

**Subject:** Re: Request for modification of Exhibits D and L  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Thu, 9 Jun 2016 06:50:07 -0700  
**To:** "Scott C. Stiles Icma-Cm" <sstiles@ci.garden-grove.ca.us>  
**CC:** Greg Blodgett <greg1@ci.garden-grove.ca.us>, Lisa Kim <lisak@ci.garden-grove.ca.us>

Good Morning,

I would like to speak with you this morning regarding my discussions last night with SCG and our request sent yesterday (attached). Do you have time this morning?

Thanks

Sent from my iPad Pro

**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - matthew.reid.ca  
matt.reid@landanddesign.com

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

---

On Jun 8, 2016, at 2:13 PM, Matt Reid <matt.reid@landanddesign.com> wrote:

Dear Scott,

Please see attached request.  
Please let me know if you should have any questions.

Thank you

**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

<2016\_06\_08 ltr to City dates.pdf>

<b>2016_06_08 ltr to City dates.pdf</b>	<b>Content-Type:</b> application/pdf <b>Content-Encoding:</b> base64
---	---

---

Part 1.1.3

<b>Part 1.1.3</b>	<b>Content-Type:</b> text/html <b>Content-Encoding:</b> quoted-printable
-------------------	---

Scott C. Stiles  
City Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

Via: EMAIL

RE: Grove District Resort Hotel Development between City of Garden Grove, a municipal corporation (the "City") and Land & Design, Inc., a California corporation ("L&D") dated April 9, 2013 (as may be amended from time to time, the "GDRHDA")

Dear Mr. Stiles:

As you're aware, Land and Design, Inc. has and continues to diligently work towards bringing the proposed multi-hotel development resort on the Property to the City per the GDRHDA working with some of the largest construction and development companies in the world.

As you are also aware, L&D have attained the rights to one of the most sought after resort brands in the world and is proposing to develop the City's first and only destination 4-Star resort property, which is an accomplishment that until recently was thought to be a virtual impossibility.

Pursuant to Section 605 of the GDRHDA whereby entitled "City Approvals and Actions Through the City Manager", which allows the City Manager of the City to approve additions and/or changes to the GDRHDA, the Developer does hereby request the following modifications to the GDRHDA:

1. The Schedule of Performance set forth on Exhibit D of the DDA shall be amended and restated in its entirety and replaced by the Schedule of Performance set forth on Attachment 1 hereof.
2. The Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component Tenants/Operators shall be amended to include the additional parties set forth on Attachment 2 hereof.

Except as otherwise expressly set forth in this Amendment, the DDA shall remain unchanged. Thank you for your cooperation in this matter.

Land & Design, Inc.



Matthew W. Reid / President

Accepted and agreed this \_\_\_ day of June, 2016

City of Garden Grove

By: \_\_\_\_\_  
Scott C. Stiles, City Manager

Attachment 1

**SCHEDULE OF PERFORMANCE - CONDENSED SCHEDULE**

	<b>PERFORMANCE ITEM</b>	<b>DATE*</b>
1.	City and Developer execute RHDA.	Completed
2.	City and Developer open Escrow.	Completed
3.	City accepts conveyance of fee title to all Agency Property.	Completed
4.	Developer completes its Site Investigation pursuant to Section 204.	Completed
5.	INTENTIONALLY OMITTED	INTENTIONALLY OMITTED
6.	City and Developer agree which Hotel(s) constitute Upper Upscale Hotel(s)	September 1, 2016
7.	Developer notifies City of election of whether to include Third Party Property in Project and add to Site and, if applicable, provides City with evidence of acquisition of necessary interest in Third Party Property	December 31, 2016
8.	Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreements and Developer executes the approved Franchise Agreement for the Upper Upscale Hotel	December 31, 2016
9.	Developer submits completed application for tentative Subdivision Map, Development Agreement, and other necessary or desired Land Use Approvals	December 31, 2016
10.	City and Developer agree which Hotel(s) constitute Additional Hotels	December 31, 2016

- |     |  |                   |
|-----|--|-------------------|
| 11. | City approves, conditionally approves or rejects tentative Subdivision Map Development Agreement, and other necessary or desired discretionary Additional Land Use Approvals                           | May 1, 2017       |
| 12. | Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Upper Upscale Hotel.     | June 1, 2017      |
| 13. | Developer submits and obtains City approval of Construction Drawings for the Upper Upscale Hotel.  | September 1, 2017 |
| 14. | Developer obtains necessary commitments for issuance of building permits and other similar required non-discretionary Land Use Approvals for the Upper Upscale Hotel.                                  | October 1, 2017   |
| 15. | City completes demolition, site clearance and remediation, if applicable, pursuant to Paragraph II.1 of the Scope of Development   | November 1, 2017  |
| 16. | Developer provides evidence of financing (which may be in the form for the Developer Improvements which may be in the form of a commitment letter from a lender and is a form acceptable to the City). | December 1, 2017  |
| 17. | Developer submits and obtains City approval of the identity of the Hotel Operator, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Additional Hotel.         | December 1, 2017  |
| 18. | Developer and City Close Escrow and Developer commences grading.   | December 15, 2017 |
| 19. | Construction Commencement Date for the Upper Upscale Hotel(s).   | February 1, 2018  |
| 20. | Developer submits and obtains City approval of Construction Drawings for   | March 1, 2018     |

- |     |   |                  |
|-----|---|------------------|
| 21. | Developer obtains necessary commitments for issuance of building permits and other similar non-discretionary Land Use Approvals for the Additional Hotel(s) | April 1, 2018    |
| 22. | Offsite Infrastructure Completed by City  | February 1, 2020 |
| 23. | Developer Completes Construction of the Upper Scale Hotel   | February 1, 2020 |
| 24. | Developer completes construction of the remainder of the Developer Improvements.  | July 1, 2020     |

\*Notwithstanding anything contained in this Schedule of Performance and provided that Developer is not otherwise in default beyond any applicable cure period, that except as set forth in no. 18 above, all of the dates set forth above shall be extended by one (1) day on a cumulative basis for each day of delay caused by the City.

## Attachment 2

### Additional Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component Tenants/Operators

#### Pre-Approved Additional Hotel

- AC Hotels (Marriott)
- Air BnB Hotels
- Candlewood Suites (IHG)
- Canopy (Hilton)
- Citizen M
- Commune Hotels/Destination Hotels and Resorts
- Curio (Hilton)
- Delta Hotels (Marriott)
- Even Hotels (IHG)
- Hampton Inn (Hilton)
- Hard Rock International (3-star select service brand)
- Hilton Garden Inn
- Homewood Suites (Hilton)
- Home2 (Hilton)
- Hyatt Centric
- Hyatt House (Hyatt)
- Hyatt Residence Club
- Marriott Executive Apartments
- Moxy Hotels (Marriot)
- Protea Hotels (Marriot)
- Residence Inn (Marriot)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Tru (Hilton)
- Virgin Hotels
- Wyndham Hotel
- Wyndham Garden
- Wyndham Resorts Vacation Ownerships

#### Pre Approved Upper Upscale Hotels

- Canopy (Hilton)
- Commune Hotels/Destination Hotels and Resorts
- Conrad (Hilton)
- Curio (Hilton)
- Edition Hotel (Marriott)
- Gaylord Hotels (Marriott)
- Grand Hyatt
- Hilton Hotels
- Hyatt Centric

- Intercontinental Hotels (IHC)
- Le Meridien (Starwood)
- Park Hyatt
- Proper Hotels
- Ritz Carlton
- SBE/Morgans Hotel Group
- St Regis (Starwood)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Viceroy Hotels
- Virgin Hotels
- Waldorf Astoria (Hilton)



**Subject:** Tract Map 2012  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Thu, 9 Jun 2016 06:59:35 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Greg,

Do you have the Tract Map 2012? This is the map related to the CCR encumbrance.

Sent from my iPad Pro

**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - matthew.reid.ca  
matt.reid@landanddesign.com

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** Re: Request for modification of Exhibits D and L  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Thu, 9 Jun 2016 08:58:14 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

How about now?

Sent from my iPhone  
**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 9, 2016, at 7:49 AM, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)> wrote:

What time works

Sent from my iPhone

On Jun 9, 2016, at 6:48 AM, Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)> wrote:

Good Morning,

I would like to speak with you this morning regarding my discussions last night with SCG and our request sent yesterday (attached). Do you have time this morning?

Thanks

Sent from my iPad Pro

**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

<2016\_06\_08 ltr to City dates.pdf>

On Jun 8, 2016, at 2:13 PM, Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)> wrote:

Dear Scott,

Please see attached request.  
Please let me know if you should have any questions.

Thank you

**Matthew Reid**

Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

<2016\_06\_08 ltr to City dates.pdf>

**Subject:** Agenda

**From:** Matt Reid <matt.reid@landanddesign.com>

**Date:** Thu, 9 Jun 2016 13:24:21 -0700

**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>, Grace Lee <gracel@ci.garden-grove.ca.us>

Please send me a copy of the agenda listing the item.

Thanks!

Sent from my iPhone

**Matthew Reid**

**Land & Design, Inc.**

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)

[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** Re: Tract Map 2012  
**From:** Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)>  
**Date:** Thu, 9 Jun 2016 14:23:20 -0700  
**To:** Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>

Attached.

Can you send me the 6/14 agenda as it currently stands per my previous request?

---

Sent from my iPhone  
**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
**858.735.1858 cell**  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 9, 2016, at 2:02 PM, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)> wrote:

Can you send the track map

Sent from my iPhone

On Jun 9, 2016, at 6:58 AM, Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)> wrote:

Greg,

Do you have the Tract Map 2012? This is the map related to the CCR encumbrance.

Sent from my iPad Pro

**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](mailto:matthew.reid.ca)

[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

SP-Legal Description 01\_55\_47\_49.pdf

Content-Type: application/pdf

Content-Encoding: base64

Part 1.1.3

---

Part 1.1.3

Content-Type: text/html

Content-Encoding: quoted-printable

47

# TRACT NO. 2012

IN UNINCORPORATED TERRITORY,  
COUNTY OF ORANGE - STATE OF CALIFORNIA

BEING A SUBDIVISION OF A PORTION OF SOUTH 1/2 OF THE  
NORTHEAST 1/4 OF SECTION 34, T.4S., R.10W., ORANGE COUNTY,  
STATE OF CALIFORNIA

CONSISTING OF THREE SHEETS  
DECEMBER 1953

2834  
**ACCEPTED**  
AND  
**FILED**  
JAN 14, 1954  
COUNTY CLERK  
ORANGE COUNTY, CALIFORNIA

We, the undersigned, being all parties having any record title interest in the land covered by this map do hereby consent to the preparation and recordation of said map, as shown within the blue colored banner line and we hereby offer for dedication WILLOWOOD AVENUE, YOKWOOD STREET, CHOISSER ROAD, SUNGROVE STREET, CITRUSWOOD AVENUE, TWINTREE LANE, FALLINGLEAF STREET, FIREBRAND STREET, JERTLEY DRIVE, HARBOR BOULEVARD, HASTER STREET, LAMPSON AVENUE and GREENTREE AVENUE for public use for highway purposes. We also offer "Lot A", "Lot B", "Lot C", "Lot D" and "Lot E" for dedication, said dedications to become effective at such time as CHOISSER ROAD, JERTLEY DRIVE, SUNGROVE STREET, FALLINGLEAF STREET and FIREBRAND STREET are extended to the North, we also offer "Lot F" for dedication, said dedication to become effective at such time as GREENTREE AVENUE is extended to the West.

I, Herbert W. Phillips, hereby certify that I am a Licensed Land Surveyor, No. 2782, of the State of California and that this map, consisting of three sheets, correctly represents a true and complete survey, made under my supervision in November 1953; that the monuments shown hereon will be placed not later than July 1, 1954; that their positions and character are correctly shown and that said monuments are sufficient to enable the survey to be retraced.

Herbert W. Phillips  
Licensed Land Surveyor No. 2782

LAMPSON LOMES INC.  
a corporation

Herbert W. Phillips President  
Charles W. Yocum Secretary

State of California } ss.  
County of Orange }  
I, L. H. Eckel, County Auditor of the said County of Orange, do hereby certify that, according to the records of my office, there are no liens against the land shown on this map, or any part thereof, for unpaid State or County taxes or special assessments collected as taxes.

Dated this 8<sup>th</sup> day of JANUARY 1954  
- L. H. ECKEL  
L. H. Eckel, County Auditor  
By Ed Wooster  
Deputy

I, W. K. Hilliard, County Surveyor of Orange County, California, do hereby certify that I have examined this map and have found it to be substantially the same as the tentative map as filed, amended and approved by the Orange County Planning Commission; that all provisions of the Subdivision Map Act and County subdivision regulations have been complied with, and I am satisfied said map is technically correct.

Dated this 11<sup>th</sup> day of January, 1954  
W. K. Hilliard  
County Surveyor

State of California } ss.  
County of Orange }  
I, B. J. Smith, County Clerk of said County of Orange, do hereby certify that this map was presented for approval to the Board of Supervisors of said County of Orange at a regular meeting thereof held on the 14<sup>th</sup> day of JANUARY, 1954, and that thereupon said Board did by an order duly passed and entered approve said map and did accept on behalf of the public the offer of dedication of WILLOWOOD AVENUE, YOKWOOD STREET, CHOISSER ROAD, SUNGROVE STREET, CITRUSWOOD AVENUE, TWINTREE LANE, FALLINGLEAF STREET, FIREBRAND STREET, JERTLEY DRIVE, HARBOR BOULEVARD, HASTER STREET, LAMPSON AVENUE and GREENTREE AVENUE as public highways.

Dated this 14<sup>th</sup> day of JANUARY 1954  
B. J. Smith  
County Clerk and ex-officio Clerk of the Board of Supervisors

State of California } ss.  
County of Los Angeles }  
On this 11<sup>th</sup> day of January, 1954, before me, Evelyn N. Warren, a Notary Public in and for said County and State, personally appeared Kenneth Q. Veis Jr., known to me to be the President, and Robert B. Meehan, known to me to be the Secretary of the corporation that executed the annexed instrument, and known to me to be the persons who executed the annexed instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

Witness my hand and official seal  
Evelyn N. Warren  
My Commission Expires May 16, 1955

State of California } ss.  
County of Orange }  
I, B. J. Smith, County Clerk and ex-officio Clerk of the Board of Supervisors of Orange County, do hereby certify to the County Recorder of Orange County that the provisions of the Subdivision Map Act have been complied with, regarding deposits to secure the payment of Taxes and assessments on the land covered by this Map.

Dated this 12<sup>th</sup> day of JANUARY 1954  
B. J. Smith  
County Clerk and ex-officio Clerk of the Board of Supervisors

In accordance with the provisions of Section 11587 of the Business and Professions Code, the signatures of the Southern California Edison Company, owner of easements as recorded in Book 1497 page 234 Official Records, Book 233 page 173 of Deeds, Document No. 14254 filed 3-14-46, Document No. 21697 filed 6-6-50 and Document No. 25993 filed 8-6-52, and the signatures of the Southern California Telephone Company, owner of easements as recorded in Book 1497 page 234 of Official Records and Document No. 14254 filed 12-14-46 were omitted.

In accordance with the provisions of Section 11587 of the Business and Professions Code the signatures of Quinn Nichols, Ross Anna Nichols, and Louise Marie Albert Q. Nichols Albert F. Nichols Carl A. Johnson Robert A. Johnson owners of mineral rights were omitted.

In accordance with the provisions of Section 11587 of the Business and Professions Code the signature of Dyke Water Company, a corporation, owner of easements for water pipelines is omitted.

55-AB

ORIGINAL

5

SHEET 2 OF THREE SHEETS

# TRACT NO 2012

# 48

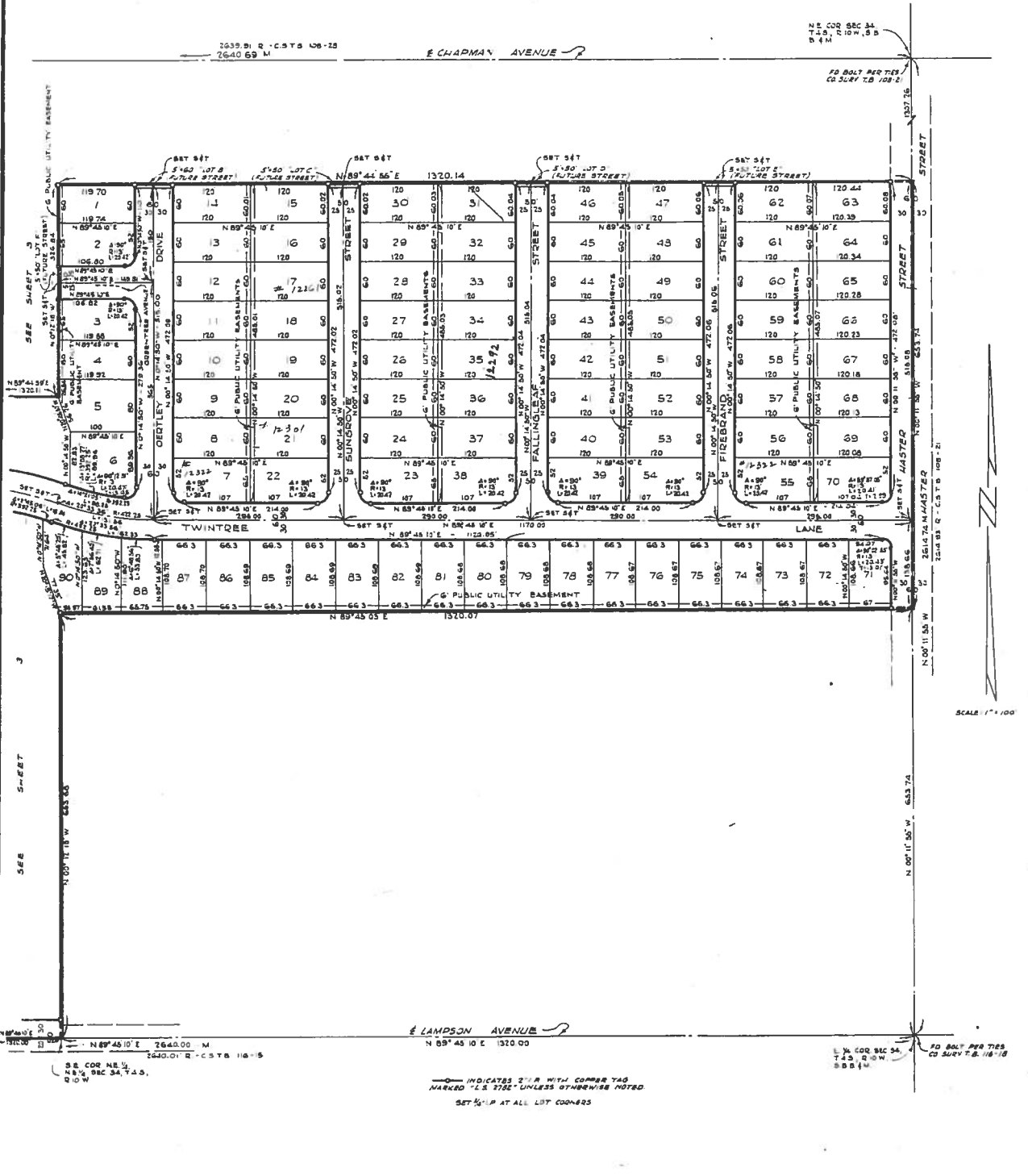
IN UNINCORPORATED TERRITORY, ORANGE COUNTY, CALIF.  
BEING A SUBDIVISION OF A PORTION OF THE S 1/2 OF THE  
NE 1/4 OF SECTION 34, T.4S., R.10 W., ORANGE COUNTY, CALIF.

HERBERT W. PHILLIPS  
LICENSED LAND SURVEYOR NO 2782  
DECEMBER 1933

2834  
**ACCEPTED**  
AND  
**FILED**  
JAN 14 1934  
ORANGE CO. TITLE CO.  
RECORDS & DEEDS

BIND

BIND



NE COR SEC 34  
T.4S., R.10 W., S. 5  
S. 4 M.

FD BOLT PER TIES  
CO SURV T. 8 108-2

SCALE 1" = 100'

E LAMPSON AVENUE  
N 89° 45' 10" E 1320.07

N 89° 45' 10" E 2640.00 M  
2640.00' R - C 5 T 8 118-5

NE COR SEC 34  
T.4S., R.10 W.  
S. 5 B. 4

FD BOLT PER TIES  
CO SURV T. 8 118-10

INDICATES 2" R WITH CORNER TAG  
MARKED "L.S. 2782" UNLESS OTHERWISE NOTED  
SET 1/2" UP AT ALL LOT CORNERS



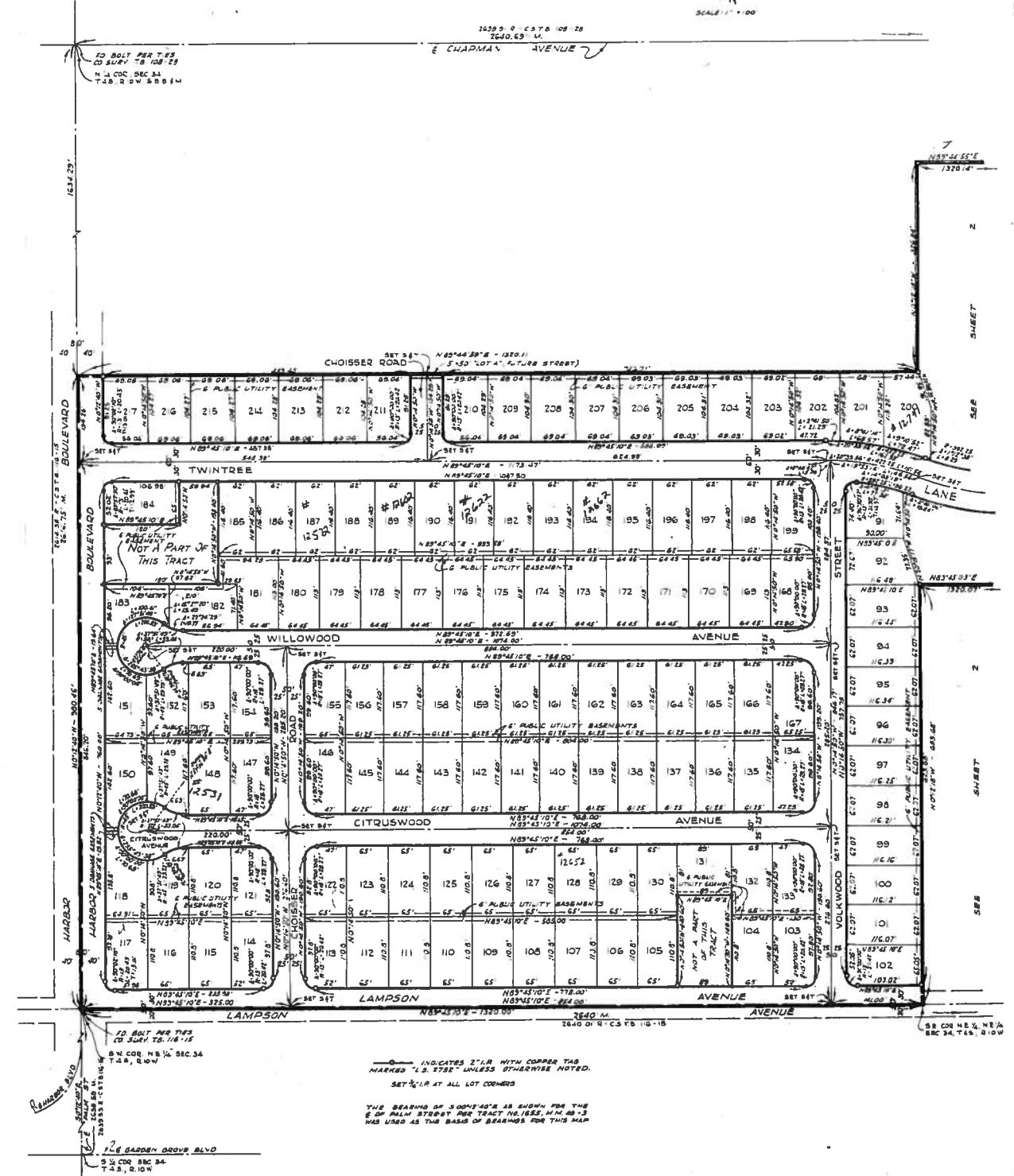
# TRACT No 2012

# 49

IN UNINCORPORATED TERRITORY, ORANGE COUNTY, CALIFORNIA  
BEING A SUBDIVISION OF A PORTION OF THE S 1/2 OF THE NE 1/4  
OF SECTION 34, T.4.S., R.10 W., ORANGE COUNTY, CALIFORNIA.

HERBERT W. PULLIS  
LICENSED LAND SURVEYOR No 2782  
DECEMBER 1953

2834  
ACCEPTED  
AND  
FILED  
JAN 14 1954  
ORANGE CO. TITLE CO.  
COURT CLERK'S OFFICE



TO BOLT PER TRS  
CO SURV. 78 108 29  
N. 1/4 COR. SEC. 34  
T.4 S., R.10 W.

1639.9' C.S.T.B. 108 28  
2640.60' W.  
E CHADMAN AVENUE

BOULEVARD  
1634.29'

HARBOR  
1071.54' - 800.46'

TO BOLT PER TRS  
CO SURV. 78 118 15  
S. 1/4 COR. N. 1/4 SEC. 34  
T.4 S., R.10 W.

—○— INDICATES 2" I.R. WITH COPPER TAG  
MARKED "S. 2782" UNLESS OTHERWISE NOTED.  
SET 2" I.R. AT ALL LOT CORNERS

THE BEARING OF 500°12'30" AS SHOWN FOR THE  
E OF PALM STREET PER TRACT NO. 1825, M.M. 89-3  
HAS BEEN USED AS THE BASIS OF BEARINGS FOR THIS MAP

S. 1/4 COR. N. 1/4 SEC. 34  
T.4 S., R.10 W.

**Subject:** Re: Tract Map 2012  
**From:** Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)>  
**Date:** Thu, 9 Jun 2016 14:46:16 -0700  
**To:** Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>

Please do not list Land & Design, Inc. and/or SCG America on the item until such time we have a signed agreement.

**Matthew Reid**

Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 9, 2016, at 2:40 PM, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)> wrote:

Agenda will come out by 4:30

For site C we are proceeding with scheduling for the 14th with the hope we will get all Agreements execute by SCG to us by Today or by Monday

it will be listed as just the Title of the Item on the Agenda so we can continue the item if needed

Greg Blodgett  
SR Project Manager  
City of Garden Grove  
Economic Development

----- Original Message -----

From: "Matthew Reid" <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)>  
To: "Greg Blodgett" <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
Sent: Thursday, June 9, 2016 2:23:20 PM  
Subject: Re: Tract Map 2012

Attached.

Can you send me the 6/14 agenda as it currently stands per my previous request?

Sent from my iPhone  
Matthew Reid  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.

On Jun 9, 2016, at 2:02 PM, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)> wrote:

Can you send the track map

Sent from my iPhone

On Jun 9, 2016, at 6:58 AM, Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)> wrote:

Greg,

Do you have the Tract Map 2012? This is the map related to the CCR encumbrance.

Sent from my iPad Pro

Matthew Reid  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

All Information, documents, files or previous e-mail messages contained, attached or reproduced in

this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.

Attached.

Can you send me the 6/14 agenda as it currently stands per my previous request?

Sent from my iPhone  
Matthew Reid  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - matthew.reid.ca  
matt.reid@landanddesign.com

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.

On Jun 9, 2016, at 2:02 PM, Greg Blodgett <greg1@ci.garden-grove.ca.us> wrote:

Can you send the track map

Sent from my iPhone

On Jun 9, 2016, at 6:58 AM, Matt Reid <matt.reid@landanddesign.com> wrote:

Greg,

Do you have the Tract Map 2012? This is the map related to the CCR encumbrance.

Sent from my iPad Pro

Matthew Reid  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell  
Skype - matthew.reid.ca  
matt.reid@landanddesign.com

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.

**Subject:** Residential Purchases  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Thu, 9 Jun 2016 15:12:43 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Can you send me the exact dates when the City closed on the residential properties?

**Matthew Reid**  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** Residential Purchases  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Thu, 9 Jun 2016 15:12:43 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Can you send me the exact dates when the City closed on the residential properties?

**Matthew Reid**  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** Re: Residential Purchases  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Thu, 9 Jun 2016 15:40:06 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Its important. There is a statute of limitations on CCR enforcement. Which technically, all of those properties are in violation and have been for some time now.

**Matthew Reid**  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 9, 2016, at 3:12 PM, Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)> wrote:

Can you send me the exact dates when the City closed on the residential properties?

**Matthew Reid**  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any*



**Subject:** RE: Hotel Pre-Approved List

**From:** Grace Lee <gracel@ci.garden-grove.ca.us>

**Date:** Thu, 9 Jun 2016 16:16:45 -0700 (PDT)

**To:** Matt Reid <matt.reid@landanddesign.com>

**CC:** James Eggart <jamese@ci.garden-grove.ca.us>, Greg Blodgett <greg1@ci.garden-grove.ca.us>

Hello Matt,  
Please see attached.

Grace E. Lee  
Sr. Economic Development Specialist  
City of Garden Grove | Economic Development Division  
11222 Acacia Parkway, Garden Grove, CA 92840  
Tel. 714.741.5130 | Fax (714) 741-5205

<b>20160609155715611.pdf</b>	<b>Content-Type:</b> application/pdf
	<b>Content-Encoding:</b> base64

Attachment 2

Additional Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component  
Tenants/Operators

Pre-Approved Additional Hotel

- AC Hotels (Marriott)
- ~~Air-BnB Hotels~~ *Remove*
- Candlewood Suites (IHG)
- Canopy (Hilton)
- Citizen M
- Commune Hotels/Destination Hotels and Resorts
- Curio (Hilton)
- Delta Hotels (Marriott)
- Even Hotels (IHG)
- Hampton Inn (Hilton)
- Hard Rock International (3-star select service brand)
- Hilton Garden Inn
- Homewood Suites (Hilton)
- Home2 (Hilton)
- Hyatt Centric
- Hyatt House (Hyatt)
- Hyatt Residence Club
- ~~Marriott Executive Apartments~~ *Remove*
- Moxy Hotels (Marriot)
- Protea Hotels (Marriot)
- Residence Inn (Marriot)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Tru (Hilton)
- Virgin Hotels
- Wyndham Hotel
- Wyndham Garden
- Wyndham Resorts Vacation Ownerships

Pre Approved Upper Upscale Hotels

- Canopy (Hilton)
- Commune Hotels/Destination Hotels and Resorts
- Conrad (Hilton)
- Curio (Hilton)
- Edition Hotel (Marriott)
- Gaylord Hotels (Marriott)
- Grand Hyatt
- Hilton Hotels
- Hyatt Centric

- Intercontinental Hotels (IHC)
- Le Meridien (Starwood)
- Park Hyatt
- ~~Proper Hotels~~ *Remove*
- Ritz Carlton
- SBE/Morgans Hotel Group
- St Regis (Starwood)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Viceroy Hotels
- Virgin Hotels
- Waldorf Astoria (Hilton)

**Subject:** Fwd: Hotel Pre-Approved List

**From:** Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)>

**Date:** Thu, 9 Jun 2016 16:20:21 -0700

**To:** Grace Lee <[gracel@ci.garden-grove.ca.us](mailto:gracel@ci.garden-grove.ca.us)>, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>

**CC:** James Eggart <[jamese@ci.garden-grove.ca.us](mailto:jamese@ci.garden-grove.ca.us)>, Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

I don't have any issue with these changes.

**Matthew Reid**

Land & Design, Inc.

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)

[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

Begin forwarded message:

**From:** Grace Lee <[gracel@ci.garden-grove.ca.us](mailto:gracel@ci.garden-grove.ca.us)>

**Subject:** RE: Hotel Pre-Approved List

**Date:** June 9, 2016 at 4:16:45 PM PDT

**To:** Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)>

**Cc:** James Eggart <[jamese@ci.garden-grove.ca.us](mailto:jamese@ci.garden-grove.ca.us)>, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>

Hello Matt,  
Please see attached.

Grace E. Lee

Sr. Economic Development Specialist

City of Garden Grove | Economic Development Division

11222 Acacia Parkway, Garden Grove, CA 92840

Tel. 714.741.5130 | Fax (714) 741-5205

<b>20160609155715611.pdf</b>	<b>Content-Type:</b> application/pdf <b>Content-Encoding:</b> base64
------------------------------	---

---

Part 1.1.3

<b>Part 1.1.3</b>	<b>Content-Type:</b> text/html <b>Content-Encoding:</b> 7bit
-------------------	---

Attachment 2

Additional Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component  
Tenants/Operators

Pre-Approved Additional Hotel

- AC Hotels (Marriott)
- ~~Air BnB Hotels~~ *REMOVE*
- Candlewood Suites (IHG)
- Canopy (Hilton)
- Citizen M
- Commune Hotels/Destination Hotels and Resorts
- Curio (Hilton)
- Delta Hotels (Marriott)
- Even Hotels (IHG)
- Hampton Inn (Hilton)
- Hard Rock International (3-star select service brand)
- Hilton Garden Inn
- Homewood Suites (Hilton)
- Home2 (Hilton)
- Hyatt Centric
- Hyatt House (Hyatt)
- Hyatt Residence Club
- ~~Marriott Executive Apartments~~ *REMOVE*
- Moxy Hotels (Marriot)
- Protea Hotels (Marriot)
- Residence Inn (Marriot)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Tru (Hilton)
- Virgin Hotels
- Wyndham Hotel
- Wyndham Garden
- Wyndham Resorts Vacation Ownerships

Pre Approved Upper Upscale Hotels

- Canopy (Hilton)
- Commune Hotels/Destination Hotels and Resorts
- Conrad (Hilton)
- Curio (Hilton)
- Edition Hotel (Marriott)
- Gaylord Hotels (Marriott)
- Grand Hyatt
- Hilton Hotels
- Hyatt Centric

- Intercontinental Hotels (IHC)
- Le Meridien (Starwood)
- Park Hyatt
- ~~Proper Hotels~~ *Remove*
- Ritz Carlton
- SBE/Morgans Hotel Group
- St Regis (Starwood)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Viceroy Hotels
- Virgin Hotels
- Waldorf Astoria (Hilton)

**Subject:** Garden Grove City Council Agenda - June 14, 2016  
**From:** Teresa Pomeroy <teresap@ci.garden-grove.ca.us>  
**Date:** Thu, 9 Jun 2016 16:26:35 -0700 (PDT)  
**To:** matt.reid@landanddesign.com  
**CC:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Per your request, please use the link below to access the Garden Grove City Council Agenda for next Tuesday night's meeting.

[http://www.ci.garden-grove.ca.us/cgi-bin/city\\_council/videos\\_and\\_agendas.cgi](http://www.ci.garden-grove.ca.us/cgi-bin/city_council/videos_and_agendas.cgi)

Thank you,

Teresa Pomeroy, CMC  
Deputy City Clerk  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840  
714-741-5043  
[www.ci.garden-grove.ca.us](http://www.ci.garden-grove.ca.us)



**Subject:** Re: SCG and Councilman Bui meeting this morning  
**From:** Scott Stiles <sstiles@ci.garden-grove.ca.us>  
**Date:** Mon, 13 Jun 2016 09:16:46 -0700 (PDT)  
**To:** Matt Reid <matt.reid@landanddesign.com>  
**CC:** Greg Blodgett <greg1@ci.garden-grove.ca.us>, Lisa Kim <lisak@ci.garden-grove.ca.us>, Tom Crosbie <tcrosbie@cgs3.com>

Thanks Matt. got it.

Scott C. Stiles, ICMA-CM  
City Manager / City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840  
714-741-5100 (o) / 714-719-1810 (c)  
[www.ci.garden-grove.ca.us](http://www.ci.garden-grove.ca.us)

Sent from my iPhone

On Jun 13, 2016, at 8:08 AM, Matt Reid <matt.reid@landanddesign.com> wrote:

I understand SCG is meeting with Councilman Bui this morning. Please be advised, we have yet to receive the documents from SCG's attorneys and therefore are not under contract with SCG. We are hopeful new draft documents will be delivered to us for our review today.

I have not been invited by SCG to the meeting with Councilman Bui and do not believe it appropriate for me to attend as we are not yet under contract.

If SCG is to mention their "potential" involvement with Land & Design, Inc. in Site C, it is important to be clear about our contract status as not to create confusion.

Thank you

**Matthew Reid**  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** Project Minimums  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Mon, 13 Jun 2016 11:30:41 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Greg,  
please call me when your meeting is over...

**Matthew Reid**  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** RE: SCG Gensler Hard Rock

**From:** "Jessica Chien" <jessica.chien@scgamerica.com>

**Date:** Mon, 13 Jun 2016 15:42:16 -0700

**To:** "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, "Maria Parra" <mariap@ci.garden-grove.ca.us>, "Kamyar Dibaj" <kdibaj@ci.garden-grove.ca.us>, "Tom Schultz" <toms@ci.garden-grove.ca.us>, "CH3\_City\_Manager" <ch3\_city\_manager@ci.garden-grove.ca.us>, "Grace Lee" <gracel@ci.garden-grove.ca.us>, "Karl Hill" <karlh@ci.garden-grove.ca.us>, "Lisa Kim" <lisak@ci.garden-grove.ca.us>, "Matthew Reid" <matt.reid@landanddesign.com>, "Danny Wei" <dannywei@scgamerica.com>, "Dan Candelaria" <danc@ci.garden-grove.ca.us>, "lorraina\_usa" <lorraina\_usa@yahoo.com>, "Lorraine Francis" <Lorraine\_Francis@gensler.com>

Hi Greg,

We will change the meeting in Gensler's office at 8:30am on Wednesday.  
Please see the address below.

