

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

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AMENDMENT NO. 2 TO DEVELOPMENT AGREEMENT

This Amendment No. 2 to Development Agreement ("Second Amendment") is executed this _____ day of _____ 20__ ("Effective Date") by and between THE CITY OF LOS ANGELES, a municipal corporation (the "City") and L.A. ARENA LAND COMPANY, LLC, a Delaware corporation (as successor in interest to L.A. Arena Land Company, Inc.) pursuant to California Government Code Section 65868 and the implementing procedures of the City. The City and L.A. Arena Land Company, LLC are together sometimes referred to herein as the "Parties".

RECITALS

A. The City and L.A. Arena Land Company, Inc. entered into that certain Development Agreement dated March 26, 1998, and recorded on March 27, 1998 in the official records of Los Angeles County, California, as Instrument No. 98-501503 (the "Development Agreement") after adoption by the City Council as Ordinance No. 171764 on October 28, 1997 for property legally described in Exhibit "B" of the Development Agreement (the "Property"), which Property is as of the Effective Date the site of an arena commonly known as STAPLES Center.

B. The City, L.A. Arena Land Company, Inc. and L.A. Arena Funding, LLC (as partial successor in interest to L.A. Arena Land Company, Inc.) entered into that certain Amendment No. 1 to Development Agreement dated June 7, 2003 which was unrecorded. The Development Agreement, as so amended, is referred to herein as the "Original Development Agreement". Initially capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Original Development Agreement.

C. The City and L.A. Arena Land Company, Inc. entered into that certain Arena Ground Lease dated March 26, 1998 for which a Memorandum of Lease was recorded in the official records of Los Angeles County, California as Instrument No. 98-501505 (the "Arena Ground Lease"). Concurrently with the execution of this Second Amendment, the City and L.A. Arena Land Company, LLC have entered into an amendment to the Arena Ground Lease (the "First Amendment to Arena Ground Lease"). The Arena Ground Lease, as so amended, is referred to herein as the "Amended Arena Ground Lease".

D. Immediately prior to its adoption of Ordinance No. _____ authorizing the execution of this Second Amendment, the Los Angeles City Council approved Ordinance No. _____ adopting CPC Case No. 2012-849-GPA-VZC-SP-SN-DA (“Convention and Event Center Approval”), more fully described in Attachment “1” to this Second Amendment, which among other things, changed the zoning for the Property and authorized development of a multi-purpose event center under the Convention and Event Center Specific Plan and signage pursuant to the Convention and Event Center Sign District.

E. The Parties desire to enter into this Second Amendment, pursuant to Section 6.8 of the Original Development Agreement, in order to: (1) amend the legal description of the Property to remove therefrom those portions of the Property that have been released from the Arena Ground Lease pursuant to the First Amendment to Arena Ground Lease; and (2) amend the definition of “Project Approvals” to be consistent with the Convention and Event Center Approval.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and conditions herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree to amend the Original Development Agreement as follows:

Section 1. Legal Description. Upon execution of the First Amendment to the Arena Ground Lease, and without further action of the Parties hereto, certain property as described in Attachment “2” to this Second Amendment shall automatically be deemed excluded as part of the Property as though such property were excluded from the legal description of the Property as of the Effective Date. To reflect these changes, upon execution of the First Amendment to the Arena Ground Lease, the Parties shall record the modified legal description attached as Attachment “3” to this Second Amendment as a correction to the legal description set forth in Exhibit “B” to the Original Development Agreement. Any reference to Exhibit “B” in the Original Development Agreement shall be deemed a reference to Attachment “3”.

Section 2. Convention and Event Center Specific Plan Definition. The following definition for “Convention and Event Center Specific Plan” is added to Exhibit “A” Glossary of Defined Terms of the Original Development Agreement in alphabetical order:

“Convention and Event Center Specific Plan” means the Convention and Event Center Specific Plan, as adopted by the Los Angeles City Council on _____, 2012, and as subsequently amended.

Section 4. Arena Ground Lease Definition. The definition for “Arena Ground Lease” in Exhibit “A” – Glossary of Defined Terms of the Original Development Agreement is deleted and replaced with the following language:

“Arena Ground Lease” means that certain Ground Lease by and between the City of Los Angeles and L.A. Event Center, Inc. dated March 26, 1998, for which a Memorandum of Lease was recorded in the official records of Los Angeles County, California as Instrument No. 98-501505, as amended by that certain First Amendment to Arena Ground Lease dated _____ and recorded on _____, in the official records of Los Angeles County, California as Instrument No. _____ with respect to property generally referred to as the Property in the First Amendment to Arena Ground Lease, as the same may be amended from time to time.

Section 5. Applicable Rules Definition. The first sentence of the definition for “Applicable Rules” in Exhibit “A” – Glossary of Defined Terms of the Original Development Agreement is deleted and replaced with the following language:

“Applicable Rules” means the rules, regulations, ordinances and officially adopted policies of the City in force as of the effective date of the ordinance authorizing this Agreement; provided, however, that the Project Approvals (as amended by the Second Amendment) shall be included within the Applicable Rules as if such Project Approvals were in effect as of the Effective Date.

