Part 7 of Attachment A to City Staff Report
for City Council Meeting on June 17, 2020

*includes PSA attachments 31 through 36
RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of San Diego
1200 Third Avenue, Suite 1700
San Diego, CA 92101
Attn: Cybele Thompson,
Director, Real Estate Assets Dept.

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Exempt from Documentary Transfer Tax per Cal. Govt. Code § 11922

EASEMENT AGREEMENT FOR INSTALLATION
OF UTILITIES WITHIN RIVER PARK PROPERTY

This Easement Agreement for Installation of Utilities within River Park Property ("Agreement") is entered into as of the Effective Date (defined in Section 11) by and between the CITY OF SAN DIEGO, a California municipal corporation ("City"), and the BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY, the State of California acting in its higher education capacity, on behalf of San Diego State University ("CSU").

RECITALS

The City and CSU (individually, a "Party," and collectively, the "Parties") enter into this Agreement with reference to the following facts:

A. The City’s voters approved a citizens’ initiative measure, commonly known as Measure G, on November 6, 2018, governing City’s sale to CSU of the CSU Property.

B. Measure G is comprised of two main components: (i) Sections 1, 2, 4, 5, 6, 7, and 8 of the citizens’ initiative, which describe, among other things, the purpose, intent, and findings supporting the citizen’s initiative; and (ii) Section 3 of the citizens’ initiative, which adds new section 22.0908 to the San Diego Municipal Code ("Section 22.0908 Conditions"). Measure G states that the CSU Property is needed by CSU/San Diego State University for "Bona Fide Public Purposes," as that term is defined in the Section 22.0908 Conditions, and for that reason City shall sell the CSU Property to CSU in accordance with the City Charter, but only if such sale is in compliance with the Section 22.0908 Conditions and fulfills the intent and purposes
outlined in Measure G.

C. Measure G does not obligate CSU to purchase the CSU Property or take any other actions related to the CSU Property, if CSU chooses not to purchase the CSU Property. However, Measure G requires City to ensure that City’s negotiated sale of the CSU Property complies with Measure G.

D. California Education Code section 66606 vests CSU with “full power and responsibility in the construction and development of any state university campus, and any buildings or other facilities or improvements connected with the California State University.” Section 22.0908(x)(12) states “Nothing in this Initiative abrogates, or is intended to abrogate, the authority of the Board of Trustees of the California State University.” CSU is the State of California acting in its higher education capacity, and is generally exempt from local and regional ordinances, regulations, policies and rules, including, without limitation, zoning and land use regulations, when its development, construction, facilities, and uses are in furtherance of its governmental purpose, unless applicable Law (defined below) specifically says otherwise. Without waiver of CSU’s standing and legal authority as a state agency, and to enable City to ensure that the sale of the CSU Property complies with the Section 22.0908 Conditions and fulfills the intent and purposes outlined in Measure G, CSU agrees to be bound by the terms and conditions set forth in the Purchase Agreement and its attachments.

E. In light of the circumstances stated in Recitals A through D above, the Parties negotiated and entered into the Purchase Agreement and related agreements pursuant to which CSU agreed, strictly as a matter of contract, to develop and operate the CSU Property subject to terms and conditions in the Purchase Agreement and related agreements, and in a manner satisfying City’s concern that the sale must comply the Section 22.0908 Conditions and fulfill the intent and purposes outlined in Measure G. By entering into these agreements, CSU is not waiving its standing and legal authority as a state agency, though it agrees, due to the unique circumstances at hand, to be contractually bound by the terms of such agreements. The Parties negotiated the terms of the Purchase Agreement and related agreements in response to the local voters’ approval of Measure G and intend all such agreements to be consistent with the Section 22.0908 Conditions and the intent and purposes outlined in Measure G.

F. As of the Effective Date of this Agreement, the closing of the transaction has occurred under the Purchase Agreement, by which CSU has acquired the CSU Property.

G. The City is the fee title owner of the River Park Property (defined in Section 1).

H. In order to facilitate construction, operation, and maintenance of various improvements on the CSU Property and River Park Property and related activities, CSU has requested that the City grant and convey several easements to CSU for various utility purposes.

I. As part of the conveyance of the CSU Property to CSU by City, City transferred ownership of the entirety of certain pipelines used for storm water purposes (“Storm Water Improvements”) to the terminus of those Storm Water Improvements. A portion of those Storm Water Improvements does extend onto the River Park Property which requires that City grant to CSU an easement for the continued location, operation, maintenance and repair of the Storm
Water Improvements.

J. The City has reviewed the easements as proposed by CSU, [has approved a parcel map incorporating the easements][update as appropriate depending on whether the Parties proceed with a parcel map], and is willing to grant the easements upon the terms and conditions of this Agreement.

TERMS AND CONDITIONS

[PRIOR TO FINALIZING AND RECORDING THIS AGREEMENT, THE PARTIES WILL REVISE LANGUAGE TO CONFORM EASEMENTS AS DEPICTED ON THE APPROVED PARCEL MAP, IF THE PARTIES PROCEED WITH THE PARCEL MAP]

For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. DEFINITIONS. All initially capitalized terms used in this Agreement shall have the meanings set forth in this Section 1 or, if not set forth in this Section 1, where such term first appears in this Agreement, unless the context of usage clearly requires another meaning.

1.1 Access Easement. Defined in Section 2.5 of this Agreement.

1.2 Agreement. Defined in the preamble of this Agreement.

1.3 City. Defined in the preamble of this Agreement.

1.4 City Indemnified Parties. City and its officials, employees, agents, officers, attorneys, and representatives.

1.5 Claims. Each claim, loss, cost, damage, expense, liability, lien, legal proceeding, enforcement action, administrative action or proceeding, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, notice of violation, fine or penalty of every kind (including reasonable expert fees and expenses), and each financial performance obligation arising from any judgment, decree, order, or other written decision issued by any governmental representative or entity.

1.6 CSU. Defined in the preamble of this Agreement.

1.7 CSU Indemnified Parties. CSU and its officials, employees, agents, officers, attorneys, and representatives.

1.8 CSU Property. That certain real property consisting of 135.12 acres, comprised of both the real property commonly known as the San Diego County Credit Union stadium site and the Murphy Canyon Creek Parcel, generally located at 9449 Friars Road in the City of San Diego, County of San Diego, State of California, as legally described in Exhibit A to this Agreement and depicted in Exhibit B to this Agreement.
1.9 Easement(s). The easements appurtenant to the CSU Property described in and created by Section 2 of this Agreement are sometimes referred to individually as an “Easement” and collectively as the “Easements.”

1.10 Easement Area(s). The physical areas described in Section 2 of this Agreement, on or over which the Easements are located, are sometimes referred to individually as an “Easement Area” and collectively as the “Easement Areas.”

1.11 Effective Date. Defined in the preamble of this Agreement.

1.12 Future Infrastructure Areas. Defined in Section 3.5(d).

1.13 Law. Every law, statute, code, ordinance, requirement, order, proclamation, directive, rule, or regulation of any local, state, or federal governmental agency applicable in any way to the Parties, the CSU Property, the River Park Property, including relating to any development, construction, use, maintenance, taxation, operation, occupancy, or environmental conditions affecting the CSU Property, the River Park Property, or otherwise relating to this Agreement or either Party’s rights, obligations or remedies under this Agreement, or constituting any environmental law, whether in force on the Effective Date of this Agreement or passed, enacted, modified, amended, or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

1.14 Parcel Map. That certain Parcel Map recorded on [Redacted], 2020, as Document No. [Redacted] in the Official Records of the San Diego County Recorder’s Office, depicting the use and location of future easements affecting the CSU Property and the River Park Property. [Delete if the Parties proceed without a parcel map]

1.15 Parties. Collectively, the City and CSU.

1.16 Party. Individually, the City or CSU.

1.17 Proximate Storm Drain Facilities. Those certain five (5) existing storm drain outlets located between the Fenton Parkway outfall and Murphy Canyon Creek within easements that are exclusion areas of the Wetland Mitigation Project Site as depicted on sheets 11 and 12 of the Preliminary Parcel Map (Attachment 34 to the Purchase Agreement). [Revisit text based on recorded Parcel Map].

1.18 Public Amenities. Defined in Section 3.1.

1.19 Purchase Agreement. That certain Real Property Purchase and Sale Agreement and Joint Escrow Instructions dated [Redacted], 2020 between the Parties.

1.20 River Park Property. That certain real property situated contiguous to the CSU Property and consisting of approximately 34.6 acres, as legally described in Exhibit C to this Agreement and depicted in Exhibit D to this Agreement.

1.21 Section 22.0908 Conditions. Defined in Recital B of this Agreement.
1.22 Storm Water BMPs. Defined in Section 2.3.

1.23 **Wetland Mitigation Project.** The wetland mitigation project, commonly known as the Stadium Wetland Mitigation Project, that has been created by the City, and is now and will continue to be monitored and maintained by the City (including regular activities such as perimeter control, ranger patrols, trash removal, transient management, and invasive plant removal), in compliance with the Wetland Mitigation Project Agreements on the Wetland Mitigation Project Site.

1.24 **Wetland Mitigation Project Agreements.** The regulatory agreements and permits governing the Wetland Mitigation Project, together with any and all amendments, modifications, supplements, and/or extensions thereof, including: (i) the Section 404 Permit dated December 21, 2015, File No. SPL-2014-00416-DB, issued by the U.S. Army Corps of Engineers to the City pursuant to Section 404 of the Clean Water Act; (ii) the Streambed Alteration Agreement, Notification No. 1600-2014-0192-R5, signed by the City’s Public Utilities Department on August 5, 2015, and by the California Department of Fish and Wildlife on September 2, 2015; (iii) the Section 401 Water Quality Certification dated November 14, 2014, Certification No. R9-2013-0124, issued by the California Regional Water Quality Control Board, San Diego Region, to the City pursuant to Section 401 of the Clean Water Act; (iv) any site development permits or other permits issued or to be issued by the City relating to the use of wetland mitigation credits from the Wetland Mitigation Project Site; and (v) the Stadium Wetland Mitigation Project (San Diego River) Mitigation Plan Final dated March 13, 2015 and prepared for the City of San Diego, Public Utilities Department.

1.25 **Wetland Mitigation Project Site.** The City-owned real property consisting of approximately 57 acres (including approximately 40.4 acres of waters of the United States), located generally south of the River Park Property and within the San Diego River and its floodplain, on which the Wetland Mitigation Project is situated and is being carried out by the City in accordance with the Wetland Mitigation Project Agreements.

