



COMMUNITY DEVELOPMENT DEPARTMENT PLANNING DIVISION

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CITY OF NEWPORT BEACH ZONING ADMINISTRATOR STAFF REPORT

April 10, 2014

Agenda Item No. 2:

SUBJECT: Annual Review of the North Newport Center Development Agreement consisting of Fashion Island, Block 600, Block 800, and portions of Block 100, Block 400, Block 500, and San Joaquin Plaza (PA2009-023)

APPLICANT: Irvine Company

PLANNER: Fern Nueno, Associate Planner
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ZONING DISTRICT/GENERAL PLAN

- **Zone:** PC-56 (North Newport Center Planned Community)
- **General Plan:** CR (Regional Commercial), CO-R (Regional Commercial Office), CO-M (Medical Commercial Office), RM (Multiple Residential), and MU-H3 (Mixed-Use Horizontal)

PROJECT SUMMARY

An annual review of the Development Agreement for North Newport Center, pursuant to Section 15.45.080 of the Municipal Code and Section 65865.1 of the California Government Code.

RECOMMENDATION

- 1) Conduct a public hearing;
- 2) Find the review exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 25321 (Class 21 – Enforcement Actions by Regulatory Agencies) of the CEQA Guidelines;
- 3) Find that the applicant has demonstrated good faith compliance with the terms of the Development Agreement; and
- 4) Receive and file the Annual Report of the Development Agreement for North Newport Center (Attachment No. ZA 2).

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DISCUSSION

Section 15.45.080 of the Municipal Code requires the City to periodically review development agreements to determine if the applicant has complied with the terms of the agreement. This review should be conducted at least once every 12 months. On June 11, 2013, the City Council adopted Ordinance No. 2013-10 delegating the responsibility for reviewing Development Agreements to the Zoning Administrator. The applicant is required to demonstrate good faith compliance with the terms of the agreement, and should the Zoning Administrator find that the applicant has not complied in good faith with the agreement, the Zoning Administrator should refer the matter to the City Council.

Background

On December 18, 2007, the City Council adopted Ordinance No. 2007-21 approving Development Agreement No. DA2007-002 (“DA”) between the City and the Irvine Company. The DA granted Irvine Company entitlement and transfer rights within the North Newport Center Planned Community (“NNCPC”). At the time the DA was approved, NNCPC consisted of Fashion Island, Block 600, and portions of Block 500 and San Joaquin Plaza. Since then, portions of Block 100, Block 400, and the entirety of Block 800 have been incorporated into NNCPC. On June 6, 2012, the City Council approved an amendment to the DA, which incorporated the remaining Sub-Areas within NNCPC. The DA specifies the permitted uses, density and intensity of development, circulation improvements, public benefits, and dedication of street rights-of-way and open space. The DA vests Irvine Company’s right to develop regional commercial, office, mixed-use, and residential uses in North Newport Center as depicted in Table 1. The term of the DA is for 25 years and it expires in 2032.

The DA is available online at: <http://www.newportbeachca.gov/developmentagreements>. The last annual review covered activities occurring in 2012 and was conducted on March 26, 2013. The City Council found Irvine Company to be in good faith compliance with the DA. This review is for activities occurring during the 2013 calendar year.

2013 Development Activity

Table 1 summarizes the entitlement and building activity for North Newport Center in 2012. Several projects are under construction within Fashion Island and Block 500, but only completed activities with certificates of occupancy are included in Table 1. Among the items not listed in Table 1 is the construction of a new 365,069 square-foot office tower and two parking structures in Block 500. The plan check for the redevelopment of San Joaquin Plaza with a 524-unit apartment community is currently under review by staff.

Table 1: 2013 Development Activity Summary

Sub-Area	Entitlement	Existing Development	Completed Activity	Remaining Entitlement
Fashion Island	1,619,525 sf of regional commercial	1,479,905 sf	Constructed: 35,110 sf Demolished: 6,453 sf	110,963 sf
	1,700 theater seats	680 theater seats	--	1,020 seats or 16,500 sf
Block 100	0 sf of office/commercial	121,114 sf (non-habitable)	--	0 sf
Block 400	91,727 sf of office/commercial	91,727 sf	--	0 sf
Block 500	599,659 sf of mixed use	310,684 sf	Demolished: 40,894 sf	329,869 sf
Block 600	1,587,537 sf of mixed use	910,637 sf	Constructed: 398,846 sf	0 sf
	295 hotel rooms	295 hotel rooms	--	0 hotel rooms
Block 800	286,166 sf of office/commercial	286,166 sf	--	0 sf
	245 residential units	245 units	--	0 units
San Joaquin Plaza	95,550 sf of office/commercial	337,261 sf (241,711 sf non-habitable)	--	0 sf
	524 residential units	0 units	--	524 units

Other 2013 Activity

In 2013, Irvine Company completed operational improvements to streets adjacent to Blocks 500 and 600 of Newport Center Drive.

During 2013, pursuant to Section 4.3 of the DA, Irvine Company paid \$2,949 in Fair Share Traffic fees for new or intensified development. Fair share fees are paid at the time of building permit issuance and often are calculated with credits for existing development.

As of December 31, 2013, pursuant to Section 4.4 of the DA, Irvine Company exceeded the required \$2,500,000 contribution for circulation improvements. Irvine Company has reimbursed the City \$1,905,803 for expenses incurred for the design and construction of circulation improvements within and near Newport Center and has expended \$676,222 on circulation enhancements in the area.

Pursuant to Section 4.9 of the DA, during 2013 Irvine Company expended \$136,048 towards water quality enhancements in Fashion Island. To date, \$983,374 has been contributed towards the minimum expenditure of \$1 million required for water quality projects. The expenditure was used on maintenance conducted on the water quality treatment systems, including bio-retention, media filtration, and other technology.

Future Activities

The remaining terms and conditions shall be completed pursuant to the timing/milestone requirements depicted in the Annual Report (Attachment No. ZA 2). After reviewing the Annual Report and applicable documents, staff believes that Irvine Company has complied in good faith with terms and conditions of the DA.

ENVIRONMENTAL REVIEW

This project exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15321 (Class 21 – Enforcement Actions by Regulatory Agencies) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential to have a significant effect on the environment. This section exempts actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate, or other entitlement for use issued, adopted, or prescribed by the regulatory agency or enforcement of a law, general rule, standard, or objective, administered or adopted by the regulatory agency.

PUBLIC NOTICE

Notice of this review was published in the Daily Pilot, mailed to all owners of property within 300 feet of the boundaries of the site (excluding intervening rights-of-way and waterways) including the applicant and posted on the subject property at least 10 days before the scheduled hearing, consistent with the provisions of the Municipal Code. Additionally, the item appeared on the agenda for this meeting, which was posted at City Hall and on the City website.

APPEAL PERIOD

An appeal may be filed with the Director of Community Development within 14 days following the date of action. For additional information on filing an appeal, contact the Planning Division at (949) 644-3200.

