

MEETING DATE 3/27/2006

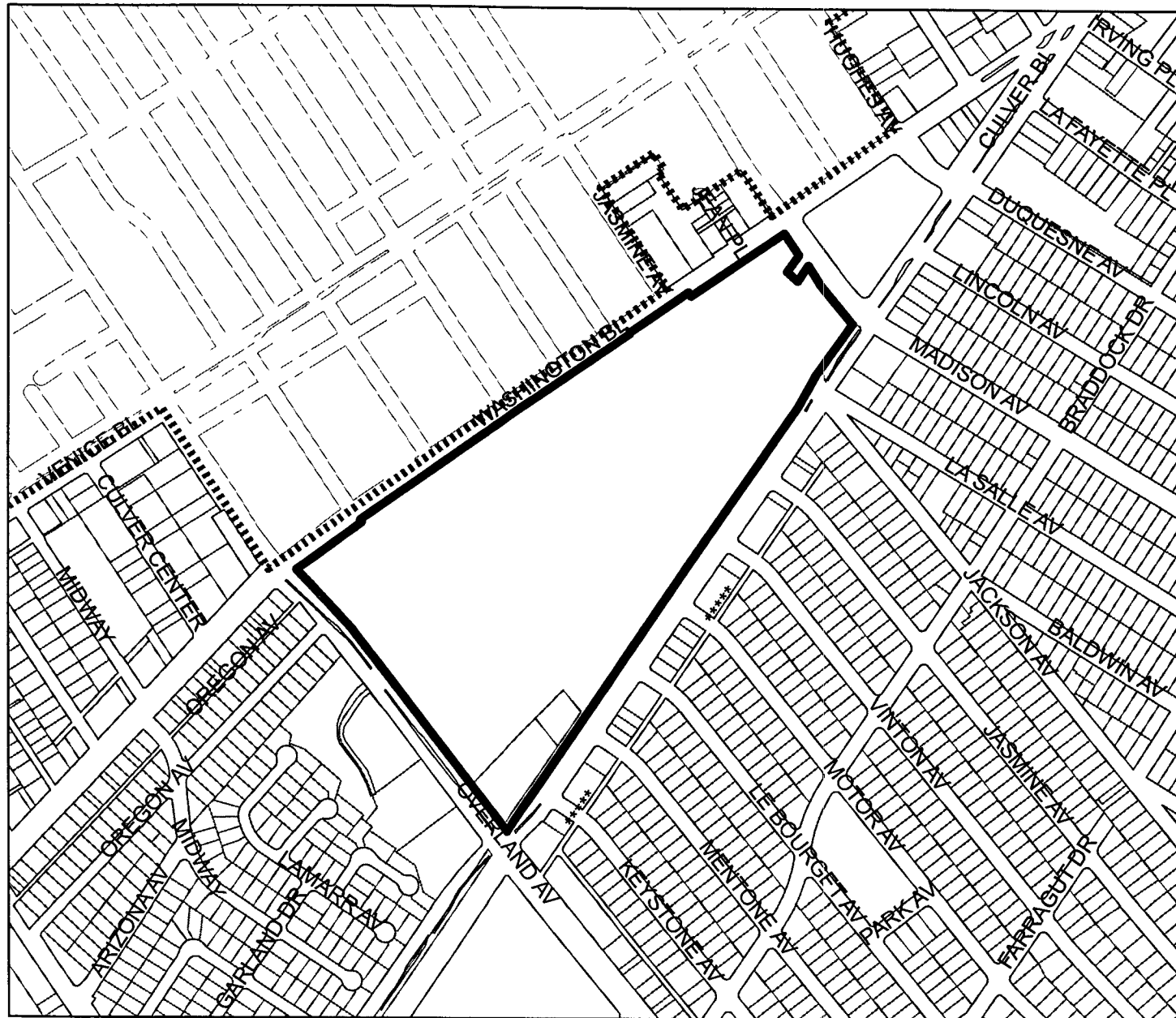
AGENDA ITEM Request for Twenty-Year Extension of Term of Sony Pictures Entertainment Development Agreement Relating to the Site at 10202 Washington Boulevard in the Studio (S) Zone

ATTACHMENTS

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SONY PICTURES ENTERTAINMENT

DEVELOPMENT AGREEMENT EXTENSION



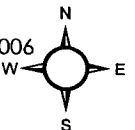
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Feet

10202 Washington
Boulevard

Legend

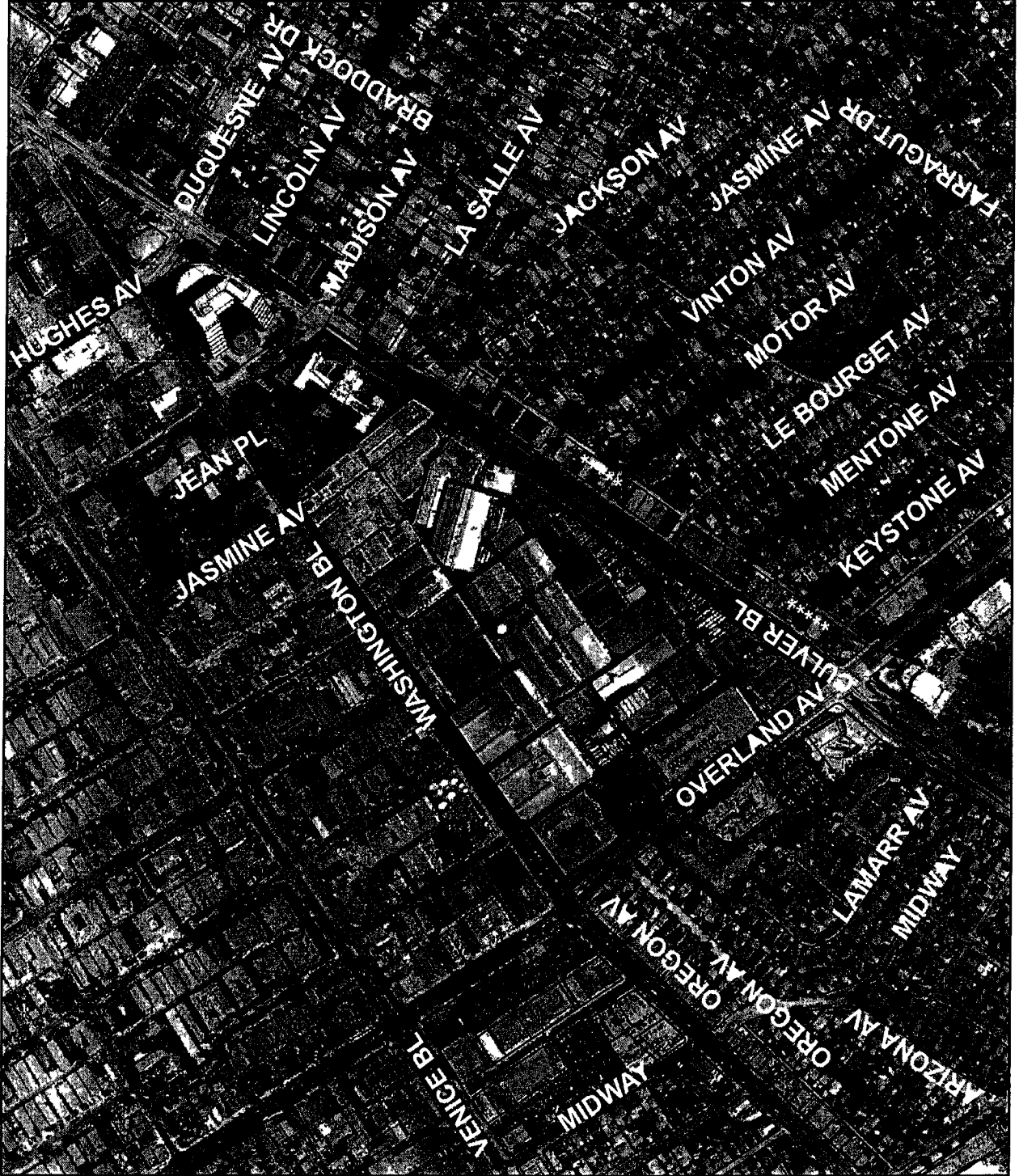
-  Sony Pictures Entertainment
-  City Boundary

City of Culver City
Planning Division
March 14 2005
Planning Commission March 22 2006



SONY PICTURES ENTERTAINMENT

DEVELOPMENT AGREEMENT EXTENSION

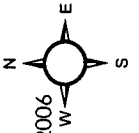


10202 Washington Boulevard	
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Legend

-  Sony Pictures Entertainment
-  City Boundary

City of Culver City
Planning Division
March 14, 2005
Planning Commission March 22, 2006



RESOLUTION NO 2006-P007

A RESOLUTION RECOMMENDING TO THE CITY COUNCIL APPROVAL OF A FIRST AMENDMENT TO A DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF CULVER CITY, SONY PICTURES ENTERTAINMENT INC AND LOT, INC RELATING TO REAL PROPERTY LOCATED AT 10202 WASHINGTON BOULEVARD

(Development Agreement Amendment
Related to Comprehensive Plan, CP No 90-01, et al , Sony Pictures Studios))

WHEREAS, the City of Culver City ("City"), Sony Pictures Entertainment Inc ("SPE") and Lot, Inc ("Lot") (together SPE and Lot are referred to in this Resolution as "Sony") are parties to that certain Development Agreement dated September 15, 1993 recorded September 16, 1993 as Document No 93-1803934 (the "Development Agreement"),

WHEREAS the original term of the Development Agreement was reduced by five (5) years to September 15, 2008, pursuant to the provisions of the Development Agreement, which reduction was memorialized in a "Certification of Reduction of Term of Development Agreement," which was recorded on April 19, 2002, as Document No 02-0927563,

WHEREAS, Sony has applied to the City for the City's approval of a First Amendment to Development Agreement by and between City and Sony (the "First Amendment"), which First Amendment will have the effect of extending the "Vesting Term" (as defined in the Development Agreement) for an additional eighteen (18) year period to September 15, 2026 with a further extension of two (2) additional years if Sony commences at least three hundred thousand (300,000) square feet of new construction at the Studio on or before December 31, 2011 A copy of the First Amendment is hereby incorporated by reference into the provisions of this Resolution,

1 WHEREAS, after due notice, the Planning Commission did conduct a duly noticed
2 public hearing on the First Amendment on March 22, 2006,

3 WHEREAS, an Initial Study has been prepared pursuant to the requirements of the
4 California Environmental Quality Act (CEQA') The Initial Study demonstrates that the First
5 Amendment will not have a significant effect on the environment and that none of the
6 elements set forth in Public Resources Code Section 21166 or Section 15162 of the State
7 CEQA Guidelines ('CEQA Guidelines') exists, and

8
9 WHEREAS, following conclusion of the public discussion and thorough deliberation of
10 the subject matter, the Planning Commission determined by a vote of _ to _ approval of the
11 First Amendment is in the public interest and is consistent with the City's General Plan and is
12 adequately supported by due consideration
13

14
15 NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF CULVER
16 CITY, CALIFORNIA, RESOLVES AS FOLLOWS

17 SECTION 1 Pursuant to the foregoing recitations and the provisions of Culver City
18 Municipal Code (CCMC) and State law, the Planning Commission recommends the City
19 Council should

20 A Determine none of the elements set forth in Public Resources Code Section 21166
21 or Section 15162 of the CEQA Guidelines exists

22
23 B Determine, in accordance with Public Resources Code Section 21166 and Section
24 15162 of the CEQA Guidelines, that no subsequent or supplemental Environmental Impact
25 Report or Mitigated Negative Declaration is required prior to adopting the Ordinance
26 approving the First Amendment,

27
28 C Approve the First Amendment, a draft of which is set forth in Exhibit 'A,' attached
29 hereto and incorporated into this Resolution by this reference, and

1 D Introduce and adopt the proposed Ordinance, a draft of which is set forth in Exhibit
2 "B," attached hereto and incorporated into this Resolution by reference
3

4 APPROVED and ADOPTED this 22nd day of March, 2006
5
6
7

8 _____
9 SHEILA M THOMAS, CHAIRPERSON
10 PLANNING COMMISSION
11 CITY OF CULVER CITY, CALIFORNIA

12 Attested by
13
14
15

16 _____
17 Yvonne Hunt
18 Administrative Secretary
19
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24
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26
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28
29

RECORDING REQUESTED BY

SONY PICTURES ENTERTAINMENT, INC
10202 West Washington Boulevard
Culver City, CA 90232
Attention April Dmytrenko

AND WHEN RECORDED MAIL TO

COX, CASTLE & NICHOLSON LLP
2049 Century Park East, Suite 2800
Los Angeles, California 90067-3284
Attention Ronald I Silverman, Esq

Space Above This Line Is For Recorder's Use Only

**FIRST AMENDMENT TO DEVELOPMENT AGREEMENT
BY AND AMONG THE CITY OF CULVER CITY,
SONY PICTURES ENTERTAINMENT INC AND LOT, INC**

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT ("First Amendment") is entered into as of the 10th day of May, 2006 by and among the CITY OF CULVER CITY, a chartered city (the "City"), SONY PICTURES ENTERTAINMENT INC, a Delaware corporation ("SPE") and LOT, INC, a Delaware corporation ("Lot") Together, SPE and Lot are referred to in this First Amendment as "Sony"

RECITALS

A Sony and City are parties to that certain Development Agreement dated September 15, 1993, recorded September 16, 1993, as Document No 93-1803934 (the "Development Agreement")

B Unless otherwise specified herein or the context requires otherwise, capitalized terms used in this First Amendment shall have the same definitions as those set forth in the Development Agreement

C Since the Effective Date of the Development Agreement, September 15, 1993, Sony has complied with each of the terms and conditions of the Development Agreement and the terms and conditions of each of the Project Approvals

D Over the past thirteen (13) years, Sony has made a business decision to invest in improving the Property While this investment approach has limited the completion of net new development on the Property, it has resulted in important improvement projects that involve adaptive-reuse and remodeling of existing structures, upgrading infrastructure and lot

beautification This focus has preserved many of the Property's original structures, increased the value of the Property and surrounding areas, established Sony as a state-of-the-art Studio, and enhanced Sony's business operations on the Property and in the City Sony estimates that approximately Five Hundred Million Dollars (\$500,000,000) has been invested in adaptive-reuse and remodeling of existing structures, upgrades to existing infrastructure and lot beautification

E The original Vesting Term of the Development Agreement was reduced by five (5) years in accordance with the provisions of Section III C of the Development Agreement and was memorialized in a "Certification of Reduction of Term of Development Agreement," which was recorded on April 19, 2002, as Document No 02-0927563 Therefore, the Vesting Term of the Development Agreement currently expires on September 15, 2008 Having invested significant funds in adaptive reuse and remodeling of existing structures, upgrades to existing infrastructure and lot beautification, Sony currently anticipates new development on the Property in accordance with the development concepts set forth in the Development Agreement and the Project Approvals and therefore has requested the City to amend the Development Agreement to extend the Vesting Term of the Development Agreement for eighteen (18) years until September 15 2026 In addition, Sony has requested the City to extend the Vesting Term an additional two (2) years, i e , until September 15, 2028, if Sony commences at least three hundred thousand (300,000) square feet of "new construction" (as defined in the Development Agreement) on the Property on or before December 31, 2011

F Under the Development Agreement, Sony was required, for a period of ten (10) years, to purchase for the Culver City Unified School District (the "District") at least Twenty-Five Thousand Dollars (\$25,000) worth of equipment and programs, as approved by the Superintendent of the District Sony's obligation to contribute Twenty-Five Thousand Dollars (\$25,000) to the District expired in 2003 In the Spring of 2005, Sony voluntarily announced that it would renew its commitment to the District for another ten (10) years with an annual contribution of at least Twenty-Five Thousand Dollars (\$25,000) In this First Amendment, Sony desires to confirm Sony's commitment to the District (the "School District Commitment")

G In addition to the School District Commitment, Sony has voluntarily agreed, for a period of ten (10) years, to contribute to the City's Unified Fund (the "Unified Fund") at least Twenty-Five Thousand Dollars (\$25,000) per year The City's Unified Fund supports City sponsored cultural and environmental events and programs

H On March 12, 2002, Lot acquired title from Southern California Edison to a piece of property approximately twenty thousand three hundred (20,300) square feet in size near the southwest corner of the Property (the "Edison Parcel ") City and Sony have therefore agreed to amend Exhibit "A" to the Development Agreement (the legal description of the Property) to add the Edison Parcel

I Subject to certain exceptions set forth in the Development Agreement, the Development Agreement permits Sony to develop the Project in accordance with the Applicable Rules that were in effect on the Effective Date of the Development Agreement, September 15, 1993 In connection with the adoption of this First Amendment, the City has requested Sony to agree to an additional exception to the vesting provisions of the Development Agreement, namely, agreeing to be subject to the City's current Zoning Code, adopted October, 2005 (Title

17 of the Culver City Municipal Code) (the 2005 Zoning Code”) Subject to the provisions of the Development Agreement, as amended by this First Amendment, Sony has agreed to be subject to the provisions of the 2005 Zoning Code

J Council has determined that none of the elements set forth in Public Resources Code Section 21166 or Section 15162 of the State CEQA Guidelines (“CEQA Guidelines”) exists and therefore has determined, in accordance with Public Resources Code Section 21166 and Section 15162 of the CEQA Guidelines, that no subsequent or supplemental Environmental Impact Report or Mitigated Negative Declaration is required to be prepared prior to adopting the Ordinance approving this First Amendment

K On March 22, 2006, the Planning Commission held a duly noticed public hearing on this First Amendment and, at the conclusion thereof, adopted Resolution No _____, recommending to the City Council approval of this First Amendment

L Section IV L of the Development Agreement provides for amendment of the Development Agreement upon mutual consent of the parties and in accordance with the procedures established by the Development Agreement Act The Council has found that this First Amendment has been adopted in conformance with the procedures of the Development Agreement Act

M On March 27, 2006, the Council introduced Ordinance No _____ and on April 10, 2006, the Council adopted Ordinance No _____ approving this First Amendment Ordinance No _____ became effective on May 10, 2006 (the “First Amendment Effective Date”)

NOW, THEREFORE, in consideration of the above recitals and the covenants hereinafter contained, the parties agree as follows

1 Extension of Vesting Term The Vesting Term of the Development Agreement is hereby extended an additional eighteen (18) years to September 15, 2026 In addition, to encourage continued development of the Project, if construction of at least three hundred thousand (300,000) square feet of “new construction” (as defined in the Development Agreement) is commenced by December 31, 2011, the Vesting Term shall be increased by an additional two (2) years to September 15, 2028