2. **Grant of Various Easements.** Subject to the terms and conditions of this Agreement, the City grants and conveys to CSU the Easements over the Easement Areas as set forth below. [The Easement Areas will be consistent with the easements granted on the Parcel Map]

2.1. **Sewer Easements.** The City grants and conveys to CSU the permanent non-exclusive easement and right-of-way to construct, reconstruct, maintain, operate, and repair sewer pipelines, together with appurtenances, through, over, under, and along the following Easement Areas: (a) Sewer Easement 1 as described in Exhibit C-1 and depicted in Exhibit C-2; (b) Sewer Easement 2 as described in Exhibit C-3 and depicted in Exhibit C-4; and (c) Sewer Easement 3 as described in Exhibit C-5 and depicted in Exhibit C-6. CSU’s right to ingress and egress over each Easement Area shall include vehicular access as necessary, limited to the time period and physical area necessary to construct, maintain, operate, or repair the sewer facilities and appurtenant infrastructure. [Easements are shown on Sheets 11 and 12 of the Preliminary Parcel Map, which is Attachment 34 to the Purchase Agreement. If the Parties do not proceed with the Parcel Map, text above will be used. If the Parties record the Parcel Map, we will revise to refer to easement areas shown on the approved Parcel Map.]
2.2. **Storm Water Easements.** The City grants and conveys to CSU the permanent non-exclusive easement and right-of-way to construct, reconstruct, maintain, operate, and repair storm water facilities, together with appurtenances, through, over, under, and along the following Easement Areas: (a) Storm Water Easement 1 as described in Exhibit D-1 and depicted in Exhibit D-2; (b) Storm Water Easement 2 as described in Exhibit D-3 and depicted in Exhibit D-4; (c) Storm Water Easement 3 as described in Exhibit D-5 and depicted in Exhibit D-6; (d) Storm Water Easement 4 as described in Exhibit D-7 and depicted in Exhibit D-8; (e) Storm Water Easement 5 as described in Exhibit D-9 and depicted in Exhibit D-10; and (f) Storm Water Easement 6 as described in Exhibit D-11 and depicted in Exhibit D-12. CSU’s right to ingress and egress over each Easement Area shall include vehicular access as necessary, limited to the time period and physical area necessary to construct, maintain, operate, or repair the storm water facilities and appurtenant infrastructure. [Storm Water Easements are shown on Sheets 11 and 12 of the Preliminary Parcel Map, which is Attachment 34 to the Purchase Agreement. If the Parties do not proceed with the Parcel Map, text above will be used. If the Parties record the Parcel Map, we will revise to refer to easement areas shown on the approved Parcel Map.]

2.3. **Private Storm Water BMP Easements.** The City grants and conveys to CSU the permanent non-exclusive easement and right-of-way to design, construct, maintain, operate, and repair three storm water best management practice structures (collectively, *"Storm Water BMPs"*) to filter and treat storm water runoff from and for the benefit of the CSU Property and the River Park Property through, over, under, and along the following Easement Areas: (a) Storm Water BMP Easement 1 as described in Exhibit E-1 and depicted in Exhibit E-2; (b) Storm Water BMP Easement 2 as described in Exhibit E-3 and depicted in Exhibit E-4; and (c) Storm Water BMP Easement 3 as described in Exhibit E-5 and depicted in Exhibit E-6. CSU’s right to ingress and egress over each Easement Area shall include vehicular access as necessary, limited to the time period and physical area necessary to construct, maintain, operate, or repair the Storm Water BMPs. [Easements are shown on Sheets 11 and 12 of the Preliminary Parcel Map, which is Attachment 34 to the Purchase Agreement. If the Parties do not proceed with the Parcel Map, text above will be used. If the Parties record the Parcel Map, we will revise to refer to easement areas shown on the approved Parcel Map.]

2.4. **Street Easements.** The City grants and conveys to CSU the permanent non-exclusive easement and right-of-way to construct, reconstruct, maintain, operate, and repair a road for vehicular and pedestrian use through, over, under, and along the following Easement Areas: Street Easement 1 as described in Exhibit F-1 and depicted in Exhibit F-2. Vehicular and pedestrian access shall be made available to the public over such Easement Areas, limited only as necessary to the time period and physical area required by CSU to construct, maintain, operate, or repair the infrastructure. [Easements are shown on Sheets 11 and 12 of the Preliminary Parcel Map (Street A), which is Attachment 34 to the Purchase Agreement. If the Parties do not proceed with the Parcel Map, text above will be used. If the Parties record the Parcel Map, we will revise to refer to easement areas shown on the approved Parcel Map.]

2.5. **Access Easement.** The City grants and conveys to CSU the non-exclusive easement and right-of-way allowing physical access (i.e., ingress and egress) for pedestrians and vehicles, including motorized vehicles and transport of machinery and equipment for construction and repair, through, over, under, along, and across the entire River Park Property to
each Easement Area and the CSU Property by the most practicable route available at the time, and at all times necessary, to and from the nearest public rights-of-way ("Access Easement").

3. Limitations and Conditions on Easements. Except as expressly authorized in this Agreement, CSU’s use of the Easements and the Easement Areas shall not: (i) interfere with the use and enjoyment of the River Park Property; (ii) adversely impact the River Park Property or any adjacent real property with respect to flooding, contamination, biota and riparian habitat, or water quality; or (iii) prevent or impair any activities intended to mitigate adverse impacts to the River Park Property or any adjacent real property. CSU’s use of the Easements and the Easement Areas is more specifically limited as follows:

3.1. Public Access. Once developed, the River Park Property will be improved with public amenities such as walking and biking trails, recreation fields, community and neighborhood parks, and other passive and active recreation space designated for use by all members of the public (collectively, "Public Amenities"). CSU’s use of the Easements, including surface access, ingress, and egress to the Easement Areas, shall not unreasonably interfere with the use and enjoyment of any of the Public Amenities by members of the public.

3.2. Environmental Impacts. Once developed, the River Park Property will incorporate measures to mitigate drainage impacts, ensure compliance with water quality standards, and restore native vegetation. CSU’s use of the Easements, including surface access, ingress, and egress to the Easement Areas, shall not prevent or impair the successful achievement of any mitigation measures and shall not impair or otherwise adversely impact drainage, water quality, or habitat of the River Park Property, the San Diego River, the Wetland Mitigation Project (defined in Section 2.5 below), or any adjacent real property.

3.3. Standard of Care. CSU shall, at CSU’s sole expense, maintain the Easement Areas at a minimum standard of care comparable to the maintenance of the remainder of the River Park Property. CSU’s exercise of its rights under the Easements shall not interfere with the use of the surface area of the River Park Property as a public park. All of CSU’s maintenance and construction activities must be conducted in a manner that is safe and imposes the least impact practicable on public use of the River Park Property. The City shall have no obligation, financial or otherwise, with respect to the maintenance and repair of the Easement Areas except to the extent arising out of or directly related to the established sole negligence or sole willful misconduct of the City Indemnified Parties (as defined below).

3.4. Compliance with Laws. CSU’s use and maintenance of the Easements shall comply at all times with all applicable Laws.

3.5. City’s Reasonable Use. CSU shall not do anything or permit anything to be done in connection with the exercise of rights under the Easements that interferes with the City’s reasonable use of the River Park Property, including the City’s exercise of any reserved rights or easements rights pursuant to the Agreement Regarding Easement for Construction, Maintenance, and Operation of River Park For Recreational Uses recorded with the San Diego County Recorder as Document No. __________ on __________, 2020. Additionally, the Parties agree as follows:
(a) **Water Rights.** CSU’s use of the Easements shall not negatively impact the aquifer within the River Park Property or interfere with the City’s water rights, including the City’s ability to manage the groundwater, or use and manage the aquifer.

(b) **Existing Facilities.** CSU’s use of the Easements shall not interfere with or negatively impact existing utilities and pipelines, depicted in **Exhibit G**, within the River Park Property that are owned, maintained, and operated by the City.

(c) **Wetland Mitigation and San Diego River Maintenance.** CSU’s use of the Easements shall not interfere with the City’s use of the River Park Property for access to the San Diego River or with the City’s activities for the Wetland Mitigation Project in compliance with the Wetland Mitigation Project Agreements.

(d) **Planned Future Improvements.** The City anticipates using portions of the River Park Property for a future wellfield and support infrastructure, and water projects related to the implementation of the City’s Pure Water program as described and depicted in **Exhibit H** (collectively, “**Future Infrastructure Areas**”). As of the Effective Date of this Agreement, the exact location and use of the Future Infrastructure Areas is uncertain; however, possible locations may be adjacent to or overlap with certain Easement Areas. Additionally, the City may install future improvements in the River Park Property, if the City’s water and sewer needs require such improvements. The Parties will cooperate to avoid or minimize, to the extent feasible, any impacts on the Easements arising from City’s installation of such future improvements. If any of such City future improvements require relocation of any CSU facilities, such relocation must be mutually agreed upon, however CSU agrees not to unreasonably withhold, condition or delay its approval. Any such relocation will be at the City’s sole cost and expense.

(e) **Duty to Protect in Place.** In carrying out any construction in the Easement Area, CSU will not damage City utility facilities and appurtenances located in the River Park Property. CSU shall be liable for all costs of repair, rehabilitation, decontamination, and any other work required, should any of the City’s utility facilities and appurtenances become damaged or negatively impacted by construction activities carried out by CSU on the CSU Property or the River Park Property.

3.6. **Storm Drain Outlets.** [Pursuant to Section 6.4 of the PSA, the Parties assume that the Proximate Storm Drain Facilities will be delivered in a condition that is free of debris and vegetation and allows for the storm drains to properly function prior to the recordation of this Agreement. If that is not the case, revise to state that maintenance obligations are deferred until City can turn over the Proximate Storm Drain Facilities in such condition.] CSU will operate and maintain the Proximate Storm Drain Facilities at CSU’s sole expense. To the extent applicable, CSU will comply with any applicable terms of the Wetland Mitigation Project Agreements in connection with maintenance of the Proximate Storm Drain Facilities, but the City will remain primarily responsible for compliance with the terms and requirements of the Wetland Mitigation Project Agreements, including ensuring the successful completion of the Wetland Mitigation Project and the timely achievement of all monitoring, maintenance, and compliance standards described in the Wetland Mitigation Project Agreements. The City agrees to promptly, but in any event within ten (10) business days of City’s receipt, deliver to CSU
copies of any correspondence or notices delivered to or received from the regulatory agencies issuing, enforcing or monitoring compliance with the Wetland Mitigation Project Agreements.

4. **Duration of Easements.** Except as provided in this Section 3, the Easements shall be perpetual in duration. The Parties agree that, if at any future time a particular Easement becomes unnecessary or is no longer required for the CSU Property, the Parties shall reasonably cooperate to terminate such Easement and to sign a partial release or an amendment of this Agreement as may be appropriate to memorialize the termination of such Easement.