Prepared by:



Fern Nueno, Associate Planner

JC/fn

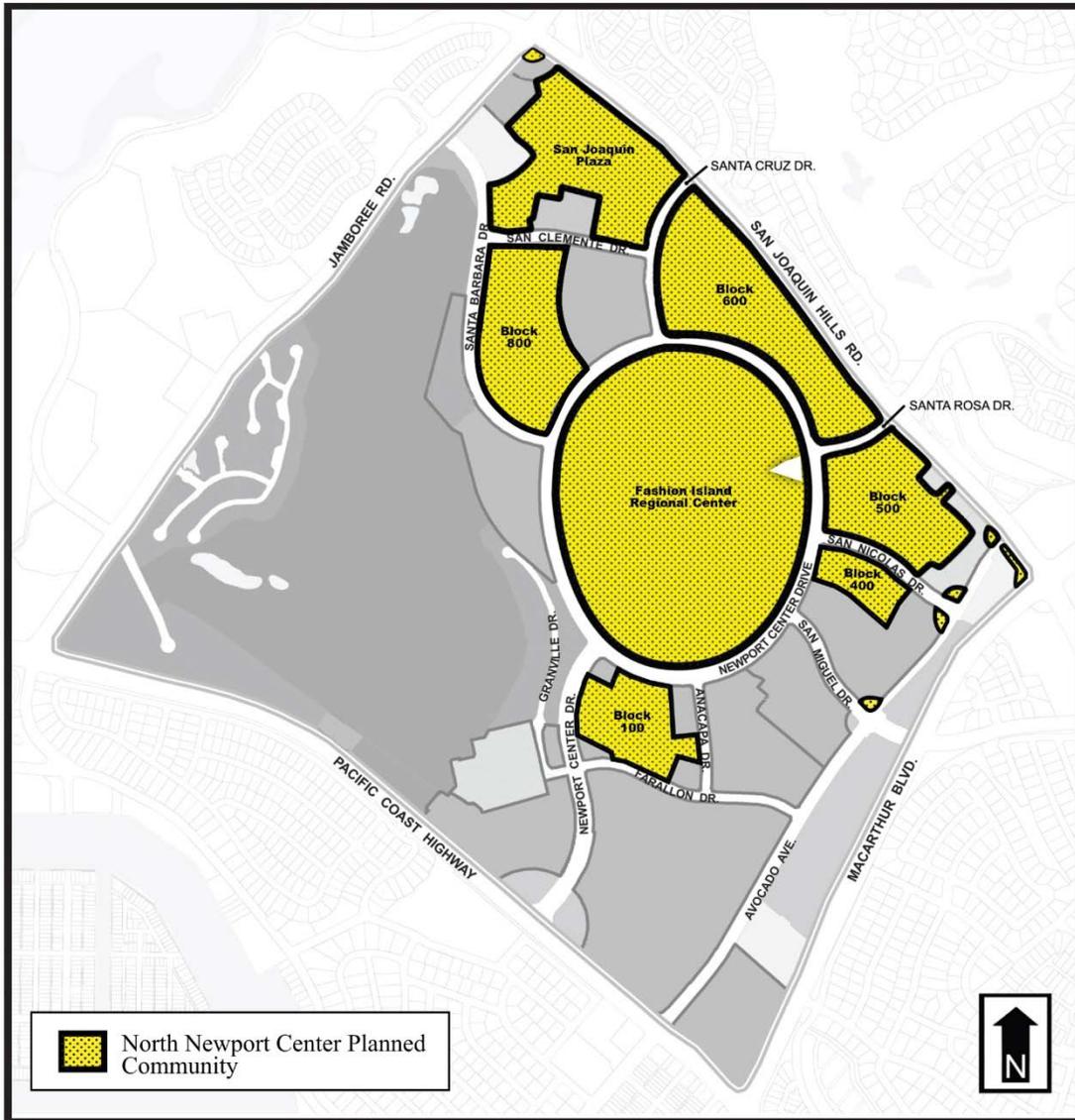
Attachments: ZA 1 Vicinity Map
 ZA 2 Annual Report

Attachment No. ZA 1

Vicinity Map

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VICINITY MAP



Annual Review of
Development Agreement No. DA2007-002
PA2009-023

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Attachment No. ZA 2

2013 Annual Report

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**North Newport Center
Zoning Implementation and Public Benefit Agreement
Annual Report
Year 2013 (January 2013-December 2013)**

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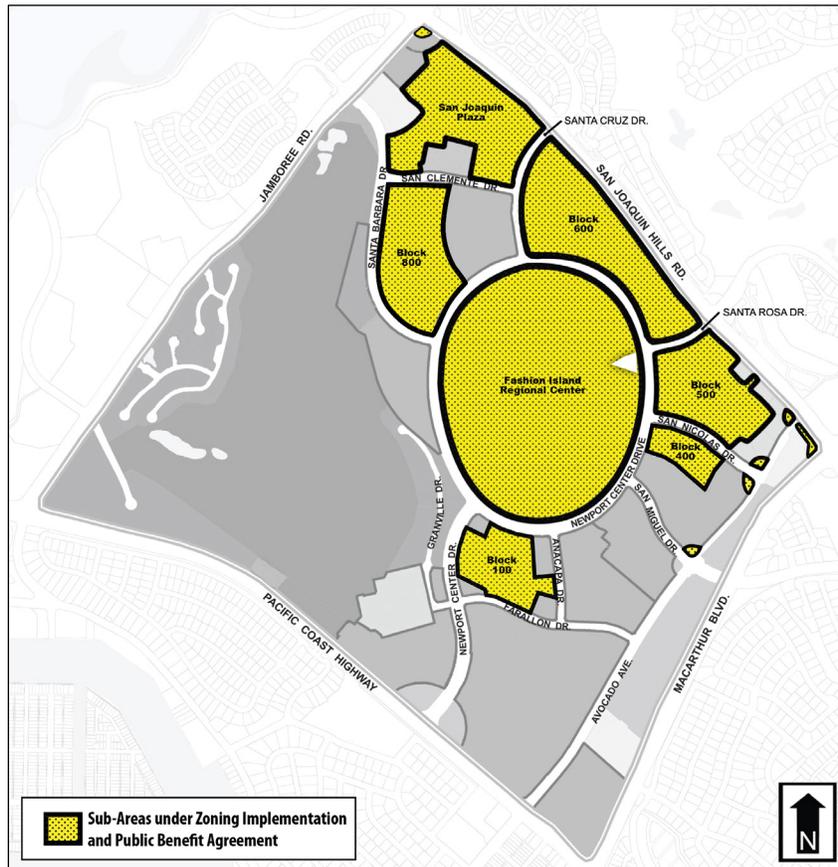
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Introduction

The purpose of the 2013 Annual Report (AR) for North Newport Center is to provide an accurate record of the development that has occurred within North Newport Center during 2013. The North Newport Center Planned Community Development Plan (NNCPC) as approved in 2007 included the following sub-areas: Fashion Island, Block 500, Block 600 and San Joaquin Plaza. The NNCPC was subsequently amended in November 2009 to include portions of Blocks 100, 400, 800 and an open space parcel from the Newport Village Planned Community. The NNCPC was amended again in 2011 to expand Block 800 to include the Pacific Mutual Financial Center. Subsequently in 2012, the NNCPC was amended to increase the allowable residential development intensity by a total of 94 units and allocating the 94 units plus the 430 residential units already allocated to the MU-H3 portions of the NNCPC solely to San Joaquin Plaza. In connection with the amendment to the NNCPC, an amendment to the Zoning Implementation and Public Benefit Agreement DA2007-002 (Development Agreement) was approved. The Development Agreement amendment included the incorporation of portions of Blocks 100, 400, the open space parcel in Newport Village, Block 800 in its entirety, as well as the additional 94 residential units. This AR contains several tables, which show development within North Newport Center as a whole and development by sub-area. The tables provide a comprehensive review of the development within North Newport Center in terms of existing development, maximum development (allowed by the General Plan) and development that has occurred during 2013. The tables break down each sub-area of North Newport Center individually and track the area developed by land use, as applicable. A map that depicts the sub-areas within the NNCPC covered by this AR is shown as Figure 1.