2 School District Commitment Annually, on or before July 1 of each year following the First Amendment Effective Date, for a period of ten (10) years, Sony agrees to purchase for the District at least Twenty-Five Thousand Dollars (\$25,000) worth of equipment and programs, as approved by the Superintendent of the District

3 Unified Fund Commitment Annually, on or before July 1 of each year following the First Amendment Effective Date, for a period of ten (10) years, Sony agrees to contribute at least Twenty-Five Thousand Dollars (\$25,000) to the Unified Fund

4 2005 Zoning Code

a Sony's Agreement to be Bound by 2005 Zoning Code Notwithstanding the vesting provisions of the Development Agreement and subject to the provisions of the "ZC Review" set forth in Section 4 b below Sony hereby agrees to be bound by the provisions of the 2005 Zoning Code In addition, the 2005 Zoning Code shall constitute a part of the Applicable Rules and shall vest as of the First Amendment Effective Date so that no change in the 2005 Zoning Code following the First Amendment Effective Date shall be applied by the City to the Project unless the City determines that the failure to apply such change would place the residents of the City in a condition dangerous to their health or safety, or both

b Zoning Code Review Notwithstanding Sony's agreement to be bound by the terms of the 2005 Zoning Code, Sony has requested and the City has agreed that Sony shall have a period of two (2) months following the First Amendment Effective Date in which to review the 2005 Zoning Code in order for Sony to determine whether there are any provisions in the 2005 Zoning Code that would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals (the "ZC Review Period") If, during the ZC Review Period, Sony identifies one or more provisions in the 2005 Zoning Code that, in Sony's opinion, could have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals ("Adverse Provision(s)"), then Sony shall notify the City of the Adverse Provision(s) and the City shall have a period of ten (10) days in which to review the Adverse Provision(s) identified by Sony and to advise Sony if the City agrees or disagrees that the Adverse Provision(s) identified by Sony would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals If the City fails to respond to Sony within such ten (10) day period, the City shall be deemed to have disagreed that the Adverse Provision(s) identified by Sony would have a material adverse effect on Sony's ability to develop the Project If, during the ten (10) day period, the City agrees that the Adverse Provision(s) identified by Sony would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals, then Sony and the City shall execute an Operating Memorandum in accordance with the provisions of Section IV M of the Development Agreement confirming those Adverse Provision(s) that shall not be an Applicable Rule and shall not be applicable to the Project If the City notifies Sony within such ten (10) day period that it disagrees or is deemed to have disagreed with Sony that one or more Adverse Provision(s) would have a material adverse effect on Sony's ability to develop the Project in accordance with the provisions of the Project Approvals, then the Adverse Provision(s) about which Sony and the City disagree or are deemed to have disagreed shall be submitted to a reference procedure in accordance with the provisions of Section IV D 3 of the Development Agreement If Sony fails to notify the City within the ZC Review Period of any Adverse Provision(s), then Sony shall be deemed to have agreed to be bound by the provisions of the 2005 Zoning Code

5 Revised Municipal Code References On July 24, 2000, the City Council adopted an ordinance to recodify and renumber titles, chapters and sections of the Culver City Municipal Code Therefore, wherever the Development Agreement refers to a title, chapter or section number of the Culver City Municipal Code it shall be deemed to be a reference to the recodified/renumbered applicable title, chapter or section and any future recodified/renumbered applicable title, chapter or section of the Municipal Code applicable, provided, however, nothing in this Section 5 shall affect the vesting provisions of the Development Agreement, as amended

by this First Amendment, including, without limitation, Sections III B 1 and 2 of the Development Agreement

6 Revision to Legal Description of the Property In order to add the Edison Parcel, Exhibit "A" to the Development Agreement is hereby amended in its entirety as more particularly set forth on Exhibit "A" attached hereto. The Edison Parcel shall constitute a part of Comprehensive Plan Design Area 5

7 Inconsistencies The Development Agreement is hereby amended to add a new Section IV Y to read as follows

"Y Inconsistencies

In the event of any inconsistency between an Applicable Rule and a Project Approval, the provisions of the Project Approval shall control. In the event of any inconsistency between the provisions of any Applicable Rule, a Project Approval and the provisions of this Development Agreement, as amended by this First Amendment, the provisions of this Development Agreement, as amended by this First Amendment, shall control."

8 No Other Revisions to Development Agreement Except as set forth herein, all terms and conditions of the Development Agreement shall remain in full force and effect

9 First Amendment Effective Date This First Amendment shall become effective on the First Amendment Effective Date

IN WITNESS WHEREOF, this First Amendment has been executed by the parties on the day and year first written above

SONY PICTURES ENTERTAINMENT INC , a
Delaware corporation

Date _____, 2006

By _____
Its Leah Weil
Senior Vice President, General Counsel
and Assistant Secretary

LOT, INC , a Delaware corporation

Date _____, 2006

By _____
Its _____

Date _____, 2006

By _____
Its _____

CITY OF CULVER CITY

Date _____, 2006

By _____
_____, Mayor

APPROVED AS TO FORM

Carol A Schwab, City Attorney

STATE OF CALIFORNIA

)

) ss

COUNTY OF LOS ANGELES

)

On March __, 2006 before me, _____ (here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

STATE OF CALIFORNIA

)

) ss

COUNTY OF LOS ANGELES

)

On March __, 2006 before me, _____ (here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

STATE OF CALIFORNIA

)

) ss

COUNTY OF LOS ANGELES

)

On March __, 2006 before me, _____(here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

STATE OF CALIFORNIA

)

) ss

COUNTY OF LOS ANGELES

)

On March __, 2006 before me, _____(here insert name of the officer),
Notary Public, personally appeared _____,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the
person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument

WITNESS my hand and official seal

Notary Public

EXHIBIT A

THE LAND REFERRED TO IN THIS EXHIBIT IS DESCRIBED AS FOLLOWS

PARCEL A

PARCEL 1

THAT PORTION OF THE 819 63 ACRE TRACT, RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ALLOTTED TO MACEDONIA AGUILAR, BY FINAL DECREE OF PARTITION HAD IN CASE NO 965 OF THE DISTRICT COURT OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE INTERSECTION OF THE NORTHEAST LINE OF OVERLAND AVENUE (FORMERLY FIRST STREET OR SAN PEDRO ROAD) WITH THE SOUTHEAST LINE OF WASHINGTON STREET (FORMERLY BALLONA ROAD NO 2), THENCE SOUTHEASTERLY ALONG THE NORTHEAST LINE OF SAID OVERLAND AVENUE, 1118 29 FEET, MORE OR LESS, TO A POINT DISTANT NORTHWESTERLY 210 FEET, MEASURED ALONG SAID NORTHEAST LINE FROM THE NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY (DEL REY BRANCH) AS DESCRIBED IN DEED RECORDED IN BOOK 1684 PAGE 159 OF DEEDS, THENCE NORTHEASTERLY IN A DIRECT LINE 546 90 FEET, MORE OR LESS, TO A POINT IN THE SOUTHWEST LINE OF THE LAND CONVEYED TO LOS ANGELES TRUST & SAVINGS BANK, BY DEED RECORDED IN BOOK 6578 PAGE 31 OF SAID DEED RECORDS, DISTANT NORTHWESTERLY ALONG SAID SOUTHWEST LINE, 111 33 FEET FROM SAID NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY, THENCE SOUTHEASTERLY ALONG SAID SOUTHWEST LINE 111 33 FEET TO THE NORTHWEST LINE OF SAID RIGHT-OF-WAY, THENCE NORTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE, 1422 44 FEET, MORE OR LESS, TO THE SOUTHWEST LINE OF THE 150 ACRE TRACT OF LAND DESCRIBED IN DEED TO VICTOR PONET, RECORDED IN BOOK 150 PAGE 403 OF SAID DEED RECORDS, THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF THE LAND OF PONET, 631 13 FEET TO SAID SOUTHEASTERLY LINE OF WASHINGTON STREET, THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF WASHINGTON STREET TO THE POINT OF BEGINNING

PARCEL 2

LOTS 1 THROUGH 15, INCLUSIVE, IN BLOCK 2 AND LOTS 2 THROUGH 16, INCLUSIVE, IN BLOCK 3 IN TRACT NO 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER

MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

PARCEL 3

GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THAT PORTION OF SAID GRANT AVENUE WHICH WOULD PASS WITHIN A CONVEYANCE OF LOT 1, BLOCK 3 OF SAID TRACT NO 1775

PARCEL 4

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

PARCEL 5

THAT PORTION OF THAT CERTAIN 60-FOOT STRIP OF LAND IN THE RANCHO LA BALLONA IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 3 PAGES 204 TO 209 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED IN DEED TO THE LOS ANGELES HERMOSA BEACH AND REDONDO RAILWAY COMPANY, RECORDED ON AUGUST 7, 1902 IN BOOK 1630 PAGE 26 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, A PORTION OF CULVER BOULEVARD FORMERLY PUTNAM AVENUE (NORTH ROADWAY) 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO 1775, RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS OF SAID COUNTY AND A PORTION OF MADISON AVENUE, 100 FEET WIDE, AS SHOWN ON THE MAP OF SAID TRACT NO 1775 ALL OF WHICH WERE VACATED AND ABANDONED BY RESOLUTION NO 83-R138 OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, A CERTIFIED COPY OF WHICH WAS RECORDED ON OCTOBER 27, 1983 AS DOCUMENT NO 83-1271984 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 16 IN BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 16 TO AND ALONG THE NORTHEASTERLY LINE OF LOT 1 IN SAID BLOCK 3, NORTH 35 DEGREES 29 MINUTES 00 SECONDS WEST 149 58 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 960 00 FEET, THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09 DEGREES 40 MINUTES 08 SECONDS, AN ARC DISTANCE OF 162 01 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 25 00 FEET THROUGH WHICH A RADIAL LINE BEARS NORTH 44 DEGREES 50 MINUTES 52 SECONDS EAST, THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 79 DEGREES 11 MINUTES 27 SECONDS, AN ARC DISTANCE OF 34 55 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 72 65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 191 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS, AN ARC DISTANCE OF 31 58 FEET, THENCE NORTH 24 DEGREES 34 MINUTES 35 SECONDS WEST 30 83 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 171 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS AN ARC DISTANCE OF 28 28 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 18 63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 1647 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 59 MINUTES 40 SECONDS, AN ARC DISTANCE OF 143 57 FEET,

THENCE SOUTH 29 DEGREES 02 MINUTES 39 SECONDS WEST 74 38 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 1552 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 53 MINUTES 42 SECONDS, AN ARC DISTANCE OF 123 59 FEET TO A POINT OF INTERSECTION WITH A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 100 00 FEET TO WHICH POINT A RADIAL LINE OF SAID 100 00-FOOT-RADIUS CURVE BEARS SOUTH 60 DEGREES 57 MINUTES 28 SECONDS EAST, SAID 100 00-FOOT-RADIUS CURVE BEING A COURSE IN THE NORTHWESTERLY BOUNDARY OF PARCEL 6-5 IN DEED RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4596, THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12 DEGREES 39 MINUTES 36 SECONDS, AN ARC DISTANCE OF 22 10 FEET, THENCE CONTINUING ALONG SAID NORTHWESTERLY BOUNDARY OF PARCEL 6-5 NORTH 16 DEGREES 22 MINUTES 56 SECONDS EAST 66 89 FEET TO THE INTERSECTION OF THE NORTHWESTERLY LINE OF HEREINBEFORE-MENTIONED 60-FOOT-WIDE STRIP OF LAND WITH THE SOUTHWESTERLY LINE OF SAID TRACT 1775, THENCE ALONG THE SOUTHEASTERLY LINE OF A 1 25-FOOT-WIDE STRIP AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 253, PASSED AND APPROVED OCTOBER 10, 1927 AND PURSUANT TO RESOLUTION NO 1887, ADOPTED

MAY 6, 1929 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 1 31 FEET TO THE NORTHEASTERLY LINE OF SAID 1 25-FOOT-WIDE STRIP, THENCE ALONG SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 31 43 FEET TO THE SOUTHEASTERLY LINE OF THAT PORTION OF CULVER BOULEVARD AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 465, APPROVED AND ADOPTED JUNE 28, 1937, THENCE ALONG LAST SAID SOUTHEASTERLY LINE NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 30 12 FEET TO THE NORTHEASTERLY LINE OF SAID PORTION OF CULVER BOULEVARD, THENCE ALONG LAST SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 10 48 FEET TO THE SOUTHEASTERLY LINE OF LOT 9, BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG LAST SAID SOUTHEASTERLY LINE AND THE SOUTHEASTERLY LINE OF LOTS 10 THROUGH 16 INCLUSIVE, OF SAID BLOCK 3, TRACT NO 1775 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 417 76 FEET TO THE POINT OF BEGINNING

EXCEPT THAT PORTION OF SAID LAND LYING SOUTHWESTERLY OF A STRAIGHT LINE DRAWN PERPENDICULAR TO THE NORTHWESTERLY LINE OF THE HEREINABOVE UNRECORDED 60 FOOT WIDE STRIP OF LAND AND WHICH PASSES THROUGH THE INTERSECTION OF SAID NORTHWESTERLY LINE WITH THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID TRACT NO 1775

ALSO EXCEPT THAT PORTION OF SAID LAND DESCRIBED AS FOLLOWS

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

ALSO EXCEPT THAT PORTION OF SAID LAND LYING NORTHWESTERLY OF A LINE DRAWN PERPENDICULAR TO THE NORTHEASTERLY LINE OF LOT 1 IN BLOCK 3 OF TRACT NO 1775 AND WHICH PASSES THROUGH THE MOST EASTERLY CORNER OF SAID LOT 1

PARCEL B

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

LOT 1 IN BLOCK 3 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERTY LINE OF GRANT AVENUE, SIXTY FEET WIDE AND THE SOUTHWEST PROPERTY LINE OF MADISON AVENUE, ONE HUNDRED FEET WIDE ON SAID TRACT 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 35 DEGREES 29 MINUTES 00 SECONDS EAST 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE NORTH 33 DEGREES 58 MINUTES 53 SECONDS EAST 14 42 FEET TO THE POINT OF BEGINNING

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY SMITH AND SALSURY IN DEED RECORDED APRIL 27, 1984 AS INSTRUMENT NO 84-510558

PARCEL C

PARCEL 1

THAT PORTION OF GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS

ON THE SOUTHEAST BY THE NORTHWEST LINE OF LOT 1, BLOCK 3 OF SAID TRACT 1775, ON THE NORTHWEST AND NORTHEAST RESPECTIVELY BY THE SOUTHEASTERLY LINE OF BLOCK 2 AND SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF BLOCK 2 OF SAID TRACT 1775, AND ON THE SOUTHWEST BY THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF LOT 1 OF BLOCK 3 OF SAID TRACT 1775, AS DESCRIBED AND SHOWN ON EXHIBIT "A" TO RESOLUTION NO CS-6468 RECORDED SEPTEMBER 18, 1970 AS INSTRUMENT NO 3468

PARCEL 2

THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERLY LINE OF GRANT AVENUE, 60 00 FEET WIDE AND THE SOUTHWEST PROPERLY LINE OF MADISON AVENUE, 100 00 FEET WIDE, ON SAID TRACT 1775, THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE 14 42 FEET TO THE POINT OF BEGINNING

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF THE LEGAL DESCRIPTION BY REFERENCE HEREIN

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE

THEREOF, AS RESERVED BY SMITH AND SALSURY, IN DEED RECORDED
APRIL 27, 1984 AS INSTRUMENT NO 84-510-558

PARCEL D

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

THAT PORTION OF RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON CLERK'S FILED MAP NO 16, ON FILE IN THE OFFICE OF COUNTY ENGINEER OF SAID COUNTY, AS DESCRIBED IN THE DEEDS TO THE LOS ANGELES HERMOSA BEACH & REDONDO RAILWAY COMPANY, A CORPORATION, RECORDED AUGUST 14, 1902, IN BOOK 1605 PAGE 299 OF DEEDS AND RECORDED NOVEMBER 8, 1902 IN BOOK 1684 PAGE 159 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 6-4 IN THE DEED TO THE CITY OF CULVER CITY, RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4429, IN BOOK D-2382 PAGE 721, OFFICIAL RECORDS OF SAID COUNTY

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND, INCLUDED WITHIN THE LAND AS DESCRIBED IN THE PARTIAL JUDGMENT AND FINAL ORDER OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO C470,345, A CERTIFIED COPY OF WHICH WAS RECORDED OCTOBER 23, 1985, AS INSTRUMENT NO 85-1252160 OF OFFICIAL RECORDS OF SAID COUNTY

PARCEL E

THAT PORTION OF THE LANDS DESCRIBED WITHIN THAT CERTAIN CORPORATION GRANT DEED FILED IN BOOK 6968, PAGE 225 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE

COMMENCING AT THE INTERSECTION OF THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF OVERLAND AVENUE (FORMERLY FIRST STREET), SAID NORTHEASTERLY LINE BEING 53 00 FEET NORTHEASTERLY AND PARALLEL WITH THE CENTERLINE OF SAID OVERLAND AVENUE, AND THE NORTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY (FORMERLY PACIFIC RAILWAY, PLAYA DEL REY BRANCH), AS SHOWN ON TRACT NO 10078, FILED IN BOOK 141, PAGES 23 THROUGH 25, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY,

THENCE NORTH 34°00'30" EAST, 381 31 FEET, ALONG SAID NORTHWESTERLY LINE OF SOUTHERN PACIFIC RAILROAD RIGHT OF WAY TO

THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION, THENCE NORTH
38°40'34" WEST, 139 59 FEET, TO A POINT ON THE NORTHWESTERLY
LINE OF SAID CORPORATION GRANT DEED, SAID POINT BEING SOUTH
43°55'32" WEST, 156 85 FEET, ALONG SAID NORTHWESTERLY LINE FROM
THE NORTHERLY CORNER OF THE LANDS DESCRIBED WITHIN SAID
CORPORATION GRANT DEED

SHOWN AS PARCEL 1 OF THAT CERTAIN LOT LINE ADJUSTMENT NO P-
2001042, WHICH RECORDED MARCH 15, 2002 AS INSTRUMENT NO 02-
0632134

ORDINANCE NO 2006-

AN ORDINANCE OF THE CITY OF CULVER CITY, CALIFORNIA, APPROVING, ADOPTING, AND AUTHORIZING THE EXECUTION OF, A FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF CULVER CITY, SONY PICTURES ENTERTAINMENT INC AND LOT, INC RELATING TO REAL PROPERTY LOCATED AT 10202 WASHINGTON BOULEVARD