5. **Alternate Future Easements.** Subject to the provisions of Section 2, CSU may propose alternate easements on the River Park Property, suitable to the development of the CSU Property, which may be granted or denied in the City’s sole discretion. If CSU proposes any alternate easements in the future, the Parties shall reasonably cooperate in an effort to accommodate CSU’s request to the extent feasible and consistent with the provisions of Section 2. Upon confirmation that the City has granted to CSU a recordable easement affording alternate, suitable access benefitting the CSU Property, the Parties shall reasonably cooperate to terminate the abandoned Easement and sign any partial release or amendment of this Agreement as may be appropriate to memorialize the termination of the abandoned Easement.

6. **Indemnification by CSU.** CSU will defend, indemnify, and hold harmless the City Indemnified Parties from and against any Claims, of any nature and description arising out of or relating to any of the following circumstances: (i) willful misconduct, sole negligence or active negligence of CSU in connection with the Easements; (ii) CSU’s uncured default under this Agreement; (iii) CSU’s use, maintenance, and operation of the Easements, the Easement Areas, or the Access Easement; or (iv) CSU’s non-compliance with any applicable Law. CSU’s duty to defend, indemnify, and hold harmless the City Indemnified Parties shall not include any Claims the extent arising out of the established sole negligence or willful misconduct of the City Indemnified Parties, or any Claims directly arising out of environmental conditions determined to have existed on the River Park Property or the Wetland Mitigation Project Site, except for conditions directly caused by CSU or any of its contractors performing work on the River Park Property or the Wetland Stadium Mitigation Project Site. The City shall notify CSU in writing within five (5) business days of the receipt of any written notice of any Claims subject to CSU’s indemnification; provided that the failure to notify CSU in writing within such five (5) business day period shall not release CSU from the indemnification obligation set forth in this Section. Upon receipt of such notification, CSU shall assume the defense of the Claim, including the employment of counsel reasonably satisfactory to the City and CSU. CSU shall notify the City of CSU’s desired legal counsel, in writing within five (5) business days after CSU’s receipt of the City’s written notice of a Claim. The City shall thereafter have five (5) business days within which to approve or disapprove CSU’s choice of counsel and if the City fails to respond in writing within such time period it shall be deemed to have approved CSU’s choice of counsel. The City’s approval of CSU’s choice of counsel shall not be unreasonably withheld, conditioned or delayed. CSU’s obligation to defend and indemnify the City Indemnified Parties pursuant to this Agreement shall survive the termination of this Agreement, until any and all actual or prospective Claims regarding any matter subject to such obligations are fully, finally, and completely barred by the applicable statutes of limitations.
7. **Indemnification by the City.** The City will defend, indemnify, and hold harmless CSU Indemnified Parties from and against all bodily injury or property damage, or claim of bodily injury or property damage, arising out of or relating to any of the following: (a) the City’s un cured default under this Agreement; (b) the City’s use of, or activities on, the Easement Areas; or (c) the City’s failure to provide CSU with adequate and timely physical access, in accordance with the Access Easement, to the Easement Areas and the CSU Property. In addition, the City shall defend, indemnify, and hold harmless all CSU Indemnified Parties from and against any Claims arising out of, pertaining to, or relating to any of the following circumstances: (i) any willful misconduct, sole negligence or active negligence of the City in connection with the Easements, the Access Easement, or the CSU Property; or (ii) the City’s non-compliance with any applicable Law. The City’s duty to defend, indemnify, and hold harmless the CSU Indemnified Parties shall not include any Claims to the extent arising out of the established sole negligence or willful misconduct of the CSU Indemnified Parties. CSU shall notify the City in writing within five (5) business days of receipt of any written notice of any Claims subject to the City’s indemnification; provided that the failure to notify the City in writing within such five (5) business day period shall not release the City from the indemnification obligation set forth in this Section. Upon receipt of such notification, the City shall assume the defense of the Claim, including the employment of counsel reasonably satisfactory to the City and CSU. The City shall notify CSU of the City’s desired legal counsel, in writing within five (5) business days after the City’s receipt of CSU’s written notice of a Claim. CSU shall there after have five (5) business days within which to approve or disapprove the City’s choice of counsel and if CSU fails to respond in writing within such time period it shall be deemed to have approved the City’s choice of counsel. CSU’s approval of the City’s choice of counsel shall not be unreasonably withheld, conditioned or delayed. The City’s obligation to defend and indemnify the CSU Indemnified Parties pursuant to this Agreement shall survive the termination of this Agreement, until any and all actual or prospective Claims regarding any matter subject to such obligations are fully, finally, and completely barred by the applicable statutes of limitations.

8. **Events of Default; Remedies.** Except as otherwise expressly provided in this Agreement, if either Party defaults in the performance of any covenant, condition, or restriction set forth in this Agreement, and if such default or breach continues uncured for a period of thirty (30) days from and after written notice thereof delivered by the other Party, then in such event the non-defaulting Party may pursue any and all available legal and equitable remedies, including the right to collect any resulting damages and the right to seek injunctive or declaratory relief; except that if such cure cannot reasonably be completed within thirty (30) days, the defaulting Party shall have such longer period of time as is reasonably necessary to cure the default, up to an aggregate total of one hundred twenty (120) days from the date of delivery of the written notice of default.

9. **Costs of Enforcement.** If either Party initiates any legal action or proceeding to interpret, dispute, or enforce any provision of this Agreement, the prevailing Party in such action or proceeding shall be entitled to recover from the other Party all costs of enforcement in connection therewith, including, but not limited to, court costs and reasonable attorneys’ fees.

10. **Notices.** All notices contemplated or required by this Agreement shall be delivered in the manner and to the addressees described in the “Notices” provision of the Purchase Agreement.
11. **Governing Law.** This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

12. **Binding Effect.** The rights and obligations set forth in this Agreement shall inure to the benefit of and be binding upon the successors-in-interest, agents, employees, assigns, and transferees of each Party.

13. **Effective Date.** This Agreement shall become effective on the date on which it is recorded in the Official Records of the San Diego County Recorder’s Office ("Effective Date"). The City shall be responsible for causing such recordation promptly after the City has signed this Agreement and has received CSU’s signed original of this Agreement. The City shall promptly deliver to CSU a conformed copy of the recorded version of this Agreement.

14. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute a single instrument.

15. **Incorporation.** The Recitals set forth above, and all of the exhibits attached to this Agreement, are fully incorporated by reference into this Agreement.

16. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the Parties concerning the subject matter of this Agreement. No amendment, modification, or waiver of any provision of this Agreement shall be effective unless signed by both Parties and only for the specific purpose stated in such amending document.

17. **Severability.** If any provision of this Agreement or any application of this Agreement is determined to be invalid or unenforceable, such invalid or unenforceable provision shall be narrowed to permissible limits (if possible) or stricken from this Agreement, and the remaining provisions of this Agreement shall not be affected thereby.

[signature page to follow]
IN WITNESS WHEREOF, a duly authorized representative of each Party has signed this Agreement, to be effective as of the Effective Date.

CITY:

Date: __________________________

By: ___________________________

Name: __________________________

Title: __________________________

APPROVED AS TO FORM:

MARA W. ELLIOTT, City Attorney

By: ___________________________

Kevin Reisch
Senior Chief Deputy City Attorney

[CSU will need to confirm whether it has a certificate of acceptance that it prefers to attach to the Easement Agreement, or whether the required language from California Government Code section 27281 should be added here.]

CSU:

Date: __________________________

By: ___________________________

Name: __________________________

Title: __________________________

APPROVED AS TO FORM:

SHEPPARD MULLIN RICHTER & HAMPTON LLP

By: ___________________________

Domenic C. Drago, Counsel for The Board of Trustees of the California State University, which is the State of California acting in its higher education capacity on behalf of San Diego State University
NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )
) )
COUNTY OF ____________________ )

On ____________________ (date), before me, ________________________________
(name and title of notary public), personally appeared ________________________________
(name of signer), who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature ________________________ (Seal)
EXHIBIT A

Legal Description of CSU Property

[To be Attached]
EXHIBIT B

Legal Description of River Park Property

[To be Attached]
EXHIBIT C-1

Legal Description of Sewer Easement 1

[To be Attached]
EXHIBIT C-2

Depiction of Sewer Easement 1

[To be Attached]
EXHIBIT C-3

Legal Description of Sewer Easement 2

[To be Attached]
EXHIBIT C-4

Depiction of Sewer Easement 2

[To be Attached]
EXHIBIT C-5

Legal Description of Sewer Easement 3

[To be Attached]
EXHIBIT C-6
Depiction of Sewer Easement 3
[To be Attached]
EXHIBIT D-1

Legal Description of Storm Water Easement 1

[To be Attached]
EXHIBIT D-2

Depiction of Storm Water Easement 1

[To be Attached]
EXHIBIT D-3

Legal Description of Storm Water Easement 2

[To be Attached]
EXHIBIT D-4

Depiction of Storm Water Easement 2

[To be Attached]
EXHIBIT D-5

Legal Description of Storm Water Easement 3

[To be Attached]
EXHIBIT D-6

Depiction of Storm Water Easement 3

[To be Attached]
EXHIBIT D-7

Legal Description of Storm Water Easement 4

[To be Attached]
EXHIBIT D-8

Depiction of Storm Water Easement 4

[To be Attached]
EXHIBIT D-9

Legal Description of Storm Water Easement 5

[To be Attached]
EXHIBIT D-10

Depiction of Storm Water Easement 5

[To be Attached]
EXHIBIT D-11

Legal Description of Storm Water Easement 6

[To be Attached]
EXHIBIT D-12

Depiction of Storm Water Easement 6

[To be Attached]
EXHIBIT E-1

Legal Description of Storm Water BMP Easement 1

[To be Attached]
EXHIBIT E-2

Depiction of Storm Water BMP Easement 1

[To be Attached]
EXHIBIT E-3

Legal Description of Storm Water BMP Easement 2

[To be Attached]
EXHIBIT E-4

Depiction of Storm Water BMP Easement 2

[To be Attached]
EXHIBIT E-5

Legal Description of Storm Water BMP Easement 3

[To be Attached]
EXHIBIT E-6

Depiction of Storm Water BMP Easement 3

[To be Attached]
EXHIBIT F-1

Legal Description of Street Easement 1

[To be Attached]
EXHIBIT F-2

Depiction of Street Easement 1

[To be Attached]
EXHIBIT G

Depiction of Existing City Utility Facilities

[To be Attached]
EXHIBIT H

Depiction of Future Infrastructure Areas

[To be Attached]
ATTACHMENT 32 TO PURCHASE AND SALE AGREEMENT

Easement Agreement for City’s Public Facilities During Stage 2

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

City of San Diego
1200 Third Avenue, Suite 1700
San Diego, CA 92101
Attn: Cybele Thompson,
Director, Real Estate Assets Dept.

