TO: Honorable Mayor and Members of the City Council
FROM: Ben Siegel, City Manager
SUBMITTED BY: Charlie View, Project Manager
DATE: October 17, 2017
SUBJECT: Consideration of an Exclusive Negotiation Agreement between the City of San Juan Capistrano and Frontier Real Estate Investments for Development of the Downtown/Playhouse Property (Assessor Parcel Numbers: 124-160-55, 124-160-57)

RECOMMENDATION:

Approve and authorize the City Manager to execute an Exclusive Negotiation Agreement ("ENA") with Frontier Real Estate Investments for development of the Downtown/Playhouse property.

EXECUTIVE SUMMARY:

Following the dissolution of redevelopment agencies, the State directed that properties owned by the City’s former Redevelopment Agency be sold and the proceeds be distributed to the taxing entities, including the State, the County of Orange, school districts and special districts in which the properties were located. One of these properties in San Juan Capistrano is the Downtown/Playhouse property that is currently developed with the El Camino Real Playhouse and public parking lot. An aerial photo of the site is provided as Attachment 1.

On June 21, 2016, the City Council selected CBRE as the broker to market two former Redevelopment Agency parcels: Lower Rosan Ranch and the Downtown/Playhouse Property. After an extensive marketing program, the City received 11 proposals for the purchase and development of the Downtown/Playhouse property. After careful review of the proposals and the qualifications of the potential buyers, the City Council identified four proposers to participate in a community workshop to present their respective development plans. Following the workshop and review of the information provided by
the four proposers, the City Council selected Frontier Real Estate Investments (Frontier) to enter into exclusive negotiations for the potential sale of the property. The proposed Exclusive Negotiation Agreement (ENA) would establish a period during which the parties can assess the viability of any proposed project and negotiate the terms of a development agreement (Attachment 2). Approval of the ENA does not bind the City in any way to a specific project or future sale of the property to Frontier. Frontier Real Estate Investments is entering into this agreement as 26874 Ortega Highway LLC, a single purpose entity for this development project.

DISCUSSION/ANALYSIS:

The ENA provides that the City and the Developer negotiate diligently and in good faith toward the goal of producing a mutually acceptable development agreement. The proposed ENA includes a Schedule of Performance and incorporates the following other major provisions:

1. **Development Concept:** A performing arts venue, restaurant, commercial space, public plaza and below grade parking structure.

2. **Term:** The term of the ENA is 36 months, with two 180-day extensions available.

3. **Parameters for Negotiations.** The following nonexclusive list of items related to the Project shall be the subject of negotiations:
   - Programmatic concept for the Project;
   - Site plan for the Project (depicting building locations, elevations, building square footages, parking, access points, landscaped areas, and pedestrian and vehicular circulation);
   - Marketing/branding plan for the Project, including general tenant categories;
   - Financing plan for the Project (addressing the proposed methods of construction and permanent financing, and amounts and sources of equity and debt capital);
   - Scope of development for the Project;
   - Development schedule for the Project; and,
   - The amount the Developer will pay for the acquisition of the Site (including an appraisal of the Site), and terms and conditions of the conveyance of the Site to Developer.

4. **Developer's Submission of Documents for City Review and Comment.** Within one year, the ENA requires that the Developer submit the following information to the City:
Programmatic concept;
Site plan;
Marketing/branding plan including general tenant categories;
Project budget;
Financing plan;
Scope of development; and,
Development schedule.

FISCAL IMPACT:
Approval of the ENA would have no fiscal impact to the City. All expenses during the term of this ENA for consultants and other professional planning/engineering services will be the sole responsibility of Frontier. Frontier is also responsible for paying all staff and City Attorney costs, as well as any costs associated with CEQA documentation.

ENVIRONMENTAL REVIEW:
In accordance with the California Environmental Quality Act (CEQA) the recommended action is exempt from CEQA per Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Should the development project move forward for discretionary actions, the appropriate documentation will be provided consistent with CEQA guidelines.

PRIOR CITY COUNCIL REVIEW:
• On April 26, 2017, the City Council conducted a Community Workshop to review development proposals for the Downtown/Playhouse property.

