

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF  
THE CITY OF COSTA MESA, CALIFORNIA,  
APPROVING A SECOND AMENDMENT TO THE  
DEVELOPMENT AGREEMENT NO. DA-00-02  
FOR SEGERSTROM TOWN CENTER

**THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY ORDAIN  
AS FOLLOWS:**

Section 1. The City Council of the City of Costa Mesa, California, does hereby find and declare as follows:

1. On or about March 5, 2001, the City Council of the City of Costa Mesa adopted Ordinance No. 01-14 approving Development Agreement DA-00-02 for the Segerstrom Town Center Project.
2. The parties to said Development Agreement have subsequently determined that certain provisions of the Development Agreement require amendment.
3. Public hearings have been held before this City Council pursuant to the procedures described in Council Resolution No. 88-53. At these hearings, the City Council considered the evidence, the testimony presented by the public, and the Planning Commission's recommendation regarding the proposed First Amendment to Development Agreement DA-00-02 between the City of Costa Mesa and South Coast Plaza, a California general partnership ("Owner")
4. The Second Amendment to the Development Agreement between the City of Costa Mesa and Owner:

- (a) Is consistent with the General Plan and the North Costa Mesa Specific Plan;
  - (b) Is compatible with the uses authorized in, and the existing land use regulations prescribed for, the zoning districts in which the real property covered by the Amendment to the Development Agreement are located; and
  - (c) Is in conformity with and will promote the public necessity, and public convenience, general welfare, and good land use practices.
5. The Second Amendment to the Development Agreement will not:
- (a) Be detrimental to the public's health, safety and general welfare; nor
  - (b) Adversely affect the orderly development of the property.
6. The Second Amendment to the Development Agreement will promote and encourage the development of the proposed project by providing stability and certainty to the Owner, and will provide to the City and its citizens the public benefits promised in the Development Agreement and subsequent Amendments thereto.
7. The Second Amendment to the Development Agreement has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City's environmental procedures, and has been found to be exempt.

Section 2. The City Council hereby approves, adopts and enters into the Second Amendment to the Development Agreement in the form attached hereto and incorporates the Second Amendment herein by this reference (Exhibit 1).

Upon execution of the Second Amendment by all parties, the City Clerk is directed to record the Second Amendment pursuant to the City of Costa Mesa Development Agreement Procedures and Requirements.

Section 3. Publication.

This Ordinance shall take effect and be in full force and effect thirty (30) days from and after its passage and, before the expiration of fifteen (15) days after its passage, shall be published once in the NEWPORT BEACH-COSTA MESA DAILY PILOT, a newspaper of general circulation printed and published in the City of Costa Mesa, or, in the alternative, the City Clerk may cause to be published a summary of this Ordinance and a certified copy of the text of this Ordinance shall be posted in the office of the City Clerk five (5) days prior to the date of adoption of this Ordinance, and within fifteen (15) days after adoption, the City Clerk shall cause to be published the aforementioned summary and shall post in the office of the City Clerk a certified copy of this Ordinance together with the names of the members of the City Council voting for and against the same.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2015

\_\_\_\_\_  
Mayor of the City of Costa Mesa

STATE OF CALIFORNIA)  
  )ss  
COUNTY OF ORANGE )

I, -----, City Clerk and ex-officio Clerk of the City Council of the City of Costa Mesa, hereby certify that the above foregoing Ordinance No. 15-10 as introduced and considered section by section at a regular meeting of said City Council held on the \_\_\_\_ day of \_\_\_\_\_, 2015, and thereafter passed and adopted as a whole at the regular meeting of said City Council held on the \_\_\_\_ day of \_\_\_\_\_, 2015, by the following roll call vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereby set my hand and affixed the Seal of the City of Costa Mesa this \_\_\_\_ day of \_\_\_\_\_, 2015.