Address: 4675 MacArthur Ct #100, Newport Beach, CA 92660

Best Regards,

Jessica Chien  
SCG America  
Cell: (626) 253-9988

-----Original Appointment-----

From: Greg Blodgett [<mailto:greg1@ci.garden-grove.ca.us>]

Sent: Tuesday, June 7, 2016 11:26 AM

To: Greg Blodgett; Maria Parra; Kamyar Dibaj; Tom Schultz; CH3\_City\_Manager; Grace Lee; Karl Hill; Lisa Kim; [jessica.chien@scgamerica.com](mailto:jessica.chien@scgamerica.com); Matthew Reid; Danny Wei; Dan Candelaria; lorraina\_usa

Subject: SCG Gensler Hard Rock

When: Wednesday, June 15, 2016 8:30 AM-9:30 AM America/Los\_Angeles.

Where: "CH3\_City\_Manager" <[ch3\\_city\\_manager@ci.garden-grove.ca.us](mailto:ch3_city_manager@ci.garden-grove.ca.us)>

<b>winmail.dat</b>	<b>Content-Type:</b> application/ms-tnef
	<b>Content-Encoding:</b> base64

**Subject:** RE: SCG Gensler Hard Rock

**From:** "Jessica Chien" <jessica.chien@scgamerica.com>

**Date:** Mon, 13 Jun 2016 15:42:16 -0700

**To:** "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, "Maria Parra" <mariap@ci.garden-grove.ca.us>, "Kamyar Dibaj" <kdibaj@ci.garden-grove.ca.us>, "Tom Schultz" <toms@ci.garden-grove.ca.us>, "CH3\_City\_Manager" <ch3\_city\_manager@ci.garden-grove.ca.us>, "Grace Lee" <gracel@ci.garden-grove.ca.us>, "Karl Hill" <karlh@ci.garden-grove.ca.us>, "Lisa Kim" <lisak@ci.garden-grove.ca.us>, "Matthew Reid" <matt.reid@landanddesign.com>, "Danny Wei" <dannywei@scgamerica.com>, "Dan Candelaria" <danc@ci.garden-grove.ca.us>, "lorraina\_usa" <lorraina\_usa@yahoo.com>, "Lorraine Francis" <Lorraine\_Francis@gensler.com>

Hi Greg,

We will change the meeting in Gensler's office at 8:30am on Wednesday. Please see the address below.

**Address:** 4675 MacArthur Ct #100, Newport Beach, CA 92660

Best Regards,

Jessica Chien

SCG America

Cell: (626) 253-9988

-----Original Appointment-----

**From:** Greg Blodgett [<mailto:greg1@ci.garden-grove.ca.us>]

**Sent:** Tuesday, June 7, 2016 11:26 AM

**To:** Greg Blodgett; Maria Parra; Kamyar Dibaj; Tom Schultz; CH3\_City\_Manager; Grace Lee; Karl Hill; Lisa Kim; jessica.chien@scgamerica.com; Matthew Reid; Danny Wei; Dan Candelaria; lorraina\_usa

**Subject:** SCG Gensler Hard Rock

**When:** Wednesday, June 15, 2016 8:30 AM-9:30 AM America/Los\_Angeles.

**Where:** "CH3\_City\_Manager" <ch3\_city\_manager@ci.garden-grove.ca.us>

**Subject:** FW: Revised DDA Sideletter Amendment

**From:** Tom Crosbie <tcrosbie@cgs3.com>

**Date:** Tue, 14 Jun 2016 00:19:07 +0000

**To:** "James H. Eggart" <JEggart@wss-law.com>

**CC:** "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, "matt.reid@landanddesign.com" <matt.reid@landanddesign.com>, "Carrie M. Risatti" <risattic@gtlaw.com>

James – attached is the revised DDA letter agreement for your review. The 3 hotels that the City requested to be deleted have been deleted. Thanks

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.387.7692

tcrosbie@cgs3.com



[LinkedIn](#) | [Twitter](#) | [Google+](#)

**From:** risattic@gtlaw.com [mailto:risattic@gtlaw.com]

**Sent:** Monday, June 13, 2016 5:11 PM

**To:** Tom Crosbie <tcrosbie@cgs3.com>

**Subject:** Revised DDA Sideletter Amendment

Tom,

Attached are clean and blacklined copies of the revised DDA Sideletter Amendment reflecting the City's changes.

Sincerely,

Carrie

Carrie M. Risatti

Shareholder

Greenberg Traurig, LLP | 3161 Michelson Drive | Suite 1000 | Irvine, CA 92612

Tel 949-732-6617

risattic@gtlaw.com | www.gtlaw.com



If you are not an intended recipient of confidential and privileged information in this email, please delete it, notify us immediately at [postmaster@gtlaw.com](mailto:postmaster@gtlaw.com), and do not use or disseminate such information.

#287560550v2_OC_ - SCG's DDA Amendment letter agreement w_attachments(1).DOCX	<p><b>Content-Description:</b> #287560550v2_OC_ - SCG's DDA Amendment letter agreement w_attachments(1).DOCX</p> <p><b>Content-Type:</b> application/vnd.openxmlformats-officedocument.wordprocessingml.document</p> <p><b>Content-Encoding:</b> base64</p>
---	---

GTRedline\_287560550v1 - 287560550v2.docx

GTRedline_287560550v1 - 287560550v2.docx	<p><b>Content-Description:</b> GTRedline_287560550v1 - 287560550v2.docx</p> <p><b>Content-Type:</b> application/vnd.openxmlformats-officedocument.wordprocessingml.document</p> <p><b>Content-Encoding:</b> base64</p>
--	--

Tue' 14 Jun 2016  
00:19:07 +0000

Scott C. Stiles  
City Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

RE: Grove District Resort Hotel Development between City of Garden Grove, a municipal corporation (the "City") and Land & Design, Inc., a California corporation ("L&D") dated April 9, 2013 (as may be amended from time to time, the "DDA")

Dear Mr. Stiles:

The letter confirms our understanding that upon the approval by the City of the assignment of all right, title and interest in the DDA from L&D to Investel Garden Resorts, LLC, a Delaware limited liability company ("Joint Venture") that the DDA will be amended as set forth in the numbered paragraphs below. Capitalized terms used but not otherwise set forth herein shall have the same meanings as set forth in the DDA.

1. All references in the DDA to Developer shall mean the Joint Venture.
2. The Agency has issued a finding of completion. A long range property plan has been approved by the Agency. The Agency Property has been transferred to the City.
3. The Schedule of Performance set forth on Exhibit D of the DDA shall be amended and restated in its entirety and replaced by the Schedule of Performance set forth on Attachment 1 hereof. In the event of any conflict with dates set forth in the amended and restated Schedule of Performance and the DDA, the dates set forth in the amended and restated Schedule of Performance shall supersede and control.
4. The Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component Tenants/Operators shall be amended to include the additional parties set forth on Attachment 2 hereof.

Except as otherwise expressly set forth in this Amendment, the DDA shall remain unchanged.  
Thank you for your cooperation in this matter.

Investel Garden Resorts LLC

Accepted and agreed this \_\_ day of June, 2016

City of Garden Grove

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

Scott C. Skiles, City Manager

## Attachment 1

**SCHEDULE OF PERFORMANCE - CONDENSED SCHEDULE**

	PERFORMANCE ITEM	DATE*
1.	City and Developer execute RHDA.	Completed
2.	City and Developer open Escrow.	Completed
3.	City accepts conveyance of fee title to all Agency Property.	Completed
4.	Developer completes its Site Investigation pursuant to Section 204.	Completed
5.	Reserved	
6.	City and Developer agree which Hotel(s) constitute Upper Upscale Hotel(s)	September 1, 2016
7.	Developer notifies City of election of whether to include Third Party Property in Project and add to Site and, if applicable, provides City with evidence of acquisition of necessary interest in Third Party Property	December 31, 2016
8.	Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreements and Developer executes the approved Franchise Agreement for the Upper Upscale Hotel	December 31, 2016
9.	Developer submits completed application for tentative Subdivision Map, Development Agreement, and other necessary or desired Land Use Approvals	December 31, 2016



- 10. City and Developer agree which Hotel(s) constitute Additional Hotels December 31, 2016
  
- 11. City approves, conditionally approves or rejects tentative Subdivision Map Development Agreement, and other necessary or desired discretionary Additional Land Use Approvals May 1, 2017
  
- 12. Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Upper Upscale Hotel. June 1, 2017
  
- 13. Developer submits and obtains City approval of Construction Drawings for the Upper Upscale Hotel. September 1, 2017
  
- 14. Developer obtains necessary commitments for issuance of building permits and other similar required non-discretionary Land Use Approvals for the Upper Upscale Hotel. October 1, 2017
  
- 15. City completes demolition, site clearance and remediation, if applicable, pursuant to Paragraph II.1 of the Scope of Development November 1, 2017
  
- 16. Developer provides evidence of financing (which may be in the form for the Developer Improvements which may be in the form of a commitment letter from a lender and is a form acceptable to the City). December 1, 2017
  
- 17. Developer submits and obtains City approval of the identity of the Hotel Operator, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Additional Hotel. December 1, 2017

- |     |   |                   |
|-----|---|-------------------|
| 18. | Developer and City Close Escrow and Developer commences grading.  | December 15, 2017 |
| 19. | Construction Commencement Date for the Upper Upscale Hotel(s).  | February 1, 2018  |
| 20. | Developer submits and obtains City approval of Construction Drawings for  | March 1, 2018     |
| 21. | Developer obtains necessary commitments for issuance of building permits and other similar non-discretionary Land Use Approvals for the Additional Hotel(s) | April 1, 2018     |
| 22. | Offsite Infrastructure Completed by City  | February 1, 2020  |
| 23. | Developer Completes Construction of the Upper Scale Hotel   | February 1, 2020  |
| 24. | Developer completes construction of the remainder of the Developer Improvements.  | July 1, 2020      |

\*Notwithstanding anything contained in this Schedule of Performance and provided that Developer is not otherwise in default beyond any applicable cure period, that except as set forth in no. 18 above, all of the dates set forth above shall be extended by one (1) day on a cumulative basis for each day of delay caused by the City.

Attachment 2

Additional Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component  
Tenants/Operators

Pre-Approved Additional Hotel

- AC Hotels (Marriott)
- Candlewood Suites (IHG)
- Canopy (Hilton)
- Citizen M
- Commune Hotels/Destination Hotels and Resorts
- Curio (Hilton)
- Delta Hotels (Marriott)
- Even Hotels (IHG)
- Hampton Inn (Hilton)
- Hard Rock International (3-star select service brand)
- Hilton Garden Inn
- Homewood Suites (Hilton)
- Home2 (Hilton)
- Hyatt Centric
- Hyatt House (Hyatt)
- Hyatt Residence Club
- Moxy Hotels (Marriot)
- Protea Hotels (Marriot)
- Residence Inn (Marriot)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Tru (Hilton)
- Virgin Hotels
- Wyndham Hotel
- Wyndham Garden
- Wyndham Resorts Vacation Ownerships

Pre Approved Upper Upscale Hotels

- Canopy (Hilton)
- Commune Hotels/Destination Hotels and Resorts
- Conrad (Hilton)
- Curio (Hilton)
- Edition Hotel (Marriott)
- Gaylord Hotels (Marriott)
- Grand Hyatt
- Hilton Hotels
- Hyatt Centric

- Intercontinental Hotels (IHC)
- Le Meridien (Starwood)
- Park Hyatt
- Ritz Carlton
- SBE/Morgans Hotel Group
- St Regis (Starwood)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Viceroy Hotels
- Virgin Hotels
- Waldorf Astoria (Hilton)

Scott C. Stiles  
City Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

RE: Grove District Resort Hotel Development between City of Garden Grove, a municipal corporation (the “**City**”) and Land & Design, Inc., a California corporation (“**L&D**”) dated April 9, 2013 (as may be amended from time to time, the “**DDA**”)

Dear Mr. Stiles:

The letter confirms our understanding that upon the approval by the City of the assignment of all right, title and interest in the DDA from L&D to Investel Garden Resorts, LLC, a Delaware limited liability company (“**Joint Venture**”) that the DDA will be amended as set forth in the numbered paragraphs below. Capitalized terms used but not otherwise set forth herein shall have the same meanings as set forth in the DDA.

1. All references in the DDA to Developer shall mean the Joint Venture.
2. The Agency has issued a finding of completion. A long range property plan has been approved by the Agency. The Agency Property has been transferred to the City.
3. The Schedule of Performance set forth on Exhibit D of the DDA shall be amended and restated in its entirety and replaced by the Schedule of Performance set forth on Attachment 1 hereof. In the event of any conflict with dates set forth in the amended and restated Schedule of Performance and the DDA, the dates set forth in the amended and restated Schedule of Performance shall supersede and control.
4. The Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component Tenants/Operators shall be amended to include the additional parties set forth on Attachment 2 hereof.

Except as otherwise expressly set forth in this Amendment, the DDA shall remain unchanged.  
Thank you for your cooperation in this matter.

Investel Garden Resorts LLC

Accepted and agreed this \_\_\_ day of June, 2016

City of Garden Grove

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

Scott C. Skiles, City Manager

## Attachment 1

**SCHEDULE OF PERFORMANCE - CONDENSED SCHEDULE**

	PERFORMANCE ITEM	DATE*
1.	City and Developer execute RHDA.	Completed
2.	City and Developer open Escrow.	Completed
3.	City accepts conveyance of fee title to all Agency Property.	Completed
4.	Developer completes its Site Investigation pursuant to Section 204.	Completed
5.	Reserved	
6.	City and Developer agree which Hotel(s) constitute Upper Upscale Hotel(s)	September 1, 2016
7.	Developer notifies City of election of whether to include Third Party Property in Project and add to Site and, if applicable, provides City with evidence of acquisition of necessary interest in Third Party Property	December 31, 2016
8.	Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreements and Developer executes the approved Franchise Agreement for the Upper Upscale Hotel	December 31, 2016
9.	Developer submits completed application for tentative Subdivision Map, Development Agreement, and other necessary or desired Land Use Approvals	December 31, 2016

- |     |  |                   |
|-----|--|-------------------|
| 10. | City and Developer agree which Hotel(s) constitute Additional Hotels   | December 31, 2016 |
| 11. | City approves, conditionally approves or rejects tentative Subdivision Map Development Agreement, and other necessary or desired discretionary Additional Land Use Approvals                           | May 1, 2017       |
| 12. | Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Upper Upscale Hotel.     | June 1, 2017      |
| 13. | Developer submits and obtains City approval of Construction Drawings for the Upper Upscale Hotel.  | September 1, 2017 |
| 14. | Developer obtains necessary commitments for issuance of building permits and other similar required non-discretionary Land Use Approvals for the Upper Upscale Hotel.                                  | October 1, 2017   |
| 15. | City completes demolition, site clearance and remediation, if applicable, pursuant to Paragraph II.1 of the Scope of Development   | November 1, 2017  |
| 16. | Developer provides evidence of financing (which may be in the form for the Developer Improvements which may be in the form of a commitment letter from a lender and is a form acceptable to the City). | December 1, 2017  |
| 17. | Developer submits and obtains City approval of the identity of the Hotel Operator, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Additional Hotel.         | December 1, 2017  |



- |     |   |                   |
|-----|---|-------------------|
| 18. | Developer and City Close Escrow and Developer commences grading.  | December 15, 2017 |
| 19. | Construction Commencement Date for the Upper Upscale Hotel(s).  | February 1, 2018  |
| 20. | Developer submits and obtains City approval of Construction Drawings for  | March 1, 2018     |
| 21. | Developer obtains necessary commitments for issuance of building permits and other similar non-discretionary Land Use Approvals for the Additional Hotel(s) | April 1, 2018     |
| 22. | Offsite Infrastructure Completed by City  | February 1, 2020  |
| 23. | Developer Completes Construction of the Upper Scale Hotel   | February 1, 2020  |
| 24. | Developer completes construction of the remainder of the Developer Improvements.  | July 1, 2020      |

\*Notwithstanding anything contained in this Schedule of Performance and provided that Developer is not otherwise in default beyond any applicable cure period, that except as set forth in no. 18 above, all of the dates set forth above shall be extended by one (1) day on a cumulative basis for each day of delay caused by the City.

Attachment 2

Additional Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component  
Tenants/Operators

Pre-Approved Additional Hotel

- AC Hotels (Marriott)
- ~~Air BnB Hotels~~
- Candlewood Suites (IHG)
- Canopy (Hilton)
- Citizen M
- Commune Hotels/Destination Hotels and Resorts
- Curio (Hilton)
- Delta Hotels (Marriott)
- Even Hotels (IHG)
- Hampton Inn (Hilton)
- Hard Rock International (3-star select service brand)
- Hilton Garden Inn
- Homewood Suites (Hilton)
- Home2 (Hilton)
- Hyatt Centric
- Hyatt House (Hyatt)
- Hyatt Residence Club
- ~~Marriott Executive Apartments~~
- Moxy Hotels (Marriot)
- Protea Hotels (Marriot)
- Residence Inn (Marriot)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Tru (Hilton)
- Virgin Hotels
- Wyndham Hotel
- Wyndham Garden
- Wyndham Resorts Vacation Ownerships

Pre Approved Upper Upscale Hotels

- Canopy (Hilton)
- Commune Hotels/Destination Hotels and Resorts
- Conrad (Hilton)
- Curio (Hilton)
- Edition Hotel (Marriott)
- Gaylord Hotels (Marriott)
- Grand Hyatt

- Hilton Hotels
- Hyatt Centric
- Intercontinental Hotels (IHC)
- Le Meridien (Starwood)
- Park Hyatt
- ~~Proper Hotels~~
- Ritz Carlton
- SBE/Morgans Hotel Group
- St Regis (Starwood)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Viceroy Hotels
- Virgin Hotels
- Waldorf Astoria (Hilton)

Document comparison by Workshare Compare on Monday, June 13, 2016  
5:08:54 PM

<b>Input:</b>	
Document 1 ID	interwovenSite://DMS-WEST/OC/287560550/1
Description	#287560550v1<OC> - SCG's DDA Amendment letter agreement w_attachments(1)
Document 2 ID	interwovenSite://DMS-WEST/OC/287560550/2
Description	#287560550v2<OC> - SCG's DDA Amendment letter agreement w_attachments(1)
Rendering set	GT-1

<b>Legend:</b>	
<u>Insertion</u>	
<del>Deletion</del>	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

<b>Statistics:</b>	
	Count
Insertions	4
Deletions	7
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	11

**Subject:** RE: Site C / Land & Design

**From:** "James H. Eggart" <JEggart@wss-law.com>

**Date:** Tue, 14 Jun 2016 16:08:59 +0000

**To:** Tom Crosbie <tcrosbie@cgs3.com>

**CC:** "Carrie M. Risatti" <risattic@gtlaw.com>, "Lisa Kim (lisak@ci.garden-grove.ca.us)" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, Omar Sandoval <OSandoval@wss-law.com>, "Scott Stiles" <sstiles@ci.garden-grove.ca.us>, "matt.reid@landanddesign.com" <matt.reid@landanddesign.com>, Katelyn McGettigan <kmcgettigan@cgs3.com>

Thanks, Tom. This will work. Please finalize and provide a signed copy today along with everything else.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax JEggart@wss-law.com</p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	---

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [mailto:tcrosbie@cgs3.com]

**Sent:** Tuesday, June 14, 2016 9:07 AM

**To:** James H. Eggart <JEggart@wss-law.com>

**Cc:** Carrie M. Risatti <risattic@gtlaw.com>; Lisa Kim (lisak@ci.garden-grove.ca.us) <lisak@ci.garden-grove.ca.us>; 'Greg Blodgett' <greg1@ci.garden-grove.ca.us>; Omar Sandoval <OSandoval@wss-law.com>; Scott Stiles <sstiles@ci.garden-grove.ca.us>; matt.reid@landanddesign.com; Katelyn McGettigan <kmcgettigan@cgs3.com>

**Subject:** RE: Site C / Land & Design

Thanks James – the revised agreement is attached. This agreement will be signed with the City Agreement Assignment today. Tom

**Tom Crosbie**

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Tuesday, June 14, 2016 8:28 AM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

Tom,

I am fine with your changes – but have one request. Use of the new defined term “DDA Assignment” to refer to assignment of the Grove District Resort Hotel Development Agreement between the City and L&D is confusing in the context of this letter because *the Agency* agreement is defined as the “DDA.” Would you mind substituting the term “City Agreement Assignment” for purposes of clarity?

Thanks.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a></p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Monday, June 13, 2016 9:33 PM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

James – L&D's comments attached. Thanks

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Monday, June 13, 2016 6:31 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>;

Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

Tom,

Attached is the proposed letter agreement from Land & Design as to the DDA.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a></p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Monday, June 13, 2016 6:06 PM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>

**Subject:** RE: Site C / Land & Design

Thanks James – that letter agreement is fine conditioned upon the assignment of RHDA to the new entity. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Monday, June 13, 2016 5:51 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>

**Subject:** RE: Site C / Land & Design

Thanks, Tom.

I am preparing some proposed revisions and corrections to the draft Letter Agreement Amendment document and will send to both of you shortly.

Also, as I indicated to you by email on Thursday, the City will need a binding agreement from Land & Design releasing its rights under the original DDA with the former Garden Grove Agency for Community Development. The State Department of Finance already determined that the original DDA is not an enforceable obligation of the former Agency, but its continued existence creates some latent ambiguity that needs to be eliminated now that the subsequent Grove District Resort Hotel Development Agreement between L&D and the City is being assigned to a different entity. The law would not permit the Successor Agency to enter into a new or amended agreement (such as a termination agreement) without a lengthy process, so this will need to be a one-way letter agreement from L&D. I'll prepare a draft for your review.

James





**James H. Eggart, Esq.**

Woodruff Spradlin & Smart  
(714) 415-1062 Direct Dial  
(714) 865-4853 Mobile  
(714) 415-1162 Direct Fax  
JEggart@wss-law.com

555 Anton Boulevard, Suite 1200  
Costa Mesa, CA 92626-7670  
<http://www.wss-law.com>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:33 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Thanks James – Please see responses below. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Monday, June 13, 2016 5:21 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Tom and Carrie,

Thank you. It would be helpful if one of you can provide a summary of any key terms as it would affect the City. **THERE REALLY ARE NONE OTHER THAN THE DDA LETTER AMENDMENT ITSELF (WHICH WAS SENT TO YOU A FEW MINUTES AGO)** The Exhibits to the Agreement were not included. **THESE ARE BEING PREPARED BUT ARE SIMPLE ASSIGNMENT DOCUMENTS**

For purposes of tomorrow night's City Council meeting, the City will need the following to provide to the City Council (subject, of course, to prior approval of the City Manager):

1. A formal Request for the City's Approval of the proposed Assignment **A FORMAL REQUEST WILL BE PREPARED PER THE TERMS OF THE DDA (UNLESS THERE IS OTHER SPECIFIC LANGUAGE THAT YOU WOULD LIKE TO SEE) AND SENT TO YOU AFTER L&D AND SCG HAVE SIGNED THEIR DOCUMENTS (WHICH ARE THEMSELVES CONDITIONED UPON CITY APPROVAL OF THE ASSIGNMENT)**
2. The proposed Assignment and Assumption Agreement itself (a form is attached as an Exhibit to the Resort Hotel Development Agreement and includes a separate page for the City's signature consenting to the Assignment); and **WE WILL HAVE THIS FORM PREPARED**
3. The documents comprising the proposed "Amendment" to the Resort Hotel Development Agreement. **YOU SHOULD HAVE RECEIVED THE REVISED LETTER AGREEMENT – PLEASE LET US KNOW IF YOU HAVE ANY COMMENTS**

Please advise where the parties are with respect to these matters.

James



CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:01 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)  
**Subject:** RE: Site C / Land & Design

James – attached is the most recent redraft of the DDA assignment agreement, together with the final hand-marked changes that are being made. Please let me know if you have any questions. Thanks. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Wednesday, June 08, 2016 12:04 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; macej@gtlaw.com; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>

**Subject:** Site C / Land & Design

Tom,

Another minor issue just occurred to us. As I'm sure you are aware, there exists a 2011 DDA between the Former Redevelopment Agency and Land & Design that the State Department of Finance determined to not be an enforceable obligation of the Successor Agency. That Agreement technically still exists, and is addressed in the replacement Agreement with the City by a provision stating that L&D agrees the Former Agency DDA becomes void and terminates upon conveyance of the Site to Developer. Since L&D is assigning its interests in the City Agreement to another entity, however, and will not be the one to which the Site will be conveyed, we will need to process a formal immediate termination of the 2011 Former Agency DDA concurrently with the assignment of the City Agreement so as to eliminate any potential ambiguity that may remain as to L&D's rights in the Site pursuant to the Former Agency DDA.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a></p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

June 14, 2016

Scott Stiles  
Director, City of Garden Grove as Successor Agency  
to the Garden Grove Agency for Community Development  
11222 Acacia Parkway  
Garden Grove, CA 92840

**Re: Letter Agreement for Relinquishment of Rights Under Disposition and Development Agreement, dated on or about June 14, 2011, between the Garden Grove Agency for Community Development and Land & Design, Inc.**

Dear Mr. Stiles:

On or about June 14, 2011, the Garden Grove Agency for Community Development ("Former Agency") and Land & Design, Inc. ("L&D") entered into that certain Disposition and Development Agreement (the "DDA") pertaining to approximately five acres (5) acres of property located at the northeast corner of Harbor Boulevard and Twintree Lane in the City of Garden Grove (the "Site") and generally providing for the Former Agency's acquisition and conveyance to L&D of the Site, L&D's construction and operation of specified hotels and related improvements on the Site, and the Former Agency's payment of certain financial assistance to the L&D.

Assembly Bill x1 26, chaptered and effective June 27, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former redevelopment agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act").

As of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Act, and the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development (the "Successor Agency") implements the Dissolution Act subject to the review and approval by a seven-member Oversight Board (the "Oversight Board").

Pursuant to the Dissolution Act, the State Department of Finance (the "DOF") is empowered with approving the determination of which agreements and other obligations entered into by redevelopment agencies constitute "enforceable obligations" that may continue to be administered by successor agencies. The DOF has determined that the DDA is not an "enforceable obligation" of the Successor Agency pursuant to the Dissolution Act. L&D has not acknowledged such determination.

On or about April 9, 2013, L&D and the City of Garden Grove (the "City") entered into that certain Grove District Resort Hotel Development Agreement (the "City Agreement"), which also pertains to the Site, and pursuant to which, provided a long-range property management plan providing for transfer of the portion of the Site owned by the Former Agency to the City at no cost for development purposes is approved by the Agency, the Oversight Board, and the DOF,

the City will convey the Site to the L&D and provide other economic assistance, and L&D will construct and operate a specified hotel project on the Site. The City Agreement is intended to replace the DDA; however, the DDA was never formally terminated.

Concurrently with delivery of this Letter Agreement, L&D is requesting that the City approve an assignment of the City Agreement to a new joint venture entity (the "Joint Venture"). You have requested that L&D provide this Letter Agreement formally relinquishing its rights under the DDA in conjunction with the City's consideration of, and conditioned upon and concurrent with, the proposed assignment of the City Agreement to the Joint Venture.

Therefore, subject to and expressly conditioned upon the effectiveness of the assignment of the City Agreement to the Joint Venture (the "~~DDA Assignment~~City Agreement Assignment"), L&D hereby agrees as follows:

1. L&D hereby acknowledges and agrees that, subject to and conditioned upon the consummation and effectiveness of the ~~DDA Assignment~~City Agreement Assignment, the DDA shall be unenforceable and shall be deemed terminated, void and of no further force and effect as to Successor Agency or City.
2. L&D further agrees that, subject to and conditioned upon the consummation and effectiveness of the ~~DDA Assignment~~City Agreement Assignment, it will not attempt to enforce and provisions of the DDA against either the Successor Agency or the City.

Notwithstanding anything to the contrary contained herein, the provisions of clauses (1) and (2) above shall be of no force or effect, and L&D shall not be deemed to have waived any rights or remedies with respect to the DDA, if, at any time, it is determined that the ~~DDA Assignment~~City Agreement Assignment is revoked or otherwise is not in full force and effect.

**LAND & DESIGN, INC.**, a California corporation

By: \_\_\_\_\_  
Matthew Reid, President

**Subject:** RE: Site C / Land & Design

**From:** Tom Crosbie <tcrosbie@cgs3.com>

**Date:** Tue, 14 Jun 2016 18:11:38 +0000

**To:** "James H. Eggart" <JEggart@wss-law.com>, "Carrie M. Risatti" <risattic@gtlaw.com>

**CC:** "Lisa Kim (lisak@ci.garden-grove.ca.us)" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, Omar Sandoval <OSandoval@wss-law.com>, Scott Stiles <sstiles@ci.garden-grove.ca.us>, "matt.reid@landanddesign.com" <matt.reid@landanddesign.com>, "Katelyn McGettigan" <kmcgettigan@cgs3.com>

Great -- Thanks

**Tom Crosbie**

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [mailto:JEggart@wss-law.com]

**Sent:** Tuesday, June 14, 2016 11:08 AM

**To:** Tom Crosbie <tcrosbie@cgs3.com>; Carrie M. Risatti <risattic@gtlaw.com>

**Cc:** Lisa Kim (lisak@ci.garden-grove.ca.us) <lisak@ci.garden-grove.ca.us>; 'Greg Blodgett' <greg1@ci.garden-grove.ca.us>; Omar Sandoval <OSandoval@wss-law.com>; Scott Stiles <sstiles@ci.garden-grove.ca.us>; matt.reid@landanddesign.com; Katelyn McGettigan <kmcgettigan@cgs3.com>

**Subject:** RE: Site C / Land & Design

Tom and Carrie,

This is fine from the City's standpoint.

James

 **James H. Eggart, Esq.**  
Woodruff Spradlin & Smart  
(714) 415-1062 Direct Dial  
(714) 865-4853 Mobile  
(714) 415-1162 Direct Fax  
JEggart@wss-law.com

555 Anton Boulevard, Suite 1200  
Costa Mesa, CA 92626-7670  
<http://www.wss-law.com>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Tuesday, June 14, 2016 11:02 AM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>; Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>  
**Cc:** Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com); Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>  
**Subject:** RE: Site C / Land & Design

James and Carrie – please let me know if these changes look ok. Thanks

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Tuesday, June 14, 2016 9:09 AM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com); Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>  
**Subject:** RE: Site C / Land & Design

Thanks, Tom. This will work. Please finalize and provide a signed copy today along with everything else.

James



**James H. Eggart, Esq.**

Woodruff Spradlin & Smart  
(714) 415-1062 Direct Dial  
(714) 865-4853 Mobile  
(714) 415-1162 Direct Fax  
JEggart@wss-law.com

555 Anton Boulevard, Suite 1200  
Costa Mesa, CA 92626-7670  
<http://www.wss-law.com>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Tuesday, June 14, 2016 9:07 AM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[sstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com); Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>

**Subject:** RE: Site C / Land & Design

Thanks James – the revised agreement is attached. This agreement will be signed with the City Agreement Assignment today. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Tuesday, June 14, 2016 8:28 AM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[sstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design



Tom,

I am fine with your changes – but have one request. Use of the new defined term “DDA Assignment” to refer to assignment of the Grove District Resort Hotel Development Agreement between the City and L&D is confusing in the context of this letter because *the Agency* agreement is defined as the “DDA.” Would you mind substituting the term “City Agreement Assignment” for purposes of clarity?

Thanks.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax JEggart@wss-law.com</p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	---

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 9:33 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

James – L&D’s comments attached. Thanks

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Monday, June 13, 2016 6:31 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Tom,

Attached is the proposed letter agreement from Land & Design as to the DDA.

James



CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 6:06 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>  
**Subject:** RE: Site C / Land & Design

Thanks James – that letter agreement is fine conditioned upon the assignment of RHDA to the new entity. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Monday, June 13, 2016 5:51 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>  
**Subject:** RE: Site C / Land & Design

Thanks, Tom.

I am preparing some proposed revisions and corrections to the draft Letter Agreement Amendment document and will send to both of you shortly.

Also, as I indicated to you by email on Thursday, the City will need a binding agreement from Land & Design releasing its rights under the original DDA with the former Garden Grove Agency for Community Development. The State Department of Finance already determined that the original DDA is not an enforceable obligation of the former Agency, but its continued existence creates some latent ambiguity that needs to be eliminated now that the subsequent Grove District Resort Hotel Development Agreement between L&D and the City is being assigned to a different entity. The law would not permit the Successor Agency to enter into a new or amended agreement (such as a termination agreement) without a lengthy process, so this will need to be a one-way letter agreement from L&D. I'll prepare a draft for your review.

James

 <b>James H. Eggart, Esq.</b> Woodruff Spradlin & Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a>  555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a>
--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:33 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Thanks James – Please see responses below. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Monday, June 13, 2016 5:21 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

Tom and Carrie,

Thank you. It would be helpful if one of you can provide a summary of any key terms as it would affect the City. **THERE REALLY ARE NONE OTHER THAN THE DDA LETTER AMENDMENT ITSELF (WHICH WAS SENT TO YOU A FEW MINUTES AGO)** The Exhibits to the Agreement were not included. **THESE ARE BEING PREPARED BUT ARE SIMPLE ASSIGNMENT DOCUMENTS**

For purposes of tomorrow night's City Council meeting, the City will need the following to provide to the City Council (subject, of course, to prior approval of the City Manager):

1. A formal Request for the City's Approval of the proposed Assignment **A FORMAL REQUEST WILL BE PREPARED PER THE TERMS OF THE DDA (UNLESS THERE IS OTHER SPECIFIC LANGUAGE THAT YOU WOULD LIKE TO SEE) AND SENT TO YOU AFTER L&D AND SCG HAVE SIGNED THEIR DOCUMENTS (WHICH ARE THEMSELVES CONDITIONED UPON CITY APPROVAL OF THE ASSIGNMENT)**
2. The proposed Assignment and Assumption Agreement itself (a form is attached as an Exhibit to the Resort Hotel Development Agreement and includes a separate page for the City's signature consenting to the Assignment); and **WE WILL HAVE THIS FORM PREPARED**
3. The documents comprising the proposed "Amendment" to the Resort Hotel Development Agreement. **YOU SHOULD HAVE RECEIVED THE REVISED LETTER AGREEMENT – PLEASE LET US KNOW IF YOU HAVE ANY COMMENTS**

Please advise where the parties are with respect to these matters.

James



**James H. Eggart, Esq.**

Woodruff Spradlin & Smart  
(714) 415-1062 Direct Dial  
(714) 865-4853 Mobile  
(714) 415-1162 Direct Fax  
JEggart@wss-law.com

555 Anton Boulevard, Suite 1200  
Costa Mesa, CA 92626-7670  
<http://www.wss-law.com>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:01 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)  
**Subject:** RE: Site C / Land & Design

James – attached is the most recent redraft of the DDA assignment agreement, together with the final hand-marked changes that are being made. Please let me know if you have any questions. Thanks. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Wednesday, June 08, 2016 12:04 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; [macej@gtlaw.com](mailto:macej@gtlaw.com); Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** Site C / Land & Design

Tom,

Another minor issue just occurred to us. As I'm sure you are aware, there exists a 2011 DDA between the Former Redevelopment Agency and Land & Design that the State Department of Finance determined to not be an enforceable obligation of the Successor Agency. That Agreement technically still exists, and is addressed in the replacement Agreement with the City by a provision stating that L&D agrees the Former Agency DDA becomes void and terminates upon conveyance of the Site to Developer. Since L&D is assigning its interests in

the City Agreement to another entity, however, and will not be the one to which the Site will be conveyed, we will need to process a formal immediate termination of the 2011 Former Agency DDA concurrently with the assignment of the City Agreement so as to eliminate any potential ambiguity that may remain as to L&D's rights in the Site pursuant to the Former Agency DDA.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax JEggart@wss-law.com</p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	---

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is hereby made as of \_\_\_\_\_, June \_\_, 20\_\_-16, by and between Land & Design, Inc. \_\_\_\_\_, a \_\_\_\_\_ California corporation ("\_\_\_\_"), ("Assignor"), and \_\_\_\_\_, Investel Garden Resorts, LLC, a \_\_\_\_\_ Delaware limited liability company ("Assignee").

**RECITALS**

A. Assignor and the City of Garden Grove (the "City") have entered a Grove District Resort Hotel Development Agreement dated \_\_\_\_\_, April 9, 2013 (the "RHDA"). Pursuant to the RHDA, the City agreed to convey ~~[or conveyed]~~ to the Assignor a parcel of real property referred to in the RHDA as the "Site," and the Assignor agreed to construct, ~~[among other things,]~~ \_\_\_\_\_ a mixed use hotel and retail project thereon (the "Project").

B. Assignor and Assignee desire to provide by this Assignment for Assignor to assign to Assignee all of its rights and obligations under the RHDA ~~[with respect to the portion of the Site described on Exhibit "A" hereto]~~ and for Assignee to accept such assignment and assume all rights and obligations thereunder ~~[with respect to such portion of the Site]~~.

C. Pursuant to Section 103 of the RHDA, City approval of a Transfer of Assignor's interest in the Agreement is required in connection with the construction of \_\_\_\_\_ the Project.

D. The parties also desire for City to consent to such assignment and assumption, and acknowledge that such assignment and assumption is permitted pursuant to Section 103 of the RHDA.

NOW, THEREFORE, Assignor and Assignee hereby agree as follows:

1. **Assignment and Assumption.** Assignor hereby assigns to Assignee all of its right, title and interest in and to the RHDA ~~[with respect to the portion of the Site described on Exhibit "A" hereto]~~, and Assignee hereby accepts such assignment and assumes performance of all terms, covenants and conditions on the part of Assignor to be performed, occurring or arising under the RHDA ~~[with respect to such portion of the Site]~~, from and after the date hereof with respect to \_\_\_\_\_ the Project. From and after the date hereof, Assignor shall be released from and have no further obligations under the RHDA ~~[with respect to such portion of the Site]~~, excluding actual claims of Default which City made against Assignor in writing prior to the date hereof, the responsibility for which claims have not been assumed by Assignee.

**2. Successors and Assigns.** This Assignment shall be binding upon and shall inure to the benefit of Assignor and Assignee, their respective successors and assigns and City as third party beneficiary hereof.