• On May 16, 2017, the City Council voted to enter into exclusive negotiations with Frontier Real Estate Investments for the potential sale of the Downtown/Playhouse property.

COMMISSION/COMMITTEE/BOARD REVIEW AND RECOMMENDATIONS:
Not Applicable.
NOTIFICATION:

Frontier Real Estate Investments
Friess Property Investments, Inc.
O'Shea Properties, Inc.
Rivendell Land Company, Inc.
Chamber of Commerce
Domingo Belardes
Michelle Lawrence Adams
Tony Brown
Mary D.
Paul Fulbright
Laura Freese
Jerry Nieblas
Steve Nordeck
Janice Pickartz
John Randall
Tom Scott
Ted Stroscher
Kirsten M. Vital

ATTACHMENT:

Attachment 1 – Aerial Photo
Attachment 2 – Exclusive Negotiation Agreement
EXCLUSIVE NEGOTIATION AGREEMENT
(Downtown Properties)

By and Between the

CITY OF SAN JUAN CAPISTRANO

and

26874 Ortega Highway LLC

[Dated for reference purposes only: October 17, 2017]
EXCLUSIVE NEGOTIATION AGREEMENT
(Downtown Properties)

This EXCLUSIVE NEGOTIATION AGREEMENT (Downtown Properties) (this “Agreement”), dated for purposes of identification only as of October 17, 2017 for reference purposes only (the “Date of Agreement”), is hereby entered into by and between the CITY OF SAN JUAN CAPISTRANO, a municipal corporation and general law city, (the “City”) and 26874 Ortega Highway LLC (the “Developer”).

RECITALS

A. The City owns that certain vacant real property consisting of approximately 1.29 acres generally located within the City at 26874 Ortega Highway and 31776 El Camino Real (Assessor’s Parcel Numbers: 124-160-57 and 124-160-55) (the “Site”). The Site is more specifically described in the legal description, which is attached hereto as Exhibit A-1 and incorporated herein by this reference.

B. The Site was previously owned by the Redevelopment Agency of the City of San Juan Capistrano. The property located at 31776 El Camino Real (APN 124-160-55) was transferred to the City for future development pursuant to the Department of Finance approved Long Range Property Management Plan. The City is currently negotiating a compensation agreement with the affected taxing entities as provided for in California Health and Safety Code Section 34180(f). The property located at 26874 Ortega Highway (APN 124-160-57) was transferred to the City for a governmental purpose pursuant to the Department of Finance approved Long Range Property Management Plan and is not subject to the compensation agreement being negotiated with the affected taxing entities.

C. Following the transfer to the City, the City issued a request for proposals on the Site and the Developer was the successful respondent.

D. The Developer is interested in developing the Site as a mixed use retail/commercial/restaurant project consisting of a performing arts center, restaurants, retail, open air plaza, office space, and a 3 level parking structure (at grade plus two subterranean parking levels) (the “Project”).

E. To that end, the City and the Developer desire to explore the feasibility of Developer acquiring the Site for the purpose of constructing and operating the Project.

F. The City and the Developer (each, a “Party” and jointly, the “Parties”) desire to jointly explore the feasibility of the Project and negotiate an agreement or agreements to provide for the disposition of the Site and development of the
E. The primary purpose of this Agreement is to establish a period during which the Parties shall negotiate the terms of a DDA.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

Section 1. Negotiating Period. The Parties agree to negotiate diligently and in good faith with one another for a period of 36 months, commencing upon the Effective Date of this Agreement (as hereinafter defined in Section 19) (the “Negotiating Period”), in order to agree upon a mutually acceptable DDA.

Upon written notice from the Developer to the City Manager of the City (the “City Manager”), Developer and City Manager may mutually extend the Negotiating Period for up to two (2) additional periods of one hundred eighty (180) days each. The City Manager shall not withhold agreement to such extensions so long as Developer is diligently discharging Developer’s responsibilities under this Agreement. The term “Negotiating Period” as used herein shall include any extensions of such Negotiating Period pursuant to this Section. In the event legal proceedings are commenced to stop or impede the Project, the time periods set forth in this Agreement shall be tolled during the pendency of such proceedings.