Figure 1 – Sub-Areas in North Newport Center Planned Community



Summary Table – North Newport Center as of December 31, 2013¹

Sub-Area	Entitlement	Existing Development	Development During 2013	Remaining Entitlement
Fashion Island	1,619,525	1,519,114	Demolished: 99 ² Permitted: 11,006 ³ Constructed: 1,791 ⁴	100,411
	1,700 theater seats ⁵	680 theater seats	--	1,020 theater seats or 16,500 s.f.
Block 100	0	121,114, suspended	--	0
Block 400	91,727	91,727	--	0
Block 500	599,659	599,525 ⁶	--	134 ⁶
Block 600	1,587,537 ⁷	910,637	--	387,472 ⁸
	295 hotel rooms	295 hotel rooms		0 hotel rooms
Block 800	286,166	286,166	--	0
	245 residential units	245 residential units	--	0
San Joaquin Plaza	95,550	337,261 ⁹	--	0
	524 residential units	0	--	524 residential units

1 All numbers in this table are shown in square feet (s.f.) unless otherwise indicated.
 2 "Gary's" X2013-1350
 3 Commons Court Infill X2012-3166, Pad "D" X2013-3300, "Christophe Salon" X2013-1914, Spec Suite X2013-0099, X2013-0103
 4 "It's Sugar" X2013-0629, "Christophe Salon" X2012-1911, X2012-1912, X2013-0583, "Fig and Olive" X2013-0229, Spec Suite X2013-0100
 5 1,700 theater seats equates to 27,500 s.f. per the North Newport Center Development Plan. In 2011, 1,020 theater seats were removed as part of the Island Cinema renovation. The demo of 1,020 seats equates to 16,500 s.f.
 6 Subsequent to permit issue the entitlement g.f.a. for 520 Newport Center Drive was revised to delete the 800-s.f. office located in the West Parking Structure and to add the 786-s.f. basement in 520 Newport Center Drive, which resulted in a net decrease of 14 s.f. in the existing development and a corresponding increase in the remaining entitlement of 14 s.f.
 7 The General Plan entitlement figure includes allocations for hotel square footage, which is not represented in the Existing Development or Remaining Entitlement columns.
 8 Upon receipt of Certificate of Use and Occupancy for 650 Newport Center Drive, remaining entitlement will be 0.
 9 241,711 s.f. of existing entitlement was suspended with the approval of Entitlement Transfer TD2011-1 on August 19, 2011.

Development Summary

Annual monitoring of development is required by Development Agreement 2007-002 between the City of Newport Beach and Irvine Company as part of the North Newport Center Project. The original Term of the agreement was until January 2028. The 2012 amendment extended the Term of the Development Agreement to 2032. Below is a list of permits and approvals that were issued within North Newport Center between January and December 2013. As noted, the Development Agreement was amended to include Block 100, Block 400, Block 800 and the open space parcel in Newport Village. Therefore, these sub-areas are now required to be part of the annual reporting process whereas in years 2008 through 2011 they were not included. Note that the City bases the *building* permit gross floor area (g.f.a.) calculations on the Building Code definition and not the *entitlement* g.f.a. on the definition contained in the NNCP, 3rd Amendment which is slightly different from the Building Code and excludes support uses.

Date	Sub-Area	Summary of Action
Jul 2013	Fashion Island (Final)	315 Newport Center Drive +131 s.f. (X2012-1912)
Jul 2013	(Final)	319 Newport Center Drive +34 s.f. (X2012-1911)
Mar 2013	(Approved)	951 Newport Center Drive +6,560 s.f. (X2013-3300)
Apr 2013	(Approved)	601 Newport Center Drive +3,674 s.f. (X2012-3166)
Jun 2013	(Approved)	1063 Newport Center Drive +236 s.f. (X2013-0103)
Jun 2013	(Approved)	1065 Newport Center Drive +218 s.f. (X2013-0099)
Jul 2013	(Approved)	315 Newport Center Drive +318 s.f. (X2013-1914)
May 2013	(Final)	1021 Newport Center Drive +192 s.f. (X2013-0629)
Aug 2013	(Final)	319 Newport Center Drive +163 s.f. (X2013-0583)
Sept 2013	(Final)	923 Newport Center Drive -99 s.f. (X2013-1530)
Dec 2013	(Final)	151 Newport Center Drive +996 s.f. (X2013-0229)
Dec 2013	(Final)	1055 Newport Center Drive +275 s.f. (X2013-0100)

The tables below display track development within North Newport Center by sub-area. All numbers are shown in gross square feet unless otherwise indicated. The tables are intended to track development annually and provide a comprehensive listing of development by land use. The "Demolished" column reflects the final square footage demolished, not the square footage stated in a demolition permit. Similarly, the "Built" column reflects the square footage provided in a Certificate of Use and Occupancy and not the square footage stated in a building permit.

Fashion Island

	Entitlement January 2013	Existing Development January 2013	Transferred/Converted	Demolished	Permitted (New)	Built	Tracking Number	Existing Development December 2013	Entitlement December 2013
Land Use									
Regional Commercial	1,619,525	1,506,416		99 ¹	+11,006 ²	1,791 ³		1,519,114	1,619,525
Theater Seats	1,700	680						680 seats	1,700 seats

Block 100

	Entitlement January 2013	Existing Development January 2013	Transferred	Demolished	Permitted (Demo/New)	Built	Tracking Number	Existing Development December 2013	Entitlement December 2013
Land Use									
Office/Commercial	0	121,114 ⁴						121,114	0

Block 400

	Entitlement January 2013	Existing Development January 2013	Transferred	Demolished	Permitted (Demo/New)	Built	Tracking Number	Existing Development December 2013	Entitlement December 2013
Land Use									
Office/Commercial	91,727	91,727						91,727	91,727

¹ "Gary's" X2013-1350

² Commons Court Infill X2012-3166, Pad "D" X2013-3300, "Christophe Salon" X2013-1914, Spec Suite X2013-0099, X2013-0103

³ "It's Sugar" X2013-0629, "Christophe Salon" X2012-1911, X2012-1912, X2013-0583, "Fig and Olive" X2013-0229, Spec Suite X2013-0100

⁴ Per Covenants Rendering Square Footage Non-Habitable dated March 21 and November 27, 2012.

