

CHULA VISTA BAYFRONT PROJECT
PHASE 1A EARLY WORK IMPLEMENTATION AND RIGHT OF ENTRY LICENSE
AGREEMENT

This Phase 1A Early Work Implementation and Right of Entry License Agreement, hereinafter "Agreement", is entered into as of ____, 2021 (the "Effective Date"), by and among the San Diego Unified Port District, a public corporation ("District"), the City of Chula Vista, a chartered municipal corporation ("City"), the Chula Vista Bayfront Facilities Financing Authority, a California joint exercise of powers authority ("Authority"), and RIDA Chula Vista, LLC, a Delaware limited liability company ("Developer"). District, City, and Authority may be referred to collectively herein as the "Public Entities". The Public Entities and Developer may each be individually referred to herein as a "Party", or collectively herein as the "Parties".

RECITALS

- a. On or about May 7, 2018, the District, City, and Developer entered into a Disposition and Development Agreement ("DDA") to construct, among other things, a convention center, resort hotel and public infrastructure improvements, which includes Developer's Phase 1A Infrastructure Improvements (as defined in the DDA). Pursuant to the DDA, at the Close of Escrow (as defined in the DDA), the District and Developer will enter into a ground lease for the construction of the resort hotel. The Board of Port Commissioners approved the ground lease on June 15, 2021 (the "Ground Lease").
- b. At the Close of Escrow, the District, the City, the Authority, the Bayfront Project Special Tax Financing District and the Developer will enter into a project implementation agreement (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Project Implementation Agreement"), pursuant to which, among other things, the Authority will pay the Developer's Phase 1A Contract Sum (as defined therein) to the Developer in connection with the development and construction of the Developer's Phase 1A Infrastructure Improvements (as defined in the DDA). The Board of Port Commissioners approved the Project Implementation Agreement on June 15, 2021, the City Council of the City of Chula Vista approved the Project Implementation Agreement on June 15, 2021, and the governing board of the Authority approved the Project Implementation Agreement on June 28, 2021.
- c. The District owns certain real property located in Chula Vista, California, more particularly described on Exhibit "A-1" and delineated on Exhibit "A-2", which is attached hereto and incorporated herein by this reference (the "Premises").
- d. The Developer's Phase 1A Infrastructure Improvements (as defined in the DDA)

include the work that is more particularly described on Exhibit “B”, which is attached hereto and incorporated herein by this reference (the “Work”), and more particularly described in the work plan attached as Exhibit “B-1” (“Work Plan”).

- e. As described in the Work Plan, the Work generally consists of construction and backfill of a trench with installation of electrical facilities across the Premises, which will provide electrical power to adjoining tenants during Developer’s construction of the Developer’s Phase 1A Infrastructure Improvements, convention center, and resort hotel. As described in the Work Plan, some of the electrical facilities are intended to serve temporarily during construction of the Developer’s Phase 1A Infrastructure Improvements, convention center, and resort hotel, and to be removed by Developer upon completion of the construction of the Developer’s Phase 1A Infrastructure Improvements, resort hotel, and convention center.
- f. The DDA contemplates that the Developer will develop Developer’s Phase 1A Infrastructure Improvements, including the Work, after the Close of Escrow (as defined in the DDA).
- g. Developer has now requested early access to the Premises – i.e., prior to the Close of Escrow – in order to perform the Work, which Developer contends will allow for greater efficiency in the construction of the Developer’s Phase 1A Infrastructure Improvements post-Close of Escrow and shorten Developer’s construction schedule.
- h. The Public Entities are willing to permit Developer to perform the Work subject to the terms and conditions set forth herein.
- i. Under the DDA, the Developer is to be reimbursed for the Phase 1A Infrastructure Costs (as defined in the DDA) if certain requirements are met, including but not limited to, the issuance of bonds by the Authority at the Close of Escrow.
- j. On January 8, 2020, the Board of Directors of the Authority (“Authority Board”) adopted Resolution 2020-001 initially establishing a Procurement Policy for developer-performed public works, which the Authority Board further ratified through Resolution 2020-007 (“Procurement Policy”).
- k. Pursuant to Section 5 of the Procurement Policy, the Authority may require a developer to enter into an agreement to clarify the procurement procedures for a particular project.
- l. The Parties therefore intend to enter into this Agreement in order to comprehensively address each Party’s respective obligations with respect to the Work, and in particular: (1) the terms and conditions upon which the District will grant Developer a license for the right to enter the Premises prior to Close of Escrow, (2) the terms and conditions upon which the Developer may perform the

Work, (3) the terms and conditions upon which the Developer will be paid for the Work, and (4) the process that the Developer will follow to procure the Work.

AGREEMENT

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

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REFERENCES

- 1.1. Effective Date. This Agreement shall become effective upon the completion of the following two conditions precedent: (1) each of the Parties duly approves this Agreement through its respective Board of Directors, Board of Port Commissioners, City Council, principals or members, as the case may be, and the authorized representative of each Party executes this Agreement, and (2) the Authority adopts a Resolution making findings on the procurement process set forth in this Agreement.
- 1.2. Right of Entry License. Article 7 of this Agreement contains the terms and conditions upon which the District grants a license to Developer and its authorized agents and contractors to enter the Premises to perform the Work. (Article 7 will be referred to as the "Right of Entry License.")
- 1.3. DDA. The Parties acknowledge and agree that the District, City, and Developer are all parties to the DDA, and this Agreement is not intended to be a limitation of any rights or obligations contained in the DDA, unless expressly stated herein. In the event of a conflict between the DDA and this Agreement, the terms of this Agreement shall control.
- 1.4. Representatives. Each Party to this Agreement shall have a designated representative to serve as the primary contact person with regard to various aspects of the implementation of this Agreement (each, a "Representative").

The Representatives of the Parties shall be:

Developer: Luke Charlton, Chief Operating Officer

District: Adam Meyer, Assistant Director of Real Estate and Stephanie Shook, Department Manager, Real Estate

City: Tiffany Allen, Director of Development Services and Kimberly Elliot, Facilities Financing Manager

Authority: For the District, Adam Meyer, Assistant Director of Real Estate and

Stephanie Shook, Department Manager, Real Estate; for the City, Tiffany Allen, Director of Development Services and Kimberly Elliot, Facilities Financing Manager.

The Representatives for each Party may be changed from time to time upon written notice to the other Parties. The roles and obligations of the Representatives shall be limited to those set forth in this Agreement.

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WORK TO BE PERFORMED AT DEVELOPER'S RISK

- 2.1. Limitations. Developer agrees to perform the Work at Developer's own cost and expense subject to Developer's right to reimbursement as set forth in Sections 2.2 and 2.3 of this Agreement. Except as set forth in this Agreement, Developer shall have no recourse against the Public Entities for any costs or expenses incurred by Developer related to this Agreement or the Work. Notwithstanding anything to the contrary herein, nothing in this Agreement shall amend, modify, limit or supersede Developer's right to reimbursement or payment for any work other than the Work from any of the Public Entities under any other agreement between Developer and such Public Entity.
 - a. No Consequential Damages. No Public Entity shall, in any event, be liable to Developer or any other person, either in contract, tort or otherwise, for any consequential, incidental, indirect, special or punitive damages, including loss of future revenue, income or profits, diminution of value or loss of business reputation or opportunity relating to the breach or alleged breach hereof, whether or not the possibility of such damages has been disclosed to the other Party in advance or could have been reasonably foreseen by such other Party. The foregoing shall not preclude the Developer from enforcing its right to receive reimbursement as set forth in Section 2.2 or 2.3 of this Agreement.
- 2.2. Reimbursement from Authority if the Close of Escrow Occurs. Provided that the Close of Escrow has occurred and the Project Implementation Agreement has been executed by the parties thereto in connection with the Close of Escrow, then the costs and expenses actually incurred by Developer in performing the Work hereunder, and not already paid or reimbursed by the Public Entities and in an amount not to exceed the Budget (defined below), shall be deemed to be part of Developer's Phase 1A Contract Sum (as defined in the Project Implementation Agreement), and the Developer shall be entitled to reimbursement of such part of Developer's Phase 1A Contract Sum under and in accordance with the Project Implementation Agreement and this Section 2.2.