**3. Governing Law.** This Assignment has been entered into, is to be performed entirely within, and shall be governed by and construed in accordance with the laws of the State of California.

**4. Further Assurances.** Each party hereto covenants and agrees to perform all acts and things, and to prepare, execute, and deliver such written agreements, documents, and instruments as may be reasonably necessary to carry out the terms and provisions of this Assignment.

**NOW, THEREFORE,** the parties hereto have executed this Assignment as of the date set forth above.

ASSIGNOR:

LAND & DESIGN, INC.  
a California corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

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

Its: \_\_\_\_\_

*[SIGNATURES CONTINUE ON FOLLOWING PAGE]*



**ASSIGNEE:**

INVESTEL GARDEN RESORTS, LLC  
a Delaware limited liability company

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Its:** \_\_\_\_\_

**CONSENT OF CITY TO ASSIGNMENT**

City hereby acknowledges and consents to the above assignment, and releases Assignor from any further liability under the RHDA, except in Assignor's capacity as a member of Assignee.

**CITY OF GARDEN GROVE,**  
a municipal corporation

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

ATTEST:

\_\_\_\_\_  
City Clerk

Re:

**Subject:** Re:

**From:** Matt Reid <matt.reid@landanddesign.com>

**Date:** Tue, 14 Jun 2016 11:05:49 -0700

**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

We are on for tonight! Documents are being signed now.

Sent from my iPhone

**Matthew Reid**

**Land & Design, Inc.**

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 **cell**

Skype - matthew.reid.ca

[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 14, 2016, at 11:01 AM, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)> wrote:

How did it go with with Winfred

Do you have the signed agreement

Sent from my iPhone

**Subject:** RE: Site C / Land & Design  
**From:** "James H. Eggart" <JEggart@wss-law.com>  
**Date:** Tue, 14 Jun 2016 22:39:45 +0000  
**To:** Tom Crosbie <tcrosbie@cgs3.com>  
**CC:** "Carrie M. Risatti" <risattic@gtlaw.com>, "Lisa Kim (lisak@ci.garden-grove.ca.us)" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, Omar Sandoval <OSandoval@wss-law.com>, "Scott Stiles" <sstiles@ci.garden-grove.ca.us>, "matt.reid@landanddesign.com" <matt.reid@landanddesign.com>, Katelyn McGettigan <kmcgettigan@cgs3.com>

Tom and Carrie,

In order for the City to be able to print and provide copies of all of the relevant documents in time for the City Council meeting, Staff needs final, executed documents within the next few minutes. Please advise of the status.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax JEggart@wss-law.com</p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	---

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [mailto:tcrosbie@cgs3.com]  
**Sent:** Tuesday, June 14, 2016 9:07 AM  
**To:** James H. Eggart <JEggart@wss-law.com>  
**Cc:** Carrie M. Risatti <risattic@gtlaw.com>; Lisa Kim (lisak@ci.garden-grove.ca.us) <lisak@ci.garden-grove.ca.us>; 'Greg Blodgett' <greg1@ci.garden-grove.ca.us>; Omar Sandoval <OSandoval@wss-law.com>; Scott Stiles <sstiles@ci.garden-grove.ca.us>; matt.reid@landanddesign.com; Katelyn McGettigan <kmcgettigan@cgs3.com>  
**Subject:** RE: Site C / Land & Design

Thanks James – the revised agreement is attached. This agreement will be signed with the City Agreement Assignment today. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Tuesday, June 14, 2016 8:28 AM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

Tom,

I am fine with your changes – but have one request. Use of the new defined term “DDA Assignment” to refer to assignment of the Grove District Resort Hotel Development Agreement between the City and L&D is confusing in the context of this letter because *the Agency* agreement is defined as the “DDA.” Would you mind substituting the term “City Agreement Assignment” for purposes of clarity?

Thanks.

James

 <p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a></p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Monday, June 13, 2016 9:33 PM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

James – L&D's comments attached. Thanks

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Monday, June 13, 2016 6:31 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>;

Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

Tom,

Attached is the proposed letter agreement from Land & Design as to the DDA.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a></p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Monday, June 13, 2016 6:06 PM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>

**Subject:** RE: Site C / Land & Design

Thanks James – that letter agreement is fine conditioned upon the assignment of RHDA to the new entity. Tom

**Tom Crosbie**

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Monday, June 13, 2016 5:51 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>

**Subject:** RE: Site C / Land & Design

Thanks, Tom.

I am preparing some proposed revisions and corrections to the draft Letter Agreement Amendment document and will send to both of you shortly.

Also, as I indicated to you by email on Thursday, the City will need a binding agreement from Land & Design releasing its rights under the original DDA with the former Garden Grove Agency for Community Development. The State Department of Finance already determined that the original DDA is not an enforceable obligation of the former Agency, but its continued existence creates some latent ambiguity that needs to be eliminated now that the subsequent Grove District Resort Hotel Development Agreement between L&D and the City is being assigned to a different entity. The law would not permit the Successor Agency to enter into a new or amended agreement (such as a termination agreement) without a lengthy process, so this will need to be a one-way letter agreement from L&D. I'll prepare a draft for your review.

James



**James H. Eggart, Esq.**  
Woodruff Spradlin & Smart  
(714) 415-1062 Direct Dial  
(714) 865-4853 Mobile  
(714) 415-1162 Direct Fax  
JEggart@wss-law.com

555 Anton Boulevard, Suite 1200  
Costa Mesa, CA 92626-7670  
<http://www.wss-law.com>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:33 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Thanks James – Please see responses below. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Monday, June 13, 2016 5:21 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Tom and Carrie,

Thank you. It would be helpful if one of you can provide a summary of any key terms as it would affect the City. **THERE REALLY ARE NONE OTHER THAN THE DDA LETTER AMENDMENT ITSELF (WHICH WAS SENT TO YOU A FEW MINUTES AGO)** The Exhibits to the Agreement were not included. **THESE ARE BEING PREPARED BUT ARE SIMPLE ASSIGNMENT DOCUMENTS**



For purposes of tomorrow night's City Council meeting, the City will need the following to provide to the City Council (subject, of course, to prior approval of the City Manager):

1. A formal Request for the City's Approval of the proposed Assignment **A FORMAL REQUEST WILL BE PREPARED PER THE TERMS OF THE DDA (UNLESS THERE IS OTHER SPECIFIC LANGUAGE THAT YOU WOULD LIKE TO SEE) AND SENT TO YOU AFTER L&D AND SCG HAVE SIGNED THEIR DOCUMENTS (WHICH ARE THEMSELVES CONDITIONED UPON CITY APPROVAL OF THE ASSIGNMENT)**
2. The proposed Assignment and Assumption Agreement itself (a form is attached as an Exhibit to the Resort Hotel Development Agreement and includes a separate page for the City's signature consenting to the Assignment); and **WE WILL HAVE THIS FORM PREPARED**
3. The documents comprising the proposed "Amendment" to the Resort Hotel Development Agreement. **YOU SHOULD HAVE RECEIVED THE REVISED LETTER AGREEMENT – PLEASE LET US KNOW IF YOU HAVE ANY COMMENTS**

Please advise where the parties are with respect to these matters.

James

 <b>James H. Eggart, Esq.</b> Woodruff Spradlin & Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax JEggart@wss-law.com  555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a>
---

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:01 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)  
**Subject:** RE: Site C / Land & Design

James – attached is the most recent redraft of the DDA assignment agreement, together with the final hand-marked changes that are being made. Please let me know if you have any questions. Thanks. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Wednesday, June 08, 2016 12:04 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; macej@gtlaw.com; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>

**Subject:** Site C / Land & Design

Tom,

Another minor issue just occurred to us. As I'm sure you are aware, there exists a 2011 DDA between the Former Redevelopment Agency and Land & Design that the State Department of Finance determined to not be an enforceable obligation of the Successor Agency. That Agreement technically still exists, and is addressed in the replacement Agreement with the City by a provision stating that L&D agrees the Former Agency DDA becomes void and terminates upon conveyance of the Site to Developer. Since L&D is assigning its interests in the City Agreement to another entity, however, and will not be the one to which the Site will be conveyed, we will need to process a formal immediate termination of the 2011 Former Agency DDA concurrently with the assignment of the City Agreement so as to eliminate any potential ambiguity that may remain as to L&D's rights in the Site pursuant to the Former Agency DDA.

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a></p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

**Subject:** Site C // Land & Design

**From:** Katelyn McGettigan <kmcgettigan@cgs3.com>

**Date:** Tue, 14 Jun 2016 22:58:59 +0000

**To:** "James H. Eggart" <JEggart@wss-law.com>, Scott Stiles <sstiles@ci.garden-grove.ca.us>

**CC:** "Lisa Kim (lisak@ci.garden-grove.ca.us)" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, Omar Sandoval <OSandoval@wss-law.com>, "matt.reid@landanddesign.com" <matt.reid@landanddesign.com>, Tom Crosbie <tcrosbie@cgs3.com>

James and Scott,

Attached please find a (i) letter from Land & Design, Inc. requesting your approval of the DDA assignment, (ii) letter agreement for relinquishment of rights under the DDA, (iii) a copy of the Agreement for Assignment of Development Rights and Escrow Instructions, and (iv) exhibits to Agreement for Assignment of Development Rights and Escrow Instructions .

Please let us know if you need anything else.

Thank you,

Katelyn McGettigan

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7639

[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)



[LinkedIn](#) | [Twitter](#) | [Google+](#)

Visit our new website: [www.cgs3.com](http://www.cgs3.com)

<p><b>Garden Grove - Letter Request for Citys Approval of DDA Assignment FINAL....pdf</b></p>	<p><b>Content-Description:</b> Garden Grove - Letter Request for Citys Approval of DDA Assignment FINAL....pdf</p> <p><b>Content-Type:</b> application/pdf</p> <p><b>Content-Encoding:</b> base64</p>
---	---

– Agreement for Termination of Site C DDA FINAL.PDF

<p><b>Agreement for Termination of Site C DDA FINAL.PDF</b></p>	<p><b>Content-Description:</b> Agreement for Termination of Site C DDA FINAL.PDF</p> <p><b>Content-Type:</b> application/pdf</p> <p><b>Content-Encoding:</b> base64</p>
---	---

– Garden Grove Assignment of DDA Development Rights - Assignor & Assignee ....pdf

<p><b>Garden Grove Assignment of DDA Development Rights - Assignor &amp; Assignee ....pdf</b></p>	<p><b>Content-Description:</b> Garden Grove Assignment of DDA Development</p>
---	---

	<b>Content-Type:</b> application/pdf <b>Content-Encoding:</b> base64
--	---

— EXHIBITS to SCG America Group Agreement for Assignment of Development Ri....pdf —

<b>EXHIBITS to SCG America Group Agreement for Assignment of Development Ri....pdf</b>	<b>Content-Description:</b> EXHIBITS to SCG America Group Agreement for Assignment of Development Ri....pdf <b>Content-Type:</b> application/pdf <b>Content-Encoding:</b> base64
--	--

Tue 14 Jun 2016  
22:58:59 + 0000

**VIA EMAIL & OVERNIGHT FEDEX**

Scott Stiles  
Director, City of Garden Grove as Successor Agency  
to the Garden Grove Agency for Community Development  
11222 Acacia Parkway  
Garden Grove, CA 92840

Re: Grove District Resort Hotel Development Agreement ("GDRHD") dated April 9, 2013 by and between the City of Garden Grove (the "City") and Land & Design, Inc. ("L&D")

Dear Mr. Stiles:

Pursuant to Section 1.03 of GDRHD, this letter constitutes L&D's formal request for approval of the assignment of L&D's rights and obligations under the GDRHD to Investel Garden Resorts, LLC ("Investel") pursuant to that certain Agreement for Assignment of Development Rights and Escrow Instructions attached hereto, including all exhibits attached thereto (collectively, the "Agreement").

If such assignment and the Agreement are acceptable and approved, please take such action as is appropriate to provide all necessary approvals and authorizations thereof on behalf of the City. Please contact me with any questions or comments.

LAND & DESIGN, INC., a California corporation

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

  
Matthew W. Reid, President

June 14, 2016

Scott Stiles  
Director, City of Garden Grove as Successor Agency  
to the Garden Grove Agency for Community Development  
11222 Acacia Parkway  
Garden Grove, CA 92840

**Re: Letter Agreement for Relinquishment of Rights Under Disposition and Development Agreement, dated on or about June 14, 2011, between the Garden Grove Agency for Community Development and Land & Design, Inc.**

Dear Mr. Stiles:

On or about June 14, 2011, the Garden Grove Agency for Community Development ("Former Agency") and Land & Design, Inc. ("L&D") entered into that certain Disposition and Development Agreement (the "DDA") pertaining to approximately five acres (5) acres of property located at the northeast corner of Harbor Boulevard and Twintree Lane in the City of Garden Grove (the "Site") and generally providing for the Former Agency's acquisition and conveyance to L&D of the Site, L&D's construction and operation of specified hotels and related improvements on the Site, and the Former Agency's payment of certain financial assistance to the L&D.

Assembly Bill x1 26, chaptered and effective June 27, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former redevelopment agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act").

As of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Act, and the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development (the "Successor Agency") implements the Dissolution Act subject to the review and approval by a seven-member Oversight Board (the "Oversight Board").

Pursuant to the Dissolution Act, the State Department of Finance (the "DOF") is empowered with approving the determination of which agreements and other obligations entered into by redevelopment agencies constitute "enforceable obligations" that may continue to be administered by successor agencies. The DOF has determined that the DDA is not an "enforceable obligation" of the Successor Agency pursuant to the Dissolution Act. L&D has not acknowledged such determination.

On or about April 9, 2013, L&D and the City of Garden Grove (the "City") entered into that certain Grove District Resort Hotel Development Agreement (the "City Agreement"), which also pertains to the Site, and pursuant to which, provided a long-range property management plan providing for transfer of the portion of the Site owned by the Former Agency to the City at no cost for development purposes is approved by the Agency, the Oversight Board, and the DOF, the City will convey the Site to the L&D and provide other economic assistance, and L&D will construct

and operate a specified hotel project on the Site. The City Agreement is intended to replace the DDA; however, the DDA was never formally terminated.

Concurrently with delivery of this Letter Agreement, L&D is requesting that the City approve an assignment of the City Agreement to a new joint venture entity (the "Joint Venture"). You have requested that L&D provide this Letter Agreement formally relinquishing its rights under the DDA in conjunction with the City's consideration of, and conditioned upon and concurrent with, the proposed assignment of the City Agreement to the Joint Venture.

Therefore, subject to and expressly conditioned upon the effectiveness of the assignment of the City Agreement to the Joint Venture (the "City Agreement Assignment"), L&D hereby agrees as follows:

1. L&D hereby acknowledges and agrees that, subject to and conditioned upon the consummation and effectiveness of the City Agreement Assignment, the DDA shall be unenforceable and shall be deemed terminated, void and of no further force and effect as to Successor Agency or City.
2. L&D further agrees that, subject to and conditioned upon the consummation and effectiveness of the City Agreement Assignment, it will not attempt to enforce and provisions of the DDA against either the Successor Agency or the City.

Notwithstanding anything to the contrary contained herein, the provisions of clauses (1) and (2) above shall be of no force or effect, and L&D shall not be deemed to have waived any rights or remedies with respect to the DDA, if, at any time, it is determined that the City Agreement Assignment is revoked or otherwise is not in full force and effect.

LAND & DESIGN, INC. a California corporation

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

Matthew W. Reid, President

**AGREEMENT FOR ASSIGNMENT OF DEVELOPMENT RIGHTS  
AND ESCROW INSTRUCTIONS  
BETWEEN  
SCG AMERICA GROUP INC.  
AS ASSIGNEE  
AND  
LAND & DESIGN, INC.  
AS ASSIGNOR**



AGREEMENT FOR ASSIGNMENT OF DEVELOPMENT RIGHTS

AND ESCROW INSTRUCTIONS

This Agreement for Assignment of Development Rights and Escrow Instructions ("**Agreement**"), effective as of June 14, 2016 ("**Effective Date**"), is entered into by and between Land & Design, Inc., a California corporation ("**Assignor**"), and SCG America Group, Inc., a Delaware corporation ("**SCG**").

RECITALS

A. Assignor, as "Developer", and the City of Garden Grove, a municipal corporation, as "Seller" (hereinafter referred to as the "**City**"), are parties to that Grove District Resort Hotel Development Agreement, dated as of April 9, 2013 (the "**DDA**"), with respect to certain real property (the "**Property**"), located at the northeast corner of Harbor Boulevard and Twintree Lane, in the City of Garden Grove, State of California, which property is identified in the DDA. A copy of the DDA has been provided to SCG and SCG acknowledges receipt thereof. Pursuant to the DDA, Developer has the right to develop the "Project" (as defined in the DDA) (as such "Project" is identified in the most recent plans and specifications provided to the City for approval as of the date of this Agreement, the "**Project**").

B. Pursuant to Section 103.1 of the DDA, Assignor (directly or through an affiliate of Assignor) and SCG desire to enter into a joint venture agreement (the "**Joint Venture Agreement**") and to create a joint venture entity (such entity may be referred to herein as the "**Assignee**") to acquire and develop the Property pursuant to and in accordance with the terms of the DDA.

C. In order to provide for such acquisition and development of the Property by Assignee, Assignor and SCG desire that Assignor assign, transfer, and convey to Assignee, and that Assignee assume and acquire from Assignor, on and subject to the terms and conditions set forth herein: (a) all of Assignor's rights and obligations under the DDA to purchase and develop the Property, together with (b) all of Assignor's rights, title, and interest with respect to the DDA, and (c) to the extent that Assignor has the right to assign the same, all of Assignor's rights in and to all engineering plans, plats, reports and studies and related materials as listed and described on Exhibit "A" attached hereto (as the same may be amended or updated) (the "**Plans**") (collectively, items (a)-(c) shall hereinafter be referred to as the "**DDA Rights**"), on and subject to the terms and conditions set forth in this Agreement.

D. In connection with the conveyance of the DDA Rights to Assignee, SCG and Assignor desire to obtain the City's (i) approval of the assignment of the DDA Rights to Assignee as more fully provided in Paragraph 3.1 below (the "**DDA Assignment Approval**"), and (ii) approval of an amendment of the DDA consistent in all material respects with the form attached as Exhibit F hereto (the "**DDA Amendment**").

E. Furthermore, SCG and Assignor desire to cause Assignee to enter into a consulting agreement with Assignor (the "**Consultant**") for consulting services to be provided to Assignee, with Assignee's obligations thereunder to be guaranteed by SCG (collectively, the

"Consulting Agreement"). The parties acknowledge and agreed that the Consulting Agreement may be incorporated into the Joint Venture Agreement or may be a separate agreement.

## AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SCG and Assignor hereby agree, and instruct Escrow Holder, as follows:

1. ASSIGNMENT OF DDA RIGHTS. Subject to and on the terms set forth in this Agreement, Assignor agrees to assign, transfer and convey to Assignee the DDA Rights, in consideration for the respective rights and obligations of Assignor, SCG and Assignee set forth in this Agreement, the Joint Venture Agreement and the Consulting Agreement.

### 1.1 DEPOSIT.

1.1.1 The Deposit. Within two (2) business days after Effective Date, a deposit of One Million and 00/100 Dollars (\$1,000,000) (the "**Deposit**") shall be delivered to Escrow Holder by SCG. Escrow Holder shall place the Deposit in a federally insured, interest bearing account. All interest earned on the Deposit shall be deemed part of the Deposit for all purposes under this Agreement. The Deposit shall be payable by certified, cashiers or official bank check or wire transfer of immediately available federal funds ("**Cash**"). Subject to the applicable termination and default provisions contained in this Agreement, on the Closing (as defined herein), the Deposit shall be applied as provided in and pursuant to the Joint Venture Agreement. As of the Effective Date, the Deposit shall be non-refundable to SCG except as otherwise expressly provided in this Agreement and shall be earned by and released by Escrow Holder to Assignor if the Closing fails to occur for any reason other than the failure of a condition precedent in favor of SCG under Paragraph 3 below or SCG's termination of this Agreement pursuant to Paragraph 6.5.1 hereof due to the Assignor's breach of this Agreement.

1.1.2 Independent Contract Consideration. Additionally, at the same time as the deposit of the Deposit with the Escrow Holder, SCG shall deliver to Assignor in cash the sum of One Hundred and No/100 Dollars (\$100.00) (the "**Independent Contract Consideration**") which amount has been bargained for and agreed to as consideration for SCG's right to enter into the Joint Venture Agreement and the right to inspect the Property as provided herein, and for Assignor's execution and delivery of this Agreement. The Independent Contract Consideration is in addition to and independent of all other consideration provided in this Agreement, and is nonrefundable in all events.

1.2 CLOSE OF ESCROW. The Close of Escrow shall occur on the date (the "**Closing Date**") that is three (3) business days after satisfaction or waiver by SCG and Assignor, respectively, of the conditions set forth in Paragraphs 3.1 and 3.2 (with respect to SCG) and Paragraphs 4.6 and 4.8 (with respect to Assignor).

### 1.3 Reserved.

1.4 ESCROW HOLDER. First American Title Insurance Company ("**Escrow Holder**"), whose address is: 4380 La Jolla Village Drive, Suite 100, San Diego, CA 92122; Escrow Officer: Lieng Smith; Facsimile: (877) 478-3006.

1.5 TITLE COMPANY. First American Title Insurance Company ("**Title Company**"), whose address is: 4380 La Jolla Village Drive, Suite 100, San Diego, CA 92122; Title Coordinator: Linda Slavik; Telephone: (858) 410-3873; Facsimile:\_\_\_\_\_.

2. GENERAL FEASIBILITY.

2.1 PROPERTY DOCUMENTS

(a) Within three (3) business days after the Effective Date, Assignor, at its sole cost and expense, shall (to the extent it has not already done so) deliver to SCG electronically, the following documents for the Property, in each case to the extent in Assignor's possession: (i) all existing environmental and soils assessments, correspondence and reports, (ii) all surveys, (iv) the most recent preliminary title report or title insurance policy, (iii) all contracts and agreements affecting the Property, (iv) copies of all documents regarding litigation, liens or threatened claims, and (v) all structural reports, engineering data, and plans and specifications ((i) through (vi) collectively, the "**Property Documents**").

SCG shall deliver to Assignor, without warranty or representation of any kind, and within three (3) business days after SCG develops or receives the same, copies of each inspection report, study, survey, plan, specification and other studies, reports and/or test results relating to the Property which are developed by SCG or prepared by consultants retained by SCG in contemplation of or in connection with this Agreement, the development of the Property and/or the Joint Venture Agreement. SCG's obligations under this Paragraph 2.2.2 are material obligations under this Agreement and shall survive the termination of this Agreement. The originals (and where originals are not available, copies) of all Property Documents shall become the property of Assignee upon Close of Escrow. Upon Close of Escrow, Assignor may retain copies of any Property Documents which Assignor may make at Assignor's sole cost and expense.

2.1.2 Interviews. (a) Assignor shall make available to SCG for interviews regarding the Property, Assignor's personnel, agents and managers and (b) SCG shall have the right, subject to the terms of this Agreement and the City's and Assignor's consent, to interview City employees.

2.1.3 Reserved

3. CONDITIONS PRECEDENT TO SCG'S PERFORMANCE. SCG's obligations to enter into the Joint Venture Agreement and to execute and deliver the documents identified in Paragraph 5.3 below are subject to the satisfaction or written waiver of all the conditions described below (which are for SCG's benefit), within the time periods specified, or if no time is specified, by the Closing Date. If any such condition is not timely satisfied, then SCG may exercise its rights pursuant and subject to Paragraphs 6.2 and 6.3 below.

3.1 DDA ASSIGNMENT APPROVAL: On or before June 14, 2016, the City shall have approved of the assignment of the DDA Rights to Assignee pursuant to duly authorized resolution, ordinance or administrative or regulatory determination (or similar action) (which resolution, ordinance, determination or action shall constitute the DDA Assignment Approval for all purposes of this Agreement). For purposes of clarity, SCG shall have the right to terminate this Agreement pursuant to this Paragraph 3.1 if the City at any time (i) disapproves assignment of the DDA Rights to Assignee or (ii) imposes conditions on such approval that (a) would result in a material increase in Assignee's cost, or a material adverse impact on Assignee's ability, to develop the Project and (b) are not acceptable to SCG, in SCG's reasonable discretion (such conditions being referred to herein as "Adverse Conditions"). SCG covenants and agrees to provide to City, within five (5) business days after receipt of written request therefor, such documents, materials and other information as the City may request with respect to SCG and/or the DDA Assignment Approval or the DDA Amendment, including, without limitation, SCG's financial ability, qualifications and ability to perform the obligations of the "Developer" under the DDA in accordance with the terms thereof and all applicable laws, and, from and after the expiration of the Effective Date, SCG's failure to provide any such documents, materials or other information to the City within five (5) business days after receipt of written request therefor from the City or Assignor shall constitute a material default hereunder by SCG.

3.2 DDA AMENDMENT APPROVAL: On or before June 14, 2016, the City shall have approved the DDA Amendment, pursuant to duly authorized resolution, ordinance or administrative or regulatory determination (or similar action) (which resolution, ordinance, determination or action shall constitute the approval of the DDA Amendment for all purposes of this Agreement). For purposes of clarity, SCG shall have the right to terminate this Agreement pursuant to this Paragraph 3.2 if the City at any time (i) disapproves the DDA Amendment, or (ii) imposes an Adverse Condition on such approval.

3.3 VALIDITY OF REPRESENTATIONS AND WARRANTIES. All representations and warranties by Assignor in this Agreement shall be true and correct in all material respects as of the date upon which the conditions set forth in Paragraphs 3.1 and 3.2 above have been satisfied. For purposes of clarity, it shall not be a condition for SCG's benefit that any such representation or warranty remain true and correct after date upon which the conditions set forth in Paragraphs 3.1 and 3.2 above have been satisfied.

3.4 PERFORMANCE OF COVENANTS. As of the time specified, or if no time is specified, by the Closing Date, Assignor shall have duly performed all covenants and agreements to be performed by Assignor under this Agreement, including, without limitation, the timely delivery of all documents and instruments to Escrow Holder as required by Paragraph 5.2 hereof.

3.5 JOINT VENTURE AGREEMENT. On or before the Effective Date, the parties shall have entered into and fully executed the Joint Venture Agreement. SCG acknowledges and agrees that it is intended by the parties that SCG shall own 90% of Assignee and Assignor shall own 10% of Assignee.

3.6 CONSULTING AGREEMENT. On or before the Effective Date, Assignee and Consultant shall have entered into and fully executed the final form of the Consulting Agreement.

3.7 PERFORMANCE UNDER JOINT VENTURE AGREEMENT. As of the Close of Escrow, Assignor shall have performed all of Assignor's obligations under the Joint Venture Agreement that are to be performed by Assignor as of the Close of Escrow.

4. CONDITIONS PRECEDENT TO ASSIGNOR'S PERFORMANCE. Assignor's obligations to assign the DDA Rights, to enter into the Joint Venture Agreement and to execute and deliver the documents identified in Paragraph 5.2 below are subject to the satisfaction or written waiver of all conditions set forth below (which are for Assignor's benefit) within the time periods specified, or if no time period is specified, by the Closing Date. If any such condition is not timely satisfied, then Assignor may exercise its rights pursuant and subject to Paragraphs 6.2 and 6.3 below.

4.1 PERFORMANCE OF COVENANTS. As of the time specified, or if no time is specified, by the Closing Date, SCG shall have duly performed all covenants and agreements to be performed by SCG under this Agreement.

4.2 DELIVERY OF DOCUMENTS. Prior to the Closing Date, SCG shall have signed, acknowledged and timely delivered all monies, documents and instruments to Escrow Holder as required by this Agreement, including but not limited to those required by Paragraph 5.3 hereof and Escrow Holder shall have delivered all documents and monies required to be delivered to Assignor.

4.3 VALIDITY OF REPRESENTATIONS AND WARRANTIES. All representations and warranties by SCG in this Agreement shall be true and correct in all material respects as of date upon which the conditions set forth in Paragraphs 4.6 and 4.8 below have been satisfied. For purposes of clarity, it shall not be a condition for Assignor's benefit that any such representation or warranty remain true and correct after date upon which the conditions set forth in Paragraphs 4.6 and 4.8 below have been satisfied.

4.4 JOINT VENTURE AGREEMENT. On or before the Effective Date, the parties shall have entered into and fully executed the Joint Venture Agreement. Assignor acknowledges and agrees that it is intended by the parties that SCG shall own 90% of Assignee and Assignor shall own 10% of Assignee.

4.5 CONSULTING AGREEMENT. On or before the Effective Date, Assignee and Consultant shall have entered into and fully executed the Consulting Agreement.

4.6 DDA ASSIGNMENT APPROVAL: On or before June 14, 2016, the DDA Assignment Approval shall have been obtained from the City as provided in Paragraph 3.1 above. For purposes of clarity, Assignor shall have the right to terminate this Agreement pursuant to this Paragraph 4.6 if the City at any time (i) disapproves assignment of the DDA Rights to Assignee, or (ii) imposes an Adverse Condition on such approval that, within five (5) business days after delivery of written notice thereof to SCG, SCG does not approve and agree in writing to satisfy. The parties acknowledge and agree that any request by SCG to extend the date

upon which the City reviews, approves, disapproves and/or issues the DDA Assignment Approval shall constitute the disapproval of and refusal to issue the DDA Assignment Approval for purposes of this Section 4.6.

4.7 Reserved.

4.8 CITY APPROVAL OF DDA AMENDMENT: On or before June 14, 2016, the DDA Amendment shall have been approved by the City as provided in Paragraph 3.2 above. For purposes of clarity, Assignor shall have the right to terminate this Agreement pursuant to this Paragraph 4.8 if the City at any time (i) disapproves the DDA Amendment, or (ii) imposes an Adverse Condition on such approval that, within five (5) business days after delivery of written notice thereof to SCG, SCG does not approve and agree in writing to be bound thereby. The parties acknowledge and agree that any request by SCG to extend the date upon which the City reviews and/or approves or disapproves the DDA Amendment shall constitute the disapproval of the DDA Amendment for purposes of this Section 4.8. Assignor hereby warrants, represents and agrees that, from and after the Effective Date, Assignor will work in good faith to obtain the City's approval of the DDA Amendment.

4.9 PAYMENT. SCG shall have deposited with Escrow Holder all monies required to be so deposited by this Agreement and the Joint Venture Agreement.

4.10 PERFORMANCE UNDER JOINT VENTURE AGREEMENT. As of the Close of Escrow, SCG shall have performed all of SCG's obligations to be performed by SCG as of the Close of Escrow.

## 5. CLOSING.

### 5.1 THE CLOSING.

(a) Provided that the conditions set forth in Paragraphs 3 and 4 hereof have been satisfied or SCG and Assignor have waived the same in writing, the Closing shall occur at the offices of the Escrow Holder on the Closing Date.

(b) The terms "**Close of Escrow**" and/or "**Closing**" are used in this Agreement to mean the time that Escrow Holder has been given irrevocable instructions by Assignor and SCG to deliver the executed originals of the Assignment (as defined herein) to each of the parties thereto.

5.2 ASSIGNOR'S CLOSING OBLIGATIONS. On the last business day immediately before the Closing Date, Assignor shall deliver to Escrow Holder:

(a) Reserved;

(b) An assignment and assumption of development rights agreement in the form attached hereto as Exhibit "B" (the "**Assignment**"), conveying the DDA Rights of Assignor under the DDA to Assignee, properly signed by Assignor, which form of Assignment shall be agreed upon by the parties on or before the Effective Date;

(c) To the extent the same are assignable by Assignor, an Assignment of Plans conveying the Rights to the Plans to Assignee, signed by Assignor, in the form attached hereto as Exhibit "C" ("**Assignment of Plans**");

(d) A general assignment, signed by Assignor, in the form attached hereto as Exhibit "D", conveying all of Assignor's right, title and interest in and to the Permits, Warranties, and Intangibles for the Property to Assignee ("**General Assignment**");

(e) If the final form of the DDA Amendment has been approved by the City as of such date, the DDA Amendment, signed by the Assignor;

(f) Reserved;

(g) All invoices for the Pre-Development Costs (as defined herein);

(h) All originals (and where originals are not available, copies) of the Property Documents for the Property; and

(i) Any additional funds, documents and/or instruments (signed by Assignor and acknowledged, if appropriate) as may be necessary to comply with this Agreement, including, without limitation, certified copies of all corporate or partnership resolutions to the extent required by the Escrow Holder or Title Company, as the case may be, adopted by Assignor's entities authorizing the transactions contemplated hereby.

5.3 SCG'S CLOSING OBLIGATIONS. Provided that all of the conditions set forth in Paragraph 4 hereof have been satisfied (and/or waived by SCG), on the last business day immediately before the Closing Date, SCG shall deliver to Escrow Holder:

(a) Cash equal to that amount required by the Joint Venture Agreement;

(b) Reserved;

(c) The Assignment, signed by SCG on behalf of Assignee;

(d) The Assignment of Plans, signed by Assignee on behalf of Assignee;

(e) The General Assignment, signed by Assignee on behalf of Assignee;

(f) Reserved; and

(g) Any additional funds and/or instruments (signed by SCG and acknowledged, if appropriate) as may be necessary to comply with this Agreement.

6. TERMINATION OF THIS AGREEMENT; DEFAULT BY SCG AND ASSIGNOR.

6.1 TERMINATION BASED UPON DEFAULT. Each party shall have the right to terminate this Agreement if the other party defaults or breaches any material obligation hereunder. If either party terminates this Agreement based upon such a default or breach, or if Escrow fails to close on the Closing Date due to the failure of Assignor or SCG to satisfy their respective obligations hereunder, or if SCG fails to close on the Closing Date for any reason other than the failure of a condition for SCG's benefit under Paragraph 3 above, then, at the election of the other party, such other party shall be entitled to exercise the remedies set forth below in this Paragraph 6.

6.2 FAILURE OF A CONDITION. Except in those instances where either party terminates this Agreement due to a breach or default by the other party or where Escrow automatically terminates under the terms of this Agreement, if any condition is not satisfied or waived within the time period and in the manner set forth in this Agreement, then the party for whose benefit the condition exists (as provided in Paragraphs 3 and 4 of this Agreement) may terminate this Agreement by delivering written notice to the other party and to Escrow Holder after the end of the applicable time period but prior to the Close of Escrow. Notwithstanding the foregoing, in the event that the failure of any such condition also constitutes or is caused by a default hereunder by the benefitted party, then the other party also shall be entitled to pursue its rights and remedies under Paragraph 6. Notwithstanding anything to the contrary contained herein, in the event that this Agreement is terminated for any reason other than a default by Assignor hereunder, within five (5) days after the date this Agreement is so terminated SCG shall return to Assignor all documents, information and other materials supplied by Assignor to SCG, and, at Assignor's written request, without warranty or representation of any kind, any inspection reports, studies, surveys, plans, specifications and other studies, reports and/or test results relating to the Property which were developed by SCG or prepared by consultants retained by SCG in contemplation of or in connection with this Agreement, the development of the Property and/or the Joint Venture Agreement. SCG's obligations under this Paragraph 6.2 shall survive the termination of this Agreement.

6.3 CONSEQUENCES OF TERMINATION. If this Agreement terminates (or is properly terminated by either party) as specifically provided by its terms, then each of the following shall occur: Escrow shall be deemed automatically canceled regardless of whether cancellation instructions are signed; and, except as provided to the contrary in Paragraph 6.5 hereof (concerning Assignor's right to retain the Deposit as liquidated damages), Escrow Holder shall return all funds (including, without limitation, the Deposit to SCG) and documents then held in Escrow to the party depositing the same, and neither party shall have any claim against the other by reason of this Agreement (other than as specifically set forth below or as provided by law for breach of this Agreement, subject to Paragraph 7.5 hereof). Notwithstanding anything to the contrary in this Agreement, if this Agreement terminates or Close of Escrow fails to occur, for any reason other than the failure of a condition for SCG's benefit under Paragraph 3 above, the Deposit shall be promptly release to Assignor.

6.4 ESCROW AND TITLE COMPANY CANCELLATION CHARGES. If Escrow fails to close because of either party's default, the defaulting party shall be liable for all



Escrow and Title Company cancellation charges. If Escrow fails to close for any other reason, SCG and Assignor shall each pay one-half (1/2) of any Escrow and Title Company cancellation charges.

6.5 DEFAULT BY SCG AND ASSIGNOR.

Default by SCG. IF ASSIGNOR TERMINATES THIS AGREEMENT DUE SCG'S DEFAULT OR FAILURE TO CLOSE ESCROW AS REQUIRED HEREBY, ASSIGNOR, AS ITS SOLE AND EXCLUSIVE REMEDY, SHALL BE ENTITLED TO RETAIN THE DEPOSIT AS "LIQUIDATED DAMAGES." SCG AND ASSIGNOR AGREE THAT BASED UPON THE CIRCUMSTANCES NOW EXISTING, KNOWN AND UNKNOWN, IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ESTABLISH ASSIGNOR'S DAMAGES BY REASON OF SUCH DEFAULT BY SCG. ACCORDINGLY, SCG AND ASSIGNOR AGREE THAT IN THE EVENT OF SUCH DEFAULT BY SCG UNDER THIS AGREEMENT, IT WOULD BE REASONABLE AT SUCH TIME TO AWARD ASSIGNOR THE DEPOSIT AS LIQUIDATED DAMAGES. IN CONSIDERATION OF THE RIGHT TO RECEIVE PAYMENT OF THE LIQUIDATED DAMAGES, ASSIGNOR WILL BE DEEMED TO HAVE WAIVED ALL OF ITS CLAIMS AGAINST SCG FOR DAMAGES OR RELIEF AT LAW OR IN EQUITY. CONSEQUENTLY, THE LIQUIDATED DAMAGES SHALL BE ASSIGNOR'S SOLE AND EXCLUSIVE REMEDY IN LIEU OF ANY OTHER RELIEF, RIGHT OR REMEDY, AT LAW AND EQUITY, TO WHICH ASSIGNOR MIGHT OTHERWISE BE ENTITLED BY REASON OF SCG'S DEFAULT. THE PAYMENT OF THE PORTION OF THE DEPOSIT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT INSTEAD, IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO ASSIGNOR PURSUANT TO SECTIONS 1671, 1676, AND 1677 OF THE CALIFORNIA CIVIL CODE. NOTHING CONTAINED IN THIS PARAGRAPH SHALL LIMIT ASSIGNOR'S RIGHT TO RECEIVE REIMBURSEMENT FOR COSTS AND EXPENSES PURSUANT TO PARAGRAPH 12.2 BELOW, NOR WAIVE OR AFFECT SCG'S INDEMNITY AND CONFIDENTIALITY OBLIGATIONS HEREUNDER.