Block 500

	Entitlement January 2013	Existing Development January 2013	Transferred/ Converted	Demolished	Permitted (Demo/New)	Built	Tracking Number	Existing Development December 2013	Entitlement December 2013
Land Use									
Mixed Use Horizontal 3 (MU-H3)	599,659	599,525 ⁵						599,525 ⁵	599,659
Residential Units	0	0						0	0

Block 600

	Entitlement January 2013	Existing Development January 2013	Transferred	Demolished	Permitted (Demo/New)	Built	Tracking Number	Existing Development December 2013	Entitlement December 2013
Land Use									
Mixed Use Horizontal 3 (MU-H3)	1,587,537 ⁶	910,637						910,637 ⁷	1,587,537
Residential Units	0	0	0					0	0
Hotel Rooms	295	295						295	295

Block 800

	Entitlement January 2013	Existing Development January 2013	Transferred	Demolished	Permitted (Demo/New)	Built	Tracking Number	Existing Development December 2013	Entitlement December 2013
Land Use									
Office/Commercial	286,166	286,166						286,166	286,166
Residential Units	245	245						245	245

San Joaquin Plaza

	Entitlement January 2013	Existing Development January 2013	Transferred	Demolished	Permitted (Demo/New)	Built	Tracking Number	Existing Development December 2013	Entitlement December 2013
Land Use									
Mixed Use Horizontal 3 (MU-H3)	95,550	337,261						337,261	95,550
Residential Units	524	0						0	524

⁵ Subsequent to permit issue the entitlement g.f.a. for 520 Newport Center Drive was revised to delete the 800-s.f. office located in the West Parking Structure and to add the 786-s.f. basement in 520 Newport Center Drive, which resulted in a net decrease of 14 s.f. in the existing development and a corresponding increase in the remaining entitlement of 14 s.f.

⁶ The General Plan entitlement figure includes allocations for hotel square footage, which is not represented in the Existing Development or Remaining Entitlement columns.

⁷ 650 Newport Center Drive is currently under construction. Once completed, the existing development will be increased by 398,846 s.f.

Public Benefits

The Public Benefits Table below lists all of the public benefits resulting from Development Agreement No. DA2007-002 entitled *The Zoning Implementation and Public Benefit Agreement (Agreement) between the City of Newport Beach and Irvine Company Concerning North Newport Center and the Amendment to the Agreement approved in August 2012* (herein referred to as the Development Agreement). Public benefits are listed in Section 4 of the development agreement. Shaded areas represent 2013 activity. Items that have been completed in previous reporting years are shown as Year Complete. It is important to note that the circulation improvements required through mitigation measures approved by the City at the time of the North Newport Center entitlement as well as the \$2,500,000 contribution to the Circulation Enhancement Program were completed in 2013, in advance of any significant occupancy of the granted entitlements.

Public Benefits Table

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
In-Lieu Park Fees for Renovation of Oasis Senior Center and for Park Uses	Section 4.1 Paragraphs 1-2	Regardless of whether a subdivision map is approved for any or all of the residential units, and prior to and as a condition to City's issuance of the First Residential Building Permit (but in no event earlier than the Effective Date)	Landowner shall pay to City the greater of (i) the sum of \$3,733,333.33 (which is 1/3 of the total Park Fees to be paid to City under this Agreement) (the "Initial Park Fee") or (ii) the applicable Per Unit Park Fees (if the First Residential Building Permit includes more than one hundred forty-three (143) residential units). Landowner's payment of the Initial Park Fee shall entitle Landowner to a credit against payment of the Per Unit Park Fees for the first one hundred forty-three (143) residential units to be developed on the Property.	Total Payment as of <u>December 31, 2013: \$ 0</u> Responsible Party: Irvine Company <input type="checkbox"/> Completed
	Section 4.1 Paragraph 2	Prior to and as a condition to City's issuance of a building permit for development of the one hundred forty-fourth (144th) residential unit on any portion of the Property located in Newport Center Block 500, Newport Center Block 600, or San Joaquin Plaza	Landowner shall pay to City the sum of \$17,364.11 (the difference between the Initial Park Fee and the total Per Unit Park Fees for 144 residential units)	Total Payment as of <u>December 31, 2013: \$ 0</u> Responsible Party: Irvine Company <input type="checkbox"/> Completed
In-Lieu Park Fees for Renovation of Oasis Senior Center and for Park Uses	Section 4.1 Paragraph 2	Prior to and as a condition to City's issuance of each subsequent building permit for residential development within that portion of the Property	Landowner shall pay to City the sum of \$26,046.51 per unit ("Per Unit Park Fees")	Number of units as of <u>December 31, 2013: (units) 0</u> <u>\$26,046.51</u> per unit Total Payment: \$ <u>0</u> Responsible Party: Irvine Company <input type="checkbox"/> Completed

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
In-Lieu Park Fees for Renovation of Oasis Senior Center and for Park Uses	Section 4.1 Paragraph 3	If Landowner sells any residential unit developed within the Property to a third party purchaser in other than a bulk sale of all of the units in a single residential building	Landowner shall pay to City at the time of such sale of an individual residential unit the then-applicable park fee for such unit as may be in effect at that time within the City of Newport Beach, less a credit for the amount of the Per Unit Park Fee paid prior to that time. Please see Section 4.1, paragraph 3 for additional information regarding Landowner's obligation to pay fees and memorandums to be recorded against the title of each unit.	Number of units sold as of <u>December 31, 2013</u> : (units) <u>0</u> \$ _____ park fee per unit Total Payment: \$ <u>0</u> Responsible Party: Irvine Company <input type="checkbox"/> Completed
In-Lieu Park Fees for Renovation of Oasis Senior Center and for Park Uses	Section 4.1 Paragraph 4	If, on the date that City awards a contract for renovation of the Oasis Senior Center, the total sum of both the Initial Park Fee and the Per Unit Park Fees paid by Landowner to City to date is less than the sum of \$5,600,000	Within five (5) days after City's award of the contract, Landowner shall pay to City the difference ("Park Fee Advancement"). Landowner's payment of the Park Fee Advancement shall entitle Landowner to a credit against the Initial Park Fee (if not paid by the time the Park Fee Advancement is paid) and against the next Per Unit Park Fees that otherwise would be due and payable to City until the entire credit is exhausted. After such credit is exhausted, prior to and as a condition to City's issuance of each subsequent building permit for residential development of any portion of the Property located in Newport Center Block 500, Newport Center Block 600, or San Joaquin Plaza, Landowner shall continue to pay the Per Unit Park Fees as residential building permits are issued.	Date that City awards a contract for renovation of the Oasis Senior Center <u>3/10/2009</u> Check below if answer is "yes." <input checked="" type="checkbox"/> The total sum of both the Initial Park Fee and the Per Unit Park Fees paid by Landowner to City is less than the sum of \$5,600,000 (as of date above) If box above is checked, then Landowner shall pay to City "Park Fee Advancement" in the amount of: <u>\$5,600,000.00</u> No initial park fees paid. Lump sum payment of \$5,600,000 paid to City. Responsible Party: Irvine Company <input checked="" type="checkbox"/> Completed Date: <u>3/10/2009</u>
In-Lieu Park Fees for Renovation of Oasis Senior Center and for Park Uses	Section 4.1 Paragraph 5	Not specified	City shall earmark \$5,600,000 of the Park Fees to be paid by Landowner (one-half of the total Park Fees) as a matching challenge grant to apply toward contributions to the renovation of the Oasis Senior Center.	Responsible Party: City of Newport Beach <input checked="" type="checkbox"/> Completed Date: <u>Early 2009</u> (prior to construction)
In-Lieu Park Fees for Renovation of Oasis Senior Center and for Park Uses	Section 4.1 Paragraph 5	Not Specified	City shall apply any Park Fees not spent by City on the renovation of the Oasis Senior Center to any park use as determined by City. Landowner acknowledges that the actual amount of funds raised through the matching challenge may be less than \$5,600,000 and that the amount raised shall not affect the amount of Park Fees payable by Landowner to City.	Responsible Party: City of Newport Beach <input checked="" type="checkbox"/> Completed Date: <u>Early 2009</u> (prior to construction)