Section 7. Second Amendment Definition. The following definition for “Second Amendment” is added to Exhibit “A” Glossary of Defined Terms of the Original Development Agreement in alphabetical order:

“Second Amendment” means that certain document entitled Amendment No. 2 to Development Agreement and amending this Agreement.

Section 8. Project Approvals. Exhibit “C” to the Original Development Agreement, entitled Project Approvals, is replaced with Attachment “2” to this Second Amendment.

Section 9. City Procedures and Actions.

(a) Planning Commission Action. The Planning Commission held a duly noticed public hearing on _____, and recommended approval of this Second Amendment on the same date.

(b) City Council Action. The City Council on _____, after conducting a duly noticed public hearing, adopted Ordinance No. _____, to become effective on the thirty-first day after publication, or on the forty-first day after posting, approving this Second Amendment, found that its provisions are consistent with the City's General Plan, the Central City Community Plan, the Convention and Event Center Specific Plan, and the Municipal Code, and authorized the execution of this Second Amendment.

Section 10. Effectiveness of Second Amendment. This Second Amendment is dated for convenience only and shall only become effective on the date which is the latest of (i) the date this Second Amendment is executed by L.A. Arena Land Company, LLC and (ii) the date this Second Amendment is approved and executed by the City.

Section 11. Counterparts. This Second Amendment may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

Section 12. No Other Changes, Consistency. Notwithstanding any changes and deletions contained herein, all other provisions of the Original Development Agreement remain the same. In the event of any conflict between the terms of the Original Development Agreement and this Second Amendment, the terms of this Second Amendment shall govern.

Section 13. Severability. If any provision of this Second Amendment should be determined by a court to be invalid or unenforceable, the remaining provisions of this Second Amendment shall remain in full force and effect and continue to be binding on the Parties.

[SIGNATURES PROVIDED ON FOLLOWING PAGE]

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

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

APPROVED AS TO FORM:
Carmen Trutanich,
City Attorney

By: _____
Antonio Villaraigosa, Mayor
DATE:

By: _____
Laura Cadogan Hurd
Deputy City Attorney
DATE:

ATTEST:
June Lagmay, City Clerk

By: _____

Deputy
DATE:

L.A. Arena Land Company, LLC
A Delaware limited liability company

APPROVED AS TO FORM:

By: _____
Name: William F. Delvac
of Armbruster Goldsmith & Delvac
LLP

By: _____
Name: Ted Fikre
Title:

Counsel for L.A. Arena Land Company, LLC

L.A. ARENA FUNDING, LLC
A Delaware limited liability company

APPROVED AS TO FORM:

By: _____
Name: William F. Delvac
of Armbruster Goldsmith & Delvac
LLP

By: _____
Name:
Title:

Counsel for L.A. ARENA FUNDING, LLC

CALIFORNIA ALL PURPOSE ACKNOWLEDGEMENT

State of California }
County of _____ }

On _____ before me, _____,
Date Here Insert Name and Title of the Officer

personally appeared _____
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature: _____
Signature of Notary Public

Place Notary Seal and/or Stamp above

ATTACHMENT "1"

PROJECT APPROVALS

Case No. CPC 97-0120 (CUB)

Ordinance No. 172465

Case No. CPC 2012-849

(GPA)(VZC)(SP)(SN)(DA)

Conditional Use Permit for on-site alcohol sales and service.

Ordinance establishing signage provisions for the Property.

- General Plan map amendment to: (a) change the Regional Commercial land use designation of portions of STAPLES Center to Public Facilities; (b) amend the General Plan Land Use Map for the Central City Community Plan area to include a footnote establishing the Specific Plan as the land use regulatory document for the Project Site and to designate the Convention and Event Center Specific Plan area on the Community Plan Specific Plan Area Map and provide for correspondence of Public Facilities designation with the CEC (Convention and Event Center Specific Plan) zone; and (c) reclassify a segment of 12th Street from "collector street" to "local" street (Resolution No. _____);
- Vesting zone change for the Specific Plan area from PF-4D-O (Public Facilities) and C2-4D-O (Commercial) to CEC (Convention and Event Center Specific Plan) and corresponding modification to the Municipal Code to add the CEC Zone (Ordinance No. _____);
- Convention and Event Center Specific Plan to regulate development within the Convention and Event Center Specific Plan area (Ordinance No. _____);
- Sign District (Ordinance No. _____);
- Development Agreement (Ordinance No. _____);
- Vacation of air space, surface and subsurface portions of Pico Boulevard and L.A. Live Way, vacation of air space over 12th Street, and vacation of portions of Bond Street (Ordinance No. _____);
- Approval of Modified Street designations to the Downtown Street Standards;

- Design Review approval by the City's Cultural Affairs Commission;
- Haul Route Approval.

ATTACHMENT "2"

EXCLUDED PROPERTY

ATTACHMENT "3"

MAP AND LEGAL DESCRIPTION OF THE PROPERTY