- a. Budget. Attached hereto as Exhibit “E” is the line item budget for the Work, which has been approved by the Public Entities (such budget and any amendments, supplements or other modifications thereto, in each case, as approved by the Public Entities from time to time in accordance with this Agreement, the “Budget”).
- b. Budget Increases. The appropriate line item on the Budget will increase by the amount of incremental costs that Developer actually incurs in connection with the Work (including, without limitation, as a result of any Cost Increase Event (as defined below) (less the amount of insurance proceeds that Developer receives for such Cost Increase Event)), and such incremental costs shall be part of the Budget if and to the extent permitted by this Agreement. Developer shall use reasonable efforts to prosecute each and every insurance claim with respect to any Cost Increase Event that is covered by the insurance policies procured in accordance with this Agreement. During the Work, Developer shall promptly notify the Public Entities of any additional costs for the Work that are not included in the Budget, including, without limitation, as a result of any Cost Increase Event, and if applicable, request that such additional costs be included in the Budget. Developer shall not request the inclusion of additional costs in the Budget to the extent resulting from Developer’s or Developer Affiliates’ (as defined below) negligence or willful misconduct, and such additional costs shall not constitute a “Cost Increase Event”.

“Cost Increase Event” shall include any of the following events individually or in any combination, to the extent that (x) such event is not caused by the negligence or willful misconduct of Developer or Developer Affiliates and (y) such event increases the cost of performing the Work:

- (i) a strike, or similar labor disturbances causing a work stoppage, excluding any such strike or work stoppage that could have been avoided had Developer or Developer Affiliates complied with applicable laws or labor agreements with respect to the Work, if any;
- (ii) hurricanes, typhoons, tornadoes, cyclones, other severe storms, lightning or floods;
- (iii) days of precipitation or high winds in any month in excess of ten (10) year average for the area within the District’s jurisdiction;
- (iv) an earthquake, volcanic eruptions, explosions, disease, epidemics or other natural disaster;
- (v) fires (including wildfires);

- (vi) inability to procure labor, utilities, equipment, materials, or supplies in the open market due to lack of availability (but, in each case, not attributable to a mere increase in price or Developer's or Developer Affiliates' acts or failure to act);
- (vii) acts of war or armed conflict, insurrections, riots, and acts of terrorism (including hijacking, chemical or biological events, nuclear events, disease related events, arson or bombing) or, with respect to any of the foregoing, any threat thereof;
- (viii) delays in the issuance of any approvals or authorizations from any governmental authority (excluding any of the Public Entities) that is necessary to proceed with the performance of the Work (provided that Developer or Developer Affiliates have timely and properly filed all applications, submitted all required documents and fees and taken all other reasonable actions that are necessary to obtain such approvals or authorizations and that Developer or Developer Affiliates are not responsible for the delay in the issuance of such approvals or authorizations);
- (ix) an act of God;
- (x) embargoes or blockades;
- (xi) Pre-Existing Hazardous Material (as defined in the Ground Lease) that is not the result of Material Exacerbation (as defined in the Ground Lease); or
- (xii) closures ordered by any Governmental Authority that do not arise from a breach of this Agreement or misconduct by Developer or Developer Affiliates;
- (xiii) any change in applicable law that is first effective after the Effective Date;
- (xiv) any breach or interference with performance of the Work by the governmental entities, including any Public Entity;
- (xv) any changes to the Work required by any public utility entity or any governmental entity, including any Public Entity; or
- (xvi) any other event or circumstance (including, without limitation, bids for the Work, and expenses described in Section 7.12, that exceed the Budget) resulting in an unforeseen cost or cost increase not otherwise contained in the Budget and that does not result from the negligence or willful misconduct of Developer or any Developer

Affiliate.

If any Cost Increase Event shall occur, Developer shall, promptly but in no event later than ten (10) days after Developer learns of the occurrence of such Cost Increase Event, notify the Public Entities thereof, which notice must be made in good faith and describe the Cost Increase Event, why such cost increase is occurring, the estimated expected amount of the cost increase, and the commercially reasonable efforts that the Developer is taking to minimize the cost increase. The Public Entities shall, promptly but in no event later than ten (10) days after receipt of such notice, notify Developer whether (x) Developer shall continue with performing the Work, in which case the appropriate line item on the Budget shall increase by the amount of incremental costs that Developer reasonably and actually incurs as a result of any Cost Increase Event in accordance with this Agreement, or (y) Developer shall stop performing the Work, in which case Developer shall immediately stop all Work except any Work required to secure the Work, Work area and the Premises to the satisfaction of the District, and the Parties shall proceed under Section 2.3.

- c. Increase in Payment Bonds. Any adjustment to the Budget in accordance with Section 2.2(b) shall include a proportional increase in the penal sums of the Payments Bonds (as defined below). Authority's reimbursement of such bond cost increases shall not exceed the actual cost of increasing the penal sum of such bonds.
- d. Work Reimbursement Costs. During each month after the commencement of the Work, Developer shall submit to the Public Entities a record of costs that have been incurred with respect to the Work during the immediately preceding month (a "Record of Costs"). No later than thirty (30) Business Days after the Public Entities receive a Record of Costs, the Public Entities shall review such Record of Costs and shall, in their reasonable discretion, determine whether the costs set forth in such Record of Costs have been incurred by Developer in performance of the Work and do not cause the aggregate amount of such costs to exceed the Budget, and shall provide a notice of their determination to Developer. Any costs so determined by the Public Entities to have been incurred by Developer in performance of the Work up to the amount of the Budget shall hereinafter be referred to as "Work Reimbursement Costs". After the Close of Escrow, the Authority shall reimburse Developer for all Work Reimbursement Costs.

- 2.3. Reimbursement from Public Entities if the Close of Escrow Does Not Occur. In the event that the Close of Escrow does not occur due to a termination of the DDA by

any of the Parties, and such termination was not the result of a breach of Developer's obligations under the DDA, this Agreement, or any other agreement setting forth Developer's obligations to the Public Entities prior to the Close of Escrow, Developer shall be entitled to reimbursement for the Work Reimbursement Costs incurred as of the date of the termination, with each of the District and the City being responsible for payment to Developer of fifty percent (50%) of the Work Reimbursement Costs incurred by Developer as of the date of the termination. Provided that such termination occurs prior to the Contribution Date (as defined in the RSA (as defined below)), the Authority, the District, and the City acknowledge and agree that the Work Reimbursement Costs may be paid by the District and the City from Existing Funds (as defined in the RSA) pursuant to Section 3.2(D) of the RSA (defined below) and each of the City and the District agree to approve any accounting submitted to one another pursuant to Section 3.2(F) of the RSA that reasonably details the payment of such Work Reimbursement Costs to Developer that does not exceed such party's share of the Work Reimbursement Costs.

- a. This Agreement is not intended to amend, modify, limit or supersede any separate agreement or understanding of the Public Entities as to the allocation of costs between City, District, and Authority related to the Developer's Phase 1A Infrastructure Improvements, including but not limited to the Project Implementation Agreement and that certain Third Amended and Restated Revenue Sharing Agreement, dated June 28, 2021, by and among the City, the District and the Authority (as amended, amended and restated, supplemented or otherwise modified from time to time, the "RSA").

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DEVELOPER'S RESPONSIBILITIES

- 3.1. Conditions. Prior to and as a condition of performing any Work and entering onto the Premises pursuant to the Right of Entry License:
 - a. Insurance. Developer shall purchase and maintain insurance that will protect District, City, and Authority from claims which may result from the undertakings of the Developer and Developer's Affiliates, under this Agreement, including without limitation the performance of the Work and use of the Premises, in the applicable limits set forth in Section 4.11 of the DDA and in the manner set forth in Sections 4.10 and 4.12-4.13 of the DDA, if and to the extent applicable to the Work, with the exception that (x) Worker's Compensation may be carried by the prime contractor (including Developer to the extent Developer is serving as prime contractor) or

applicable subcontractors for their own workers and (y) General Liability limits are amended to read \$1,000,000 per occurrence and \$2,000,000 in the aggregate; provided, that at all times such insurance shall cover the Work, the Premises, and any person or entity performing Work or on the Premises pursuant to this Agreement or the Right of Entry License. The insurance certificates shall be in the form attached as Exhibit "D".

