVARD LANDSCAPE IMPROVEMENT PLAN
LOCATION: LONG BEACH, CALIFORNIA
DRAWN BY: [Name]
CHECKED BY: [Name]
DATE: 12/15/2006

CONTACTS

OWNER: CITY OF LONG BEACH
DESIGNER: [Firm Name]
CONTRACTOR: [Firm Name]

UTILITY COMPANIES

UTILITY: [List of utility companies]

SUBCONSULTANTS

CONSULTANT: [List of consultants]

SUBMITTALS

DATE: [Date]
BY: [Name]

APPROVALS

DESIGNER: [Signature]
CHECKED: [Signature]

DATE	12/15/2006
PROJECT	LAKWOOD BOULEVARD LANDSCAPE IMPROVEMENT PLAN
LOCATION	SPRING STREET TO CARSON STREET, LONG BEACH, CALIFORNIA
TITLE	LANDSCAPE IMPROVEMENT PLAN
SHEET	PHASE 2

LAKWOOD BOULEVARD LANDSCAPE IMPROVEMENT PLAN
SPRING STREET TO CARSON STREET
LONG BEACH, CALIFORNIA

DESIGNED BY: [Firm Name]
CHECKED BY: [Name]
DATE: 12/15/2006



DATE: 12/15/2006
PROJECT: LAKWOOD BOULEVARD LANDSCAPE IMPROVEMENT PLAN
LOCATION: LONG BEACH, CALIFORNIA
DRAWN BY: [Name]
CHECKED BY: [Name]
DATE: 12/15/2006

EXHIBIT H

EXHIBIT H

Performance Trigger Summary*

Performance Trigger	Execution of Development Agreement ¹⁾	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 5	Enclave Phase	
		1st Residential C of O	451st Residential C of O	Sooner of 701st Residential C of O	Sooner of Delivery of Park D	Sooner of 701st Residential C of O ²⁾	901st Residential C of O	1st Residential C of O in Subarea 5	Sooner of 901st Residential C of O or 65% of Residential Acreage Net of Parks and Recreational Open Space and Streets
1st Performance Trigger				OR	OR	OR			
2nd Performance Trigger			50% of Residential Acreage Net of Parks and Recreational Open Space and Streets	3 years after 701st Residential C of O	5 years after acceptance of Phase 1 On-site Roadway Infrastructure ³⁾		1st Residential C of O in Subarea 5		

ON-SITE PROJECT INFRASTRUCTURE

On-Site Roadway Infrastructure									
Phase 1 On-Site Roadway Infrastructure	X								
Phase 2 On-Site Roadway Infrastructure		X							
Phase 3 On-Site Roadway Infrastructure ⁴⁾			X						
Enclave Phase On-Site Roadway Infrastructure	X								X
Lakewood Boulevard Landscape Improvements									
Parks and Recreational Open Space									
Park A		X							
Park B		X							
Park C		X							
Park D				X					
Private Recreation Area		X							
Pedestrian Easements / View Corridors		X							
Bike Path Segment One						X			
Bike Path Segment Two									
Bike Path Segment Three									
Bike Path Segment Four				X					
Bike Path Segment Five ⁵⁾				X					

HOUSING PAYMENT

Affordable Housing Fee									
Residential	\$ 250,000	\$ 425,000	\$ 675,000	\$ 325,000	\$ 350,000	\$ 650,000			
Commercial ⁶⁾									

* This exhibit has been prepared as a summary of the detailed requirements contained in the Development Agreement. In the event of any conflict between this exhibit and the Development Agreement, the Development Agreement shall control. For Transportation Improvements see Exhibit F to the Development Agreement.

¹⁾ Payment will be delayed in the event of any legal challenge to the Development Agreement.

²⁾ If first trigger is missed due to remediation delay, corporate guarantee or letter of credit becomes applicable.

³⁾ If second trigger is missed due to remediation delay and no alternate location has been delivered, park Mitigation Amount is due.

⁴⁾ Portion of Cover Street/Street F and modification to signal at Cover Street/Street F and Paramount subject to approval by the City of Lakewood.

⁵⁾ Subject to approval by the City of Lakewood.

⁶⁾ See Section 8.30 of the Development Agreement for additional detail regarding trigger dates.

EXHIBIT I

EXHIBIT I
IMPACT FEES

1. Sewer Fees. Sewer fees for the Project during the Term shall be as follows:
 - \$67.48 per equivalent fixture unit per Sections 107 and Table 10-1 of the Uniform Plumbing Code.

2. Park and Recreation Fees. Park and Recreation fees for the Project during the Term shall be as follows:
 - \$2,680 per single family dwelling
 - \$2,070 per unit on a multi-unit development
 - \$1,522 per secondary housing unit (granny flat)
 - \$1,015 per accessory residential unit (artist studio, caretakers unit, personage up to 220 square feet)

3. Traffic Impact Fees. No traffic impact fees shall be imposed on the Project during the Term. As discussed in Section 3.2.7, the Transportation Improvements qualify for credit against the City's Traffic Impact Fees. As such, no Traffic Impact Fees shall be required during the Term.

4. Affordable Housing Fee. No affordable housing fees shall be imposed on the Project during the Term, other than the Housing Payment set forth in Section 8.30.

EXHIBIT J

EXHIBIT J
FORM OF CERTIFICATE OF AGREEMENT COMPLIANCE

RECORDING REQUESTED BY AND
AFTER RECORDING RETURN TO:

BOEING REALTY CORPORATION
Douglas Park
P.O. Box 93005
Long Beach, California
Attn: _____

CERTIFICATE OF AGREEMENT COMPLIANCE

The City of Long Beach ("City") does hereby certify as follows:

1. On _____, City and McDonnell Douglas Corporation ("Company") entered into that certain Development Agreement for the development of Douglas Park, which Development Agreement was recorded as Instrument No. _____ in the Recorder's Office of the County of Los Angeles.

2. On _____, City completed its most recent annual review of the Development Agreement pursuant to California Government Code section 65865.1 and Section 5 of the Development Agreement.

3. Based upon the most recent annual statement of compliance submitted by Company and/or its successors or assigns, the most recent annual review and the information currently and actually known to City, as of the date set forth in paragraph 2 above, the Development Agreement has not been modified or amended by the City and Company [modify to reflect any amendments] and remains in effect.

4. Based upon the most recent annual statement of compliance submitted by Company and/or its successors or assigns, the most recent annual review and the information currently and actually known to City, as of the date set forth in paragraph 2 above, Company was in good faith compliance with the Development Agreement.

IN WITNESS WHEREOF, this Certificate is hereby executed by a duly authorized officer of the City as of [_____, ____].

CITY OF LONG BEACH, a charter city

By : _____

Print Name: _____

Title: [Director of Planning and Building]

STATE OF CALIFORNIA)
) ss.
COUNTY OF)

On _____, 2004 before me, _____, a notary public in and for said State, personally appeared _____, personally known to me (or 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.

WITNESS my hand and official seal.

Signature

(Seal)

EXHIBIT K

EXHIBIT K
FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

RECORDING REQUESTED BY AND
AFTER RECORDING RETURN TO:

BOEING REALTY CORPORATION
Douglas Park
P.O. Box 93005
Long Beach, California
Attn: _____

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment"), is made and entered into as of _____, by and between MCDONNELL DOUGLAS CORPORATION, a Maryland corporation ("Assignor") and _____, a _____ ("Assignee"), with reference to the following:

A. Pursuant to that certain certain Purchase Agreement And Escrow Instructions dated as of _____ (the "Purchase Agreement"), Assignor is selling to Assignee certain real property (the "Property") located within the area commonly known as Douglas Park and more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

B. Assignor heretofore entered into that certain Douglas Park Development Agreement dated _____ by and between Assignor and the City of Long Beach (the "Development Agreement"), which was recorded on _____ as Instrument No. _____ in the Official Records of the Recorder's Office of Los Angeles County, California.

C. In connection with the sale of the Property pursuant to the Purchase Agreement, Assignor now desires to assign and convey, and Assignee desires to accept and assume, all of Assignor's interest in and all of Assignor's obligations under the Development Agreement, subject to the conditions set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. ASSIGNMENT. Assignor hereby assigns, transfers, sets-over and delivers unto Assignee, without recourse or warranty of any kind, express or implied, all of the following rights, interests, benefits and privileges of Assignor under the Development Agreement:

[LIST OF RIGHTS, INTERESTS, BENEFITS AND PRIVILEGES BEING ASSIGNED.]

