

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

CITY CLERK  
CITY HALL  
P.O. BOX 391  
1020 ~~1017~~ MIDDLEFIELD ROAD  
REDWOOD CITY, CA 94064

OFFICIAL RECORDS OF  
SAN MATEO COUNTY  
ASSESSOR-COUNTY CLERK-RECORDER  
WARREN SLOCUM

Recorded at Request of  
CITY CLERK

95-066167 06/29/95 08:38

Recording  
Fee: \_\_\_\_\_

AMICULOB

THIS SPACE FOR RECORDER'S USE ONLY

35 PP

T I T L E   O F   D O C U M E N T

Amended Development Agreement  
(GID 1-64)

95066167

ORIGINAL

AMENDED

DEVELOPMENT AGREEMENT  
(GID 1-64)

THIS AMENDED AGREEMENT, made and entered into this 17<sup>th</sup> day of March, 1995, by and between the CITY OF REDWOOD CITY, a municipal corporation of the State of California ("City"), for itself and on behalf of REDWOOD CITY GENERAL IMPROVEMENT DISTRICT NO. 1-64 ("District") and WESTPORT INVESTMENTS, a California general partnership ("Westport"). This Amended Development Agreement (hereinafter, this "Amended Agreement") supercedes the Development Agreement entitled, "Development Agreement (GID 1-64)", (form date 6/18/85R), between City, District and Westport (the "Agreement").

R E C I T A L S :

THIS AMENDED AGREEMENT is predicated upon the following facts:

A. Westport is the owner of approximately 84.286 acres of vacant land (the "Property") described as Parcels A and B in Parcel Map No. 84-6 located within the City and District and as further described on Exhibit "A", attached hereto and incorporated herein by reference which it proposes to develop.

B. Government Code Sections 65864-65869.5 authorize City to enter into a binding development agreement and City and District desire to enter into such a binding development agreement with Westport for the development of the Property (the "Project").

C. City and District desire that development of the Property and the construction of the public improvements required

95066167

as a result of said development, proceed in a well-planned manner.

D. District is empowered to administer financing and construction of public improvements for the benefit of the lands within District's boundaries.

E. Subject to the provisions of paragraph 5 below, it is agreed that District and/or City shall timely construct and fund off-site improvements in sufficient quantities as the parties agree are reasonably necessary for the full development of the Project, with the exception of the off-site improvements set forth in Exhibits "B" and "C", attached hereto and incorporated by this reference, which improvements shall be funded and constructed by Westport.

F. City and District acknowledge receipt of payment from Westport of a Facilities Fee (hereinafter in paragraph 5 described) with respect to the Property on December 31, 1984, in the total sum of One Million Six Hundred Thousand Dollars (\$1,600,000.00), which represents the full and final payment of Westport's calculated share of the Facilities Fee, which was, or will be, used by District to construct off-site improvements within District, in accordance with District's past and existing Facilities Fee program. Such improvements may include, without limitation, roads, water systems, roadways, sanitary sewers, storm sewers, utilities, traffic signals, curbs, gutters, sidewalks, parks, amenities, recreational areas, landfill and bridges.

95066167



Handwritten signature in blue ink, possibly reading 'EPR', located in the bottom right corner of the page.

95066167

G. District and City agree that Westport may make revisions in the Specific Plan for the Project involving the number of buildings (not to exceed 20 buildings), building height dimensions (not to exceed 3 stories plus mechanical equipment and/or equipment screening), location of buildings on the site, building footprint shapes and dimensions, exterior elevation appearances, etc., to meet tenant requirements that Westport deems necessary, subject to the approval of City's Planning Commission (which approval will be promptly considered and not unreasonably withheld), as long as the Project's total density of 980,000 square feet is not exceeded and without additional extractions or obligations being imposed on Westport by City and/or District. Minor architectural revisions to the Specific Plan including, but not limited to, the location of tenant exterior doors, sidewalks leading from exterior doors, and screening of mechanical equipment may be made solely with the approval of City's Planning Director, who shall promptly consider such revisions and shall not unreasonably withhold such approval. City agrees to cooperate with Westport and use its best efforts to accommodate Westport and its tenant site needs, realizing that Westport needs flexibility in making site and tenant modifications. It is also agreed that the Project can be constructed in stages over various intervals of time.

H. District and City agree that, so long as Westport develops the Property in accordance with the time limitations hereinafter set forth, Westport's development plans to build a total building square footage of 980,000 square feet of floor



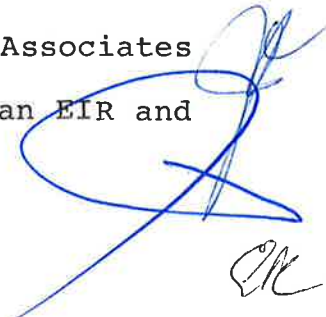
ER

space shall not be diminished despite the increased burden which may be created on public facilities, including, without limitation, roads, water systems, roadways, sanitary sewers, storm sewers, utilities, traffic signals, curbs, gutters, sidewalks, parks, amenities, recreational areas, landscaping, land fill and bridges, and other off-site improvements as a result of the construction of other developments, as determined by District and City.

I. City has determined that the provisions of this Amended Agreement are consistent with City's General Plan and with the Specific Plan (dated December 9, 1994), pertaining to the Project.

J. An Environmental Impact Report ("EIR") labeled "Proposed Amendment of the General Plan for Parkwood 101, Ltd. Properties", was certified by City's Planning Commission on November 4, 1975, and on December 6, 1983, the Planning Commission determined that the previous EIR, updated by the Soils Report dated September 16, 1983 and the Traffic Study dated September 14, 1983, was adequate and that no further environmental assessment was required for the specific project described in the EIR. In addition to the aforementioned environmental assessment, the Planning Commission has received, reviewed and approved the Cumulative Traffic Impact Study of the Redwood Shores Peninsula prepared by Barton-Aschman Associates, Inc., dated March 13, 1985. Further traffic studies were conducted, as evidenced by the "Transportation Planning Study for Redwood Shores/101 Corridor" prepared by Crain & Associates and dated November, 1987. In 1988, the City prepared an EIR and

95066167



certified same (Final Environmental Impact Report, Nov. 1988). As part of the EIR certification, the City Council requested that a Health Risk Assessment (Draft Supplemental Environmental Impact Report [Health Risk Assessment] Westport Development Project, McClaren, October, 1989) be prepared. In June 1994, McClaren prepared a Technical Addendum to the Supplemental Environmental Impact Report which reported no significant changes.