- b. Bonds. Developer shall furnish to the District, City, and Authority a Payment Bond and Performance Bond (each as defined in the DDA), which shall be procured in the same manner and to the same extent as required for Developer's Phase 1A Infrastructure Improvements as provided in Section 4.14 of the DDA. Each Bond shall be in an amount equal to 100% of the Budget.
- c. Prevailing Wages. The Work is "Public Work" pursuant to the PWL (as defined in Section 4.16 of the DDA) and Developer and Developer's Affiliates shall comply with all requirements of section 4.16 of the DDA in their performance and completion of the Work.
- d. Indemnity. Without limitation of the Developer's other obligations under this Agreement, the Developer agrees, at its sole cost and expense, and with counsel selected by the applicable Public Entities, each in its reasonable discretion, and approved by Developer in its reasonable discretion, to indemnify, defend and hold harmless the District, the City and the Authority, and their respective officers, directors, commissioners, employees, partners, affiliates, agents, contractors, successors and assigns ("Public Entities Parties") from any claims, demands, actions, causes of action, suits (collectively, "Claims") and any costs, damages (of all kinds including punitive damage, diminution in value and loss of use), claims, liabilities, expenses (including reasonable attorneys', consultants' and experts' fees), losses, fines, penalties and court costs related to the subject matter of such costs (collectively, the "Related Costs") and amounts paid in settlement of any claims or actions related to the subject matter of the Related Costs (as determined by the District, City and/or Authority, as applicable), arising out of:
 - (a) the obligations undertaken by the Developer and its officers, directors, employees, partners, affiliates, agents, contractors, consultants, invitees, successors and assigns (each a "Developer Affiliate", and collectively, the "Developer Affiliates") in connection with this Agreement, including the Right of Entry License;
 - (b) the possession, use, occupancy, operation or development of the

Premises by the Developer or the Developer Affiliates;

- (c) the approval of this Agreement or the approval of permits or approvals granted to the Developer or a Developer Affiliate related to the Work or the Premises, including, but not limited to, approvals or permits for the development of any structures, buildings, installations, and improvements on the Premises, or use of the Premises (collectively, "Related Approvals");
- (d) any third party challenges to the approval of the Work and the Related Approvals;
- (e) the granting or failure to grant any approvals set forth in this Agreement (collectively, "Discretionary Approvals");
- (f) environmental documents, mitigation and/or monitoring plans, or determinations conducted and adopted pursuant to CEQA or the National Environmental Policy Act for this Agreement, Related Approvals or Discretionary Approvals; and
- (g) the Developer's obligation to comply with the PWL with respect to the Work.

If any Public Entity determines in its reasonable discretion that there is a conflict of interest with the Developer's counsel representing an applicable Public Entity and the Developer, then such Public Entity, at the election of the relevant Public Entity, may conduct such defense with its own counsel independent from the Developer's counsel that is selected by such Public Entity in its reasonable discretion and is approved by the Developer in its reasonable discretion (and in that event the Developer will select its own counsel) and the reasonable costs incurred by such Public Entity in such defense shall be covered by the foregoing indemnification, hold harmless and defense obligations. If any Public Entity determines in its reasonable discretion that there is a conflict of interest with counsel representing such Public Entity and the other Public Entity Parties, then such Public Entity, at its election, may conduct its own defense with its own counsel independent from the other Public Entity Parties' counsel which such Public Entity's counsel is approved by the Developer in its reasonable discretion (and in that event such Public Entity will select its own counsel) and the reasonable costs incurred by such Public Entity in such defense shall be covered by the foregoing indemnification, hold harmless and defense obligations.

- e. Survival. This Article 3 shall survive the expiration or earlier termination of this Agreement.

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PROCUREMENT OF THE WORK

- 4.1. Procurement Rules. Developer acknowledges that, as a condition for Authority to reimburse the Work, the procurement of the Work must be done in accordance with Authority's Procurement Policy. Except where provisions of the Procurement Policy are duly and expressly waived in this Agreement, by resolution of the Authority Board or by the Executive Director of the Authority, as applicable, Developer shall comply with, and cause its contractor(s) for the Work to comply with, the terms of the Procurement Policy.
- 4.2. Agreement as to Procurement Process. Pursuant to Section 5 of the Procurement Policy, the Authority may require developers to enter into an agreement to clarify the procurement procedures for developer-performed public work. This Agreement shall serve to clarify the procurement procedures for the Work.
- 4.3. Developer as Prime Contractor. Pursuant to Section 1.c of the Procurement Policy, a developer may serve as a prime contractor, provided that the Authority finds, in accordance with the Procurement Policy, that the developer is qualified and competent to complete the work. Developer has informed the Public Entities that it intends to serve as the prime contractor for the Work, and Developer agrees to: (1) competitively bid the subcontracts for the Work in the manner set forth in Section 4.6 of this Agreement, and (2) not seek reimbursement from Authority for any contractor fee Developer pays itself for serving as prime contractor.
- 4.4. Public Entities' Approval. Prior to the commencement of the Work, the Public Entities shall approve the plans and specifications with respect to the Work; provided that in the case of the City only, such plans and specifications shall be deemed approved if and when the City issues a building permit with respect to the Work. For this particular Work, Developer shall not be required to contribute toward the District's Art Program as set forth in the District's Tenant Percent For Art Program (BPC Policy No. 608) as provided in Section 4.1(c) of the DDA, but by excluding the Work from the requirements of BPC Policy No. 608, the District does not waive any of its rights to require Developer's participation as it relates to other work to be performed by Developer pursuant to the DDA.
- 4.5. Authority Approval of Bid and Contract Documents. Pursuant to Section 2.b of the Procurement Policy, Developer shall submit bid and contract documents to the Authority for approval prior to commencement of the Work. Developer's submittal shall include any applicable governmental approvals, including any applicable City permits. Bid and contract documents for the Work shall comply with this Agreement. Developer shall not advertise for bids until Authority has approved the bid and contract documents. Approval by any of the Public Entities of Developer's

bid and contract documents, including plans and specifications, shall not relieve Developer of liability for any improper design or construction of the Work.

- 4.6. Process for Subcontractor Bids. Developer will conduct the subcontractor bidding process and shall take responsibility for its implementation in accordance with the Procurement Policy and this Agreement. Nothing shall preclude Developer from proceeding with a bidding process that Developer performed prior to the Effective Date, provided that the bidding process satisfies the requirements of the Procurement Policy and this Agreement. The bidding process shall be as follows:
- a. Budget. The line items within the Budget shall be the engineer's estimate referenced in the Procurement Policy.
 - b. Advertisement. Developer will post a formal advertisement for bids (the "Advertisement for Bids") at least twenty-one (21) business days prior to the deadline for receiving bids (the "Bid Receipt Deadline"). The Advertisement for Bids will be in the publications selected by Developer. The Advertisement for Bids will generally describe the scope of the work and process to be used.
 - c. Pre-Bid Meeting. No sooner than 5 business days, and no later than 10 business days, following the posting of the Advertisement for Bids, Developer or its authorized representative will hold an electronic pre-bid meeting in order to answer any questions that prospective bidders may have.
 - d. Bidder Qualifications. All bidders shall be licensed for such bidder's respective scope of work in the State of California, shall be registered with the Department of Industrial Relations to perform public works prior to submitting their respective bids, and shall not be debarred from performing work by any federal or state agency or by the City or District.
 - e. Sealed Bids. All bids shall be sealed and opened concurrently at a public bid opening.
 - f. Bid Awards. Developer shall consider all sealed responsive bids that are submitted on or before the Bid Receipt Deadline. Developer shall award subcontracts to the lowest responsive and responsible bidder, or the bidder that is determined by Developer to be the "best qualified contractor" (as defined in Section 2.d. of the Procurement Policy), subject to Authority's reasonable approval. Developer may, at its option, waive any defect in any bid. Developer shall not award any bid that is more than 10% above the Budget for the Work, in the case where the bid is for the entire Work, or the line item in the Budget where the bid is only for a portion of the Work, unless

the Developer receives the Authority's written consent (in the Authority's sole discretion). This Section 4.6(f) shall not limit Developer's right to seek an adjustment to the Budget for any cost or expense actually incurred by Developer in performing the Work hereunder and that exceeds such 10% threshold, pursuant to Section 2.2(b) for a Cost Increase Event. Developer shall provide copies of the bids to the Public Entities prior to making an award or rejecting a bid. Developer may, in its sole and absolute discretion, reject any and all bids and repeat the bidding process. Developer may require the bidder receiving the award to furnish security in addition to that required of Developer under this Agreement.