WHEREAS, the City of Culver City ('City'), Sony Pictures Entertainment Inc ("SPE") and Lot, Inc (Lot) (together SPE and Lot are referred to in this Ordinance as 'Sony') are parties to that certain Development Agreement dated September 15, 1993 recorded September 16, 1993 as Document No 93-1803934 (the "Development Agreement),

WHEREAS, the original term of the Development Agreement was reduced by five (5) years to September 15, 2008, pursuant to the provisions of the Development Agreement, which reduction was memorialized in a "Certification of Reduction of Term of Development Agreement," which was recorded on April 19, 2002, as Document No 02-0927563,

WHEREAS, Sony has applied to the City for City's approval of a First Amendment to Development Agreement (the First Amendment), which First Amendment will have the effect of extending the "Vesting Term" (as defined in the Development Agreement) for an additional eighteen (18) year period to September 15, 2026 with a further extension of two (2) additional years if Sony commences at least three hundred thousand (300,000) square feet of new construction at the Studio on or before December 31, 2011 A copy of the First Amendment is hereby incorporated by reference into the provisions of this Ordinance,

1 WHEREAS, after due notice, the City Planning Commission (the
2 Planning Commission) did conduct a duly noticed public hearing on the First
3 Amendment on March 22, 2006,

4 WHEREAS, the Planning Commission has recommended that the City
5 Council approve the First Amendment,

6 WHEREAS, after due notice, the City Council did conduct a public hearing
7 on the First Amendment on March 27, 2006,

8 WHEREAS, an Initial Study has been prepared pursuant to the
9 requirements of the California Environmental Quality Act (CEQA") The Initial Study
10 demonstrates that the First Amendment will not have a significant effect on the
11 environment, that none of the elements set forth in Public Resources Code Section
12 21166 or Section 15162 of the State CEQA Guidelines ('CEQA Guidelines") exists,

13 WHEREAS, the City Council has determined that none of the elements
14 set forth in Public Resources Code Section 21166 or Section 15162 of the CEQA
15 Guidelines exists and therefore has determined, in accordance with Public Resources
16 Code Section 21166 and Section 15162 of the CEQA Guidelines, that no subsequent
17 or supplemental Environmental Impact Report or Mitigated Negative Declaration is
18 required prior to adopting the Ordinance approving this First Amendment,
19

20 WHEREAS, the City Council has reviewed and considered the First
21 Amendment and the findings and recommendations of the Planning Commission, and
22

23 WHEREAS, the City Council has determined that approval of the First
24 Amendment is in the public interest, and is consistent with the City's General Plan and
25 is adequately supported by due consideration
26
27
28

1 The City Council of the City of Culver City, California, DOES HEREBY
2 ORDAIN as follows

3 The City Council finds, with respect to the First Amendment

4 Section 1 It is consistent with the City's General Plan,

5 Section 2 The First Amendment will not be detrimental to the public
6 health, safety and general welfare since it encourages the development of a project
7 which continues to be desirable and beneficial to the public,

8 Section 3 The First Amendment complies with all applicable State and
9 City regulations governing development agreements and amendments to development
10 agreements

11 Section 4 The City Council hereby approves and adopts the First
12 Amendment which is hereby incorporated by this reference as though fully set forth
13 herein

14 Section 5 The Mayor is authorized and directed to sign the First
15 Amendment in the name of the City of Culver City and, the City Council further directs
16 that the First Amendment and this Ordinance be presented to the County Recorder for
17 recordation within ten (10) days after this First Amendment becomes effective
18 recordation within ten (10) days after this First Amendment becomes effective

19 Section 6 This Ordinance shall take effect thirty (30) days from the
20 date of its adoption and prior to the expiration of fifteen (15) days from the adoption
21 date of its adoption and prior to the expiration of fifteen (15) days from the adoption

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hereof the City Clerk shall cause this Ordinance to be published in the Culver City News. Additionally, the City Clerk shall post this Ordinance or a summary thereof in at least three public places within the City pursuant to Section 517 of the City Charter.

APPROVED and ADOPTED this _____ day of April, 2006

ALBERT VERA, Mayor
City of Culver City, California

ATTEST

APPROVED AS TO FORM

CHRISTOPHER ARMENTA,
City Clerk
A06 00122

CAROL A. SCHWAB,
City Attorney

Attachment No 6

ORDINANCE NO 93 015

AN ORDINANCE OF THE CITY OF CULVER CITY,
CALIFORNIA, AUTHORIZING THE EXECUTION OF THE
DEVELOPMENT AGREEMENT BY AND BETWEEN THE
CITY OF CULVER CITY, SONY PICTURES
ENTERTAINMENT, INC AND LOT, INC, RELATING TO
REAL PROPERTY LOCATED AT 10202 WASHINGTON
BOULEVARD

WHEREAS, on August 9, 1990, the applicant Sony Pictures
Entertainment, Inc (hereinafter "SPE"), filed applications for approval of a
Comprehensive Plan and related applications, for the phased renovation and
expansion of the existing studio facilities located at 10202 Washington Boulevard in the
Studio (S-1) Zone (hereinafter "Project"),

WHEREAS, to implement the proposed Project, the applications filed by
SPE include a Design For Development, Building Height Determination Zone Change,
ZC No 90-04, Street Tree Master Plan Amendment, STMPA No 92-01,
Comprehensive Plan CP No 90-01 Conditional Use Permit, CUP No 90-10, and
Development Agreement, and the City-initiated related applications include a General
Plan Amendment, GPA No 90-02 and Zoning Code Amendment, ZCA No 92-05,

WHEREAS, the Project site is approximately 46 11 acres located within
the Washington-Culver Redevelopment Project Area No 3 and bounded by Madison
Avenue Washington Boulevard Overland Avenue and Culver Boulevard and includes
the existing studio site, 3941 Madison Avenue referred to as the "Thalberg Annex", and
10181 through 10641 Culver Boulevard referred to as the "Railroad Strip", but excludes
4080 Overland Avenue owned by Southern California Edison and operated as an
electrical substation with a portion of the property leased to Sony Pictures Studios for
non-credited off-site parking

1 WHEREAS, in accordance with the California Environmental Quality Act
2 of 1970, as amended and after the proposed written responses to comments from
3 public agencies were duly provided to such agencies as required by Public Resources
4 Code section 21092.5, an Environmental Impact Report (hereinafter 'EIR') for this
5 Project was certified by the City Council and Culver City Redevelopment Agency
6 (hereinafter "Agency") on October 5, 1992, by adoption of Resolutions No. 92-R083
7 and 92-A013, respectively,

8 WHEREAS, in February, 1991, the City Council and Agency agreed with
9 staff's recommendation to supplement the standard public notice requirements for this
10 EIR and Project, by mailing notice to property owners and tenants within 2,300± feet of
11 the Project site

12 WHEREAS, notice of the public hearing on this Project was mailed to
13 property owners and tenants within the expanded boundary and to all persons
14 expressing interest in this Project by publication of notices in The Outlook and Culver
15 City News, and by posting placards as required by the Culver City Municipal Code,

16 WHEREAS the proposed Project, and specifically the Design for
17 Development and Comprehensive Plan, was reviewed by the Redevelopment Project 3
18 Committee on January 7, 1993 which following discussion recommended conditional
19 approval of the proposed Project,

20 WHEREAS the Planning Commission held a duly noticed public hearing
21 on May 19, 1993, and following review of the certified EIR, the applications staff report
22 public testimony and thorough discussion of the matter including the applicant's
23 withdrawal of the Conditional Use Permit CUP No. 90-10, application at the May 19
24 hearing the Planning Commission determined all remaining applications should be
25 recommended to the City Council or the Agency for approval as set forth in Resolution
26 No. 93-P013,

1 WHEREAS, the 1992 EIR has identified certain significant effects which
2 may occur as a result of the Project, or on a cumulative basis in conjunction with other
3 past, present, and reasonably foreseeable future projects, and the City Council has
4 considered the differences between the Project analyzed in the EIR and the Project as
5 currently approved,

6 WHEREAS, the City Council and Agency held a duly noticed public
7 hearing on June 28, 1993, and on July 12 and 28, 1993 held duly noticed public
8 meetings, and following review of the certified EIR, the applications staff reports, public
9 testimony, Planning Commission recommendations, and thorough discussion of the
10 matter, including SPE's withdrawal of CUP No 90-10 application, voted to conditionally
11 approve the Project,

12 WHEREAS, in compliance with the CEQA Guidelines, the City Council
13 made written findings for each of the significant environmental effects identified in the
14 EIR, and adopted a Statement of Overriding Considerations by adoption of Resolution
15 No 93-R070,

16 WHEREAS, the Agency conditionally approved the Design for
17 Development and the Comprehensive Plan, by Resolution No 93-A011, and the City
18 Council conditionally approved the Comprehensive Plan, CP No 90-01, Building
19 Height Determination, General Plan Amendment GPA No 90-02, Street Tree Master
20 Plan Amendment, STMPA No 92-01, and adopted a mitigation monitoring Program in
21 accordance with Public Resources Code section 21081 6, by Resolution No 93-R071,
22 approved the Zone Change, ZC No 90-04 by Ordinance No 93-016, and Zoning Code
23 Amendment, ZCA No 92-05 by Ordinance No 93-017, and

24 WHEREAS, the City Council has determined approval of the
25 Development Agreement by and between Sony Pictures Entertainment, Inc and Lot,
26 Inc is in the public interest, and is consistent with the City's General Plan and Zoning
27 Code
28

1 NOW THEREFORE the City Council of the City of Culver City,
2 California, DOES HEREBY ORDAIN as follows

3 SECTION 1 The City Council finds, with respect to the Development
4 Agreement

5 (a) It is consistent with the objectives, policies and programs
6 specified in the City's General Plan, Comprehensive Plan, the Agency's
7 Redevelopment Plan for Project Area No 3, and the adopted Design for
8 Development,

9 (b) The density, intensity, building heights and uses set forth in the
10 Development Agreement are permitted by the underlying zone of the subject
11 property and are consistent with the adopted Comprehensive Plan

12 (c) The Development Agreement will not be detrimental to the
13 public health, safety and general welfare since it encourages the
14 construction of a project which is desirable and beneficial to the public,

15 (d) The Development Agreement complies with all applicable and
16 State regulations governing development agreements, and

17 (e) The Development Agreement is necessary and desirable to
18 strengthen the public planning process and to reduce the public and private
19 costs of development uncertainty

20 SECTION 2 The City Council hereby approves and adopts the
21 Development Agreement by and between the City of Culver City, Sony Pictures
22 Entertainment, Inc and Lot, Inc which is hereby incorporated by this reference as
23 though fully set forth herein

24 SECTION 3 The Mayor is authorized and directed to sign the
25 Development Agreement in the name of the City of Culver City and, further,
26 directs the Development Agreement and this Ordinance be presented to the
27 County Recorder for recordation within ten (10) days after the Development
28

1 Agreement becomes effective

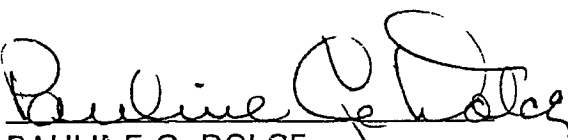
2 SECTION 4 This Ordinance shall take effect thirty (30) days from the
3 date of its adoption and prior to the expiration of fifteen (15) days from the
4 adoption hereof the City Clerk shall cause this Ordinance to be published in the
5 Culver City News

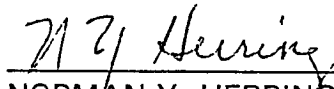
6 APPROVED and ADOPTED this 16th day of August, 1993

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8 
9 MIKE BALKMAN, Mayor
10 City of Culver City, California

11 ATTEST

APPROVED AS TO FORM

12
13 
14 PAULINE C DOLCE
15 City Clerk

16 
17 NORMAN Y HERRING
18 City Attorney

19 ospedev
20 (eek)

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27 PUBLISHED IN THE CULVER CITY NEWS ON AUGUST 21 AND 26, 1993
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93 1803934

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

City of Culver City
P O Box 507
Culver City, California 90232-0507
Attention City Attorney

[Space Above Line for Recorder's Use Only]

FEE \$ 179 C 59

DEVELOPMENT AGREEMENT

BY AND AMONG

CITY OF CULVER CITY,

SONY PICTURES ENTERTAINMENT, INC

AND

LOT, INC.

September 15, 1993

RECORDED/FILED IN OFFICIAL RECORDS
RECORDED OFFICE
LOS ANGELES COUNTY
CALIFORNIA
21 MIN 9 A.M. SEP 16 1993
PAST

DEVELOPMENT AGREEMENT
BY AND AMONG
CITY OF CULVER CITY,
SONY PICTURES ENTERTAINMENT, INC
AND
LOT, INC

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1 D "Commission" means the Planning Commission of
2 Culver City

3 E "Comprehensive Plan" means Comprehensive Plan,
4 CP No 90-01, and any conditions thereto, as approved by Council
5 Resolution No 93-R071

6 F "Council" means the City Council of Culver
7 City

8 G "Development Agreement Act" means Sections
9 65864, et seq , of the California Government Code

10 H "Director" means the Director of Community
11 Development of Culver City

12 I "Discretionary Action, Discretionary Approval"
13 means an action which requires the exercise of judgment, deliber-
14 ation or a decision on the part of City, including any board,
15 commission or department and any officer or employee thereof, in
16 the process of approving or disapproving a particular activity, as
17 distinguished from an activity which merely requires City,
18 including any board, commission or department and any officer or
19 employee thereof, to determine whether there has been compliance
20 with applicable statutes, ordinances, regulations or Project
21 Approvals

22 J "General Plan" means the General Plan of City

23 K "Mortgagee" means a mortgagee of a mortgage and
24 a beneficiary under a deed of trust

25 L "Owner" means Lot, Inc ("Lot") and Sony
26 Pictures Entertainment, Inc ("SPE"), jointly and severally, and
27 each of their successors and assigns

28

1 M "Project" means the Property and the proposed
2 development of the Property described in Section II D

3 N "Project Approvals" means

4 1 Council Resolution No 93-R071 approving
5 General Plan Amendment, GPA No 90-02, the Comprehensive Plan,
6 Street Tree Master Plan Amendment, STMPA No 92-01, building
7 heights to exceed 56 feet, and a Mitigation Monitoring Program, and

8 2 Ordinance No 93-017 approving Zoning Code
9 Amendment, ZCA No 92-05, and Ordinance No 93-016 approving Zone
10 Change, ZC No 90-04

11 O "Property" means that certain real property in
12 which Owner owns a legal or equitable interest located in City and
13 more particularly described on Exhibit "A" attached hereto and
14 incorporated herein

15 P "Zoning Code" means Chapter 37 of the Code
16

17 II RECITALS OF PREMISES, PURPOSE AND INTENT

18 A State Enabling Statute

19 To strengthen the public planning process,
20 encourage private participation in comprehensive planning and
21 reduce the economic risk of development, the Legislature of the
22 State of California adopted the Development Agreement Act which
23 authorizes any city to enter into binding development agreements
24 establishing certain development rights in real property with
25 persons having legal or equitable interests in such property
26
27

1 Section 65864 of the Development Agreement Act expressly provides,
2 in part, as follows

3 "The Legislature finds and declares that

4 "(a) The lack of certainty in the
5 approval of development projects can result in
6 a waste of resources, escalate the cost of
7 housing and other development to the consumer,
8 and discourage investment in and a commitment
9 to comprehensive planning which would make
10 maximum efficient utilization of resources at
11 the least economic cost to the public

12 "(b) Assurance to the applicant for a
13 development project that upon approval of the
14 project, the applicant may proceed with the
15 project in accordance with existing policies,
16 rules and regulations, and subject to condi-
17 tions of approval will strengthen the public
18 planning process, encourage private participa-
19 tion in comprehensive planning, and reduce the
20 economic cost of development "

21 B City Procedures

22 The parties hereto have determined that the
23 Project is a development for which a development agreement is
24 appropriate Development of the Project in accordance with a
25 development agreement will provide for the orderly development of
26 the Property in accordance with the objectives set forth in the
27 General Plan and the Comprehensive Plan Moreover, a development
28 agreement for the Project will eliminate uncertainty in planning
for and securing orderly development of the Project, ensure
attainment of the maximum efficient utilization of resources within
the City at the least economic cost to its citizens and otherwise
achieve the goals and purposes for which the Development Agreement
Act was enacted In exchange for these and other benefits to the
City, Owner will receive the assurance that, subject to the
exercise of Owner's discretion described in Section III A 1 below,

Owner shall develop the Project during the term of this Agreement in accordance with the Applicable Rules, subject to the terms and conditions herein contained. City has undertaken the necessary proceedings, has found and determined that this Agreement is consistent with the General Plan and the Comprehensive Plan and has adopted Ordinance No 93-015 approving this Agreement which ordinance became effective on September 15, 1993.

This Agreement does not (1) grant density or intensity in excess of that otherwise established in the Project Approvals, (2) supersede, nullify or amend any condition imposed in the Project Approvals, (3) guarantee to Owner any profits from the Project, (4) subject to the provisions of Section II G 4 below, prohibit or, if legally required, indicate Owner's consent to, the Property's inclusion in any public financing district or assessment district, or (5) amend the General Plan or the Comprehensive Plan.

C The Property

Lot is the owner of the Property, which consists of approximately 46.11 acres and which is shown on the Location Map attached hereto as Exhibit "B" and incorporated herein. SPE is responsible for coordinating the development of the Project.