2. ASSUMPTION. Assignee hereby accepts the foregoing assignment and agrees to assume, discharge, keep, perform and fulfill all of the following terms, conditions, duties and obligations arising on or after _____ [DATE OF ASSIGNMENT] to be performed and fulfilled by Assignor under the Development Agreement, for the duration thereof:

[LIST OF TERMS, CONDITIONS, DUTIES, INDEMNITIES AND OBLIGATIONS BEING ASSUMED.]

3. ASSIGNOR'S INDEMNITY. Assignor shall fully and completely defend, indemnify and hold harmless Assignee and each and all of its successors, assigns, employees, officers, shareholders, directors, agents, servants and legal representatives from and against any and all manner of action or actions, cause or causes of action, in law or in equity, promises, liabilities, claims, demands, damages, loss, cost or expense (including without limitation attorney's fees and expenses) of any nature whatsoever (hereinafter collectively referred to as "Claims") arising out of, based upon or relating in any way to the Development Agreement, and which Claims arise out of any act, omission, event or circumstances existing or occurring prior to [DATE OF ASSIGNMENT]. It is the intention of the parties that this indemnity does not require payment as a condition precedent to recovery under this indemnity.

4. ASSIGNEE'S INDEMNITY. Assignee shall fully and completely defend, indemnify and hold harmless Assignor and each and all of its successors, assigns, employees, officers, partners, directors, agents, servants and legal representatives from and against any and all Claims arising out of, based upon or relating in any way to the Development Agreement, and which Claims arise out of any act, omission, event or circumstance existing or occurring on or after _____ [DATE OF ASSIGNMENT]. It is the intention of the parties that this indemnity does not require payment as a condition precedent to recovery under this indemnity.

5. REPRESENTATION OF ASSIGNEE. Assignee hereby acknowledges receipt of a copy of the Development Agreement and represents and warrants that it has knowledge of its terms, covenants, conditions, duties and obligations.

6. COVENANTS OF FURTHER ASSURANCES. Assignor and Assignee each agree to execute such other documents and perform such other acts as may be necessary or desirable to effectuate this Assignment.

7. COUNTERPARTS. This Assignment may be signed in multiple counterparts which, when taken together and signed by all parties and recorded as provided in Section 9 hereof, shall constitute a binding Assignment between the parties.

8. SUCCESSORS AND ASSIGNS. All of the terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

9. EFFECTIVENESS. The effective date of this Assignment shall be the date upon which this instrument is recorded in the Official Records of the Recorder's Office of Los Angeles County, notwithstanding a prior execution date.

IN WITNESS WHEREOF, the parties have executed this instrument as of the date first set forth above.

ASSIGNOR:

MCDONNELL DOUGLAS
CORPORATION, a Maryland corporation

By: _____
Its: _____

ASSIGNEE:

_____, a

By: _____
Its: _____

STATE OF CALIFORNIA

)

) ss

COUNTY OF LOS ANGELES

)

On before me, , Notary Public, personally appeared , personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA

)

)

ss

COUNTY OF LOS ANGELES

)

On before me, , Notary Public, personally appeared , personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

EXHIBIT L

EXHIBIT L
FORM OF WAIVER OF RIGHT OF FIRST REFUSAL AND USE RESTRICTIONS

RECORDING REQUESTED BY AND
AFTER RECORDING RETURN TO:

BOEING REALTY CORPORATION
Douglas Park
P.O. Box 93005
Long Beach, California
Attn: _____

WAIVER OF RIGHT OF FIRST REFUSAL AND USE RESTRICTIONS

THIS WAIVER OF RIGHT OF FIRST REFUSAL AND USE RESTRICTIONS dated as of _____, is executed by the City of Long Beach, a charter city and municipal corporation of the State of California ("the City") in favor of MCDONNELL DOUGLAS CORPORATION, a Maryland corporation ("Company"), and its successors and assigns with respect to that certain real property (the "Property") located in the City of Long Beach, County of Los Angeles, State of California, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

Paragraph L in that certain Corporation Grant Deed executed by the City and recorded on December 24, 1981 as Instrument No. 81-1260432 in the Official Records of Los Angeles County, California and Paragraph L in the certain Corporation Grant Deed executed by the City and recorded on December 24, 1981 as Instrument No. 81-1260433 in the Official Records of Los Angeles County, California (collectively, the "Corporation Grant Deeds") each contains a right of first refusal in favor of the City (collectively, the "First Rights") that apply to the Property.

Paragraphs H and K in each of the Corporation Grant Deeds refer to or contain use restrictions in favor of the City (collectively, the "Use Restrictions") that apply to the Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the City does hereby fully and finally waive the First Rights and the Use Restrictions to the extent that either or both of the First Rights and any of the Use Restrictions now or hereafter apply to the Property. The foregoing agreement and waiver may be relied upon by Company, its successors and assigns and all past and future owners of the Property.

CITY OF LONG BEACH, a charter city and
municipal corporation of the State of
California

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

Date: _____

ROBERT SHANNON, City Attorney

By: _____

STATE OF CALIFORNIA

)

) ss

COUNTY OF LOS ANGELES

)

On before me, , Notary Public, personally appeared , personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

STATE OF CALIFORNIA

)

) ss

COUNTY OF LOS ANGELES

)

On before me, , Notary Public, personally appeared , personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

EXHIBIT M

EXHIBIT M

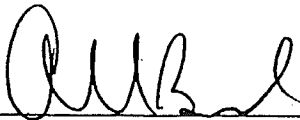
LEGAL DESCRIPTION
APN 7149-001-900
S.W. CORNER LAKEWOOD/CARSON
IMPROVEMENTS

THAT PORTION OF THE EASTERLY 160 FEET OF THE NORTHERLY 200 FEET OF LOT 39 PF TRACT MAP 8080, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS;

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT; SAID POINT BEING ON THE WESTERLY LINE OF LAKEWOOD BOULEVARD (80 FEET WIDE); THENCE ALONG THE EASTERLY LINE OF SAID LOT SOUTH $00^{\circ}18'44''$ WEST 200.00 FEET TO A POINT ON THE SOUTHERLY LINE OF THE NORTHERLY 200 FEET OF SAID LOT; THENCE ALONG SAID SOUTHERLY LINE, NORTH $89^{\circ}42'49''$ WEST 15.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID SOUTHERLY LINE, NORTH $00^{\circ}17'22''$ EAST 110.94 FEET; THENCE NORTH $50^{\circ}11'06''$ WEST 29.63 FEET; THENCE NORTH $89^{\circ}44'30''$ WEST 122.14 FEET TO A POINT ON THE WESTERLY LINE OF THE EASTERLY 160 FEET OF SAID LOT; THENCE ALONG SAID WESTERLY LINE, NORTH $00^{\circ}17'22''$ EAST 9.77 FEET; THENCE LEAVING SAID WESTERLY LINE, SOUTH $89^{\circ}72'11''$ EAST 122.87 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 33.00 FEET; THENCE EASTERLY AND SOUTHEASTERLY 51.89 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF $90^{\circ}55'55''$; THENCE SOUTH $00^{\circ}18'44''$ WEST 106.64 FEET TO A POINT ON THE SOUTHERLY LINE OF THE NORTHERLY 200 FEET OF SAID LOT; THENCE ALONG SAID SOUTHERLY LINE, NORTH $89^{\circ}42'49''$ WEST 9.87 FEET TO THE POINT OF BEGINNING.