Section 2. Extension Period. If a DDA acceptable to the Developer and the City Manager is executed and submitted by the Developer within the Negotiating Period, then the term of the Negotiating Period and this Agreement shall automatically be extended for a period of forty-five (45) days from the date of such submittal to enable the City’s staff to take and coordinate the actions necessary to bring the DDA before the City Council for consideration, action, and authorization to execute, if such are approved by such entity.

Section 3. Deposits.

3.1 Concurrent with the Developer’s execution of this Agreement, the Developer shall provide to the City a deposit in the amount of Twenty Five Thousand Dollars ($25,000) in immediately available funds (“Initial Deposit”) to ensure that the Developer will proceed diligently and in good faith to fulfill its obligations under this Agreement during the Negotiating Period, as part of the consideration for the City’s agreement not to negotiate with other persons during the Negotiating Period, and to defray certain costs of the Project and the City in pursuing the contemplated negotiations with the Developer during the Negotiation Period, pursuant to this Agreement. The City shall charge all costs (including staff time, consultant fees and attorney fees associated with review and implementation of this Agreement or preparing the DDA) against the Initial Deposit (and Extension Deposit as provided in 3.4 below, as applicable).

3.2 At the termination of this Agreement, any remaining Initial Deposit funds shall, at the Developer’s option, either be applied to the purchase price or returned to the Developer. Developer acknowledges that the Initial Deposit (and any Extension Deposit, pursuant to Section 3.4 below) shall be in addition to those fees and expenses required by the City for any permit, other required entitlement or project processing.

3.3 A portion of the Initial Deposit in an amount equal to One Hundred Dollars
($100) shall immediately become non-refundable upon Developer’s transfer of the Initial Deposit to the City under this Agreement as consideration for the City’s agreement not to negotiate with other persons during the Negotiation Period.

3.4 If requested by City, upon each extension of the Negotiation Period, if any, the Developer shall provide to the City an additional deposit of Ten Thousand Dollars ($10,000) in immediately available funds on the first day of any extension of the Negotiation Period (each, an “Extension Deposit”). Each Extension Deposit is intended to ensure that the Developer will proceed diligently and in good faith to fulfill its obligations under this Agreement during any extension of the Negotiation Period, as part of the consideration for the City’s agreement not to negotiate with other persons during any such extension of the Negotiation Period, and to defray certain costs of the City in pursuing the contemplated negotiations with the Developer during any such extension of the Negotiation Period, pursuant to this Agreement. At the termination of this Agreement, any remaining funds from an Extension Deposit shall be refundable to the Developer as provided in Section 3.2, above.

Section 4. Certain Parameters for Negotiations. The following nonexclusive list of items related to the Project shall be the subject of negotiations during the Negotiation Period:

4.1 programmatic concept for the Project;
4.2 site plan for the Project (depicting building locations, elevations, signage, building square footages, parking, access points, landscaped areas, and pedestrian and vehicular circulation);
4.3 marketing/branding plan for the Project, including general tenant categories;
4.4 financing plan for the Project (addressing the proposed methods of construction and permanent financing, and amounts and sources of equity and debt capital);
4.5 scope of development for the Project;
4.6 development schedule for the Project; and
4.7 the amount which the Developer will pay for the acquisition of an interest or interests in the Site (including an appraisal of the Site) and terms and conditions of the conveyance of that interest or interests in the Site to Developer.

Section 5. Developer’s Submission of Documents for City Review and Comment. Within three hundred and sixty five (365) days following the Effective Date of this Agreement, the Developer shall submit the following information pursuant to the Schedule of Performance, Exhibit B, to the City or its agents:

5.1 programmatic concept;
5.2 site plan;
5.3 marketing/branding plan including general tenant categories;
5.4 project budget;
5.5 a financing plan;

5.6 a scope of development including public parking concept;

5.7 a development schedule.

In the event that the City requests that changes be made, the Developer shall resubmit a revised programmatic concept, site plan, marketing/branding plan including general tenant categories, project budget, financing plan, scope of development and/or development schedule to the City which shall respond to the City’s comments on the initial version of each submission. The City shall review and either approve such submissions or return the submissions to the Developer for further revision as soon as practical but in any event within thirty (30) days.