D The Project

The proposed project consists of the expansion and renovation of the existing television and motion picture studio facility. At the completion of the phased construction program, if fully implemented, the project will include approximately two million, five hundred forty-two thousand, eight hundred ninety (2,542,819) gross square feet of studio offices, stage, post

1 production, retail and support space, as well as on site and
2 offsite infrastructure improvements The permitted uses, the
3 density or intensity of use, the maximum height and size of
4 proposed buildings, including architectural and facade features,
5 parking structures and roof top mechanical equipment, and
6 provisions for reservation or dedication of land for public
7 purposes shall be those set forth in the Project Approvals

8 E Project Approvals

9 1 Environmental Impact Report By Council
10 Resolution No 92-R083, the Council certified, after making appro-
11 priate findings, the Environmental Impact Report for the Project
12 dated October 5, 1992, under the provisions of the California
13 Environmental Quality Act [California Public Resources Code Section
14 21000, et seq] (the "EIR")

15 2 Discretionary Approvals In addition to
16 certifying the EIR, the Council approved the Project Approvals

17 F Comprehensive Planning Objectives and Public
18 Benefits in Return for Assurance of Completion

19 In accordance with the legislative findings set
20 forth in Section 65864 of the Development Agreement Act, City
21 wishes to attain certain objectives that will be furthered by this
22 Agreement By entering into this Agreement, City assures Owner
23 that the Project may be completed in accordance with the Applicable
24 Rules Completion of the Project will further the comprehensive
25 planning objectives contained within the General Plan and the
26 Comprehensive Plan and will result in public benefits, including,
27 among others, the following

- 1 Fulfilling long term economic and soc
2 goals for the subject area,
- 3 Providing high-quality planned
4 developments with upgraded landscaping, underground utilities, open
5 space, pedestrian areas (courtyard, walks and benches), quality
6 design and protection of historic buildings,
- 7 Improvement of the circulation system in
8 the vicinity of the Project through the implementation of the
9 transportation/traffic mitigation measures required by the
10 Applicable Rules,
- 11 Providing positive ongoing fiscal benefit
12 to the City's General Fund,
- 13 Providing for both short-term construction
14 employment and long-term permanent employment within City,
- 15 Assuring the long-term viability of the
16 economy of the City and of the surrounding community,
- 17 Solidifying the historic presence and
18 operation of the movie and entertainment industry in City,
- 19 Enhancing the vicinity in and around the
20 downtown area of City,
- 21 Coordinating the phasing of public
22 facilities with private development, and
- 23 Minimizing public expenditure for
24 infrastructure and other improvements

25 G Additional Public Benefits in Return for
26 Assurances by City

27 In addition to the public benefits outlined in
28 Section II F above, as consideration for the assurances provided by

1 City in this Agreement, Owner agrees to provide the following
2 additional public benefits

3 1 Owner agrees to provide at least one (1)
4 free monthly screening of SPE's films or videos at the Senior
5 Center or other locations to be agreed upon by SPE and City's Chief
6 Administrative Officer,

7 2 Owner agrees to provide upgraded
8 equipment, including closed caption equipment for the Senior
9 Center, as determined by Owner and the Chief Administrative
10 Officer,

11 3 Owner agrees to pay a pro rata share of
12 the cost for undergrounding the offsite utility lines along
13 Overland Avenue between Venice and Culver Boulevards (excluding the
14 Southern California Edison substation), provided that Owner's pro
15 rata share shall be equal to a percentage (as calculated below) of
16 the total actual cost for such undergrounding, and provided further
17 that

18 a No part of such payment shall be made
19 before the undergrounding has been commenced,

20 b One-half (1/2) of such payment shall
21 be made upon the issuance of any building permit for any "net new
22 development" (as defined in the Comprehensive Plan) in excess of
23 twenty-five thousand (25,000) square feet in Comprehensive Plan
24 Design Area 5,

25 c One-half (1/2) of such payment shall
26 be made upon the issuance of any building permit for any net new
27 development in excess of twenty-five thousand (25,000) square feet
28 in Comprehensive Plan Design Area 6, and

d The method of calculation for Owner's percentage of Overland Avenue undergrounding shall be as follows

Property's Overland Avenue frontage in linear feet (A) divided by the sum of the total linear feet of Overland Avenue frontage on the west side between Venice Boulevard and Culver Boulevard (B) plus the total linear feet of Overland frontage on the east side between Washington Boulevard and Culver Boulevard (C) multiplied by one hundred (100) equals Owner's percent share (D), i.e.,

$$\left[D = 100 \left(\frac{A}{B+C} \right) \right]$$

4 Notwithstanding the provisions of Section III B 7 below, Owner agrees to pay a storm drain fee that is adopted by City following the Effective Date, the payment of such fee to be in accordance with and subject to the provisions of Condition VI A of the Comprehensive Plan. City hereby acknowledges that nothing in this Section II G 4 shall be interpreted as a waiver of Owner's right to contest the calculation of the fee. Owner hereby agrees that the storm drain fee may be levied directly or through an assessment or other public financing district,

5 From time to time, Owner agrees to provide advice and assistance to the Culver City Historical Society, and further agrees to identify historical materials and to donate no fewer than ten (10) items of movie memorabilia, selected at Owner's discretion, to the Historical Society within one (1) year of City's approval of the Comprehensive Plan,

6 Owner agrees to offer free public tours of the Project to residents of and persons employed in Culver City at least three (3) times per year. The scope of such tours shall be reasonably determined by Owner. Tour dates shall be coordinated with City. Owner shall advertise each tour in selected Culver City media at least thirty (30) days in advance,

7 Owner agrees to establish and maintain a Sony Pictures film history museum either on site or, so long as Owner leases or owns the Sony Pictures Plaza Building, in the lobby area of the Sony Pictures Plaza Building. If located on site, the museum shall constitute a part of the retail square footage that is permitted on the site. The size of the museum, the hours of operation and the composition of the exhibits in the museum shall be determined by Owner, after consultation with City's Chief Administrative Officer,

8 Owner agrees to comply with the waste water "zero net flow increase" provisions of Condition V F 4 of the Comprehensive Plan

9 Beginning with the effective date of the Comprehensive Plan and on July 1 of every year thereafter for a period of at least ten (10) years, Owner agrees to purchase for the Culver City Unified School District at least twenty-five thousand dollars (\$25,000) worth of equipment and programs, as approved by the Superintendent of the District,

10 Owner agrees to pay to the City the following costs of providing vehicle and parking enforcement in the neighborhoods and commercial areas in the vicinity of the Project site. The payment shall be made upon the effective date of the

1 Comprehensive Plan ("Year One") and every year thereafter for
2 period of four (4) years, as follows

3	a	Year One	\$60,000
4	b	July 1, 1994	\$49,900
5	c	July 1, 1995	\$38,922
6	d	July 1, 1996	\$26,986
7	e	July 1, 1997	\$14,033,

8 11 To the satisfaction of the City Treasurer,
9 Owner agrees to self-accrue and pay to the State of California
10 applicable sales taxes on items purchased from businesses which are
11 located outside the State,

12 12 Owner agrees that City shall be the point
13 of sale for all retail sales generated by the retail space on the
14 Project site, and

15 13 Owner agrees to ensure funding is
16 available for the operation and replacement of the bus described in
17 Condition XII F 4 h of the Comprehensive Plan by complying with the
18 provisions of the revenue guarantee set forth in
19 Condition XII F 4 i of the Comprehensive Plan

20 H Public Benefits/Comprehensive Plan Conditions

21 In finalizing the conditions to the
22 Comprehensive Plan and the terms of this Agreement, City and Owner
23 discussed, at length, whether certain items belonged in the
24 conditions to the Comprehensive Plan or were more appropriately
25 designated "benefits" under this Agreement Throughout the
26 discussions, City expressed a concern that designating the items a
27 "benefit" in the Development Agreement represented a concession
28 the City that it could not have required the items as conditions to

1 the Comprehensive Plan, if there were no Development Agreement On
2 the other hand, Owner expressed a concern that including the items
3 as conditions to the Comprehensive Plan represented a concession by
4 Owner that the items could be required by City without this
5 Agreement To resolve the matter, City and Owner have agreed that
6 the inclusion of the following items in this Agreement do not
7 represent a concession by City that these items could not have been
8 imposed as conditions of the Comprehensive Plan without this
9 Development Agreement and do not represent a concession by Owner
10 that these items could, without this Agreement, be required as
11 conditions to the Comprehensive Plan

12 1 Owner agrees to prepare photographic
13 [eight inches by ten inches (8" X 10")] black and white and color
14 prints with negatives and a video tape (color video, high speed,
15 with pictures and narration) documentation of all "landmark" and
16 "significant" structures in accordance with the provisions of the
17 Comprehensive Plan

18 2 Owner agrees that in perpetuity, the
19 designated structures listed below shall not be demolished, except
20 that Owner may apply for a Certificate of Economic Hardship,
21 pursuant to Chapter 38 of the Code, after the term of this
22 Agreement

- 23 a Colonnade Building
- 24 b Commissary Building
- 25 c Gable Building
- 26 d Myrna Loy Building
- 27 e Stage 4 building

f Stage 6 building (but not includ
the rooftop sign)

g Thalberg Building

I Owner Objectives

In accordance with the legislative findings set forth in Section 65864 of the Development Agreement Act, Owner wishes to obtain reasonable assurances that, having received the necessary Discretionary Approvals for the Project (i.e., the Project Approvals), Owner may develop the Project in accordance with the Applicable Rules, with the conditions established in the Project Approvals and with the terms of this Agreement. Because of the nature of the Project and the type and extent of the public improvements to be provided by the Project, the development of the Project will take a long period of time to complete. Owner's decision to commence the Project is based on expectations of proceeding with the Project to completion. In the absence of this Agreement, Owner would have no assurance that it could complete the Project and would therefore be exposed to significant economic risk. For any number of currently foreseeable and unforeseeable reasons, including, without limitation, regional traffic and related impacts (e.g., impacts on air quality) resulting from development outside the jurisdiction of City, pressures on City could be created to (i) halt the Project at a point short of total build-out, as such build-out is permitted by the Project Approvals, (ii) reduce the intensity of the Project, (iii) defer or delay completion of the Project, or (iv) apply new rules, regulations or official policies to the Project in such a manner as significantly increase the cost of the Project. The burden of

1 interest carrying costs, the difficulty of obtaining construction
2 and/or permanent financing and the potential loss of anticipated
3 revenue associated with these development risks and uncertainties
4 would, in the absence of this Agreement, deter and discourage Owner
5 from making a long-term commitment to the implementation of the
6 Project Owner has expended and will continue to expend large
7 amounts of time and money on the planning and infrastructure
8 construction of the Project In addition, Owner will expend large
9 amounts of time and money in constructing public improvements and
10 facilities and providing for public services in connection with the
11 Project Owner would not make such additional expenditures without
12 this Agreement and such additional expenditures will be made in
13 reliance upon this Agreement Accordingly, Owner cannot prudently
14 commence the development of the Project and the public improvements
15 and facilities without reasonable assurance that it will be able to
16 complete the Project in accordance with the Applicable Rules
17

18 III AGREEMENT AND ASSURANCES

19 A Agreement and Assurances on the Part of Owner

20 1 In consideration of the premises, purposes
21 and intentions set forth in Article II above, and in consideration
22 of the assurances for completion of the Project pursuant to the
23 terms and conditions of City assurances set forth in Section III B
24 below, in the event Owner, using its own business judgment, after
25 taking into consideration all relevant factors influencing Owner's
26 business decisions, elects to proceed with the development of the
27 Project, Owner agrees to develop the Project in accordance with the
28

1 terms and conditions of this Agreement, with the conditions
2 established in the Project Approvals and with the Applicable Rules

3 2 Notwithstanding anything set forth in this
4 Agreement, in the event that the Project is not developed for any
5 reason, including, without limitation, litigation attacking any of
6 the Project Approvals or this Agreement, subject to the sentence
7 immediately following, Owner shall be under no obligation to make
8 any improvements or pay any fees required by the Applicable Rules,
9 and any such fees paid by Owner shall be refunded by City, if
10 pursuant to City's normal refund procedures, such refund is
11 appropriate. If Owner is unable or elects not to proceed with
12 development of the Project as a result of litigation attacking any
13 of the Project Approvals or litigation attacking this Agreement,
14 City and Owner shall review the fees, exactions, benefits and other
15 consideration paid by Owner to City pursuant to the Applicable
16 Rules or pursuant to this Agreement and shall make a good faith
17 effort to determine whether any portion or all of the fees,
18 exactions, benefits and other consideration previously paid by
19 Owner should, under the circumstances, be refunded to Owner,
20 provided, if City and Owner are unable to agree, the determination
21 of the refund, if any, of such fees, exactions, benefits and other
22 consideration shall be made in accordance with the provisions of
23 Section IV D 3 below

24 B Agreement and Assurances on the Part of the
25 City

26 In order to effectuate the premises, purposes
27 and intentions set forth in Article II above, and as an inducement
28 for Owner to obligate itself to carry out the covenants and

conditions set forth in the preceding Section III A of this Agreement, and in consideration for Owner's doing so, City hereby agrees and assures Owner that Owner will be permitted to carry out and complete the entire Project, subject to the terms and conditions of this Agreement, the conditions established in the Project Approvals and the Applicable Rules. In furtherance of such Agreement and assurance, and pursuant to the authority and provisions set forth in the Development Agreement Act, City, in entering into this Agreement, hereby agrees and acknowledges that

1 Entitlement to Develop City agrees that Owner has the right to develop the Project, subject to the conditions imposed by the Project Approvals and in accordance with the Applicable Rules, and finds the Project consistent with the General Plan, as amended, the Comprehensive Plan, and the Zoning Code

Any change in the Applicable Rules, including, without limitation, any change in any applicable general, specific or comprehensive plan, zoning, subdivision, or building regulation, including, without limitation, any such change by means of an ordinance, City Charter amendment, initiative, resolution, policy, order or moratorium, initiated or instituted for any reason whatsoever and adopted by the City Council, Planning Commission or any other Board, Commission or Department of City, or any officer or employee thereof, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project and which would conflict in any way with or be more restrictive than the Applicable Rules, shall not be applied by City to the Project unless City determines that the failure to apply

such change would place the residents of City in a condition dangerous to their health or safety, or both. Notwithstanding the above, development of the Project shall be subject to changes occurring from time to time in City rules, regulations and official policies relating to uniform codes, including, but not limited to, the Uniform Building Code, Uniform Electrical Code, Uniform Grading Code, Uniform Mechanical Code, Uniform Plumbing Code, or Uniform Fire Code applicable to private improvements to be constructed on the Property, provided that such changes (a) are found by City to be necessary to the health and safety of the citizens of City and (b) are generally applicable to all property in City that is being used for the same or similar purposes as the Property.

Any subsequent Discretionary Actions by City or any conditions, terms, restrictions and requirements of such Discretionary Actions by City, shall not prevent development of the Property for the uses and to the maximum density or intensity of development set forth in the Project Approvals and this Agreement.

The City acknowledges that Owner cannot at this time predict when or the rate at which the Project will be developed. Such decisions depend upon numerous factors which are not within the control of Owner, such as market orientation and demand, interest rates, absorption, competition, and other similar factors. Because the California Supreme Court held in Pardee Construction Co v City of Camarillo (1984) 37 Cal 3d 465, that failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting timing of development to prevail over such parties' agreement, it

1 is the parties' intent to cure that deficiency by acknowledging and
2 providing that Owner shall have the right to develop the Project in
3 such order and at such rate and at such times as Owner deems
4 appropriate within the exercise of its subjective business
5 judgment

6 In addition to and not in limitation of
7 the foregoing, it is the intent of Owner and City that no
8 moratorium or other limitation (whether relating to the rate,
9 timing or sequencing of the development or construction of all or
10 any part of the Project, whether imposed by City Charter amendment,
11 initiative, ordinance, resolution, policy, order or otherwise, and
12 whether enacted by the City Council, Planning Commission or any
13 other Board, Commission or Department of City, or any officer or
14 employee thereof, or by the electorate) affecting parcel or
15 subdivision maps (whether tentative, vesting tentative or final),
16 building permits, occupancy certificates, or other entitlements to
17 use or service (including, without limitation, water and sewer)
18 approved, issued or granted within City, or portions of City, shall
19 apply to the Project to the extent such moratorium or other
20 limitation is in conflict with this Agreement

21 2 Subsequent Development Review City shall
22 not require Owner to obtain any approvals or permits for the
23 development of the Project in accordance with this Agreement other
24 than those permits or approvals which are required by the
25 Applicable Rules All subsequent review of development of the
26 Project shall be subject to the terms and conditions of this
27 Agreement As provided for in Section 65869 5 of the Development
28 Agreement Act, this Section III B 2 shall not preclude the

1 application to the Property of changes in City rules, regulatio
2 or official policies, the terms of which are specifically mandated
3 and required by changes in State or federal laws or regulations

4 3 Justifiable Reliance City acknowledges
5 that, in investing money and planning effort in and to the Project
6 and all public improvements required hereunder, and in undertaking
7 commencement of the Project, Owner will be doing so in reliance
8 upon City's covenants contained in this Agreement and upon the
9 enforceability of this Agreement, and City agrees that it will be
10 reasonable and justifiable for Owner to so rely

11 4 Consistency with Applicable Rules City
12 finds, based upon all information made available to City prior to
13 or concurrently with the execution of this Agreement, that there
14 are no Applicable Rules that would prohibit or prevent the fi
15 completion and occupancy of the Project in accordance with the
16 uses, densities, designs, and heights approved in the Project
17 Approvals and agreed to herein

18 5 Subsequent Discretionary Actions With
19 respect to any Discretionary Action or Discretionary Approval that
20 is required subsequent to the execution of this Agreement, City
21 agrees that it will not unreasonably withhold from Owner or
22 unreasonably condition any Discretionary Action or Discretionary
23 Approval which must be issued by City in order for the Project to
24 proceed to construction and occupancy In addition, no condition
25 shall preclude or otherwise limit Owner's ability to develop the
26 Project in accordance with the height, density and size speci-
27 fications set forth in the Project Approvals nor otherwise confli
28 with any provision of this Agreement

6 Term of Map(s) and Other Project
Approvals Pursuant to California Government Code
Sections 66452 6(a) and 65863 9, the term of any subdivision or
parcel map that may be processed on all or any portion of the
Property during the term of this Agreement and the term of each of
the Project Approvals shall be extended for a period of time
through the scheduled termination date of this Agreement as set
forth in Section IV B below

7 No Other Exactions Except as provided in
the Project Approvals and this Agreement, no other exactions shall
be required to be paid, dedicated, constructed, or contributed by
Owner in connection with this Agreement or any Project Approval
For purposes of this Agreement, exaction shall mean any requirement
of City in connection with or pursuant to any Applicable Rule or
any Project Approval for dedication of land, construction or
improvement of public facilities, payment of fees or making any
other contribution required in order to address impacts of
development on the community or the impacts of this Agreement For
purposes of this Agreement, usual and customary application,
processing and permit fees of the type now in effect shall not be
considered exactions

8 Credit/In-lieu Credit for Public
Financing If, after the Effective Date, the Property, or any
portion thereof, is included in any public financing district or
assessment district, Owner shall be given credit or in-lieu credit
for any exactions or benefits previously provided or to be provided
by Owner in connection with any Project Approval or this Agreement
to the extent any such exactions or benefits represent the types of

benefits, improvements, equipment, facilities or services for which the public financing district or assessment district is formed