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Exempt from Recording Fees per Cal. Govt. Code § 27383
Exempt from Documentary Transfer Tax per Cal. Govt. Code § 11922

EASEMENT AGREEMENT REGARDING SEWER AND WATER FACILITIES,
RIGHTS-OF-WAY, AND SAN DIEGO RIVER ACCESS –
STAGE 2 (COMPLETED DEVELOPMENT)

This Easement Agreement Regarding Sewer and Water Facilities, Rights-of-Way, and San Diego River Access – Stage 2 (Completed Development) (“Agreement”) is dated as of ______________, 2020 [future date after either approval/recording of Parcel Map or completed construction of one or more Project phases] (“Effective Date”), by and between the CITY OF SAN DIEGO, a California municipal corporation (“City”), and the BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY, the State of California acting in its higher education capacity, on behalf of San Diego State University (“CSU”).

RECITALS

The Parties enter into this Agreement with reference to the following facts:

A. The City’s voters approved a citizens’ initiative measure, commonly known as Measure G, on November 6, 2018, governing City’s sale to CSU of the CSU Property.

B. Measure G is comprised of two main components: (i) Sections 1, 2, 4, 5, 6, 7, and 8 of the citizens’ initiative, which describe, among other things, the purpose, intent, and findings supporting the citizen’s initiative; and (ii) Section 3 of the citizens’ initiative, which adds new section 22.0908 to the San Diego Municipal Code (“Section 22.0908 Conditions”). Measure G states that the CSU Property is needed by CSU/San Diego State University for “Bona Fide Public Purposes,” as that term is defined in the Section 22.0908 Conditions, and for that reason
City shall sell the CSU Property to CSU in accordance with the City Charter, but only if such sale is in compliance with the Section 22.0908 Conditions and fulfills the intent and purposes outlined in Measure G.

C. Measure G does not obligate CSU to purchase the CSU Property or take any other actions related to the CSU Property, if CSU chooses not to purchase the CSU Property. However, Measure G requires City to ensure that City’s negotiated sale of the CSU Property complies with Measure G.

D. California Education Code section 66606 vests CSU with “full power and responsibility in the construction and development of any state university campus, and any buildings or other facilities or improvements connected with the California State University.” Section 22.0908(x)(12) states “Nothing in this Initiative abrogates, or is intended to abrogate, the authority of the Board of Trustees of the California State University.” CSU is the State of California acting in its higher education capacity, and is generally exempt from local and regional ordinances, regulations, policies and rules, including, without limitation, zoning and land use regulations, when its development, construction, facilities, and uses are in furtherance of its governmental purpose, unless applicable Law (defined below) specifically says otherwise. Without waiver of CSU’s standing and legal authority as a state agency, and to enable City to ensure that the sale of the CSU Property complies with the Section 22.0908 Conditions and fulfills the intent and purposes outlined in Measure G, CSU agrees to be bound by the terms and conditions set forth in this Agreement, and the Purchase Agreement, and its attachments.

E. In light of the circumstances stated in Recitals A through D above, the Parties negotiated and entered into the Purchase Agreement and related agreements pursuant to which CSU agreed, strictly as a matter of contract, to develop and operate the CSU Property subject to terms and conditions in the Purchase Agreement and related agreements, and in a manner satisfying City’s concern that the sale must comply the Section 22.0908 Conditions and fulfill the intent and purposes outlined in Measure G. By entering into these agreements, CSU is not waiving its standing and legal authority as a state agency, though it agrees, due to the unique circumstances at hand, to be contractually bound by the terms of such agreements. The Parties negotiated the terms of the Purchase Agreement and related agreements in response to the local voters’ approval of Measure G and intend all such agreements to be consistent with the Section 22.0908 Conditions and the intent and purposes outlined in Measure G.

F. As of the Effective Date of this Agreement, the closing of the transaction has occurred under the Purchase Agreement, by which CSU has acquired the CSU Property.

G. The City is the fee title owner of the River Park Property.

H. As of the Effective Date of this Agreement, the City owns, operates, and maintains various public facilities and improvements throughout the CSU Property and the adjacent River Park Property, including sewer and water pipelines, groundwater monitoring wells, equipment, and appurtenances, in accordance with existing easements, together with access rights to and from the nearest public rights-of-way. The City also monitors the Mission Valley Groundwater Basin to assess water quality and water levels, and monitors and maintains portions of the San Diego River and its floodplain abutting the River Park Property pursuant to
agreements between the City and various state and federal agencies. Accordingly, the City requires, among other things, immediate and uninterrupted physical access to multiple points of the adjacent real property through the CSU Property and the River Park Property.

I. CSU is now developing the Project on the CSU Property. The Parties previously entered into the Prior Easement Agreement. The Prior Easement Agreement helped to facilitate CSU’s construction of the Project and ensure the City’s adequate access rights to its public facilities and improvements during construction activities and prior to a parcel map depicting the use and location of future easements affecting the CSU Property and the River Park Property ("Parcel Map") being approved and recorded with the San Diego County Recorder’s Office. Under the Prior Easement Agreement, CSU granted and conveyed to the City certain utility easements and a broad access easement allowing ingress and egress rights across the CSU Property, with the anticipation that some of the easements may be vacated by the City once CSU completed construction on street improvements and other permanent rights-of-way within the Project, as well relocation of public utility improvements.

J. As part of the Project, CSU has removed, replaced, or relocated certain existing City-owned infrastructure. CSU has prepared, and City has approved, the Parcel Map, recorded on [date], 2020, as Document No. [number] in the Official Records of the San Diego County Recorder’s Office. The Parcel Map confirms CSU’s grant of easements for all relocated City-owned infrastructure and depicts the use and location of all existing easements, including both the easements confirmed or granted as part of the Parcel Map and those pre-existing easements which the City will continue to retain.

K. This Agreement memorializes the terms and conditions of the grant of access to the City for ingress and egress rights across all improved streets and other permanent rights-of-way throughout the CSU Property to all easement areas and City-owned property identified in this Agreement.

L. The Parties anticipate that all easements identified in the Prior Easement Agreement will become subject to this Agreement or will be vacated as part of the construction and development of the Project.

TERMS AND CONDITIONS

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. All initially capitalized terms used in this Agreement shall have the meanings set forth in this Section 1 or, if not set forth in this Section 1, where such term first appears in this Agreement, unless the context of usage clearly requires another meaning.

1.1 Access Easement. Defined in Section 3.1 of this Agreement.

1.2 Agreement. Defined in the preamble of this Agreement.

1.3 City. Defined in the preamble of this Agreement.
1.4 City Indemnified Parties. City and its officials, employees, agents, officers, attorneys, and representatives.

1.5 Claims. Each claim, loss, cost, damage, expense, liability, lien, legal proceeding, enforcement action, administrative action or proceeding, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, notice of violation, fine or penalty of every kind (including reasonable expert fees and expenses), and each financial performance obligation arising from any judgment, decree, order, or other written decision issued by any governmental representative or entity.

1.6 CSU. Defined in the preamble of this Agreement.

1.7 CSU Indemnified Parties. CSU and its officials, employees, agents, officers, attorneys, and representatives.

1.8 CSU Property. That certain real property consisting of 135.12 acres, comprised of both the real property commonly known as the San Diego County Credit Union stadium site and the Murphy Canyon Creek Parcel, generally located at 9449 Friars Road in the City of San Diego, County of San Diego, State of California, as legally described in Exhibit A to this Agreement and depicted in Exhibit B to this Agreement.

1.9 Easement(s). The easements for existing City utility facilities described in and created by Section 2 of this Agreement are sometimes referred to individually as an "Easement" and collectively as the "Easements."

1.10 Easement Area(s). The physical areas described in Section 2 of this Agreement, on or over which the Easements are located, are sometimes referred to individually as an "Easement Area" and collectively as the "Easement Areas."

1.11 Effective Date. Defined in the preamble of this Agreement.

1.12 Law. Every law, statute, code, ordinance, requirement, order, proclamation, directive, rule, or regulation of any local, state, or federal governmental agency applicable in any way to the Parties, the CSU Property, the River Park Property, or the Project, including relating to any development, construction, use, maintenance, taxation, operation, occupancy, or environmental conditions affecting the CSU Property, the River Park Property, or the Project, or otherwise relating to this Agreement or either Party's rights, obligations or remedies under this Agreement, or constituting any environmental law, whether in force on the Effective Date of this Agreement or passed, enacted, modified, amended, or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

1.13 Parcel Map. Defined in Recital I of this Agreement.

1.14 Parties. Collectively, the City and CSU.

1.15 Party. Individually, the City or CSU.

1.17 **Project.** The project CSU is developing on the CSU Property.

1.18 **Purchase Agreement.** That certain Real Property Purchase and Sale Agreement and Joint Escrow Instructions dated [date], 2020 between the Parties.

1.19 **River Park Property.** That certain real property situated contiguous to the CSU Property and consisting of approximately 34.6 acres, as legally described in Exhibit C to this Agreement and depicted in Exhibit D to this Agreement.

1.20 **Section 22.0908 Conditions.** Defined in Recital B of this Agreement.

1.21 **Wetland Mitigation Project.** The wetland mitigation project, commonly known as the Stadium Wetland Mitigation Project, that has been created by the City, and is now and will continue to be monitored and maintained by the City (including regular activities such as perimeter control, ranger patrols, trash removal, transient management, and invasive plant removal), in compliance with the Wetland Mitigation Project Agreements on the Wetland Mitigation Project Site.

1.22 **Wetland Mitigation Project Agreements.** The regulatory agreements and permits governing the Wetland Mitigation Project, together with any and all amendments, modifications, supplements, and/or extensions thereof, including: (i) the Section 404 Permit dated December 21, 2015, File No. SPL-2014-00416-DB, issued by the U.S. Army Corps of Engineers to the City pursuant to Section 404 of the Clean Water Act; (ii) the Streambed Alteration Agreement, Notification No. 1600-2014-0192-R5, signed by the City’s Public Utilities Department on August 5, 2015, and by the California Department of Fish and Wildlife on September 2, 2015; (iii) the Section 401 Water Quality Certification dated November 14, 2014, Certification No. R9-2013-0124, issued by the California Regional Water Quality Control Board, San Diego Region, to the City pursuant to Section 401 of the Clean Water Act; (iv) any site development permits or other permits issued or to be issued by the City relating to the use of wetland mitigation credits from the Wetland Mitigation Project Site; and (v) the Stadium Wetland Mitigation Project (San Diego River) Mitigation Plan Final dated March 13, 2015 and prepared for the City of San Diego, Public Utilities Department.