The Developer acknowledges and agrees that design and architectural review by the City, its Commissioners, employees and consultants will be required at each stage of the development of the Project and that sketches, plans, and ultimately working drawings, specifications and similar documents will be required to be submitted for review and approval pursuant to the DDA (the “City’s Design Review”). The Developer further acknowledges and agrees that the selection of building elevations, construction materials, parking layout and landscaping will not be final until approved by City.

Section 6. City Evaluation of Developer’s Proposal and Drafting of DDA. Upon the City receipt of the last of Developer’s submissions as provided in Section 5 hereof, City shall conduct or cause to be conducted an evaluation of Developer’s submittals and proposed Project; within forty-five (45) days of the date on which the City receives the last such submittal, City shall elect to either (i) terminate this Agreement in accordance with Section 9.3 hereof, or (ii) continue negotiating hereunder in order to consummate the drafting of a DDA.

6.1 Among other terms the DDA is anticipated to include the following deal points:

(a) Public benefit to the City;

(b) Deed restriction on certain noxious uses; and

(c) Developer to make parking available to public during the construction of improvements on site to the extent reasonably feasible.

Section 7. Environmental Requirements. Certain state and local environmental requirements (including, without limitations, the California Environmental Quality Act, Public Resources Code Sections 21000, et seq.) may be applicable to the proposed Project. Pursuant to such requirements, certain environmental documents may be required to be prepared for the proposed Project. The Developer agrees to cooperate with the City in obtaining information to determine the environmental impact of the proposed Project in order to prepare or cause to be prepared such environmental impact documents, if any, as may need to be completed for the proposed Project (collectively, “CEQA Documentation”). City agrees to cooperate with the Developer to act as lead agency.

Section 8. Cooperation. The Parties agree to cooperate with each other in promptly
Section 9. Effect of this Agreement; Termination.

9.1 Nature of Agreement. This Agreement is not intended to constitute a binding agreement by the City or the Developer to acquire all or any portion of the Site or to construct the Project, nor is it intended to constitute a binding agreement to enter into a DDA or any other contract. Except as set forth in the DDA, no Party shall be legally bound to consummate the acquisition of the Site or the construction of the Project as outlined herein unless and until a DDA or other contract has been executed and delivered by the Parties. Notwithstanding any other provision hereof, neither the Developer nor the City shall be under any obligation to approve or execute any DDA during or upon conclusion of the Negotiating Period. Any Party may refuse to approve and execute any DDA at its sole and absolute discretion, with or without cause. In the event that a DDA is approved and executed by the Parties, this Agreement shall be superseded by such DDA.

9.2 Exclusive Nature of Negotiations. The Parties intend that certain aspects of the negotiations conducted pursuant to this Agreement be negotiated exclusively between the Parties. Accordingly, during the Negotiating Period, the City shall negotiate exclusively with the Developer with respect to the development of the Project on the Site.

9.3 Termination of this Agreement. Each Party reserves the right to terminate this Agreement, with or without cause, upon ten (10) days prior written notice to the other Party, thereby withdrawing from such negotiations without any liability to the other Party, except that each Party shall be obligated to promptly return to the other Party all information and materials which such Party has received from the other Party pursuant to this Agreement. The Parties, by their respective execution hereof, knowingly agree, notwithstanding anything herein to the contrary, that neither of them shall have any right to specific performance of this Agreement, nor any other equitable or damage remedies under the law. Each Party makes such release with full knowledge of Civil Code Section 1542 and hereby waive any and all rights thereunder to the extent of this release, if such Section 1542 is applicable. Section 1542 of the Civil Code provides as follows:

"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 AFFECTION HIS OR HER SETTLEMENT WITH THE DEBTOR."

City’s initials ________________________ Developer’s initials
Mutual Confidentiality. To the extent permitted by applicable law, the Parties shall maintain all information concerning this Agreement and any pending or subsequent negotiations between the Parties as confidential, disclosing information only to those individuals and representatives as designated by the other Party, provided that such individuals acknowledge and agree to maintain the confidentiality of such information. Developer agrees and acknowledges that the City is a public agency and is subject to the California Public Records Act (Gov. Code 6250 et. seq) (the “Act”). City agrees to inform Developer of any request for information related to this ENA or the Project pursuant to the Act not less than three (3) days prior to release of the information. Developer may seek judicial relief to compel the City to maintain the confidentiality of any information to be released pursuant to the Act.