9 Helicopter Operations - Conditional Use

Permit Owner hereby acknowledges that, based upon concerns about noise and safety under current technology and the sentiment of the community, if Owner had not withdrawn its application for a Conditional Use Permit ("CUP") for helicopter operations, the Council would have denied such application. The parties further acknowledge such denial would have still allowed helicopter operations for emergency and construction purposes. City hereby acknowledges that it is Owner's desire that, if and when technology is capable of producing a helicopter with noise and safety characteristics that are acceptable to the Council, Owner should be permitted to apply for a CUP that will authorize helicopter operations. Owner hereby acknowledges and agrees that the decision of the Council as to whether to issue a CUP and the terms and conditions of the permit (including, without limitation, frequency, hours and flight path) will be in the Council's sole and absolute discretion. Based on and subject to the foregoing, Owner shall be permitted to apply for a CUP for helicopter operations in accordance with the provisions of Chapter 17A, as amended, of the Code. In addition, Owner hereby agrees that any helicopter landing (other than for emergency or construction purposes) authorized by or made for the benefit of Owner, prior to Owner's receipt of a CUP, shall result in a fine, in each instance, of \$10,000. Owner further agrees it shall not conduct or allow for its benefit helicopter operations (other than for emergency or construction purposes) within a 750 foot radius of the Culver City

jurisdictional boundary Such 750 foot limitation may be modified, in the sole and absolute discretion of the Council, when and if the Council grants a CUP, as provided above The \$10,000 fine provided for above shall likewise apply to helicopter operations prohibited within the 750 foot radius

C Consequences of Failure to Develop

Recognizing that the timing of development of the Project will be subject to future market and economic conditions and that the dates set forth in the Comprehensive Plan for completing various phases of the Project represent estimated timeframes only, it is City's position that if development of the Project is not undertaken by Owner in some reasonable fashion, the term of this Agreement should be reduced In response to City's concerns and in order to assure City that Owner intends to proceed with development of the Project, Owner hereby agrees to the following consequences should development of the Project not proceed in a reasonable fashion

1 If construction of at least 300,000 square feet of "new construction" (as hereinafter defined) in the Project is not commenced by December 31, 1996, the term during which the vesting provisions of Section III B 1 and 2 of this Agreement (the "Vesting Term") remain in effect shall be reduced one day for each day beyond December 31, 1996 that construction of 300,000 square feet is not commenced If the Vesting Term of this Agreement is required to be reduced in accordance with the provisions of this subparagraph 1, at City's request City and Owner shall execute a certificate, in form sufficient for recordation purposes, indicating the reduction in the Vesting Term, and such certificate

1 shall be recorded in the offices of the County Recorder of Los
2 Angeles County A reduction in the Vesting Term in accordance with
3 the provisions of this subparagraph 1 shall not constitute an
4 amendment to this Agreement requiring notice or public hearing

5 2 If construction of at least 500,000 square
6 feet of new construction, i e , an additional 200,000 square feet,
7 in the Project is not commenced by December 31, 2001, the Vesting
8 Term of this Agreement shall be reduced one day for each day beyond
9 December 31, 2001 that construction of 500,000 square feet is not
10 commenced If a reduction in the Vesting Term is continuing under
11 the provisions of subparagraph 1 above, the reduction in the
12 Vesting Term shall be cumulative, i e , two days, for so long as
13 the commencement of construction requirements of subparagraph 1 are
14 not satisfied If the Vesting Term of this Agreement is required
15 to be reduced in accordance with the provisions of this
16 subparagraph 2, at City's request City and Owner shall execute a
17 certificate, in form sufficient for recordation purposes,
18 indicating the reduction in the Vesting Term, and such certificate
19 shall be recorded in the offices of the County Recorder of Los
20 Angeles County A reduction in the Vesting Term in accordance with
21 the provisions of this subparagraph 2 shall not constitute an
22 amendment to this Agreement requiring notice or public hearing

23 3 If construction of at least 800,000 square
24 feet of new construction, i e , an additional 300,000 square feet,
25 in the Project is not commenced by December 31, 2006, the Vesting
26 Term of this Agreement shall be reduced one day for each day beyond
27 December 31, 2006 that construction of 800,000 square feet is r
28 commenced If a reduction in the Vesting Term is continuing under

1 the provisions of subparagraph 1 and/or 2 above, the reduction in
2 the Vesting Term shall be cumulative, i e , three days, for so long
3 as the commencement of construction requirements of both
4 subparagraphs 1 and 2 are not satisfied, and two days, for so long
5 as the commencement of construction requirements of subparagraph 2
6 are not satisfied If the Vesting Term of this Agreement is
7 required to be reduced in accordance with the provisions of this
8 subparagraph 3, at City's request City and Owner shall execute a
9 certificate, in form sufficient for recordation purposes,
10 indicating the reduction in the Vesting Term, and such certificate
11 shall be recorded in the offices of the County Recorder of Los
12 Angeles County A reduction in the Vesting Term in accordance with
13 the provisions of this subparagraph 3 shall not constitute an
14 amendment to this Agreement requiring notice or public hearing

15 4 As used in this Section III C , the term
16 "new construction" shall mean the construction of any structures,
17 including stages, that replace demolished structures as well as the
18 construction of new structures, including stages, as additions to
19 the Project The term "new construction" shall not include the
20 construction of any above ground, surface or below ground parking
21 structures or facilities As used in this Section III C,
22 construction shall be deemed to have "commenced" when the pouring
23 of a foundation for a structure is completed or, in the case of a
24 structure that has been demolished and a new structure is being
25 constructed on the demolished structure's foundation, construction
26 shall be deemed to have commenced when framing of such structure is
27 completed

5 Notwithstanding the provisions
subparagraphs 1, 2 and 3 above, in no event shall the Vesting Term
of this Agreement be reduced by a cumulative total of more than
five (5) years

IV GENERAL PROVISIONS

A Effective Date, Recordation

This Agreement shall be effective on
September 15, 1993 (the "Effective Date") As provided in Section
65868 5 of the Development Agreement Act, a copy of this Agreement
shall be recorded with the Los Angeles County Recorder within ten
(10) days following its execution by both parties

B Duration

This Agreement shall commence upon +
Effective Date and shall remain in effect for a term of twenty (20)
years thereafter, unless this Agreement is terminated, modified or
extended by the provisions of this Agreement or by mutual consent
of the parties hereto Following the expiration of said term, this
Agreement shall be deemed terminated and of no further force and
effect, provided, however, such termination shall not automatically
affect any right arising from City approvals on the Property prior
to, concurrently with or subsequent to the Effective Date of this
Agreement or the rights and obligations set forth in Section IV C 1
below

C Cooperation and Implementation

City represents that it will cooperate with
Owner to the fullest extent reasonable and feasible to impleme
this Agreement Upon satisfactory completion by Owner of all

1 required preliminary actions and payments of appropriate fees, City
2 shall promptly commence and diligently proceed to complete all
3 steps necessary for the implementation of this Agreement and the
4 development of the Property in accordance with the terms of this
5 Agreement, including, but not limited to, the processing and check-
6 ing of any and all Project Approvals, agreements, covenants, and
7 related matters required under the conditions of this Agreement,
8 building plans and specifications, and any other plans necessary
9 for the development of the Property, filed by or on behalf of
10 Owner. Owner shall, in a timely manner, provide City with all
11 documents, plans and other information necessary for City to carry
12 out its obligations hereunder.

13 1 Cooperation in the Event of Legal
14 Challenge In the event of any legal action instituted by a third
15 party or other governmental entity or official challenging the
16 validity of any provision of this Agreement, the parties hereby
17 agree to cooperate in defending said action, provided, however,
18 Owner shall indemnify and hold City harmless from all litigation
19 expenses, including reasonable attorneys' fees and costs, arising
20 out of any legal action instituted by a third party or other
21 governmental entity or official (other than City or an official of
22 City) challenging the validity of any provision of this Agreement,
23 the Project Approvals, or any City action relating thereto. City
24 shall promptly notify Owner of any such action, and City shall
25 cooperate fully in the defense thereof. If City fails to promptly
26 notify Owner of any such action or if City fails to cooperate fully
27 in the defense, Owner shall not thereafter be responsible to
28 defend, indemnify or hold City harmless. To the extent attorneys'

1 fees and costs become payable pursuant to the provisions of th
2 Section IV C 1 , City may submit billings for such fees and costs
3 no less frequently than quarterly to Owner

4 The filing of any third party lawsuit(s)
5 against City or Owner relating to this Agreement or to other
6 development issues affecting the Project shall not delay or stop
7 the processing or issuance of any permit or authorization necessary
8 for development of the Project, unless the third party obtains a
9 court order preventing the activity City shall not stipulate to
10 the issuance of any such order

11 2 Public Financing Districts City agrees
12 to cooperate with Owner in the establishment of one or more Mello-
13 Roos Districts and/or assessment districts covering all or a
14 portion of the Property to enable the issuance of bonds to finan
15 those improvements required in connection with the development of
16 the Project

17 3 Other Governmental Bodies To the extent
18 that City, its City Council, Planning Commission or any other
19 Board, commission or Department of City constitutes any other board
20 or agency, it shall not take any action that is inconsistent with
21 the terms of this Agreement

22 D Enforceability

23 Subject to the terms of this Agreement, Owner's
24 obligation to City is to develop the Project, subject to the
25 conditions established in the Project Approvals, and City's obliga-
26 tion to Owner is to permit Owner to complete the Project in
27 accordance with the Project Approvals and the Applicable Rules
28 turn, the parties anticipate that City's promises in Section III B

will induce Owner to start and complete the Project Therefore,
the parties agree that the following provisions shall govern the
availability of remedies should either party breach its obligations
under this Agreement

The provisions of Section III A may not be
specifically enforced by City, nor may City in any way compel Owner
to either start or complete the Project, nor may City seek any
monetary damages from Owner for failure to start or complete the
Project

1 Default Failure by either party to
perform any term or provision of this Agreement for a period of
thirty (30) days after receipt of written notice thereof from the
other party shall constitute a default under this Agreement,
subject to extensions of time by mutual consent in writing Said
notice shall specify in detail the nature of the alleged default
and the manner in which said default may be satisfactorily cured
If the nature of the alleged default is such that it cannot reason-
ably be cured within such 30-day period, the commencement of the
cure within such time period and the diligent prosecution to
completion of the cure shall be deemed a cure within such period
For purposes of this Section IV D 1 , any notice of default
delivered by City to Owner and any determination that Owner has
failed to cure a default must first be approved by Council

Subject to the foregoing, after notice and
expiration of the 30-day period without cure, the other party to
this Agreement, at its option, may institute legal proceedings
pursuant to this Agreement

Evidence of default may also arise in the course of the regularly scheduled annual review described in Section IV D 2 below

2 Periodic Review Each year prior to the anniversary date of the Council's approval of this Agreement, Owner shall demonstrate to Director its good faith compliance with the terms of this Agreement in the form of an annual report. If as a result of such periodic review, the Director finds and determines, on the basis of substantial evidence, that Owner has not complied in good faith with the terms or conditions of this Agreement, the Director shall set a date for a hearing on the matter before the Council. Notice of such hearing shall be given to Owner at least thirty (30) days prior to the hearing and shall specify in detail the nature of the alleged non-compliance and the manner in which it may be satisfactorily cured. If as a result of its review, Council reasonably determines, on the basis of substantial evidence presented at such meeting, that Owner has not complied in good faith with the terms and conditions hereof, City shall provide written notice thereof ("Notice of Non-Compliance"), specifying in specific detail and specific reasons for such finding. After the City delivers the Notice of Non-Compliance, Owner shall have the right to cure such non-compliance as provided in Section IV D 1 above. In the event that Owner does not timely cure the non-compliance after a Notice of Non-Compliance is delivered by City or if, during the period which Owner must cure such default, Owner ceases to use reasonable efforts to effect such cure, City shall have the right to modify or terminate this Agreement or institute legal action.

3 Institution of Legal Action Subject to notice of default and opportunity to cure under Sections IV D 1 and IV D 2 , in addition to any other rights of remedies, either party may institute legal action to cure, correct or remedy any default, to enforce any covenants or agreements herein, to enjoin any threatened or attempted violation hereof, to recover damages for any default, or to obtain any other remedies consistent with the purpose of this Agreement Such legal action shall be heard by a reference from the Los Angeles County Superior Court pursuant to Code of Civil Procedure Section 638, et seq Owner and City shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a finding and judgment thereon and issue all legal and equitable relief appropriate under the circumstances of the controversy before him If Owner and City are unable to agree on a referee within ten (10) days of a written request to do so by either party hereto, either party may seek to have one appointed pursuant to Code of Civil Procedure Section 640 The costs of such proceeding shall initially be borne equally by the parties Any referee selected pursuant to this Section IV D 3 shall be considered a temporary judge appointed pursuant to Article 6, Section 21, of the California Constitution Nothing in this Section IV D 3 shall preclude either party's right to appeal the decision of the referee

If a legal action or proceeding is brought by any party because of default under this Agreement, or to enforce a provision thereof, the prevailing party therein shall be entitled, in addition to any other relief, to recover reasonable attorneys' fees and court costs from the losing party as determined

by the court in which said action or proceeding is pending
Attorneys' fees under this Section shall include attorneys' fees
for any appeal and, in addition, a party entitled to attorneys'
fees shall be entitled to all other reasonable costs and expenses
incurred in connection with such action. In addition to the award
of attorneys' fees to the prevailing party, the prevailing party in
any lawsuit shall be entitled to its attorneys' fees incurred in
any post judgment proceedings to collect or enforce the judgment.
This provision is separate and several and shall survive the merger
of this Agreement into any judgment on this Agreement.

E Assignment

1 Right to Assign Owner shall have the
right to sell, transfer or assign the Property, in whole or in part
(provided that no such partial transfer shall be permitted to cause
a violation of the Subdivision Map Act, Government Code section
66410, et seq , or the Covenant to Hold as a Single Parcel being
executed as a condition to the Comprehensive Plan (the "Covenant to
Hold as a Single Parcel")), to any person or entity at any time
during the term of this Agreement, provided, however, that no sale,
transfer or assignment of any right or interest under this
Agreement shall be made unless made together with the sale,
transfer or assignment of the part of the Property being
transferred.

2 Release of Transferring Owner Notwith-
standing any sale, transfer or assignment, a transferring Owner
shall continue to be obligated under this Agreement unless such
transferring Owner is given a release in writing by City, which

release shall be provided by City upon the full satisfaction of
such transferring Owner of all the following conditions

a The transferring Owner no longer has
a legal or equitable interest in the part of the Property being
transferred

b The transferring Owner is not then in
default under this Agreement (relating to the part of the Property
being transferred)

c The transferring Owner has provided
City with an executed agreement, in a form reasonably acceptable to
City, by the purchaser, transferee or assignee and providing
therein that the purchaser, transferee or assignee expressly and
unconditionally assumes all the duties and obligations of Owner
under this Agreement (relating to the part of the Property being
transferred)

d The purchaser, transferee or assignee
provides City with security reasonably satisfactory to City to
secure performance of Owner's monetary obligations under this
Agreement (relating to the part of the Property being transferred)

The parties agree that satisfaction of any of the following by the
purchaser, transferee or assignee shall be acceptable security

(1) the purchaser, transferee or
assignee has a net worth (based on financial statements certified
by an independent certified public accountant) of at least fifty
percent (50%) of the financial obligations that remain to be
performed by Owner under this Agreement (relating to the part of
the Property being transferred), provided, however, that
determining net worth, City shall have the opportunity to evaluate

1 any contingent liabilities (determined in accordance with generally
2 accepted accounting principles) of the proposed assignee and to
3 reduce the assignee's net worth by any contingent liability that
4 City reasonably determines is likely to be realized,

5 (2) the purchaser, transferee or
6 assignee furnishes a letter of credit (in a form and from an
7 institution acceptable to City) or such other security as City
8 shall reasonably approve, the effect of which shall be to guarantee
9 the financial obligations that remain to be performed by Owner
10 under this Agreement (relating to the part of the Property being
11 transferred), or

12 (3) City otherwise approves the
13 financial capability of the proposed purchaser, transferee or
14 assignee

15 Failure to deliver or decline such release
16 within thirty (30) days from receipt of notice of assignment shall
17 conclusively be deemed to constitute release by City of Owner

18 Following compliance by the transferring
19 Owner with the requirements of this Section IV E 2, City agrees to
20 look solely to the transferee for compliance by such transferee
21 with the provisions of this Agreement (relating to the part of the
22 Property being transferred) "Compliance," as used in this
23 Section IV E, shall include, without limitation, compliance with
24 reporting and annual review requirements and the payment of fees
25 In addition, any amendment to this Agreement between City and a
26 transferee shall only affect the portion of the Property owned by
27 such transferee, and a default by any transferee shall only affect
28 that portion of the Property owned by such transferee

3 Transfers to Affiliates Nothing set forth in this Section IV E shall preclude (a) a transfer to an "Owner Affiliate" (as hereinafter defined) or (b) Owner's transferring an undivided interest in the Property to another person so long as, following such transfer, SPE or an Owner Affiliate owns at least a fifty percent (50%) undivided interest in the Property. For purposes of the foregoing sentence, the term "Owner Affiliate" shall mean any of the following

a Any corporation which owns and controls, directly or indirectly, fifty percent (50%) or more of the common stock of SPE ("Owner Parent"),

b Any corporation in which an Owner Parent and/or SPE owns and controls, directly or indirectly, fifty percent (50%) or more of the common stock (an "Owner Controlled Corporation"), and

c Any general or limited partnership in which SPE, Owner Parent or an Owner Controlled Corporation is the managing general partner of such partnership

Following compliance by the transferring Owner with the requirements of this Section IV E 3, City agrees to look solely to the transferee for compliance by such transferee with the provisions of this Agreement

4 Effect of Covenant to Hold as a Single
Parcel Notwithstanding any reference in this Section IV E to a
sale or transfer of less than all of the Property, i e , any
reference to a sale or transfer of "part of the Property," Owner
hereby acknowledges that no sale or transfer of any part of the
Property, i e , less than the entire site, would be permitted

without Owner's complying with the Subdivision Map Act and obtaining an amendment to the Covenant to Hold as a Single Parcel

F Relationship of Parties

It is understood and agreed by the parties hereto that the contractual relationship created between the parties hereunder is that Owner is an independent contractor and not an agent of City. Nothing contained herein or in any document executed in connection herewith shall be construed as making City and Owner joint venturers or partners.