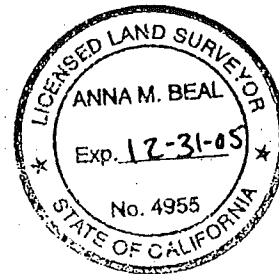
CONTAINING 2,788 SQUARE FEET MORE OR LESS

PREPARED BY ME OR UNDER MY SUPERVISION



ANNA M. BEAL, P.L.S. 4955
EXPIRES 12/31/05

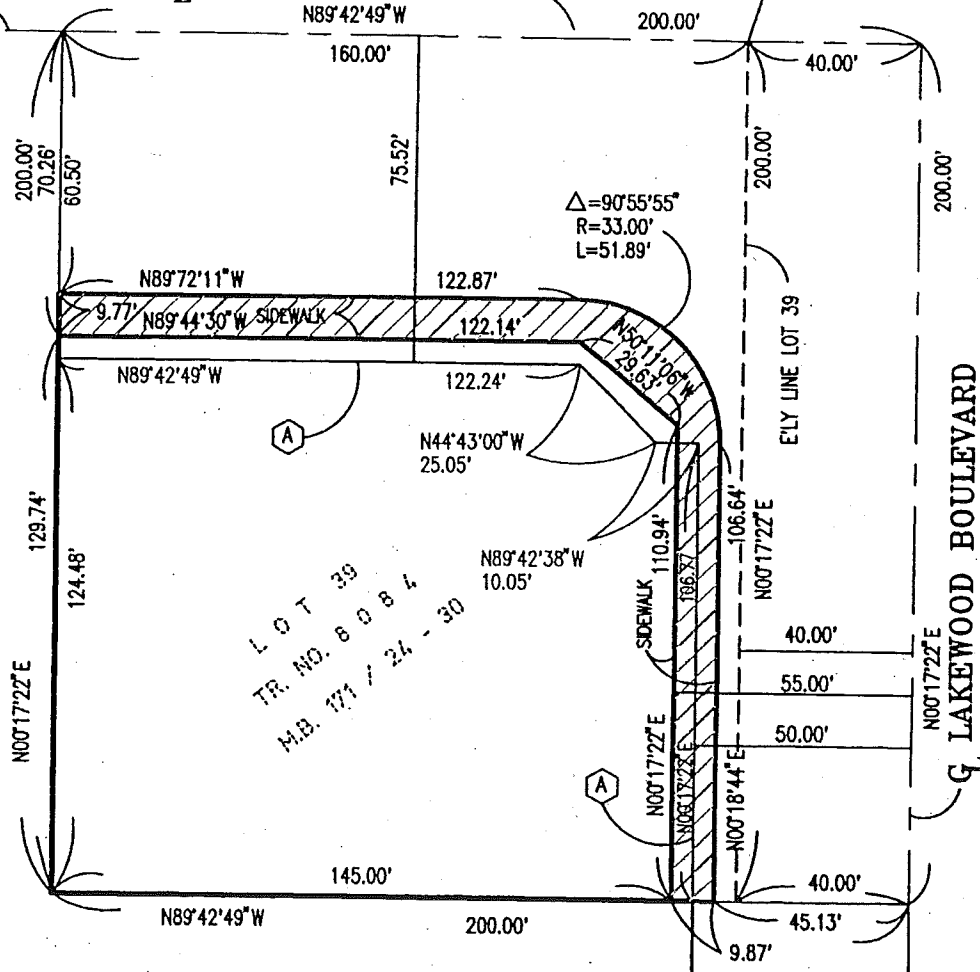
9/17/04



N'LY LINE LOT 39


CL CARSON STREET


P.O.B.



LOT 39
 TR. NO. 8084
 M.B. 171 / 24 - 30

(A) RIGHT OF WAY PER WILLDAN DRAWING FOR THE IMPROVEMENT OF LAKEWOOD BOULEVARD DRAWING C-5488.

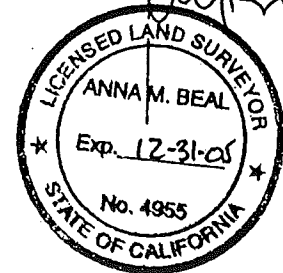
 INDICATES LIMITS OF IMPROVEMENTS FROM BACK OF SIDEWALK TO BACK OF CURB. 2,788 SQ. FT. ±

 INDICATES LIMITS OF PROPERTY TO BACK OF SIDEWALK. 18,601 SQ. FT. ±

SCALE: N.T.S.



BEARING AND DISTANCES SHOWN HEREON ARE BASED UPON RECORD DATA.



SHEET 1 OF 1 SHEETS

CITY OF LONG BEACH

4069 LAKEWOOD BOULEVARD
 APN 7149-001-900

EXHIBIT N

EXHIBIT N

RIGHT OF ENTRY PERMIT AGREEMENT

City of Long Beach ("City") hereby grants permission to McDonnell Douglas Corporation, a Maryland corporation and a wholly-owned subsidiary of The Boeing Company, a Delaware corporation ("Permittee") to use and occupy approximately fourth tenths (0.4) gross acres of real property located at the southwest corner of Carson Street and Lakewood Boulevard ("permit areas") shown Exhibit "A", attached hereto and by this reference made a part hereof.

The permit areas shall be used and occupied by Permittee subject to the following terms, conditions, and limitations:

1. The permit areas and the improvements thereon shall be used for construction of a park in accordance with Section 8.25.1 of the Douglas Park Development Agreement dated _____, as the same may be thereafter amended, and for no other purpose without the prior written consent of the City Manager of the City ("City Manager"). Notwithstanding the foregoing, the parties acknowledge that Permittee's construction of a City-approved park may require the demolition of existing improvements in, on or under the permit areas.

2. Permittee shall not be charged any rent or other fees or costs (other than standard processing fees) in consideration of its activity, or the rights granted under this Permit.

3. The term of this Permit shall commence on _____, 20____, and shall end at midnight on _____, 20____.

4. City shall have no duty to make any improvement or repair to the permit areas; provided, however, nothing herein shall relieve City of any liability or remediation obligation with respect to any environmental condition in, on or about the permit areas which has not been caused by Permittee. Any and all uses of the permit areas by Permittee, its agents, contractors, and their employees shall be at their sole risk, cost, and expense. Permittee, at its cost, in connection with the permitted activities, shall keep and maintain the permit areas during its use and occupancy thereof, in good order, condition, and repair, free and clear of all rubbish, debris and litter.

5. During its use and occupancy of the permit areas, Permittee shall at all times comply with all laws, ordinances, rules, and regulations of and obtain applicable permits from all federal, state, and local governmental authorities having jurisdiction over the permit areas with respect to Permittee's activities thereon. Notwithstanding the foregoing, Permittee shall have no obligation to remediate any environmental condition, except to the extent caused by Permittee.

6. Permittee shall not assign this Permit or any interest herein nor allow the transfer thereof (whether by operation of law or otherwise), without the prior written consent of City, which shall not be unreasonably withheld, conditioned or delayed. Any attempted transfer or assignment without such consent shall be void and confer no rights whatsoever upon a transferee or assignee.

7. City's authorized representatives shall have access to and across the permit areas during business hours and, in the event of an emergency, at any other time for inspection, repair of publicly-owned utilities and structures, and for fire and police purposes. City, at its cost, in connection with such activities, shall keep and maintain the permit areas during its use and occupancy thereof, in good order, condition, and repair, free and clear of all rubbish, debris and litter. With respect to such access and activities, City shall indemnify, hold harmless and defend Permittee to the same extent as Permittee is obligated to indemnify, hold harmless and defend City pursuant to Section 10 hereafter.

8. The permit areas are subject to all rights of way and entry thereon for the installation, relocation, removal, operation, and maintenance of sewers, pipelines, conduits, and telephone, telegraph, light, heat, and power lines (whether underground or overhead) as may from time to time be determined by City.

9. As a condition precedent to the effectiveness of this Permit, Permittee shall procure and maintain the following insurance at Permittee's sole expense for the duration of this Permit from insurance companies that are admitted to write insurance in the State of California or from nonadmitted insurers that are on California's List of Eligible Surplus Lines Insurers and that have ratings of or equivalent to an A:VIII by A.M. Best Company:

- (a) Commercial general liability insurance (equivalent in coverage scope to Insurance Services Office, Inc. (ISO) form CG 00 01 11 85 or 11 88) in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate. This coverage shall include broad form contractual liability, cross liability protection, independent contractors liability, explosion, collapse and underground hazards (XCU), and sudden and accidental pollution liability. The City, its officials, employees, and agents shall be named as additional insureds, to the extent of the indemnity provided under Section 10, by endorsement (equivalent in coverage scope to ISO form CG 20 12 11 85 or CG 20 26 11 85). Permittee's liability policy is a manuscript form based on the ISO forms with additions and enhancements to meet Permittee's specific needs. The commercial general liability policy meets or exceeds ISO standards in all relevant respects.
- (b) Commercial automobile liability insurance (equivalent in coverage scope to Insurance Services Office, Inc. (ISO) form CA 00 01 06 92) in an amount not less than One Million Dollars (\$1,000,000.00) combined single limit covering symbol 1, "Any Auto".
- (c) Permittee hereby releases the City from, and waives, its entire claim of recovery for loss of or damage to property arising out of or incident to fire, lightning or any other perils normally included in an "all risk" property insurance policy when such property is in, on or about the permit areas, whether or not such loss or damage is due to the negligence of City or Permittee or their respective agents, employees, guests, licensees, invitees or contractors.