- g. Developer shall defend, indemnify and hold harmless the Public Entities Parties from any Claims related to Developer's procurement of subcontractors in accordance with Section 3.1(d).

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PERFORMANCE OF THE WORK

- 5.1. Project Updates. Developer shall provide the Public Entities with regular updates regarding the performance and progress of the Work.
- 5.2. Standard of Performance. Developer and its agents, contractors, and subcontractors, if any, shall perform all Work in a skillful and workmanlike manner, and, with respect to the provisions of engineering services only, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Developer represents and warrants that all of its employees, agents, contractors, and subcontractors shall have all licenses, permits, qualifications and approvals of whatever nature that are legally required for them to perform the Work or a portion thereof, as applicable, and that such licenses, permits, qualifications and approvals shall be maintained throughout the term of this Agreement.
- 5.3. Liens and Claims. Developer agrees to cause all liens and security interests filed in connection with the Work to be discharged in the same manner and to the same extent as provided in Section 4.18 of the DDA for Developer's Improvements (as defined in the DDA).
- 5.4. Change Orders. Developer may request that the Public Entities approve a change in the scope of the Work and/or a change to the approved plans and specifications relating to the Work (a "Change Order"), in accordance with Section 3.b of the Procurement Policy. All Change Orders shall be subject to the prior written approval of the Public Entities (such approval not to be unreasonably withheld, conditioned or delayed), unless exempt from prior approval pursuant to Section

3.b of the Procurement Policy. Any Change Orders with respect to the approved plans and specifications shall also be subject to District's BPC Policy No. 357, and Developer shall obtain District's approval in accordance with such BPC Policy No. 357. A Change Order shall not result in an automatic increase to the Budget, but this Section 5.4 shall not limit Developer's right to seek an adjustment to the Budget for any Change Order pursuant to the applicable provisions of Section 2.2(b) for a Cost Increase Event.

- 5.5. Completion. Upon completing the Work, Developer shall notify the Public Entities that the Work is complete (such notification, "Developer's Completion Notice"). The Public Entities shall have thirty (30) days after receipt of Developer's Completion Notice to inspect the Work and determine in their reasonable discretion if there are any defects in the Work, any incomplete Work, any Work that does not conform to the approved plans or specifications for the Work, or any damage to the Work or the Premises (collectively, "Outstanding Work"), and either notify the Developer of such Outstanding Work (such notification, "Public Entities' Outstanding Work Notice") or notify Developer that the Work is complete (such notification, "Public Entities' Completion Notice"), as applicable. Developer shall complete to the reasonable satisfaction of the Public Entities any Outstanding Work within thirty (30) days after Developer receives Public Entities' Outstanding Work Notice. If the Public Entities deliver Public Entities' Outstanding Work Notice to Developer, then the process set forth in this Section 5.5 shall be repeated until the Public Entities deliver to the Developer Public Entities' Completion Notice. Developer acknowledges and agrees that the inspection by the Public Entities shall not void, alter, or modify any warranties for the Work.
- a. As-Builts. Within thirty (30) days of Public Entities' Completion Notice, Developer shall provide one (1) set of "as-built" or record drawings or plans to the District and City. The drawings shall be certified and shall reflect the condition of the Work as constructed, with all changes incorporated therein.
 - b. Notice of Completion. Developer shall record a notice of completion within the statutory time for recording such notice and shall provide a conformed copy of same to the Public Entities. Upon recording of such notice of completion and, if applicable, acceptance of the improvement by any applicable public utility receiving the improvement (provided that, in absence of receiving a written notice of such acceptance from a public utility, any use of the applicable improvement by such public entity shall constitute deemed approval of such improvement by such public utility for purposes of this Agreement), (i) neither Developer nor any Developer Affiliate shall have care, custody, or control of any improvement that is subject to such notice of completion, and (ii) neither Developer, nor any

Developer Affiliate, nor any Public Entity shall have the risk of loss with respect to any improvement that is subject to such notice of completion (where "risk of loss" means any risk of loss in connection with any casualty event with respect to such improvement that occurs after such time and that results in the loss of use of such improvement).

- c. Removal of Liens and Security Interests. Pursuant to Section 5.3 above and Section 4.18 of the DDA, within thirty (30) days after Developer receives notice of filing of any lien or security interest with respect to the Work, it shall cause such lien or security interest, as applicable, to be discharged of record by payment, deposit, bond, order of court of competent jurisdiction or otherwise. Notwithstanding the foregoing, Developer shall not be required to discharge of record any such lien or security interest, as applicable, if Developer is in good faith, and consistent with applicable law, at its own expense, currently and diligently contesting the same; provided that Developer first records a surety bond sufficient to release such lien or such security interest, as applicable. Developer shall certify to the Public Entity accepting the improvement that it has complied with the requirements of this Section 5.5(c).
- d. Utility Easement. Parties hereto acknowledge and agree that San Diego Gas & Electric ("SDG&E") is scheduled to commence certain work on the Premises on or around November 1, 2021 and, as a prerequisite for SDG&E to commence such work, District shall grant a utility easement to SDG&E, on terms satisfactory to the District and SDG&E. For avoidance of doubt, neither the Public Entities nor Developer shall be responsible for any actions or omissions by SDG&E. Once the Developer has completed the necessary work to allow SDG&E to install the cabling work for the Sandpiper SDG&E Re-Feed Work (as described in the Work Plan), Developer shall notify SDG&E and the Public Entities. If SDG&E is unable to install the cabling work due to defects in Developer's work, Developer shall repair or correct the defects promptly.
- e. Post-Completion/Restoration. The acceptance of any portion of the Work shall not create any obligation upon any Public Entity to Developer to repair or correct any defects in the Work.
 - (i) If the Close of Escrow occurs, Developer shall, at its sole cost and expense, permanently remove the Sandpiper SDG&E Re-Feed Work constructed pursuant to the Work Plan, and restore to its pre-Work condition the portion of the Premises that is affected by such removal, prior to Completion (as defined in the Ground Lease) of the

resort hotel.

- (ii) If the Close of Escrow does not occur, Developer shall have no obligation to remove the Work or restore the Premises except as provided in this Agreement.
- f. Survival. This Article 5 shall survive the earlier termination or expiration of this Agreement.