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Public Benefit Fee	Section 4.2 Paragraph 1	Not Specified	Landowner shall pay to City the sum of \$27,090,000 as set forth in Section 4.2 ("Public Benefit Fee"), of the Development Agreement.	Payment in the sum of \$27,090,000 paid in full as of _____(date) Responsible Party: Irvine Company <input type="checkbox"/> Completed
	Section 4.2 Paragraph 1	Prior to and as a condition to the issuance of the First Building Permit – 650 Newport Center Drive	Landowner shall pay to City the sum of \$13,545,000, which is one-half of the Public Benefit Fee ("Initial Public Benefit Fee").	Payment: \$13,545,000 as of July 26, 2011 (date) Responsible Party: Irvine Company <input checked="" type="checkbox"/> Completed
	Section 4.2 Paragraph 1	Upon the issuance of building permits for the 430 residential units authorized for development within the Property.	The balance of the Public Benefit Fee shall be paid to City. The amount payable by Landowner to City for each such residential unit shall be the sum of \$31,500.	Building permits have been issued for 430 residential units as of _____(date) Total Payment (balance of the Public Benefit Fee):\$13,545,000 -this equates to \$31,500 per unit for 430 units. Total payment as of _____(date) Responsible Party: Irvine Company <input type="checkbox"/> Completed
Fair Share Traffic Fees	Section 4.3 Paragraph 1	The Property is subject to City's Fair Share Traffic Contribution Ordinance, which requires the payment of certain fair share traffic fees for development ("Fair Share Traffic Fees").	The City is in the process of considering updates and amendments to its Fair Share Traffic Contribution Ordinance and its Fair Share Traffic Fees and that as a result of such updates and amendments the Fair Share Traffic Fee charged by City may be increased (the "Initial Fee Increase"). Notwithstanding any other provision set forth in the Development Agreement to the contrary, Landowner agrees that Landowner and the Property shall be subject to the modified Fair Share Traffic Contribution Ordinance including the increased fees payable pursuant to the Initial Fee Increase. This applies to square footage that was newly entitled under this agreement. Please see Section 4.3 of the Development Agreement for additional detailed information pertaining to fees.	Fair Share Traffic Fees paid for 2013: \$2,949 Responsible Party: Irvine Company

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Circulation Enhancements to Public Right of Way	Section 4.4 Paragraph 1	<p>"Circulation Enhancement Contribution" to reimburse City for City's expenses incurred for the design and construction of one or more of the circulation improvements listed in Section 4.4 of the Development Agreement, as determined by the City's Director of Public Works, should City choose to approve the circulation enhancements after its environmental review and approval process and in compliance with CEQA.</p> <p>Please refer to Section 4.4, paragraph 1 of the Development Agreement for the list of circulation enhancements.</p>	Landowner shall contribute to City the sum of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) ("Circulation Enhancement Contribution").	<p>Check below if answer is "yes." <input checked="" type="checkbox"/> The City chose to approve, design and construct one or more of the circulation enhancements listed in Section 4.4 of the Development Agreement Date: <u>See Note Below</u> Note: See page 16 for additional information. If box above is checked, then Landowner shall contribute up to \$2,500,000.00 based on actual costs requested by the City and the amount spent by Irvine Company on those projects the City agreed could be built by Irvine Company. Responsible Party: Irvine Company <input checked="" type="checkbox"/> Completed Date: <u>December 31, 2013</u></p>

COMPLETE 2013

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
<p>Circulation Enhancements to Public Right of Way</p>	<p>Section 4.4 Paragraph 2</p>	<p>Landowner shall pay the Circulation Enhancement Contribution to City from time to time after the Effective Date, within thirty (30) days after receipt of written request for reimbursement from City, with any balance to be paid to City on the date that is sixty (60) months after the Effective Date (the Effective Date is January 18, 2008) regardless of whether City has incurred the cost for the foregoing improvements.</p> <p>Alternatively, Landowner and City may mutually agree upon arrangements for Landowner to use the Circulation Enhancement Contribution to construct the foregoing improvements subject to City's approval.</p>	<p>Landowner shall pay the Circulation Enhancement Contribution to City from time to time after the Effective Date and Landowner will pay any balance to the City up to a maximum contribution of \$2,500,000.00 less the cost for any improvements constructed by Landowner. Contributions shall be paid by Landowner upon receipt of invoices from the City.</p>	<p>Indicate payment(s) below (if applicable):</p> <p>Amount paid by Landowner to City for Circulation Enhancement Contribution as of (date): <u>December 31, 2013</u> \$1,905,803</p> <p>Date that is 60 months after the Effective Date: January 18, 2013</p> <p>Amount of balance paid by Landowner to City as of _____ (date)</p> <p>Responsible Party: Irvine Company <input checked="" type="checkbox"/> Completed</p> <p>or</p> <p><input type="checkbox"/> Check this box if Landowner and City mutually agree for Landowner to use contribution to construct improvements. Date: _____</p> <p>Amount used to construct improvements as of <u>December 31, 2013</u>: \$676,222</p> <p>Responsible Party: Irvine Company <input checked="" type="checkbox"/> Completed</p>
<p>Dedication of Public Rights of Way</p>	<p>Section 4.5 Paragraph 1</p>	<p>At such time as City provides legal descriptions for the public rights of way, which descriptions shall be consistent with the design of the circulation improvements for said public right of way.</p>	<p>Landowner shall provide an offer of dedication to City for the additional public rights of way necessary for circulation improvements on the north side of San Miguel Drive between MacArthur Boulevard and Avocado Avenue and on Avocado Avenue between San Nicolas Drive and San Miguel Drive.</p> <p>Please see Section 4.5 of the Development Agreement for additional information.</p>	<p>Responsible Party: Irvine Company <input checked="" type="checkbox"/> Completed</p> <p>No longer applicable due to dedication of Avocado parcel on October 17, 2008, as described in Section 4.6 Paragraph 1 below. Avocado parcel dedication documented in 2008 Annual Report.</p>