Any self-insurance program, self-insured retention or deductible must be approved separately in writing by City's Risk Manager or designee and shall protect the City, its officials, employees, and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained such self-insurance or deductible provisions. City hereby approves Permittee's self-insurance program.

Permittee shall make available to the City a publicly available internet site containing an electronic memorandum evidencing such insurance coverage, e.g.:

<http://www.marsh.com/MarshPortal/PortalMain?PID=AppMoiFAQ-Terms&CLIENT=900001335>

All insurance required hereunder shall provide at least thirty (30) days' prior written notice of cancellation to the City (except that ten (10) days prior written notice of cancellation for nonpayment of premium is acceptable). Such insurance shall provide that coverage shall be primary and not contributing to any other insurance or self-insurance maintained by the City, its officials, employees, or agents.

Permittee shall require any subconsultant that Permittee may use in the performance of this Permit to maintain insurance in compliance with the provisions of these terms and conditions.

Such insurance as required herein shall not be deemed to limit Permittee's liability relating to performance under this Permit. The procuring of insurance shall not be construed as a limitation on liability or as full performance of the indemnification and hold harmless provisions of this Permit. City makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Permittee's liability and obligations under this Permit.

Any modification or waiver of the insurance requirements herein shall be made only with the written approval of the City's Risk Manager or designee.

10. Permittee shall indemnify and hold City harmless from and against any and all claims or liability for bodily injury to or death of any person or loss of or damage to any property arising out of the activities of Permittee, its agents, employees, contractors or invitees in, on or about the permit areas except claims and liabilities to the extent caused by any negligence on the part of City, its agents, employees, contractors or invitees. In the absence of any negligence on the part of the City, its agents, employees, contractors or invitees, such indemnity shall include all reasonable costs, attorneys' fees and expenses incurred in the defense of any such claim or any action or proceeding brought thereon.

In the event any action or proceeding is brought against City by reason of any claim falling within the scope of the foregoing indemnity, and in the absence of any negligence on the part of City, Permittee upon written notice from City to Permittee within 20 days after City receives notice of the claim shall defend same at Permittee's expense by counsel reasonably satisfactory to City.

The foregoing indemnity is conditioned upon City providing notice to Permittee within 20 days after City receives notice of any claim or occurrence that is likely to give rise to a

claim that will fall within the scope of the foregoing indemnity and cooperating fully with Permittee in any defense or settlement of the claim.

11. Except as otherwise expressly provided in this Permit, in the event Permittee shall fail or refuse to perform any term, covenant or condition on its part to be performed, within ten (10) days after receipt of written notice from City, or such longer period as may be reasonably necessary under the circumstances, City may terminate this Permit. Permittee shall promptly vacate and surrender the Permit upon the expiration of the ten (10) day notice period unless Permittee shall have cured the default within the ten (10) day notice period or such longer period as may be reasonably necessary under the circumstances.

12. Any notice, demand, request, consent, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either be served personally, by facsimile transmission or sent by prepaid, first-class mail, addressed as follows:

TO CITY: City Manager
 City of Long Beach
 333 West Ocean Boulevard
 Long Beach, California 90802
 FAX No. (562) 570-6583

TO PERMITTEE: McDonnell Douglas Corporation
 c/o Boeing Realty Corporation
 15480 Laguna Canyon Road, Suite 200
 Irvine, California 92618-2114
 Attention: DeDe Soto
 FAX No. (949) 790-1906

Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated upon delivery if personally served or given by facsimile transmission and within forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

ACCEPTED this _____ day of _____, 20__.

McDONNELL DOUGLAS CORPORATION,
a Maryland corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

"PERMITTEE"

CITY OF LONG BEACH,
a municipal corporation

DATED: _____

By: _____
City Manager

"CITY"

Approved as to form this _____ day of _____, 20__.

ROBERT E. SHANNON, City Attorney

By: _____
Assistant City Attorney

EXHIBIT O

EXHIBIT O
AIRSPACE AND AVIGATION EASEMENT

Recorded at the request of and mail to:

City of Long Beach
Attn: Michael J. Mais, Asst. City Attorney
333 W. Ocean Blvd., 11th Floor
Long Beach, CA 90802

**FREE RECORDING REQUESTED IN ACCORDANCE
WITH GOVERNMENT CODE §6103**

Space above this line for Recorder's Use

AIRSPACE AND AVIGATION EASEMENT

By its duly authorized execution of this document, McDonnell Douglas Corporation, a Maryland corporation and a wholly-owned subsidiary of The Boeing Company, a Delaware corporation ("Grantor"), grants to the City of Long Beach, a charter city and municipal corporation of the State of California ("Grantee" or "the City"), an airspace and avigation easement over and to that certain property owned by Grantor and located adjacent to Long Beach Airport- Daugherty Field, commonly known as Douglas Park, and more specifically described in the legal description attached and incorporated into this grant of easement as "Attachment A" ("the Property"). This airspace and avigation easement is granted in perpetuity to the City (and its successors) in its capacity as the owner, operator and proprietor of that certain property commonly known as Long Beach Airport-Daugherty Field ("LGB"). This grant of easement is executed, delivered and effective as of _____, 2004.

This easement, as defined and described in Section 2 of this document, is granted for good and valuable consideration, and is made and accepted in further consideration of the recitals, representations and warranties in Section 1 of this document.

1.0 Recitals, Representations and Warranties

1.1 Grantor's Ownership.

As of the effective date of this grant of easement, Grantor is the legal owner in fee of the Property.

1.2 Grantee's Ownership of Long Beach Municipal Airport.

Grantee owns and operates LGB as a public airport.

1.3 Grantor's Development of the Property.

Grantor desires to develop the Property and to receive necessary permits and authorization for such development from the City. In connection and concurrently with execution and acceptance of this grant of easement, City has approved and Grantor and the City have executed a Development Agreement governing the development of the Property.

1.4 Grantor's Authority to Grant Easement.

Grantor has been duly and lawfully authorized by its Board of Directors to execute this grant of easement in favor of the City.

1.5 Grantee's Authority to Accept Easement.

Grantee has been duly and lawfully authorized by its City Council to accept this grant of easement.

1.6 Present and Future Effects of the Operation of LGB as

a Public Airport on the Development and Use of the Property.

As a result of the present or future operation of aircraft to and from LGB, the Property is regularly subject to operation of aircraft on LGB property, and flight by aircraft over or in the vicinity of the Property of such a nature, and in such volume, that persons residing within, or otherwise lawfully using or occupying the Property, or any portion of the Property, may experience various resulting effects, including, but not limited to, noise, dust particulates, fumes or other effects to a degree sufficient to cause

inconvenience, annoyance, discomfort, emotional or physical distress or injury, interference with the comfortable use and enjoyment of the Property for its intended or permitted purpose, or diminution in the value the Property. The nature and level of aircraft operations to, from and on LGB may increase in the future, and may cause a resulting increase in adverse effects to the Property, its value, and persons residing on or otherwise lawfully using or occupying the Property.

**1.7 Protection of Legal Rights and Interests Existing
in Respect of the Operation of LGB as Public Airport.**

In connection with its desired development of the Property, and in consideration of the City's agreement to enter into a Development Agreement for the Property, Grantor, for itself and the "Grantor Parties" defined in Section 3.1 of this grant of easement, wishes to provide appropriate protections for the legal rights and interests of the City, users of LGB, and the public with respect to the continued operation and use of LGB as a public airport.

2.0 Grant and Terms of Airspace and Avigation Easement.

Grantor, for itself and the Grantor Parties, grants a perpetual and nonexclusive airspace and avigation easement (the "easement") over and to the Property to the City, as described below. This easement is granted for the benefit of the City and the "Grantee Related Parties" defined in Section 3.1 of this grant of easement.

2.1 Right to use Airspace Above the Property.

Grantee, and all persons using LGB, shall have the unimpeded and unrestricted right to use and operate aircraft through all of the "navigable airspace" above the Property, as that term is presently defined in the Federal Aviation Act of 1958, as amended, and in all airspace above the Property necessary or convenient to the present or future operation of aircraft to and from LGB in accordance with all relevant regulations, advisory circulars or other publications of the Federal Aviation Administration governing the operation of aircraft in flight.

Grantor will not erect or permit the erection of, or permit to remain upon the Property, any building, structure, improvement, tree, vegetation or other object extending into the airspace above the Property that may, in Grantee's sole and exclusive judgment, cause interference with aircraft navigation or operations at LGB.