Section 10. Notices. Any notices, requests or approvals given under this Agreement from one Party to another may be personally delivered, transmitted by email, or deposit with the United States Postal Service for mailing, postage prepaid, to the address of the other Party as stated in this paragraph, and shall be deemed to have been given at the time of personal delivery or, if mailed, on the third day following the date of deposit in the course of transmission with the United States Postal Service. Notices shall be sent as follows:

If to City:
Benjamin Siegel, City Manager
City of San Juan Capistrano
32400 Paseo Adelanto
San Juan Capistrano, CA 92675
E-mail: Bsiegel@sanjuancapistrano.org

If to Developer:
Dan Almquist
610 Newport Center Drive, Suite 1520
Newport Beach, CA 92660
dan@frontierrei.com

Section 11. Governing Law. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement must be instituted in the Superior Court of Orange County, State of California, in an appropriate court in that county, or in the Federal District Court in the Central District of California.

Section 12. Attorneys’ Fees. If any legal action is brought to enforce, construe, interpret or invalidate the terms of this Agreement, the prevailing party shall be entitled to all costs and expenses incurred in any such action, including court costs and reasonable attorneys’ fees, in addition to any other relief to which such party may be entitled.

Section 13. Interpretation. This Agreement shall be interpreted as a whole and in accordance with its fair meaning and as if each Party participated equally in its drafting. Captions are for reference only and are not to be used in construing meaning. The recitals are deemed incorporated into this Agreement.

Section 14. Amendment of Agreement. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by each of the Parties.
Section 15. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties concerning this subject. This Agreement integrates all of the terms and conditions mentioned herein or incidental thereto, and supersedes all prior negotiations, discussions and previous agreements between the Parties concerning all or any part of the subject matter of this Agreement.

Section 16. Implementation of Agreement. The City shall maintain authority to implement this Agreement through the City Manager. The City Manager shall have the authority to issue interpretations, waive provisions, and/or enter into certain amendments of this Agreement on behalf of the City so long as such actions do not materially or substantially change the uses or development contemplated hereunder, or add to the costs incurred or to be incurred by the City as specified herein, and such interpretations, waivers and/or amendments may include extensions of time to perform. All other materials and/or substantive interpretations, waivers, or amendments shall require the consideration, action and written consent of the City Council.

Section 17. Limitation on Damages and Remedies.

THE CITY AND THE DEVELOPER EACH ACKNOWLEDGE AND AGREE THAT THE CITY WOULD NOT HAVE ENTERED INTO THIS AGREEMENT, IF IT WERE TO BE LIABLE TO THE DEVELOPER FOR ANY MONETARY DAMAGES, MONETARY RECOVERY OR ANY REMEDY OTHER THAN TERMINATION OF THIS AGREEMENT AND PAYMENT OF THE LIQUIDATED DAMAGES AMOUNT. ACCORDINGLY, THE CITY AND THE DEVELOPER AGREE THAT THE DEVELOPER'S SOLE AND EXCLUSIVE RIGHT AND REMEDY UPON THE BREACH OF THIS AGREEMENT BY THE CITY IS TO TERMINATE THIS AGREEMENT AND RECEIVE THE LIQUIDATED DAMAGES AMOUNT.

THE DEVELOPER ACKNOWLEDGES THAT IT IS AWARE OF THE MEANING AND LEGAL EFFECT OF 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 WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