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City Clerk  
City Council of the City of Costa Mesa

**EXHIBIT 1**  
**SECOND AMENDMENT TO DEVELOPMENT AGREEMENT**  
**DRAFT ORDINANCE**



**DRAFT**

**9/14/15**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

CITY OF COSTA MESA  
77 Fair Drive  
Costa Mesa, CA 92626  
Attn: CITY Clerk

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(Space Above This Line for Recorder's

Use)

This Second Amendment to the Development Agreement for Segerstrom Town Center is recorded at the request and for the benefit of the CITY of Costa Mesa and is exempt from the payment of a recording fee pursuant to Government Code § 6103

SECOND AMENDMENT TO THE  
DEVELOPMENT AGREEMENT FOR  
SEGERSTROM TOWN CENTER

by and between

CITY OF COSTA MESA

and

SOUTH COAST PLAZA

DA-00-02  
Ordinance No. 01-4

SECOND AMENDMENT TO THE  
DEVELOPMENT AGREEMENT FOR SEGERSTROM TOWN CENTER

THIS SECOND AMENDMENT TO THE DEVELOPMENT AGREEMENT FOR SEGERSTROM TOWN CENTER (the "**Amendment**") is executed this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between The City of Costa Mesa, a Municipal Corporation of the State of California ("**City**"), South Coast Plaza, a California general partnership ("**SCP**"), and One Town Center Associates, a California general partnership ("**OTCA**" and together with SCP, "**Owners**"), with respect to the following:

RECITALS

A. City and SCP entered into that certain Development Agreement for Segerstrom Town Center executed as of March 5, 2001 (the "**Original Agreement**"), as amended by that certain First Amendment to the Development Agreement for Segerstrom Town Center executed April 5, 2004 (the "**First Amendment**"). The Original Agreement and First Amendment were recorded in the Official Records of Orange County, California as Instrument Nos. 20010281648 and 2004000686075, respectively, and are herein referred to together as the "**Development Agreement**." The Development Agreement provides for development within Town Center, as that term is defined in the Original Agreement. OTCA is an affiliate of SCP and successor in interest from SCP to certain property in Town Center.

B. City and Owners desire to amend the Development Agreement to extend its term and to ensure that it includes and references certain changes to accord with changes in the North Costa Mesa Specific Plan approved by the City.

C. This Amendment was approved by City of Costa Mesa Ordinance No. \_\_\_\_\_, adopted by the City Council on \_\_\_\_\_, 2015, after the public notice and public hearings required by law. The parties have executed this Amendment on the date indicated above after the effective date of this Ordinance.

AGREEMENT

IN CONSIDERATION OF the foregoing Recitals, and for good and valuable consideration, City and Owner agree as follows:

1. Effective Date of Amendment. The effective date of this Amendment shall be the date this Amendment was executed by the parties as indicated in the opening phrase of this Amendment prior to the Recitals.
2. Duration of Agreement. The Development Agreement is hereby extended and shall be operative and continue until that date which is twenty (20) years from the effective date of this Amendment (the "New Expiration Date"). To that end, the first sentence of Section 3.2 of the Development Agreement is hereby amended in its entirety to read as follows:

“This Agreement shall be operative commencing on the Effective Date and continue thereafter until the New Expiration Date, unless otherwise extended by the Parties, subject to earlier termination upon the completion, performance and discharge of all obligations hereunder.”

3. Definitions. The following terms in the Development Agreement shall have the definitions as set forth below, which shall replace any previous definitions of the same term in the Development Agreement.:

a. “Property” shall mean that certain property generally located along Bristol Street between Anton Boulevard and Sunflower Avenue as more fully described in Exhibit “AA” and shown in the map set forth on Exhibit “BB” both attached hereto.

b. “STC Project” shall mean the development of the Property pursuant to the Existing Land Use Regulations, Existing Development Approvals, the TAD Plan, the Future Development Approvals, and the terms of this Agreement. The STC Project may include non-residential (i.e. office, hotel, restaurant, retail and cultural uses) and residential uses as more specifically described in the Existing Land Use Regulations.

c. “Existing Development Approvals” and “Existing Land Use Regulations” shall be as defined in the Original Agreement except that all references to the City’s General Plan and the North Costa Mesa Specific Plan included therein shall mean the General Plan and North Costa Mesa Specific Plan in effect as of the effective date of this Amendment. In addition, if both City and Owner subsequently agree in writing to amend the Development Approvals or Land Use Regulations at some future date, the term “Existing Development Approvals” or “Existing Land Use Regulations,” as applicable, shall mean the Development Approvals or Land Use Regulations in effect as of the effective date of such subsequent amendment (which the parties shall endeavor to reflect in an updated Exhibit “D” to the Development Agreement prepared and exchanged between the parties).