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Dedication of Public Rights of Way	Section 4.5 Paragraph 1	At such time as City provides legal descriptions for the public rights of way, which descriptions shall be consistent with the design of the circulation improvements for said public right of way.	Landowner shall convey the public right of way to City (through the recordation of an offer of dedication without any restrictions or qualifications) free and clear of all recorded and unrecorded monetary liens, any delinquent property taxes or assessments, and all tenancies, lessees, occupants, licensees, and all possessory rights of any kind or nature. In addition, upon the conveyance, there shall not be any violation of any law, rule, or regulation affecting the public right of way or its use, including any environmental law or regulation, and Landowner shall be responsible for causing said condition to be satisfied.	<input type="checkbox"/> Check this box if the Landowner has recorded an offer of dedication to the City without any restrictions or qualifications. Responsible Party: Irvine Company <input checked="" type="checkbox"/> Completed No longer applicable due to dedication of Avocado parcel on October 17, 2008, as described in Section 4.6 Paragraph 1 below. Avocado parcel dedication documented in 2008 Annual Report.
Open Space Dedication	Section 4.6 Paragraph 1	Landowner shall dedicate to City (through the recordation of a grant deed) the open space parcel in Newport Center comprised of approximately 3.18 acres of land area, bounded on the north by the Orange County Transportation Authority site, the east by MacArthur Boulevard, the south by San Miguel Drive, and the west by Avocado Avenue ("Open Space Parcel"), within thirty (30) days after the earliest of the following: (i) City has awarded a construction contract for the construction of City Hall at any location within the City or (ii) the option to purchase the Option Site has terminated as provided in Section 4.8.1 of Development Agreement No. DA2007-002.	Landowner shall convey the Open Space Parcel for open space or public facilities purposes, to City free and clear of all recorded and unrecorded monetary liens, any delinquent property taxes or assessments, and all tenancies, lessees, occupants, licensees, and all possessory rights of any kind or nature.	Check below if the answer to (i) or (ii) is "yes." <input type="checkbox"/> (i) City has awarded a construction contract for the construction of City Hall at any location within the City Date: Not Applicable <input checked="" type="checkbox"/> (ii) the option to purchase the Option Site has terminated as provided in Section 4.8.1 of Development Agreement No. DA2007-002. Date: 5/27/08 Within 30 days after the earliest of one of the two events listed above, Landowner shall dedicate to City (through the recordation of a grant deed) the open space parcel in Newport Center comprised of approximately 3.18 acres of land area <input checked="" type="checkbox"/> Check this box once the grant deed has been recorded. Date: <u>October 17, 2008</u>
Open Space Dedication	Section 4.6 Paragraph 1	Not specified	Landowner shall, at its sole cost and expense, cause a title company selected by City to issue to City an owner's policy of title insurance for the Open Space Parcel with liability in an amount reasonably determined by City (but not exceeding the fair market value of the Open Space Parcel) showing fee title to the Open Space Parcel vested in City, free and clear of the liens, rights, and encumbrances referred to in Section 4.6 of Development Agreement No. DA2007-002.	<input checked="" type="checkbox"/> Check this box once Landowner, at its sole cost and expense, has caused a title company selected by City to issue to City an owner's policy of title insurance for the Open Space Parcel Date: <u>October 17, 2008</u> Responsible Party: Irvine Company

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Retrofit Sprinkler Systems <p style="font-size: 48px; opacity: 0.5; text-align: center;">COMPLETE 2008</p>	Section 4.9 Paragraph A	The Newport Center Drive system retrofit shall be completed by June 2008.	Landowner shall retrofit the existing sprinkler systems in the Newport Center Drive parkways and medians to low flow technology with the following specifications: (1) The control system must monitor and adjust itself not less than daily, using either evapotranspiration rates for the Corona del Mar microclimate or soil moisture levels monitored at enough locations in the irrigation area as to cover each soil and slope type in Newport Center. (2) The control system must adjust to rain conditions to limit or eliminate watering during rain events. (3) The sprinkler heads must eliminate overspray onto roads, sidewalks, and other hardscape either by using highly targeted heads that only water the plant material or by using a sprinkler-like wicking system, such as the <i>Jardinere</i> system (4) The performance of the sprinkler systems must be monitored on a regular basis. Landowner agrees to install flow meters to detect line and/or sprinkler head breaks when wireless flow meter technology is proven and commercially available.	Check each box below upon implementation of the corresponding low flow technology listed to the left. <input checked="" type="checkbox"/> (1) <input checked="" type="checkbox"/> (2) <input checked="" type="checkbox"/> (3) <input checked="" type="checkbox"/> (4) <input checked="" type="checkbox"/> Check this box once the Newport Center Drive system retrofit is completed. Date: <u>November 1, 2008</u> Responsible Party: Irvine Company
Retrofit Sprinkler Systems <p style="font-size: 48px; opacity: 0.5; text-align: center;">COMPLETE 2009</p>	Section 4.9 Paragraph A	The Fashion Island retrofit shall be completed in phases in conjunction with the water quality enhancements in Section 4.9B of the Development Agreement.	Landowner shall retrofit the existing sprinkler systems in the landscape areas within Fashion Island to low flow technology with the following specifications: (1) The control system must monitor and adjust itself not less than daily, using either evapotranspiration rates for the Corona del Mar microclimate or soil moisture levels monitored at enough locations in the irrigation area as to cover each soil and slope type in Newport Center. (2) The control system must adjust to rain conditions to limit or eliminate watering during rain events. (3) The sprinkler heads must eliminate overspray onto roads, sidewalks, and other hardscape either by using highly targeted heads that only water the plant material or by using a sprinkler-like wicking system, such as the <i>Jardinere</i> system (4) The performance of the sprinkler systems must be monitored on a regular basis. Landowner agrees to install flow meters to detect line and/or sprinkler head breaks when wireless flow meter technology is proven and commercially available.	Check each box below upon implementation of the corresponding low flow technology specification listed to the left. <input checked="" type="checkbox"/> (1) <input checked="" type="checkbox"/> (2) <input checked="" type="checkbox"/> (3) <input checked="" type="checkbox"/> (4) <input checked="" type="checkbox"/> Check this box once the Fashion Island retrofit is completed Date: <u>December 2009</u> Sprinkler retrofit is 100% complete. Responsible Party: Irvine Company