Grantee shall have the unrestricted right, in its sole and exclusive discretion and without liability to Grantee of any kind, to take such actions as it deems necessary, including the unrestricted right of ingress and egress on the Property, subject to the notice provisions set forth in Section 2.2, below, to prevent, prohibit, remove, demolish in whole or in part, or install any lighting or marking on, any: (i) building, (ii) portion(s) of buildings, (iii) structures or improvements of any kind, (iv) tree, (v) vegetation or (vi) any other object on the Property or any portion thereof, which causes any interference with, or impairment of, the safe, efficient, free and unrestricted use of the airspace by aircraft operating to or from LGB, or which is in any respect inconsistent with then existing federal law or regulations which define the airspace necessary or convenient to the safe and efficient operation of aircraft to and from LGB. However, in the event any structure is constructed on the Property which, at the time of its construction, has received necessary and required City permits for construction, and which has received a written determination from the Federal Aviation Administration ("FAA"), in accordance and consistent with the requirements of Part 77 of the Federal Aviation Regulations (or equivalent successor regulations), that the structure is neither an "obstruction" nor a "hazard" to air navigation, such structure shall be deemed to be in compliance with the requirements of this grant of easement, and it shall not be subject to any action to demolish or remove the structure, in whole or in part, under the terms of this grant of easement.

The cost to install lighting or markings on, or to remove or demolish, in whole or in part, any such building or portion of building, structure, improvement, tree, vegetation or other object shall be borne exclusively by Grantor or the Grantor Parties.

**2.2 Prohibition Against Activities Which Cause Electronic or
Light Interference with Operations at, or the use of, LGB.**

Grantor shall not use the Property for, or permit the use on the Property of, any activity which creates electrical interference with radio communication between any installation on or user of LGB and aircraft operating to, from or in the vicinity of LGB. Grantor will not install, use or permit the use of lights on the Property which interfere with or impair the unrestricted operation of LGB or the visibility of LGB to users of the airport, or which make it difficult for aircraft operators or pilots to distinguish between airport lights and other lights. Grantor will not cause or permit a discharge on or from the Property of fumes, dust or smoke which impairs visibility in the vicinity of LGB or otherwise endangers the landing, taking off or maneuvering of aircraft, or otherwise impairs the usability or function of LGB as an airport.

Grantee shall have the unrestricted right in its sole and exclusive discretion, and without liability to Grantor of any kind, to take such actions as are necessary, including the unrestricted right of ingress and egress to prevent, prohibit, remove, or otherwise terminate any improvement or activity on the Property which is inconsistent with or in violation of the rights and prohibitions of this Section; provided, however, that Grantee shall provide Grantor (or any subsequent owner of the portion of the Property over which Grantee wishes to exercise such right of ingress and egress) a minimum of ten (10) days notice prior to exercising such right of ingress and egress.

The cost to prevent, prohibit remove, or otherwise terminate any such improvement or activity on the Property shall be borne exclusively by Grantor or the Grantor Parties.

2.3 Right to Impose on the Property Noise, Fumes and Other Consequential Effects of Aircraft Operation, and the Operation of LGB as a Public Airport.

For, as a result of, or in connection with any and all air navigation, airport operations, aircraft ground operations, maintenance, or any other purpose directly or indirectly related to aviation activities at, to or from LGB, or its use as a public airport, including aircraft landing, taking off, taxiing, aviation or related facility operations at or on LGB, Grantee and the Grantee Related Parties shall have the right to subject the Property to any and all effects or conditions of any nature, and at any level or volume,

resulting from the operation of LGB as an aviation facility, or the operation of any aircraft using LGB, except as expressly provided in Section 2.5, below.

This easement right includes, but is not limited to, the right to cause on or over the Property, or in any structure or improvement on the Property, noise, sounds, vibrations, turbulence, illumination, air currents, electronic interference, fumes, dust, other particulate matter, or fuel particles resulting from the operation of aircraft or the operation of LGB as an aviation facility, and any and all resulting annoyance, inconvenience, disturbance or other consequences to persons on, in or using the Property, and any improvements on the Property, as they may now or hereafter exist. This easement right further includes the right to cause interference with sleep, communication, recreation or other use or enjoyment of the Property, and any and all other effects that might otherwise be alleged to be incident to or caused by the operation of LGB, or the operation of aircraft over or in the vicinity of the Property, or in landing at or taking off from, or operating at or on LGB, including, but not limited to, those effects that (i) may be objectionable or would otherwise constitute a trespass on the Property, or into airspace above or in the vicinity of the Property, (ii) may cause a permanent or continuing nuisance with respect to the Property or its use, (iii) may cause any emotional or other distress or injury to any person, or (iv) may cause or result in any taking of or damage to the Property, any portion of the Property, or any improvements on or to the Property.

2.4 Continuing and Future Easement Rights and Waiver of Claims.

This easement shall continue in perpetuity notwithstanding any future changes or increases in the type, volume, frequency, time, or location of operations to, from or at LGB; nor shall any such changes constitute or be deemed to be a "burden" or "surcharge" on the easement. No conduct or use of the Property by Grantor or any Grantor Party for any period of time shall be construed to establish prescriptive rights in Grantor or any such Grantor Party; nor shall any increase, diminution or change in the use of the easement, or the operation or use of LGB by Grantee, constitute an "overburdening," termination or abandonment of the easement, in whole or in part.

Except as provided in Section 2.5, Grantor and each of the Grantor Parties waive

any right, or claim of right, for damages or otherwise, against Grantee, and all Grantee Related Parties (as defined in Section 3.1), for any act or activity undertaken consistent with the rights granted in, or permitted by, this grant of easement.

2.5 Exception for Aircraft Crash or Falling Objects.

This easement, and the resulting waiver of Grantor's rights, shall not be deemed to limit the liability of any aircraft operator for direct physical injury or damage to persons, structures or improvements on the property directly resulting from: (i) an aircraft crash onto the Property; (ii) the impact of falling objects from, or parts of, any aircraft onto the Property; or (iii) the discharges of waste or the non-routine or non-customary discharges of fluids or fuel from any aircraft.

3.0 General Provisions.

3.1 Persons Bound by Easement

This easement shall be appurtenant to and for the benefit of LGB, including any additions thereto, wherever located, and for the benefit of Grantee and Grantee's successors, assigns, tenants, permittees, licensees, concessionaires, guests, and invitees, including, but not limited to, any and all persons, firms, or entities lawfully on, using or operating aircraft to, from or at LGB ("Grantee Related Parties"). This easement, and all resulting rights, is forever vested in Grantee, its successors and assigns. The obligations created, and privileges and rights granted, by this easement shall be binding upon the Property (and each portion thereof) and all Grantor Parties. For purposes of this easement, "Grantor Party" or "Grantor Parties" means, collectively: (i) Grantor and its affiliates, successors and assigns; (ii) all subsequent owners of a fee interest in any portion of the Property and their respective heirs, administrators, executors, representatives, successors and assigns; and (iii) all persons and entities from time to time on, using and/or occupying any portion of the Property, either as an owner, tenant, licensee, invitee, permittee, concessionaire, employee, visitor, guest or otherwise.

3.2 Modification or Termination of Easement.

This easement may not be modified, amended, terminated or abandoned except by execution and delivery of an instrument executed and acknowledged by Grantee, its successors or assigns.

3.3 Severability.

In the event that any one or more covenant, condition, right or other provision contained in this easement is held to be unenforceable, invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this easement and such a determination shall in no way affect, impair, or invalidate any other covenant, condition, right or other provision of this easement.

GRANTOR

McDonnell Douglas Corporation, a Maryland Corporation

Dated: _____ By: _____

Its:

#04-02269,

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the real property conveyed by the foregoing Airspace And Avigation Easement dated _____, from the **MCDONNELL DOUGLAS CORPORATION**, a Delaware corporation, to the **CITY OF LONG BEACH**, a charter city and municipal corporation of the State of California, is hereby accepted pursuant to order of the City Council of the City of Long Beach made on _____, and that the Grantee consents to recordation thereof by its duly authorized officer, namely, the City Attorney.

DATED: _____

ROBERT E. SHANNON, City Attorney of the City of Long Beach

By: _____

Michael J. Mais
Assistant City Attorney

STATE OF CALIFORNIA)
)
) ss.
COUNTY OF)

On _____, 2004 before me, _____, a notary public in and for said State, personally appeared _____, personally known to me (or 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.

WITNESS my hand and official seal.