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TERMINATION AND DEFAULT

- 6.1. Term and Termination. This Agreement shall remain in effect from the Effective Date until the earlier of: (1) Developer completes the Work and all Work is accepted by the appropriate Public Entity(ies), or (2) one (1) year, unless extended or terminated earlier as provided herein (the "Termination Date").
- a. Extension. The Public Entities may, in each of their sole and absolute discretion, agree in writing to extend the Termination Date; provided, that, if Developer has performed substantial work on the Work (more than 60%), is diligently pursuing completion of the Work, the DDA has not expired or terminated, and Developer is not otherwise in breach of this Agreement, then the Public Entities shall not unreasonably refuse to grant an extension.
 - b. Event of Default. If Developer neglects, refuses, or fails to fulfill or timely complete any obligation, term, or condition of this Agreement, or abandons the Work, or if the Public Entities determine there is a violation of any federal, state, or local law, ordinance, policy, regulation, code, standard, or other requirement, Developer shall be in default of this Agreement, upon which the Public Entities shall make written demand upon Developer to immediately remedy the default in accordance with this Agreement ("Notice"). Developer shall substantially commence the work required to remedy the default within fifteen (15) business days of receipt of the Notice. If the default constitutes an immediate threat to the public health, safety, or welfare, District's Representative may provide the Notice verbally, and Developer shall substantially commence to remedy the default within twenty-four (24) hours thereof. Immediately upon issuance of the Notice, Developer and its surety shall be liable to the Public Entities for all costs of the Work and all other administrative costs and expenses as provided for in this Section 6.1.
 - (i) Nothing herein prevents the Public Entities from notifying Developer's surety of any default or demand to remedy a default; provided, however, failure to give or receive notice to the surety shall

not exonerate the surety of any obligations under the Performance Bond.

- c. Remedies for Event of Default. If Developer does not cure the default as provided in Section 6.1(b), the Public Entities may elect to terminate this Agreement. If the Public Entities elect to terminate this Agreement, the District may elect that the Developer and the surety either (i) restore the Premises to the same condition as the Premises existed prior to the commencement of the Work; or (ii) complete and convey any particular portion of the Work to the District in lieu of restoration of some or all of the Premises under (i), and Developer shall proceed with such restoration or completion of the Work at no cost to the District. If the Developer fails to comply with any of its obligations contained herein, Developer and its surety shall be jointly and severally liable to the Public Entities for all administrative expenses, fees, and costs, including reasonable attorneys' fees and costs, incurred by the Public Entities in obtaining Developer's compliance with this Agreement or in processing any legal action or for any other remedies permitted by law or equity.
- d. Survival. This Article 6 shall survive the expiration or earlier termination of this Agreement.

7

RIGHT OF ENTRY LICENSE

- 7.1. Right-of-Entry: District hereby grants Developer, and its authorized agent(s) and contractor(s), the right to enter upon the Premises to perform and complete the Work, subject to the terms and conditions in this Article 7 ("Right-of-Entry License").
- 7.2. Use of Premises. The use of the Premises by the Developer and Developer's Affiliates for the Right of Entry License, shall be limited to the following activities:
 - a. Performance and completion of the Work;
 - b. Ingress and egress for purposes of Paragraph 7.2(a) above through roads owned by the District and located adjacent to the Premises as shown in Exhibit "A-2" (collectively, "Approved Routes"); and
 - c. Inspections, commissioning, and maintenance of the Work.

Developer's "authorized agents and contractors" shall include the employees, contractors, subcontractors, and agents of public utilities that Developer authorizes to enter the Premises to perform, complete, inspect, commission, maintain or otherwise participate in the Work.

- 7.3. [INTENTIONALLY OMITTED.]
- 7.4. Term. This Right-of-Entry License shall commence on the Effective Date and terminate on the Termination Date.
- 7.5. No Additional Rights or Interests. District's grant of the Right-of Entry License does not: (i) confer any right or interest on Developer other than those rights or interests expressly granted to Developer in this Right-of Entry License, as such rights or interests are limited and qualified herein; or (ii) create or impose any obligations on District other than those obligations expressly set forth in this Right-of Entry License.
- 7.6. Consideration for Access. Developer shall pay to the District the Cost Recovery Fees pursuant to Board of Port Commissioners Policy No. 106 in the total amount of Five Hundred and Fifty Dollars (\$550.00) payable concurrently with Developer's execution of this Agreement.
- 7.7. Indemnification of District. Except for claims or litigation arising through the sole negligence or willful misconduct of any Indemnitee or Indemnitees, Developer shall defend, indemnify, and hold harmless District and its officers, directors, members of the Board of Port Commissioners, employees, contractors, agents, affiliates and successors and assigns (collectively with the District, the "Indemnitees") for any and all causes of action, liability, claims, judgments, or demands, plus expenses in connection therewith, arising out of or as the result of: (i) this Right-of Entry License; (ii) Developer's and/or its authorized agents', employees', invitees' or contractors' activities undertaken pursuant to this Right-of Entry License, including without limitation, the performance of the Work; (iii) any accident or occurrence in connection with the Work or the operation, use, condition, or possession of the Premises, Approved Routes, or any portion thereof during the term of this Right-of Entry License; (iv) PWL (defined above); or (v) the District's approval or issuance of this Right-of Entry License, including but not limited to the District's review and approval under the California Environmental Quality Act and the California Coastal Act (collectively, an "Indemnified Claim"). Said expenses shall include without limitation costs of investigation and remediation of environmental conditions, counsel, consultant and/or expert fees and expenses, and penalties and interest as incurred, regardless of the cause thereof or the cause of action, liability, claim, judgment, or demand, no matter when made or filed. Developer's obligation to indemnify Indemnitees pursuant to this Section 7.7 shall apply regardless of the extent, if any, to which such Indemnified Claim is based, in whole or in part, on preexisting conditions at the Premises, including without limitation Environmental Conditions, as defined in the Acknowledgment and Disclosure Regarding Environmental Conditions, attached hereto as Exhibit "C", and incorporated by

reference herein. Notwithstanding the foregoing, Developer shall have no obligation to indemnify, defend or hold harmless any Indemnitee for any Indemnified Claim that arises out of any preexisting hazardous material condition that is not known to Developer, unless such Indemnified Claim arises out of the negligence of, or breach of this Agreement by, Developer or one or more of the contractors, agents, employees or invitees. For purposes of this Section 7.7, a preexisting hazardous material condition shall be deemed to be known to Developer if (1) Developer has actual knowledge of the condition through its employees, consultants, agents or anyone hired by Developer to investigate the conditions of the Premises, or (2) should have reasonably been anticipated by Developer through review of the District files, Developer's files, other public files, readily available information or information described in Exhibit "C", an ALTA survey, walk through, and any other reasonable pre-construction investigation or assessment of the Premises.

- 7.8. [Intentionally Omitted.]
- 7.9. Modifications. District and Developer may only modify the Right-of-Entry License in writing, and a written modification shall not require the consent of the City or Authority to be effective. Developer shall give prompt notice to City of any modification to the Right-of-Entry License that materially impact Developer's performance of, or ability to complete, the Work.
- 7.10. Work Product Related to Condition of Premises. At the request of District, Developer shall provide the District with complete copies of any information, data, studies, analyses, sampling results, and results, in each case, to the extent they are prepared for or result from the Work, including without limitation any investigation and/or remediation activities and any reports and/or work plans related thereto which Developer prepares or obtains, or contracts with third parties to prepare or obtain, regarding the condition of the Premises. Developer shall provide a copy to City and Authority of anything provided to District pursuant to this Section 7.10.
- 7.11. Additional Work and Documentation. Developer shall provide the District with any additional information and documentation, that is reasonably requested by the District and that developers performing work similar to the Work customarily provide to their respective right of entry licensors, relating to the Work, the activities of Developer and its authorized agents and contractors on or in connection with the Premises and the Work that is necessary to coordinate access to the Premises and the performance of the Work. Developer shall pay any costs and expenses related to the relocation of any construction equipment, debris, asphalt, soil, or improvements necessary to perform the Work and to access the Premises.

Developer may seek reimbursement of such costs and expenses only if subject to reimbursement pursuant to Section 2.2 or Section 2.3, as applicable. Developer shall pay any costs and expenses related to the Work and access to the Premises by Developer and its authorized agent(s) and contractors. Developer may seek reimbursement of such costs and expenses only if subject to reimbursement pursuant to Section 2.2 or Section 2.3, as applicable.