  
\_\_\_\_\_  
ASSIGNOR'S INITIALS

  
\_\_\_\_\_  
SCG'S INITIALS

6.5.1 Default by Assignor. If the Assignor defaults on its obligations to convey the DDA Rights to Assignee pursuant to this Agreement, SCG shall be entitled, at its option and as its exclusive remedy, either (i) terminate this Agreement by giving written notice of termination to Assignor whereupon Escrow Holder will return to SCG the Deposit and both SCG and Assignor will be relieved of any further obligations or liabilities hereunder, except for those obligations which expressly survive any termination hereof, or (ii) SCG may seek specific performance of this Agreement. If SCG elects the remedy in subsection (ii) above, SCG must commence and file such specific performance action in the appropriate court not later than thirty (30) days following the Closing Date. Nothing contained in this Paragraph shall limit SCG's right to receive reimbursement for costs and expenses pursuant to Paragraph 12.2 below, nor

waive or affect Assignor's indemnity and confidentiality obligations hereunder. Except as specifically set forth in this Paragraph 6.5.1, SCG does hereby specifically waive any right to pursue any other remedy at law or equity for such default of Assignor, including, without limitation, any right to seek, claim or obtain damages, punitive damages or consequential damages.

7. GENERAL ESCROW PROVISIONS.

7.1 ESCROW INSTRUCTIONS. This Agreement when signed by SCG and Assignor shall also constitute Escrow Instructions to Escrow Holder.

7.2 OPENING OF ESCROW. When both (i) this Agreement, fully signed, or in signed counterparts, and (ii) the Deposit have been delivered to Escrow Holder, Escrow shall be deemed open ("**Opening of Escrow**"), and Escrow Holder shall immediately notify SCG and Assignor by telephone and in writing of the date of Opening of Escrow.

7.3 GENERAL PROVISIONS. Notwithstanding anything to the contrary in this Agreement, the general provisions of Escrow Holder, if any, which are later signed by the parties, are incorporated by reference to the extent they are not inconsistent with the provisions of this Agreement. If there is any inconsistency between the provisions of those general provisions and any of the provisions of this Agreement, the provisions of this Agreement shall control.

7.4 PRE-DEVELOPMENT COSTS. Assignor shall remain responsible for all unpaid invoices for goods and services rendered to Assignor in connection with the development of the Property (the "**Pre-Development Costs**"), copies of which shall be delivered to Escrow Holder and paid by the Escrow Holder out of the Closing Escrow. SCG shall be charged at Closing for the Pre-Development Costs in the amount of Two Hundred Thousand and 00/100 Dollars (\$200,000), which amount shall be paid by SCG to Assignor at the Close of Escrow through the escrow with Escrow Holder.

7.5 PAYMENT OF COSTS. Assignor shall pay for (i) 50% of all Escrow fees and charges, (ii) all of Assignor's costs incurred with regard to this transaction, including, without limitation, its legal costs, and (iii) all brokerage commissions pursuant to Paragraph 9 hereof. SCG shall pay for (i) 50% of the Escrow fees and charges, and (ii) all of SCG's costs incurred with regard to this transaction, including, without limitation, its legal costs.

7.6 ESCROW HOLDER AUTHORIZED TO COMPLETE BLANKS. If necessary, Escrow Holder is authorized to insert the Closing Date in any blanks in the Closing documents.

7.7 DELIVERY OF FUNDS AND DOCUMENTS. When SCG and Assignor have satisfied their respective Closing obligations under Paragraphs 5.2 and 5.3 hereof and each of the conditions under Paragraphs 3 and 4 hereof have either been satisfied or waived, Escrow Holder shall promptly undertake all of the following in the manner indicated and as more particularly instructed in SCG's and Assignor's Closing instructions:

(a) Funds. Disburse funds deposited by SCG with Escrow Holder towards payment of all items chargeable to the account of SCG pursuant to this Agreement, including, without limitation, the payment of amounts required to be paid pursuant to the Joint Venture Agreement; and

(b) Document Delivery. Deliver originals and conformed copies of all documents to Assignor and SCG, as appropriate; and

(c) Recording. Cause any documents which the parties hereto may mutually direct, to be recorded in the official records of the county in which the Property is located in the order set forth in SCG's and Assignor's Closing instructions.

8. BROKERAGE COMMISSIONS. Assignor and SCG each represent and warrant to and agrees with each other that, it is understood that neither Assignor nor SCG has engaged any broker or finder in connection with this transaction, other than Maxim Hotel Brokerage (the "**Broker**"), pursuant to separate agreement. Each party shall indemnify, defend and hold harmless, the other from and against all claims, liabilities, costs, damages and expenses (including, without limitation, attorneys' fees and costs) resulting from or arising out of any claims for fees, costs, or commissions arising out of any contract or commitment made by or through the indemnifying party with any broker or finder other than the Broker.

9. REPRESENTATIONS AND WARRANTIES.

9.1 REPRESENTATIONS AND WARRANTIES OF SCG. SCG represents and warrants to Assignor, which representations and warranties shall also be true as of Close of Escrow and survive the Close of Escrow, as follows:

9.1.1 Organization; Authority. SCG is a corporation validly existing under the laws of the state of its establishment, with full power and authority to enter into and comply with the terms of this Agreement and is qualified to do business in the State of California. SCG has full power and authority to enter into and comply with the terms of this Agreement. This Agreement has been duly and validly authorized, executed and delivered by SCG and no other action is requisite to the valid and binding execution, delivery and performance of this Agreement by SCG. This Agreement and SCG's performance of the obligations in this Agreement do not and will not contravene any provision of any present judgment, order, decree, writ or injunction, or any provision of any law or regulation currently applicable to SCG. Neither this Agreement nor anything provided to be done under this Agreement violates or shall constitute or result in a default, breach, or violation of any covenant, agreement, instrument, document or understanding for which SCG is bound.

9.1.2 Binding Effect of Documents. This Agreement and the other documents to be executed by SCG will have been duly entered into by SCG and will constitute legal, valid and binding obligations of SCG.

9.1.3 OFAC. SCG is not a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute or executive

order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism).

9.2 REPRESENTATIONS AND WARRANTIES OF ASSIGNOR. Assignor represents and warrants to SCG, which representations and warranties shall also be true as of Close of Escrow and shall survive the Close of Escrow, as follows:

9.2.1 Organization; Authority. Assignor is a corporation validly existing under the laws of the state of its establishment, with full power and authority to enter into and comply with the terms of this Agreement and is qualified to do business in the State of California. This Agreement has been duly and validly authorized, executed and delivered by Assignor and no other action is requisite to the valid and binding execution, delivery and performance of this Agreement by Assignor. This Agreement and Assignor's performance of the obligations in this Agreement do not and will not contravene any provision of any present judgment, order, decree, writ or injunction, or any provision of any law or regulation currently applicable to Assignor. Neither this Agreement nor anything provided to be done under this Agreement shall constitute or result in a default, breach or violation of any covenant, agreement, instrument, document or understanding to which Assignor is bound.

9.2.2 Binding Effect of Documents. This Agreement and the other documents to be executed by Assignor will have been duly entered into by Assignor and will constitute legal, valid and binding obligations of Assignor.

9.2.3 Pending Litigation or Proceedings. Except as may be disclosed in the Property Documents, Assignor has not received written notice of any (i) pending claims, suits, actions or arbitrations, or any regulatory, legal, or other proceedings or investigations affecting the Property, the DDA Rights, or Assignor's rights and obligations under this Agreement, or (ii) any contemplated condemnation, eminent domain, or similar proceedings, for the Property.

9.2.4 Violation of Law. Except as may be disclosed in the Property Documents, Assignor has not received written notice of any uncured violation of any laws, ordinances, rules or administrative or judicial orders affecting or regarding the Property, the DDA Rights, including, without limitation, violations relating to environmental matters affecting the Property.

9.2.5 Environmental. Except as may be disclosed in the Property Documents, Assignor has not received written notice that: (i) any of the Property, including subsurface soil and groundwater, contains any substance, including, but not limited to, any radioactive substance, hydrocarbons, industrial solvents, oil, petroleum, oil byproducts, petroleum byproducts, metals, flammables, or other hazardous substances or toxic materials, which could presently, or at any time in the future, cause a health, safety or environmental hazard on the Property or to any person who may enter or use the Property or which may require remediation at the request of any governmental authority (collectively, "**Hazardous Materials**"); (ii) the ownership, operation, use or condition of all of the Property is in violation of any federal, state or local law, ordinance or regulation relating to the Hazardous Materials, industrial hygiene, hazardous or toxic materials (or similarly defined substances, materials or wastes) or

environmental protection); (iii) any person has generated, manufactured, stored, treated or disposed of Hazardous Materials on, into or under the Property or transported any Hazardous Materials to, from or across the Property; and (iv) any of the Property contains any underground treatment or storage tanks.

9.2.6 Property Documents. The Property Documents provide or made available by Assignor to SCG are true, correct and complete copies of such Property Documents in Assignor's possession or control.

9.2.7 DDA. Assignor has not previously assigned the DDA Rights.

9.3 "AS IS" SALE. EXCEPT FOR THE REPRESENTATIONS, WARRANTIES AND TERMS EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN ANY OF THE DOCUMENTS DELIVERED AT CLOSING, SCG AGREES THAT IT IS ENTERING INTO THE JOINT VENTURE AND ACQUIRING ALL RIGHTS AND OBLIGATIONS RELATIVE THERETO AND WITH RESPECT TO THE PROPERTY AND THE DDA RIGHTS ON AN "AS IS" BASIS BASED ON ITS OWN INVESTIGATION OF THE PROPERTY AND THE DDA RIGHTS, AND THAT ASSIGNOR HAS NOT MADE ANY REPRESENTATION, WARRANTY OR GUARANTY, EXPRESS OR IMPLIED, RELATIVE TO ANY ASPECT OF THE PROPERTY AND/OR THE DDA RIGHTS OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN ANY OF THE DOCUMENTS DELIVERED AT CLOSING. EXCLUDING ANY EXPRESS REPRESENTATION OR WARRANTY SET FORTH HEREIN, ASSIGNOR HEREBY SPECIFICALLY DISCLAIMS: (A) ALL WARRANTIES IMPLIED BY LAW ARISING OUT OF OR WITH RESPECT TO THE EXECUTION OF THIS AGREEMENT, ANY ASPECT OR ELEMENT OF THE PROPERTY, OR THE PERFORMANCE OF ASSIGNOR'S OBLIGATIONS HEREUNDER INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE. SCG IS A SOPHISTICATED REAL ESTATE INVESTOR AND IS, OR WILL BE AS OF THE CLOSE OF ESCROW, FAMILIAR WITH THE PROPERTY AND THE PROPERTY RIGHTS AND ITS SUITABILITY FOR SCG'S INTENDED USE.

  
\_\_\_\_\_  
SCG'S INITIALS

## 10. CONDUCT DURING ESCROW PERIOD.

10.1 LICENSE TO ENTER. Until Close of Escrow or this Agreement is terminated, SCG and SCG's employees and agents shall have reasonable access to the Property, pursuant to the access agreement executed by the City attached hereto as Exhibit "E" (the "Access Agreement"), to conduct any tests and investigations, environmental, physical, structural, or otherwise. After any entry on the Property, SCG shall immediately restore the Property to its condition before SCG entered on the Property. Except for those matters caused by the active negligence or willful misconduct of Assignor or the City, SCG shall indemnify, defend and hold harmless Assignor and the City from and against all claims, losses, liabilities, damages, expenses and costs (including, without limitation, attorneys' fees and costs) arising from the acts or omissions of SCG or its agents during their entry on the Property.

Notwithstanding anything to the contrary in this Paragraph, this indemnification shall not apply to SCG's mere discovery (as opposed to exacerbation) of existing conditions on the Property.

10.2 NO NEW OR MODIFIED CONTRACTS WITHOUT CONSENT. Except as provided in this Paragraph 10.2, from and after the Effective Date or this Agreement is terminated, Assignor shall not (except as required by law or by the DDA), enter into or modify, or cause the City to enter into or modify, any contracts or agreements affecting or relating to the Property or the DDA Rights (other than the DDA Amendment) which will survive the Close of Escrow or will otherwise affect the use or operation of the Property or the DDA Rights after the Close of Escrow.

10.3 FUTURE NOTICES. Assignor shall promptly deliver to SCG any written notices it may hereafter receive from time to time that, if not delivered to SCG, would cause the representations and warranties set forth in Paragraph 9.2 herein to be untrue if made after Assignor's receipt of any such notices.

11. INTENTIONALLY OMITTED.

12. GENERAL PROVISIONS.

12.1 ASSIGNMENT.

12.1.1 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of SCG and Assignor and their respective permitted successors and assigns.

12.1.2 Right to Assign. SCG may not assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of Assignor, which consent shall be granted or withheld in Assignor's sole and absolute discretion; provided that SCG shall have the right to assign its rights and obligations under this Agreement to an affiliate of SCG having similar financial ability to perform the obligations under the Joint Venture Agreement and the Consulting Agreement without the prior written consent of Assignor. However, SCG shall not be relieved of its obligations under this Agreement by such assignment or nomination. As used herein, (i) "**affiliate**" shall mean any entity controlling, controlled by, or under common control with SCG, and (ii) "**control**" (and all variations thereof) shall mean the ownership, directly or indirectly, of at least fifty-one percent (51%) or more of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) or more of the voting interest in, any person or entity.

12.2 ATTORNEYS' FEES AND/OR COSTS. In any action or proceeding between the parties to enforce or interpret any of the terms or provisions of this Agreement, the prevailing party in the action or proceeding shall be entitled to, in addition to damages, injunctive relief or other relief, its reasonable costs and expenses, including, without limitation, costs and reasonable attorneys' fees, both at trial and on appeal.

12.3 NOTICES AND APPROVALS. All notices, approvals or other communications (collectively, "**Notices**") required or permitted under this Agreement shall be in writing, and shall be sent by one or more of the following: (i) personally delivered, (ii) sent by

overnight mail (Federal Express or the like), (iii) sent by registered or certified mail, postage prepaid, return receipt requested, or (iv) sent by facsimile or email (provided that a follow-up hard copy of the facsimile or email is sent the same day by one of the other above methods within two (2) business days of the transmission). Notices shall be deemed received upon the earlier of (i) if personally delivered, the day of delivery, to the address of the person to receive such Notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight facility, (iii) if mailed, two (2) business days after the date of posting by the United State Post Office, or (iv) if by facsimile or email, the date of transmission. If multiple methods of providing notice have been used, the earlier date of deemed notice shall govern. Counsel for a party may give notice or demand on behalf of such party, and such notice or demand shall be treated as being sent by such party. In order to be effective, all Notices must be directed to the appropriate parties as follows.

To SCG:

SCG America Group Inc.  
11999 Harbor Boulevard  
Garden Grove, California 92840  
Attention: Danny Wei  
Telephone: (909)598-7666  
Email: Dannywei@scgamerica.com

With copies to:

Greenberg Traurig LLP  
3161 Michelson Drive, Suite 1000  
Irvine, California 92612  
Attention: Carrie M. Risatti  
Telephone: (949) 732-6617  
Facsimile: (949) 732-6501

To Assignor:

Land & Design, Inc.  
3755 Avocado Blvd., Suite 516  
La Mesa, California 91942  
Attention: Matthew Reid  
Telephone: (858) 735-1858  
Email: matt.reid@landanddesign.com

With copies to:

Crosbie Gliner Schiffman Southard &  
Swanson LLP  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
Attention: Tom Crosbie  
Telephone: (858) 367-7692  
Email: tcrosbie@cgs3.com

To Escrow Holder:

First American Title Insurance Company  
4380 La Jolla Village Dr., Suite 110  
San Diego, CA 92122  
Attention: Lieng Smith  
Telephone: (858) 410-3894

12.4 CONTROLLING LAW. This Agreement shall be construed under the laws of the State of California in effect at the time of the signing of this Agreement.

12.5 TITLES AND CAPTIONS. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. References to paragraph numbers are to paragraphs in this Agreement, unless expressly stated otherwise.

12.6 INTERPRETATION. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." If a dispute arises over the interpretation or construction of any provision, term or word contained in this Agreement, this document shall be interpreted and construed neutrally, and not against either SCG or Assignor.

12.7 NO WAIVER. A waiver by either party of a breach of any of the covenants, conditions or obligations under this Agreement to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, conditions or obligations of this Agreement.

12.8 MODIFICATIONS. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

12.9 SEVERABILITY. If any term or provision of this Agreement, or its application to any party or set of circumstances, shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term or provision to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and each shall be valid and enforceable to the fullest extent permitted by law.

12.10 INTEGRATION OF PRIOR AGREEMENTS AND UNDERSTANDINGS. This Agreement contains the entire understanding between the parties relating to the transactions contemplated by this Agreement. All prior or contemporaneous agreements, understandings, representations, warranties and statements, whether oral or written, are superseded by this Agreement.

12.11 NOT AN OFFER. The delivery by either party of unsigned copies of this Agreement is solely for the purposes of review by the other party. The signing of this Agreement by a party constitutes an offer which shall not be deemed accepted by the other party unless and until the other party has signed this Agreement and delivered a duplicate original to the first party signing this Agreement at the address set forth in Paragraph 12.3 hereof. If either party delivers a signed copy of this Agreement to the other, and the other party does not execute and return to the first party said copy of the Agreement within twenty-four (24) hours, then the first party shall have the right to revoke said signed Agreement.



12.12 COUNTERPARTS. This Agreement may be signed in multiple counterparts which shall, when signed by all parties, constitute a binding agreement.

12.13 EXHIBITS INCORPORATED BY REFERENCE. All exhibits attached to this Agreement are incorporated in this Agreement by this reference.

12.14 COMPUTATION OF TIME. The time in which any act is to be done under this Agreement is computed by excluding the first day (such as the Effective Date), and including the last day, unless the last day is a holiday or Saturday or Sunday, and then that day is also excluded. Unless expressly indicated otherwise, (a) all references to time shall be deemed to refer to Pacific Standard time, and (b) all time periods shall expire at 5:00 p.m., Pacific Standard time.

12.15 COOPERATION. From and after the Closing Date, Assignor shall in general cooperate with SCG, at no cost to Assignor, in connection with any litigation involving its Property or the DDA Rights.

12.16 CONFIDENTIALITY. SCG and Assignor, for themselves and their affiliates, subsidiaries, agents, employees and retained professionals, agree to keep this Agreement and all of its terms confidential and not to make any announcements or disclosures to any third party or communicate with any third party with respect to the terms or subject matter hereof or of any other document to be entered into by the parties in connection with the Project, including, without limitation, the Joint Venture Agreement and the Consulting Agreement, without the written consent of the other party, which may be withheld by such other party in such party's sole discretion; provided, however that each party shall have the right to make such disclosures as required by law and as are needed for the transaction to occur (i.e. consultants, capital sources, etc.). Any breach by either party of the provisions of this Paragraph 12.16 shall constitute a material and incurable breach and default hereunder by such party. Without affecting any other rights or remedies that either party may have, the parties hereby acknowledge and agree that each party hereto shall be entitled to seek the remedies of injunction, specific performance and other equitable relief for any breach, threatened breach or anticipatory breach of the provisions of this Paragraph 12.16 by the other party or any of their respective affiliates, subsidiaries, agents, employees and retained professionals. The provisions of this Paragraph 12.16 shall survive any termination of this Agreement and shall survive the Closing.

12.17 INTENTIONALLY OMITTED.

12.18 FURTHER ASSURANCES. SCG and Assignor each agree to execute, acknowledge and deliver all such further acts, instruments, and assurances and to take all such further action before or after the Closing as shall be reasonably necessary and desirable to fully carry out this Agreement and to fully consummate and effect the transactions as contemplated by this Agreement.

12.19 NO THIRD PARTY BENEFICIARIES. This Agreement is for the sole and exclusive benefit of SCG and Assignor, and their respective successors and assigns, and no third parties are intended to or shall have any rights under this Agreement, including, without limitation, any Brokers.

12.20 SURVIVAL OF REPRESENTATIONS, WARRANTIES AND AGREEMENTS. Unless otherwise expressly stated in this Agreement, each of the covenants, obligations, representations, and agreements, contained in this Agreement shall survive the Close of Escrow and the delivery of the Assignment.

12.21 INTENTIONALLY OMITTED.

12.22 INTENTIONALLY OMITTED.

12.23 INTENTIONALLY OMITTED.

12.24 INTENTIONALLY OMITTED.

12.25 ENVIRONMENTAL DISCLOSURE. SCG acknowledges and agrees that Assignor has indicated that the sole inquiry and investigation that Assignor has conducted in connection with the environmental condition of the Property is to obtain the environmental report(s) made available to SCG as part of the Property Information (if any), and that, for all purposes, including California Health and Safety Code Section 25359.7, Assignor has acted reasonably in solely relying upon said inquiry and investigation. SCG further acknowledges and agrees that Assignor's making available to SCG any such environmental report(s) as part of the Property Information shall constitute notice to SCG of any environmental condition disclosed therein or of which Assignor has knowledge, which shall be deemed to satisfy the notice requirements under California Health and Safety Code Section 25359.7.

12.26 RELEASE. EXCEPT AS OTHERWISE SET FORTH HEREIN, AND SPECIFICALLY EXCLUDING CLAIMS WHICH SCG PARTIES (AS DEFINED BELOW) MAY HAVE OR ACQUIRE BY REASON OF ASSIGNOR PARTIES' (AS DEFINED BELOW), (i) BREACH OF ITS REPRESENTATIONS AND WARRANTIES UNDER THIS AGREEMENT, OR (B) BREACH OF ITS COVENANTS UNDER THIS AGREEMENT. AS OF THE CLOSE OF ESCROW, SCG ON BEHALF OF ITSELF AND ON BEHALF OF ASSIGNEE AND EACH OF THEIR RESPECTIVE AFFILIATES, DIRECT OR INDIRECT HOLDERS OF EQUITY INTERESTS, OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS AND CONSULTANTS (TOGETHER, "SCG PARTIES") HEREBY FULLY AND IRREVOCABLY RELEASE ASSIGNOR AND ASSIGNOR'S AFFILIATES, DIRECT OR INDIRECT HOLDERS OF EQUITY INTERESTS, OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS AND CONSULTANTS (TOGETHER, "ASSIGNOR PARTIES") FROM ANY AND ALL CLAIMS THAT SCG OR SCG PARTIES MAY HAVE OR THEREAFTER ACQUIRE AGAINST ASSIGNOR OR ASSIGNOR PARTIES FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION ("CLAIMS") ARISING FROM OR RELATED TO ANY MATTER OF ANY NATURE RELATING TO, AND CONDITION OF, THE PROPERTY OR THE DDA RIGHTS, INCLUDING ANY LATENT OR PATENT CONSTRUCTION DEFECTS, ERRORS OR OMISSIONS, COMPLIANCE WITH LAW MATTERS, HAZARDOUS SUBSTANCES AND OTHER ENVIRONMENTAL MATTERS WITHIN, UNDER OR UPON, OR IN THE VICINITY OF THE PROPERTY, ANY STATUTORY OR COMMON LAW RIGHT SCG OR SCG PARTIES MAY HAVE TO RECEIVE DISCLOSURES FROM ASSIGNOR OR ASSIGNOR PARTIES, INCLUDING, WITHOUT LIMITATION, ANY DISCLOSURES AS

TO THE PROPERTY'S LOCATION WITHIN AREAS DESIGNATED AS SUBJECT TO FLOODING, FIRE, SEISMIC OR EARTHQUAKE RISKS BY ANY FEDERAL, STATE OR LOCAL ENTITY, THE NEED TO OBTAIN FLOOD INSURANCE, THE CERTIFICATION OF WATER HEATER BRACING AND/OR THE ADVISABILITY OF OBTAINING TITLE INSURANCE, THE ENERGY USE OF THE PROPERTY, OR ANY OTHER CONDITION OR CIRCUMSTANCE AFFECTING THE PROPERTY, ITS FINANCIAL VIABILITY, USE OR OPERATION, OR ANY PORTION THEREOF. THIS RELEASE INCLUDES CLAIMS OF WHICH SCG OR SCG PARTIES ARE PRESENTLY UNAWARE OR WHICH SCG OR SCG PARTIES DO NOT PRESENTLY SUSPECT TO EXIST IN ITS FAVOR WHICH, IF KNOWN BY SCG OR SCG PARTIES, WOULD MATERIALLY AFFECT SCG'S OR SCG PARTIES' RELEASE OF ASSIGNOR OR ASSIGNOR PARTIES. THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH OF ITS EXPRESSED TERMS AND PROVISIONS, AND, IN THAT REGARD, SCG, HEREBY ACKNOWLEDGES THAT IS HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, AND SCG HEREBY EXPRESSLY WAIVES ALL RIGHTS AND BENEFITS IT MAY NOW HAVE OR HEREAFTER ACQUIRE UNDER CALIFORNIA CIVIL CODE SECTION 1542 WHICH PROVIDES:

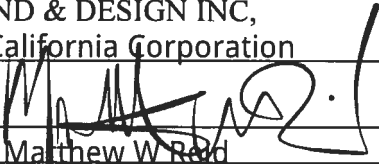
"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

  
\_\_\_\_\_  
SCG'S INITIALS


12.27 TIME OF ESSENCE. Time is of the essence in the performance of all of the terms and conditions of this Agreement.

[Signature Page to Follow]

"ASSIGNOR"

LAND & DESIGN INC,  
a California Corporation  
By:   
\_\_\_\_\_  
Matthew W Reed President  
(Print Name) (Title)

"SCG"  
SCG AMERICA GROUP INC.,  
a Delaware corporation

By:   
WEIFENG ZHANG PRESIDENT&CEO  
(Print Name) (Title)

AGREED TO THIS \_\_\_\_\_  
DAY OF JUNE, 2016  
AS TO PROVISIONS RELATING  
TO ESCROW HOLDER:

FIRST AMERICAN TITLE INSURANCE COMPANY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LIST OF EXHIBITS

Exhibit "A"	Plans
Exhibit "B"	Assignment
Exhibit "C"	Assignment of Plans
Exhibit "D"	General Assignment
Exhibit "E"	Access Agreement
Exhibit "F"	DDA Amendment

**EXHIBITS TO**

**AGREEMENT FOR ASSIGNMENT OF DEVELOPMENT RIGHTS  
AND ESCROW INSTRUCTIONS**

**BETWEEN**

**SCG AMERICA GROUP INC.  
AS ASSIGNEE**

**AND**

**LAND & DESIGN, INC.  
AS ASSIGNOR**

## EXHIBIT "A"

### PLANS

Land & Design, Inc. DropBox Data Room site listed below contains all of work product including Plans. Also available through this link:

<https://www.dropbox.com/sh/iovhmccrxbrvk2p/AABJuyh3ZPYMG0K6br79i7Xea?dl=0>

-  00.1 GG\_DISCLAIMER.docx
-  01\_2015\_11 HR exec sum GG.docx
-  01.1\_Dev Team Bio's
-  01.3 GG Ltr of support.pdf
-  01.3\_2014City support letter.pdf
-  02.1 Description of Property.pdf
-  02.2\_2013\_04\_09 City DDA FULLY EXECUTED wresolutions.pdf
-  02.3\_TENT-MAP-Final Draft-5.pdf
-  02.4\_GG\_Full Title Report\_FirstAm\_2015\_09\_08.pdf
-  02.4\_GG\_Prelim Title (2015\_09\_08 ).pdf
-  02.4.1\_GG\_Prelim Title (2016\_03\_25 ).pdf
-  02.4.2 Grant Deeds Agency to City.pdf
-  02.5\_Land Acquisition Costs.xlsx
-  02.31 ROS 2015-1221 SHEET 1 (DRAFT).pdf
-  03.1\_Development Project Presentation.pdf
-  03.2 Project Proforma.pdf
-  03.2\_Hard Rock Hotel Orange County Pro Forma Package.pdf
-  03.4\_Draft Dev Timeline.pdf
-  03.6 Design Drawings, concepts, etc...
-  03.7\_GG Zoning Map.pdf
-  03.7.1\_GG ALTA.pdf
-  03.8\_Site C MND FINAL DOCS
-  03.13\_Third Party Service Providers Brochures
-  05.1\_Market Reports
-  05.4\_Demographic Data
-  05.5\_Local Economy and Other Highlights
-  06\_Hard Rock Information
-  07 Phase 1 Site Assessment
-  08 Public Works
-  09\_FAA Determination Ltrs

EXHIBIT "A"

**EXHIBIT "B"**

**ASSIGNMENT**

**THIS ASSIGNMENT AND ASSUMPTION AGREEMENT** (the "Assignment") is hereby made as of June \_\_, 2016, by and between Land & Design, Inc., a California corporation ("Assignor"), and Investel Garden Resorts, LLC, a Delaware limited liability company ("Assignee").

***RECITALS***

A. Assignor and the City of Garden Grove (the "City") have entered a Grove District Resort Hotel Development Agreement dated April 9, 2013 (the "RHDA"). Pursuant to the RHDA, the City agreed to convey to the Assignor a parcel of real property referred to in the RHDA as the "Site," and the Assignor agreed to construct, among other things, a mixed use hotel and retail project thereon (the "Project").

B. Assignor and Assignee desire to provide by this Assignment for Assignor to assign to Assignee all of its rights and obligations under the RHDA and for Assignee to accept such assignment and assume all rights and obligations thereunder.

C. Pursuant to Section 103 of the RHDA, City approval of a Transfer of Assignor's interest in the Agreement is required in connection with the construction of the Project.

D. The parties also desire for City to consent to such assignment and assumption, and acknowledge that such assignment and assumption is permitted pursuant to Section 103 of the RHDA.

NOW, THEREFORE, Assignor and Assignee hereby agree as follows:

**1. Assignment and Assumption.** Assignor hereby assigns to Assignee all of its right, title and interest in and to the RHDA, and Assignee hereby accepts such assignment and assumes performance of all terms, covenants and conditions on the part of Assignor to be performed, occurring or arising under the RHDA, from and after the date hereof with respect to the Project. From and after the date hereof, Assignor shall be released from and have no further obligations under the RHDA, excluding actual claims of Default which City made against Assignor in writing prior to the date hereof, the responsibility for which claims have not been assumed by Assignee.

**2. Successors and Assigns.** This Assignment shall be binding upon and shall inure to the benefit of Assignor and Assignee, their respective successors and assigns and City as third party beneficiary hereof.

**3. Governing Law.** This Assignment has been entered into, is to be performed entirely within, and shall be governed by and construed in accordance with the laws of the State of California.

**4. Further Assurances.** Each party hereto covenants and agrees to perform all acts and things, and to prepare, execute, and deliver such written agreements, documents, and



instruments as may be reasonably necessary to carry out the terms and provisions of this Assignment.

**NOW, THEREFORE**, the parties hereto have executed this Assignment as of the date set forth above.

ASSIGNOR:

LAND & DESIGN, INC.  
a California corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

*[SIGNATURES CONTINUE ON FOLLOWING PAGE]*

ASSIGNEE:

INVESTEL GARDEN RESORTS, LLC  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

EXHIBIT "B"

-3-

**CONSENT OF CITY TO ASSIGNMENT**

City hereby acknowledges and consents to the above assignment, and releases Assignor from any further liability under the RHDA, except in Assignor's capacity as a member of Assignee.

**CITY OF GARDEN GROVE,**  
a municipal corporation

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

ATTEST:

\_\_\_\_\_  
City Clerk

**EXHIBIT "C"**

**ASSIGNMENT OF PLANS**

This Assignment of Plans is made as of the \_\_\_\_ day of June, 2016 ("**Assignment Date**"), by LAND & DESIGN, INC., a California corporation, (the "**Assignor**"), and INVESTEL GARDEN RESORTS, LLC, a Delaware limited liability company (the "**Assignee**").

Pursuant to that certain Agreement of Agreement for Assignment of Development Rights and Escrow Instructions dated as of June 14, 2016 (the "**Agreement**"), Assignee has this day acquired from Assignor certain right relative to the Property. Capitalized terms used herein shall have the meanings ascribed to them in the Agreement.

In consideration of the acquisition of such rights relative to the Property by Assignee and other good and valuable consideration, the mutual receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Assignment**. Assignor hereby assigns, transfers and sets over unto Assignee, without representation or warranty of any kind, and Assignee hereby accepts from Assignor, any and all of Assignor's right, title and interest in and to (i) all construction, engineering, consulting, architectural and other similar contracts, plans and any and all amendments and modifications thereto, concerning the design or construction of any or all of the Property and all warranties and guaranties with respect thereto (including all statutory, express and implied warranties)(the "**Warranties and Guaranties**"), if any, with respect to the Property and (ii) all architectural drawings, plans, specifications, soils tests, appraisals, seismic reports, geologic reports, engineering reports and similar materials relating to any or all of the Real Property ("**Plans**"), as more particularly described on the attached Exhibit "A".

2. **Counterparts**. This Assignment may be executed in counterparts, each of which shall be deemed an original, and all of which shall taken together be deemed one document.

3. **Survival**. This Assignment and the provisions hereof shall inure to the benefit of and be binding upon the parties to this Assignment and their respective successors, heirs and permitted assigns.

4. **No Third Party Beneficiaries**. Except as otherwise expressly set forth herein, Assignor and Assignee do not intend, and this Assignment shall not be construed, to create a third-party beneficiary status or interest in, nor give any third-party beneficiary rights or remedies to, any other person or entity not a party to this Assignment.

5. **Governing Law**. This Assignment shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

*[SIGNATURES ON FOLLOWING PAGES]*

EXHIBIT "C"

IN WITNESS WHEREOF, Assignor and Assignee have caused this instrument to be executed as of the date above-written.

"ASSIGNOR"

LAND & DESIGN, INC.,  
a California corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

*[SIGNATURES CONTINUE ON FOLLOWING PAGE]*

EXHIBIT "C"

-2-

"ASSIGNEE"

INVESTEL GARDEN RESORTS, LLC,  
a Delaware limited liability company

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

EXHIBIT "C"

-3-

## EXHIBIT "A"

Land & Design, Inc. DropBox Data Room site listed below contains all of work product including Plans. Also available through this link:

<https://www.dropbox.com/sh/iovhmccrxbrvk2p/AABJuyh3ZPYMG0K6br79i7Xea?dl=0>

-  00.1 GG\_DISCLAIMER.docx
-  01\_2015\_11 HR exec sum GG.docx
-  01.1\_Dev Team Bio's
-  01.3 GG Ltr of support.pdf
-  01.3\_2014City support letter.pdf
-  02.1 Description of Property.pdf
-  02.2\_2013\_04\_09 City DDA FULLY EXECUTED wresolutions.pdf
-  02.3\_TENT-MAP-Final Draft-5.pdf
-  02.4\_GG\_ Full Title Report\_FirstAm\_2015\_09\_08.pdf
-  02.4\_GG\_Prelim Title (2015\_09\_08 ).pdf
-  02.4.1\_GG\_Prelim Title (2016\_03\_25 ).pdf
-  02.4.2 Grant Deeds Agency to City.pdf
-  02.5\_Land Acquisition Costs.xlsx
-  02.31 ROS 2015-1221 SHEET 1 (DRAFT).pdf
-  03.1\_Development Project Presentation.pdf
-  03.2 Project Proforma.pdf
-  03.2\_Hard Rock Hotel Orange County Pro Forma Package.pdf
-  03.4\_Draft Dev Timeline.pdf
-  03.6 Design Drawings, concepts, etc...
-  03.7\_GG Zoning Map.pdf
-  03.7.1\_GG ALTA.pdf
-  03.8\_Site C MND FINAL DOCS
-  03.13\_Third Party Service Providers Brochures
-  05.1\_Market Reports
-  05.4\_Demographic Data
-  05.5\_Local Economy and Other Highlights
-  06\_Hard Rock Information
-  07 Phase 1 Site Assessment
-  08 Public Works
-  09\_FAA Determination Ltrs

## EXHIBIT "C"

**EXHIBIT "D"**

**GENERAL ASSIGNMENT**

This General Assignment is made as of the \_\_\_\_ day of June, 2016 ("**Assignment Date**"), by LAND & DESIGN, INC., a California corporation, (the "**Assignor**"), and INVESTEL GARDEN RESORTS, LLC, a Delaware limited liability company (the "**Assignee**").

Pursuant to that certain Agreement of Agreement for Assignment of Development Rights and Escrow Instructions dated as of June \_\_, 2016 (the "**Agreement**"), Assignee has this day acquired from Assignor the Property. Capitalized terms used herein shall have the meanings ascribed to them in the Agreement.

In consideration of the acquisition of the Property by Assignee and other good and valuable consideration, the mutual receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Assignment**. Assignor hereby assigns, transfers and sets over unto Assignee, without representation or warranty of any kind, and Assignee hereby accepts from Assignor, any and all of Assignor's right, title and interest in and to (i) all transferable warranties and guaranties (the "**Warranties and Guaranties**"), if any, with respect to the Property and (ii) all freely transferable consents, authorizations, variances or waivers, licenses, permits and approvals ("**Approvals**") from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality of any nature relating solely to the Property.

2. **Counterparts**. This Assignment may be executed in counterparts, each of which shall be deemed an original, and all of which shall taken together be deemed one document.

3. **Survival**. This Assignment and the provisions hereof shall inure to the benefit of and be binding upon the parties to this Assignment and their respective successors, heirs and permitted assigns.