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Fashion Island Water Quality Enhancements	Section 4.9 Paragraph B	Not specified	<p>Landowner commits to expend a minimum of \$1 million to enhance the water quality treatment (which could include bio-filtration, media filtration or other technology) of those surface parking areas of Fashion Island which are not otherwise included within the new development or redevelopment projects.</p> <p>Landowner has full discretion as to the treatment methods utilized and improvement phasing, to ensure that the improvements integrate with the water quality treatment plans of the new development areas.</p>	<p>For the year 2013, indicate the amount expended to enhance the water quality treatment of those surface parking areas in Fashion Island: <u>\$136,048</u> (for 2013) <u>\$983,374</u> (Cumulative Total – see page 17 for additional information) The amount spent above is as of <u>December 31, 2013</u>. Responsible Party: Irvine Company</p>
Fashion Island Water Quality Enhancements	Section 4.9 Paragraph B	Annually. The first report is due by January 18, 2009 (one year after the Effective Date of January 18, 2008).	Landowner agrees to make annual reports to the City regarding the progress of these enhancements including the work performed and the amount expended.	<p><input checked="" type="checkbox"/> Check this box when the 2013 Annual Report is submitted to the City. Date: <u>January 21, 2014</u></p> <p>Maintenance was conducted on the water quality treatment systems. See page 17 for additional information for year 2013. Responsible Party: Irvine Company</p>
Cooperation of Landowner if City Hall Constructed on Property North of Library	Section 4.10 Paragraph 1	If City elects to construct a new City Hall on the property located on the east side of Avocado Avenue, north of the Central Library	Landowner shall cooperate in good faith with City to implement any necessary land use regulations, including zoning amendments, and to release and terminate the use restrictions contained in the deed for the property to allow for and accommodate construction of a new City Hall on that site.	<p><input checked="" type="checkbox"/> Check this box if the City elects to construct a new City Hall on the site north of the Central Library.</p> <p><input checked="" type="checkbox"/> Check this box once Landowner has cooperated in good faith with the City and has released and terminated the use restrictions contained in the deed for the property. Date: <u>May 20, 2008</u> Responsible Party: Irvine Company</p>
Dedication of Lower Castaways	Section 4.11 Paragraph 1	Upon issuance of the First Building Permit	Landowner shall dedicate to City the Lower Castaways site for municipal or municipally sponsored uses allowed under the General Plan's Recreational Marine Commercial designation, such as park, marine educational facility, marine research and conservation facility, or marine and harbor dependent service and support uses and other similar uses in furtherance of the Tidelands Trust.	<p><input type="checkbox"/> Check this box once the first building permit has been issued. Date: Not Applicable</p> <p><input checked="" type="checkbox"/> Check this box once the Lower Castaways site has been dedicated to the City Date: <u>October 17, 2008</u> Responsible Party: Irvine Company</p>

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Dedication of Lower Castaways	Section 4.11 Paragraph 1	Not specified	The property shall have a deed restriction in favor of Landowner which shall restrict the City's use of the property to such uses (listed in the row above), and allow the City to contract with a for profit or non-profit entity to operate certain municipal facilities or to use the property in furtherance of such uses; provided that the City may not transfer the property, by sale or long term lease to any private, for-profit company for any commercial boat marina.	<input checked="" type="checkbox"/> Check this box once a deed restriction has been issued in favor of the Landowner for the Lower Castaways site Date: <u>October 17, 2008</u> Responsible Parties: Irvine Company and the City of Newport Beach

COMPLETE 2008

Ongoing Obligations and Public Benefits

The table below lists ongoing obligations from Irvine Company and additional public benefits resulting from Development Agreement No. DA2007-002 referenced above and as amended in August 2012. Ongoing obligations and public benefits listed in the table below are from various sections of the Development Agreement, not including Section 4, Public Benefits.

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Implement and Document Compliance with AHIP	Section 3	Implementation schedule: * Certificate of use and occupancy for 100 th market rate unit / one-third of required units. * Certificate of use and occupancy for 200 th market rate unit / one-third of required units. * Certificate of use and occupancy for 300 th market rate unit / one-third of required units. Affordable housing agreements will be executed and recorded at each phase identified above for any units constructed on the Child Time site and for designated affordable units in The Bays apartment complex before the point where a certificate of use and occupancy is issued for the related market rate units.	TIC must implement and document compliance with the Affordable Housing Implementation Plan ("AHIP") as amended and adopted in August 2012.	Check the appropriate box once an affordable housing agreement has been executed and recorded for each phase below 100 th market rate unit Date: _____ 200 th market rate unit Date: _____ 300 th market rate unit Date: _____ Responsible Party: Irvine Company
Pubic Benefit Fee	Section 6 (Amendment)	A fee shall be paid for the 431 st unit and all subsequent units at the time the building permit is issued	A total of \$63,000.00 per unit for the additional 94 units approved in 2012 shall be paid. The total payment is \$5,922,000.00	Building permit issuance for units 431 through 524. Date: Payment: Responsible Party: Irvine Company

Type of Fee, Contribution or Dedication	Development Agreement Reference	Timing/Milestone	Payment/Contribution/Dedication	Status
Public Benefit Fee for Parks	Section 7 (Amendment)	Prior to issuance of each building permit a Public Benefit Fee for parks shall be paid on or before July 1, 2013.	TIC shall pay \$26,046.51 per unit for each of the additional 94 residential units added to the NNCCPC.	Amount paid by TIC to City for Public Benefit Fee for Parks: \$ _____ Date: Responsible Party: Irvine Company
Development of Option Site with 72,000 Square Feet of office use	Sections 6.7 and 7.1	TPO approval and compliance with the fair share traffic fee requirements must occur before TIC can develop the Option Site.	Since the City will not be developing the Option Site with 72,000 square feet: TIC must conduct a traffic analysis, provide traffic mitigation in compliance with the Traffic Phasing Ordinance ("TPO"), pay the applicable Fair Share Traffic Fees, and obtain TPO approval from the Planning Commission (appeal goes to City Council) before it can develop the Option Site with 72,000 square feet of office use.	<input checked="" type="checkbox"/> Check this box when TPO approval and compliance is attained Date: <u>August 7, 2008</u> Responsible Party: Irvine Company
Complete Construction of a Third Eastbound Left Turn Lane at the Intersection of MacArthur Blvd. and San Joaquin Hills Road	Section 7.3	No later than the earlier of: (1) the date the City issues the certificate of occupancy for any new development under the First Building Permit (but specifically excluding the building permit for the Parking Structure), or (2) the date that is 60 months after the Effective Date. 60 months after the Effective Date is January 18, 2013 (60 months after January 18, 2008).	Complete construction of a third eastbound left turn lane at the intersection of MacArthur Boulevard and San Joaquin Hills Road (within the existing right of way except for any needed dedication at the southwest corner).	<input checked="" type="checkbox"/> Check this box once lane construction is complete Date: <u>October 2012</u> Responsible Party: Irvine Company
Reimbursement for Bayside Walkway Connection	Section 8 (Amendment)	Payment by Landowner to City within 90 days after receipt of written notice that contract for project construction has been awarded.	No more than \$200,000.00 reimbursement for actual costs for plans, specifications, permits and/or construction.	Amount paid by Landowner to City: \$ _____ Date: _____ Responsible Party: Irvine Company
Annual Review of Compliance with Code Sections	Section 14	First annual review (including an updated tracking chart of built intensity and provision of public benefits) must take place by January 18, 2009 (one year after the Effective Date of January 18, 2008).	The parties must conduct annual review of compliance with California Government Code sections 65865 and 65865.1 and City of Newport Beach Municipal Code §15.45.070. TIC must document the current status of its entitlement use (i.e., a tracking chart of built intensity) and its provision of the public benefits identified in Section 4 of the Development Agreement.	<input checked="" type="checkbox"/> Check this box once the first annual review has taken place Date: <u>January 16, 2009</u> <u>(City Council approval February 24, 2009)</u> Responsible Party: Irvine Company

City Concurrence

By signing below, the City acknowledges its concurrence with the information presented in the Annual Report.