- 7.12. Permits. Developer shall acquire all permits required by applicable law, including without limitation, the ordinances and policies of the Public Entities. Developer shall perform and complete the Work in strict accordance with this Agreement, all permits for the Work, and all applicable District construction and design standards. Developer shall obtain all permits and authority from governmental entities and agencies that are necessary for the performance of the Work and access to the Premises. Except as set forth herein, the District shall not incur any cost or expense as a result of this Agreement. Developer agrees that any costs (including but not limited to plan checking, inspection, materials furnished and other incidental expenses) incurred by the District in connection with the inspection, approval or the installation of the Work, will be paid by Developer. Such costs and expenses in connection with permitting and the inspection, approval or the installation of the Work shall be included in the Budget and subject to reimbursement.
- 7.13. Conformance with Laws. Developer agrees that, in all activities on or in connection with the Premises, and in all uses thereof, including without limitation the Work and access to the Premises, it shall abide by and conform to all laws and regulations. Said laws and regulations shall include, but are not limited to those prescribed by the San Diego Unified Port District Act; any applicable ordinances of the City, including the Building Code thereof; any ordinances and general rules of District, including tariffs and policies; and any applicable laws of the state of California and federal government, as any of the same now exist or may hereafter be adopted or amended. In particular and without limitation, Developer shall have the sole and exclusive responsibility to comply with the requirements of: (i) Article 10 of District Code entitled "Stormwater Management and Discharge Control", and (ii) the Americans With Disabilities Act of 1990, including but not limited to regulations promulgated thereunder. At no time shall Developer or its authorized agents or contractors park vehicles on the Approved Routes, place or store any materials or equipment on the Approved Routes, or limit, block or impede the ability of any person to use any of the Approved Routes.
- 7.14. Utilities. Developer shall determine the location of all utilities in, on, under, and over the Premises and take necessary precautions to prevent interruption of any utility service. However, should any interruption of any utility service occur as a

result of the Work, Developer shall bear the sole expense and cost regarding said interruption.

- 7.15. Engineering and Inspection. Developer must at all times maintain proper facilities and safe access for inspection of the Work by District and City inspectors.
- 7.16. Outside Agency Inspections. Developer shall make available for District inspection all final outside agency inspection approvals (including but not limited to City inspection approvals) when the Work is completed.
- 7.17. Hazardous Materials. Developer is alerted that Work in this Agreement involves working environments that may be hazardous, contaminated, or non-hazardous to activities associated with the excavation, handling, transportation, and disposal of all excavated materials and other wastes in the project area with emphasis to hazardous and contaminated materials. Such hazardous, contaminated, and non-hazardous environments include, and are not limited to hazardous and non-hazardous materials, soils, groundwater, heavy metals, petroleum hydrocarbons, polynuclear aromatic hydrocarbons, organic compounds, serpentine rock and ultramafic material (which may contain natural occurring asbestos - NOA), lead-based paint materials, sewage, sludge, debris, grit, sewer gases, bacterial/biological contamination, railroad ties, oxygen deficiency, and confined spaces. In the performance of the Work, Developer shall implement a Health and Safety Plan (HSP), provide full-time environmental oversight during drilling, and utilize a Photoionization detector (PID) and visual observation to evaluate if spoils are impacted with chemicals of potential concern (COPCs).

Developer shall legally dispose of off tidelands all hazardous waste, hereinafter "Waste", extracted or removed by Developer in connection with this Agreement and the Work on the Premises. Developer shall be responsible for managing and disposing of said Waste in accordance with all applicable laws and regulations. All Waste, including but not limited to hazardous and non-hazardous Waste, shall only be disposed at permitted California landfills (22 CCR 66262), equivalent out-of-state landfills (40 CFR 262), and permitted recycling facilities. In addition, Developer or its contractor shall list itself as the generator of said Waste on the disposal facility's waste manifest and any waste disposal profile. In any event, Developer shall not store such Waste on the Premises for any period of time. Notwithstanding the foregoing, Developer shall be permitted to store all spoils on the Premises for such period of time as is reasonably necessary to classify such spoils as hazardous or non-hazardous and to await transportation of the hazardous spoils in conformance with all applicable laws and regulations.

- 7.18. Assumption of Risk. Developer assumes all responsibility and risk for any damage and/or consequence resulting from Developer's activities, including without

limitation access to the Premises, the Work and all costs associated therewith. Developer shall repair any damage to the Premises, including without limitation, any damage to the improvements of the District, arising out of or resulting from Developer's activities, including without limitation, the Work and access to the Premises, and at the election of the District, restore the Premises, to the reasonable satisfaction of the District. Developer shall repair any damage to the Premises including without limitation, any damage to the improvements of the District, prior to the expiration of this Agreement. Developer agrees to perform the Work in accordance with the plans and specifications approved by the District.

- 7.19. Securing Premises. Prior to commencement of construction of the Work, where applicable, Developer shall secure the Premises where Work is being performed with temporary fencing which shall remain until such time as that Work is complete.
- 7.20. RV Park Excluded. Notwithstanding anything in this Agreement to the contrary, the Right-of-Entry License shall not include the right to enter any portion of the Premises set forth on Exhibit "A-2" as "Encumbered," which is currently occupied by Sun Chula Vista Existing Park RV LLC, a Michigan limited liability company operating as the Chula Vista RV Resort pursuant to Tideland Use and Occupancy Permit dated February 28, 2019 between the District and Sun Chula Vista filed in the Office of the District Clerk as Document No. 69412.

8

MISCELLANEOUS PROVISIONS

- 8.1. Drafting Party. The District, City, Authority, and Developer acknowledge and agree that this Agreement has been agreed to by the District, City, Authority, and Developer, that the District, City, Authority, and Developer have consulted with attorneys with respect to the terms of this Agreement and that no presumption shall be created against the drafting party. Any deletion of language from this Agreement prior to its execution by District, City, Authority, or Developer shall not be construed to raise any presumption, canon of construction or implication, including, without limitation, any implication that the District, City, Authority, or Developer intended thereby to state the converse of the deleted language. Unless otherwise specified in this Agreement, any approval or consent to be given by District, City, Authority, or Developer may be given or withheld in the sole and absolute discretion of District, City, Authority, or Developer, respectively.
- 8.2. Incorporation of Recitals. All recitals above are incorporated into this Agreement and are made a part hereof.
- 8.3. Venue. Venue for any legal proceeding shall be in San Diego County, California. This Agreement shall be construed and enforced in accordance with the laws of

the State of California.

- 8.4. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one Agreement after each Party has signed such a counterpart.
- 8.5. Electronic Signatures. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document signed or to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures and contract formations on electronic platforms approved by the Parties, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the California Uniform Electronic Transaction Act, or any other similar state laws based on the Uniform Electronic Transactions Act.
- 8.6. Dispute Resolution. The Parties shall, before the filing of any lawsuit or court action against any other Party relating to this Agreement or the Work, attempt in good faith to settle the dispute through non-binding third party mediation.
- 8.7. Administrative Claims Requirements and Procedures. No suit shall be brought arising out of this Agreement against City unless a claim has first been presented in writing and filed with City and acted upon by City in accordance with the procedures set forth in Chapter 1.34 of the Chula Vista Municipal Code, as same may be amended, the provisions of which, including such policies and procedures used by City in the implementation of same, are incorporated herein by this reference. No suit shall be brought arising out of this Agreement against District or Authority unless a claim has first been presented in writing and filed with District or Authority, respectively, and acted upon by District or Authority, respectively, in accordance with the procedures set forth in the Government Claims Act (Government Code sections 900 et seq.)
- 8.8. CONTRACTOR'S LICENSE NOTICE. CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS STATE LICENSE BOARD, WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN 4 YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISSION PERTAINING TO STRUCTURAL DEFECTS MUST BE FILED WITHIN 10 YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO

THE REGISTRAR, CONTRACTORS STATE LICENSE BOARD, P.O. BOX
26000, SACRAMENTO, CA 95826.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first written above.