4. Future Design. Precise building uses, locations, square footages and designs for the STC Project will be determined in conjunction with Future Development Approvals. To that end, (a) references in the Development Agreement to a new office building at the corner of Bristol Street and Sunflower Avenue and a hotel at the intersection of Bristol Street and Anton Boulevard are illustrative only, and (b) Article IV of Exhibit “F” to the Development Agreement is deleted in its entirety from the Development Agreement.

5. FAR and Trip Budgets. The FAR and trip budget for the TTC Project, the SCA Project and the Balance of Town Center, as well as the overall FAR and trip budget for the entire Town Center area shall be as provided in the North Costa Mesa Specific Plan in effect as of the effective date of this Amendment and included in the Existing Development Approvals and Existing Land Use Regulations. Exhibit “G” to the Development Agreement is deleted in its entirety from the Development Agreement.

6. Original Agreement Amended and Conflicts. In the event of any conflict between the terms of this Amendment and the remainder of the Development Agreement, this Amendment shall control. Except as otherwise set forth herein to the contrary, all terms and provisions of the Development Agreement shall remain unamended and continue in full force and effect. This Amendment with the remainder of the Development Agreement shall be construed together and shall constitute one agreement.

7. Defined Terms. All capitalized terms used herein and not defined herein have the same meanings as set forth in the Development Agreement.

8. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall be deemed to constitute one instrument. It shall not be necessary that all signatories execute the same counterpart(s) of this Amendment for this Amendment to become effective.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Development Agreement for Segerstrom Town Center as of the date first above written.

CITY OF COSTA MESA,  
A municipal corporation

\_\_\_\_\_  
Mayor of Costa Mesa

ATTEST:

\_\_\_\_\_  
City Clerk and ex-officio Clerk  
of the City of Costa Mesa

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney, City of Costa Mesa

SOUTH COAST PLAZA, a California general partnership

By: C.J. Segerstrom & Sons, a California general partnership, Managing General Partner

By: Henry T. Segerstrom Management LLC, a California limited liability company

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

OR

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

Alternate Manager

AND

By: HTS Management Co., Inc., a California corporation

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

Senior Vice President

ONE TOWN CENTER ASSOCIATES, a California general partnership

By: Henry T. Segerstrom Management LLC, a California limited liability company, Manager

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

OR

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

Alternate Manager

AND

By: HTS Management Co., Inc., a California corporation, Manager

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

Senior Vice President

Exhibit "AA"  
Legal Description of Property

Parcels between Sunflower Avenue and Town Center Drive

Parcels 1 and 2 of Lot Line Adjustment No. LL 2013-01, recorded on August 13, 2013, as Instrument No. 2013000478793 in the Official Records of the County Recorder of Orange County, California; and

Parcels 5 and 6 of Parcel Map S-78-10, as shown on a map filed in Book 115, Page 37 of parcel maps, in the Official Records of the County Recorder of Orange County, California.

Parcels between Town Center Drive and Anton Boulevard

Parcel 1 of Parcel Map 81-379, as shown on a map filed in Book 164, Page 10 of parcel maps, in the Official Records of the County Recorder of Orange County, California;

Parcels 1 and 2 as shown on a map filed in Book 12, Page 18 of parcel maps, in the Official Records of the County Recorder of Orange County, California;

Parcels 1 and 2 of Parcel Map S-20-67, as shown on a map filed in Book 11, Page 32 of parcel maps, in the Official Records of the County Recorder of Orange County, California; and

Parcel 2 of Parcel Map S-78-10, as shown on a map filed in Book 115, Page 37 of parcel maps, in the Official Records of the County Recorder of Orange County, California.

Exhibit "BB"  
Map of the Property

EXHIBIT "BB"  
Map of Property