CALIFORNIA CIVIL CODE SECTION 1542 NOTWITHSTANDING, IT IS THE INTENTION OF THE DEVELOPER TO BE BOUND BY THE LIMITATION ON DAMAGES, RECOVERY AND REMEDIES SET FORTH IN THIS SECTION 17, AND THE DEVELOPER HEREBY RELEASES ANY AND ALL CLAIMS AGAINST THE CITY FOR MONETARY DAMAGES, MONETARY RECOVERY OR OTHER LEGAL OR EQUITABLE RELIEF RELATED TO ANY BREACH OF THIS AGREEMENT, EXCEPT RECEIPT OF THE LIQUIDATED DAMAGES AMOUNT, WHETHER OR NOT ANY SUCH RELEASED CLAIMS WERE KNOWN OR UNKNOWN TO THE DEVELOPER AS OF THE EFFECTIVE DATE OF THIS AGREEMENT. THE DEVELOPER SPECIFICALLY WAIVES THE BENEFITS OF CALIFORNIA CIVIL CODE SECTION 1542 AND ALL OTHER STATUTES AND JUDICIAL DECISIONS (WHETHER STATE OR FEDERAL) OF SIMILAR EFFECT WITH REGARD TO THE LIMITATIONS ON DAMAGES AND REMEDIES AND WAIVERS OF ANY SUCH DAMAGES AND REMEDIES CONTAINED IN THIS SECTION 17.

Initials of Authorized
Representative of City

Initials of Authorized
Representative of Developer
IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS EXCLUSIVE NEGOTIATION AGREEMENT (DOWNTOWN PROPERTIES) ON THE RESPECTIVE DATES SET FORTH BELOW.

"CITY"

SAN JUAN CAPISTRANO CITY, a municipal corporation and general law city

Dated: ___, 2017

By: __________________________
    City Manager

ATTEST:
CITY CLERK

By: __________________________
    MARIA MORRIS, City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY

By: __________________________
    JEFF BALLINGER, City Attorney
"DEVELOPER"

By: Dan Almquist
Name: Dan Almquist
Title: 26874 Ortega Highway LLC
EXHIBIT A
LEGAL DESCRIPTION

(to be attached)
The land situated in the City of San Juan Capistrano, County of Orange, State of California, described as follows:

PARCEL 1:

THAT PORTION OF LOT 20 OF TRACT NO. 103, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 11, PAGES 29 THROUGH 33 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, LYING WESTERLY OF THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 23 OF SAID TRACT NO. 103.

APN: A PORTION OF 124-160-57

PARCEL 2:

LOT 23 OF TRACT NO. 103, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 11, PAGES 29 THROUGH 33 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, EXCEPTING THEREFROM ANY PORTION OF SAID LOT 23 NOT INCLUDED IN THE DEED FROM ROSA RIOS TO MARIA BALBANEDO RUIZ, RECORDED SEPTEMBER 29, 1885 IN BOOK 146, PAGE 102 OF DEEDS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, WHICH DEED DESCRIBES THE FOLLOWING:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 IN BLOCK 10 OF THE TOWN OF SAN JUAN CAPISTRANO; THENCE SOUTH 10-1/2 DEGREES EAST TO A STAKE, A DISTANCE OF 51 FEET; THENCE SOUTH 7-1/2 DEGREES WEST, 31 FEET TO THE CORNER OF RIVERINS LAND; THENCE SOUTH 82 DEGREES EAST, 125 FEET TO A STAKE; THENCE NORTHERLY TO THE SOUTH LINE OF OLIVE STREET, A DISTANCE OF 79 FEET; THENCE NORTH 81 DEGREES WEST ALONG THE SOUTH BOUNDARY OF OLIVE STREET, 145 FEET TO THE POINT OF BEGINNING, BEING THE WEST ONE-HALF OF SAID LOT 1; REFERENCE BEING HEREBY MADE TO THE OFFICIAL PLAT OF SAID TOWN ON FILE IN THE RECORDER'S OFFICE OF LOS ANGELES COUNTY, CALIFORNIA. ALSO EXCEPTING THEREFROM THAT PORTION OF SAID LAND DESCRIBED AS PARCEL 102505-1 IN FINAL ORDER OF CONDEMNATIONS RECORDED JULY 24, 2013 AS INSTRUMENT NO. 2013000442463 AND JULY 25, 2013 AS INSTRUMENT NO. 2013000445919, BOTH OF OFFICIAL RECORDS.

APN: A PORTION OF 124-160-57

PARCEL 3:

THAT PORTION OF LOT 20 OF TRACT NO. 103, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 11, PAGES 29 THROUGH 33 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, LYING EASTERLY OF THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 23 OF SAID TRACT NO. 103.