G Notices

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered (including by means of professional messenger service), or sent by registered or certified mail, postage prepaid, return receipt required, or by electronic facsimile transmission followed by delivery of a "hard" copy, and shall be deemed received on the date of receipt thereof. Unless otherwise indicated in writing, such notice shall be sent addressed as follows:

If to the City

City Attorney
City of Culver City
P O Box 507
Culver City, California 90232-0507

With a copy to

Community Development Director
City of Culver City
P O Box 507
Culver City, California 90232-0507

City Clerk
City of Culver City
P O Box 507
Culver City, California 90232-0507

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If to the Owner

Lot, Inc
Thalberg Building, #2501
10202 West Washington Boulevard
Culver City, California 90232
Attn Mr Kenneth S Williams

With a copy to

Sony Pictures Entertainment, Inc
Thalberg Building, #2501
10202 West Washington Boulevard
Culver City, California 90232
Attn Mr Kenneth S Williams

Allan L Alexander, Esq
Armstrong & Hirsch
1888 Century Park East, Suite 1888
Los Angeles, California 90067

H Termination

This Agreement shall be deemed terminated and
of no further effect upon the occurrence of any of the follow.
events

1 Expiration of the stated term of this
Agreement as set forth in Section IV B

2 Completion of the Project in accordance
with the terms of this Agreement including issuance of all required
occupancy permits

3 Termination due to default as set forth in
Section IV D

Termination of this Agreement shall not
constitute termination of any other land use entitlements approved
for the Property Upon the termination of this Agreement, no party
shall have any further right or obligation hereunder except with
respect to any obligation to have been performed prior to su
termination or with respect to any default in the performance of

the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement

I No Third Party Beneficiaries

This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

J Time of Essence

Time is of the essence for each provision of this Agreement of which time is an element.

K Applicable Rules

Prior to the Effective Date, the parties shall use reasonable efforts to identify two (2) sets of the Applicable Rules, one (1) set for the City and one (1) set for the Owner, so that if it becomes necessary in the future to refer to any of the Applicable Rules, there will be a common set of the Applicable Rules available to both parties. The cost of duplicating Owner's set of the Applicable Rules shall be borne by Owner. The inadvertent omission of an Applicable Rule from the sets to be prepared hereunder shall not preclude its later application.

L Modification or Amendment ←

Subject to meeting the notice and hearing requirements of Section 65867 of the Development Agreement Act, this Agreement may be modified or amended from time to time by mutual consent of the parties or their successors in interest in accordance with the provisions of Section 65868 of the Development Agreement Act. Any modification which does not relate to the term,

1 permitted uses, density or intensity of use, height or size of
2 buildings, provisions for reservation and dedication of land,
3 conditions, terms, restrictions and requirements relating to
4 subsequent Discretionary Actions, or any conditions or covenants
5 relating to the use of the Property, shall not require notice or
6 public hearing before the parties may execute an amendment hereto

7 M Operating Memoranda

8 The provisions of this Agreement require a
9 close degree of cooperation between City and Owner and the
10 refinements and further development of the Property hereunder may
11 demonstrate that clarifications are appropriate with respect to the
12 details of performance of City and Owner If and when, from time
13 to time, during the term of this Agreement, City and Owner agree
14 that such clarifications are necessary or appropriate, they shall
15 effectuate such clarifications through operating memoranda approved
16 by City and Owner, which, after execution, shall be attached hereto
17 as addenda and become a part hereof, and may be further clarified
18 from time to time as necessary with future approval by City and
19 Owner No such operating memoranda shall constitute an amendment
20 to this Agreement requiring public notice or hearing The Chief
21 Administrative Officer, in consultation with the City Attorney,
22 shall be authorized to make the determination whether a requested
23 clarification may be effectuated pursuant to this Section IV M or
24 whether the requested clarification is of such a character to
25 constitute an amendment hereof pursuant to Section IV L The Chief
26 Administrative Officer shall be authorized to execute any operating
27 memoranda hereunder on behalf of City

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S Statement of Compliance

Within fifteen (15) working days following any written request, in accordance with the notice provisions of this Agreement, which either party may make from time to time, the other party shall execute and deliver to the requesting party a statement certifying that (a) this Agreement is unmodified and in full force and effect or, if there have been modifications hereto, that this Agreement is in full force and effect, as modified, and stating the date and nature of such modifications, (b) there are no current uncured defaults under this Agreement or specifying the dates and nature of any such defaults, and (c) any other information reasonably requested. The failure to deliver such statement within such time shall be conclusive upon the party which fails to deliver such statement that this Agreement is in full force and effect without modification except as may be represented by the requesting party and that there are no uncured defaults in the performance of the requesting party.

T Mortgagee Protection

The parties hereto agree that this Agreement shall not prevent or limit Owner's, in any manner, at Owner's sole discretion, encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. The City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Owner and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. City will not

unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement Any Mortgagee of the Property shall be entitled to the following rights and privileges

1 Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any mortgage or deed of trust on the Property made in good faith and for value

2 The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Owner in the performance of Owner's obligations under this Agreement

3 If City timely receives a request from a Mortgagee requesting a copy of any notice of default given to Owner under the terms of this Agreement, City shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to the Owner The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement

4 Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement, provided, however, in no event shall such Mortgagee be liable for any defaults or monetary obligations of Owner arising

1 prior to acquisition of title to the Property by such Mortgagee and
2 provided further in no event shall any such Mortgagee or its
3 successors or assigns be entitled to a building permit or occupancy
4 certificate until all fees and other monetary obligations due under
5 this Agreement have been paid to the City

6 U Section Headings

7 All Article and Section headings and
8 subheadings are inserted for convenience only and shall not affect
9 any construction or interpretation of this Agreement

10 V Force Majeure

11 Neither party shall be deemed to be in default
12 where failure or delay in performance of any of its obligations
13 under this Agreement is caused by floods, earthquakes, other Acts
14 of God, fires, wars, riots or similar hostilities, strikes or
15 other labor difficulties beyond the party's control (including the
16 party's employment force), shortage of materials, governmental
17 restrictions imposed or mandated by other governmental entities or
18 litigation involving this Agreement or any of the Project Approvals
19 or any permits or entitlements derived therefrom which directly or
20 indirectly makes it more difficult for Owner to commence or to
21 continue the development of the Project If any such events shall
22 occur, the term of this Agreement and the time for performance by
23 either party of any of its obligations hereunder shall be extended
24 for the period of time that such events prevented such performance,
25 provided that the term of this Agreement shall not be extended
26 under any circumstances for more than an aggregate total of five
27 (5) years

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W Severability

Invalidation of any of the provisions contained in this Agreement, or of the application thereof to any person, by judgment or court order shall in no way affect any of the other provisions hereof or the application thereof to any other person or circumstance, and the same shall remain in full force and effect, unless enforcement of this Agreement, as so invalidated, would be unreasonable or inequitable under all the circumstances or would frustrate the purposes of this Agreement and/or the rights and obligations of the parties hereto

X Counterparts

This Agreement may be executed in duplicate counterpart originals, each of which is deemed to be an original and all of which when taken together shall constitute one and the same instrument This Agreement consists of forty-four (44) pages, two (2) pages of notarial jurats and two (2) exhibits, which constitute the entire understanding and Agreement of the parties Said Exhibits are identified as follows

Exhibit "A"	Legal Description
Exhibit "B"	Location Map

1 IN WITNESS WHEREOF, the parties have each executed tr
2 Agreement on the date first above written

3
4 LOT, INC , a Delaware corporation

5 By

Kenneth S. Williams
Its President

6
7 By

Jared Jussim
Its Assistant Secretary

8
9 SONY PICTURES ENTERTAINMENT, INC ,
10 a Delaware corporation

11 By

Kenneth S. Williams
Its President

12
13 By

Jared Jussim
Its Assistant Secretary

14
15 CITY OF CULVER CITY

16
17 DATED

September 15,
1993

18 By

Mike Baum
Mayor

19
20 ATTEST

Pauline C. Dolce
PAULINE C DOLCE
City Clerk

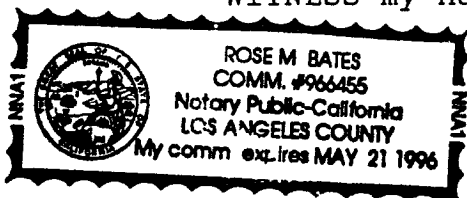
21 APPROVED AS TO FORM

Norman Y. Herring
NORMAN Y HERRING
City Attorney

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On SEPTEMBER 15, 1993, before me, the undersigned, a Notary Public in and for said County and State, personally appeared KENNETH S. WILLIAMS AND JARED JUSSIM, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the within instrument

WITNESS my hand and official seal

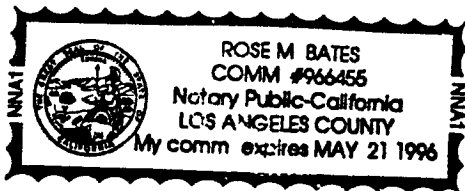


Rose M. Bates
Notary Public

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On SEPTEMBER 15, 1993, before me, the undersigned, a Notary Public in and for said County and State, personally appeared KENNETH S. WILLIAMS AND JARED JUSSIM, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the within instrument

WITNESS my hand and official seal



Rose M. Bates
Notary Public

ACKNOWLEDGMENT
(Civil Code Section 1181)

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss

On September 15, 1993, before me the undersigned City Attorney of the City of Culver City, California, personally appeared Mike Balhman, known to me to be the Mayor of the City of Culver City that executed the within instrument known to me to be the person who executed the within instrument on behalf of the City therein named and acknowledged to me that said City executed the same

Norman Y Herring
NORMAN Y HERRING,
City Attorney
City of Culver City

93 1803934

EXHIBIT A
LEGAL DESCRIPTION

93 1803934

EXHIBIT A

THE LAND REFERRED TO IN THIS EXHIBIT IS DESCRIBED AS FOLLOWS

PARCEL A

PARCEL 1

THAT PORTION OF THE 819 63 ACRE TRACT, RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ALLOTTED TO MACEDONIA AGUILAR, BY FINAL DECREE OF PARTITION HAD IN CASE NO 965 OF THE DISTRICT COURT OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE INTERSECTION OF THE NORTHEAST LINE OF OVERLAND AVENUE (FORMERLY FIRST STREET OR SAN PEDRO ROAD) WITH THE SOUTHEAST LINE OF WASHINGTON STREET (FORMERLY BALLONA ROAD NO 2), THENCE SOUTHEASTERLY ALONG THE NORTHEAST LINE OF SAID OVERLAND AVENUE, 1118 29 FEET, MORE OR LESS, TO A POINT DISTANT NORTHWESTERLY 210 FEET, MEASURED ALONG SAID NORTHEAST LINE FROM THE NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY (DEL REY BRANCH) AS DESCRIBED IN DEED RECORDED IN BOOK 1684 PAGE 159 OF DEEDS, THENCE NORTHEASTERLY IN A DIRECT LINE 546 90 FEET, MORE OR LESS, TO A POINT IN THE SOUTHWEST LINE OF THE LAND CONVEYED TO LOS ANGELES TRUST & SAVINGS BANK, BY DEED RECORDED IN BOOK 6578 PAGE 31 OF SAID DEED RECORDS, DISTANT NORTHWESTERLY ALONG SAID SOUTHWEST LINE, 111 33 FEET FROM SAID NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY, THENCE SOUTHEASTERLY ALONG SAID SOUTHWEST LINE 111 33 FEET TO THE NORTHWEST LINE OF SAID RIGHT-OF-WAY, THENCE NORTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE, 1422 44 FEET, MORE OR LESS, TO THE SOUTHWEST LINE OF THE 150 ACRE TRACT OF LAND DESCRIBED IN DEED TO VICTOR PONET, RECORDED IN BOOK 150 PAGE 403 OF SAID DEED RECORDS, THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF THE LAND OF PONET, 631 13 FEET TO SAID SOUTHEASTERLY LINE OF WASHINGTON STREET, THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF WASHINGTON STREET TO THE POINT OF BEGINNING

PARCEL 2

LOTS 1 THROUGH 15, INCLUSIVE, IN BLOCK 2 AND LOTS 2 THROUGH 16, INCLUSIVE, IN BLOCK 3 IN TRACT NO 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

PARCEL 3

GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THAT PORTION OF SAID GRANT AVENUE WHICH WOULD PASS WITHIN A CONVEYANCE OF LOT 1, BLOCK 3 OF SAID TRACT NO 1775

PARCEL 4

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

PARCEL 5

THAT PORTION OF THAT CERTAIN 60-FOOT STRIP OF LAND IN THE RANCHO LA BALLONA IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 3 PAGES 204 TO 209 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED IN DEED TO THE LOS ANGELES HERMOSA BEACH AND REDONDO RAILWAY COMPANY, RECORDED ON AUGUST 7, 1902 IN BOOK 1630 PAGE 26 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, A PORTION OF CULVER BOULEVARD FORMERLY PUTNAM AVENUE (NORTH ROADWAY) 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO 1775, RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS OF SAID COUNTY AND A PORTION OF MADISON AVENUE, 100 FEET WIDE, AS SHOWN ON THE MAP OF SAID TRACT NO 1775 ALL OF WHICH WERE VACATED AND ABANDONED BY RESOLUTION NO 83-R138 OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, A CERTIFIED COPY OF WHICH WAS RECORDED ON OCTOBER 27, 1983 AS DOCUMENT NO 83-1271984 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 16 IN BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 16 TO AND ALONG THE NORTHEASTERLY LINE OF LOT 1 IN SAID BLOCK 3, NORTH 35 DEGREES 29 MINUTES 00 SECONDS WEST 149 58 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 960 00 FEET, THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09 DEGREES 40 MINUTES 08 SECONDS, AN ARC DISTANCE OF 162 01 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 25 00 FEET

THROUGH WHICH A RADIAL LINE BEARS NORTH 44 DEGREES 50 MINUTES 52 SECONDS EAST, THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 79 DEGREES 11 MINUTES 27 SECONDS, AN ARC DISTANCE OF 34 55 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 72 65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 191 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS, AN ARC DISTANCE OF 31 58 FEET, THENCE NORTH 24 DEGREES 34 MINUTES 35 SECONDS WEST 30 83 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 171 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS AN ARC DISTANCE OF 28 28 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 18 63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 1647 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 59 MINUTES 40 SECONDS, AN ARC DISTANCE OF 143 57 FEET,

THENCE SOUTH 29 DEGREES 02 MINUTES 39 SECONDS WEST 74 38 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 1552 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 53 MINUTES 42 SECONDS, AN ARC DISTANCE OF 123 59 FEET TO A POINT OF INTERSECTION WITH A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 100 00 FEET TO WHICH POINT A RADIAL LINE OF SAID 100 00-FOOT-RADIUS CURVE BEARS SOUTH 60 DEGREES 57 MINUTES 28 SECONDS EAST, SAID 100 00-FOOT-RADIUS CURVE BEING A COURSE IN THE NORTHWESTERLY BOUNDARY OF PARCEL 6-5 IN DEED RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4596, THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12 DEGREES 39 MINUTES 36 SECONDS, AN ARC DISTANCE OF 22 10 FEET, THENCE CONTINUING ALONG SAID NORTHWESTERLY BOUNDARY OF PARCEL 6-5 NORTH 16 DEGREES 22 MINUTES 56 SECONDS EAST 66 89 FEET TO THE INTERSECTION OF THE NORTHWESTERLY LINE OF HEREINBEFORE-MENTIONED 60-FOOT-WIDE STRIP OF LAND WITH THE SOUTHWESTERLY LINE OF SAID TRACT 1775, THENCE ALONG THE SOUTHEASTERLY LINE OF A 1 25-FOOT-WIDE STRIP AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 253, PASSED AND APPROVED OCTOBER 10, 1927 AND PURSUANT TO RESOLUTION NO 1887, ADOPTED MAY 6, 1929 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 1 31 FEET TO THE NORTHEASTERLY LINE OF SAID 1 25-FOOT-WIDE STRIP, THENCE ALONG SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 31 43 FEET TO THE SOUTHEASTERLY LINE OF THAT PORTION OF CULVER BOULEVARD AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 465, APPROVED AND ADOPTED JUNE 28, 1937, THENCE ALONG LAST SAID SOUTHEASTERLY LINE NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 30 12 FEET TO THE NORTHEASTERLY LINE OF SAID PORTION OF CULVER BOULEVARD, THENCE ALONG LAST SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 10 48 FEET TO THE SOUTHEASTERLY LINE OF LOT 9, BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG LAST SAID SOUTHEASTERLY LINE AND THE SOUTHEASTERLY LINE OF LOTS 10 THROUGH 16 INCLUSIVE, OF SAID BLOCK 3, TRACT NO 1775 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 417 76 FEET TO THE POINT OF BEGINNING

EXCEPT THAT PORTION OF SAID LAND LYING SOUTHWESTERLY OF A STRAIGHT LINE DRAWN PERPENDICULAR TO THE NORTHWESTERLY LINE OF THE HEREINABOVE UNRECORDED 60 FOOT WIDE STRIP OF LAND AND WHICH PASSES THROUGH THE INTERSECTION OF SAID NORTHWESTERLY LINE WITH THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID TRACT NO 1775

ALSO EXCEPT THAT PORTION OF SAID LAND DESCRIBED AS FOLLOWS

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

ALSO EXCEPT THAT PORTION OF SAID LAND LYING NORTHWESTERLY OF A LINE DRAWN PERPENDICULAR TO THE NORTHEASTERLY LINE OF LOT 1 IN BLOCK 3 OF TRACT NO 1775 AND WHICH PASSES THROUGH THE MOST EASTERLY CORNER OF SAID LOT 1

PARCEL B

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

LOT 1 IN BLOCK 3 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERTY LINE OF GRANT AVENUE, SIXTY FEET WIDE AND THE SOUTHWEST PROPERTY LINE OF MADISON AVENUE, ONE HUNDRED FEET WIDE ON SAID TRACT 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 35 DEGREES 29 MINUTES 00 SECONDS EAST 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE NORTH 33 DEGREES 58 MINUTES 53 SECONDS EAST 14 42 FEET TO THE POINT OF BEGINNING

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT

TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY SMITH AND SALSURY IN DEED RECORDED APRIL 27, 1984 AS INSTRUMENT NO 84-510558

PARCEL C

PARCEL 1

THAT PORTION OF GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS

ON THE SOUTHEAST BY THE NORTHWEST LINE OF LOT 1, BLOCK 3 OF SAID TRACT 1775, ON THE NORTHWEST AND NORTHEAST RESPECTIVELY BY THE SOUTHEASTERLY LINE OF BLOCK 2 AND SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF BLOCK 2 OF SAID TRACT 1775, AND ON THE SOUTHWEST BY THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF LOT 1 OF BLOCK 3 OF SAID TRACT 1775, AS DESCRIBED AND SHOWN ON EXHIBIT "A" TO RESOLUTION NO CS-6468 RECORDED SEPTEMBER 18, 1970 AS INSTRUMENT NO 3468

PARCEL 2

THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERLY LINE OF GRANT AVENUE, 60 00 FEET WIDE AND THE SOUTHWEST PROPERLY LINE OF MADISON AVENUE, 100 00 FEET WIDE, ON SAID TRACT 1775, THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE 14 42 FEET TO THE POINT OF BEGINNING