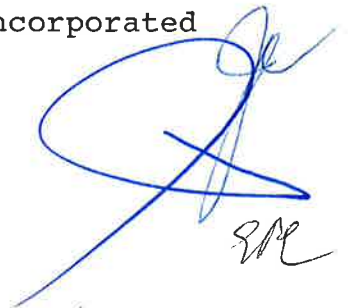
K. Pursuant to Ordinance No. 2087, adopted March 13, 1995, City's City Council approved this Amended Agreement for development of the Property.

L. City has agreed to cooperate and use City's best efforts to accommodate Westport in promptly issuing building permits necessary for the development of the Property as complete plans are submitted for the Project in accordance with zoning and other City ordinances pertaining to the Project that exist on the date of execution of this Amended Agreement. City agrees that City will not change said zoning for the Property and that the rules and regulations and official zoning and planning policies of City in force as of the date of execution of this Amended Agreement shall govern the Project, except by mutual consent of the parties to the contrary.

M. City agrees that Westport has no obligation to build the Project or any part thereof.

NOW, THEREFORE; the parties hereto do hereby agree as follows:

1. RECITALS. The recitals set forth above are incorporated herein by reference as though set forth in full.

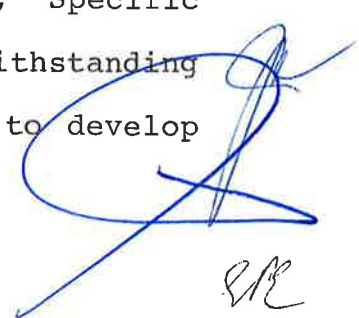


2. TERM. The term of this Amended Agreement shall commence on the effective date of the ordinance approving it, and shall continue for a period of fifteen (15) years from the date thereof, subject to the annual review described in paragraph 12. The term of this Amended Agreement shall also be subject to the construction completion of the specific on site street and utility improvements set forth in Exhibit "D", attached hereto and incorporated herein by reference, by September 11, 2000, as long as approvals to construct these improvements and adjacent site and building improvements are timely granted by all governmental agencies having jurisdiction over the planned improvements and the Project.

3. THE PROPOSED DEVELOPMENT. (a) The real property to be developed, exclusive of the facilities which have been or will be constructed by City and/or District, which is the subject of this Amended Agreement includes all that real property owned by Westport as of the effective date of this Amended Agreement as shown on Exhibit A, which property is located entirely within City's and District's boundaries.

(b) The Project shall have a "campus" atmosphere with not more than 20 buildings in number, which shall not exceed three (3) stories in height and shall not exceed a total building square footage of 980,000 square feet of floor area, subject to the provisions of Recital G. The proposed development is more specifically described on those land use maps entitled, "Specific Plan for Westport" dated December 9, 1994. Notwithstanding anything contained herein, Westport is not obligated to develop

95066167



the Property and may develop the Property in stages as Westport desires.

4. THE PROPOSED PUBLIC FACILITIES. (a) General. Certain public improvements ("Facilities") have been, or must be, constructed as a result, and for the benefit, of the development of all properties within District's boundaries, including the Property. The Facilities consist of all public improvements determined by District and City to be of benefit to the Property and other properties within District's boundaries and include all, but are not limited to, the improvements shown on Exhibits B and C. The parties agree that the cost to construct the Facilities labeled as, "Developer's Responsibility" on Exhibits B and C shall be borne by Westport. The parties agree that the cost to construct all other Facilities shall be borne by City and/or District, provided that City and/or District may, at the sole discretion, of each of them, transfer their obligations, if there are any, to others (except Westport). If any such obligation is transferred, City and/or District shall remain responsible for the performance thereof if the transferee fails to perform such obligation. City and District agree that, as a result of the receipt of Westport's Facilities Fee as set forth in Paragraph 5(a), City and District will, at no further cost to Westport other than set forth in this Amended Agreement and more particularly in Recital E hereinabove, timely fund and commence construction of the facilities necessary for the full development of the Property.

95066167



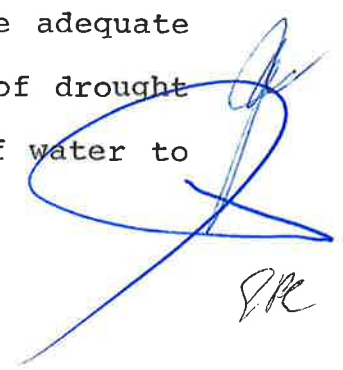
Handwritten signature in blue ink, possibly reading 'DPR'.

95066167

(b) Redwood Shores Development Agreement. The parties hereto acknowledge that the Property comprises only a portion of the total real property located within District's boundaries, development of which will require, and benefit from, the construction of Facilities, and that certain real property within District, other than the Property, is presently the subject of a development agreement between City, District and Redwood Shores, Inc., dated June 16, 1982, as amended (the "Redwood Shores Agreement"). Determination of the need for said Facilities, the cost of construction thereof, and the proportionate share of such cost to be borne by the owners of real property in the District, has been, and is currently being, made by the Facilities Fee Committee established pursuant to the aforementioned Redwood Shores Agreement, with approval of City's City Council. The Facilities Fee which Westport has prepaid to City was computed in accordance with the policies established by the aforementioned Redwood Shores Agreement, and Westport will have no further obligation to pay such Facilities Fee, except such traffic assessments as may in the future be assessed in accordance with the provisions of Paragraph 5(d).

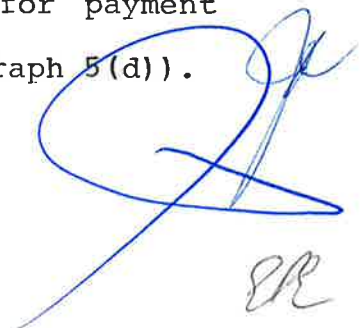
(c) Westport Project.

- (1) The off-site Facilities which have been or will be timely constructed and paid for by City and/or District pursuant to this Amended Agreement shall include, but are not limited to: improvements to provide adequate water supply (provided however, if because of drought or other climactic conditions, the supply of water to



all other existing and future water users in the City is reduced or limited because of City-wide restrictions, then the supply of water to Westport shall likewise proportionately be reduced or limited) to the Property at Bridge Parkway and to the intersection of Marine Parkway and Island Drive, all necessary offsite traffic signals, public roadways and public roadway improvements to the Westport property at Bridge Parkway, Island Drive and Shell Parkway (except those specific off-site improvements labeled as "Developer Responsibility" set forth in Exhibits B and C), and a gravity or force main at the intersection of Marine Parkway and Island Drive for sanitary sewer purposes, storm drainage mains at Bridge Parkway, Shell Drive and at the intersection of Marine Parkway and Island Drive plus other facilities needed for the full development of the Project and in addition, those Facilities which are determined by District to be of benefit to District or the Property. City and/or District agree that the Facilities described in this paragraph shall be sized sufficiently (subject to the limitations of Paragraph 10) to serve the needs of the Project and that Westport may connect to these facilities (subject to the limitations of Paragraph 10) without further obligation from Westport for payment thereof (subject to the provisions of Paragraph 5(d)).