Signature

(Seal)

ATTACHMENT A
LEGAL DESCRIPTION OF THE PROPERTY

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL 1:

THAT PORTION OF LOT 40 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 40; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 40.00 FEET TO THE INTERSECTION OF THE CENTER LINES OF LAKEWOOD BOULEVARD (100 FEET WIDE) AND CONANT STREET (80 FEET WIDE); THENCE NORTH 0 DEGREES 12 MINUTES 44 SECONDS EAST 782.60 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 50.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE FROM SAID TRUE POINT OF BEGINNING, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 219.08 FEET; THENCE NORTH 0 DEGREES 12 MINUTES 44 SECONDS EAST 594.30 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 113.30 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 6.42 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 105.78 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 587.88 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE ABOVE DESCRIBED LAND ON THE EAST.

PARCEL 2:

THOSE PORTIONS OF LOTS 39 AND 40 AND OF BIXBY STATION ROAD LYING BETWEEN SAID LOTS, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET FROM THE SOUTHWESTERLY CORNER THEREOF; THENCE NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 2098.72 FEET; THENCE SOUTH 89 DEGREES 31 MINUTES 35 SECONDS EAST 46.92 FEET; THENCE NORTH 0 DEGREES 11 MINUTES 34 SECONDS EAST 441.97 FEET TO THE SOUTHERLY LINE OF THE NORTH 100 FEET OF SAID LOT 39; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 1562.71 FEET TO THE WESTERLY LINE OF THE EAST 160 FEET OF SAID LOT 39; THENCE ALONG SAID WESTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 100 FEET; THENCE PARALLEL WITH SAID NORTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 160 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT 39, DISTANT THEREON, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 200 FEET FROM THE NORTHEASTERLY CORNER THEREOF; THENCE ALONG LAST MENTIONED EASTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 44 SECONDS WEST 359.97 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 45 SECONDS WEST 687.74 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 16 SECONDS WEST 725.64 FEET; THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 40, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 516.65 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 1354.90 FEET, MORE OR LESS, TO A POINT IN SAID SOUTHERLY LINE, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 565.15 FEET FROM THE POINT OF BEGINNING; THENCE ALONG SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 565.15 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE ABOVE DESCRIBED LAND ON THE EAST.

PARCEL 3:

THAT PORTION OF LOTS 40 AND 42 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 486.57 FEET FROM THE SOUTHWESTERLY CORNER THEREOF; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 40, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID LOTS, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 673.99 FEET; THENCE PARALLEL WITH THE EASTERLY LINE OF SAID LOT 42, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 200.70 FEET; THENCE SOUTH 78 DEGREES 05 MINUTES 36 SECONDS EAST 470.48 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 17 SECONDS EAST 558.38 FEET TO A POINT IN THE WESTERLY LINE OF PARCEL 3 HEREBIN DESCRIBED; THENCE ALONG SAID WESTERLY LINE, SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 652.01 FEET, MORE OR LESS, TO A POINT IN THE SOUTHERLY LINE OF SAID LOT 40, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET FROM THE SOUTHWESTERLY CORNER OF SAID LOT 40; THENCE ALONG SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 344.78 FEET TO THE POINT OF BEGINNING.

PARCEL 4:

THOSE PORTIONS OF LOTS 41 AND 42 AND OF BIXBY STATION ROAD LYING BETWEEN SAID LOTS, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT 42, DISTANT THEREON NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 213.73 FEET FROM THE SOUTHEASTERLY CORNER THEREOF; THENCE PARALLEL WITH THE EASTERLY LINE OF SAID LOTS, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE PARALLEL WITH SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 26.31 FEET; THENCE PARALLEL WITH SAID EASTERLY LINES, NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 859.27 FEET TO A POINT IN THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN PARCEL "D" OF THE DEED RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE, SOUTH 63 DEGREES 55 MINUTES 55 SECONDS WEST 15.48 FEET TO THE MOST WESTERLY CORNER OF THE LAND SO DESCRIBED; THENCE PARALLEL WITH SAID SOUTHERLY LINE, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 665.10 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 865.00 FEET FROM THE EASTERLY LINE OF SAID LOT 41; THENCE ALONG SAID PARALLEL LINE AND THE SOUTHERLY PROLONGATION THEREOF, SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 526.88 FEET TO THE SOUTHERLY LINE OF THE LAND CONVEYED TO LOS ANGELES & SALT LAKE RAILROAD COMPANY, BY DEED RECORDED IN BOOK 17896 PAGE 358, OFFICIAL RECORDS; THENCE ALONG THE SOUTHERLY LINE OF SAID RAILROAD LAND, NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 557.50 FEET TO A LINE PARALLEL WITH AND DISTANT WESTERLY 1422.50 FEET FROM THE EASTERLY LINE OF SAID LOT 42; THENCE ALONG SAID PARALLEL LINE, SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 870 FEET TO THE SOUTHERLY LINE OF SAID LOT 42; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS

EAST 1208.77 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF LOTS 39 AND 41 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT 39, DISTANT THEREON SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 391.15 FEET FROM THE NORTHWESTERLY CORNER THEREOF; THENCE SOUTH 17 DEGREES 39 MINUTES 25 SECONDS WEST 1103.34 FEET TO THE MOST NORTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL "D" OF THE DEED RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG THE NORTHWESTERLY LINE OF THE LAND SO DESCRIBED, SOUTH 53 DEGREES 55 MINUTES 55 SECONDS WEST 21.09 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID NORTHWESTERLY LINE, SOUTH 53 DEGREES 55 MINUTES 55 SECONDS WEST 113.25 FEET; THENCE SOUTH 72 DEGREES 20 MINUTES 35 SECONDS EAST 126.98 FEET; THENCE NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 91.30 FEET; THENCE NORTH 72 DEGREES 20 MINUTES 35 SECONDS WEST 59.97 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 6:

THAT PORTION OF LOT 39 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 391.15 FEET FROM THE NORTHWEST CORNER OF SAID LOT; THENCE ALONG SAID NORTHERLY LINE, SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 2050.47 FEET TO THE NORTHWEST CORNER OF THE LAND CONVEYED TO MIKE LYMAN BY DEED RECORDED FEBRUARY 18, 1941 AS INSTRUMENT NO. 18 IN BOOK 18190 PAGE 223, OFFICIAL RECORDS; THENCE ALONG THE WESTERLY LINE OF THE LAND OF LYMAN, SOUTH 0 DEGREES 11 MINUTES 58 SECONDS WEST 100 FEET; THENCE ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO WESTERN LAND IMPROVEMENT COMPANY BY DEED RECORDED DECEMBER 13, 1940 AS INSTRUMENT NO. 22 IN BOOK 18034 PAGE 218, OFFICIAL RECORDS, TO AND ALONG THE NORTHERLY LINE OF THE LAND CONVEYED TO WESTERN LAND IMPROVEMENT COMPANY BY PARCEL "A" OF THE DEED RECORDED OCTOBER 2, 1941 AS INSTRUMENT NO. 59 IN BOOK 18735 PAGE 243, OFFICIAL RECORDS, NORTH 89 DEGREES 47 MINUTES 44.35 SECONDS WEST 2081.92 FEET TO THE NORTHWEST CORNER OF THE LAND SO CONVEYED BY THE LAST MENTIONED DEED; THENCE ALONG THE NORTHEASTERLY PROLONGATION OF THE WESTERLY LINE OF THE LAND SO CONVEYED BY THE LAST MENTIONED DEED, NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 104.83 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION OF SAID LAND INCLUDED WITHIN THE LINES OF CARSON STREET, AS CONVEYED TO THE COUNTY OF LOS ANGELES BY DEED RECORDED IN BOOK 10906 PAGE 178, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF LOT 39 AS DESCRIBED IN GRANT DEED TO THE CITY OF LONG BEACH WHICH RECORDED JULY 12, 2000 AS INSTRUMENT NO. 00-1064084 AND SEPTEMBER 28, 2000 AS INSTRUMENT NO. 00-1526582.