APN: A PORTION OF 124-160-57

PARCEL 4:

LOT 21 OF TRACT NO. 103, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 11, PAGES 29 THROUGH 33 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA.
ALSO EXCEPTING THEREFROM, THAT PORTION DESCRIBED IN DEED TO THE STATE OF CALIFORNIA RECORDED OCTOBER 2, 1956 IN BOOK 3662, PAGE 435 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY.

APN: A PORTION OF 124-160-57

PARCEL 5:
LOT 3 IN BLOCK 10 OF SAN JUAN CAPISTRANO, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 3, PAGES 120 AND 121 OF MISCELLANEOUS RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, AND THE WEST ONE-HALF OF GARCIA STREET ADJOINING SAID LOT ON THE EAST, ABANDONED BY ORDER OF THE BOARD OF SUPERVISORS OF ORANGE COUNTY NOVEMBER 16, 1920 IN BOOK 15, PAGE 304 OF MINUTE BOOKS.

EXCEPTING THEREFROM THE SOUTHERLY 94.00 FEET THEREOF.

APN: A PORTION OF 124-160-57

PARCEL 6:
THAT PORTION OF LOT 21 OF TRACT NO. 103, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 11, PAGES 29 THROUGH 33 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 23 OF SAID TRACT; THENCE NORTH 8 DEGREES 11' 49" EAST ALONG THE EASTERLY LINE OF SAID LOT 23, A DISTANCE OF 28.88 FEET TO A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 1050.00 FEET; THENCE FROM A TANGENT BEARING SOUTH 88 DEGREES 50' 22" EAST, EASTERLY ALONG SAID CURVE, THROUGH AN ANGLE OF 1 DEGREE 57' 37", AN ARC DISTANCE OF 35.92 FEET TO A POINT IN THE WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF THAT PARCEL OF LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED OCTOBER 2, 1956 IN BOOK 3662, PAGE 435 OF OFFICIAL RECORDS IN THE OFFICE OF SAID COUNTY RECORDER, DISTANT ALONG SAID WESTERLY PROLONGATION, WESTERLY 6.49 FEET FROM THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 22 OF SAID TRACT; THENCE EASTERLY ALONG SAID WESTERLY PROLONGATION, 6.49 FEET TO SAID SOUTHERLY PROLONGATION; THENCE SOUTHERLY ALONG SAID SOUTHERLY PROLONGATION, 32.42 FEET TO THE SOUTHERLY LINE OF SAID LOT 21; THENCE WESTERLY ALONG SAID SOUTHERLY LINE, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL MINERALS, OILS, GASES AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, THAT MAY BE WITHIN OR UNDER SAID LAND WITHOUT, HOWEVER, THE RIGHT TO DRILL, DIG OR MINE THROUGH THE SURFACE THEREOF, AS EXCEPTED IN THE FROM THE STATE OF CALIFORNIA RECORDED APRIL 18, 1962 IN BOOK 6079, PAGE 258 OF OFFICIAL RECORDS.

APN: A PORTION OF 124-160-57
PARCEL 7:

THE NORTHERLY 75.00 FEET OF THE SOUTHERLY 94.00 FEET OF LOT 3 IN BLOCK 10 OF SAN JUAN CAPISTRANO, IN THE CITY OF SAN JUAN CAPISTRANO, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 3, PAGES 120 AND 121 OF MISCELLANEOUS RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, AND THE WEST ONE-HALF OF GARCIA STREET ADJOINING SAID LOT ON THE EAST, ABANDONED BY ORDER OF THE BOARD OF SUPERVISORS OF ORANGE COUNTY NOVEMBER 16, 1920 IN BOOK 15, PAGE 304 OF MINUTE BOOKS.
EXHIBIT B
SCHEDULE OF PERFORMANCE
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<th>Frontier Timeline</th>
<th>w/ Extensions</th>
<th>Months</th>
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Exhibit B ii
Frontier Pre-Submittal Timeline

- ALTA Survey
- Geotechnical Report
- Phase I: CA/IEA Negotiations
- Public Outreach/City Meetings
- Update Plans - Architectural/Engineering/Civil
- Public Outreach/City Workshops
- Prepare Final Submittal plans