05066167



Handwritten signature in blue ink, possibly reading 'ER'.

(2) City, District and Westport agree that all off-site water systems, storm systems, sanitary sewers, roadways, bridges and wastewater treatment plants which will serve the Property have already been or will be constructed, are presently available or will be timely available, and will be reserved as aforementioned to accommodate Westport's full intended development of the Project in accordance with the Specific Plan without further obligation from Westport for payment thereof except as provided in Paragraphs 5(d) and 10.

5. FEEES AND FACILITIES CHARGE. (a) Pursuant to, and in consideration of the rights to develop the Property pursuant to this Amended Agreement, City and District agree that Westport has prepaid to District in cash on December 31, 1984, a total Facilities Fee in the amount of One Million Six Hundred Thousand Dollars (\$1,600,000.00) which represents, except as otherwise specified herein, the full and final obligation and payment due to District for all Facilities Fees for Facilities required for a build-out of 980,000 square feet of useable building area.

(b) The Facilities Fee imposed pursuant to paragraph 5(a) is separate from, and in addition to, any other governmental fees or costs in effect as of September 11, 1985, for building permit fees and application fees for various governmental approvals; provided, however, that the Facilities Fee, except as otherwise hereinafter set forth in paragraph 5(e) of this Amended Agreement, shall be in full payment (subject to the limitations of paragraph 10) for, and in lieu of, any other fees, costs or



impositions for the purpose of financing the construction, or for the provision of, the Facilities (i.e., Sewer System Capital Facilities Fee, Wastewater Treatment Capacity Fee, Water System Capital Facilities Fee, Storm Drainage System Capital Facilities Fee, etc.).

(c) The obligations imposed by this Amended Agreement, including, but not limited to, the obligations imposed by this paragraph, shall be considered covenants running with the lands described in Paragraph 3 and more particularly in Exhibit A hereof in accordance with the provisions of Section 1460, et seq., of the Civil Code of the State of California, and shall be binding upon all successive owners of such lands during the term of this Agreement, as provided in Section 65868.5 of the Government Code of the State of California. Upon execution hereof, City shall submit this Amended Agreement for recordation in the Office of the County Recorder of San Mateo County.

(d) Westport shall be required to participate in an assessment district pursuant to the Improvement Act of 1911 (the "1911 Act", Sts. & Hwys. Code §5000, et seq.); the Improvement Act of 1913 (the "1913 Act"; Sts. & Hwys. Code §§10000 et seq.); the Benefit Assessment Act of 1982 (the "1982 Act"; Gov't. Code §§54703, et seq.); and/or other fair share funding mechanisms which include all existing and future Redwood Shores non-residential developments on an equitable and benefit basis for the construction of off-site traffic mitigation improvements. In pursuance of the foregoing, Westport hereby waives objection or protest to the formation or establishment of any such district

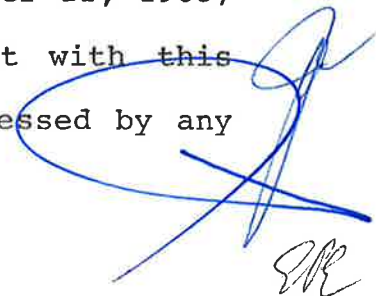
95066167



or mechanism; provided, that Westport hereby reserves its right to protest the amount of any such assessment, fee or charge, the formula therefor or the extent or design of the improvements to be constructed thereby; provided, further, that the Property shall not be included in any such assessment district formed to construct improvements to streets located easterly of the intersection of Twin Dolphin Drive with Marine Parkway. In no event shall any mitigation result in a cessation or postponement of construction, or alteration or reduction of development on the Westport project as the same is contemplated or permitted by this Amended Agreement or the Specific Plan for the Westport project.

(e) Subject to terms and conditions of this Amended Agreement, fees which Westport shall be obligated to pay to City or District, in addition to the Facilities Fee which has already been paid in full as described in paragraph 5(a), during the term of this Amended Agreement as construction proceeds shall include those fees which were established by City ordinance prior to September 11, 1985; any and all fees, charges or assessments made or levied by City which are applicable to all properties within City's boundaries so long as such fees, charges or assessments are not made or levied for the purpose of financing the construction of, or for providing, any of the Facilities or which otherwise correspond to, or are in lieu of, the Facilities Fee paid by Westport pursuant to paragraph 5(a) or are duplicative of those fees established by ordinance prior to September 11, 1985; such fees, charges, or assessments not in conflict with this agreement; and those fees which are mandated or assessed by any

95066167



other governmental agencies and collected through City. It is understood that the fees which were established by ordinance prior to September 11, 1985 include: (1) normal plan check and permit fees assessed by City's Building, Fire and Engineering Departments, (2) hauling permit fees (for import fill), (3) water meter fees for irrigation, domestic, fire service and temporary hydrant use, and (4) normal Planning Department application fees. Rates for such fees shall be the rates in effect at the time an application is received or a permit is issued by the City except that the hauling permit rate for the first 200,000 cubic yards of import fill shall be charged at the September 11, 1985 rate. It is further understood that Engineering Department plan check and permit fees shall only be assessed on: (1) the construction of improvements which will be maintained by City and (2) the Westport-owned fire service lines and post indicator valve, detector check and by-pass meter devices between City-owned lines and the buildings. By reason of payment of the Facilities Fee described in paragraph 5(a), Westport shall not be obligated to pay (i) any fees for connection to City water mains (except fees or charges to defray City's costs to install public meters and connect the meters to said water mains), sanitary sewerage mains, and storm water drainage lines, and (ii) fees, assessments or impositions for the purpose of financing the construction of the Facilities, (i.e., Sewer System Capital Facilities Fee, Wastewater Treatment Capacity Fee, Water System Capital Facilities Fee, Storm Drainage System Capital Facilities Fee, etc.).

95066167



6. CONSTRUCTION OF THE FACILITIES. (a) City and District shall construct, or cause to be constructed, the Facilities which they have agreed to construct (including design, construction, bonding, insurance, plan check/permit fee and inspection costs) in accordance with the terms and conditions hereof. City and District may, at their option, contract for engineering, architectural, and other technical services to aid in the preparation and administration of the construction projects. Any and all such work connected with the Project may be performed by City and District's own employees.