PARCEL 7:

THOSE PORTIONS OF LOTS 39 AND 40 AND OF BIXBY STATION ROAD, VACATED, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 40; THENCE ALONG THE SOUTH LINE OF SAID LOT NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 1204.70 FEET, MORE OR LESS, TO THE SOUTHEASTERLY CORNER OF PARCEL 3, DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., INC., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF PARCEL 3, NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 1354.90 FEET TO AN ANGLE POINT THEREIN; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 516.65 FEET; THENCE NORTH 0 DEGREES 12 MINUTES 16 SECONDS EAST 725.64 FEET; THENCE SOUTH 89 DEGREES 47 MINUTES 45 SECONDS EAST 687.74 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT 39; THENCE ALONG SAID EASTERLY LINE AND ALONG THE EASTERLY LINE OF SAID LOT 40, SOUTH 0 DEGREES 11 MINUTES 58 SECONDS WEST 2080.58 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF THE WEST HALF OF LAKEWOOD BOULEVARD (FORMERLY CERRITOS AVENUE, 80 FEET WIDE, AS SHOWN ON SAID MAP) ADJOINING THE LAST ABOVE DESCRIBED LAND ON THE EAST.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND CONTAINING 2.973 ACRES AND DESIGNATED AS PARCEL 2 IN SAID QUITCLAIM DEED TO DOUGLAS AIRCRAFT COMPANY.

PARCEL 8:

THOSE PORTIONS OF LOTS 40 AND 42 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 40; THENCE SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 486.57 FEET ALONG THE SOUTH LINE OF SAID LOT TO THE SOUTHWEST CORNER OF PARCEL 4 DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID PARCEL NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 546.77 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 36 SECONDS WEST 700.30 FEET TO THE INTERSECTION WITH THE EAST LINE OF PARCEL 5 DESCRIBED IN SAID QUITCLAIM DEED; THENCE SOUTH 0 DEGREES 11 MINUTES 32.72 SECONDS WEST 546.77 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 5; THENCE ALONG THE SOUTH LINE OF SAID LOT 42, SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 213.73 FEET TO THE POINT OF BEGINNING.

PARCEL 9:

THOSE PORTIONS OF LOTS 39, 40, 41 AND 42 AND OF BIXBY STATION ROAD, VACATED, AS SHOWN ON MAP OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 40; THENCE ALONG THE SOUTH LINE

OF SAID LOT SOUTH 89 DEGREES 47 MINUTES 36 SECONDS EAST 831.35 FEET TO THE SOUTHWEST CORNER OF PARCEL 3 DESCRIBED IN QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO., RECORDED MAY 20, 1947 AS INSTRUMENT NO. 3354, OFFICIAL RECORDS; THENCE ALONG THE WEST LINE OF SAID PARCEL 3, NORTH 0 DEGREES 12 MINUTES 34 SECONDS EAST 652.01 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING THE NORTHEAST CORNER OF PARCEL 4 DESCRIBED IN SAID QUITCLAIM DEED; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID PARCEL 4, NORTH 89 DEGREES 47 MINUTES 17 SECONDS WEST 558.38 FEET; THENCE NORTH 78 DEGREES 05 MINUTES 36 SECONDS WEST 470.48 FEET TO THE EAST LINE OF PARCEL 5 DESCRIBED IN SAID QUITCLAIM DEED; THENCE ALONG LAST SAID EAST LINE NORTH 0 DEGREES 11 MINUTES 32.72 SECONDS EAST 658.57 FEET, MORE OR LESS, TO THE INTERSECTION WITH THE NORTHWESTERLY LINE OF PARCEL D OF TRACT NO. 2 AS DESCRIBED IN DEED FROM WESTERN LAND IMPROVEMENT COMPANY, RECORDED IN BOOK 20582 PAGE 392, OFFICIAL RECORDS; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 53 DEGREES 55 MINUTES 55 SECONDS EAST 306.99 FEET TO THE MOST NORTHERLY CORNER OF SAID PARCEL D; THENCE ALONG THE WESTERLY LINE OF PARCEL A OF TRACT NO. 2 AS DESCRIBED IN LAST SAID DEED, NORTH 17 DEGREES 39 MINUTES 25 SECONDS EAST 998.51 FEET TO A LINE PARALLEL WITH THE NORTH LINE OF SAID LOT 39 AND DISTANT SOUTHERLY THEREFROM 100 FEET, MEASURED AT RIGHT ANGLES; THENCE ALONG SAID PARALLEL LINE SOUTH 89 DEGREES 47 MINUTES 44.35 SECONDS EAST 519.21 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 3 IN THE QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO.; THENCE ALONG THE WEST LINE OF LAST SAID PARCEL SOUTH 0 DEGREES 11 MINUTES 34 SECONDS WEST 441.97 FEET; THENCE NORTH 89 DEGREES 31 MINUTES 35 SECONDS WEST 46.92 FEET; THENCE SOUTH 0 DEGREES 12 MINUTES 34 SECONDS WEST 1446.71 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND CONTAINING 0.196 ACRE AND DESIGNATED AS PARCEL 6 IN SAID QUITCLAIM DEED TO DOUGLAS AIRCRAFT CO..

PARCEL 10:

THOSE PORTIONS OF LOTS 49, 51 AND 52 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THOSE PORTIONS OF LAKEWOOD BOULEVARD, (FORMERLY KNOWN AS CERRITOS AVENUE, 80 FEET WIDE) AS SHOWN ON SAID TRACT NO. 8084 NOW VACATED AND ABANDONED BY THE STATE OF CALIFORNIA HIGHWAY COMMISSION, A CERTIFIED COPY OF WHICH WAS RECORDED MAY 19, 1959 AS INSTRUMENT NO. 3601, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF LAKEWOOD BOULEVARD (100 FEET WIDE) AS DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES RECORDED JANUARY 5, 1932 AS INSTRUMENT NO. 1160 IN BOOK 11271 PAGE 368, OFFICIAL RECORDS, WITH THE NORTHERLY LINE OF SAID LOT 51; THENCE ALONG SAID LAKEWOOD BOULEVARD (100 FEET WIDE), SOUTH 0 DEGREES 06 MINUTES 03 SECONDS WEST 133.81 FEET TO A POINT IN A NON-TANGENT CURVE CONCAVE EASTERLY 2077 FEET, A TANGENT WHICH BEARS SOUTH 9 DEGREES 09 MINUTES 01 SECONDS EAST FROM SAID POINT AND SO RECITED IN SAID VACATION AND ABANDONMENT; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10 DEGREES 15 MINUTES 46 SECONDS AN ARC DISTANCE OF 372.03 FEET; THENCE SOUTH 25 DEGREES 16 MINUTES 10 SECONDS EAST 18.01 FEET TO THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE WESTERLY BOUNDARY OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA RECORDED NOVEMBER 2, 1959 AS INSTRUMENT NO. 3959, OFFICIAL RECORDS AS RECITED AS HAVING A BEARING AND LENGTH OF "SOUTH 25 DEGREES 16 MINUTES 02 SECONDS EAST 106.64 FEET"; THENCE SOUTH 25 DEGREES 16 MINUTES 02 SECONDS EAST TO A LINE THAT IS PARALLEL WITH AND DISTANT 583.00 FEET SOUTHERLY FROM THE NORTHERLY LINES OF SAID LOTS 49, 51 AND

52; THENCE ALONG SAID PARALLEL LINE NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3800.79 FEET; THENCE NORTH 0 DEGREES 08 MINUTES 55 SECONDS WEST 533.01 FEET; THENCE NORTH 45 DEGREES 01 MINUTES 25 SECONDS WEST 70.86 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT 49, SAID POINT BEING DISTANT NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3718.10 FEET ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, FROM THE POINT OF BEGINNING; THENCE ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, SOUTH 89 DEGREES 53 MINUTES 56 SECONDS EAST 3718.10 FEET TO THE POINT OF BEGINNING.

EXCEPT FROM THAT PORTION THEREOF LYING WITHIN THE LINES OF SAID LOT 52, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND, FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES OR OTHER USE OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATED WELLS AND PRODUCE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES FROM ANY PORTION OF SAID LAND WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS RESERVED IN THE DEED FROM MONTANA LAND COMPANY, RECORDED IN BOOK 32094 PAGE 1, OFFICIAL RECORDS, AND AS PROVIDED IN DECREE RECORDED IN BOOK 43923 PAGE 236, OFFICIAL RECORDS.

PARCEL 11:

AN EASEMENT, APPURTENANT TO LAND DESCRIBED ABOVE AS PARCEL 10, WHICH EASEMENT SHALL CONSTITUTE A RIGHT OF INGRESS AND EGRESS TO AND FROM THE TAXIWAYS AND RUNWAYS OF THE LONG BEACH AIRPORT AS DELINEATED ON EXHIBIT C-1, ATTACHED TO DEEDS RECORDED DECEMBER 24, 1981 AS INSTRUMENT NOS. 81-1260432, 81-1260433, 81-1260434 AND 81-1260435 FROM THE LAND DESCRIBED ABOVE AS PARCEL 16, WHICH ABUTS THE LONG BEACH AIRPORT. SAID EASEMENT IS APPURTENANT, RUNNING WITH THE LAND, AND NOT PERSONAL.