City Acknowledgement

Signature

Date

Title

Annual Report Distribution

A complete Annual Report for North Newport Center shall be completed and distributed no later than January 18 following each prior year to the individuals listed below.

City of Newport Beach
100 Civic Center Drive
Post Office Box 1768
Newport Beach, California 92658-8915
Attn: City Manager

City of Newport Beach
100 Civic Center Drive
Post Office Box 1768
Newport Beach, California 92658-8915
Attn: City Attorney

Irvine Company
550 Newport Center Drive
Newport Beach, California 92660-0015
Attn: Dan Miller

Latham & Watkins LLP
600 West Broadway, Suite 1800
San Diego, California 92101-3375
Attn: Christopher W. Garrett

4.4 Circulation Enhancements to Public Right of Way

Section 4.4 of the North Newport Center Zoning Implementation and public Benefit Agreement requires that individual enhancement projects be established through discussion with the City of Newport Beach Director of Public Works. The table below lists the individual projects resulting from those discussions and the actual or estimated cost for individual project components as of December 31, 2013. Projects 1-4 were completed in 2012. Project 5 was completed in 2013. As shown in the table, the total Irvine Company contribution through a combination of direct construction costs and reimbursement to the city exceeded the established maximum requirement of \$ 2,500,000.

North Newport Center – Circulation Enhancements to Public Right of Way Transportation Improvements Program December 31, 2013 Status Update

Project	Estimated Project Cost ¹	Potential CEC Contribution	Cumulative CEC Total Potential Contribution (Maximum Contribution Limited To \$2,500,000) ²	Remaining CEC Commitment
1. San Miguel Widening and Intersection Improvements (MacArthur to west of Avocado) including: - Signal modifications at MacArthur and Avocado - Relocation of NW corner entry monument and pine tree replacement (Complete 2012)	Contract Cost = \$ 1,355,650 ³ CIOSA Funding = \$ 450,330 Remaining Cost = \$ 905,320	City Reimbursement = \$ 905,320 Additional Costs = \$ 42,888 ⁴ Total Contribution = \$ 948,208	\$948,208	\$1,551,792
2. Upgrade Existing Newport Center Traffic Signals (City Project No. C3002009) including: - Interconnection of Signals - Traffic Signal @ Anacapa/Newport Center Drive (Partial) - Signal Modifications @ San Miguel/Newport Center Drive (Complete) (Complete 2012)	\$920,964 ⁵	\$910,483 ⁶	\$1,858,691	\$641,309
3. Newport Center Drive Parking Revisions (Complete 2012)	\$90,000	\$90,000 ⁷	\$1,948,691	\$551,309
4. Add fourth leg to Center Drive intersection with Newport Center Drive and signalize (Complete 2012)	\$300,000 ⁸	\$354,496 ⁹	\$2,303,187	\$196,813
5. Operational Improvements to streets adjacent to Blocks 500 and 600 of Newport Center Drive (Santa Rosa Revisions - Built by Irvine Company) (Complete 2013)	\$240,828	\$278,838 ¹⁰	\$2,582,025 ¹¹	-0-

¹ As established in Section 4.4 of the 2011 North Newport Center Annual Report

² Per North Newport Center, "Zoning Implementation and Public Benefit Agreement" – Section 4.4 (December 18, 2007)

³ Excluding City contributions of \$125,000 (City Hall costs for Farallon City Hall site entry)

⁴ Direct costs to Irvine Company incurred outside of City Contract

⁵ Based on Contract awarded (6/14/11) including \$51,000 of contingencies

⁶ Per Tony Brine's September 13, 2013 e-mail

⁷ Per \$90,000 final cost, consisting of \$51,200 in contractor costs (per 9/13/13 e-mail from Tony Brine) and \$38,800 spent by Irvine Company on project development and design

⁸ Per Irvine Company documentation

⁹ Per final contract costs provided by Irvine Company

¹⁰ Per Irvine Company's final project cost for design and construction

¹¹ The total amount paid/contribute by Irvine Company, therefore, exceeds the Maximum Contribution by \$85,02.

4.9 B. Fashion Island Water Quality Enhancements – Fashion Island Parking Areas

Fashion Island WQMP Master Plan and Treatment - A master treatment plan has been created for all parking lot surface areas in Fashion Island, taking into consideration timing of development phasing, maximizing treatment potential for non-development areas and implementing construction efficiencies for cost minimization.

Technical oversight on treatment design and selection to meet State Water Quality Treatment requirements utilizing bio-retention, media filtration and other technology was provided by Stantec Civil Engineering, NMG Soil Engineering and Geosyntec Engineering, a leading bio-retention engineering company.

The proposed treatment plan when fully implemented would treat 95% of the parking lot surface areas and 95% of building and hardscape areas. The treatment design will include four bio-retention systems and six media cartridge vault systems designed to treat a total tributary area of 1,687,617 square feet of surface parking area, including 1,539,099 square feet of Non-Development area. An additional 1,283,180 square feet of retail building area, including 1,096,658 square feet of Non-Development area, will be treated as a result of utilization of existing storm line systems. Nineteen percent of non-development tributary area will be treated by bio-retention systems with the remaining 81% treated by media cartridge vault. Additional water quality improvements will occur in future years.

The following tables identify the Non-Development water quality treatment from 2008 through December 31, 2013, and the compliance to date with Section 4.9, Paragraph B of the Development Agreement. Water quality treatment costs in 2013 include maintenance of the water quality treatment systems.

Fashion Island Non-Development Water Quality Treatment – 2013

Location / Name		Tributary Area (sf) ¹	Non-Development Area (sf) ²	Installation Cost	Operational Cost	Total Cost	Total Cost 2008	Total Cost 2009	Total Cost 2010	Total Cost 2011	Total Cost 2012	Total Cost 2013
1	Bldg. B and C	299,623	174,240	\$121,709	-	\$121,709	-	-	-	-	\$121,709	-
3	PS2 Frontage	324,251	16,273	\$10,932	-	\$10,932	-	\$10,932	-	-	-	-
3	Bldg. D	58,735	4,000	\$88,748	-	\$88,748	-	-	-	-	-	\$88,748
4	PS2	160,453	102,727	\$99,020	-	\$99,020	-	\$99,020	-	-	-	-
5,6	Center Drive	406,642	349,787	\$217,957	-	\$217,957	-	-	-	-	\$217,957	-
7,8	Eastside	871,133	432,234	\$282,158	\$250	\$282,408	\$112,961	\$169,447	-	-	-	-
Maintenance		-	-	-	-	-	-	-	\$34,000	\$34,000	\$47,300	\$47,300
Total				\$731,776	\$250	\$732,026	\$112,961	\$279,399	\$34,000	\$34,000	\$386,966	\$136,048

1 This figure represents the total area treated and includes Development and Non-Development areas.

2 This figure represents only the Non-Development parking lot surface areas treated.

Compliance To Date, Section 4.9, Paragraph B – Development Agreement

Commitment	Existing Enhancement	2013 Enhancement	Commitment To-Date	Remaining Commitment
\$1,000,000	\$847,326	\$136,048	\$983,374	\$16,626