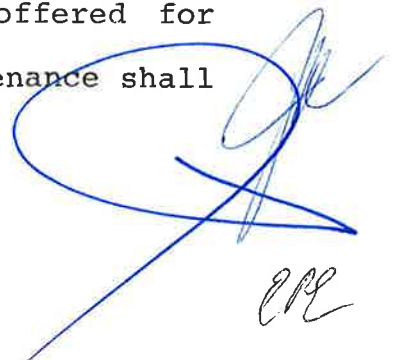
(b) Westport shall construct, or cause to be constructed, those Facilities (specifically identified in Exhibits B and C, for which they have cost responsibility (including design, construction, bonding, insurance, plan check/permit fee and inspection costs) in accordance with the terms and conditions hereof. Westport shall employ the services of a qualified, registered (in the State of California) civil engineer, to design Facilities for which Westport has cost responsibility.

(c) Design of all Facilities shall be in accordance with City standards for public improvements. Construction of all of the Facilities shall be performed in accordance with the plans and specifications therefor and in a manner satisfactory to the City Engineer.

7. ON-SITE IMPROVEMENTS; DEDICATIONS.

(a) All on-site improvements which are not offered for dedication to City for ownership, operation and maintenance shall be constructed by Westport at its sole cost.

95066167

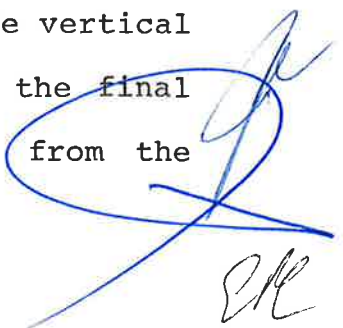


(b) All on-site improvements not located over or "Near Refuse" (hereinafter defined) which are planned to be offered for dedication to City for ownership, operation and maintenance shall be designed, constructed and inspected in accordance with "City standards" for public improvements by Westport at its sole cost.

City's acceptance of any offer of dedication of any on-site improvements not over or Near Refuse shall be subject to design and construction thereof in conformance with City's approved standards, specifications and requirements pertaining generally to the design and construction of subdivision improvements within District's boundaries, for lands not used, or formerly used, for the deposit or disposal of refuse. City shall accept offers of dedication of on-site improvements not constructed over or Near Refuse; provided, that said acceptance shall be governed by the provisions of City's subdivision ordinance in effect as of the date of this agreement.

95066167

(c) Any offer of dedication of any on-site improvements located over or Near Refuse shall be subject to design and construction thereof in conformance with "City standards" to be formulated by City's City Engineer and approved by City's City Council. Westport acknowledges that City has not yet established "City standards" which will be applicable to the Project for on-site dedicated improvements located over or Near Refuse. (The term, "Near Refuse", as used in this Paragraph 7 means that area between the vertical plane of the edge of refuse and the vertical plane through a point located at the intersection of the final ground surface and a 1:1 slope line extending away from the



horizontal edge of refuse upward to the surface. The foregoing definition, and the terms therein used, are depicted on Exhibit "E" hereof, attached hereto and by this reference incorporated herein). Acceptance of offers of dedication of any on-site improvements over or Near Refuse shall be at the discretion of City's City Council, which offers shall promptly be considered; provided, that: (i) said acceptance shall be governed by the provisions of City's subdivision ordinance in effect as of the date of said offers; (ii) all such improvements shall have been designed and constructed in accordance with the aforesaid City standards applicable to on-site improvements located over or Near Refuse; and (iii) said acceptance shall be subject to the terms and conditions of an indemnification agreement relating to the consequences of the location of said improvements.

95066167

(d) Subsequent to the construction of the on-site improvements referenced in Paragraph 7(a) above, Westport shall consider the possible dedication of such on-site improvements, but shall not be obligated to dedicate same including, without limitation, for ownership, operation and maintenance by City, the following: (i) extension of Island Drive and extension of Bridge Parkway, (ii) water mains, (iii) major sewage collection system including pump station, and (iv) major storm drainage collection system, including pump station. If Westport offers for dedication such on-site improvements to City, and City accepts such dedication, City shall operate and maintain such facilities as like facilities within City's boundaries. Specific improvements planned to be dedicated to the City for ownership,



operation and maintenance shall be shown in the Specific Plan. Any additions to the scope of improvements planned for dedication (as shown in the Specific Plan) to City by Westport shall be subject to approval of the City Council, consideration of which shall be promptly made.

8. LAND USE; DENSITY; PUBLIC DEDICATIONS. (a) City agrees that Westport may fully use and develop the Property consistent with the permitted uses for the Property including the density and intensity of such uses described in Paragraph 3(b), subject to the terms and conditions of the Specific Plan dated December 9, 1994, and this Amended Agreement, and that the proposed land use for the Property is consistent with City's General Plan, and with the Specific Plan pertaining to the Project.

95066167

(b) City agrees that the density or intensity of the proposed land uses set forth in Paragraph 3(b) of this Amended Agreement and as described in the Specific Plan are consistent with City's Zoning Ordinance. The Zoning Ordinance in effect on the date of execution of this Amended Agreement, the provisions of Paragraph 3(b) of this Amended Agreement, the Specific Plan pertaining to the Property and other provisions of this Amended Agreement shall control the permitted maximum height and size of buildings for all proposed uses.

(c) City agrees that during the term of this Amended Agreement, the provisions of the Zoning Ordinance, General Plan and Specific Plan pertaining to the Property shall be those provisions in effect on the date hereof; provided however,



Westport may apply to City for changes to the Zoning Ordinance, General Plan and Specific Plan during the term of this Amended Agreement and City agrees to process Westport's such requests and applications in a timely manner.

(d) City agrees that the rules, regulations, and official policies governing design, improvements, and construction standards and specifications applicable to the development of the Property, shall be those rules, regulations, and official policies in force as of the date of execution of this Amended Agreement except building and fire codes which may be amended during the term of said Agreement to include those current editions adopted by City; provided, however, City may at any time during the term hereof apply new rules, regulations or policies to the Property which are not in conflict with those in effect on the date of execution hereof and the provisions hereof; provided, further, that Westport may apply to City for changes to said rules, regulations or policies during the term hereof, and City agrees to process Westport's such requests and applications in a timely and reasonable manner. Notwithstanding the above, City agrees that construction standards for privately owned on-site parking lots, roadways and utility improvements may be designed to generally accepted engineering practices within the San Francisco Bay Area. The Specific Plan has identified those standards.

(e) City agrees that it shall use its best efforts timely to process building permit applications and other permits, applications, and similar documents related to the on-site and



off-site development of the Property and construction of the Project.

(f) City and District agree that they shall use their best efforts timely to perform tests, construct off-site improvements and inspect on-site improvements.