1.23 **Wetland Mitigation Project Site.** The City-owned real property consisting of approximately 57 acres (including approximately 40.4 acres of waters of the United States), located generally south of the River Park Property and within the San Diego River and its floodplain, on which the Wetland Mitigation Project is situated and is being carried out by the City in accordance with the Wetland Mitigation Project Agreements.

2. **Various Easements.** To the extent this Agreement states that CSU is granting and conveying an Easement or other rights to the City already in existence as of the Effective Date, this Agreement is intended to signify CSU’s reaffirmation of such Easement for the City’s benefit and that the conveyance of the CSU Property from the City to CSU pursuant to that
certain Grant Deed recorded on ______________ has been made subject to the Easements and the Easement Areas and other rights of the City contained in this Agreement. [General Note: The precise easements and easement areas described below will need to be revisited based on the final content of the approved Parcel Map.]

2.1 Water Utility Easements. CSU grants and conveys to the City and its successors and assigns the permanent non-exclusive easement and right-of-way to access, construct, install, reconstruct, maintain, operate, restore and repair water utility facilities, together with appurtenances, through, over, on, under, along, and across the following Easement Areas:

(a) Water Easement 1 – 48” Alvarado Water Transmission Easement, generally located along the northern and eastern boundaries of the CSU Property, as described in Exhibit E-1 and depicted in Exhibit E-2.

(b) Water Easement 2 – 16” Water Transmission Easement, beginning generally at the northern boundary at the northeast corner of the CSU Property and extending south/southwest through the River Park Property, as described in Exhibit E-1 and depicted in Exhibit E-2.

2.2 Sewer Utility Easements. CSU grants and conveys to the City and its successors and assigns the permanent non-exclusive easement and right-of-way to access, construct, install, maintain, operate, repair, restore and reconstruct sewer pipelines, together with appurtenances, through, over, on, under, along and across the following Easement Areas:

(a) Sewer Easement 1 – 8” and 18” Gravity Sewer Easement, beginning generally at the northern boundary of the CSU Property and extending south/southwest to the southern boundary of the CSU Property into the River Park Property, as described in Exhibit F-1 and depicted in Exhibit F-2.

(b) Existing City Sewer Facility – 84” and 96” North Mission Valley Sewer Interceptor Easement, with improvements generally located within the River Park Property with access over the CSU Property to all points in the area as described in Exhibit F-1 and depicted in Exhibit F-2.

(c) Sewer Easement 2 – 36” Murphy Canyon Trunk Sewer Easement, beginning generally at the northeast corner of CSU Property and extending south, then southwest through the River Park Property as described on Exhibit F-1 and depicted on Exhibit F-2.

2.3 Storm Drain Utility Easement. CSU grants and conveys to the City and its successors and assigns the permanent non-exclusive easement and right-of-way to access, construct, install, reconstruct, maintain, operate, restore and repair storm drain utility facilities, together with appurtenances, through, over, on, under, along, and across the following Easement Area generally located along the northern boundary of the CSU Property, as described in Exhibit G-1 and depicted in Exhibit G-2 for the 48” storm drain serving Friars Road.

[PARTIES WILL NEED TO PROVIDE FOR GRANT OF GROUNDWATER MONITORING WELL EASEMENTS IF THEY ARE LOCATED ON THE CSU PROPERTY]
3. **Access and Use Easements.**

3.1 **Grant of Access Easement and Related Rights.** CSU grants and conveys to the City and its successors and assigns the permanent non-exclusive easement and right-of-way allowing physical access (i.e., ingress and egress) for pedestrians and vehicles, including motorized vehicles and transport of machinery and equipment for construction and repair, through, over, under, along, and across all improved public streets and other permanent public rights-of-way throughout the CSU Property to each Easement and each Easement Area, the River Park Property, the Wetland Mitigation Project Site, and the San Diego River by the most practicable route available at the time (to the extent feasible, using vehicular and pedestrian access points and avoiding any damage to any person or property on the CSU Property), and at all times necessary, to and from the nearest public rights-of-way ("Access Easement"). The ingress and egress rights conferred upon the City in the Access Easement shall include immediate and uninterrupted physical access, and frequent vehicular access, for inspection of subsurface infrastructure from multiple surface access points within the Easement Areas and to all surface and subsurface areas of the River Park Property and the Wetland Mitigation Project Site. Without limiting any of the foregoing, CSU acknowledges and agrees that: (i) the City is the fee title owner of the Wetland Mitigation Project Site, the River Park Property, and other real property contiguous to the southern border of the River Park Property; (ii) the City requires access to all City-owned real property located between the southern border of the CSU Property and the northern bank of the San Diego River in order to comply with existing obligations, including the Wetland Mitigation Project Agreements, the rights and obligations to monitor, maintain and access the River Park Property and the Wetland Mitigation Project Site, and more generally to access the San Diego River and floodplain; and (iii) the City requires uninterrupted water supply to the Wetland Mitigation Site, and immediate and uninterrupted access to all points of the Wetland Mitigation Project Site using access pathways along northern routes through the CSU Property and the River Park Property.

3.2 **Applicability to Alternate Easements.** The Access Easement shall apply to any alternate easement or easement area granted by CSU to the City in accordance with Section 4.3, unless the Parties agree in writing that alternate and suitable access to the alternate easement and easement area has otherwise been granted by CSU to the City.

4. **Limitations and Conditions.**

4.1 **CSU's Use of Surface in Easement Area.** CSU agrees that improvements constructed within the Easement Areas on the CSU Property will be limited to landscaping, hardscaping, streetscaping, recreational fields, bike paths, trails and similar improvements. Any improvements proposed to be constructed by CSU within the Easement Areas on the CSU Property will be subject to the City's review and approval in accordance with Section 3.3 of that certain Declaration of Covenants, Conditions, and Restrictions Regarding Development and Permitting of SDSU Mission Valley Property between the Parties recorded on [insert date]. Subject to the foregoing, CSU reserves the right to use the Easement Areas in any lawful way and all rights not inconsistent with this grant of Easements, in each case so long as the same are not incompatible with the City's use of such Easements, including actions that may cause damage to City-owned improvements or prevent timely access by the
City, or its agents, to any Easement Areas as necessary. Prior to granting any other easements or physical access rights affecting the Easement Areas to third parties for the construction or placement of structures, installations, or improvements, or involving the use of heavy vehicles, machinery or equipment (such as an excavator or crane), CSU will obtain the City’s prior written consent, which shall not be unreasonably withheld, conditioned or delayed. The City will provide its consent or describe reasons for withholding consent, in writing, within ten (10) business days of CSU’s delivery of request therefor. If the City fails to provide a timely response in accordance with the foregoing, it shall be deemed to have consented to CSU’s request. Any damage to person or property arising out of, resulting from, or related to CSU’s surface use of an Easement Area is the sole responsibility of CSU.

4.2 Irrigation for Wetland Mitigation Project. The stadium water service (Water Easement 2) is used to provide potable water to the Wetland Mitigation Project Site for irrigation. If CSU terminates, realigns or proposes a temporary interruption of the stadium water service during Project construction, CSU will ensure that the Project is designed to include adequate water service for the Wetland Mitigation Project Site, until such time as the City has received regulatory sign-off confirming the successful completion of conditions set forth in the Wetland Mitigation Project Agreements, which is currently anticipated to occur in March of 2023.

4.3 Realignment. If determined necessary in the future, CSU may propose alternate easements, more suitable to the development of the Project on the CSU Property, which may be granted or denied in the City’s sole discretion. The evaluation of any proposed alternate easement shall include consultation with the appropriate City department responsible for the relevant infrastructure, utility, or right-of-way proposed to be relocated to an alternate easement area. The City shall not grant or approve a proposed alternate easement if the City determines that doing so would be contrary to the interests of the City or the public. CSU shall not attempt to realign any Easement or any City facilities located in a particular Easement, unless and until the City has provided written approval of the alternate easement area. If the Parties are able to reach an agreement regarding the alternate easement area, the Parties shall cooperate in the drafting, signature, and recording of documents to ensure that the alternate easement area is recorded against the CSU Property prior to the vacation and release of any existing Easement.

4.4 Duty to Protect in Place. In carrying out any construction activities on the CSU Property, CSU will not damage any City utility facilities and appurtenances located in the Easement Areas. CSU shall be liable for all costs of repair, rehabilitation, decontamination, and any other work required, should any of the City’s utility facilities and appurtenances become damaged or negatively impacted by construction activities carried out by CSU on the CSU Property or the River Park Property. In connection with its use of the Easements, the City will not damage any CSU facilities and appurtenances located on the CSU Property. The City will be liable for all costs of repair, rehabilitation, decontamination, and any other work required, should any of CSU’s facilities and appurtenances located on the CSU Property become damaged or negatively impacted by the City's use of the Easements.

4.5 Restoration. If City engages in any permitted Easement activities, City shall restore the Easement areas to the City’s then-applicable standards unless the Parties enter into an encroachment maintenance and removal agreement setting forth a different standard.
4.6 Hazardous Materials. CSU shall not allow storage, handling, or presence of any hazardous materials on, over, below, or adjacent to the Easements which violates any applicable Law or may pose a health, safety, or environmental hazard to City’s personnel or the public generally.

5. Indemnification by CSU. CSU will defend, indemnify, and hold harmless the City Indemnified Parties from and against all bodily injury or property damage, or claim of bodily injury or property damage, arising out of or relating to any of the following: (a) CSU’s uncured default under this Agreement; (b) CSU’s use of, or activities on, the Easement Areas; or (c) CSU’s failure to provide the City with adequate and timely physical access, in accordance with the Access Easement, to the Easement Areas, the Wetland Mitigation Project Site, and the River Park Property. In addition, CSU shall defend, indemnify, and hold harmless all City Indemnified Parties from and against Claims arising out of or relating to any of the following circumstances: (i) the willful misconduct, sole negligence or active negligence of CSU in connection with the Easements, the Access Easement, the Wetland Mitigation Project Site, or the River Park Property; or (ii) CSU’s non-compliance with any applicable Law. CSU’s duty to defend, indemnify, and hold harmless the City Indemnified Parties shall not include any Claims to the extent arising out of the established sole negligence or willful misconduct of the City Indemnified Parties or any Claims directly arising out of environmental conditions determined to have existed on the River Park Property or the Wetland Mitigation Project Site, except for conditions directly caused by CSU or any of its contractors performing work on the River Park Property or the Stadium Mitigation Project Site. The City shall notify CSU in writing within five (5) business days of the receipt of any written notice of any Claims subject to CSU’s indemnification; provided that the failure to notify CSU in writing within such five (5) business day period shall not release CSU from the indemnification obligation set forth in this Section. Upon receipt of such notification, CSU shall assume the defense of the Claim, including the employment of counsel reasonably satisfactory to the City and CSU. CSU shall notify the City of CSU’s desired legal counsel, in writing within five (5) business days after CSU’s receipt of the City’s written notice of a Claim. The City shall thereafter have five (5) business days within which to approve or disapprove CSU’s choice of counsel and if the City fails to respond in writing within such time period it shall be deemed to have approved CSU’s choice of counsel. The City’s approval of CSU’s choice of counsel shall not be unreasonably withheld, conditioned or delayed. CSU’s obligation to defend and indemnify the City Indemnified Parties pursuant to this Agreement shall survive the termination of this Agreement, until any and all actual or prospective Claims regarding any matter subject to such obligations are fully, finally, and completely barred by the applicable statutes of limitations.