4. **No Third Party Beneficiaries**. Except as otherwise expressly set forth herein, Assignor and Assignee do not intend, and this Assignment shall not be construed, to create a third-party beneficiary status or interest in, nor give any third-party beneficiary rights or remedies to, any other person or entity not a party to this Assignment.

5. **Governing Law**. This Assignment shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

*[SIGNATURES ON FOLLOWING PAGES]*



IN WITNESS WHEREOF, Assignor and Assignee have caused this instrument to be executed as of the date above-written.

"ASSIGNOR"

LAND & DESIGN, INC.,  
a California corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

*[SIGNATURES CONTINUE ON FOLLOWING PAGE]*

"ASSIGNEE"

INVESTEL GARDEN RESORTS, LLC,  
a Delaware limited liability company

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

EXHIBIT "D"

-3-

**EXHIBIT "E"**

**ACCESS AGREEMENT**

[ATTACHED HERETO]

EXHIBIT "E"

-1-

**RIGHT OF ENTRY AND ACCESS AGREEMENT**

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "Agreement") is made and entered into as of April 26, 2016, by the CITY OF GARDEN GROVE (herein called "Grantor"), and SCG AMERICA GROUP, INC. (herein called "Grantee").

**WITNESSETH:**

WHEREAS, Grantor is the owner of the real property more particularly described on Exhibit A, attached hereto and incorporated herein by reference (herein called the "Property");

WHEREAS, The Property is subject to that certain Grove District Resort Hotel Development Agreement by and between Grantor and Land & Design, Inc. ("L&D");

WHEREAS, Grantee and L&D are considering entering into a joint venture related to the Property (the "JV");

WHEREAS, Grantee has requested the right of entry upon and access to the Property for the purpose of preparing a survey, undertaking tests, inspections and other due diligence activities (herein called the "Due Diligence Activities") in connection with the proposed JV;

WHEREAS, Grantor has agreed to grant to Grantee, and Grantee has agreed to accept from Grantor, a non-exclusive, revocable license to enter upon the Property to perform the Due Diligence Activities in accordance with the terms and provisions of this Agreement;

WHEREAS, Grantor and Grantee desire to execute and enter into this Agreement for the purpose of setting forth their agreement with respect to the Due Diligence Activities and Grantee's entry upon the Property.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee do hereby covenant and agree as follows:

I. Access by Grantee.

(a) Subject to Grantee's compliance with the terms and provisions of this Agreement, until the earlier to occur of (i) June 1, 2016; or (ii) the earlier termination of this Agreement, Grantee and Grantee's agents, employees, contractors, representatives and other designees (herein collectively called "Grantee's Designees") shall have the right to enter upon the Property for the purpose of conducting the Due Diligence Activities, following reasonable notice to Grantor. Either party may terminate this Agreement at any time upon written notice to the other party.

(b) Grantee expressly agrees that in the event the Property is altered or disturbed in any manner in connection with the Due Diligence Activities, Grantee shall return the Property to the condition existing prior to the Due Diligence Activities to the extent reasonably practicable.

(c) Grantee shall indemnify, defend and hold Grantor harmless from and against any and all claims, liabilities, damages, losses, costs and expenses (including, without limitation, attorneys' fees and expenses and court costs, but expressly excluding consequential and punitive damages) suffered, incurred or sustained by Grantor as a direct result of, the conduct of any Due Diligence Activities on the Property by Grantee or any of Grantee's Designees, including, without limitation, any alterations or disturbance of the Property. Notwithstanding anything else contained herein, in no event shall Grantee have any obligation to indemnify, defend or hold harmless Grantor for any claims, liabilities, damages, losses, costs and expenses directly resulting from Grantee's negligence.

(d) Grantor does not assume any risk, liability or responsibility or duty of care as to Grantee or Grantee's Designees when they are on the Property to conduct any Due Diligence Activities. Grantee acknowledges and agrees that Grantee and Grantee's Designees enter the Property and Due Diligence Activities thereon at their own risk.

2. Liens and Lien Waivers. In conducting any Due Diligence Activities, Grantee shall not permit any liens to attach to the Property by reason of the exercise of its rights hereunder, and Grantee shall indemnify Grantor from and against any claims or demands for payment, or any liens or lien claims made against Grantor or the Property as a result of the Due Diligence Activities. Upon receipt of a written request from Grantor, Grantee will use reasonable efforts to obtain and provide Grantor with lien waivers following completion of the Due Diligence Activities from each and every contractor, material man, engineer, architect and surveyor who might have lien rights, in form and substance reasonably satisfactory to Grantor and its counsel, if any.

3. Insurance. Grantee shall, and shall cause all of Grantee's Designees performing the Due Diligence Activities to, procure or maintain reasonable worker's compensation and liability insurance in a form and amount satisfactory to Grantor, in its sole discretion, covering each of the Due Diligence Activities. Grantor and its officers, Council members, officials, agents, employees, representatives, and volunteer shall, by endorsement, be named as additional insureds on all liability insurance policies. Neither Grantee nor Grantee's Designees shall enter upon the Property or perform any Due Diligence Activities until and unless evidence of all required insurance and endorsements have been provided to Grantor.

4. Successors. To the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

5. Limitations. Grantor does not hereby convey to Grantee any right, title or interest in or to the Property, but merely grants the specific rights and privileges hereinabove set forth.

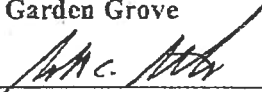
6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given 24 hours after the date of deposit with the commercial courier; and those given by facsimile shall be deemed given on the date of facsimile transmittal. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given, shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof.

7. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of California.

8. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed and sealed, all the day and year first written above.

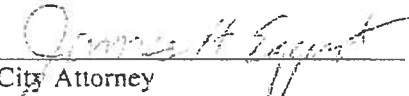
**GRANTOR:**  
City of Garden Grove

By:   
Scott C. Stiles, City Manager


ATTEST:

  
City Clerk

APPROVED AS TO FORM:

  
City Attorney

**GRANTEE:**  
SCG America Group, Inc.

By:   
Name: Winfred Zhang  
Title: CEO

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT "F"**

**DDA AMENDMENT**

Scott C. Stiles  
City Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

**RE: Amendments to Grove District Resort Hotel Development Agreement between City of Garden Grove, a municipal corporation (the "City") and Land & Design, Inc., a California corporation ("L&D") dated April 9, 2013 (as may be amended from time to time, the "GDRHDA") in conjunction with assignment of the GDRHDA.**

Dear Mr. Stiles:

The letter confirms our understanding that upon the approval by the City of the assignment of all right, title and interest in the GDRHDA from L&D to Investel Garden Resorts, LLC, a Delaware limited liability company ("**Joint Venture**") that the GDRHDA will be amended as set forth in the numbered paragraphs below. Capitalized terms used but not otherwise set forth herein shall have the same meanings as set forth in the GDRHDA.

1. All references in the GDRHDA to Developer shall mean the Joint Venture.
2. The Parties mutually acknowledge that each of the following conditions precedent to conveyance of the Site to the Developer pursuant to the terms of the GDRHDA has already occurred: The Agency has received a Finding of Completion; a Long-Range Property Management Plan has been approved by the Agency, Oversight Board, and Department of Finance; and the Agency Property has been transferred to the City.
3. The Schedule of Performance set forth on Exhibit D of the GDRHDA shall be amended and restated in its entirety and replaced by the Schedule of Performance set forth on Attachment 1 hereof. In the event of any conflict with dates set forth in the amended and restated Schedule of Performance and the GDRHDA, the dates set forth in the amended and restated Schedule of Performance shall supersede and control.
4. The Pre-Approved Hotel Flags/Operators and Retail/Restaurant /Entertainment Component Tenants/Operators shall be amended to include the additional parties set forth on Attachment 2 hereof.
5. City and Developer mutually acknowledge and agree that City's conveyance of the Site to Developer pursuant to the terms of the GDRHDA is subject to the provisions and limitations of that certain "Compensation Agreement" between the City and the "Other Taxing Entities," which City was required to enter into pursuant to California Health and Safety Code section 34180(f) and by the DOF as a condition

EXHIBIT "F"

-1-



of the Agency Property being transferred to the City pursuant to the Long-Range Property Management Plan.

Except as otherwise expressly set forth in this Amendment, the GDRHDA shall remain unchanged. Thank you for your cooperation in this matter.

Investel Garden Resorts LLC

Accepted and agreed this \_\_ day of June, 2016

City of Garden Grove

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

Scott C. Stiles, City Manager

ATTACHMENT 1

SCHEDULE OF PERFORMANCE – CONDENSED SCHEDULE

<b>PERFORMANCE ITEM</b>	<b>DATE</b>
1. City and Developer execute RHDA.	Completed
2. City and Developer open Escrow.	Completed
3. City accepts conveyance of fee title to all Agency Property.	Completed
4. Developer completes its Site Investigation pursuant to Section 204.	Completed
5. Reserved	
6. City and Developer agree which Hotel(s) constitute Upper Upscale Hotel(s)	September 1, 2016
7. Developer notifies City of election of whether to include Third Party Property in Project and add to Site and, if applicable, provides City with evidence of acquisition of necessary interest in Third Party Property.	December 31, 2016
8. Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreements and Developer executes the approved Franchise Agreement for the Upper Upscale Hotel	December 31, 2016
9. Developer submits completed application for tentative Subdivision Map, Development Agreement, and other necessary or desired Land Use Approvals.	December 31, 2016
10. City and Developer agree which Hotel(s) constitute Additional Hotels	December 31, 2016
11. City approves, conditionally approves or rejects tentative Subdivision Map Development Agreement, and other necessary or desired discretionary Additional Land Use Approvals	May 1, 2017
12. Developer submits and obtains City approval of the identity of the Hotel Operators, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Upper Upscale Hotel.	June 1, 2017

- |     |  |                   |
|-----|--|-------------------|
| 13. | Developer submits and obtains City approval of Construction Drawings for the Upper Upscale Hotel.  | September 1, 2017 |
| 14. | Developer obtains necessary commitments for issuance of building permits and other similar required non-discretionary Land Use Approvals for the Upper Upscale Hotel.                                  | October 1, 2017   |
| 15. | City completes demolition, site clearance and remediation, if applicable, pursuant to Paragraph II.1 of the Scope of Development   | November 1, 2017  |
| 16. | Developer provides evidence of financing (which may be in the form for the Developer Improvements which may be in the form of a commitment letter from a lender and is a form acceptable to the City). | December 1, 2017  |
| 17. | Developer submits and obtains City approval of the identity of the Hotel Operator, Franchisor and Franchise Agreement and Developer executes the Franchise Agreement for the Additional Hotel.         | December 1, 2017  |
| 18. | Developer and City Close Escrow and Developer commences grading.   | December 15, 2017 |
| 19. | Construction Commencement Date for the Upper Upscale Hotel(s).   | February 1, 2018  |
| 20. | Developer submits and obtains City approval of Construction Drawings for the Additional Hotel(s)   | March 1, 2018     |
| 21. | Developer obtains necessary commitments for issuance of building permits and other similar non-discretionary Land Use Approvals for the Additional Hotel(s)  | April 1, 2018     |
| 22. | Offsite Infrastructure Completed by City   | February 1, 2020  |
| 23. | Developer Completes Construction of the Upper Scale Hotel  | February 1, 2020  |
| 24. | Developer completes construction of the remainder of the Developer Improvements.   | July 1, 2020      |

\*Notwithstanding anything contained in this Schedule of Performance and provided that Developer is not otherwise in default beyond any applicable cure period, that except as set forth in no. 18 above, all of the dates set forth above shall be extended by one (1) day on a cumulative basis for each day of delay caused by the City.

## ATTACHMENT 2

### ADDITIONAL PRE-APPROVED HOTEL FLAGS/OPERATORS AND RETAIL/RESTAURANT /ENTERTAINMENT COMPONENT TENANTS/OPERATORS

#### Pre-Approved Additional Hotel

- AC Hotels (Marriott)
- Candlewood Suites (IHG)
- Canopy (Hilton)
- Citizen M
- Commune Hotels/Destination Hotels and Resorts
- Curio (Hilton)
- Delta Hotels (Marriott)
- Even Hotels (IHG)
- Hampton Inn (Hilton)
- Hard Rock International (3-star select service brand)
- Hilton Garden Inn
- Homewood Suites (Hilton)
- Home2 (Hilton)
- Hyatt Centric
- Hyatt House (Hyatt)
- Hyatt Residence Club
- Moxy Hotels (Marriot)
- Protea Hotels (Marriot)
- Residence Inn (Marriot)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Tru (Hilton)
- Virgin Hotels
- Wyndham Hotel
- Wyndham Garden
- Wyndham Resorts Vacation Ownerships

#### Pre Approved Upper Upscale Hotels

- Canopy (Hilton)
- Commune Hotels/Destination Hotels and Resorts
- Conrad (Hilton)
- Curio (Hilton)
- Edition Hotel (Marriott)
- Gaylord Hotels (Marriott)
- Grand Hyatt
- Hilton Hotels
- Hyatt Centric

EXHIBIT "F"

- Intercontinental Hotels (IHC)
- Le Meridien (Starwood)
- Park Hyatt
- Ritz Carlton
- SBE/Morgans Hotel Group
- St Regis (Starwood)
- The Unbound Collection (Hyatt)
- Tribute Portfolio (Starwood)
- Viceroy Hotels
- Virgin Hotels
- Waldorf Astoria (Hilton)

**Subject:** Re: Site C / Land & Design

**From:** Matt Reid <matt.reid@landanddesign.com>

**Date:** Tue, 14 Jun 2016 16:00:30 -0700

**To:** "James H. Eggart" <JEggart@wss-law.com>

**CC:** Tom Crosbie <tcrosbie@cgs3.com>, "Carrie M. Risatti" <risattic@gtlaw.com>, "Lisa Kim (lisak@ci.garden-grove.ca.us)" <lisak@ci.garden-grove.ca.us>, Greg Blodgett <greg1@ci.garden-grove.ca.us>, Omar Sandoval <OSandoval@wss-law.com>, Scott Stiles <sstiles@ci.garden-grove.ca.us>, Katelyn McGettigan <kmcgettigan@cgs3.com>

Everything is done and signed. Tom's sending docs momentarily...

Sent from my iPhone

**Matthew Reid**

**Land & Design, Inc.**

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - matthew.reid.ca

matt.reid@landanddesign.com

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 14, 2016, at 3:39 PM, James H. Eggart <JEggart@wss-law.com> wrote:

Tom and Carrie,

In order for the City to be able to print and provide copies of all of the relevant documents in time for the City Council meeting, Staff needs final, executed documents within the next few minutes. Please advise of the status.

James

<image001.jpg>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Tuesday, June 14, 2016 9:07 AM

**To:** James H. Eggart <JEggart@wss-law.com>

**Cc:** Carrie M. Risatti <risattic@gtlaw.com>; Lisa Kim (lisak@ci.garden-grove.ca.us) <lisak@ci.garden-grove.ca.us>; 'Greg Blodgett' <greg1@ci.garden-grove.ca.us>; Omar Sandoval <OSandoval@wss-law.com>;

Scott Stiles <[sstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com); Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>

**Subject:** RE: Site C / Land & Design

Thanks James – the revised agreement is attached. This agreement will be signed with the City Agreement Assignment today. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)

<image002.jpg>

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Tuesday, June 14, 2016 8:28 AM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[sstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

Tom,

I am fine with your changes – but have one request. Use of the new defined term “DDA Assignment” to refer to assignment of the Grove District Resort Hotel Development Agreement between the City and L&D is confusing in the context of this letter because *the Agency* agreement is defined as the “DDA.” Would you mind substituting the term “City Agreement Assignment” for purposes of clarity?

Thanks.

James

<image001.jpg>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Monday, June 13, 2016 9:33 PM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[sstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

James – L&D's comments attached. Thanks

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)

<image002.jpg>

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Monday, June 13, 2016 6:31 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; Scott Stiles <[sstiles@ci.garden-grove.ca.us](mailto:sstiles@ci.garden-grove.ca.us)>

**Subject:** RE: Site C / Land & Design

Tom,

Attached is the proposed letter agreement from Land & Design as to the DDA.

James

<image001.jpg>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Monday, June 13, 2016 6:06 PM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>

**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>

**Subject:** RE: Site C / Land & Design

Thanks James – that letter agreement is fine conditioned upon the assignment of RHDA to the new entity. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692



[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)

<image002.jpg>

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Monday, June 13, 2016 5:51 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>  
**Subject:** RE: Site C / Land & Design

Thanks, Tom.

I am preparing some proposed revisions and corrections to the draft Letter Agreement Amendment document and will send to both of you shortly.

Also, as I indicated to you by email on Thursday, the City will need a binding agreement from Land & Design releasing its rights under the original DDA with the former Garden Grove Agency for Community Development. The State Department of Finance already determined that the original DDA is not an enforceable obligation of the former Agency, but its continued existence creates some latent ambiguity that needs to be eliminated now that the subsequent Grove District Resort Hotel Development Agreement between L&D and the City is being assigned to a different entity. The law would not permit the Successor Agency to enter into a new or amended agreement (such as a termination agreement) without a lengthy process, so this will need to be a one-way letter agreement from L&D. I'll prepare a draft for your review.

James

<image001.jpg>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:33 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Thanks James – Please see responses below. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)

<image002.jpg>

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Monday, June 13, 2016 5:21 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** RE: Site C / Land & Design

Tom and Carrie,

Thank you. It would be helpful if one of you can provide a summary of any key terms as it would affect the City. **THERE REALLY ARE NONE OTHER THAN THE DDA LETTER AMENDMENT ITSELF (WHICH WAS SENT TO YOU A FEW MINUTES AGO)** The Exhibits to the Agreement were not included. **THESE ARE BEING PREPARED BUT ARE SIMPLE ASSIGNMENT DOCUMENTS**

For purposes of tomorrow night's City Council meeting, the City will need the following to provide to the City Council (subject, of course, to prior approval of the City Manager):

1. A formal Request for the City's Approval of the proposed Assignment **A FORMAL REQUEST WILL BE PREPARED PER THE TERMS OF THE DDA (UNLESS THERE IS OTHER SPECIFIC LANGUAGE THAT YOU WOULD LIKE TO SEE) AND SENT TO YOU AFTER L&D AND SCG HAVE SIGNED THEIR DOCUMENTS (WHICH ARE THEMSELVES CONDITIONED UPON CITY APPROVAL OF THE ASSIGNMENT)**
2. The proposed Assignment and Assumption Agreement itself (a form is attached as an Exhibit to the Resort Hotel Development Agreement and includes a separate page for the City's signature consenting to the Assignment); and **WE WILL HAVE THIS FORM PREPARED**
3. The documents comprising the proposed "Amendment" to the Resort Hotel Development Agreement. **YOU SHOULD HAVE RECEIVED THE REVISED LETTER AGREEMENT – PLEASE LET US KNOW IF YOU HAVE ANY COMMENTS**

Please advise where the parties are with respect to these matters.

James

<image001.jpg>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Monday, June 13, 2016 5:01 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)  
**Subject:** RE: Site C / Land & Design

James – attached is the most recent redraft of the DDA assignment agreement, together with the final hand-marked changes that are being made. Please let me know if you have any questions. Thanks.  
Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)

<image002.jpg>

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Wednesday, June 08, 2016 12:04 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>  
**Cc:** Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; [macej@gtlaw.com](mailto:macej@gtlaw.com); Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us))  
<[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>  
**Subject:** Site C / Land & Design

Tom,

Another minor issue just occurred to us. As I'm sure you are aware, there exists a 2011 DDA between the Former Redevelopment Agency and Land & Design that the State Department of Finance determined to not be an enforceable obligation of the Successor Agency. That Agreement technically still exists, and is addressed in the replacement Agreement with the City by a provision stating that L&D agrees the Former Agency DDA becomes void and terminates upon conveyance of the Site to Developer. Since L&D is assigning its interests in the City Agreement to another entity, however, and will not be the one to which the Site will be conveyed, we will need to process a formal immediate termination of the 2011 Former Agency DDA concurrently with the assignment of the City Agreement so as to eliminate any potential ambiguity that may remain as to L&D's rights in the Site pursuant to the Former Agency DDA.

James

<image001.jpg>

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

**Subject:** RE: Site C // Land & Design

**From:** "James H. Eggart" <JEggart@wss-law.com>

**Date:** Tue, 14 Jun 2016 23:17:45 +0000

**To:** Tom Crosbie <tcrosbie@cgs3.com>, Katelyn McGettigan <kmcgettigan@cgs3.com>, Scott Stiles <sstiles@ci.garden-grove.ca.us>

**CC:** "Lisa Kim (lisak@ci.garden-grove.ca.us)" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, Omar Sandoval <OSandoval@wss-law.com>, "matt.reid@landanddesign.com" <matt.reid@landanddesign.com>

Yes. Thanks.



CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

**From:** Tom Crosbie [mailto:tcrosbie@cgs3.com]

**Sent:** Tuesday, June 14, 2016 4:16 PM

**To:** James H. Eggart <JEggart@wss-law.com>; Katelyn McGettigan <kmcgettigan@cgs3.com>; Scott Stiles <sstiles@ci.garden-grove.ca.us>

**Cc:** Lisa Kim (lisak@ci.garden-grove.ca.us) <lisak@ci.garden-grove.ca.us>; 'Greg Blodgett' <greg1@ci.garden-grove.ca.us>; Omar Sandoval <OSandoval@wss-law.com>; matt.reid@landanddesign.com

**Subject:** RE: Site C // Land & Design

Thanks James – yes, that was our expectation. We assumed that this would not be signed tonight, but instead within the next day or so. Original signatures can be provided by then if that works. Tom

Tom Crosbie

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7692

[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]  
**Sent:** Tuesday, June 14, 2016 4:14 PM  
**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>; Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>  
**Cc:** Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)  
**Subject:** RE: Site C // Land & Design

Tom and Carrie,

Just so we are clear, before the City signs the Letter Agreement Amendment (Exhibit F) to your Agreement, it will need a wet signature on the document from an individual with authority to bind the Investel entity.

James



CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]  
**Sent:** Tuesday, June 14, 2016 4:07 PM  
**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>; Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>  
**Cc:** Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)  
**Subject:** RE: Site C // Land & Design

That will be upon receipt of City approval – the master assignment agreement provides that it is a closing document that has to be signed once the City approves the assignment.

**Tom Crosbie**

**Crosbie Gliner Schiffman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250  
San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** James H. Eggart [<mailto:JEggart@wss-law.com>]

**Sent:** Tuesday, June 14, 2016 4:06 PM

**To:** Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>; Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>


**Cc:** Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Subject:** RE: Site C // Land & Design

Yes. Thank you.

At what point will the Assignment and Assumption Agreement be signed?

James

	<p><b>James H. Eggart, Esq.</b> Woodruff Spradlin &amp; Smart (714) 415-1062 Direct Dial (714) 865-4853 Mobile (714) 415-1162 Direct Fax <a href="mailto:JEggart@wss-law.com">JEggart@wss-law.com</a></p> <p>555 Anton Boulevard, Suite 1200 Costa Mesa, CA 92626-7670 <a href="http://www.wss-law.com">http://www.wss-law.com</a></p>
---	--

CONFIDENTIALITY NOTICE – This e-mail transmission, and any documents, files or previous e-mail messages attached to it may contain information that is confidential or legally privileged. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that you must not read this transmission and that any disclosure, copying, printing, distribution or use of any of the information contained in or attached to this transmission is STRICTLY PROHIBITED. If you have received this transmission in error, please immediately notify the sender by telephone at (714) 415-1062 or return e-mail and delete the original transmission and its attachments without reading or saving in any manner. Thank you.

---

**From:** Tom Crosbie [<mailto:tcrosbie@cgs3.com>]

**Sent:** Tuesday, June 14, 2016 4:05 PM

**To:** Katelyn McGettigan <[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)>; James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>; Scott Stiles <[ssstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Cc:** Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Subject:** RE: Site C // Land & Design

Please let us know that you received the documents (due to file size issues). Thanks

Tom Crosbie

**Crosbie Gliner Schifman Southard & Swanson LLP**  
12750 High Bluff Drive, Suite 250

San Diego, California 92130  
858.367.7692  
[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

---

**From:** Katelyn McGettigan

**Sent:** Tuesday, June 14, 2016 3:59 PM

**To:** James H. Eggart <[JEggart@wss-law.com](mailto:JEggart@wss-law.com)>; Scott Stiles <[sstiles@ci.garden-grove.ca.us](mailto:ssstiles@ci.garden-grove.ca.us)>

**Cc:** Lisa Kim ([lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)) <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)>; 'Greg Blodgett' <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; Omar Sandoval <[OSandoval@wss-law.com](mailto:OSandoval@wss-law.com)>; [matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com); Tom Crosbie <[tcrosbie@cgs3.com](mailto:tcrosbie@cgs3.com)>

**Subject:** Site C // Land & Design

James and Scott,

Attached please find a (i) letter from Land & Design, Inc. requesting your approval of the DDA assignment, (ii) letter agreement for relinquishment of rights under the DDA, (iii) a copy of the Agreement for Assignment of Development Rights and Escrow Instructions, and (iv) exhibits to Agreement for Assignment of Development Rights and Escrow Instructions .

Please let us know if you need anything else.

Thank you,

Katelyn McGettigan

**Crosbie Gliner Schiffman Southard & Swanson LLP**

12750 High Bluff Drive, Suite 250

San Diego, California 92130

858.367.7639

[kmcgettigan@cgs3.com](mailto:kmcgettigan@cgs3.com)



CGS3

YOUR LEGAL PARTNERS  
IN BUILDING INNOVATION

[LinkedIn](#) | [Twitter](#) | [Google+](#)

Visit our new website: [www.cgs3.com](http://www.cgs3.com)

Re: Tonight

**Subject:** Re: Tonight

**From:** Matt Reid <matt.reid@landanddesign.com>

**Date:** Wed, 15 Jun 2016 07:17:38 -0700

**To:** Lisa Kim <lisak@ci.garden-grove.ca.us>

**CC:** "Scott C. Stiles Icma-Cm" <sstiles@ci.garden-grove.ca.us>, Greg Blodgett <greg1@ci.garden-grove.ca.us>

Thank you Lisa.

**Matthew Reid**

Land & Design, Inc.

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)

[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 15, 2016, at 6:45 AM, Lisa Kim <[lisak@ci.garden-grove.ca.us](mailto:lisak@ci.garden-grove.ca.us)> wrote:

Good Morning Matt,

Thank you for sharing your insight and rest assured, our team will be communicating the partnership with L&D and SCG is a significant priority to the City's economic development initiatives.

See you at the Gensler meeting.

Best,  
Lisa

Sent from my iPad

On Jun 15, 2016, at 12:51 AM, Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)> wrote:

Scott, Lisa and Greg,

Thank you for your support tonight and attempt to move it forward. SCG remains upbeat and



positive about the project. However, Winfred did make a comment or two that makes me believe that tonight did have an impact on him (and not in a good way I'm afraid).

Who wouldn't....after he basically told Council that he'd be spending, in Garden Grove, just about as much as Disney is spending on the Star Wars expansion (estimating the Hyatt purchase and improvements, the restaurant pad and improvements, Site C and future Hyatt expansion) and to receive a reception like the one tonight? I might be a questioning things too. Its important that the 28th be well planned and thought thru to change SCG's mindset.

We'll all be with Winfred tomorrow most of the day. I'm trying to meet him for breakfast before the Gensler meetings to keep things positive.

I know together we can get this done. I also know that tonights "show" was pure politics and not about SCG, LND or the project...just a platform. SCG will not understand that....they just think the Mayor doesn't like them...

Moving forward, here are some thoughts about next steps...I'd welcome feedback...

- 1) We'd like to meet with Councilmen Jones and Beard as soon as possible and Councilman Phan separately (to stay in the order we met with previously) to get any additional insight they may have after letting some time pass. Before the weekend would be good as Winfred leaves Saturday.
- 2) We'd then like to meet with Councilman Bui (alone) this week. We'll meet with the Mayor, however not right away...
- 3) We'll be preparing talking points for everyone to be able understand the history of this deal and the advantages to the community.
- 4) I think it would be helpful to have Tom Clark present at the next meeting. Tom has been with this from day one and will help keep the conversation focused and on track if necessary. He should be brought up to speed, or watch, what happened tonight.

Greg, if you would make those arrangements as soon as possible and let me know dates and times. We'll make most anything work....

All my best...

Sent from my iPad Pro

**Matthew Reid**

**Land & Design, Inc.**

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](mailto:matthew.reid.ca)

[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY***

***PROHIBITED.*** *If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

Re:

**Subject:** Re:

**From:** Matt Reid <matt.reid@landanddesign.com>

**Date:** Thu, 16 Jun 2016 06:50:04 -0700

**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

We are working on updating numbers from CBRE/PKF...

What meeting?

Sent from my iPad Pro

**Matthew Reid**

**Land & Design, Inc.**

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - matthew.reid.ca

matt.reid@landanddesign.com

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 16, 2016, at 6:04 AM, Greg Blodgett <greg1@ci.garden-grove.ca.us> wrote:

Matt

we are crating a new one page slaes tool for site c we will use for tommorows meeting

this is the original doc we had for the project and sent to the state last year

do you have som recomendations to update this

Greg Blodgett

SR Project Manager

City of Garden Grove

Economic Development

<site c hotel pdf.pdf>

**Subject:** Re: site c hotel pdf

**From:** Harry Pflueger <harry@maxim-hb.com>

**Date:** Thu, 16 Jun 2016 14:07:02 -0700

**To:** Lisa Kim <lisak@ci.garden-grove.ca.us>

**CC:** Matthew Reid <matt.reid@landanddesign.com>, Greg Blodgett <greg1@ci.garden-grove.ca.us>, Scott Stiles <sstiles@ci.garden-grove.ca.us>

To clarify, in the future, after construction is completed and the property is assessed based on what is actually developed, wouldn't it be higher? Is that number based on \$180 million development cost? If so, it could be double that number.

**Harry Pflueger**

---

**Maxim Hotel Brokerage**  
1303 Avocado Ave, Suite 225  
Newport Beach, CA 92660  
(949) 759-8739 direct  
(949) 640-4691 fax  
harry@maxim-hb.com

---

On Jun 16, 2016, at 1:44 PM, Lisa Kim <lisak@ci.garden-grove.ca.us> wrote:

FYI. As the Site C property remains in the RDA project area and is part of dissolution, it would receive 11.9% of the total property tax returning to the City would be approximately \$178,500.

L

---

**From:** "Matt (Site C) Reid" <matt.reid@landanddesign.com>

**To:** "Greg Blodgett" <greg1@ci.garden-grove.ca.us>

**Cc:** "Harry Pflueger" <harry@maxim-hb.com>, "Lisa Kim" <lisak@ci.garden-grove.ca.us>, "Scott Stiles" <sstiles@ci.garden-grove.ca.us>

**Sent:** Thursday, June 16, 2016 9:55:00 AM

**Subject:** site c hotel pdf

Greg. Here is my initial markup/comments. This entire incentive package was based upon my original estimate/proforma/numbers from back in 2011 (almost 6 years ago). The project has evolved from a full service hotel and two limited service hotels to now potentially 3 full service hotels with 2011 project cost estimates at \$180M and 2016 estimates at almost \$400M depending upon the final program. Its important to note the Developer is not seeking additional tax based incentives as a result of having the cost of the project more than DOUBLE since those estimates back in 2011.

The City tax increment from property tax will go up as a result of higher valuation because of higher costs.

Sales tax and bed tax estimates are low due to current market conditions and updated F&B numbers coming from the flags....

This is all good information to have. However I believe it needs to be used wisely. As we heard Tuesday, anyone seeking a political platform for an objection to the project will revert to any means necessary (including making inaccurate public statements) in order to accomplish an objective. Clearly, that is the case. And as you know, SCG and/or I really can't speak and/or debate with a Councilman who has a political objective. The debate and solution needs to come from staff and/or other Councilmen. Anything we say, will be seen as self serving.

I like the simple format, however not sure anything needs to be sent out at this point. I'll defer to everyone on this email for feedback. I can always provide some imagery for you if necessary. Perhaps simple talking bullet points used strategically if and only necessary.

Once again, I defer to the group regarding the last paragraph...

Good work....just don't want to "load" anyones gun to shoot back.

Sent from my iPad Pro

**Matthew Reid**

**Land & Design, Inc.**

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - matthew.reid.ca

matt.reid@landanddesign.com

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

# GROVE DISTRICT RESORT—HOTEL(S) DEVELOPMENT (SITE C)

MR NOTES

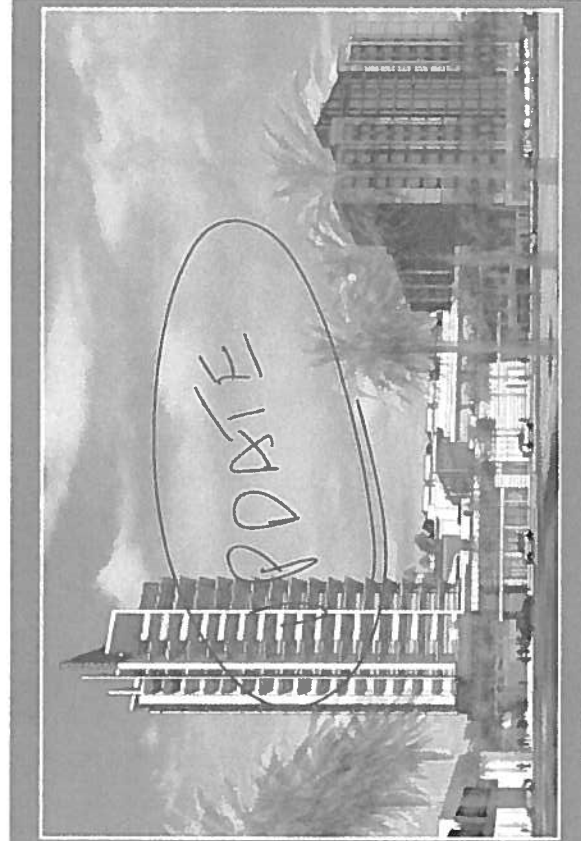
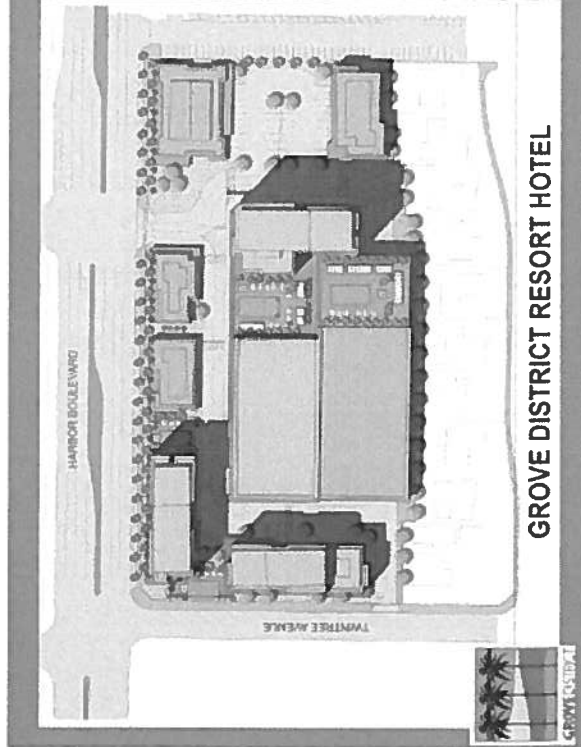
## Property Highlights

- Site:** 5+ acres
- Location:** Garden Grove, Orange County, California
- Guestrooms:** 769 <sup>vs 10 Kpts</sup> ~~suites~~ ~~six suites plans~~
- Restaurants:** 45,000 square feet ~~four restaurants~~
- Meeting:** 39,000 square feet with multiple break out room configurations
- Parking:** Approximately 1,297 space structure <sup>2014</sup>
- Total Cost:** Approximately \$180 million <sup>2011</sup> → \$400M
- Timing:** Entitlements complete ~~sh~~ <sup>y</sup>

## Community Benefits (Estimates)

- Construction Jobs:** 750 - 1000 <sup>PERM</sup>
- Total Tax Increment:** \$1.5M/Year (escalating)
- Total Sales Tax:** \$1.6 - 3M/Year (escalating)
- Total Bed Tax:** \$3.5 - 4.5M/Year (escalating)
- Revitalization:** Removal of Blight

DESPITE CONSTRUCTION COSTS MORE THAN DOUBLING DEVELOPER NOT SEEKING ADDITIONAL TAX BASED INCENTIVES



**Subject:** Flag name sensitivity

**From:** Matt Reid <matt.reid@landanddesign.com>

**Date:** Mon, 20 Jun 2016 08:26:02 -0700

**To:** "Scott C. Stiles Icma-Cm" <sstiles@ci.garden-grove.ca.us>, Lisa Kim <lisak@ci.garden-grove.ca.us>, Greg Blodgett <greg1@ci.garden-grove.ca.us>

Scott, Lisa and Greg,

Lots of great work by everybody last week. It appears we are on a good track to next Tuesday.

However, we are continuing to get community leaders and residents to show up on the 28th in support of you.

One item worth restating. Please be sure to convey to staff, as there are lots of conversations happening at multiple levels, to keep the Flag name as quiet as possible. If the "Mouse" were to find out our plans, they might do something unexpected and potentially negative, which no one wants...

Thanks again!

**Matthew Reid**

Land & Design, Inc.

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)

[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** Re: SCG GARDEN GROVE HOTEL CITY MEETING

**From:** Grace Lee <gracel@ci.garden-grove.ca.us>

**Date:** Mon, 20 Jun 2016 10:59:32 -0700 (PDT)

**To:** Jessica Chien <jessica.chien@scgamerica.com>

Thank you Jessica!