(g) Westport is aware that City and/or District may have a gap in their long-term flood protection system envisioned for adjacent Redwood Shores properties (in the vicinity of Bridge Parkway). Without accepting any responsibility or liability whatsoever for the design, construction or performance of any part or portion of a flood protection system for adjacent Redwood Shores properties, Westport agrees, at City's option, to import and place on-site a quantity of suitable quality fill material, not to exceed 1000 cubic yards, as a part of Westport's Project construction. City's City Engineer shall specify compaction requirements and designate the location for placement of said 1000 cubic yards of fill material, so long as such location is consistent with the development of the Project as described in the Specific Plan. The placement of said 1000 cubic yards of fill shall be scheduled to occur concurrently with the import fill operations conducted by Westport for the remainder of the Property. By Westport's placement of said material on Westport's Property, Westport shall accept no responsibility or liability for failure thereof to serve City's intended purpose therefor.

//  
//



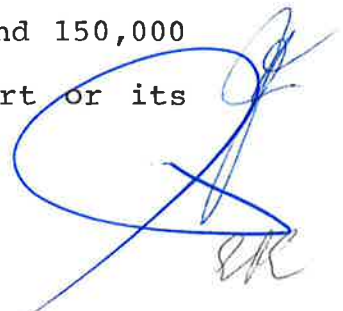
ER

95066167

9. SHUTTLE SERVICE. Westport or its tenants shall provide a shuttle service to transport employees who work on the Property to and from a CalTrain station. Such service shall begin upon the occupancy of fifty percent (50%) of the leasable space and shall continue throughout the economic life of the Project; provided that such service may be discontinued upon a determination by City's City Council, evidenced by motion duly made and carried, that an alternative means or method of reducing vehicular traffic trips to and from the property, in an amount corresponding to, or greater than, that amount reduced by said shuttle service has been implemented. Westport shall promote the shuttle service or alternative therefor and attempt to meet passenger demand.

In lieu of the requirement set forth in this Paragraph, Westport may participate with the existing shuttle service that serves other commercial properties in Redwood Shores.

10. WATER; SEWER; AND DRAINAGE. (a) Westport currently owns sanitary sewerage capacity of 100,000 gallons per day, but Westport estimates that such capacity will be insufficient for total development pursuant to this Amended Agreement. City agrees to make available upon request and to sell additional sanitary sewerage capacity to Westport (or its tenants), up to 50,000 gallons per day, as needed, for the same price City pays for capacity from the South Bayside System Authority ("SBSA"), for a period of fifteen years from the date of this Amended Agreement. Additional sanitary sewerage capacity beyond 150,000 gallons per day (if required and requested by Westport or its

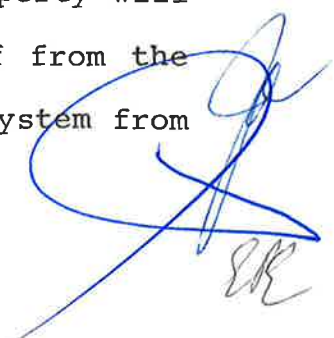


95066167

tenants) shall be purchased or leased by Westport (or its tenants) on the open market. City shall not, in any way, be obligated to provide Westport (or its tenants) with sewerage capacity beyond 150,000 gallons per day but shall use its best efforts to assist Westport (or its tenants) in obtaining any additional capacity Westport deems necessary from the SBSA. Should the utilization of extra sewerage capacity beyond the 100,000 gallons per day result in City sanitary sewer pump stations between Westport and the SBSA plant exceeding their design capacity, Westport agrees to pay City or District for Westport's pro-rata share of reasonable costs necessary to increase pump sizes to accommodate increased flows resulting from the Project. "Pro-rata share" shall mean the percentage of peak flow attributable to the Project, as determined by a study to be conducted in connection with the modification or replacement of the pumps.

(b) City agrees timely to supply water (subject to Paragraph 4(c)(1) of this agreement) for new construction when and as needed to Westport, in sufficient quantities to serve the needs of the Project, including, without limitation, potable usage, fire suppression and landscaping usage, for a period of fifteen (15) years from the date of this Amended Agreement. Westport shall be required to pay for water consumption at the same rates as other water users in the City.

(c) City agrees that storm drainage from the Property will be discharged into Belmont Slough, except that runoff from the Property may be discharged into City's Storm Drainage System from



95086167

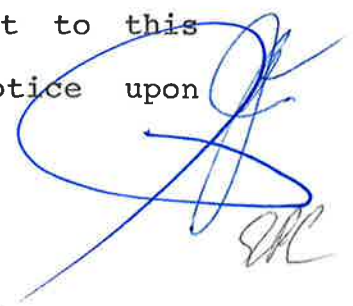
an area equal to the area of the Property from which stormwater is currently discharged into City's Storm Drainage System; provided, that the on-site storm drainage improvements that are constructed to serve said area shall be designed to be above the "clay cap" (that clay cover required by the laws of the State of California over closed landfills) in those areas underlain by refuse. City agrees that no municipal fees relating to storm drainage shall be charged to Westport for the portion of the Property which discharges storm water into Belmont Slough. If Westport is prevented from discharging storm water into Belmont Slough for reasons other than water cleanliness, City agrees to allow Westport to discharge storm water from the Property into City's storm drainage system; provided however, that (1) the inclusion of such storm drainage discharge into City's storm drainage system does not jeopardize City's rights to discharge water from the Redwood Shores lagoon system into Belmont Slough; (2) such discharge shall not violate any local, state or federal laws or regulations; (3) Westport shall have made reasonable efforts, and have been denied the right, to discharge storm water into Belmont Slough. If Westport discharges storm drainage water into City's system, Westport agrees to meet City regulations for any and all storm drainage discharge into City's system. Westport shall, prior to the commencement of construction of the storm drain system, attempt to obtain all necessary permits and/or approvals to discharge on-site storm drain water through outfalls to the Belmont Slough.



(d) City agrees to allow leachate from the sanitary landfill on the Property to be discharged into the City/District sewage collection system if discharge requirements, in effect as of the date of this Amended Agreement, for the leachate are met.

11. OTHER AGENCY APPROVALS. Notwithstanding any other provision of this Amended Agreement, Westport shall be responsible for obtaining all permits and approvals as may be required by other governmental entities for the development of the Property. City agrees to cooperate with Westport in obtaining any necessary permits and approvals. Such approvals may include, but shall not be limited to, those required by the San Francisco Bay Conservation and Development Commission, the San Francisco Bay Regional Water Quality Control Board, the San Mateo County Department of Health Services and the South Bayside System Authority. City does not warrant, but represents that it has no knowledge of, any such approvals other than those that have already been disclosed to Westport.