SAN DIEGO UNIFIED PORT DISTRICT, a public corporation

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: _____

Tony Gordon
Director, Real Estate

By: _____

Assistant/Deputy

RIDA CHULA VISTA, LLC, a Delaware limited liability company

By: _____

Name: _____

Its: _____

California Contractor License Number: 1039979

CITY OF CHULA VISTA, a municipal corporation

By: _____

Name

Title

Approved as to form:

By: _____

Glen R. Googins
City Attorney

CHULA VISTA BAYFRONT FACILITIES FINANCING AUTHORITY,
a California joint exercise of powers authority

By: _____

[_____] , Executive Director

Approved as to form and legality:

COUNSEL

By: _____

Thomas A. Russell, General Counsel, San Diego Unified Port District
Co-Counsel

By: _____

Glen Googins, City Attorney, City of Chula Vista
Co-Counsel

EXHIBIT "A-1"

PROPERTY DESCRIPTION

Those areas generally shown as the "Premises" in the attached Exhibit "A-2" (Map Identifying the Premises) which include portions of Parcel H-3, Parcel H-8, Parcel HP-1(N), Parcel HP-1S, Parcel HP-3B, Parcel HP-11, and Parcel H-9 of the Chula Vista Bayfront Master Plan and surrounding areas, but specifically excluding that portion marked as "Encumbered". Such "Premises" shall not include any areas outside the premises boundary of the Coastal Development Permit filed in the Office of the District Clerk as Document No. 70152.

EXHIBIT "A-2"

MAP IDENTIFYING THE PREMISES

(See attached)



EXHIBIT "B"

DESCRIPTION OF EARLY PHASE 1A INFRASTRUCTURE WORK

1. Sandpiper SDG&E Re-feed

Trench, backfill, and install conduits and cabling on Marina Parkway from approximately 100' southerly of Sandpiper, northerly along Marina Parkway, then westerly along Sandpiper to an existing SDGE service point at the corner of N-S and E-W Sandpiper. Includes the installation of SDGE Infrastructure. Upon completion of connections, remove all SDG&E cabling in N-S section of Sandpiper to G Street.

Sandpiper SDG&E Re-feed is temporary. The Phase 1A infrastructure includes services that will feed this service from H Street (when constructed).

Easements required: E-W Sandpiper is a Port Street, an easement for SDGE is required. Expected duration of easement necessity is 2 years after which time the easement could be terminated and new permanent easement and service from H Street is provided.

Trenching, backfill, and conduit work will be performed by RIDA Chula Vista, LLC, Subcontractor yet to be selected. Cabling work will be performed by SDG&E.

2. Sandpiper AT&T Re-feed

Trench and install conduits and cabling on Marina Parkway from G Street southerly along Marina Parkway, then westerly along Sandpiper to an existing AT&T service point adjacent to the existing RV Park. Includes the installation of AT&T Infrastructure. Upon completion of connections, remove all AT&T cabling in N-S section of Sandpiper to G Street.

That portion of the Sandpiper AT&T on Marina Parkway and Utility Corridor is Permanent. That portion of the Sandpiper AT&T Re-feed on E-W Sandpiper is temporary and will be replaced with a service from H Street (when constructed).

Easements required: AT&T has no existing easements in the H-3 project area. Marina Parkway is currently a City of CV Street. No temporary easements to AT&T are currently proposed. A permanent easement in the Utility Corridor will be provided prior to Hotel Occupancy.

Conduit work will be performed by RIDA Chula Vista, LLC, Subcontractor yet to be selected. Cabling work will be performed by AT&T.

3. G Street and Sandpiper Gas removal/abandonment

Cap existing gas main at G Street/Marina Parkway. Excavate and remove existing gas main on G Street from Marina Parkway to Sandpiper. Abandon existing gas main in Sandpiper from G Street south.

Work is permanent. No easements are required.

All work will be performed by SDG&E.

4. Rohr Gas RFS

Cap existing Rohr Gas main in Marina Parkway at the Sandpiper Intersection. Excavate and remove existing Rohr Gas main in Marina Parkway from Sandpiper, northerly to existing service at Rohr. All work is performed by SDG&E.

Work is permanent. Marina Parkway is currently a City of CV street. No temporary easements are required. H Street (Marina Parkway to Bay) must be dedicated as a public street or permanent easement prior to Hotel Occupancy. All work will be performed by SDG&E.

5. G Street Overhead Interim Relocation

Install interim overhead utility poles and SDG&E and AT&T cabling from Marina Parkway/G Street Intersection, westerly at the edge of the limits of work of the Gaylord Pacific Project (northerly of existing and proposed G Street) to the Sandpiper/G Street Intersection. Trench and install conductors to the existing underground SDGE and AT&T infrastructure in G Street. Remove existing overhead utility poles and cabling on G Street from Marina Parkway westerly.

G Street OH Interim relocation is temporary. The Phase 1A infrastructure includes services that will feed this service in G Street (when constructed).

Easements required: An easement for the alignment is required and combined with the temporary construction site power. Expected duration of easement necessity is 3 years.

Underground excavation, trenching, conduit, and pavement repair will be performed by RIDA. All overhead pole and wiring installations and removals will be performed by SDG&E and AT&T.

6. Sandpiper Water and Sewer Caps

Cap existing sewer at G Street/Sandpiper intersection. Cap existing water mains at G Street/Sandpiper, the Southwest Sandpiper turn, westerly end of Bayside Parkway, and north end of Quay Avenue all to remove water service from the North-South section of Sandpiper Way. Work is permanent. No easements are required.

All work will be performed by RIDA Chula Vista, LLC, Subcontractor yet to be selected.

EXHIBIT "C"

**ACKNOWLEDGMENT AND DISCLOSURE
REGARDING ENVIRONMENTAL CONDITIONS**

ACKNOWLEDGMENT AND DISCLOSURE REGARDING ENVIRONMENTAL CONDITIONS

IT IS HEREBY ACKNOWLEDGED BY RIDA Chula Vista, LLC, a Delaware limited liability company, a "Right of Entry Developer", hereinafter "Developer", and the San Diego Unified Port District, a public corporation, hereinafter "District", that:

1. Certain Environmental Conditions may: (a) exist at, under, on, or near: (i) the Premises, as defined in the Chula Vista Bayfront Project Phase 1A Early Work Implementation and Right of Entry License Agreement by and among the District, Developer, City of Chula Vista, a chartered municipal corporation ("City"), and the Chula Vista Bayfront Facilities Financing Authority, a California joint exercise of powers authority ("Authority") dated ____ ____, 2021, hereinafter "Agreement"; (ii) the Approved Routes, as defined in the Agreement; and (iii) property which is contiguous, upgradient, or otherwise in the vicinity of the Premises and Approved Routes, hereinafter "Surrounding Property"; and (b) be encountered during activity undertaken pursuant to the Agreement, including without limitation the Work, as defined therein.

For purposes of this Acknowledgment and Disclosure, the term "Environmental Conditions" means: (a) any environmental conditions, circumstances, or other matters of fact pertaining to, relating to, or otherwise affecting the environment, including without limitation: (i) any natural resources (including flora and fauna), soil, surface water, groundwater, any present or potential drinking water supply, subsurface strata, or the ambient air; and (ii) the presence, use, handling, storage, treatment, recycling, generation, transportation, release, spilling, leaking, pumping, pouring, emptying, discharging, injecting, escaping, leaching, dumping, or disposal (including without limitation the abandonment or discarding of barrels, containers, and other closed receptacles and fill materials containing any hazardous materials, hazardous wastes, or toxic substances); and (iii) the threatened release of hazardous materials, hazardous wastes, or toxic substances; and (b) the exposure of any persons (including without limitation lessees, licensees, permittees, or other users of the Premises, Approved Routes and/or Surrounding Property) to hazardous materials, hazardous wastes, or toxic substances; and (c) the exposure of other natural persons within or outside the boundaries of the Premises, Approved Routes, and/or the Surrounding Property to hazardous materials, hazardous wastes, or toxic substances related to or otherwise arising from operations, acts, omissions, or other conduct at the Premises, Approved Routes, and/or Surrounding Property (as the case may be).

2. Information relating to Environmental Conditions at, under, on, or near the Premises, Approved Routes, and/or Surrounding Property developed as a result of sampling,

testing, and analysis undertaken from time to time by District, District tenants, third-party contractors and/or others, may be contained in certain District files, hereinafter "District Files". Subject to reasonable confidentiality assurances from Developer, District will make District Files available to Developer for review. District has not undertaken to conduct, and District Files do not represent a comprehensive analysis of Environmental Conditions at, under, on, or near the Premises, Approved Routes, and/or Surrounding Property.