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF THE LEGAL DESCRIPTION BY REFERENCE HEREIN

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY SMITH AND SALSURY, IN DEED RECORDED APRIL 27, 1984 AS INSTRUMENT NO 84-510-558

PARCEL D

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

THAT PORTION OF RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON CLERK'S FILED MAP NO 16, ON FILE IN THE OFFICE OF COUNTY ENGINEER OF SAID COUNTY, AS DESCRIBED IN THE DEEDS TO THE LOS ANGELES HERMOSA BEACH & REDONDO RAILWAY COMPANY, A CORPORATION, RECORDED AUGUST 14, 1902, IN BOOK 1605 PAGE 299 OF DEEDS AND RECORDED NOVEMBER 8, 1902 IN BOOK 1684 PAGE 159 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 6-4 IN THE DEED TO THE CITY OF CULVER CITY, RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4429, IN BOOK D-2382 PAGE 721, OFFICIAL RECORDS OF SAID COUNTY

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND, INCLUDED WITHIN THE LAND AS DESCRIBED IN THE PARTIAL JUDGMENT AND FINAL ORDER OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO C470,345, A CERTIFIED COPY OF WHICH WAS RECORDED OCTOBER 23, 1985, AS INSTRUMENT NO 85-1252160 OF OFFICIAL RECORDS OF SAID COUNTY

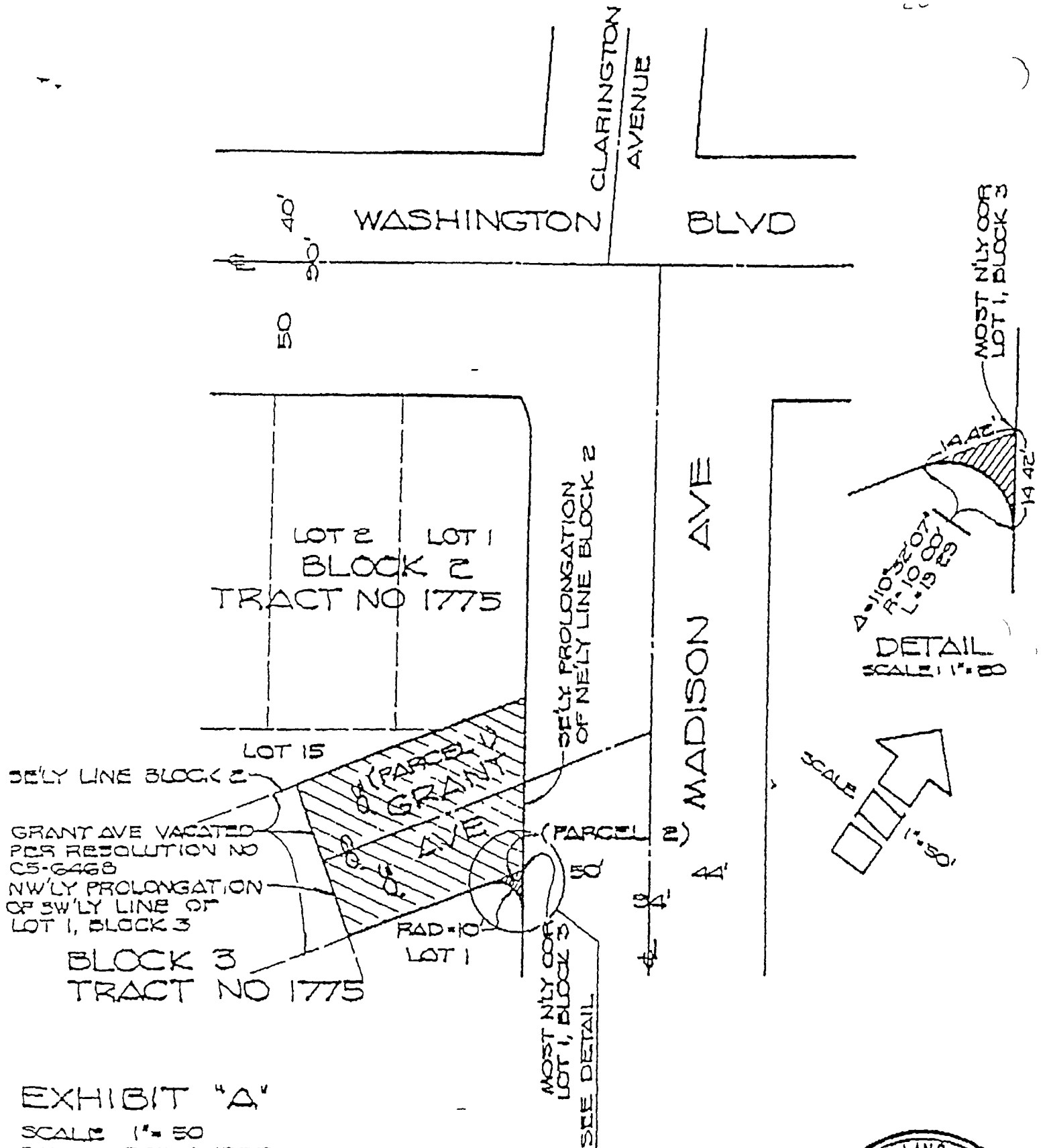


EXHIBIT "A"

SCALE 1"=50'

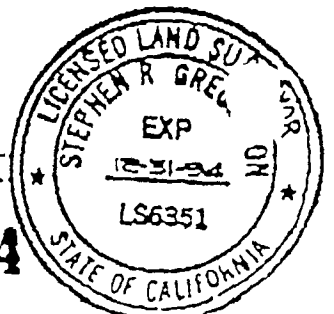
DATE APRIL 1, 1992

REVISED MAY 12, 1992

PAFFORD ASSOCIATES, SURVEYORS
3470 WILSHIRE BLVD, SUITE 200
LOS ANGELES CA 90010

STEPHEN R GREGGSON LS 6351

93 1803934



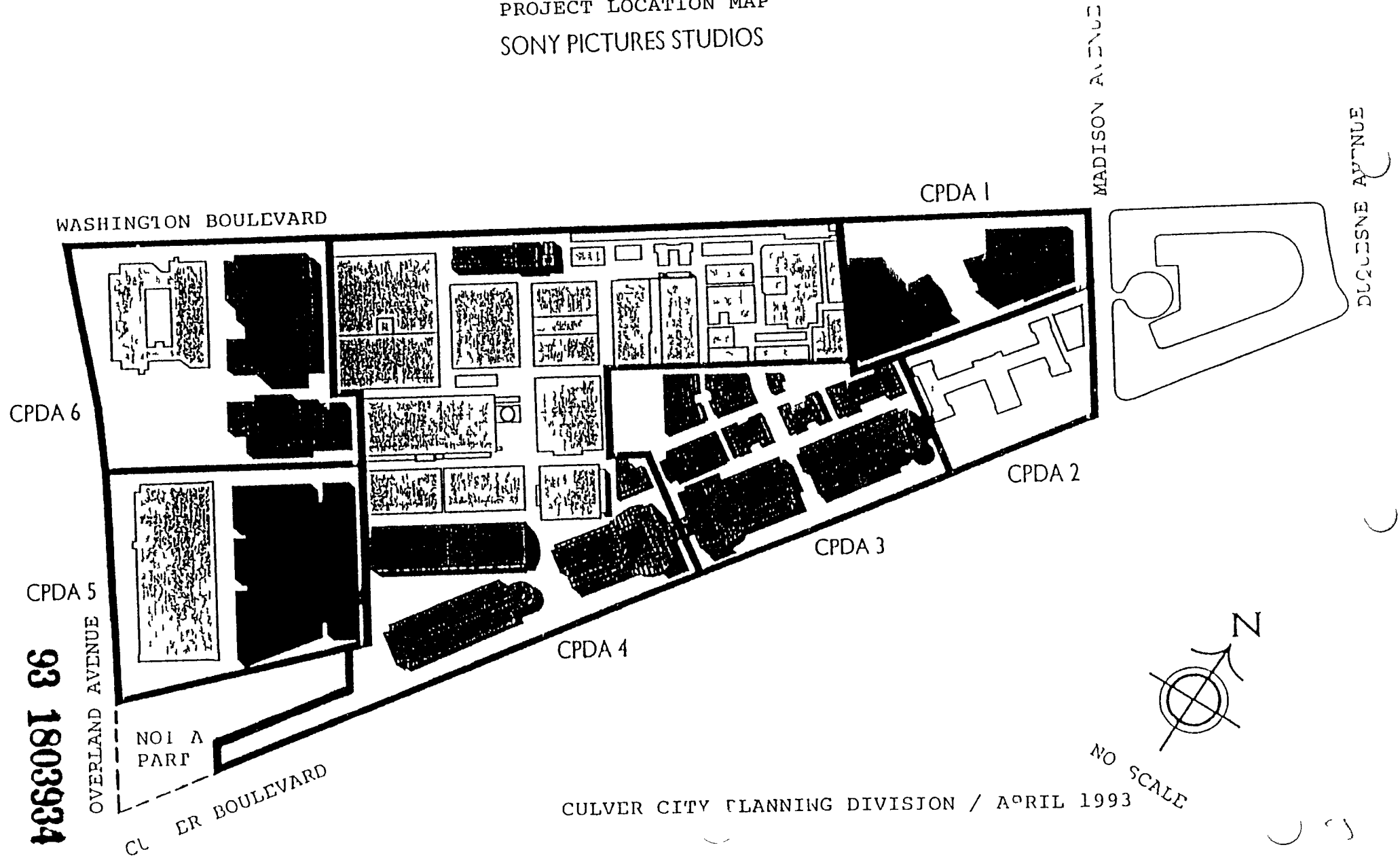
58

EXHIBIT B
LOCATION MAP

93 1803934

EXHIBIT B

PROJECT LOCATION MAP
SONY PICTURES STUDIOS



CULVER CITY PLANNING DIVISION / APRIL 1993

93 1803934



JODY HALL ESSER
Chief Administrative Officer

ADMINISTRATIVE OFFICE

CITY OF CULVER CITY

9770 CULVER BOULEVARD CULVER CITY CALIFORNIA 90232-0507

(310) 253-6001

FAX (310) 253-6010

March 5, 1997

Mr Arnie Shupack, President
Sony Pictures Studios
Cohn Building, #100
10202 West Washington Boulevard
Culver City, CA 90232

NOTICE OF REDUCTION OF THE VESTING TERM ESTABLISHED BY THAT CERTAIN DEVELOPMENT AGREEMENT AMONG THE CITY OF CULVER CITY (the "City"), SONY PICTURES ENTERTAINMENT, INC , AND LOT, INC (collectively, "SPE")(the "Agreement")

Dear Mr Shupack

This letter is sent solely to provide formal notice that certain terms of the Agreement have become operative. It is not intended to create an adversarial relationship or to change the City's commitment to obtain the important objectives of the Agreement.

Pursuant to subparagraph 1 of Subsection C of Section III of the Agreement, the Vesting Term (as defined in that subparagraph 1) shall be reduced one day for each day beyond December 31, 1996, that 300,000 square feet of new construction (as defined in subparagraph 4 of that Subsection C) has not been commenced (also as defined in subparagraph 4 of that Subsection C). To date, only 63,341 square feet of new construction has been commenced.

Although not required by the Agreement, the purpose of this letter is to give SPE notice such reduction is occurring and will continue to occur until the requirements of that subparagraph 1 are met. Also, please be advised that pursuant to subparagraphs 2 and 3 of that Subsection C, the reduction is subject to future increases based on criteria set forth in those subparagraphs.

Pursuant to that subparagraph 2, the City could request SPE to execute a recordable document indicating the reduction in the Vesting Term. The City is not presently making that request since the reduction is continuing to occur. The City reserves the right to make such a request at the time the 300,000 square foot requirement has been met or the reduction in the Vesting Term has reached the maximum of five years.

Mr Arnie Shupack, President
Sony Pictures Studio
Page 2
March 5, 1997

We reiterate, this letter is not intended to communicate any change in the City's relationship with SPE nor in its desire to achieve the mutually beneficial purposes of the Agreement. The City continues to believe SPE is an important asset to the community. If you have any questions, please call Mark Winogrand, Community Development Director, at 310/253-5702.

Sincerely,

Mrs Jody Hall-Esser
Chief Administrative Officer

JHE MW EA jrs

Copy Honorable Mayor and Members of the City Council
 Mark Winogrand, Community Development Director
 Norman Y Herring, City Attorney
 Elinor Aurthur, Contract Planner
 Robert J Sirchia, Vice President, Public Affairs
 Allan L Alexander, Esq
 Joseph W Pannone, Special Counsel

CITY OF CULVER CITY

INTER-OFFICE CORRESPONDENCE

Elmer / File
3/22/94

Date March 14, 1994

To MRS JODY HALL-ESSER, Chief Administrative Officer

From NORMAN Y HERRING, CITY ATTORNEY *Norm*

Subject RECORDED DEVELOPMENT AGREEMENT -
SONY PICTURES ENTERTAINMENT *by Norm*

Attached please find a copy of the Sony Pictures Entertainment Development Agreement for your files

) cc w/original City Clerk
cc w/copy City Planner
Community Development Director
City Engineer
Joseph Pannone, Esq

RECEIVED

MAR 21 1994

Planning Division



LEAD SHEET

02 0927563

RECORDED/FILED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA

3 01 PM APR 19 2002

SPACE ABOVE THIS LINE FOR RECORDERS USE

TITLE(S)

FEE

DTT

FEE \$ 143 HH

13

CODE

20

D.A. FEE Code 20

\$ 2.00

CODE

19

CODE

9

Assessor's Identification Number (AIN)

To Be Completed By Examiner OR Title Company In Black Ink

Number of Parcels Shown

THIS FORM IS NOT TO BE DUPLICATED

2

02-0927563

RECORDING REQUESTED BY

SONY PICTURES ENTERTAINMENT, INC
10202 West Washington Boulevard
Culver City, CA 90232
Attention April Dmytrenko

AND WHEN RECORDED MAIL TO

COX, CASTLE & NICHOLSON LLP
2049 Century Park East, Suite 2800
Los Angeles, California 90067-3284
Attention Ronald I Silverman, Esq

**THIS IS A REDUCTION OF THE TERM OF A DEVELOPMENT AGREEMENT AND
THE CONSIDERATION AND VALUE ARE LESS THAN \$100 – R&T 11911**

Space Above This Line Is For Recorder's Use Only

CERTIFICATION OF REDUCTION OF TERM OF DEVELOPMENT AGREEMENT

This Certification of Reduction of Term of Development Agreement ("Certificate") is made as of the 29th day of March, 2002 by SONY PICTURES ENTERTAINMENT INC ("SPE") and LOT, INC ("Owner") and THE CITY OF CULVER CITY ("City")

SPE, Owner and City are parties to that certain Development Agreement dated September 15, 1993 recorded September 16, 1993 as Document No 93-1803934 (the "Agreement"), which Agreement affects that certain real property located in City and more particularly described on Exhibit "A" attached hereto and incorporated herein by reference. Section III C of the Agreement provides for a reduction in the "Vesting Term" (as defined in the Agreement) of the Agreement if certain levels of "new construction" (as defined in the Agreement) at the "Project" (as defined in the Agreement) have not been commenced by dates set forth in Section III C of the Agreement. As a result of the level of new construction activity commenced at the Project, a reduction of the Vesting Term in accordance with the provisions of Section III of the Agreement is appropriate.

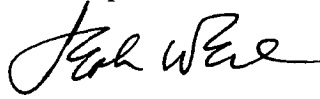
Based on the foregoing, this Certificate confirms the Vesting Term of the Agreement has been, in accordance with the provisions of Section III C, reduced from twenty (20) to fifteen (15) years so that the Vesting Term will now end on September 15, 2008.

Except as set forth herein, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written

SONY PICTURES ENTERTAINMENT INC , a
Delaware corporation

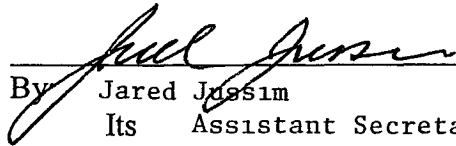
Date March 28, 2002



By _____
Leah Weil
Its Senior Vice President, General
Counsel and Assistant Secretary

LOT, INC , a Delaware corporation

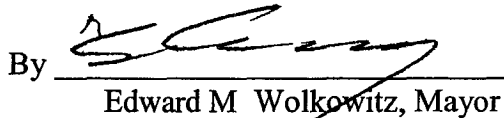
Date April 3, 2002



By _____
Jared Jussim
Its Assistant Secretary

CITY OF CULVER CITY

Date April 10, 2002



By _____
Edward M Wolkowitz, Mayor

APPROVED AS TO FORM


Carol A Schwab, City Attorney

4

STATE OF CALIFORNIA

)

02 0927563

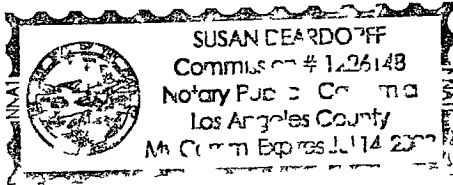
) ss

COUNTY OF LOS ANGELES

)

On March 28, 2002 before me, the undersigned, a Notary Public in and for said County and State, personally appeared LEAH WEIL, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

WITNESS my hand and official seal



Susan Deardorff
Notary Public

STATE OF CALIFORNIA

)

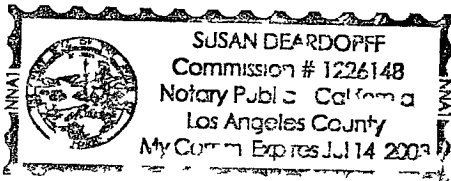
) ss

COUNTY OF LOS ANGELES

)

On March 28, 2002 before me, the undersigned, a Notary Public in and for said County and State, personally appeared LEAH WEIL, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

WITNESS my hand and official seal



Susan Deardorff
Notary Public

5

02 0927563

STATE OF California

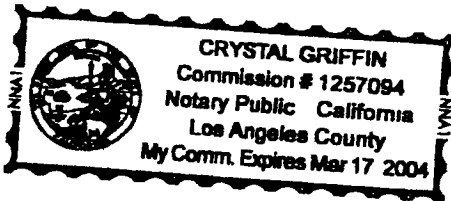
)
) ss
)

COUNTY OF LOS ANGELES

On ~~March~~ ^{April} 3, 2002 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Jared Tussim, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

WITNESS my hand and official seal

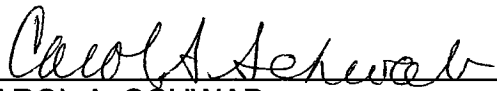
Crystal Griffin
Notary Public



ACKNOWLEDGMENT
(Civil Code Section 1181)