12. ANNUAL REVIEW. Pursuant to the provisions of Government Code Section 65865.1, the parties hereto shall, on an annual basis, review the good faith compliance by Westport with the terms of this Amended Agreement. If as a result of such review, City determines, on the basis of substantial evidence that Westport or its successors-in-interest, have not complied in good faith with the aforementioned terms and conditions, City may thereafter exercise its remedies as set forth in Government Code Section 65864 et seq., and elsewhere, with respect to this Amended Agreement after first serving written notice upon



Westport of such determination and giving Westport a reasonable opportunity to cure any defaults or breaches of the aforementioned terms and conditions.

13. AMENDMENTS. This Amended Agreement may be amended by mutual consent of all parties, confirmed by ordinance of City's City Council, at a public hearing for which notice has been given in accordance with Government Code Section 65867.

14. ASSIGNMENT, SUCCESSORS. Nothing herein shall prevent Westport from conveying all or a part of, its interest in the Property to a buyer, assignee(s), or such other nominee(s) as Westport may elect. This Amended Agreement shall be binding upon, and inure to the benefit of, the respective assigns, heirs, successors and legal representatives of the parties.

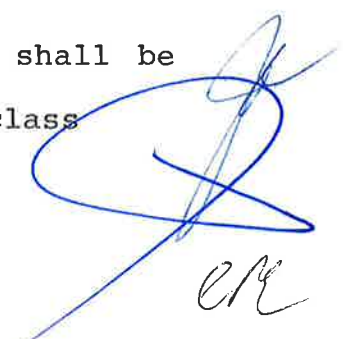
15. NOTICES. (a) All notices, demands and requests which may be, or are required to be, given or made by any party to the other parties shall be in writing. All notices, demands and requests to Westport shall be deposited with the United States Postal Service, first class postage pre-paid, addressed to Westport as follows:

Westport Investments  
Post Office Box 1120  
Redwood City, CA 94063

Peery/Arrillaga  
Suite 101  
2560 Mission College Boulevard  
Santa Clara, CA 95054

or to such other addressee and at such other place as Westport may from time to time designate in written notice to all parties herein.

(b) Likewise, all notices, demands and requests shall be deposited with the United States Postal Service, first class postage pre-paid, addressed to City as follows:



City of Redwood City  
City Hall  
1017 Middlefield Road  
Redwood City, CA 94063  
Attn: City Manager

or to such other addressee and at such other place as City may from time to time designate in written notice to all parties herein.

(c) All notices, demands and requests to District shall be deposited with the United States Postal Service, first class postage pre-paid, addressed to District as follows:

Redwood City General Improvement  
District No. 1-64  
City Hall  
1017 Middlefield Road  
Redwood City, CA 94063  
Attn: Manager

95066167

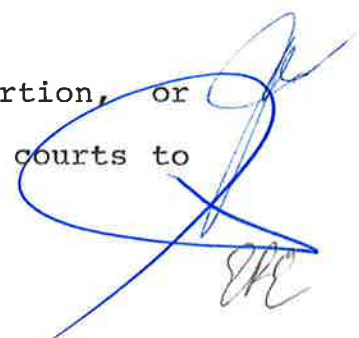
or to such other addressee and at such other place as District may from time to time designate in written notice to all parties herein.

16. PARAGRAPH HEADINGS. The headings of paragraphs herein are used for convenience only and shall not affect the meaning or interpretation of the contents hereof.

17. APPLICABLE LAW. The laws of the State of California shall govern the interpretation and enforcement hereof, and the conduct of the parties hereunder.

18. TIME IS OF THE ESSENCE. Time is expressly declared to be of the essence in this Amended Agreement and of all terms, covenants, agreements, obligations and conditions expressed herein.

19. SEVERABILITY. Should any part, term, portion, or provision of this Amended Agreement be decided by the courts to



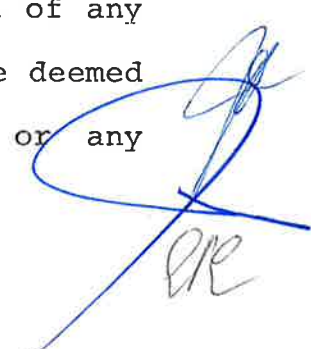
be illegal or in conflict with any law of the State of California or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions shall be deemed severable and shall not be affected thereby; provided, such remaining portions or provisions can be construed in substance to constitute the agreement that the parties intended to enter into in the first instance.

20. INTERPRETATION. The language in all parts of this Amended Agreement shall in all cases be construed as a whole according to its fair meaning, and not strictly for or against any party. All parties hereto have equally participated in the preparation of this Amended Agreement. The term "assign" shall include the term "transfer". The plural shall include the singular, and the singular the plural. One gender shall include all genders.

21. ENTIRE AGREEMENT AND AMENDMENTS. This instrument, together with any exhibits and schedules hereto, constitute the entire Amended Agreement between the parties relative to the subject matter contained herein. This Amended Agreement may be altered, amended or revoked only by an instrument in writing signed by the parties. No representation(s) whatsoever has (have) been made relative to the subject matter contained herein except as are expressly stated in writing in this Amended Agreement.

22. WAIVER. The waiver by any party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any

95066167



subsequent breach of the same or any other term, covenant, or condition therein contained. No custom or practice which may develop between the parties hereto during the term hereof shall be deemed a waiver of, or in any way affect, the right of any party to insist upon performance and observance by the other party in strict accordance with the terms hereof.

23. REMEDIES. Each party may exercise all remedies cumulatively, or in the alternative. All remedies herein conferred shall be deemed cumulative and no one remedy shall be exclusive of any other remedy herein conferred or created by law.

24. ATTORNEY FEES. In any action between the parties to enforce any of the terms of this Amended Agreement or an action in any way pertaining to this Amended Agreement, the prevailing party shall be entitled to recover all legal expenses and costs, including reasonable attorneys' fees, as may be awarded by the court.

//

//

95066167





95066167

EXHIBIT "A"