6. Indemnification by City. The City will defend, indemnify, and hold harmless the CSU Indemnified Parties from and against any Claims arising out of or relating to any of the following circumstances: (i) the willful misconduct, sole negligence or active negligence of the City in connection with the Easements, the Access Easement, the Wetland Mitigation Project Site, or the River Park Property; (ii) the City’s uncured default under this Agreement; (iii) the City’s use, maintenance, and operation of the Easements, the Easement Areas, or the Access Easement; (iv) the City’s non-compliance with any applicable Law; or (v) any damage to the CSU Property and/or any improvements located thereon resulting from the installation, operation, and/or use of any aquifer facilities not existing on the River Park Property as of the closing under the Purchase Agreement. The City’s duty to defend, indemnify, and hold harmless
the CSU Indemnified Parties shall not include any claims or liabilities to the extent arising out of
the established sole negligence or willful misconduct of the CSU Indemnified Parties. CSU shall
notify the City in writing within five (5) business days of receipt of any written notice of any
Claims subject to the City’s indemnification; provided that the failure to notify the City in
writing within such five (5) business day period shall not release the City from the
indemnification obligation set forth in this Section. Upon receipt of such notification, the City
shall assume the defense of the Claim, including the employment of counsel reasonably
satisfactory to the City and CSU. The City shall notify CSU of the City’s desired legal counsel,
in writing within five (5) business days after the City’s receipt of CSU’s written notice of a
Claim. CSU shall thereafter have five (5) business days within which to approve or disapprove
the City’s choice of counsel and if CSU fails to respond in writing within such time period it
shall be deemed to have approved the City’s choice of counsel. CSU’s approval of the City’s
choice of counsel shall not be unreasonably withheld, conditioned or delayed. The City’s
obligation to defend and indemnify the CSU Indemnified Parties pursuant to this Agreement
shall survive the termination of this Agreement, until any and all actual or prospective Claims
regarding any matter subject to such obligations are fully, finally, and completely barred by the
applicable statutes of limitations.

7. **Events of Default; Remedies.** Except as otherwise expressly provided in this
Agreement, if either Party defaults in the performance of any covenant, condition, or restriction
set forth in this Agreement, and if such default or breach continues uncured for a period of thirty
(30) days from and after written notice thereof delivered by the other Party, then in such event
the non-defaulting Party may pursue any and all available legal and equitable remedies,
including the right to collect any resulting damages and the right to seek injunctive or declaratory
relief; except that if such cure cannot reasonably be completed within thirty (30) days, the
defaulting Party shall have such longer period of time as is reasonably necessary to cure the
default, up to an aggregate total of one hundred twenty (120) days from the date of delivery of
the written notice of default.

8. **Costs of Enforcement.** If either Party initiates any legal action or proceeding to
interpret, dispute, or enforce any provision of this Agreement, the prevailing Party in such action
or proceeding shall be entitled to recover from the other Party all costs of enforcement in
connection therewith, including, but not limited to, court costs and reasonable attorneys’ fees.

9. **Notices.** All notices contemplated or required by this Agreement shall be
delivered in the manner and to the addressees described in the “Notices” provision of the
Purchase Agreement.

10. **Governing Law.** This Agreement shall be construed and enforced in accordance
with, and governed by, the laws of the State of California.

11. **Binding Effect.** The rights and obligations set forth in this Agreement shall inure
to the benefit of and be binding upon the successors-in-interest, agents, employees, assigns, and
transferees of each Party.

12. **Counterparts.** This Agreement may be executed in counterparts, each of which
shall be deemed an original, but all of which together shall constitute a single instrument.

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13. **Incorporation.** The Recitals set forth above, and all of the exhibits attached to this Agreement, are fully incorporated by reference into this Agreement.

14. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the Parties concerning the subject matter of this Agreement. No amendment, modification, or waiver of any provision of this Agreement shall be effective unless signed by both Parties and only for the specific purpose stated in such amending document.

15. **Severability.** If any provision of this Agreement or any application of this Agreement is determined to be invalid or unenforceable, such invalid or unenforceable provision shall be narrowed to permissible limits (if possible) or stricken from this Agreement, and the remaining provisions of this Agreement shall not be affected thereby.

*Signatures on following page*
IN WITNESS WHEREOF, a duly authorized representative of each Party has signed this Agreement, to be effective as of the Effective Date.

CITY:

Date: ______________________
By: ______________________
Name: ______________________
Title: ______________________

APPROVED AS TO FORM:

MARA W. ELLIOTT, City Attorney

By: ______________________
Kevin Reisch
Senior Chief Deputy City Attorney

[CSU will need to confirm whether it has a certificate of acceptance that it prefers to attach to the Easement Agreement, or whether the required language from California Government Code section 27281 should be added here.]

CSU:

The Board of Trustees of the California State University, the State of California acting in its higher education capacity, on behalf of San Diego State University

Date: ______________________
By: ______________________
Name: ______________________
Title: ______________________

APPROVED AS TO FORM:

SHEPPARD MULLIN RICHTER & HAMPTON LLP

By: ______________________
Domenic C. Drago, Counsel for The Board of Trustees of the California State University, which is the State of California acting in its higher education capacity on behalf of San Diego State University
NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )
COUNTY OF ___________________ )

On ________________________ (date), before me, __________________________________________
(name and title of notary public), personally appeared _________________________________________
(name of signer), who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature ___________________________________ (Seal)
EXHIBIT A

Legal Description of CSU Property

[To be Attached]
EXHIBIT B

Depiction of CSU Property

[To be Attached]
EXHIBIT C

Legal Description of River Park Property

[To be Attached]
EXHIBIT D

Depiction of River Park Property

[To be Attached]
EXHIBIT E-1

Legal Descriptions of Water Utility Easements

[Attached]
EXHIBIT E-2

Depictions of Water Utility Easements

[Attached]
EXHIBIT F-1

Legal Descriptions of Sewer Utility Easements

[Attached]
EXHIBIT F-2

Depictions of Sewer Utility Easements

[Attached]
EXHIBIT G-1

Legal Description of Storm Drain Utility Easement

[Attached]
EXHIBIT G-2

Depiction of Storm Drain Utility Easement

[Attached]
ATTACHMENT 33 TO PURCHASE AND SALE AGREEMENT

Depiction of Wetland Mitigation Project Site

[provided starting on next page]
ATTACHMENT 34 TO PURCHASE AND SALE AGREEMENT

Preliminary Parcel Map

[provided starting on next page]
ATTACHMENT 35 TO PURCHASE AND SALE AGREEMENT

Rider to Contract

Explanatory Note

The City of San Diego ("City") and the Board of Trustees of the California State University, the State of California acting in its higher education capacity, on behalf of San Diego State University ("CSU") have entered into that certain Real Property Purchase and Sale Agreement and Joint Escrow Instructions dated __________, 2020 ("Purchase Agreement"). Pursuant to the Purchase Agreement, the City and CSU have entered into or will be entering into as required by the Purchase Agreement (i) that certain Agreement Regarding Development of River Park Improvements and Storm Water Best Management Practice Structures dated __________, 2020 and (ii) that certain Agreement Regarding Maintenance and Management of the River Park and Storm Water Best Management Practice Structures dated __________, 2020, (collectively, "Purchase Agreement Documents").

As part of CSU’s implementation and performance of its duties and obligations under the Purchase Agreement Documents, CSU and each and every selected developer, consultant, and contractor for construction, operation, or maintenance of the River Park Property under the Purchase Agreement Documents shall attach and incorporate this Rider to Contract into each respective developer, consultant, and contractor agreement and shall execute this Rider to Contract (to be updated only to reflect the applicable parties). It shall also be the obligation of each and every selected developer, consultant, and contractor for construction, operation, or maintenance of the River Park Property under the Purchase Agreement Documents to require each of its contractors and consultants, to attach and incorporate this Rider to Contract into each respective consultant and contractor agreement and to execute this Rider to Contract (to be updated only to reflect the applicable parties).

[Rider to Contract form provided starting on next page]

RIDER TO CONTRACT

(CITY OF SAN DIEGO IS EXPRESS BENEFICIARY OF AGREEMENT)

This Rider to Contract ("Rider") is attached to and incorporated in that certain __________________________ [insert full name of agreement] ("Agreement") dated __________, ________, by and between [the Board of Trustees of the California State University, the State of California acting in its higher education capacity, on behalf of San Diego State University ("CSU") [Developer] [Contractor] [Consultant] and [Developer] [Contractor] [Consultant], a __________________________ ("Contractor"). This Rider shall form an integral part of the Agreement. Wherever possible, the provisions of this Rider and the Agreement shall be construed consistently so that each is given application to the fullest extent possible consistent with its intent.

1. Contractor and [CSU] [Developer] [Contractor] [Consultant] each agree that the City of San Diego ("City") is an express third party beneficiary of the Agreement, and shall be entitled
to all rights and remedies provided to [CSU] [Developer] [Contractor] [Consultant] pursuant to the terms of the Agreement. Loss, waiver or other limitation on [CSU] [Developer] [Contractor] [Consultant]’s rights shall not affect or impact the City’s rights under those provisions, nor shall any such loss, waiver or other limitation on the City’s rights affect or impact the rights of [CSU] [Developer] [Contractor] [Consultant]. [CSU] [Developer] [Contractor] [Consultant] and the City shall have the right to separately and independently exercise such rights as to their respective interests.

2. Without limiting Paragraph 1 of this Rider, Contractor specifically acknowledges that the City shall be an express third party beneficiary of all provisions in the Agreement requiring Contractor to indemnify, defend, protect and hold harmless [CSU] [Developer] [Contractor] [Consultant] (collectively “Indemnity Obligations”). Contractor further acknowledges and agrees that the Contractor’s Indemnity Obligations are not limited by the insurance policies and coverages that Contractor is required to maintain and if, for any reason such insurance policies and coverages are insufficient to cover all Indemnity Obligations, Contractor shall nevertheless remain responsible to perform all such Indemnity Obligations in full. Contractor further acknowledges and agrees that the Contractor’s Indemnity Obligations under those provisions shall survive termination or expiration of the Agreement with respect to all Indemnity Obligations whether or not accrued as of the date of such termination.