PARCEL 12:

THAT CERTAIN STRIP OF LAND 20 FEET IN WIDTH BEING THOSE PORTIONS OF LOTS 41, 43 AND 44 AND OF VACATED BIXBY STATION ROAD, AS SHOWN ON THE MAP OF TRACT NO. 8084, PARTLY IN THE CITY OF LONG BEACH AND PARTLY IN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED IN DEED TO LOS ANGELES & SALT LAKE RAILROAD COMPANY, A UTAH CORPORATION, RECORDED NOVEMBER 23, 1940 AS INSTRUMENT NO. 1000 IN BOOK 17896 PAGE 358 OF OFFICIAL RECORDS.

EXCEPT THEREFROM THAT PORTION THEREOF LYING WITHIN THE CITY OF LAKEWOOD, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

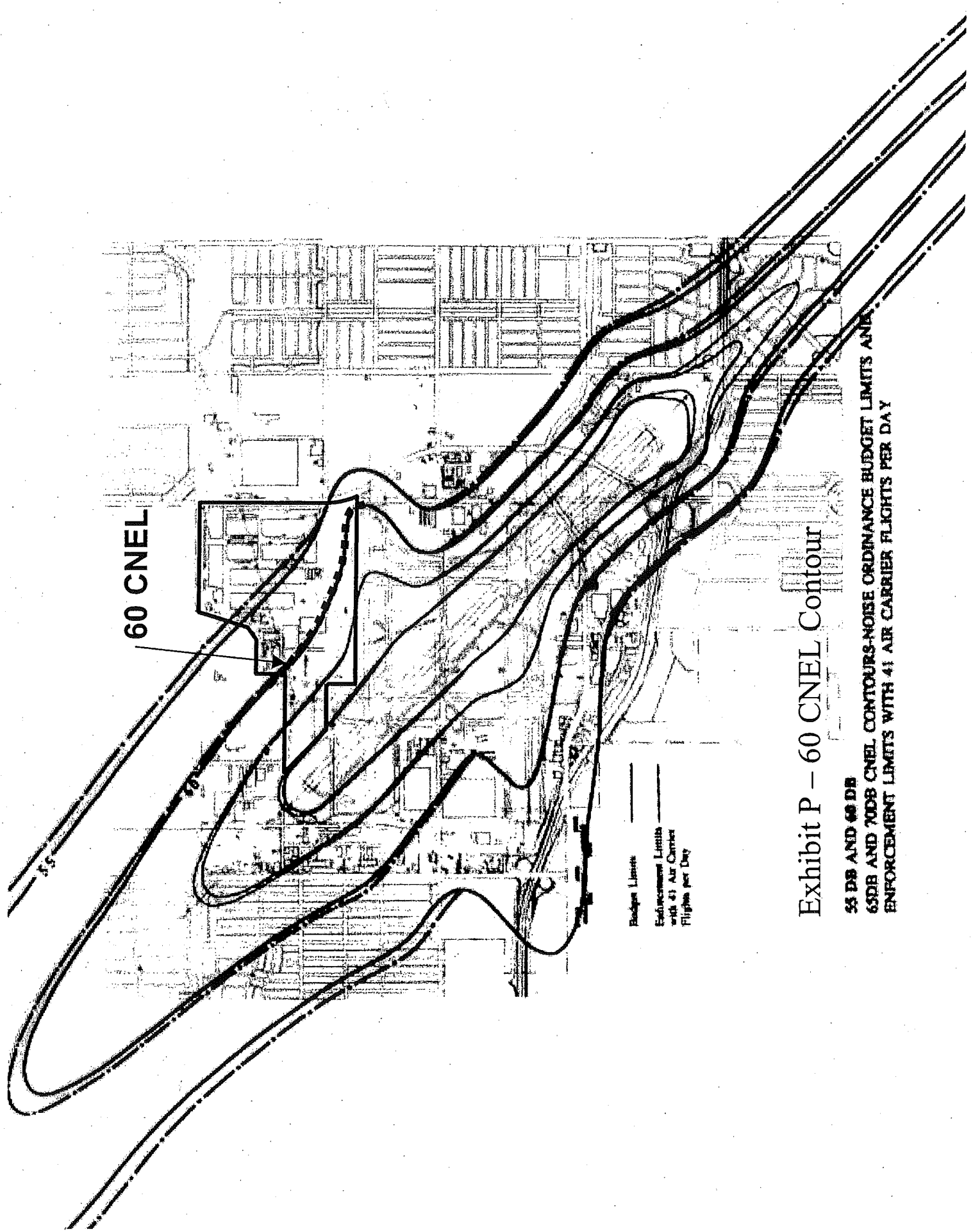
ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED IN QUITCLAIM DEED TO MONTANA LAND COMPANY, A CALIFORNIA CORPORATION, RECORDED OCTOBER 2, 1941 AS INSTRUMENT NO. 58 IN BOOK 18826 PAGE 47 OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS "PARCEL F" IN FINAL ORDER OF CONDEMNATION HAD IN LOS ANGELES SUPERIOR COURT CASE NO. LBC-23999, A CERTIFIED COPY OF WHICH RECORDED SEPTEMBER 28, 1960 AS INSTRUMENT NO. 1191 OF OFFICIAL RECORDS.

ALSO EXCEPTING ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER

NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, WHICH LIE 500 FEET OR MORE BELOW THE SURFACE OF THE PROPERTY, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE PROPERTY, AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY GRANTEE, ITS SUCCESSORS OR ASSIGNS, AS EXCEPTED AND RESERVED BY UNION PACIFIC RAILROAD COMPANY, A DELAWARE CORPORATION, IN DEED RECORDED MARCH 31, 2004 AS INSTRUMENT NO. 04-0756993.

EXHIBIT P



60 CNEL

Exhibit P - 60 CNEL Contour

55 DB AND 60 DB
 65DB AND 70DB CNEL CONTOURS-NOISE ORDNANCE BUDGET LIMITS AND
 ENFORCEMENT LIMITS WITH 41 AIR CARRIER FLIGHTS PER DAY

- Budget Limits
- - - Enforcement Limits with 41 Air Carrier Flights per Day
- · · Enforcement Limits with 41 Air Carrier Flights per Day

EXHIBIT Q

EXHIBIT Q
FORM OF ESTOPPEL CERTIFICATE

RECORDING REQUESTED BY AND
AFTER RECORDING RETURN TO:

BOEING REALTY CORPORATION
Douglas Park
P.O. Box 93005
Long Beach, California
Attn: _____

ESTOPPEL CERTIFICATE

[The City of Long Beach (the "City")][McDonnell Douglas Corporation ("Company")], hereby certifies as follows:

1. McDonnell Douglas Corporation ("Company") and City are parties to that certain Development Agreement dated as of _____ (the "Development Agreement").
2. [Pursuant to that certain Assignment And Assumption Agreement dated _____, (the "Assignment And Assumption Agreement") Company assigned to _____ ("Developer") certain rights under the Development Agreement affecting portion of that area commonly known as Douglas Park, as more particularly described in the Assignment And Assumption Agreement.]
3. The Development Agreement has been fully executed, and, as of the date of this Estoppel Certificate, is in full force and effect and has not been modified or amended. [Pursuant to that certain Amendment dated _____, the Development Agreement has been modified to _____].
4. To the best knowledge of the undersigned, all conditions and agreements to be satisfied or performed by the [Company][Developer][City] under the Development Agreement on or before the date of this certificate have been satisfied or performed.
5. There are no known current uncured defaults under the Development Agreement [other than dates and nature of any such known defaults] and, as of the date of this Estoppel Certificate, there are no defenses, set-offs, recoupments or counterclaims against the enforcement of the Development Agreement by the undersigned.
6. This Estoppel Certificate is provided for the benefit of [identify third party]. It may not be relied upon by any other person or entity for any purpose without separate written authorization from the undersigned.

IN WITNESS WHEREOF, this Certificate is hereby executed by a duly authorized officer of [the City][Company] [Developer] as of [_____, ____].

[CITY OF LONG BEACH, a charter
city][COMPANY] [DEVELOPER]

By: _____
Name: _____
Title: _____