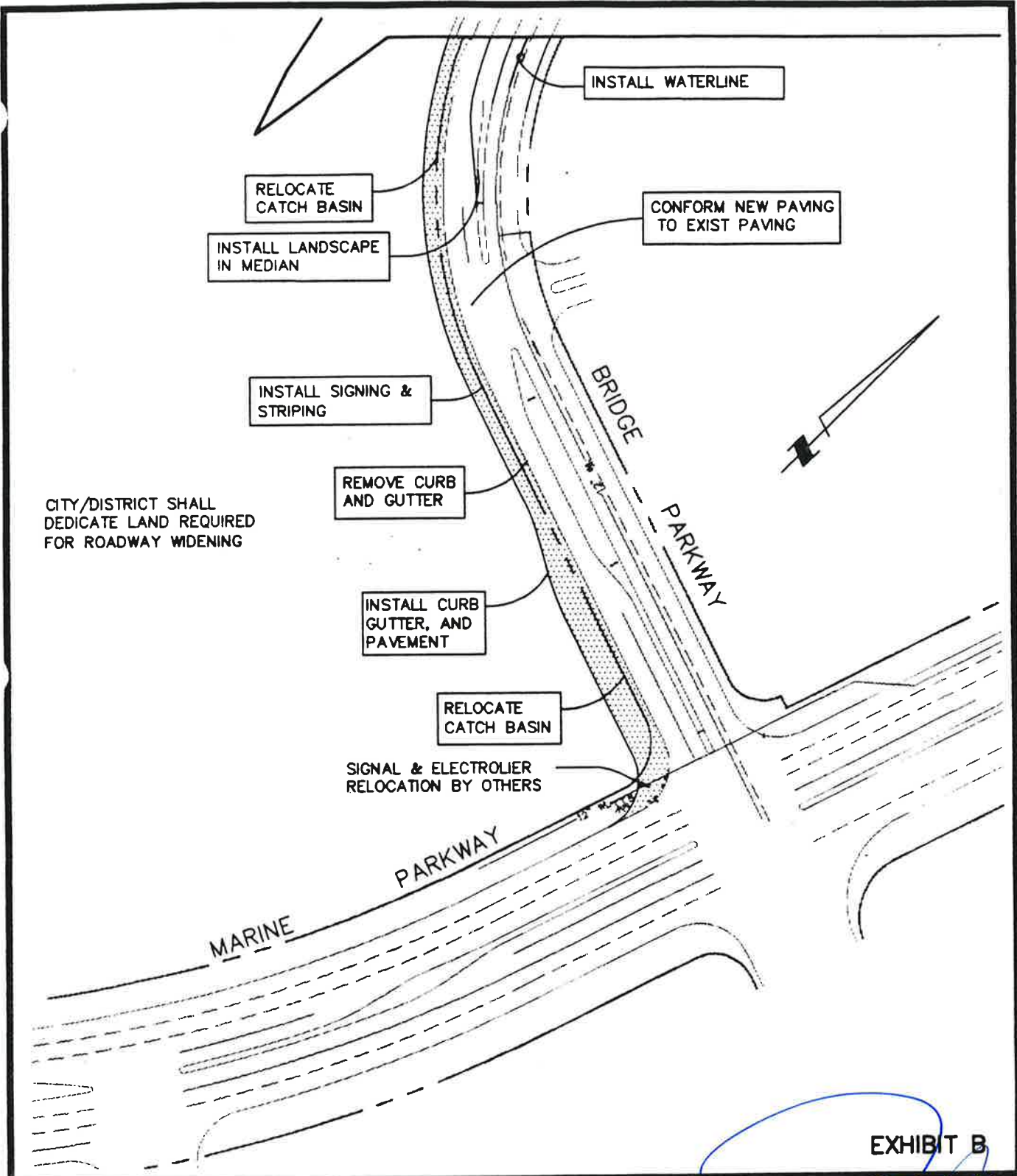
Parcels A & B. as shown on that certain map entitled "Parcel Map 84-6 being a subdivision of patent Parcel II as shown on the record of survey recorded in Volume 8 of maps at page 123, San Mateo County Records and lying entirely within the City of Redwood City, California", which map was filed in the office of the County Recorder of San Mates County, State of California, on June 28, 1984 in Book 54 of Parcel Maps, pages 72 and 73.

APNS:	095-012-150	JPNS: 095-001-010-03-A
	095-012-220	095-001-010-43-A
	095-012-270	095-001-010-47-A
	095-012-280	095-001-010-47.02-A



A large, stylized handwritten signature in blue ink, possibly reading 'J. R. ...', is written over the bottom right portion of the text. Below the signature, the initials 'SAC' are written in black ink.

95066167



CITY/DISTRICT SHALL DEDICATE LAND REQUIRED FOR ROADWAY WIDENING

EXHIBIT B

### DEVELOPER RESPONSIBILITY IMPROVEMENTS BRIDGE PARKWAY



**BOHLEY  
MALEY  
ASSOCIATES**

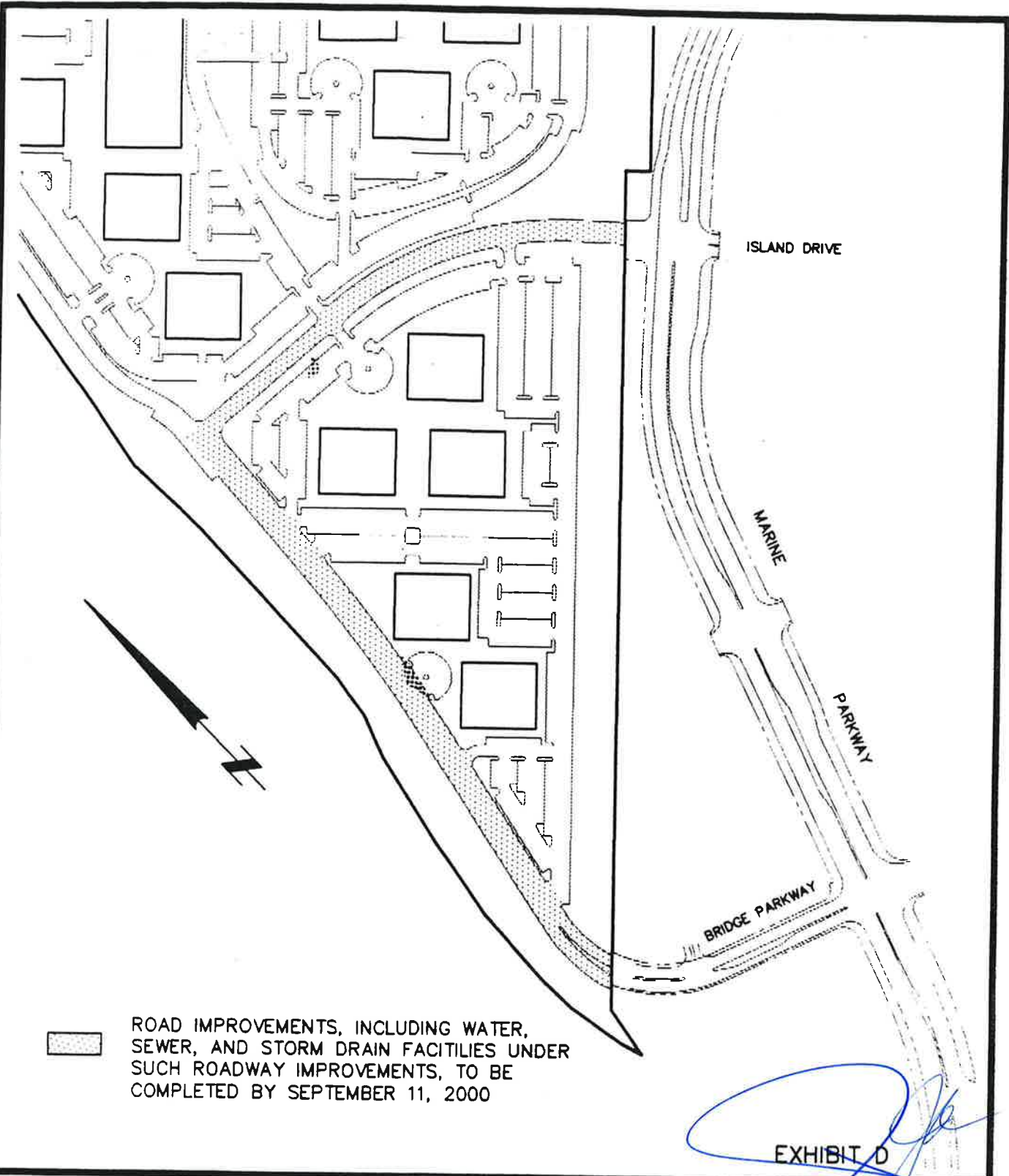
1876 South Grant Street  
Suite 550  
San Mateo  
California 94402  
415-358-1484 tel  
415-358-1487 fax