Grace E. Lee

Sr. Economic Development Specialist

City of Garden Grove | Economic Development Division

11222 Acacia Parkway, Garden Grove, CA 92840

Tel. 714.741.5130 | Fax (714) 741-5205

---

**From:** "Jessica Chien" <jessica.chien@scgamerica.com>

**To:** "Grace Lee" <gracel@ci.garden-grove.ca.us>, "Lorraine Peng" <lorraina\_usa@yahoo.com>

**Cc:** "Lee Marino" <leem@ci.garden-grove.ca.us>, "Lorraine Francis"

<Lorraine\_Francis@gensler.com>, "Matt Reid" <matt.reid@landanddesign.com>, "Eudeen Chang"

<changeu@gtlaw.com>, "Danielle Maxwell" <Danielle\_Maxwell@gensler.com>, "nabilt"

<nabilt@ci.garden-grove.ca.us>, "Harry Pflueger" <harry@maxim-hb.com>, "zwf"

<zwf@scgamerica.com>, "dannywei" <dannywei@scgamerica.com>, "Maria Parra"

<mariap@ci.garden-grove.ca.us>, "Carrie M. Risatti" <risattic@gtlaw.com>, "Nathan Brady"

<nathanb@ci.garden-grove.ca.us>, "Karl Hill" <karlh@ci.garden-grove.ca.us>, "Vic Frogliia"

<Vic\_Frogliia@gensler.com>, "Kim, Lisa" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett"

<greg1@ci.garden-grove.ca.us>, macej@gtlaw.com, "david loyola" <david\_loyola@gensler.com>,

"Dan Candelaria" <danc@ci.garden-grove.ca.us>, "tom ito" <tom\_ito@gensler.com>

**Sent:** Monday, June 20, 2016 10:52:31 AM

**Subject:** RE: SCG GARDEN GROVE HOTEL CITY MEETING

Hi Grace,

Sorry for the confusion. It's at 9am at Gensler Newport Beach office on Thursday.

Best Regards,

Jessica Chien

SCG America

Cell: (626) 253-9988

---

**From:** Grace Lee [mailto:gracel@ci.garden-grove.ca.us]

**Sent:** Monday, June 20, 2016 8:28 AM

**To:** Lorraine Peng <lorraina\_usa@yahoo.com>

**Cc:** Lee Marino <leem@ci.garden-grove.ca.us>; Lorraine Francis <Lorraine\_Francis@gensler.com>; jessica

chien <jessica.chien@scgamerica.com>; Matt Reid <matt.reid@landanddesign.com>; Eudeen Chang

<changeu@gtlaw.com>; Danielle Maxwell <Danielle\_Maxwell@gensler.com>; nabilt <nabilt@ci.garden-

grove.ca.us>; Harry Pflueger <harry@maxim-hb.com>; zwf <zwf@scgamerica.com>; dannywei

<dannywei@scgamerica.com>; Maria Parra <mariap@ci.garden-grove.ca.us>; Carrie M. Risatti

<risattic@gtlaw.com>; Nathan Brady <nathanb@ci.garden-grove.ca.us>; Karl Hill <karlh@ci.garden-

grove.ca.us>; Vic Frogliia <Vic\_Frogliia@gensler.com>; lisak <lisak@ci.garden-grove.ca.us>; Greg Blodgett



<greg1@ci.garden-grove.ca.us>; macej@gtlaw.com; david loyola <david\_loyola@gensler.com>; Dan Candelaria <danc@ci.garden-grove.ca.us>; tom ito <tom\_ito@gensler.com>

**Subject:** Re: SCG GARDEN GROVE HOTEL CITY MEETING

Hello,

There seems to be some confusion about the Gensler/SCG America meeting. Can you please confirm the date and time?

Thank you.

Grace E. Lee

Sr. Economic Development Specialist

City of Garden Grove | Economic Development Division

11222 Acacia Parkway, Garden Grove, CA 92840

Tel 714.741.5130 | Fax (714) 741-5205

---

**From:** "Lorraine Peng" <lorraina\_usa@yahoo.com>

**To:** "Lee Marino" <leem@ci.garden-grove.ca.us>, "Lorraine Francis"

<Lorraine\_Francis@gensler.com>, "jessica chien" <jessica.chien@scgamerica.com>, "Matt Reid"

<matt.reid@landanddesign.com>, "Eudeen Chang" <changeu@gtlaw.com>, "Danielle Maxwell"

<Danielle\_Maxwell@gensler.com>, "nabilt" <nabilt@ci.garden-grove.ca.us>, "Harry Pflueger"

<harry@maxim-hb.com>, "zwf" <zwf@scgamerica.com>, "dannywei"

<dannywei@scgamerica.com>, "Maria Parra" <mariap@ci.garden-grove.ca.us>, "Carrie M. Risatti"

<risattic@gtlaw.com>, "Nathan Brady" <nathanb@ci.garden-grove.ca.us>, "Karl Hill"

<karlh@ci.garden-grove.ca.us>, "Vic Frogli" <Vic\_Frogli@gensler.com>, "Grace Lee"

<gracel@ci.garden-grove.ca.us>, "lisak" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett"

<greg1@ci.garden-grove.ca.us>, macej@gtlaw.com, "david loyola" <david\_loyola@gensler.com>,

"Dan Candelaria" <danc@ci.garden-grove.ca.us>, "tom ito" <tom\_ito@gensler.com>

**Sent:** Friday, June 17, 2016 12:09:46 PM

**Subject:** Re: SCG GARDEN GROVE HOTEL CITY MEETING

I think it's 2 pm - 4pm?

Lorraine

On Thursday, June 16, 2016 6:12 PM, Lee Marino <leem@ci.garden-grove.ca.us> wrote:

Unfortunately I have a conflict that day at 9:00 due to a Zoning Administrator meeting.

---

**Organizer:** Lorraine Francis

**When:** Thursday, June 23, 2016 9:00 AM - 11:00 AM

**Location:** GENSLER: NEWPORT BEACH: 4675 MacArthur Court #100 Newport Beach CA 92660

\*~\*~\*~\*~\*~\*~\*~\*~\*~\*

--

Lee Marino  
Senior Planner  
Planning Division  
Phone: 714-741-5302  
Fax: 714-741-5578  
[leem@ci.garden-grove.ca.us](mailto:leem@ci.garden-grove.ca.us)

Community and Economic Development Department of the City of Garden Grove  
"Providing Quality Services Through Creativity & Collaboration."  
[www.ci.garden-grove.ca.us](http://www.ci.garden-grove.ca.us)

**Subject:** RE: SCG GARDEN GROVE HOTEL CITY MEETING  
**From:** Lorraine Francis <Lorraine\_Francis@gensler.com>  
**Date:** Tue, 21 Jun 2016 17:20:17 +0000  
**To:** Jessica Chien <jessica.chien@scgamerica.com>, "Lisa Kim" <lisak@ci.garden-grove.ca.us>, "Lorraina Peng" <lorraina\_usa@yahoo.com>, "Matt Reid" <matt.reid@landanddesign.com>, Vic Frogliia <Vic\_Frogliia@gensler.com>, "dannywei@scgamerica.com" <dannywei@scgamerica.com>, "dannywei" <dannywei@scgamerica.com>  
**CC:** "Grace Lee" <gracel@ci.garden-grove.ca.us>, "Lee Marino" <leem@ci.garden-grove.ca.us>, "Eudeen Chang" <changeu@gtlaw.com>, "Danielle Maxwell" <Danielle\_Maxwell@gensler.com>, "nabilt" <nabilt@ci.garden-grove.ca.us>, "Harry Pflueger" <harry@maxim-hb.com>, "zwf" <zwf@scgamerica.com>, "Maria Parra" <mariap@ci.garden-grove.ca.us>, "Carrie M. Risatti" <risattic@gtlaw.com>, "Nathan Brady" <nathanb@ci.garden-grove.ca.us>, "Karl Hill" <karlh@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, "macej@gtlaw.com" <macej@gtlaw.com>, David Loyola <david\_loyola@gensler.com>, "Dan Candelaria" <danc@ci.garden-grove.ca.us>, Tom Ito <tom\_ito@gensler.com>

All,

Yes. We can meet at city hall also.

Address & Room #?

Thanks

**Lorraine Francis AIA, LEED BD+C**  
**Regional Director of Hospitality Interiors**  
Associate  
[+1 949.260.8545](tel:+19492608545) Direct  
[+1 949.863.9434](tel:+19498639434) Main  
[+1 949.922.0591](tel:+19499220591) Cell

**Gensler**

[4675 MacArthur Court](#)  
[Suite 100](#)  
Newport Beach, California 92660  
[USA](#)

---

**From:** Jessica Chien [mailto:jessica.chien@scgamerica.com]  
**Sent:** Tuesday, June 21, 2016 9:37 AM  
**To:** 'Lisa Kim' <lisak@ci.garden-grove.ca.us>; 'Lorraina Peng' <lorraina\_usa@yahoo.com>; Lorraine Francis <Lorraine\_Francis@gensler.com>; 'Matt Reid' <matt.reid@landanddesign.com>; Vic Frogliia <Vic\_Frogliia@gensler.com>; dannywei@scgamerica.com; 'dannywei' <dannywei@scgamerica.com>  
**Cc:** 'Grace Lee' <gracel@ci.garden-grove.ca.us>; 'Lee Marino' <leem@ci.garden-grove.ca.us>; 'Eudeen Chang' <changeu@gtlaw.com>; Danielle Maxwell <Danielle\_Maxwell@gensler.com>; 'nabilt' <nabilt@ci.garden-grove.ca.us>; 'Harry Pflueger' <harry@maxim-hb.com>; 'zwf' <zwf@scgamerica.com>; 'Maria Parra' <mariap@ci.garden-grove.ca.us>; 'Carrie M. Risatti' <risattic@gtlaw.com>; 'Nathan Brady' <nathanb@ci.garden-grove.ca.us>; 'Karl Hill' <karlh@ci.garden-grove.ca.us>; 'Greg Blodgett' <greg1@ci.garden-grove.ca.us>; macej@gtlaw.com; David Loyola <david\_loyola@gensler.com>; 'Dan Candelaria' <danc@ci.garden-grove.ca.us>; Tom Ito <tom\_ito@gensler.com>

**Subject:** RE: SCG GARDEN GROVE HOTEL CITY MEETING

Hi Lisa,

We are fine.

Lorraine, can we meet in the City Hall?

Best Regards,

Jessica Chien  
SCG America  
Cell: (626) 253-9988

---

**From:** Lisa Kim [<mailto:lisak@ci.garden-grove.ca.us>]

**Sent:** Tuesday, June 21, 2016 5:56 AM

**To:** Jessica Chien <[jessica.chien@scgamerica.com](mailto:jessica.chien@scgamerica.com)>; Lorraina Peng <[lorraina\\_usa@yahoo.com](mailto:lorraina_usa@yahoo.com)>; Lorraine Francis <[Lorraine\\_Francis@gensler.com](mailto:Lorraine_Francis@gensler.com)>; Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)>; Vic Frogliia <[Vic\\_Frogliia@gensler.com](mailto:Vic_Frogliia@gensler.com)>; [dannywei@scgamerica.com](mailto:dannywei@scgamerica.com); dannywei <[dannywei@scgamerica.com](mailto:dannywei@scgamerica.com)>

**Cc:** Grace Lee <[gracel@ci.garden-grove.ca.us](mailto:gracel@ci.garden-grove.ca.us)>; Lee Marino <[leem@ci.garden-grove.ca.us](mailto:leem@ci.garden-grove.ca.us)>; Eudeen Chang <[changeu@gtlaw.com](mailto:changeu@gtlaw.com)>; Danielle Maxwell <[Danielle\\_Maxwell@gensler.com](mailto:Danielle_Maxwell@gensler.com)>; nabilt <[nabilt@ci.garden-grove.ca.us](mailto:nabilt@ci.garden-grove.ca.us)>; Harry Pflueger <[harry@maxim-hb.com](mailto:harry@maxim-hb.com)>; zwf <[zwf@scgamerica.com](mailto:zwf@scgamerica.com)>; Maria Parra <[mariap@ci.garden-grove.ca.us](mailto:mariap@ci.garden-grove.ca.us)>; Carrie M. Risatti <[risattic@gtlaw.com](mailto:risattic@gtlaw.com)>; Nathan Brady <[nathanb@ci.garden-grove.ca.us](mailto:nathanb@ci.garden-grove.ca.us)>; Karl Hill <[karlh@ci.garden-grove.ca.us](mailto:karlh@ci.garden-grove.ca.us)>; Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)>; [macej@gtlaw.com](mailto:macej@gtlaw.com); david loyola <[david\\_loyola@gensler.com](mailto:david_loyola@gensler.com)>; Dan Candelaria <[danc@ci.garden-grove.ca.us](mailto:danc@ci.garden-grove.ca.us)>; tom ito <[tom\\_ito@gensler.com](mailto:tom_ito@gensler.com)>

**Subject:** Re: SCG GARDEN GROVE HOTEL CITY MEETING

Good Morning All,

Would it be possible to move the Thursday meeting location to Garden Grove City Hall?

My planning team has a Zoning Administrator hearing at 9a that should conclude by 9:30a. The meeting relocation to City Hall would allow the Planning team to join the discussion at 9:30a. Please advise if the the meeting location change to City Hall can be accommodated.

Thank you,  
Lisa

Sent from my iPad

On Jun 20, 2016, at 10:52 AM, Jessica Chien <[jessica.chien@scgamerica.com](mailto:jessica.chien@scgamerica.com)> wrote:

Hi Grace,

Sorry for the confusion. It's at 9am at Gensler Newport Beach office on Thursday.

Best Regards,

Jessica Chien  
SCG America  
Cell: (626) 253-9988

---

**From:** Grace Lee [mailto:gracel@ci.garden-grove.ca.us]  
**Sent:** Monday, June 20, 2016 8:28 AM  
**To:** Lorraine Peng <lorraina\_usa@yahoo.com>  
**Cc:** Lee Marino <leem@ci.garden-grove.ca.us>; Lorraine Francis <Lorraine\_Francis@gensler.com>; jessica chien <jessica.chien@scgamerica.com>; Matt Reid <matt.reid@landanddesign.com>; Eudeen Chang <changeu@gtlaw.com>; Danielle Maxwell <Danielle\_Maxwell@gensler.com>; nabilt <nabilt@ci.garden-grove.ca.us>; Harry Pflueger <harry@maxim-hb.com>; zwf <zwf@scgamerica.com>; dannywei <dannywei@scgamerica.com>; Maria Parra <mariap@ci.garden-grove.ca.us>; Carrie M. Risatti <risattic@gtlaw.com>; Nathan Brady <nathanb@ci.garden-grove.ca.us>; Karl Hill <karlh@ci.garden-grove.ca.us>; Vic Frogliia <Vic\_Frogliia@gensler.com>; lisak <lisak@ci.garden-grove.ca.us>; Greg Blodgett <greg1@ci.garden-grove.ca.us>; macej@gtlaw.com; david loyola <david\_loyola@gensler.com>; Dan Candelaria <danc@ci.garden-grove.ca.us>; tom ito <tom\_ito@gensler.com>  
**Subject:** Re: SCG GARDEN GROVE HOTEL CITY MEETING

Hello,  
There seems to be some confusion about the Gensler/SCG America meeting. Can you please confirm the date and time?

Thank you.

**Grace E. Lee**  
Sr. Economic Development Specialist  
City of Garden Grove | Economic Development Division  
11222 Acacia Parkway, Garden Grove, CA 92840  
Tel 714.741.5130 | Fax (714) 741-5205

---

**From:** "Lorraine Peng" <lorraina\_usa@yahoo.com>  
**To:** "Lee Marino" <leem@ci.garden-grove.ca.us>, "Lorraine Francis" <Lorraine\_Francis@gensler.com>, "jessica chien" <jessica.chien@scgamerica.com>, "Matt Reid" <matt.reid@landanddesign.com>, "Eudeen Chang" <changeu@gtlaw.com>, "Danielle Maxwell" <Danielle\_Maxwell@gensler.com>, "nabilt" <nabilt@ci.garden-grove.ca.us>, "Harry Pflueger" <harry@maxim-hb.com>, "zwf" <zwf@scgamerica.com>, "dannywei" <dannywei@scgamerica.com>, "Maria Parra" <mariap@ci.garden-grove.ca.us>, "Carrie M. Risatti" <risattic@gtlaw.com>, "Nathan Brady" <nathanb@ci.garden-grove.ca.us>, "Karl Hill" <karlh@ci.garden-grove.ca.us>, "Vic Frogliia" <Vic\_Frogliia@gensler.com>, "Grace Lee" <gracel@ci.garden-grove.ca.us>, "lisak" <lisak@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, macej@gtlaw.com, "david loyola" <david\_loyola@gensler.com>, "Dan Candelaria" <danc@ci.garden-grove.ca.us>, "tom ito" <tom\_ito@gensler.com>  
**Sent:** Friday, June 17, 2016 12:09:46 PM  
**Subject:** Re: SCG GARDEN GROVE HOTEL CITY MEETING

I think it's 2 pm - 4pm?

Lorraina

On Thursday, June 16, 2016 6:12 PM, Lee Marino <[leem@ci.garden-grove.ca.us](mailto:leem@ci.garden-grove.ca.us)> wrote:

Unfortunately I have a conflict that day at 9:00 due to a Zoning Administrator meeting.

---

**Organizer:** Lorraine Francis

**When:** Thursday, June 23, 2016 9:00 AM - 11:00 AM

**Location:** GENSLER: NEWPORT BEACH: 4675 MacArthur Court #100 Newport Beach CA 92660

\*~\*~\*~\*~\*~\*~\*~\*~\*~\*

--

Lee Marino  
Senior Planner  
Planning Division  
Phone: 714-741-5302  
Fax: 714-741-5578  
[leem@ci.garden-grove.ca.us](mailto:leem@ci.garden-grove.ca.us)

Community and Economic Development Department of the City of Garden Grove  
"Providing Quality Services Through Creativity & Collaboration."  
[www.ci.garden-grove.ca.us](http://www.ci.garden-grove.ca.us)

**Subject:** Accept: SCG GARDEN GROVE HOTEL CITY MEETING  
**From:** Lee Marino <leem@ci.garden-grove.ca.us>  
**Date:** Tue, 21 Jun 2016 11:34:35 -0700 (PDT)  
**To:** Lisa Kim <lisak@ci.garden-grove.ca.us>

I will be there as soon as the ZA Meeting is done.

---

**From:** "Lisa Kim" <lisak@ci.garden-grove.ca.us>  
**To:** "Lisa Kim" <lisak@ci.garden-grove.ca.us>, "jessica chien" <jessica.chien@scgamerica.com>, "lorraina usa" <lorraina\_usa@yahoo.com>, "Lorraine Francis" <lorraine\_francis@gensler.com>, "matt reid" <matt.reid@landanddesign.com>, "vic froglia" <vic\_froglia@gensler.com>, dannywei@scgamerica.com, "Grace Lee" <gracel@ci.garden-grove.ca.us>, changeu@gtlaw.com, "danielle maxwell" <danielle\_maxwell@gensler.com>, "Bill Tewfik" <nabilt@ci.garden-grove.ca.us>, harry@maxim-hb.com, zwf@scgamerica.com, "Maria Parra" <mariap@ci.garden-grove.ca.us>, risattic@gtlaw.com, "Karl Hill" <karlh@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@ci.garden-grove.ca.us>, macej@gtlaw.com, "david loyola" <david\_loyola@gensler.com>, "Dan Candelaria" <danc@ci.garden-grove.ca.us>, "tom ito" <tom\_ito@gensler.com>, "leem" <leem@ci.garden-grove.ca.us>, "Nathan Brady" <nathanb@ci.garden-grove.ca.us>, "Kamyar Dibaj" <kdibaj@ci.garden-grove.ca.us>, "Dai Vu" <daiv@ci.garden-grove.ca.us>  
**Sent:** Tuesday, June 21, 2016 11:23:07 AM  
**Subject:** SCG GARDEN GROVE HOTEL CITY MEETING

## The following meeting has been modified:

**Subject:** SCG GARDEN GROVE HOTEL CITY MEETING  
**Organizer:** lisak@ci.garden-grove.ca.us  
**Sent By:** "Judy Moore" <judym@ci.garden-grove.ca.us>

**Location:** Founders Room at Community Meeting Center, 11300 Stanford Avenue, Garden Grove  
**Time:** Thursday, June 23, 2016, 9:00:00 AM - 11:00:00 AM GMT -08:00 US/Canada Pacific

**Invitees:** lisak@ci.garden-grove.ca.us; jessica.chien@scgamerica.com; lorraina\_usa@yahoo.com; lorraine\_francis@gensler.com; matt.reid@landanddesign.com; vic\_froglia@gensler.com; dannywei@scgamerica.com; gracel@ci.garden-grove.ca.us; changeu@gtlaw.com;

danielle\_maxwell@gensler.com; nabil@ci.garden-grove.ca.us ...

The meeting will be held in the Founders Room of the Community Meeting Center at 11300 Stanford Avenue, Garden Grove.

Added Kamyar Dibaj and Dai Vu.

--

Lee Marino  
Senior Planner  
Planning Division  
Phone: 714-741-5302  
Fax: 714-741-5578  
leem@ci.garden-grove.ca.us

Community and Economic Development Department of the City of Garden Grove  
"Providing Quality Services Through Creativity & Collaboration."  
[www.ci.garden-grove.ca.us](http://www.ci.garden-grove.ca.us)



**Subject:** AutoCad of Site  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Wed, 22 Jun 2016 06:21:21 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Greg,  
Can you send me the Cad versions of the survey and site plans you have?  
Thanks

Sent from my iPad Pro

**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - matthew.reid.ca  
matt.reid@landanddesign.com

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

**Subject:** Re: 15045 Site C  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Wed, 22 Jun 2016 09:11:38 -0700  
**To:** "Jeffrey Cooper,P.E." <jbraley@pencoeng.com>  
**CC:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Thank you.

**Matthew Reid**

Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - matthew.reid.ca  
matt.reid@landanddesign.com

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 22, 2016, at 8:01 AM, J Braley <jbraley@pencoeng.com> wrote:

Greetings Matt,

Per Greg Blodgett's request enclosed is the line work for the Site C project in Garden Grove. Feel free to contact me with any questions.

Best Regards,

**J Braley**

Survey Manager

<image001.png>

16842 Von Karman Avenue, Suite 150  
Irvine, CA 92606  
Mobile: 916-837-2999 (best number)  
Office: 949-753-8111 Ext 261  
Fax: 949-753-0775

[jbraley@pencoeng.com](mailto:jbraley@pencoeng.com)

In accepting and utilizing electronic project files or other data or any form of electronic media generated and provided by PENCO Engineering, Inc., the recipient covenants and agrees that all such drawings and data are transmitted without warranty as to their accuracy or suitability for the

purpose to which the recipient intends to use them. The recipient agrees to waive all claims against PENCO Engineering, Inc. resulting in any way from any unauthorized changes or reuse of the electronic project file or data. The recipient is aware that differences may exist between the electronic files delivered and the printed hard-copy construction documents. In the event of a conflict between the signed construction documents prepared by the Consultant and electronic files, the signed or sealed hard-copy construction documents shall govern. In addition, the recipient agrees to indemnify and hold PENCO Engineering, Inc. harmless from any damage, liability or cost, including attorney's fees and costs of defense, arising from any change or reuse of files. All terms and conditions above are hereby agreed to and accepted in their entirety as a condition of receipt of the referenced electronic file(s). In no way shall these files be interpreted to supersede any construction documents or specifications. Use of these files indicates agreement to this form.

<MAP-00 Export.dwg>

**Subject:** Re: 15045 Site C  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Wed, 22 Jun 2016 10:36:26 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

I've requested copies

Sent from my iPhone  
**Matthew Reid**  
**Land & Design, Inc.**  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 22, 2016, at 10:21 AM, Greg Blodgett <[greg1@ci.garden-grove.ca.us](mailto:greg1@ci.garden-grove.ca.us)> wrote:

Can you send new phase 1 reports to us

Sent from my iPhone

On Jun 22, 2016, at 9:10 AM, Matt Reid <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)> wrote:

Thank you.

**Matthew Reid**  
Land & Design, Inc.  
3755 Avocado Blvd | #516 | LaMesa, CA 91942  
858.735.1858 cell  
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)  
[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)

Check out our new website [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY***

***PROHIBITED.*** *If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

On Jun 22, 2016, at 8:01 AM, J Braley <[jbraley@pencoeng.com](mailto:jbraley@pencoeng.com)> wrote:

Greetings Matt,

Per Greg Blodgett's request enclosed is the line work for the Site C project in Garden Grove. Feel free to contact me with any questions.

Best Regards,

**J Braley**  
Survey Manager

<image001.png>

16842 Von Karman Avenue, Suite 150  
Irvine, CA 92606  
Mobile: 916-837-2999 (best number)  
Office: 949-753-8111 Ext 261  
Fax: 949-753-0775

[jbraley@pencoeng.com](mailto:jbraley@pencoeng.com)

In accepting and utilizing electronic project files or other data or any form of electronic media generated and provided by PENCO Engineering, Inc., the recipient covenants and agrees that all such drawings and data are transmitted without warranty as to their accuracy or suitability for the purpose to which the recipient intends to use them. The recipient agrees to waive all claims against PENCO Engineering, Inc. resulting in any way from any unauthorized changes or reuse of the electronic project file or data. The recipient is aware that differences may exist between the electronic files delivered and the printed hard-copy construction documents. In the event of a conflict between the signed construction documents prepared by the Consultant and electronic files, the signed or sealed hard-copy construction documents shall govern. In addition, the recipient agrees to indemnify and hold PENCO Engineering, Inc. harmless from any damage, liability or cost, including attorney's fees and costs of defense, arising from any change or reuse of files. All terms and conditions above are hereby agreed to and accepted in their entirety as a condition of receipt of the referenced electronic file(s). In no way shall these files be interpreted to supersede any construction documents or specifications. Use of these files indicates agreement to this form.

<MAP-00 Export.dwg>

**Subject:** Fwd: POI Project No. 7869, Phase I ESA, 12202-12302 Harbor Blvd., 12511-12571 Twintree Ln., Garden Grove, CA - Draft Text  
**From:** Matt Reid <matt.reid@landanddesign.com>  
**Date:** Wed, 22 Jun 2016 10:56:33 -0700  
**To:** Greg Blodgett <greg1@ci.garden-grove.ca.us>

Not final, but here is draft.

Sent from my iPhone

**Matthew Reid**

**Land & Design, Inc.**

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - matthew.reid.ca

matt.reid@landanddesign.com

**Check out our new website** [www.landanddesign.com](http://www.landanddesign.com)

*All Information, documents, files or previous e-mail messages contained, attached or reproduced in this email communication is confidential and/or privileged information. If you are not an intended recipient or this information or has been provided to you without Land & Design, Inc's expressed and written consent, you are hereby notified that you must not read this transmission and that disclosure, copying, printing, or dissemination of anything contained herein is **STRICTLY PROHIBITED**. If you have received this transmission in error, please immediately notify the sender by phone or return email and delete the original transmission and its attachments without reading or saving in any manner.*

Begin forwarded message:

**From:** Harry Pflueger <[harry@maxim-hb.com](mailto:harry@maxim-hb.com)>  
**Date:** June 22, 2016 at 10:53:35 AM PDT  
**To:** Chien Jessica <[jessica.chien@scgamerica.com](mailto:jessica.chien@scgamerica.com)>  
**Cc:** Reid Matthew <[matt.reid@landanddesign.com](mailto:matt.reid@landanddesign.com)>  
**Subject:** Fwd: POI Project No. 7869, Phase I ESA, 12202-12302 Harbor Blvd., 12511-12571 Twintree Ln., Garden Grove, CA - Draft Text

Phase I

Harry Pflueger  
Maxim Hotel Brokerage  
(949) 759-8739  
<http://www.maxim-hb.com>

Begin forwarded message:

**From:** "Taylor Smith" <[taylors@phasei.com](mailto:taylors@phasei.com)>  
**Date:** May 23, 2016 at 2:12:18 PM PDT  
**To:** "'lorraina\_usa'" <[lorraina\\_usa@yahoo.com](mailto:lorraina_usa@yahoo.com)>, "'Danny Wei'" <[dannywei@scgamerica.com](mailto:dannywei@scgamerica.com)>, <[harry@maxim-hb.com](mailto:harry@maxim-hb.com)>

**Cc:** "Nadine Kieselbach" <nadinek@phasei.com>, "Eric Exton" <erice@phasei.com>  
**Subject:** POI Project No. 7869, Phase I ESA, 12202-12302 Harbor Blvd., 12511-12571 Twintree Ln., Garden Grove, CA - Draft Text

Good afternoon,

Please find the draft text of the Phase I ESA for the above referenced site. Should you have any questions you can reach the report writer, Eric Exton, at ext. 1107 (also cc'd). Once you have reviewed the text and have given approval we will finalize. Thank you very much and have a great day.

Best Regards,

Taylor Smith

Client Services

**Phase One Inc.**

23282 Mill Creek Road, Suite 160

Laguna Hills CA 92653

(714) 669-8055 X1125

(800) 524-8877 X1125

(714) 669-8025 FAX

[TaylorS@phasei.com](mailto:TaylorS@phasei.com)

**Celebrating our 25<sup>th</sup> Anniversary!!**



Virus-free. [www.avast.com](http://www.avast.com)

<b>7869PEA.doc</b>	<b>Content-Type:</b> application/msword <b>Content-Encoding:</b> base64
--------------------	--

Part 1.1.3

<b>Part 1.1.3</b>	<b>Content-Type:</b> text/html <b>Content-Encoding:</b> 7bit
-------------------	---

Wed 22 Jun 2016

10:56:33 -0700

# ***PHASE I ENVIRONMENTAL SITE ASSESSMENT***

**FOR**

**INVESTEL HARBOR RESORTS, LLC**

**12202-12302 HARBOR BOULEVARD  
12511-12571 TWINTREE LANE  
GARDEN GROVE, CA 92840**

**REPORT DATE: MAY 2016**



## ***PHASE ONE INC.***

---

**THE NATIONWIDE ENVIRONMENTAL SPECIALISTS**

*"Setting the Due Diligence Industry Standard"*



# ***PHASE ONE INC.***

ENVIRONMENTAL ASSESSMENT SPECIALISTS

---

May 23, 2016

Danny Wei  
Investel Harbor Resorts, LLC  
11999 Harbor Blvd. #1711  
Garden Grove, CA 92840

RE: ***PHASE ONE INC.*** Project No. 7869  
Phase I Environmental Site Assessment Report  
Subject Site Location: 12202-12302 Harbor Boulevard, 12511-12571 Twintree Lane  
Garden Grove, CA 92840

Dear Mr. Wei:

Enclosed with this letter are copies of the Phase I Environmental Site Assessment Report completed by ***PHASE ONE INC.*** for the site referenced above. As you will note in the report, our conclusions regarding the environmental condition of the site are summarized both in Section 1.0, ***Executive Summary***, and Section 6.0, ***Conclusions and Recommendations***.

Please don't hesitate to contact us should you have any questions regarding the environmental assessment, or if we can be of additional assistance. We look forward to working with you again in the future.

Sincerely,



Eric Kieselbach  
President

Enclosure

**PHASE I ENVIRONMENTAL SITE ASSESSMENT REPORT**

**12202-12302 HARBOR BOULEVARD  
12511-12571 TWINTREE LANE  
GARDEN GROVE, CA 92840**

**PROJECT NO. 7869**

BY

***PHASE ONE INC.***  
23282 MILLCREEK DRIVE, SUITE 160  
LAGUNA HILLS, CA 92653  
(800) 524-8877

THIS REPORT WAS PREPARED FOR THE SOLE USE AND BENEFIT OF OUR CLIENT, INVESTEL HARBOR RESORTS, LLC, AND IS BASED, IN PART, UPON DOCUMENTS, WRITINGS, AND INFORMATION OWNED AND POSSESSED BY OUR CLIENT. NEITHER THIS REPORT, NOR ANY OF THE INFORMATION CONTAINED HEREIN, SHALL BE USED OR RELIED UPON FOR ANY PURPOSE BY ANY PERSON OR ENTITY OTHER THAN OUR CLIENT. ALL STANDARD TERMS, CONDITIONS, AND LIMITATIONS BY ***PHASE ONE INC.*** APPLY AT ALL TIMES AND FOR THIS REPORT AND ALL REPORTS ISSUED BY ***PHASE ONE INC.***

## TABLE OF CONTENTS

### **SECTION 1.0 EXECUTIVE SUMMARY: FINDINGS AND CONCLUSIONS**

- 1.1 FINDINGS
- 1.2 CONCLUSIONS SUMMARY
- 1.3 SITE FACTS
- 1.4 EXCEPTIONS AND/OR DELETIONS TO ASTM E 1527

### **SECTION 2.0 INTRODUCTION**

- 2.1 PURPOSE OF A PHASE I ESA
- 2.2 SCOPE OF WORK
  - 2.2.1 Site Description
  - 2.2.2 Site Reconnaissance
  - 2.2.3 Review of Historical Information
  - 2.2.4 Interviews
  - 2.2.5 Conclusions and Recommendations
- 2.3 INTERPRETATION OF THE REPORT

### **SECTION 3.0 SITE DESCRIPTION AND RECONNAISSANCE**

- 3.1 SITE PHOTOGRAPHS
- 3.2 GEOLOGIC AND HYDROGEOLOGIC CONDITIONS
- 3.3 EXISTING STORAGE TANKS
- 3.4 PREVIOUSLY EXISTING STORAGE TANKS
- 3.5 HAZARDOUS SUBSTANCE STORAGE AND HANDLING
- 3.6 SPECIFIC HAZARDOUS SUBSTANCES RECONNAISSANCE
  - 3.6.1 Summary of Specific Hazardous Substances Reconnaissance (Beyond ASTM Scope)
  - 3.6.2 Details of Specific Hazardous Substances Sampling/Observations
- 3.7 POLYCHLORINATED BIPHENYLS (PCBS)
- 3.8 CLARIFIERS, SUMPS, TRENCHES, AND INDUSTRIAL DISCHARGE SOURCES
- 3.9 SURFACE CONDITIONS
- 3.10 STRESSED VEGETATION
- 3.11 PRIOR OR CURRENT AGRICULTURAL LAND USE
- 3.12 OTHER ENVIRONMENTAL CONDITIONS
- 3.13 VISUAL OBSERVATIONS, ADJOINING SITES

### **SECTION 4.0 REVIEW OF HISTORICAL INFORMATION AND REGULATORY AGENCY RECORDS**

- 4.1 HISTORICAL AERIAL PHOTOGRAPH AND U.S.G.S. TOPOGRAPHIC MAP REVIEW
- 4.2 HISTORICAL MAP REVIEW
- 4.3 HISTORICAL CITY OR STREET DIRECTORY REVIEW
- 4.4 AGENCY CONTACTS (RECORDS SEARCH)
  - 4.4.1 Water Quality Agency Records
  - 4.4.2 Oil and Gas Agency Records or Maps

- 4.4.3 Other Pertinent Records/File Reviews
- 4.5 REVIEW OF ENVIRONMENTAL RECORDS SEARCH
- 4.6 CHAIN-OF-TITLE ABSTRACT AND/OR REVIEW
- 4.7 ADDITIONAL ENVIRONMENTAL DOCUMENTS
- 4.8 HISTORICAL SITE USE
- 4.9 IDENTIFICATION OF HISTORICAL DATA GAPS
- 4.10 REVIEW OF TITLE AND/OR JUDICIAL RECORDS FOR ENVIRONMENTAL LIENS OR ACTIVITY AND LAND USE LIMITATIONS (E.G., ENGINEERING AND INSTITUTIONAL CONTROLS)

## **SECTION 5.0 INTERVIEWS**

- 5.1 INTERVIEWS WITH OWNER, PROPERTY MANAGER, USER, AND OTHERS
- 5.2 PURCHASE PRICE VERSUS FAIR MARKET VALUE INTERVIEW

## **SECTION 6.0 CONCLUSIONS AND RECOMMENDATIONS**

- 6.1 RECOGNIZED ENVIRONMENTAL CONDITIONS
- 6.2 *DE MINIMIS* CONDITIONS, HISTORICAL RECOGNIZED ENVIRONMENTAL CONDITIONS, AND CONTROLLED RECOGNIZED ENVIRONMENTAL CONDITIONS

## **SECTION 7.0 LIMITATIONS**

## **SECTION 8.0 FIGURES**

## **SECTION 9.0 APPENDICES**

- Appendix A Site Photographs
- Appendix B Summary of Agency Contacts
- Appendix C Copies of Records
- Appendix D One-Mile Radius Regulatory Database Report
- Appendix E Sampling and Analysis Documents
- Appendix F Interview Notes
- Appendix G Miscellaneous Information
- Appendix H References
- Appendix I Resumes
- Appendix J Environmental Acronyms and Definitions

## SECTION 1.0

### EXECUTIVE SUMMARY: FINDINGS AND CONCLUSIONS

#### 1.1 FINDINGS

This report presents the results of the Phase I Environmental Site Assessment conducted by **PHASE ONE INC.** at 12202-12302 Harbor Boulevard, 12511-12571 Twintree Lane, Garden Grove, CA 92840 (see Figure 2, *Site Location Map*). The Phase I assessment was undertaken at the request of Danny Wei of Investel Harbor Resorts, LLC, in accordance with **PHASE ONE INC.**'s *Standard Terms and Conditions*, as outlined in **PHASE ONE INC.**'s *Letter of Intent/Authorization* for Project N<sup>o</sup> 7869. The findings and conclusions of this investigation are based upon a review of historic site-use activities, contact with and records from governmental regulatory agencies, regulatory database searches, as well as a site reconnaissance and interviews with the client, site personnel, and possibly others who may have knowledge of various aspects of the subject site.

At the time of this assessment, the site consisted of approximately 5.0 acres of vacant/developed land consisting of vacant land (12202-12292 Harbor Boulevard), a vacant commercial building (12302 Harbor Boulevard), vacant residences (12511, 12531, and 12551 Twintree Lane) and one occupied residence (12571 Twintree Lane). Information gathered in the course of this assessment indicates that the subject site is currently owned by the City of Garden Grove.