3. Information relating to Environmental Conditions at, under, on, or near the Premises, Approved Routes, and/or Surrounding Property may be contained in Developer's files, hereinafter "Developer's Files".
4. Information relating to Environmental Conditions at, under, on, or near the Premises, Approved Routes, and/or Surrounding Property may be contained in the files of other governmental entities or agencies, including without limitation the San Diego Regional Water Quality Control Board, San Diego Department of Health Services, San Diego Air Pollution Control District, Chula Vista Fire Department, City of Chula Vista, California Department of Toxic Substances Control, California Environmental Protection Agency, and Region IX of the United States Environmental Protection Agency, hereinafter "Agency Files". Said Agency Files are readily available to Developer.

District's knowledge and files regarding Environmental Conditions at, under, on, or near the Premises, Approved Routes, and/or Surrounding Property are not complete. District has encouraged Developer to review all readily available information relating to such Environmental Conditions, including the: (a) EIR/RAP/RIFS, etc., if available; (b) District Files; (c) Developer's Files; and (d) Agency Files, hereinafter collectively "Readily Available Information", to ascertain to the fullest extent possible the nature and existence of Environmental Conditions at, under, on, or near the Premises, Approved Routes, and/or Surrounding Property. Developer hereby assumes responsibility for ascertaining any information contained in the Readily Available Information.

5. Neither District nor Developer makes any representation or warranty, express or implied, in this Acknowledgment and Disclosure, the Agreement or otherwise, regarding the: (a) presence, extent, impact, or consequences, whether foreseeable or unforeseeable, of any Environmental Conditions at, under, on, or near the Premises, Approved Routes, and/or Surrounding Property, or (b) suitability of the Premises in any respect for any purpose intended by Developer under the Agreement.

ACKNOWLEDGED AND DISCLOSED:

**SAN DIEGO UNIFIED PORT
DISTRICT**, a public corporation

By: _____

Tony Gordon
Director, Real Estate

**APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL**

By: _____

Assistant/Deputy

ACKNOWLEDGED AND ACCEPTED:

RIDA Chula Vista, LLC, a Delaware
limited liability company

By: _____

Name: _____

Its: _____

California Contractor License

Number: 1039979

EXHIBIT "D"

CERTIFICATE OF INSURANCE

(See attached)

**SAN DIEGO UNIFIED PORT DISTRICT
CERTIFICATE OF INSURANCE**

By signing this form, the authorized agent or broker **certifies** the following:

- (1) The Policy or Policies described below have been issued by the noted Insurer(s) [Insurance Company(ies)] to the Insured and is (are) in force at this time.
- (2) As required in the Insured's agreement(s) with the District, the policies include, or have been endorsed to include, the coverages or conditions of coverage **noted on page 2 of this certificate**.
- (3) Signed copies of **all** endorsements issued to effect require coverages or conditions of coverage are attached to this certificate.

Return this form to: San Diego Unified Port District
 c/o Ebix
 P.O. Box 100085 - 185
 Duluth, GA 30096 -OR-
 Email: portofsandiego@ebix.com
 - OR -
 Fax: 1-866-866-6516

| | |
|--------------------------------------|---|
| Name and Address of Insured (Tenant) | SDUPD Agreement Number _____ This certificate applies to all operations of named insureds in connection with this agreement between the District and Insured. |
|--------------------------------------|---|

| CO LTR | TYPE OF INSURANCE | POLICY NO. | DATES | LIMITS |
|--------|--|------------|---|--|
| | Commercial General Liability <input type="checkbox"/> Occurrence Form <input type="checkbox"/> Liquor Liability Deductible/SIR: \$ _____ | | Inception Date: Expiration Date: | Each Occurrence: \$ _____ General Aggregate: \$ _____ |
| | Property <input type="checkbox"/> All Risk of Physical Damage Deductible/SIR: \$ _____ | | Inception Date Expiration Date: | Real Property \$ _____ Personal Property \$ _____ |
| | Excess/Umbrella Liability | | Inception Date Expiration Date: | Each Occurrence: \$ _____ General Aggregate: \$ _____ |

| CO LTR | COMPANIES AFFORDING COVERAGE | BEST'S RATING |
|--------|------------------------------|---------------|
| A | | |
| B | | |
| C | | |
| D | | |

A. M. Best Financial Ratings of Insurance Companies Affording Coverage Must be A- VII or better unless approved in writing by the District.

| | |
|--|--|
| Name and Address of Authorized Agent(s) or Broker(s) | Phone Numbers Toll Free: _____ Fax Number: _____ e-mail address: _____ |
| | Signature of Authorized Agent(s) or Broker(s) Date: _____ |

SAN DIEGO UNIFIED PORT DISTRICT
REQUIRED INSURANCE ENDORSEMENT

| <u>ENDORSEMENT NO.</u> | <u>EFFECTIVE DATE</u> | <u>POLICY NO.</u> |
|--|-----------------------|-------------------|
| NAMED INSURED: | | |
| GENERAL DESCRIPTION OF AGREEMENT(S) AND/OR ACTIVITY(IES): All written agreements, contracts, and leases with the San Diego Unified Port District and/or any and all activities or work performed on District owned premises. | | |

Notwithstanding any inconsistent statement in the policy to which this endorsement is attached or in any endorsement now or hereafter attached thereto, it is agreed as follows:

1. The San Diego Unified Port District, its officers, agents, and employees are additional insureds in relation to those operations, uses, occupations, acts, and activities described generally above, including activities of the named insured, its officers, agents, employees or invitees, or activities performed on behalf of the named insured.
2. Insurance under the policy(ies) listed on this endorsement is primary and no other insurance or self-insured retention carried by the San Diego Unified Port District will be called upon to contribute to a loss covered by insurance for the named insured.
3. This endorsement shall include a waiver of transfer of rights of recovery against the San Diego Unified Port District ("Waiver of Subrogation").
4. The policy(ies) listed on this endorsement will apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.
5. As respects the policy(ies) listed on this endorsement, with the exception of cancellation due to nonpayment of premium, thirty (30) days written notice by certified mail, return receipt requested, will be given to the San Diego Unified Port District prior to the effective date of cancellation. In the event of cancellation due to nonpayment of premium, ten (10) days written notice shall be given.

Except as stated above, and not in conflict with this endorsement, nothing contained herein shall be held to waive, alter or extend any of the limits, agreements or exclusions of the policy(ies) to which this endorsement applies.

(NAME OF INSURANCE COMPANY)

(SIGNATURE OF INSURANCE COMPANY AUTHORIZED REPRESENTATIVE)

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| <p>MAIL THIS ENDORSEMENT AND NOTICES OF CANCELLATION TO:</p> <p>San Diego Unified Port District c/o Ebix P.O. Box 100085 – 185 Duluth, GA 30096 – OR – Email to: portofsandiego@ebix.com – OR – Fax: 1-866-866-6516</p> |
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EXHIBIT "E"

BUDGET

| RIDA Chula Vista, LLC Phase 1A Early-Work Draft | | |
|---|---|---------------|
| Item | Description | Project Goal |
| A | HARD CONSTRUCTION COSTS - SDG&E conduit & ATT reroute | \$ 362,000 |
| B | SDG&E COSTS - Sandpiper electrical refeed & disconnect RV park | \$ 62,924 |
| C | AT&T COSTS - Sandpiper electrical refeed | \$ 120,000 |
| D | G&A | \$ 20,000 |
| F | PAYMENT BONDS | \$ 11,000 |
| G | PERMIT FEES | \$ 20,000 |
| H | INSURANCE | \$ 2,000 |
| I | CONTINGENCY 10% of total | \$ 62,404 |
| J | SDG&E POTHOLING | \$ 36,120 |
| | | |
| TOTAL PROJECT COST: ** | | \$ 696,448.00 |