DATE:	NOV 9, 1994
SCALE:	1" = 100'
DWG:	94022 SITE
JOB No.	94022

*EM*



95066167



ROAD IMPROVEMENTS, INCLUDING WATER, SEWER, AND STORM DRAIN FACILITIES UNDER SUCH ROADWAY IMPROVEMENTS, TO BE COMPLETED BY SEPTEMBER 11, 2000

EXHIBIT D *[Signature]*

DEVELOPMENT AGREEMENT TERM CONDITION



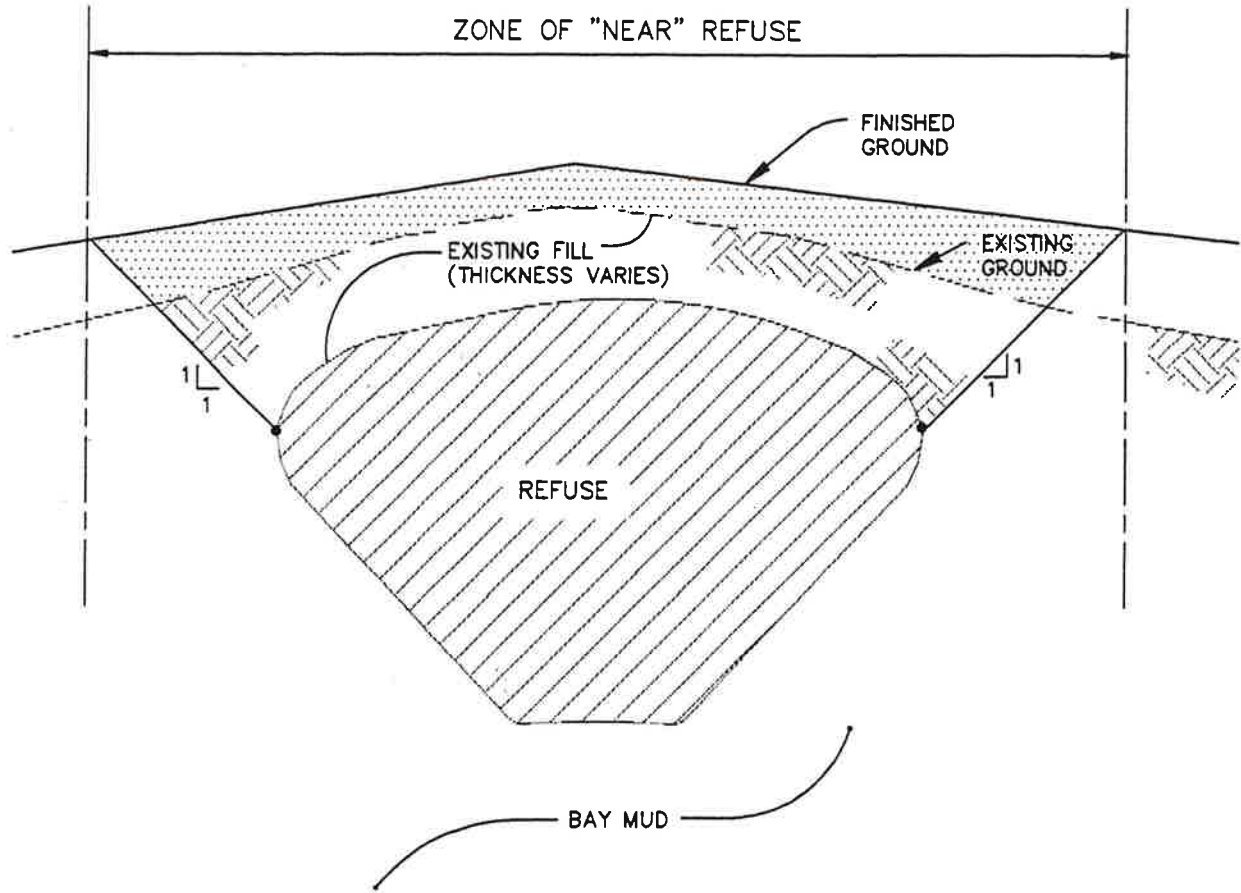
**BOHLEY  
MALEY  
ASSOCIATES**

1875 South Grant Street  
Suite 550  
San Mateo  
California 94402  
415-358-1484 tel  
415-358-1487 fax

DATE:	NOV 4, 1994
SCALE:	1" = 300'
DWG:	94022 SITE
JOB No.	94022

*[Handwritten initials]*

95066167



*[Handwritten signature]*  
EXHIBIT E

### NEAR REFUSE LIMITS



**BOHLEY  
MALEY  
ASSOCIATES**

1875 South Grant Street  
Suite 550  
San Mateo  
California 94402  
415-358-1484 tel  
415-358-1487 fax

DATE:	FEB/23, 1995
SCALE:	NTS
DWG:	SITE
JOB No.	94022

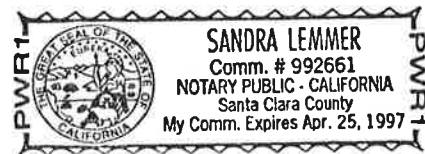
*[Handwritten initials]*

State of California )  
County of Santa Clara )

On March 14, 1995, before me, Sandra Lemmer, Notary Public (insert name and title of the officer), personally appeared Richard T. Peery, Trustee of the Richard T. Peery Separate Property Trust and John Arrillaga, Trustee of the John Arrillaga Separate Property Trust (name of person) personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature *Sandra Lemmer*



95066167