The principal findings of **PHASE ONE INC.**'s Phase I Environmental Site Assessment for this site are as follows:

The subject site is currently affected by

- No recognized environmental condition(s) (REC); and
- Five *de minimis* condition(s), historical recognized environmental condition(s) (HREC), or controlled recognized environmental condition(s) (CREC).
- The potential for soil or groundwater contamination of the subject property from either on or off-site sources appears to be low.
- Given the findings and conclusions of **PHASE ONE INC.**'s Phase I Environmental Site Assessment, further investigation is not recommended at this time.
- **PHASE ONE INC.** has performed this Phase I Environmental Site Assessment of the subject site in conformance with the scope and limitations of the Environmental Protection Agency, Standards and Practices for All Appropriate Inquiries, 40 CFR Part 312 and the standard practice set forth in the American Society for Testing and Materials (ASTM) Designation: E1527-13, "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process." Any exceptions to, or deletions from, these practices are described in Section 1.4 of this report.

- This assessment has revealed no evidence of recognized environmental conditions in connection with the property except for those listed in Section 1.2.

## 1.2 CONCLUSIONS SUMMARY

Based on the findings of this Phase I Environmental Site Assessment, **PHASE ONE INC.** has identified the following recognized environmental condition(s):

### RECOGNIZED ENVIRONMENTAL CONDITION(S)

Condition #	Location	Description of Condition
None	N/A	No evidence of recognized environmental conditions were found during this investigation.

Note: Descriptions of conditions are given again in further detail in Section 6.0, *Conclusions and Recommendations*, along with recommendations as to how to address the conditions and the estimated costs of completing any recommended next-step action. **PHASE ONE INC.** classifies a recognized environmental condition, per the ASTM Standard E 1527-13 definition, as the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property due to any release to the environment; under conditions indicative of a release to the environment; or under conditions that pose a material threat of a future release to the environment. *De minimis* conditions are not recognized environmental conditions.

Based on the findings of this Phase I Environmental Site Assessment, **PHASE ONE INC.** has identified the following *de minimis* condition, historical recognized environmental condition, and/or controlled recognized environmental condition:

### DE MINIMIS CONDITIONS HISTORICAL RECOGNIZED ENVIRONMENTAL CONDITIONS, OR CONTROLLED RECOGNIZED ENVIRONMENTAL CONDITIONS

Condition #	Location	Description of Condition	Condition
1	Subject Structures and Residential Yards	During the site reconnaissance, materials were identified that are suspected of containing asbestos. The presence of asbestos-containing materials has been confirmed through sampling and laboratory analysis. According to the owner, asbestos abatement activities are underway and are expected to be completed in June. Asbestos-containing materials are considered to be hazardous materials, and their eventual disposal and handling are subject to federal and state regulatory guidelines.	<i>De minimis</i>
2	Subject Site	Although the site was used for agricultural purposes in the past, the planned commercial development of the site minimizes the probability of occupants to come in contact with possible residual agricultural chemicals in the soil or groundwater.	<i>De minimis</i>

Condition #	Location	Description of Condition	Condition
3	Subject Structures	Given the pre-1979 construction date of the subject structures, the past use of lead-based paints and leaded piping and/or fixtures is suspected. Based on sampling results from reviewed reports, trace levels of lead were detected in all structures and the residential structure at 12551 Twintree Lane was found to have lead levels that are considered lead containing. Deteriorating paint may pose a significant health hazard if ingested or inhaled, particularly for children. Due to the planned demolition of the onsite structures, the possibility of children being affected is low. Lead-containing paint is considered hazardous waste, and the eventual disposal of lead-containing paint may be subject to regulatory restrictions. Lead-containing water is considered hazardous to health at certain levels.	<i>De minimis</i>
4	Multiple Locations, See Figure 3.	Pole- and pad-mounted transformers were observed. Given the pre-1979 date of development of the subject site, the presence of fluids containing polychlorinated biphenyls (PCBs) in the transformer(s) is possible. No leakage or staining was visible on or around the transformer(s).	<i>De minimis</i>
5	Subject Structure	The parcels of the subject site have changed significantly over the decades including many structures and features which have been demolished or abandoned. Caution should be observed during the grading of the site as subsurface structures such as filled in pools or other features may be encountered.	<i>De minimis</i>

Note: Descriptions of conditions are given again in further detail in Section 6.0, *Conclusions and Recommendations*, along with recommendations as to how to address the conditions. **PHASE ONE INC.** classifies an environmental condition as a *de minimis* (potential or possible) condition when it appears to pose no immediate threat to the subject site and/or requires no immediate action given the current knowledge of site conditions. It is a condition that generally does not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. This condition with time, groundwater movement, demolition or other disturbances, or sometimes with the acquisition of further information, may come to pose a long-term, immediate, or chronic environmental risk; and/or this condition may appear to have a negligible monetary/physical impact on the subject property, and therefore, does not require additional investigation at this time. Conditions determined to be *de minimis* conditions are not recognized environmental conditions nor controlled recognized environmental conditions. **PHASE ONE INC.** classifies a historical recognized environmental condition (HREC) as a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. An HREC is limited to include only past releases that have been addressed to unrestricted residential use. **PHASE ONE INC.** classifies a Controlled Recognized Environmental Condition (CREC) as a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable agency, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.

### 1.3 SITE FACTS

Current Owner(s): City of Garden Grove

Current Use: 12202-12292 Harbor Blvd. - Vacant land (Some commercial structures were recently demolished.)  
12302 Harbor Blvd. Vacant - Commercial building.  
12511, 12531, 12551 Twintree Lane - Vacant residences.  
12571 Twintree Lane - Occupied residence.

Current Occupants: None; except 12571 Twintree Lane, residents.

Total # of Existing Buildings: 6; 1 Commercial building; 4 residences, 1 garage.

Total Sq. Ft. of Buildings: Approximately 8,500.

Date Oldest Building was Built: Circa 1962.

Total # of Buildings Visually Inspected: 6; only exterior of 12302 Harbor Blvd.

The subject site obtains its potable water from municipal sources.

The subject site disposes of its sewage through use of the local municipal sewage system.

The subject building is heated and/or cooled by a heating and air-conditioning system. The heating and air-conditioning system obtains its fuel from unknown sources.

Site Contact: Lorraina Pang and Harry Pflueger

Field Assessor: Kelsey Mori

Report Writer: Eric Exton

Assessor's Parcel #: 231-521-01, 231-521-02, 231-521-03, 231-521-04, 231-521-05, 231-521-06, 231-521-07, 231-521-08, 231-521-09, 231-521-10, 231-491-20, 231-491-21

Address(es) Provided by Client: 12202-12302 Harbor Boulevard and 12511, 12531, 12251, 12571 Twintree Lane, Garden Grove, CA 92840

Additional/Previous Address(es): None

Total Acreage of Land: ~5.0

Date of Site Reconnaissance: May 3, 2016

Total # of Wells (water, oil, gas, other) identified onsite: None

Areas/Units that were inaccessible to the **PHASE ONE INC.** field assessor:

12202 Harbor Blvd.: Vacant parcel (Fenced, entire lot visible through fencing).

12302 Harbor Blvd: Interior.

12511, 12531, 12551, and 12571 Twintree Lane: Interior of all residences.

Were enough (units/offices/buildings/acres) inspected to ensure that the inspection was homogenous?

Yes

Did the field assessor notice any unusual odors on or from the subject site or adjoining sites during the site reconnaissance? No



#### **1.4 EXCEPTIONS AND/OR DELETIONS TO ASTM E 1527**

There are exceptions to ASTM E 1527. The exceptions are as follows:

Due to safety concerns related to vagrants/squatters, the interiors of the residences were not inspected. The interior of the commercial building was not inspected; it was locked. Also, the northern most parcel, 12202 Harbor Blvd., was fenced with chain link fencing, so a thorough inspection of the surface could not be performed. These issues are unlikely to impact the conclusions of the report.

Although the subject site is listed in the environmental records search in Section 4.5, the listing pertains to the disposal of asbestos-containing materials. Therefore; a file review was deemed unlikely to produce significant information that would impact the conclusions of the report.

An occupant questionnaire was not completed by the residential occupant; this is unlikely to affect the conclusions of this report based on the residential use.

DRAFT

## SECTION 2.0

### INTRODUCTION

#### 2.1 PURPOSE OF A PHASE I ESA

The purpose of this Phase I Environmental Site Assessment is to assess (1) the likelihood of contamination of the subject site as a result of either past or present land-use practices; and (2) the potential for future environmental contamination which may occur as a result of current conditions or operations and maintenance activities at either the subject site or properties adjoining the subject site, thereby identifying real or potential environmental or economic impact to the subject site. In this way, the client may satisfy a requirement to qualify for the innocent landowner defense to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) liability by completing "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial and customary practice." To meet these objectives, **PHASE ONE INC.** attempted to complete the tasks outlined in this section except as noted in Section 1.4.

#### 2.2 SCOPE OF WORK

The Scope of Work that has been followed for this assessment is identified in Section 1.1, Page 1-1.

##### 2.2.1 Site Description

Site photographs were taken during the site reconnaissance. The photographs and their summary descriptions can be found in **Appendix A**.

**PHASE ONE INC.** reviewed pertinent, reasonably ascertainable information on the soil types and groundwater conditions in the vicinity of the subject site. For the purposes of this assessment, the depth from the ground surface and the direction (or gradient) of the groundwater flow are of particular significance. Such findings are used by **PHASE ONE INC.** report writers, in conjunction with additional information about environmental conditions on nearby sites, to assess the risk that is faced by the subject site from off-site sources of contamination.

It should be noted that **PHASE ONE INC.**'s geological and hydrological research does not include investigation of seismological concerns (i.e., fault lines) that may affect the area of the subject site. Although the existence of faults in an area may be of concern to property owners and residents in that area, it is not considered to be an environmental concern, and so is not usually a component of a Phase I Environmental Site Assessment. (However, in the event that it is required, **PHASE ONE INC.** can assist the client in completing a seismological investigation.)

## 2.2.2 Site Reconnaissance

A **PHASE ONE INC.** field assessor conducted a visual reconnaissance of the subject property to identify observable signs of environmental impairments, including on-site operations and maintenance activities which may lead to possible environmental impairment. As a part of the site reconnaissance, **PHASE ONE INC.** visually inspected the site for obvious indications of:

- Existing and previously existing storage tanks (aboveground and underground)
- Hazardous substances storage and handling
- Clarifiers, sumps, trenches, and industrial discharge sources
- Equipment which may contain polychlorinated biphenyls (PCB) (fluorescent light ballasts are not inspected)
- Indications of spillage of hazardous substances, and the general condition of concrete, asphalt, soil, and other surfaces
- Indications of stressed vegetation as a result of on-site contamination

During the site reconnaissance, **PHASE ONE INC.** field assessors may make note of basic compliance issues which, may be environmental in nature, however are not issues directly associated with the potential for site contamination (i.e., the specific objective of our assessment). However, as a service to our clients, and because these compliance issues may contribute to our overall understanding of site operations, **PHASE ONE INC.** may comment on the site's basic compliance status. The review of the site's compliance status is not intended to be complete or comprehensive and may or may not include all items identified during the site reconnaissance.

Again, the compliance review is not intended as a comprehensive compliance audit. Rather, the compliance review is only intended to aid **PHASE ONE INC.** in determining the likelihood that the subject site may have been impacted by releases of hazardous substances.

When the storage or use of hazardous substances are encountered on a site, the **PHASE ONE INC.** field assessor will look for or inquire about the on-site presence of Material Safety Data Sheets (MSDSs). MSDSs are prepared by the manufacturers of hazardous substances (pursuant to OSHA's Hazard Communication Standard), and they detail the components, dangers, and proper handling procedures for the hazardous substance for which they have been prepared. The presence or absence of MSDSs for on-site hazardous substances will be noted in 3.5, **Hazardous Substances Storage and Handling**. However, some sites may use or store hundreds of various chemical compounds. In such cases, it is practically impossible for the field assessor to match-up each substance with its corresponding MSDS. Still, the field assessor will inquire about MSDSs and copies of representative MSDSs that were made available will be included in Appendix G.

**PHASE ONE INC.** may have (based on contract) inspected and reviewed information for the subject site regarding the presence of specific hazardous substances which are relatively common sources of environmental concern. The substances in question include:

- Common building materials that may contain or are suspected of containing asbestos
- Radon (at elevated levels)
- Lead-contaminated drinking water
- Lead-based paints

Based on ASTM E1527, federal, state, and other regulatory agency guidelines, the following presumptions were in force if and when **PHASE ONE INC.** inspected the subject site for specific hazardous substances:

- Structures built after 1980 are considered asbestos-free.
- Structures built after 1979 are considered lead-free (with respect to both water and painted surfaces).
- Fluorescent light ballasts will be considered PCB-free and will not be noted in the report regardless of their date of manufacture, unless **PHASE ONE INC.** is instructed to do otherwise in writing by the client.

**PHASE ONE INC.** also inspected the properties that adjoin the subject site. In general, this inspection included a "drive-by" survey to note the operations which may pose an imminent or potential environmental threat to the subject site.

### **2.2.3 Review of Historical Information**

For this assessment, **PHASE ONE INC.** may have reviewed reasonably ascertainable historical aerial photographs and United States Geologic Survey (U.S.G.S.) topographic maps of the subject site and vicinity. This review consisted of examining the reasonably ascertainable available photographs and topographic maps for evidence of activities on or development of the subject site and adjoining sites that may show an environmental condition or concern which may currently affect the subject site. The specific aerial photographs and U.S.G.S. maps that were reviewed for this assessment are identified and their environmentally relevant features are described in Section 4.1.

**PHASE ONE INC.** may have also reviewed any reasonably ascertainable Historic Maps of the subject site and vicinity. Such maps have been prepared by fire insurance companies in order to determine the potential risk of fire damage to buildings in metropolitan areas. These maps have been produced since the mid-1850s and, for some areas, they are still produced today. For the purposes of a Phase I Environmental Site Assessment, these maps may contain helpful information on the ages and past uses of buildings, as well as information about on the storage of hazardous and flammable substances. However, because it was only worthwhile for fire insurance companies to map metropolitan areas, the scope of coverage of these maps is somewhat limited. If Historic Maps

have provided coverage of the subject site, and if the specific maps were reasonably ascertainable, then the specific maps that were reviewed for this assessment are identified, and their environmentally relevant features described, in Section 4.2.

One of the least known yet most complete and comprehensive historical sources are historical city or street directories. These texts may have been reviewed by **PHASE ONE INC.** to the extent that they have provided coverage of the subject site and were reasonably ascertainable. **PHASE ONE INC.** reviews historical city or street directories (also known as criss cross or reverse indexed directories) for information on the past occupants of and activities on the subject site and adjoining sites. These directories were prepared by companies that catered to the needs of salespeople by providing the names of the occupants at a given address (that is, unlike a traditional telephone book, the entries of a reverse directory are arranged by address, not by name). However, like Historical Maps, the scope of coverage of these directories is limited to mostly metropolitan areas. If they were reasonably ascertainable, they were reviewed and Section 4.3 contains listings of the current or past occupants of the subject site that were found by researching historical city or street directories.

**PHASE ONE INC.** has contacted various state, county, and municipal agencies having current or past jurisdiction over the subject site, in an attempt to review reasonably ascertainable records that contain specific information about environmental conditions on the subject site that these agencies may have on file, or to establish that no environmentally relevant records are on file for the subject site. The client should be aware that most regulatory agencies file their records by address or corporate name (as opposed to parcel number or site name). If no specific address has been assigned to a site, then, typically, no environmental records related to the site will be forthcoming from the state, county, or municipal regulatory agencies.

The findings of this records search are reported in Section 4.4, **Agency Contacts**. The addresses, phone numbers, names of the persons contacted within the various agencies are listed on the Regulatory Contacts Sheet, which is included in Appendix B. Copies of any records obtained from regulatory agencies can be found in Appendix C. In some instances, **PHASE ONE INC.** may not yet have received a reply from one or more of the agencies that were contacted. (Some agencies will take six weeks or longer to reply to a verbal or written request.) In the event of such delays in response, rather than delaying the issuance of the report, **PHASE ONE INC.** has indicated in the report that a response to the request for records is pending, and a copy of the regulatory request form has been included in Appendix B. Any pertinent information that is subsequently received from the pending agency will be addressed and forwarded to the client in the form of an addendum to this report.

**PHASE ONE INC.** has also reviewed a vendor-supplied, computer-generated federal, state, and regional one-mile regulatory database search in an effort to determine whether the subject site is listed on an agency environmental database and to identify possible regulatory-listed sites of concern within a one-mile radius of the subject site. In general, these documents list known or suspected hazardous-waste generators, release sites, landfills, unauthorized disposal sites, sites with registered underground storage tanks, and sites currently under investigation for known or suspected environmental violations or releases. In conjunction with the findings on the geological and hydrological conditions, information obtained from the database search can be used to assess the environmental risk faced by the subject site from past or present off-site sources of contamination. Additionally, the database search may provide information about on-site sources of contamination.

The regulatory database review can be found in Section 4.5; a copy of the complete database search document and a detailed description of the databases that were searched are included in Appendix D.

When requested, **PHASE ONE INC.** will compile and review a chain-of-title abstract for the subject property. The chain-of-title abstract can help the client and **PHASE ONE INC.** to better understand the history of the use of the subject site. The chain-of-title abstract is typically compiled from documents obtained from the County Recorder's Office or Tax Assessor's Office. The chain-of-title abstract review, if completed for this report, can be found in Section 4.6. The County Assessor also may be contacted to determine whether the subject site has been assigned addresses in the past which are different from its current address. It is the client's responsibility to supply **PHASE ONE INC.** with any records of environmental liens or other such documents.

On occasion, the client, the client's representatives, or on-site personnel will make available environmental documents pertaining to the subject site. These documents may be prior Phase I Reports, environmental site remediation reports, foundation soil reports, or occupancy records, among others. If these are made available prior to the issuance of the report, **PHASE ONE INC.** will review the conclusions of these documents, which may help to confirm or disprove any tentative findings that **PHASE ONE INC.** has developed independently. If the client has supplied environmental documents for review as part of this assessment, the findings are included in Section 4.7.

After the above information from existing historical records, regulatory agencies, interviews, and other additional environmental documents has been reviewed and evaluated, **PHASE ONE INC.** presents the site uses for the subject property as well as adjoining site uses in a chronological table. This historic site use summary assists the client, as well as the field assessors and reviewers to have a perspective of the historical uses of the subject site. The *Historical Site Use* is presented in Section 4.8.

#### **2.2.4 Interviews**

**PHASE ONE INC.** attempts to interview various individuals who may have knowledge of various aspects of the subject site. Typically, the interviewees might include:

- Current and previous owners
- Site and operations managers
- Tenants
- Local regulatory personnel

The interviews are summarized in Section 5.0 and interview notes are included in Appendix F.

## 2.2.5 Conclusions and Recommendations

Section 6.0, *Conclusions and Recommendations*, provides detailed descriptions of the recognized environmental conditions, the *de minimis* conditions, historical recognized environmental conditions, and controlled recognized environmental conditions that, in the professional opinion of **PHASE ONE INC.**, currently affect the subject site. Section 6.0 also recommends or suggests the next-step actions that may be required to begin addressing the conditions.

The essential information on a condition at a given location is contained in the "Description of Condition" and the "Action Suggested" boxes of the table for that location. The section numbers refer to those sections in the report that describe the research tasks and findings behind the conclusions. This reporting method allows the reader to quickly go to those sections that are pertinent to the condition.

## 2.3 INTERPRETATION OF THE REPORT

Following the completion of the tasks outlined above, **PHASE ONE INC.** prepared this report to present our findings and conclusions clearly and consistently. In an attempt to aid the reader and bring organization to pieces of seemingly unrelated information, **PHASE ONE INC.** has developed a report format that is both innovative and concise. Each piece of information is described in the context of the research or assessment task under which it was found. Typically, an environmental condition will incorporate a number of specific findings. So, in Section 6.0, *Conclusions and Recommendations*, the various particular findings are grouped together and collectively presented with the description of the environmental condition that is corroborated by those findings.

## SECTION 3.0

### SITE DESCRIPTION AND RECONNAISSANCE

The subject site is surrounded by an area of predominantly residential and commercial properties. On the date of the site reconnaissance the subject site consisted of vacant land (12202-12292 Harbor Boulevard), a vacant commercial building (12302 Harbor Boulevard), vacant residences (12511, 12531, 12551 Twintree Lane) and one occupied residence (12571 Twintree Lane). The four parcels on Harbor Blvd., other than 12302 Harbor Blvd., previously contained structures that have been demolished. These parcels still have some paved areas from the prior development. The following subsections describe the physical characteristics of the subject site and are a compilation of the observations made during the visual site inspection.

#### 3.1 SITE PHOTOGRAPHS

A **PHASE ONE INC.** field assessor completed a reconnaissance of the subject site, at which time a number of photographs were taken to document the current condition and use of the site. Please see Figure 3, *Site Plan*, for photograph locations. The photographs with their descriptions can be found in **Appendix A**.

#### 3.2 GEOLOGIC AND HYDROGEOLOGIC CONDITIONS

According to United States Geological Survey (U.S.G.S.) STATSGO data, the most common native soil type in the vicinity of the subject site is Hueneme Fine Sandy Loam. It is not known whether imported fill materials were used during the grading or development of the site; therefore, it is unknown if fill materials are a concern for the subject site. There were two pools that were filled in, however there is no documentation for the source of the fill which represents a de minimis condition. The elevation of the subject site appears to be 116 feet above mean sea level.

Groundwater in the site vicinity is reported by *Arcadis' Groundwater Monitoring Report - First Quarter 2016 for ARCO Station No. 05202, 12502 Harbor Boulevard, Garden Grove, California*, to occur at a depth of approximately 30-35 feet below ground surface and flow towards the West. It should be noted that the flow direction and depth of groundwater may be influenced by rainfall, tidal activity (shore properties), and local groundwater pumping operations. It should also be noted that shallower, unreported, perched groundwater zones may occur in the immediate site vicinity.

During the site reconnaissance and the review of historical maps and photographs, the following was determined to exist or not to exist on the subject site:

- No waterways
- No wetlands
- No pits
- No lagoons



- No ponds

In-addition, the following was determined to exist or not to exist immediately adjacent to the subject site:

- No waterways
- No wetlands
- No pits
- No lagoons
- No ponds

According to FEMA Q3 Data, the site is located within a greater than 100-year flood zone. Storm water discharge across the site appears to flow multidirectionally and to the west. The storm water runoff appears to discharge to street gutters. The direction and destination of storm water discharge does not appear to be a source of environmental concern to the subject site.

### **3.3 EXISTING STORAGE TANKS**

No evidence of any existing aboveground or underground storage tanks was observed on the subject site during the site reconnaissance nor noted in the research conducted for this assessment.

### **3.4 PREVIOUSLY EXISTING STORAGE TANKS**

No evidence of previously existing aboveground or underground storage tanks was observed on the subject site during the site reconnaissance nor noted in the research conducted for this assessment.

### **3.5 HAZARDOUS SUBSTANCE STORAGE AND HANDLING**

With the possible exception of common janitorial and/or office supplies, no storage or handling of hazardous substances greater than 20 gallon containers was observed in the areas inspected during the site reconnaissance.

### **3.6 SPECIFIC HAZARDOUS SUBSTANCES RECONNAISSANCE**

#### **3.6.1 Summary of Specific Hazardous Substances Reconnaissance (Beyond ASTM Scope)**

In addition to a general inspection of the subject site for evidence of the presence of hazardous substances or environmental concerns, the field assessor also conducted a reconnaissance for a set of specific hazardous substances that are not addressed in the scope of the ASTM Standard. The results of this specific reconnaissance are given in the following table(s). If a specific suspected hazardous

substance was sampled or otherwise tested, this will be indicated in the table, and the results of the laboratory analysis or other tests will be given in Section 3.6.2.

### SPECIFIC HAZARDOUS SUBSTANCES (BEYOND ASTM SCOPE)

ID #	Substance	Sampled?	Description	Condition
1	Asbestos	No	Sampling of materials in the commercial building and all the residences has confirmed the presence of asbestos-containing materials. See Section 4.7 for details on sampling.	<i>De minimis</i>
2	Radon	No	The subject property is located in an area that is considered to have a low occurrence of radon. However, the occurrence of radon is site-specific; only testing can determine the actual radon level at the site.	None
3	Lead Paint	No	Sampling has confirmed trace amounts of lead in all subject structures. Only the structure at 12551 Twintree Lane was found to have lead levels that are considered lead containing. See Section 4.7 for details on sampling.	<i>De minimis</i>
4	Lead Water	No	Based on the date of construction of onsite structures (pre-1979), there is the potential for the presence of lead in the plumbing fixtures and/or pipes on-site.	<i>De minimis</i>

Note: If the table indicates that a given substance has been sampled, then a related table can be found in Section 3.6.2, which will give the results of the laboratory analysis of the sample or samples

### 3.6.2 Details of Specific Hazardous Substances Sampling/Observations

No sampling or testing of suspected hazardous substances was performed or authorized for this assessment.

### 3.7 POLYCHLORINATED BIPHENYLS (PCBS)

The **PHASE ONE INC.** site reconnaissance does not include checking on-site fluorescent light fixtures for potential PCB content. Although fluorescent light ballasts may contain PCBs, the amount contained is considered to be so inconsequential that the ASTM (*Standard Practice*, E 1527) has stated: "Fluorescent light ballast likely to contain PCBs does not need to be noted." in a Phase I Environmental Site Assessment Report.

During the site reconnaissance, equipment or materials known or suspected of containing PCBs were observed on-site. The following table details the identified equipment or materials.

**POLYCHLORINATED BIPHENYLS (PCB) SUSPECTED EQUIPMENT**

<b>ID #</b>	<b>I/O</b>	<b>Location and Photo #</b>	<b>Equipment Type</b>	<b>Ownership (Public Utility, Site)</b>	<b>Condition</b>
1	O	East Side 12202 Harbor Blvd.  (OP15)	Pole-mounted transformer	Public Utility	<i>De minimis</i>
2	O	East Side 12262 Harbor Blvd.  (OP13)	Pole-mounted transformer	Public Utility	<i>De minimis</i>
3	O	South Side 12296 Harbor Blvd.  (OP14)	Pole-mounted transformer	Public Utility	<i>De minimis</i>
4	O	West Side 12252 Harbor Blvd.  (OP17)	Pad-mounted transformer	Public Utility	<i>De minimis</i>

Note: Each piece of equipment or material noted above is marked on Figure 3, *Site Plan*, by the ID number given above.  
I/O = Inside/Outside

**3.8 CLARIFIERS, SUMPS, TRENCHES, AND INDUSTRIAL DISCHARGE SOURCES**

No clarifiers, sumps, trenches, industrial floor drains, or industrial discharge points were noted during the site reconnaissance, historical and/or regulatory research.

**3.9 SURFACE CONDITIONS**

No significant areas of staining or other unusual surface conditions were observed during the site reconnaissance.

**3.10 STRESSED VEGETATION**

No disfigured, discolored, dying, or otherwise stressed vegetation was observed on-site during the site reconnaissance.

**3.11 PRIOR OR CURRENT AGRICULTURAL LAND USE**

On the basis of a review of aerial photographs, U.S.G.S. topographic maps, site observations, regulatory research, and/or interviews, **PHASE ONE INC.** has concluded that the site was currently used for agricultural purposes. This information is detailed in the following table.

### PRIOR OR CURRENT AGRICULTURAL LAND USE

ID #	Approx. Date Range	Description	Condition
1	1938 – 1961	Orchards covered the majority of the subject site and surrounding sites.	<i>De minimis</i>

### 3.12 OTHER ENVIRONMENTAL CONDITIONS

During the site reconnaissance, further evidence of environmental conditions that were not already noted in this section, or that were not yet fully discussed in this section, were observed on the subject site. These observations are described in the following table.

#### OTHER ENVIRONMENTAL CONDITIONS

ID #	Location and Photo #	Description	Condition
1	Garage at 12531 Twintree Lane (OP04, OP05)	Bags of construction materials were piled up in the garage.	<i>De minimis</i>
2	12511, 12531 and 12551 Twintree Lane (OP01, OP03, OP06, OP07)	Construction materials piled up in the yard areas.	<i>De minimis</i>
3	12511, 12531 and 12551 Twintree Lane (OP02, OP06, OP08)	Building materials in the interiors and exteriors are damaged.	<i>De minimis</i>
4	Northern Boundary 12222 Harbor Boulevard (OP16)	A soil pile was observed during the site inspection. The pile seems to contain mostly gravel. As such, it is unlikely to represent a significant concern.	None

### 3.13 VISUAL OBSERVATIONS, ADJOINING SITES

During the site reconnaissance, the **PHASE ONE INC.** field assessor also visually inspected and documented the use of those properties which immediately adjoin the subject property. The observations of the adjoining properties were made by the **PHASE ONE INC.** field assessor on the date of the site reconnaissance.

### VISUAL OBSERVATIONS, ADJOINING SITES

Description	Condition
<p><b><u>Northerly View:</u></b>                      Address: 12220, 12100 Harbor Boulevard                      Company Name: Viva Bargain &amp; Target Shopping Center                      Apparent Current Use of Property: Commercial                      Visual Concerns: None</p>	None
<p><b><u>Easterly View:</u></b>                      Address: 12581 Twintree Lane, 12233-12291 Choisser Road                      Company Name: N/A                      Apparent Current Use of Property: Residential                      Visual Concerns: None</p>	None
<p><b><u>Southerly View:</u></b>                      Address: 12522 &amp; 12542-12572 Twintree Lane                      Company Name: Oneida's Hair Salon , N/A                      Apparent Current Use of Property: Commercial, Residential                      Visual Concerns: None</p>	None
<p><b><u>Westerly View:</u></b>                      Address: 12221 , 12241-12321 Harbor Boulevard                      Company Name: Sheraton Hotel &amp; Vacant Parcel                      Apparent Current Use of Property: Commercial, Vacant Land                      Visual Concerns: None</p>	None

DRAFT

## SECTION 4.0

### REVIEW OF HISTORICAL INFORMATION AND REGULATORY AGENCY RECORDS

#### 4.1 HISTORICAL AERIAL PHOTOGRAPH AND U.S.G.S. TOPOGRAPHIC MAP REVIEW

**PHASE ONE INC.** reviewed readily available and reasonably ascertainable aerial photographs and U.S.G.S. topographic maps of the area of the subject site. (A copy of a U.S.G.S. map, if available, has been included as Figure 1.) These aerial photographs and maps may have been obtained from **PHASE ONE INC.**'s library and/or another source (all sources identified in Appendix B). Each aerial photograph was reviewed for the subject property and, where applicable, adjacent property use. In addition, each photograph was reviewed to identify the presence of areas of dumping, staining, buildings, and/or aboveground storage tanks.

Aerial photographs for the years of 1938, 1953, 1963, 1972, 1995, 2003, 2004, 2005, 2009, 2010, 2012 and U.S.G.S. topographic maps for the year(s) of 1896, 1906, 1912, 1922, 1935, 1947, 1950, 1956, 1967, 1972, 1977, 1981 were reviewed and a *de minimis* condition was identified in the following aerial photographs and/or topographic maps and are discussed in the table below:

**HISTORICAL AERIAL PHOTOGRAPH/U.S.G.S. TOPOGRAPHIC MAP**

Collection Reference #	Date of Document	Description of Condition	Condition
In House	1938 – 1961	Aerial Photographs and USGS Topographic Maps show orchards on the majority of the subject site and adjacent sites.	<i>De minimis</i>

#### 4.2 HISTORICAL MAP REVIEW

**PHASE ONE INC.** contacted the source(s) identified in Appendix B in an effort to review readily available historical and fire insurance maps with coverage of the subject site and vicinity that might be included in their collections. However, a search of the reasonably ascertainable historical and fire insurance maps found that none provided coverage of the area of the subject site.

#### 4.3 HISTORICAL CITY OR STREET DIRECTORY REVIEW

**PHASE ONE INC.** reviewed readily available historical city or street directories with coverage of the subject site and vicinity. These historical city or street directories were obtained from **PHASE ONE INC.**'s in-house library and/or the source identified in Appendix B.

Historical directories for the years of 1955, 1960, 1965, 1972, 1976, 1980, 1985, 1990, 1992, 2000, 2005 were reviewed and no recognized environmental conditions or *de minimis* conditions, historical or controlled recognized environmental conditions were identified.

#### 4.4 AGENCY CONTACTS (RECORDS SEARCH)

##### 4.4.1 Water Quality Agency Records

**PHASE ONE INC.** submitted a request to the Water Quality Agency for the purpose of determining if past and present businesses at the subject site are listed on regulatory lists (such as leaking underground tank lists, site cleanup lists, etc.). However, **PHASE ONE INC.** was informed that no records for the subject site are on file with this agency (all sources identified in Appendix B).

##### 4.4.2 Oil and Gas Agency Records or Maps

**PHASE ONE INC.** submitted a request to the local Oil and Gas Agency for copies of readily available oil and gas related records pertaining to environmental issues on the subject site. However, **PHASE ONE INC.** was informed that no records for the subject site are on file with this agency (all sources are identified in Appendix B).

##### 4.4.3 Other Pertinent Records/File Reviews

There are no additional regulatory agencies known to **PHASE ONE INC.** that are likely to have further relevant environmental information pertaining to the subject site. No agency file reviews were conducted for the subject site or the adjacent sites for this investigation.

#### 4.5 REVIEW OF ENVIRONMENTAL RECORDS SEARCH

The **PHASE ONE INC.** review of the computer-generated, environmental records search document (the complete environmental records search document is included in Appendix D) found the subject site is a regulatory-listed site. The environmental records search occurrence summary table below identifies the number of sites listed in each database included in the record search document (the complete environmental records search document is included in Appendix D).