3. The City shall also be named as an additional insured in an endorsement to the insurance policies required by the Agreement. Contractor shall furnish [CSU] [Developer] [Contractor] [Consultant] with evidence that such insurance has been obtained upon execution of the Agreement, and [CSU] [Developer] [Contractor] [Consultant] shall provide copies of such evidence to CSU which shall provide such copies of evidence to the City.

4. Contractor acknowledges that it is acting as an independent contractor in performing its obligations under the Agreement and that Contractor shall in no event be considered an agent or employee of the City or CSU. Neither Contractor nor any of its employees shall have any right to participate in any pension plan, insurance, bonus, workers’ compensation or similar benefits the City or CSU provides for its employees. Contractor shall hold the City and CSU harmless from any and all payroll and other taxes and interest thereon and penalties therefor which may become due as a result of any obligations, services or other matters performed by Contractor or its agents or employees pursuant to the Agreement.

5. The City, as a third-party beneficiary, neither undertakes nor assumes any obligations under the Agreement. Nothing in this Rider requires the City to be responsible for or establishes a duty to review, inspect, supervise, pass judgment upon, or inform Contractor or any third party of any matter in connection with the operations, maintenance, development, oversight, and coordination of the subject Property and improvements thereon. Nothing in this Rider requires the City to review or determine the quality, adequacy or suitability of any plans or improvements, labor, service, equipment or material furnished, any person furnishing the same, or other like matters. Contractor and all employees and agents of Contractor shall rely upon their own judgment regarding such matters, and any review, inspection, supervision, exercise of judgment or information provided by the City in connection with such matters is for the public purposes of the City, and neither Contractor nor any third party is entitled to rely thereon.
6. Any notices to the City pursuant to the Agreement shall be delivered to the City in the manner provided in the Agreement at the addresses set forth below:

To City: City of San Diego
Attn: Director, Real Estate Assets Dept.
1200 Third Avenue, Suite 700
San Diego, CA 92101

City of San Diego
Attn: Director, Parks and Recreation Department
202 C Street, MS-39
San Diego, CA 92101

7. Contractor acknowledges and agrees that Contractor shall have no rights or remedies against the City for any payments due by [CSU] [Developer] [Contractor] [Consultant] to Contractor under the Agreement or for the performance of any obligations of [CSU] [Developer] [Contractor] [Consultant] under the Agreement.

8. There shall be no modification, waiver or other alteration or change to the provisions of this Rider without the prior written consent of the City and CSU.

9. This Rider may be signed in one or more counterparts, all of which, taken together, shall constitute a single instrument.

[SIGNATURES FOLLOW ON NEXT PAGE]
ATTACHMENT 36 TO PURCHASE AND SALE AGREEMENT

CSU Interim Lease

CITY OF SAN DIEGO
INTERIM LEASE

BY AND BETWEEN

THE CITY OF SAN DIEGO,
A CALIFORNIA MUNICIPAL CORPORATION

AND

THE BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY,
The State of California acting in its higher education capacity,
on behalf of San Diego State University,
INTERIM LEASE OF SDCCU STADIUM SITE
[9449 Friars Road, San Diego, CA]

This Interim Lease of SDCCU Stadium Site ("Interim Lease") is entered into by and between the City of San Diego, a California municipal corporation ("City"), as Lessor, and the Board of Trustees of the California State University, the State of California acting in its higher education capacity, on behalf of San Diego State University ("CSU"), as Lessee, to be effective as of ____________, 2020 ("Effective Date"), when signed by the parties and approved by the San Diego City Attorney.

RECITALS

City and CSU (collectively, the "Parties," and individually, a "Party") enter into this Interim Lease with reference to the following circumstances:

A. City is the owner of that certain real property consisting of 169.72 acres, commonly known as the San Diego County Credit Union stadium site, generally located at 9449 Friars Road in the City of San Diego, County of San Diego, State of California, and defined as the "CSU Property" and the "River Park Property" in that certain Real Property Purchase and Sale Agreement and Joint Escrow Instructions with an Effective Date of __________, 2020 ("PSA"), entered into between the Parties, together with all structures, fixtures, and other improvements located on such real property as of the Effective Date (collectively, "Premises"). A legal description of the Premises is set forth in Exhibit A to this Interim Lease. All capitalized terms in this Interim Lease have the same meaning ascribed to them in the PSA, unless otherwise specified.

B. City desires to lease the Premises for the operation and maintenance of the Premises to CSU, and CSU desires to lease the Premises for those purposes from the City.

C. The Parties are entering into this Interim Lease in accordance with Section 3.2 of the PSA, because Closing has not occurred as of the Primary Target Closing Date for reasons other than a City default under the PSA. During the term of this Interim Lease, the Parties will work diligently and in good faith to finalize terms of the CSU New Lease, which upon its effectiveness will supersede and replace this Interim Lease.

TERMS AND CONDITIONS

NOW THEREFORE, FOR VALUABLE CONSIDERATION, the sufficiency of which is acknowledged, the Parties agree as follows:

1. Premises. Under the terms and conditions of this Interim Lease, City leases the Premises to CSU, and CSU leases the Premises from City.

2. Term. The term of this Interim Lease ("Term") will be from the Effective Date until the earliest of: (i) the date on which Parties enter into the CSU New Lease containing the terms and conditions set forth in Exhibit B to this Interim Lease; (ii) the Closing under the PSA; or (iii) the date of termination of the PSA. Upon the Effective Date, this Interim Lease supersedes and
replaces the CSU Existing Occupancy Agreement, which will have no further force or effect. The CSU New Lease, upon its effectiveness, will supersede and replace this Interim Lease.

3. **Allowed Uses.** The Premises are leased to CSU solely and exclusively for the purposes set forth in Section 7 (entitled “Use”) of Exhibit B, and for such other related or incidental purposes as may be first approved in writing by the Mayor (collectively, “Allowed Uses”), and for no other purpose whatsoever.

4. **Rent.** CSU will pay rent at the rate set forth in Section 8 (entitled “Rent”) of Exhibit B.

5. **City’s Consent, Discretion.** City’s consent or approval under this Interim Lease refers to the written consent or approval of the Mayor of San Diego, or his or her designee (“Mayor”), unless otherwise expressly provided herein. City’s discretionary acts under this Interim Lease will be made in the Mayor’s discretion, unless otherwise expressly provided herein.

6. **Quiet Enjoyment.** CSU, in performing the covenants and agreements in this Interim Lease, will at all times during the Term peaceably and quietly have, hold, and enjoy the Premises.

7. **Additional Terms.** The Parties agree that all of the terms, conditions, covenants, representations and warranties as set forth in Exhibit B, which are agreed-upon terms, conditions, covenants, representations and warranties that will be included in the CSU New Lease, will be and by this reference are made terms, conditions, covenants, representations and warranties of this Interim Lease, with which the Parties agree to comply. Without limiting the broad application of the preceding sentence, CSU will be responsible during the Term for all maintenance, repair, and operation of the Premises and all associated costs and expenses, as described in Exhibit B. In the event of any conflict between the terms, conditions, covenants, representations and warranties set forth in the body of this Interim Lease and Exhibit B, the terms, conditions, covenants, representations and warranties set forth in Exhibit B shall control.

8. **Holdover.** Any holding over by CSU after the expiration or earlier termination of this Interim Lease will not be considered a renewal or extension of this Interim Lease. The occupancy of the Premises after the expiration or earlier termination of this Interim Lease will constitute a month-to-month tenancy at will, and all other terms and conditions of this Interim Lease will continue in full force and effect, except that CSU will then pay to City the current market rent for the Premises as determined by qualified staff of City’s Real Estate Assets Department, in its sole discretion. This Section shall not apply in the event that CSU remains in occupancy of the Premises after the expiration or earlier termination of this Interim Lease because this Interim Lease has been superseded by the CSU New Lease.

9. **Surrender of Premises.** Upon the expiration or earlier termination of this Interim Lease, and unless this Interim Lease is superseded by the CSU New Lease, CSU will vacate the Premises and surrender it to City free and clear of all liens and encumbrances caused by CSU, and in reasonably comparable condition to that which existed on the Effective Date, excepting ordinary wear and tear and uninsured casualty damage.

10. **Default and Remedies.**
10.1 **Default.** CSU will be in default of this Interim Lease if CSU fails to (a) make any payment required under this Interim Lease when due and fails to cure the default within five (5) Business Days following written notice thereof from City; or (b) fails to perform any covenant, term or condition required by this Interim Lease, other than those requiring payment to City, to be performed by CSU and fails to cure the default within thirty (30) calendar days following written notice thereof from City, or if any such default is not curable within thirty (30) days, fails to commence to cure the breach within thirty (30) calendar days and to diligently pursue the cure to completion. "Business Day" means a day other than Saturday, Sunday, or any day on which (i) federally-insured banks are closed, (ii) the County Recorder is closed or (iii) the administrative offices of either City or CSU are closed.

10.2 **Remedies.** Upon CSU’s default under this Interim Lease, City may pursue any remedy now or later available to City, in law or equity. Such remedies will be cumulative and not exclusive.

11. **Waiver.** Any waiver by a Party of a breach or default by other Party will not be a waiver of any other breach or default. No waiver will be valid and binding unless in writing and executed by the Party making the waiver. Either Party’s delay or failure to enforce a right or remedy will not be a waiver of that or any other right or remedy under this Interim Lease. The enforcement of a particular right or remedy for a breach or default will not waive any other right or remedy for the same breach or default, or for any other or later breach or default. CSU acknowledges that the Premises are publicly-owned property held in trust for the benefit of the citizens of the City of San Diego, and that any failure by City to discover a breach or default, or take prompt action to require the cure of any breach or default, will not result in an equitable estoppel, but City will have the legal right to require the cure of any breach or default.

12. **Waste, Damage, or Destruction.** CSU will immediately give notice to City of any fire or any other damage that occurs on the Premises at any time during the Term of this Interim Lease. CSU will not commit or allow to be committed any waste or any public or private nuisance on the Premises. CSU will keep the Premises clean and clear of refuse and obstructions at all times, and will dispose of all garbage, trash, and rubbish in a manner satisfactory to City. In the event of a casualty that renders the Premises or any portion thereof unsafe, CSU will cease operating the Premises or such portion thereof. If there are third party possessory rights that the City has granted, the City and not CSU will be responsible for any obligations under such agreements with third parties.

13. **Asbestos Disclosure.** Portions of the structural components of the SDCCU Stadium structure ("Building") may contain asbestos. CSU acknowledges receipt of notice from City of the presence of such asbestos in accordance with California Health and Safety Code Section 25915. CSU will disclose to the appropriate parties the existence of asbestos on the Premises, as required by Health and Safety Code Section 25915.

14. **Asbestos.** If either Party makes improvements, alterations, or repairs to the Building or the Premises, the Party causing such improvements, alterations, or repairs will be responsible for any asbestos removal, management, or containment, and will pay all costs associated therewith. Asbestos removal, management, or containment will be conducted in accordance with all
applicable laws and as approved by City. City reserves the right to inspect any improvements, alterations, or repairs to the Premises or the Building made by CSU. City may, at its discretion, station supervisory personnel at the work site to ensure that CSU’s obligations under this section are fulfilled. Each Party will coordinate with the other any improvement, alteration, or repair, and, except in the event of an emergency, the Party responsible for such work will provide written notice to the other Party at least fifteen (15) days prior to commencing the work.

CSU shall defend, indemnify, and hold harmless City and its officials, employees, agents, officers, attorneys, and representatives (collectively, “City Parties”) from and against any claim, loss, cost, damage, expense, liability, lien, legal proceeding, enforcement action, administrative action or proceeding, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, notice of violation, fine or penalty of every kind (including reasonable expert fees and expenses), and each financial performance obligation arising from any judgment, decree, order, or other written decision issued by any governmental representative or entity ("Claims") arising from or relating to asbestos removal, management, or containment required as a result of CSU’s improvements, alterations, or repairs to the Building or the Premises. Notwithstanding the foregoing, CSU’s indemnification obligations will not apply to any Claims to the extent arising out of the City’s established sole negligence or willful misconduct. The City shall notify CSU in writing within five (5) Business Days of the receipt of any notice of any indemnified Claim; provided that the failure to notify CSU in writing within such five (5) Business Day period shall not release CSU from the indemnification obligation set forth in this Section. Upon receipt of the City’s notification, CSU shall assume the defense of the Claims, including the employment of counsel reasonably satisfactory to the City and CSU. CSU shall notify the City of CSU’s desired legal counsel, in writing within five (5) Business Days after CSU’s receipt of the City’s written notice of a Claim. The City shall thereafter have five (5) Business Days within which to approve or disapprove CSU’s choice of counsel, and if the City fails to respond in writing within such time period, it shall be deemed to have approved CSU’s choice of counsel. The City’s approval of CSU’s choice of counsel shall not be unreasonably withheld, conditioned or delayed. CSU’s obligation to indemnify and defend the City Parties pursuant to this Interim Lease shall survive the expiration or termination of this Interim Lease, until any and all actual or prospective Claims regarding any matter subject to such obligation are fully, finally, and completely barred by applicable statutes of limitations.

City shall defend, indemnify, and hold harmless CSU and its officials, employees, agents, officers, attorneys, and representatives (collectively, “CSU Parties”) from and against any and all Claims arising from or relating to the existence of asbestos prior to the Effective Date and any asbestos removal, management, or containment required as a result of the City’s improvements, alterations, or repairs to the Building or the Premises. Notwithstanding the foregoing, the City’s indemnification obligations will not apply to any Claims to the extent arising out of the CSU’s established sole negligence or willful misconduct. CSU shall notify City in writing within five (5) Business Days of the receipt of any notice of any indemnified Claim; provided that the failure to notify the City in writing within such five (5) Business Day period shall not release the City from the indemnification obligation set forth in this Section. Upon receipt of CSU’s notification, City shall assume the defense of the Claims, including the

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employment of counsel reasonably satisfactory to City and CSU. The City shall notify CSU of the City’s desired legal counsel, in writing within five (5) Business Days after the City’s receipt of CSU’s written notice of a Claim. CSU shall thereafter have five (5) Business Days within which to approve or disapprove the City’s choice of counsel, and if CSU fails to respond in writing within such time period, it shall be deemed to have approved the City’s choice of counsel. CSU’s approval of the City’s choice of counsel shall not be unreasonably withheld, conditioned or delayed. The City’s obligation to indemnify and defend the CSU Parties pursuant to this Interim Lease shall survive the expiration or termination of this Interim Lease, until any and all actual or prospective Claims regarding any matter subject to such obligation are fully, finally, and completely barred by applicable statutes of limitations.

15. **Notices.** Any notice required or permitted to be given under this Interim Lease will be in writing and may be served personally or by United States mail, postage prepaid, addressed as follows:

If to CSU:


If to City:

City of San Diego
Attention: Director, Real Estate Assets Department
1200 Third Avenue, Suite 1700, MS 51A
San Diego, California 92101

16. **Compliance with Law.** CSU will at all times in the construction, maintenance, occupancy, restoration and operation of the Premises comply with all applicable laws, rules, regulations, and requirements of competent legal authority at CSU’s sole cost and expense. CSU will promptly deliver to City copies of all documentary evidence of such compliance received by or otherwise available to CSU (e.g., validation of periodic inspection of CSU’s fire-suppression equipment in the Premises).

17. **Equal Pay Ordinance.** By signing this Interim Lease, CSU certifies that it will comply with the Equal Pay Act and Fair Pay Act as codified in California Labor Code section 1197.5, including any applicable amendments thereto, throughout the Term.

18. **Accessibility Assessment.** City advises CSU, and CSU acknowledges, that the Premises have not, to City’s knowledge, been inspected by a Certified Access Specialist (CASp), and City makes no representation whether the Premises meet the construction-related accessibility standards of California Civil Code Section 55.53. Further, pursuant to California Civil Code section 1938(e), City is required to state: “A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require
a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties will mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.”

19. Nondiscrimination. This Interim Lease is made and accepted upon and subject to the covenant and condition, that CSU or any person claiming under or through CSU will not establish or allow any discrimination against or segregation of any person or group of persons on account of race, color, religion, gender, gender identity, gender expression, disability, sexual orientation, marital status, national origin, ancestry, familial status, or source of income in the possession, use and occupancy of the Premises or in the selection, location, number, use or occupancy of tenants, subtenants or vendees in the Premises.

20. Cumulative Remedies. Each Party’s rights and remedies under this Interim Lease are cumulative and will not limit or otherwise waive or deny any of such Party’s rights or remedies at law or in equity.

21. Survival. Any obligation which accrues under this Interim Lease prior to its expiration or termination will survive such expiration or termination.

22. Entire Agreement and Understanding. This Interim Lease constitutes the entire agreement between the Parties and supersedes any and all prior understandings, representations, warranties, and agreements between them pertaining to this Interim Lease and CSU’s occupancy, use, development, maintenance, and restoration of the Premises. Any modification, alteration, or amendment of this Interim Lease will be in writing and signed by both Parties.

23. Time is of the Essence. Time is of the essence to the performance of this Lease.

24. Governance. This Interim Lease will be governed, construed, and enforced in accordance with the laws of the State of California.

25. Counterparts. This Interim Lease may be signed in any number of counterparts, each of which when signed will be deemed an original, but all of which together will constitute one and the same instrument.

26. Unavoidable Delay. Performance by either Party under this Interim Lease will not be deemed or considered to be in default, where any default is due to the occurrence of an Unavoidable Delay. Within ten (10) Business Days after first learning of an Unavoidable Delay, any Party claiming an Unavoidable Delay will deliver written notice to the other Party describing in reasonable detail the nature of the Unavoidable Delay and the date of occurrence of the Unavoidable Delay. The extension of time to perform under this Interim Lease resulting from the occurrence of an Unavoidable Delay shall commence on the date of occurrence of the Unavoidable Delay. After a written notice of Unavoidable Delay has been delivered, the
Parties will exercise commercially reasonable efforts and will Cooperate with each other as may be required to cure the condition causing the Unavoidable Delay. Within five (5) Business Days after the Unavoidable Delay ceases to exist, the Party initially claiming the Unavoidable Delay will provide written notice to the other Party regarding this circumstance. “Unavoidable Delay” means a delay in either Party performing any material obligation under this Interim Lease arising from or on account of any cause beyond the Party’s reasonable control, including acts of God, fire, earthquake, flood, casualty, war, acts of terrorism, riots, regional natural disasters, pandemic, current or future COVID-19 orders and/or mandates from federal, state or local governments, inability to obtain required materials or supplies, a labor dispute which results in a strike, work stoppage or other inability to obtain labor, environmental contamination, governmental delays (excluding delays directly caused by the Party asserting an Unavoidable Delay); provided Unavoidable Delay shall not, under any circumstances, include delay caused by or relating to the financial condition, insolvency, or inability to obtain financing on the part of the Party asserting that Unavoidable Delay exists.

27. **No Brokerage Commissions.** The Parties represent and warrant to each other and agree that no real estate commission, finder’s fee, or broker’s fee has been or will be incurred in connection with the leasing of the Premises pursuant to this Interim Lease. Each Party agrees to defend, indemnify, and hold harmless the other Party with respect to any Third Person’s claim that any real estate commission, finder’s fee, or broker’s fee is owed as a result of any act or failure to act of any of the indemnifying Party’s employees, agents, or representatives.

28. **No Personal Liability of Officials and Employees.** No official or employee of the City will be personally liable to CSU, or any successor in interest to CSU, in the event of the City’s default under this Interim Lease or for any amount that may become due to CSU or to CSU’s successor, or on any obligations under the terms of this Interim Lease, except to the extent resulting from the fraud or willful misconduct of such official or employee. Likewise, no official or employee of CSU will be personally liable to the City, or any successor in interest to the City, in the event of CSU’s default under this Interim Lease or for any amount that may become due to the City or to the City’s successor, or on any obligations under the terms of this Interim Lease, except to the extent resulting from the fraud or willful misconduct of such official or employee.

29. **Relationship of Parties.** The Parties are independent contracting entities and do not intend by this Agreement to create any partnership, joint venture, or similar business arrangement, relationship, or association between them.

30. **Severability.** If a court of competent jurisdiction declares any portion of this Interim Lease to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Interim Lease, and the remaining parts of this Interim Lease shall remain in full force and effect, as fully as though such invalid, illegal, or unenforceable portion had never been included in this Interim Lease.

[REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY]
IN WITNESS WHEREOF, the Parties have signed this Interim Lease, to be effective as of the Effective Date.

BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY, the State of California acting in its higher education capacity, on behalf of San Diego State University

BY: 
Name: 
Title: 
Date: 

THE CITY OF SAN DIEGO, a California municipal corporation

BY: 
Name: 
Title: 
Date: 

Approved as to form as of __________, 2020.

MARA W. ELLIOTT, City Attorney

BY: 
Name: 
Title: 

Exhibit A: Legal Description of Premises
Exhibit B: Additional Interim Lease Terms and Conditions
EXHIBIT A

Legal Description of the Premises

[to include legal description of both the CSU Property and the River Park Property, which are Attachments 2-A and 4-A, respectively, to the PSA]
EXHIBIT B
ADDITIONAL INTERIM LEASE TERMS AND CONDITIONS

[to include CSU New Lease Summary, which is Attachment 15 to the PSA]