#### ERS RECCEK REPORT OCCURRENCE SUMMARY

FEDERAL ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED (MILES)	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
BF-US	0.5	0	0	0	0	-	0
CERCLIS-Archived-US	0.5	0	0	0	0	-	0

FEDERAL ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED (MILES)	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
CERCLIS-US	0.5	0	0	0	0	-	0
Controls-RCRA-US	0.5	0	0	0	0	-	0
Controls-US	0.5	0	0	0	0	-	0
Debris-US	0.5	0	0	0	0	-	0
Delisted-NPL-US	1	0	0	0	0	0	0
ERNS-US	0.0625	0	0	-	-	-	0
FEMA-UST-US	0.25	0	0	0	-	-	0
FTTS-ENF-US	0.0625	0	0	-	-	-	0
Hist-Dumps-US	0.5	0	0	0	0	-	0
Hist-US-EC	0.5	0	0	0	0	-	0
Hist-US-IC	0.5	0	0	0	0	-	0
HMIS-US	0.0625	0	0	-	-	-	0
LIENS-US	0.0625	0	0	-	-	-	0
NPL-US	1	0	0	0	0	0	0
PADS-US	0.0625	0	0	-	-	-	0
PCB-US	0.25	0	0	0	-	-	0
Proposed-NPL-US	1	0	0	0	0	0	0
RCRA-CESQG-US	0.25	0	0	1	-	-	1
RCRA-COR-US	1	0	0	0	0	0	0
RCRA-LQG-US	0.25	0	0	0	-	-	0
RCRA-NON-US	0.25	0	0	0	-	-	0
RCRA-SQG-US	0.25	0	0	1	-	-	1
RCRA-TSD-US	0.5	0	0	0	0	-	0
SAA-Agreements-US	1	0	0	0	0	0	0
Tribal-BF-US	0.5	0	0	0	0	-	0
Tribal-LUST-Closed-Reg9	0.5	0	0	0	0	-	0
Tribal-LUST-Open-Reg9	0.5	0	0	0	0	-	0
Tribal-ODI-US	0.5	0	0	0	0	-	0
Tribal-UST-Reg9	0.25	0	0	0	-	-	0
Tribal-VCP-US	0.5	0	0	0	0	-	0

STATE ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
AST-CA	0.25	0	0	0	-	-	0



STATE ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
Cal-BZ-HazWaste-CA	0.5	0	0	0	0	-	0
Cal-CorAct-Closed-CA	0.5	0	0	0	0	-	0
Cal-CorAct-Open-CA	0.5	0	0	0	0	-	0
Cal-Eval-Hist	0.5	0	0	0	0	-	0
Cal-Eval-Hist-NFA	0.5	0	0	0	0	-	0
Cal-Military-Active	1	0	0	0	0	0	0
Cal-Military-NFA	0.5	0	0	0	0	-	0
Cal-Military-Other	1	0	0	0	0	0	0
Cal-School-Active	0.5	0	0	0	0	-	0
Cal-School-NFA	0.5	0	0	0	0	-	0
Cal-School-Other	0.5	0	0	0	0	-	0
Cal-State-Response-Active	1	0	0	0	0	0	0
Cal-State-Response-NFA	0.5	0	0	0	0	-	0
Cal-State-Response-Other	0.5	0	0	0	0	-	0
Cal-Superfund-Active	1	0	0	0	0	0	0
Cal-Superfund-NFA	1	0	0	0	0	0	0
Cal-Superfund-Other	1	0	0	0	0	0	0
Cal-VCP-Active	0.5	0	0	0	0	-	0
Cal-VCP-NFA	0.5	0	0	0	0	-	0
Cal-VCP-Other	0.5	0	0	0	0	-	0
CBF-CA	0.5	0	0	0	0	-	0
CHMIRS-CA	0.0625	0	0	-	-	-	0
City-AST-CA	0.25	0	0	0	-	-	0
City-CUPA-CA	0.25	0	0	0	-	-	0
City-Others-CA	0.25	0	0	0	-	-	0
City-UST-CA	0.25	0	0	0	-	-	0
Controls-CA	0.5	0	0	0	0	-	0
CORTESE-CA	0.25	0	0	0	-	-	0
County-AST-CA	0.25	0	0	0	-	-	0
County-Hist-CA	0.25	0	0	0	-	-	0
County-LUST-CA	0.5	0	0	0	0	-	0

STATE ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
County-LUST-Closed-CA	0.25	0	0	1	-	-	1
County-LUST-Open-CA	0.5	0	0	1	1	-	2
County-Others-CA	0.25	0	0	2	-	-	2
County-SLIC-Closed-CA	0.25	0	0	0	-	-	0
County-SLIC-Open-CA	0.5	0	0	0	0	-	0
County-SML-CA	0.5	0	0	0	0	-	0
County-SWF-CA	0.5	0	0	0	0	-	0
County-UST-CA	0.25	0	0	0	-	-	0
CUPA-CA	0.25	0	0	0	-	-	0
Deed-CA	0.5	0	0	0	0	-	0
ENF-CA	0.25	0	0	0	-	-	0
HazWaste-CA	0.25	0	0	0	-	-	0
Hist-Controls-CA	0.5	0	0	0	0	-	0
Hist-Cort-CA	0.25	0	0	0	-	-	0
HIST-R4-CA	0.25	0	0	0	-	-	0
Hist-SWF-CA	0.5	0	0	0	1	-	1
Hist-UST-CA	0.25	0	0	3	-	-	3
Hist-WIP-Active-CA	0.5	0	0	0	0	-	0
Hist-WIP-Backlog-CA	0.5	0	0	0	0	-	0
Hist-WIP-Historical-CA	0.5	0	0	0	0	-	0
HWIS-CA	0.0625	0	1	-	-	-	1
ICE-CA	0.25	0	0	0	-	-	0
Land-Disposal-CA	0.5	0	0	1	0	-	1
Liens-CA	0.0625	0	0	-	-	-	0
LUST-Closed-CA	0.25	0	0	1	-	-	1
LUST-Open-CA	0.5	0	0	1	1	-	2
Manifest2-NY	0.0625	0	0	-	-	-	0
Manifest2-RI	0.0625	0	0	-	-	-	0
PR-MOA-CA	0.25	0	0	0	-	-	0
SLIC-Closed-CA	0.5	0	0	0	0	-	0
SLIC-CV-CLOSED-CA	0.5	0	0	0	0	-	0
SLIC-CV-OPEN-CA	0.5	0	0	0	0	-	0

STATE ASTM/AAI DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
SLIC-Open-CA	0.5	0	0	1	0	-	1
SML-Closed-CA	0.5	0	0	0	0	-	0
SML-Open-CA	0.5	0	0	0	0	-	0
SML-Other-CA	0.5	0	0	0	0	-	0
SWIS-CA	0.5	0	0	1	0	-	1
SWRCY-CA	0.5	0	0	0	1	-	1
UST-Abandoned-CA	0.25	0	0	0	-	-	0
UST-CA	0.25	0	0	1	-	-	1
UST-Cleanup-CA	0.5	0	0	0	0	-	0
UST-Closed-CA	0.25	0	0	0	-	-	0
UST-Comp-CA	0.25	0	0	0	-	-	0
UST-Priority-CA	0.5	0	0	2	0	-	2
UST-Proposed-CA	0.25	0	0	0	-	-	0

SUPPLEMENTAL DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
Air-CA	0.25	0	0	0	-	-	0
AIR-DIST-CA	0.25	0	1	9	-	-	10
BioFuel-US	0.25	0	0	0	-	-	0
Cal-TierPer-CA	0.25	0	0	0	-	-	0
CDL-CA	0.0625	0	0	-	-	-	0
CDL-US	0.0625	0	0	-	-	-	0
CHWF-CA	0.5	0	0	0	0	-	0
Coal-Ash-Dams-US	0.5	0	0	0	0	-	0
County-BI-CA	0.25	0	0	0	-	-	0
Dams-CA	0.25	0	0	0	-	-	0
DCF2-CA	0.25	0	0	0	-	-	0
DPR-CA	0.25	0	0	0	-	-	0
DryCleaners-CA	0.25	0	0	0	-	-	0
EGRID-US	0.5	0	0	0	0	-	0
EPA-Watch-List-US	0.25	0	0	0	-	-	0
FA-HW-CA	0.0625	0	0	-	-	-	0
FA-HW-US	0.0625	0	0	-	-	-	0
FA-SWF-CA	0.0625	0	0	-	-	-	0
FRS-US	0.0625	0	0	-	-	-	0
FTTS-INSP-US	0.0625	0	0	-	-	-	0
FUDS-US	1	0	0	0	0	0	0
Haulers-CA	0.0625	0	0	-	-	-	0

SUPPLEMENTAL DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
Hist-AFS2-US	0.25	0	0	0	-	-	0
Hist-AFS-US	0.25	0	0	0	-	-	0
Hist-AST-CA	0.25	0	0	0	-	-	0
Hist-AWS-CA	0.25	0	0	0	-	-	0
Hist-CA	0.0625	0	1	-	-	-	1
Hist-CALSITES-CA	0.25	0	0	0	-	-	0
Hist-Deed-CA	0.25	0	0	0	-	-	0
Hist-DTG-CA	0.25	0	0	0	-	-	0
Hist-FIFRA-US	0.25	0	0	0	-	-	0
Hist-HWS-CA	0.25	0	0	1	-	-	1
Hist-LUSTIS-CA	0.25	0	0	1	-	-	1
HIST-MLTS-US	0.25	0	0	0	-	-	0
HIST-MTBE-CA	0.25	0	0	0	-	-	0
Hist-Orange-County-LF-CA	0.25	0	0	0	-	-	0
Historical-CA	0.5	0	0	0	0	-	0
Hist-Prop65-CA	0.25	0	0	0	-	-	0
Hist-ToxicPits-CA	0.25	0	0	0	-	-	0
Hist-US	0.0625	0	0	-	-	-	0
Hist-USGS-WaterWells-CA	0.0625	0	0	-	-	-	0
HWT-CA	0.25	0	0	0	-	-	0
ICIS-Air-US	0.0625	0	0	-	-	-	0
ICIS-FEC-US	0.0625	0	0	-	-	-	0
ICIS-NPDES-US	0.0625	0	0	-	-	-	0
LA-Waste-Haulers-CA	0.0625	0	0	-	-	-	0
Lead-Smelter-2-US	0.25	0	0	0	-	-	0
Lead-US	0.25	0	0	0	-	-	0
Mines2-CA	0.0625	0	0	-	-	-	0
Mines-CA	0.0625	0	0	-	-	-	0
MINES-US	0.0625	0	0	-	-	-	0
MLTS-US	0.0625	0	0	-	-	-	0
MRDS-US	0.25	0	0	0	-	-	0
MWMP-CA	0.25	0	0	0	-	-	0
NEI-LF-CA	0.25	0	0	0	-	-	0
NPDES-CA	0.0625	0	0	-	-	-	0
NPDES-SW-CA	0.0625	0	0	-	-	-	0
OGW-CA	0.0625	0	0	-	-	-	0
OSCF-CA	0.5	0	0	0	0	-	0
PCS-US	0.25	0	0	0	-	-	0
Perchl-CA	0.25	0	0	0	-	-	0

SUPPLEMENTAL DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
Perch2-CA	0.25	0	0	0	-	-	0
RADINFO-US	0.0625	0	0	-	-	-	0
Response-CA	0.25	0	0	0	-	-	0
RFG-Lab-US	0.25	0	0	0	-	-	0
RMP-US	0.0625	0	0	-	-	-	0
ROD-US	0.5	0	0	0	0	-	0
SDWIS-US	0.25	0	0	0	-	-	0
Spills-SSO-CA	0.25	0	0	0	-	-	0
SSTS-US	0.0625	0	0	-	-	-	0
Tribal-Air-US	0.25	0	0	0	-	-	0
TRIS2000-US	0.0625	0	0	-	-	-	0
TRIS2010-US	0.0625	0	0	-	-	-	0
TRIS80-US	0.0625	0	0	-	-	-	0
TRIS90-US	0.0625	0	0	-	-	-	0
TSCA-US	0.0625	0	0	-	-	-	0
UIC2-CA	0.0625	0	0	-	-	-	0
UIC-CA	0.0625	0	0	-	-	-	0
UMTRA-US	0.0625	0	0	-	-	-	0
USGS-Waterwells-US	0.0625	0	0	-	-	-	0
Vapor-Intrusions-US	0.5	0	0	0	0	-	0
WDR-CA	0.25	0	0	0	-	-	0

PROPRIETARY HISTORIC DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
Hist-Agriculture	0.0625	0	0	-	-	-	0
Hist-Auto Dealers	0.0625	0	0	-	-	-	0
Hist-Auto Repair	0.25	0	0	0	-	-	0
Hist-Chemical Manufacturing	0.0625	0	0	-	-	-	0
Hist-Cleaners	0.25	0	0	0	-	-	0
Hist-Machine Shop	0.0625	0	0	-	-	-	0
Hist-Manufacturing	0.0625	0	0	-	-	-	0
Hist-Metal Plating	0.0625	0	0	-	-	-	0
Hist-Mortuaries	0.0625	0	0	-	-	-	0
Hist-Paint-Stores	0.0625	0	0	-	-	-	0
Hist-Petroleum	0.0625	0	0	-	-	-	0
Hist-Printers	0.0625	0	0	-	-	-	0
Hist-RV-Dealers	0.0625	0	0	-	-	-	0

PROPRIETARY HISTORIC DATABASES							
LIST SEARCHED	DISTANCE SEARCHED	SUBJECT SITE	0.125	0.25	0.5	1.0	TOTAL
Hist-Salvage	0.0625	0	0	-	-	-	0
Hist-Service Stations	0.25	0	0	0	-	-	0
Hist-Transportation	0.0625	0	0	-	-	-	0
Hist-Trucking	0.0625	0	0	-	-	-	0
Hist-Vehicle-Parts	0.0625	0	0	-	-	-	0

The following table identifies, the subject site, adjacent sites, and sites that are either a recognized environmental condition, a de minimis environmental condition, a historical or controlled recognized environmental condition. The listings for the Supplemental Databases and the Proprietary Historic Databases are only reviewed for the subject site and the adjacent sites.

#### ERS RECCEK REPORT SITES OF CONCERN

Map #	Site Name	Site Address	Database	Status	Distance from Site	Condition
1	CITY OF GARDEN GROVE	12252, 12262, 12272 HARBOR BLVD	HWIS-CA	Listed: In 2012, asbestos containing materials were removed from the site, likely from the demolition of commercial structures.	Subject Site	None
2	CITY OF GARDEN GROVE	12241 HARBOR BLVD	Hist-CA	No Longer Listed This site is listed in an ERS Proprietary Historic Database; it is not listed in any governmental database with any violations, spills, releases, or as a handler/generator of hazardous material.	West Adjacent	None
3	154170-SC SHERATON GARDEN GROVE/ ANAHEIM SO. HOTEL	12221 HARBOR BLVD	AIR-DIST-CA	Listed: The listed site has been permitted for air releases. No violations or releases reported.	West Adjacent	None

Map #	Site Name	Site Address	Database	Status	Distance from Site	Condition
4	TARGET CORPORATION # 192 FUEL SUPPLY CO INC, STATION #743 PACIFIC OASIS #1237	12100 HARBOR BLVD	AIR-DIST-CA County- Others- CA RCRA-SQG-US	Listed: The listed site has been permitted for air releases.  The listed site is a reported generator of hazardous waste.  No violations or releases reported.	North Adjacent	None
11	RO0002103-ORG ARCO #5202	12502 HARBOR BLVD	County-LUST-Open-CA LUST-Open-CA UST-Priority-CA	Listed: Open  The listed site experienced a release from an underground storage tank. The case remains open.  Due to the distance between the identified site and the subject property, the potential for impact is low.	0.26 miles S	None
12	L10004630722 LANDFILL, LONGSDON PIT	CHAPMAN AVE & HARBOR BLVD	Land-Disposal-CA SLIC-Open-CA SWIS-CA	Listed: OPEN - INACTIVE  This site is a former landfill. It is currently capped and monitored.  Due to the distance between the identified site and the subject property, the potential for impact is low.	0.27 miles N	None

Note: Map Location #s match the Map ID numbers of the sites used in the document located in Appendix D. Listings of unmapped sites were reviewed to identify the subject site or any sites that are obviously adjacent to the subject property. Other unmapped sites are listed only in Appendix D.

#### **4.6 CHAIN-OF-TITLE ABSTRACT AND/OR REVIEW**

At the request of the client, a chain-of-title abstract was not requested or completed for this project.

#### **4.7 ADDITIONAL ENVIRONMENTAL DOCUMENTS**

During the course of this assessment, *PHASE ONE INC.* was provided with additional environmental documents regarding the environmental condition of the subject site by others. The conclusions of these materials were reviewed only. *PHASE ONE INC.* relies upon the author/and corresponding companies' conclusions and expertise. *PHASE ONE INC.* does not evaluate the methodology, interpretation of results, analysis type or results, or verify in any way the completeness or correctness of the conclusions or procedures. *PHASE ONE INC.* relies upon the report and associated conclusions of the reports provided to *PHASE ONE INC.* The conclusions of these materials are described in the following table. (Copies of the records, if available, are included in Appendix G.)

DRAFT



## SUMMARY OF ADDITIONAL ENVIRONMENTAL DOCUMENTS

Date of Document	Document Type and Reference Company	Relevant Information	Condition
12/10/2008	Phase I ESA <b>PHASE ONE INC.</b> Project #: 6891	12222 Harbor Boulevard  At the time of the assessment, the site consisted of approximately 0.8 acres of vacant land that was formerly occupied by a residence and a pool sales business. Three soil and debris piles were observed on the eastern portion of the subject property. The origin of the debris and soil piles was unknown. The subject site as well as the surrounding area was used for agriculture in a 1938 aerial photograph.  The report identified two recognized environmental conditions (RECs):  1. Based on a review of aerial photographs, it appeared that the site was used for agricultural purposes in the past. The concern existed that agricultural chemicals remain in near surface soils and that future site occupants may be exposed to these chemicals. In addition, the site was occupied by a pool sales/installation company that had several inground pools, a septic system on the premises, and used chlorine products. The concern existed when the inground pools were removed, it was unknown what type of fill materials were used in the former pool locations on the property, and if chlorine chemicals remain in the surface soils.  2. Several soil piles and debris were observed on-site. The origin of the soil piles and debris was not known. The concern existed that the soil and debris may be contaminated or have come from a contaminated source and that reuse at the site may not be appropriate.  The report recommended soil sampling in the areas of agricultural use, the former pool, septic system, and soil and debris piles.	<i>De minimis</i>
3/10/2009	Limited Phase II ESA <b>PHASE ONE INC.</b> Project #: 6904	12222 Harbor Boulevard  This report was prepared to address the 2 <sup>nd</sup> REC identified in the Phase I ESA dated December 10, 2008. Samples were collected from three soil piles and analyzed in accordance with United States Environmental Protection Agency (EPA) Method 8081A for chlorinated pesticides, Method 7000 for CAM 17 Metals, Method 8260B for Volatile Organic Compounds (VOCs), and Method 8015M for Total Petroleum Hydrocarbons (TPH). All samples were either non-detect or below their respective regulatory action levels and not a concern. Further investigation was not recommended.	None

Date of Document	Document Type and Reference Company	Relevant Information	Condition
8/26/2009	Phase I ESA <b>PHASE ONE INC.</b> Project #: 6939	12252 Harbor Boulevard  At the time of the assessment, the site consisted of approximately 0.8 acres of developed land occupied by CC Camperland RV Park. The assessment was for the western portion of the RV Park. Former uses of the property included agriculture, residence, auto sales lot, and RV Park.  The report identified one REC: <ul style="list-style-type: none"><li>• Based on a review of aerial photographs, it appeared that the site was used for agricultural purposes in the past. The concern existed that agricultural chemicals may remain in near surface soils and that site occupants might be exposed to those chemicals.</li></ul> The report recommended soil sampling for agricultural chemicals.	<i>De minimis</i>
6/18/2010	Phase I ESA <b>PHASE ONE INC.</b> Project #: 6995	12262-12296 Harbor Boulevard  At the time of this assessment, the site consisted of approximately 1.56 acres of developed land occupied by CC Camperland (an RV Park), and a commercial building occupied by four tenants. Former uses of the property included agriculture, gift shop, stores, restaurant, and RV Park.  The report identified one REC: <ul style="list-style-type: none"><li>• Based on a review of aerial photographs, it appeared that the site was used for agricultural purposes in the past. The concern existed that agricultural chemicals may remain in near surface soils and that site occupants might be exposed to those chemicals.</li></ul> The report recommended soil sampling for agricultural chemicals.  The report also identified one <i>de minimis</i> condition: <ul style="list-style-type: none"><li>• A pole-mounted transformer was observed. Given the pre-1979 date of development of the subject site, the presence of fluids containing polychlorinated biphenyls (PCBs) in the transformer was possible. No leakage or staining was visible on or around the transformer. There was no recommendation for additional work related to this condition.</li></ul>	<i>De minimis</i>
1/2/2016	Asbestos Sampling and Hazard Assessment  J&M Environmental Control Group	12302 Harbor Boulevard  Sampling and assessment was performed on November 25, 2015. Leveling compound, black floor tile mastic, and gray roofing mastic were determined to be asbestos-containing materials. The removal and disposal of these materials was recommended.	<i>De minimis</i>

<b>Date of Document</b>	<b>Document Type and Reference Company</b>	<b>Relevant Information</b>	<b>Condition</b>
1/2/2016	Asbestos Sampling and Hazard Assessment J&M Environmental Control Group	12511 Twintree Lane  Sampling and assessment was performed on November 27, 2015. Drywall and joint compound, floor tiles and mastic, gray roofing mastic, and transite pipe were determined to be asbestos containing materials. The removal and disposal of these materials was recommended.	<i>De minimis</i>
1/2/2016	Limited Lead Inspection Report J&M Environmental Control Group	12302 Harbor Boulevard  Sampling and assessment was performed on November 25, 2015. An X-Ray Fluorescence Analyzer (XRF) was used to analyze paint samples. No lead based paint was detected, however, trace lead was detected in some samples. The report recommended that worker safety measures be implemented during renovation and demolition activities.	<i>De minimis</i>
1/2/2016	Limited Lead Inspection Report J&M Environmental Control Group	12511 Twintree Lane  Sampling and assessment was performed on November 27, 2015. An X-Ray Fluorescence Analyzer (XRF) was used to analyze paint samples. No lead based paint was detected, however, trace lead was detected in some samples. The report recommended that worker safety measures be implemented during renovation and demolition activities.	<i>De minimis</i>
1/3/2016	Asbestos Sampling and Hazard Assessment J&M Environmental Control Group	12531 Twintree Lane  Sampling and assessment was performed on November 27, 2015. Floor tiles and mastic, black floor tile mastic, and gray roofing mastic were determined to be asbestos-containing materials. The removal and disposal of these materials was recommended.	<i>De minimis</i>
1/3/2016	Asbestos Sampling and Hazard Assessment J&M Environmental Control Group	12551 Twintree Lane  Sampling and assessment was performed on November 25, 2015. Floor tiles and mastic, and transite pipe were determined to be asbestos-containing materials. Dry wall and joint compound were determined to be asbestos-containing construction materials. The removal and disposal of these materials was recommended.	<i>De minimis</i>
1/3/2016	Limited Lead Inspection Report J&M Environmental Control Group	12531 Twintree Lane  Sampling and assessment was performed on November 27, 2015. An X-Ray Fluorescence Analyzer (XRF) was used to analyze paint samples. No Lead based paint was detected, however, trace lead was detected in some samples. The report recommended that worker safety measures be implemented during renovation and demolition activities.	<i>De minimis</i>

<b>Date of Document</b>	<b>Document Type and Reference Company</b>	<b>Relevant Information</b>	<b>Condition</b>
1/3/2016	Limited Lead Inspection Report J&M Environmental Control Group	12551 Twintree Lane  Sampling and assessment was performed on November 25, 2015. An X-Ray Fluorescence Analyzer (XRF) was used to analyze paint samples. Lead was detected in the kitchen sink and kitchen tiles. Trace lead was detected in some samples. The report recommended that worker safety measures be implemented during renovation and demolition activities.	<i>De minimis</i>
1/4/2016	Asbestos Sampling and Hazard Assessment J&M Environmental Control Group	12571 Twintree Lane  Sampling and assessment was performed on December 2, 2015. Floor tiles and mastic, drywall and joint compound, and transite pipe were determined to be asbestos-containing materials. The removal and disposal of these materials was recommended.	<i>De minimis</i>
1/4/2016	Limited Lead Inspection Report J&M Environmental Control Group	12571 Twintree Lane  Sampling and assessment was performed on December 2, 2015. An X-Ray Fluorescence Analyzer (XRF) was used to analyze paint samples. No lead based paint was detected, however, trace lead was detected in some samples. The report recommended that worker safety measures be implemented during renovation and demolition activities.	<i>De minimis</i>

#### 4.8 HISTORICAL SITE USE

The chronological historical site use summary is based on reviewed aerial photographs, maps, regulatory agency files, interviews, and additional environmental documents. The historical site use summary for the subject site and the adjoin sites is presented in the following table. The rows of this table are organized in chronological order, according to the date range of a specific site use.

### HISTORICAL SITE USE: HARBOR BLVD

Date Range	Subject Site	Adjoining Sites
2006 – 2016	12202 Harbor Blvd.: Residential (1985), Vacant land 12222 Harbor Blvd: Vacant Land 12252 Harbor Blvd: RV Park (2006-2014), Vacant land 12262 Harbor Blvd: RV Park (2006-2014), Vacant land 12272 Harbor Blvd: RV Park (2006-2014), Vacant land 12282 Harbor Blvd: Commercial (2006-2011), Vacant Land 12286 Harbor Blvd: Commercial (2006-2011), Vacant Land 12292 Harbor Blvd: Commercial (2006-2011), Vacant Land 12296 Harbor Blvd.: Commercial (2006-2011), Vacant Land 12302 Harbor Blvd: Joes Italian Ice	Residential, Commercial
1985 - 2005	12202 Harbor Blvd.: Residential (1985), Vacant land 12222 Harbor Blvd: Vacant Land 12252 Harbor Blvd: RV Park 12262 Harbor Blvd: Camperland Rentals / RV Park 12272 Harbor Blvd: RV Park 12282 Harbor Blvd: Michael’s Lapidary(1985-1992), Crystal Nails 12286 Harbor Blvd.: Marine Pool Center(1985-1992), Harbor Tobacco(2000), Safari Tobacco(2005) 12292 Harbor Blvd: Oscar’s Lock & Safe(1985-1992), Costello’s Boutique 12296 Harbor Blvd.: Joe Ojeda Realty(1985-1992), Marcos’ Legal Service 12302 Harbor Blvd: Don Imports (1985), Total Eclipse Window Tinting(1992), Smart Beep(2000), Joes Italian Ice	Residential, Commercial

Date Range	Subject Site	Adjoining Sites
1965 - 1980	12202 Harbor Blvd: Residential 12222 Harbor Blvd: Blue Haven Pools 12252 Harbor Blvd: Arnold Palmer Putting Course(1965) RV Park 12262 Harbor Blvd: No Listing (1965), Camperland Rentals / RV Park 12272 Harbor Blvd: Gino's Italian Restaurant(1965), RV Park 12282 Harbor Blvd: Nelsons Lapidary and Gifts (1965), Michael's Lapidary 12286 Harbor Blvd.: No Listing (1965), Marine Pool Center 12292 Harbor Blvd: Henny Penny Chicken(1965), Gene's Bike and Cart(1972), United Medical Service (1976), No listing (1980) 12296 Harbor Blvd. No Listing (1965), Joe Ojeda Realty 12302 Harbor Blvd: Ye Old Hickory Rib Pit (1965), No Listing (1972), Doctors office(1976), No Listing (1980)	Residential, Commercial
1938 to 1961	Orchards, later developed to residential with orchards.	Orchards

#### **HISTORICAL SITE USE: TWINTREE LANE**

Date Range	Subject Site	Adjoining Sites
1963 – 2016	Residential	Residential, Commercial
1938 to 1961	Orchards, later developed to residential with orchards.	Orchards

#### **4.9 IDENTIFICATION OF HISTORICAL DATA GAPS**

During the course of this assessment, **PHASE ONE INC.** identified no data gaps within the chain of historic documents regarding the environmental condition of the subject site.

#### **4.10 REVIEW OF TITLE AND/OR JUDICIAL RECORDS FOR ENVIRONMENTAL LIENS OR ACTIVITY AND LAND USE LIMITATIONS (E.G., ENGINEERING AND INSTITUTIONAL CONTROLS)**

The client provided **PHASE ONE INC.** with documents regarding title and/or judicial records for environmental liens or activity and land use limitations for the subject site. **PHASE ONE INC.** relies upon the author/and corresponding companies' expertise. **PHASE ONE INC.** does not verify in any

way the completeness or correctness of the documents. *PHASE ONE INC.* relies upon the documents provided. The discussion of these materials is described in the following table. (Copies of the records, if available, are included in Appendix G.)

**REVIEW OF TITLE AND/OR JUDICIAL RECORDS FOR ENVIRONMENTAL LIENS OR  
ACTIVITY AND LAND USE LIMITATIONS (E.G., ENGINEERING AND  
INSTITUTIONAL CONTROLS) SUMMARY**

Date of Document	Type of Document	Company	Description (If a concern, why?)	Condition
9/8/2015, Updated 3/25/2016	Preliminary Title Report	First American Title Insurance Company	No environmental liens, records of environmental activity and/or environmental land use limitations were identified.  Note: The report covers a larger area than the subject site.	None

DRAFT

## SECTION 5.0

### INTERVIEWS

#### 5.1 INTERVIEWS WITH OWNER, PROPERTY MANAGER, USER, AND OTHERS

As part of the Phase I Assessment, **PHASE ONE INC.** attempts to interview various individuals who may have knowledge of different aspects of the subject site as it pertains to environmental conditions. The comments of the interviewees are noted by the **PHASE ONE INC.** interviewer on Interview Note Forms, which are included in Appendix F. The following table summarizes the relevant portions of these notes.

**SUMMARY OF INTERVIEWS**

ID #	Date of Interview	Name of Interviewee	Relevant Discussions	Condition
1	5/5/2016	Lorraina Pang PCG, Investel Harbor Resorts  (User)	According to Ms. Pang, the purpose of the Phase I ESA is for due diligence related to the purchase of the property. The proposed use of the site is a hotel. She is not aware of any activity or land use limitations, engineering or institutional controls, environmental liens, or other restrictions that have been placed on the property relating to hazardous materials or petroleum products. She has no specialized knowledge of the subject property and surrounding areas material to recognized environmental conditions in connection with the subject property.	None
2	5/16/2016	Carlos Marquez Senior Real Property Agent City of Garden Grove  (Owner)	The City of Garden Grove has owned the property for 4 to 6 years. This report is being prepared related to the sale of the properties. The current buildings are to be demolished. Mr. Marquez is not aware of any activity or land use limitations, engineering or institutional controls, environmental liens, or other restrictions that have been placed on the property relating to hazardous materials or petroleum products. He does not have any specialized knowledge of the subject property and surrounding areas material to recognized environmental conditions in connection with the subject property.	None
3	5/19/2016	Carlos Marquez Senior Real Property Agent City of Garden Grove  (Owner)	In an email, Mr. Marquez stated that asbestos abatement was underway at the properties. The abatement is expected to be completed next month. He also provided copies of related reports which have been summarized in Section 4.7.	<i>De minimis</i>



## 5.2 PURCHASE PRICE VERSUS FAIR MARKET VALUE INTERVIEW

*PHASE ONE INC.* uses data supplied by the client to determine if a difference between the purchase price of the property and the fair market value of the property is due to the effect of any releases or threatened releases of hazardous substances or petroleum products. On May 5, 2016, *PHASE ONE INC.* contacted Lorraine Pang, PCG, Investel Harbor Resorts, for the purpose of ascertaining any difference between the purchase price and fair market value of the property. According to Ms. Pang, there is no difference between the purchase price and fair market value of the property. Therefore, a determination on the effect of any releases or threatened releases of hazardous substances on the purchase price of the property was not performed as this is not applicable.

DRAFT

## SECTION 6.0

### CONCLUSIONS AND RECOMMENDATIONS

#### 6.1 RECOGNIZED ENVIRONMENTAL CONDITIONS

This section contains full descriptions of any recognized environmental conditions (REC) that have been identified as a result of the **PHASE ONE INC.** Phase I Environmental Site Assessment for the subject site. **PHASE ONE INC.** classifies a condition as a REC (as opposed to a *de minimis* condition) when it is one that involves a condition for which, in the opinion of **PHASE ONE INC.**, further investigation and/or remediation is recommended. In addition to the descriptions of condition, this section also contains a statement of the recommended next-step actions for any conditions that are described in the following tables.

Each identified condition receives its own table, and that table will collect together the particular findings from the body of the report that have been used to support **PHASE ONE INC.**'s conclusion as to the presence of a recognized environmental condition. For the benefit of the reader, the tables also contain the section numbers of the findings cited in support of the condition.

CONDITION # N/A		IDENTIFIED CONDITION APPEARS TO BE A RECOGNIZED ENVIRONMENTAL CONDITION
LOCATION: N/A		
SECTION #	COMMENTS	
N/A	No recognized environmental conditions appear to currently affect the subject site.	
DESCRIPTION OF CONDITION: N/A		
ACTION SUGGESTED: N/A		
TOTAL ESTIMATED COST TO COMPLETE SUGGESTED NEXT STEP ACTION† N/A		

#### 6.2 *DE MINIMIS* CONDITION, HISTORICAL RECOGNIZED ENVIRONMENTAL CONDITIONS, AND CONTROLLED RECOGNIZED ENVIRONMENTAL CONDITIONS

This section contains descriptions of *de minimis* conditions, historical RECs, or controlled RECs that have been identified in the **PHASE ONE INC.** Phase I Environmental Site Assessment for the subject site. **PHASE ONE INC.** classifies an issue as a *de minimis* condition (as opposed to a REC) when (1) it involves issues that appear to pose no immediate or imminent threat to the subject site, but which over time (with the occurrence of groundwater movement, demolition, disturbance, etc.) may come to pose an actual or present REC for the subject site and/or when (2) it involves areas that currently appear to

have a negligible impact on the subject property and which do not, therefore, require additional investigation at this time, but of which **PHASE ONE INC.** feels the client should be made aware. **PHASE ONE INC.** classifies a historical recognized environmental condition (HREC) as a past release of any hazardous substances or petroleum products that has occurred in connection with the property and has been addressed to the satisfaction of the applicable regulatory authority or meeting unrestricted use criteria established by a regulatory authority, without subjecting the property to any required controls. An HREC is limited to include only past releases that have been addressed to unrestricted residential use. **PHASE ONE INC.** classifies a controlled recognized environmental condition (CREC) as a recognized environmental condition resulting from a past release of hazardous substances or petroleum products that has been addressed to the satisfaction of the applicable agency, with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls.

Each identified condition receives its own table, and that table will collect together the particular findings from the body of the report that have been used to support **PHASE ONE INC.**'s conclusion as to the presence of that condition. For the benefit of the reader, the table also contains the section numbers of the findings cited in support of the condition.

<b>CONDITION #1</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Subject Structures and Residential Yards</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
3.6	Identification of asbestos-containing materials.	
3.12	Identification of construction materials in garage, yard areas, and damaged building materials in interiors of some of the residences.	
4.7	Previous reports identifying asbestos-containing materials	
5.1	Owner Interview regarding current asbestos abatement.	
<p><b>DESCRIPTION OF CONDITION:</b> During the site reconnaissance, materials were identified that are suspected of containing asbestos. The presence of asbestos-containing materials has been confirmed through sampling and laboratory analysis. According to the owner, asbestos abatement activities are underway and are expected to be completed in June. Asbestos-containing materials are considered to be hazardous materials, and their eventual disposal and handling are subject to federal and state regulatory guidelines.</p>		
<p><b>ACTION SUGGESTED:</b> Once abatement activities are complete, obtain documentation from the City of Garden Grove verifying the proper removal and disposal of asbestos-containing materials.</p>		

<b>CONDITION #2</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Subject Site</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
3.11	Identification of former agricultural use on the subject site.	
4.1	Aerial photograph identifying former agricultural use on the subject site. (1938 - 1961)	
4.7	Previous reports identifying former agricultural use.	
<p><b>DESCRIPTION OF CONDITION:</b> Although the site was used for agricultural purposes in the past, the planned commercial development of the site minimizes the probability of occupants to come in contact with possible residual agricultural chemicals in the soil or groundwater.</p>		
<p><b>ACTION SUGGESTED:</b> No action is suggested, recommended and/or warranted at this time. However, if the property were to be redeveloped (especially for use by a sensitive receptor like residential, day care, medical, etc.); or if the groundwater beneath the site were to be used for domestic use or irrigation, then subsurface sampling would be recommended at that time to determine whether significant levels of agricultural chemicals exist at the site.</p>		

<b>CONDITION #3</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Subject Structures</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
3.6.1	Identification of the potential for lead based paint and plumbing.	
4.7	Review of previous lead investigation reports.	
<p><b>DESCRIPTION OF CONDITION:</b> Given the pre-1979 construction date of the subject structures, the past use of lead-based paints and leaded piping and/or fixtures is suspected. Based on sampling results from reviewed reports, trace levels of lead were detected in all structures and the residential structure at 12551 Twintree Lane was found to have lead levels that are considered lead containing. Deteriorating paint may pose a significant health hazard if ingested or inhaled, particularly for children. Due to the planned demolition of the onsite structures, the possibility of children being affected is low. Lead-containing paint is considered hazardous waste, and the eventual disposal of lead-containing paint may be subject to regulatory restrictions. Lead-containing water is considered hazardous to health at certain levels.</p>		
<p><b>ACTION SUGGESTED:</b> Prior to disturbing or demolishing of painted surfaces, precautionary steps are recommended to reduce exposure in accordance with the occupational health standards. Since the buildings are to be demolished, no action is required regarding lead-containing water.</p>		

<b>CONDITION #4</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Multiple Locations, See Figure 3.</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
3.7	Identification of suspected PCB-containing equipment, pole- and pad- mounted transformers.	
<p><b>DESCRIPTION OF CONDITION:</b> Pole- and pad-mounted transformers were observed. Given the pre-1979 date of development of the subject site, the presence of fluids containing polychlorinated biphenyls (PCBs) in the transformer(s) is possible. No leakage or staining was visible on or around the transformer(s).</p>		
<p><b>ACTION SUGGESTED:</b> No action is suggested or recommended at this time based on visual observations. If leaks should develop, contact the utility company to sample the fluids for the presence of PCBs. If the analysis results indicate that the electrical transformer(s) contains PCBs, the utility company would be responsible for mitigating any leakage and staining and for replacing the fluids and/or transformer(s).</p>		

<b>CONDITION #5</b>		<b>IDENTIFIED CONDITION APPEARS TO BE A <i>DE MINIMIS</i> CONDITION</b>
<b>LOCATION: Subject Site</b>		
<b>SECTION #</b>	<b>COMMENTS</b>	
N/A	Identification of many former structures, filled pools, etc.	
<p><b>DESCRIPTION OF CONDITION:</b> The parcels of the subject site have changed significantly over the decades including many structures and features which have been demolished or abandoned. Caution should be observed during the grading of the site as subsurface structures such as filled in pools or other features may be encountered.</p>		
<p><b>ACTION SUGGESTED:</b> No action is suggested or recommended at this time based on visual observations. If features are encountered during future redevelopment activities that may be environmentally sensitive, such as tanks, sumps, etc. or if stained or odorous soils are encountered, contact <i>PHASE ONE INC.</i> or another environmental consultant to determine if further investigation is warranted.</p>		

## SECTION 7.0

### LIMITATIONS

To achieve the study objectives stated in this report, we were required to base *PHASE ONE INC.*'s conclusions and recommendations on the best information available during the period the investigation was conducted and within the limits prescribed by *PHASE ONE INC.*'s client in the contract/authorization agreement and standard terms and conditions.

*PHASE ONE INC.*'s professional services were performed using that degree of care and skill ordinarily exercised by environmental consultants practicing in this or similar fields. The findings were mainly based upon examination of historic records, maps, aerial photographs, and governmental agencies lists. The hazardous waste site lists represented in this report represent only a search of the specific government records as listed above. It should be noted that governmental agencies often do not list all sites with environmental contamination; the lists could be inaccurate and/or incomplete. Recommendations are based on the historic land use of the subject property, as well as features noted during the site walk and examined records. The absence of potential gross contamination sources, historic or present, does not necessarily imply that the subject property is free of any contamination. This report only represents a "due diligence" effort as to the integrity of the subject property. No warranty or guarantee, expressed or implied, is made as to the professional conclusions or recommendations contained in this report. The limitations contained within this report supersede all other contracts or scopes of work, implied or otherwise, except those stated or acknowledged herewith.

This report is not a legal opinion. It does not necessarily comply with requirements defined in any environmental law such as the "innocent landowner defense" or "due diligence inquiry." Only legal counsel retained by the client is competent to determine the legal implications of any information, conclusions, or recommendations in this report. The compliance status, discussed in Section 3.0, is not intended for use as a guide to compliance for the present owner. Its intended use is to identify environmental impairments to the subject property and is not to be used as a guide to the legal compliance to any regulations of any kind.

The findings, conclusions, recommendations, and professional opinions contained in this report have been prepared by the staff of *PHASE ONE INC.*, in accordance with generally accepted professional practices. All cost estimates in Section 6.0, are purely estimates only, and may not represent the actual costs. Without further investigative assessment, exact, actual costs cannot be fixed. The costs associated with *PHASE ONE INC.*'s recommendations are for budgetary purposes only.

This report does not address, in any way, septic systems, leach fields, septic tanks, or related health hazards.

All asbestos, lead, or any other sampling is sampled in a good faith effort by *PHASE ONE INC.* assessors. Sample results should not be construed as conclusive and binding in any way. All sampling conducted is only for the purposes of general screening and does not imply that all materials, locations, or hazardous materials have been identified nor was the sampling intended to identify every instance of the materials sampled. No interpretation of the sample results is made or implied. *PHASE ONE INC.* only relays the information supplied by the laboratory conducting the analysis.