State of California)
)
County of Los Angeles) ss

On April 10, 2002, before me, the undersigned City Attorney of the City of Culver City, California personally appeared Edward M Wolkowitz known to me to be the Mayor, known to me to be the person who executed the within instrument on behalf of the City therein named, and acknowledged to me that said City executed the same



CAROL A SCHWAB
City Attorney

02 0927563

EXHIBIT A
LEGAL DESCRIPTION

02 0927563

8

EXHIBIT A

THE LAND REFERRED TO IN THIS EXHIBIT IS DESCRIBED AS FOLLOWS

PARCEL A

PARCEL 1

THAT PORTION OF THE 819 63 ACRE TRACT, RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ALLOTTED TO MACEDONIA AGUILAR, BY FINAL DECREE OF PARTITION HAD IN CASE NO 965 OF THE DISTRICT COURT OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE INTERSECTION OF THE NORTHEAST LINE OF OVERLAND AVENUE (FORMERLY FIRST STREET OR SAN PEDRO ROAD) WITH THE SOUTHEAST LINE OF WASHINGTON STREET (FORMERLY BALLONA ROAD NO 2), THENCE SOUTHEASTERLY ALONG THE NORTHEAST LINE OF SAID OVERLAND AVENUE, 1118 29 FEET, MORE OR LESS, TO A POINT DISTANT NORTHWESTERLY 210 FEET, MEASURED ALONG SAID NORTHEAST LINE FROM THE NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY (DEL REY BRANCH) AS DESCRIBED IN DEED RECORDED IN BOOK 1684 PAGE 159 OF DEEDS, THENCE NORTHEASTERLY IN A DIRECT LINE 546 90 FEET, MORE OR LESS, TO A POINT IN THE SOUTHWEST LINE OF THE LAND CONVEYED TO LOS ANGELES TRUST & SAVINGS BANK, BY DEED RECORDED IN BOOK 6578 PAGE 31 OF SAID DEED RECORDS, DISTANT NORTHWESTERLY ALONG SAID SOUTHWEST LINE, 111 33 FEET FROM SAID NORTHWEST LINE OF THE RIGHT-OF-WAY OF THE PACIFIC ELECTRIC RAILWAY COMPANY, THENCE SOUTHEASTERLY ALONG SAID SOUTHWEST LINE 111 33 FEET TO THE NORTHWEST LINE OF SAID RIGHT-OF-WAY, THENCE NORTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE, 1422 44 FEET, MORE OR LESS, TO THE SOUTHWEST LINE OF THE 150 ACRE TRACT OF LAND DESCRIBED IN DEED TO VICTOR PONET, RECORDED IN BOOK 150 PAGE 403 OF SAID DEED RECORDS, THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF THE LAND OF PONET, 631 13 FEET TO SAID SOUTHEASTERLY LINE OF WASHINGTON STREET, THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY LINE OF WASHINGTON STREET TO THE POINT OF BEGINNING

PARCEL 2

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LOTS 1 THROUGH 15, INCLUSIVE, IN BLOCK 2 AND LOTS 2 THROUGH 16, INCLUSIVE, IN BLOCK 3 IN TRACT NO 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

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PARCEL 3

GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THAT PORTION OF SAID GRANT AVENUE WHICH WOULD PASS WITHIN A CONVEYANCE OF LOT 1, BLOCK 3 OF SAID TRACT NO 1775

PARCEL 4

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

PARCEL 5

THAT PORTION OF THAT CERTAIN 60-FOOT STRIP OF LAND IN THE RANCHO LA BALLONA IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 3 PAGES 204 TO 209 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED IN DEED TO THE LOS ANGELES HERMOSA BEACH AND REDONDO RAILWAY COMPANY, RECORDED ON AUGUST 7, 1902 IN BOOK 1630 PAGE 26 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, A PORTION OF CULVER BOULEVARD FORMERLY PUTNAM AVENUE (NORTH ROADWAY) 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO 1775, RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS OF SAID COUNTY AND A PORTION OF MADISON AVENUE, 100 FEET WIDE, AS SHOWN ON THE MAP OF SAID TRACT NO 1775 ALL OF WHICH WERE VACATED AND ABANDONED BY RESOLUTION NO 83-R138 OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, A CERTIFIED COPY OF WHICH WAS RECORDED ON OCTOBER 27, 1983 AS DOCUMENT NO 83-1271984 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 16 IN BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 16 TO AND ALONG THE NORTHEASTERLY LINE OF LOT 1 IN SAID BLOCK 3, NORTH 35 DEGREES 29 MINUTES 00 SECONDS WEST 149 58 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 960 00 FEET, THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09 DEGREES 40 MINUTES 08 SECONDS, AN ARC DISTANCE OF 162 01 FEET TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 25 00 FEET

THROUGH WHICH A RADIAL LINE BEARS NORTH 44 DEGREES 50 MINUTES 52 SECONDS EAST, THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 79 DEGREES 11 MINUTES 27 SECONDS, AN ARC DISTANCE OF 34 55 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 72 65 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 191 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS, AN ARC DISTANCE OF 31 58 FEET, THENCE NORTH 24 DEGREES 34 MINUTES 35 SECONDS WEST 30 83 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 171 24 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 9 DEGREES 27 MINUTES 44 SECONDS AN ARC DISTANCE OF 28 28 FEET, THENCE SOUTH 34 DEGREES 02 MINUTES 19 SECONDS WEST 18 63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 1647 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 59 MINUTES 40 SECONDS, AN ARC DISTANCE OF 143 57 FEET,

THENCE SOUTH 29 DEGREES 02 MINUTES 39 SECONDS WEST 74 38 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 1552 00 FEET, THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 4 DEGREES 53 MINUTES 42 SECONDS, AN ARC DISTANCE OF 123 59 FEET TO A POINT OF INTERSECTION WITH A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 100 00 FEET TO WHICH POINT A RADIAL LINE OF SAID 100 00-FOOT-RADIUS CURVE BEARS SOUTH 60 DEGREES 57 MINUTES 28 SECONDS EAST, SAID 100 00-FOOT-RADIUS CURVE BEING A COURSE IN THE NORTHWESTERLY BOUNDARY OF PARCEL 6-5 IN DEED RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4596, THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12 DEGREES 39 MINUTES 36 SECONDS, AN ARC DISTANCE OF 22 10 FEET, THENCE CONTINUING ALONG SAID NORTHWESTERLY BOUNDARY OF PARCEL 6-5 NORTH 16 DEGREES 22 MINUTES 56 SECONDS EAST 66 89 FEET TO THE INTERSECTION OF THE NORTHWESTERLY LINE OF HEREINBEFORE-MENTIONED 60-FOOT-WIDE STRIP OF LAND WITH THE SOUTHWESTERLY LINE OF SAID TRACT 1775, THENCE ALONG THE SOUTHEASTERLY LINE OF A 1 25-FOOT-WIDE STRIP AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 253, PASSED AND APPROVED OCTOBER 10, 1927 AND PURSUANT TO RESOLUTION NO 1887, ADOPTED MAY 6, 1929 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 1 31 FEET TO THE NORTHEASTERLY LINE OF SAID 1 25-FOOT-WIDE STRIP, THENCE ALONG SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 31 43 FEET TO THE SOUTHEASTERLY LINE OF THAT PORTION OF CULVER BOULEVARD AS VACATED BY THE CITY OF CULVER CITY BY ORDINANCE NO 465, APPROVED AND ADOPTED JUNE 28, 1937, THENCE ALONG LAST SAID SOUTHEASTERLY LINE NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 30 12 FEET TO THE NORTHEASTERLY LINE OF SAID PORTION OF CULVER BOULEVARD, THENCE ALONG LAST SAID NORTHEASTERLY LINE NORTH 38 DEGREES 36 MINUTES 46 SECONDS WEST 10 48 FEET TO THE SOUTHEASTERLY LINE OF LOT 9, BLOCK 3 OF SAID TRACT NO 1775, THENCE ALONG LAST SAID SOUTHEASTERLY LINE AND THE SOUTHEASTERLY LINE OF LOTS 10 THROUGH 16 INCLUSIVE, OF SAID BLOCK 3, TRACT NO 1775 NORTH 34 DEGREES 02 MINUTES 19 SECONDS EAST 417 76 FEET TO THE POINT OF BEGINNING

EXCEPT THAT PORTION OF SAID LAND LYING SOUTHWESTERLY OF A STRAIGHT LINE DRAWN PERPENDICULAR TO THE NORTHWESTERLY LINE OF THE HEREINABOVE UNRECORDED 60 FOOT WIDE STRIP OF LAND AND WHICH PASSES THROUGH THE INTERSECTION OF SAID NORTHWESTERLY LINE WITH THE SOUTHEASTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF SAID TRACT NO 1775

ALSO EXCEPT THAT PORTION OF SAID LAND DESCRIBED AS FOLLOWS

THAT PORTION OF PUTNAM AVENUE, NOW KNOWN AS CULVER BOULEVARD, 40 00 FEET WIDE, LYING NORTHWESTERLY OF THE PACIFIC ELECTRIC RAILWAY, 60 00 FEET WIDE, AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED SOUTHWESTERLY BY THE SOUTHWESTERLY BOUNDARY LINE OF SAID TRACT 1775 AND BOUNDED NORTHEASTERLY BY THE SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 16 IN BLOCK 3 OF SAID TRACT 1775

ALSO EXCEPT THAT PORTION OF SAID LAND LYING NORTHWESTERLY OF A LINE DRAWN PERPENDICULAR TO THE NORTHEASTERLY LINE OF LOT 1 IN BLOCK 3 OF TRACT NO 1775 AND WHICH PASSES THROUGH THE MOST EASTERLY CORNER OF SAID LOT 1

PARCEL B

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

LOT 1 IN BLOCK 3 OF TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERTY LINE OF GRANT AVENUE, SIXTY FEET WIDE AND THE SOUTHWEST PROPERTY LINE OF MADISON AVENUE, ONE HUNDRED FEET WIDE ON SAID TRACT 1775, THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, SOUTH 35 DEGREES 29 MINUTES 00 SECONDS EAST 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE NORTH 33 DEGREES 58 MINUTES 53 SECONDS EAST 14 42 FEET TO THE POINT OF BEGINNING

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT

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TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY SMITH AND SALSURY IN DEED RECORDED APRIL 27, 1984 AS INSTRUMENT NO 84-510558

PARCEL C

PARCEL 1

THAT PORTION OF GRANT AVENUE AS SHOWN ON THE MAP OF TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS

ON THE SOUTHEAST BY THE NORTHWEST LINE OF LOT 1, BLOCK 3 OF SAID TRACT 1775, ON THE NORTHWEST AND NORTHEAST RESPECTIVELY BY THE SOUTHEASTERLY LINE OF BLOCK 2 AND SOUTHEASTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF BLOCK 2 OF SAID TRACT 1775, AND ON THE SOUTHWEST BY THE NORTHWESTERLY PROLONGATION OF THE SOUTHWESTERLY LINE OF LOT 1 OF BLOCK 3 OF SAID TRACT 1775, AS DESCRIBED AND SHOWN ON EXHIBIT "A" TO RESOLUTION NO CS-6468 RECORDED SEPTEMBER 18, 1970 AS INSTRUMENT NO 3468

PARCEL 2

THAT PORTION OF LOT 1 IN BLOCK 3, AS SHOWN ON TRACT 1775, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 190 AND 191 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT THE MOST NORTHERLY CORNER OF LOT 1 IN BLOCK 3 OF SAID TRACT 1775, SAID POINT BEING ALSO THE INTERSECTION OF THE SOUTHEAST PROPERLY LINE OF GRANT AVENUE, 60 00 FEET WIDE AND THE SOUTHWEST PROPERLY LINE OF MADISON AVENUE, 100 00 FEET WIDE, ON SAID TRACT 1775, THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT 1, 14 42 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10 00 FEET, THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 110 DEGREES 32 MINUTES 7 SECONDS AN ARC DISTANCE OF 19 29 FEET TO THE NORTHWESTERLY LINE OF SAID LOT 1, THENCE ALONG SAID NORTHWESTERLY LINE 14 42 FEET TO THE POINT OF BEGINNING

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF THE LEGAL DESCRIPTION BY REFERENCE HEREIN

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER ALL OF THE ABOVE DESCRIBED REAL PROPERTY, BUT WITHOUT THE RIGHT TO PENETRATE, USE OR DISTURB THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE THEREOF, AS RESERVED BY SMITH AND SALSURY, IN DEED RECORDED APRIL 27, 1984 AS INSTRUMENT NO 84-510-558

PARCEL D

THE LAND SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, AND DESCRIBED AS FOLLOWS

THAT PORTION OF RANCHO LA BALLONA, IN THE CITY OF CULVER CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON CLERK'S FILED MAP NO 16, ON FILE IN THE OFFICE OF COUNTY ENGINEER OF SAID COUNTY, AS DESCRIBED IN THE DEEDS TO THE LOS ANGELES HERMOSA BEACH & REDONDO RAILWAY COMPANY, A CORPORATION, RECORDED AUGUST 14, 1902, IN BOOK 1605 PAGE 299 OF DEEDS AND RECORDED NOVEMBER 8, 1902 IN BOOK 1684 PAGE 159 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED WITHIN THE LAND AS DESCRIBED IN PARCEL 6-4 IN THE DEED TO THE CITY OF CULVER CITY, RECORDED MARCH 4, 1964 AS INSTRUMENT NO 4429, IN BOOK D-2382 PAGE 721, OFFICIAL RECORDS OF SAID COUNTY

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND, INCLUDED WITHIN THE LAND AS DESCRIBED IN THE PARTIAL JUDGMENT AND FINAL ORDER OF CONDEMNATION ENTERED IN THE LOS ANGELES COUNTY SUPERIOR COURT CASE NO C470,345, A CERTIFIED COPY OF WHICH WAS RECORDED OCTOBER 23, 1985, AS INSTRUMENT NO 85-1252160 OF OFFICIAL RECORDS OF SAID COUNTY

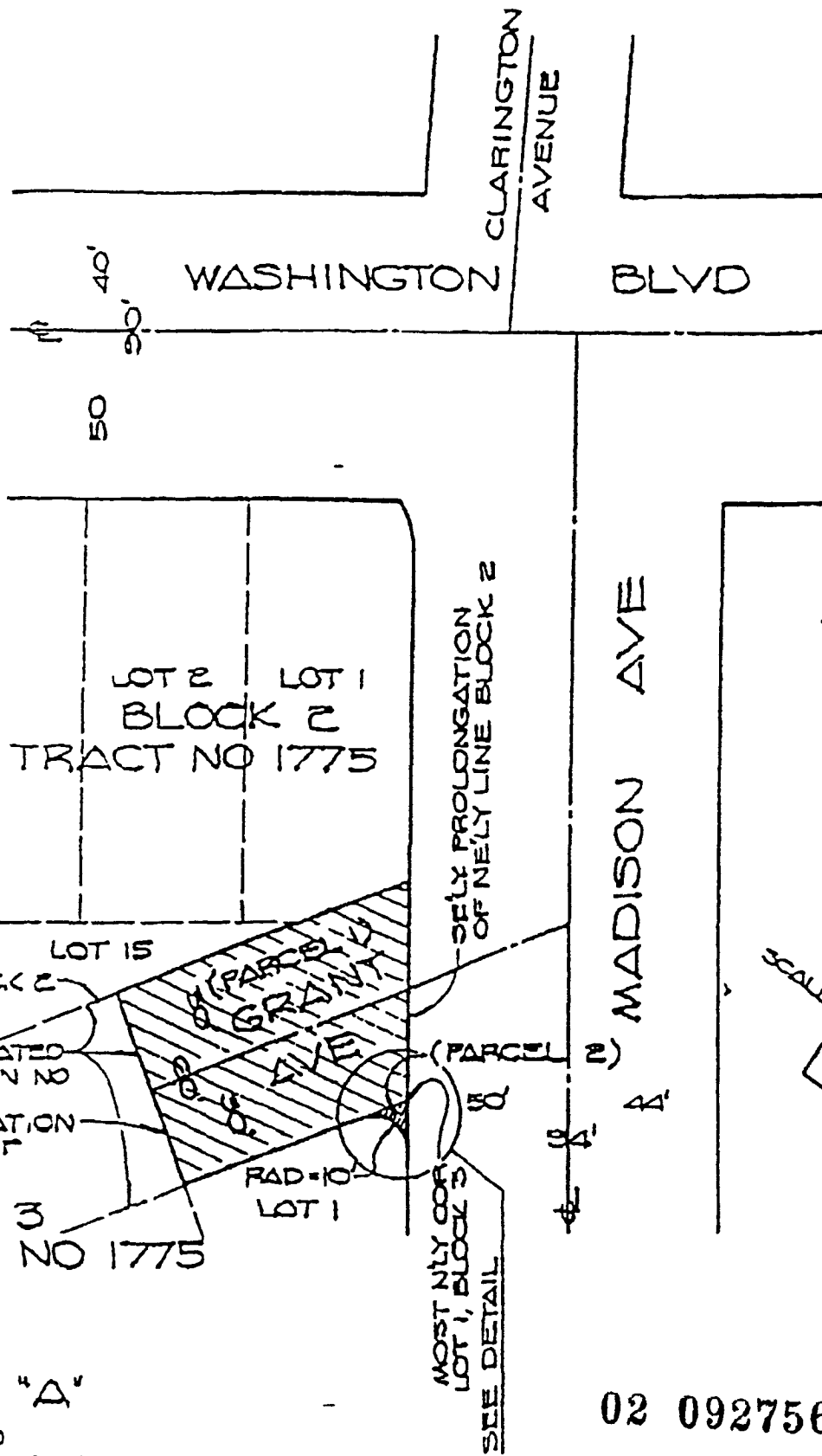


EXHIBIT "A"

SCALE 1"=50'
DATE APRIL 1, 1992
REVISED MAY 19, 1992

02 0927563

Stephen R. Gregerson
STEPHEN R GREGERSON LS 6351

PAFFORD ASSOCIATES, SURVEYORS
3470 WILSHIRE BLVD, SUITE 200
LOS ANGELES, CA 90010



Attachment No 7

APPLICATION FOR AMENDMENT

SONY PICTURES ENTERTAINMENT'S DEVELOPMENT AGREEMENT

October 2005

APPLICATION

Sony Pictures Entertainment respectfully requests an amendment to its Development Agreement with the City of Culver City to extend its term for an additional twenty years

BACKGROUND INFORMATION

SPE's Development Agreement (DA) with the City was signed on September 15, 1993 and provides for entitlements to develop approximately 1M square feet on the Sony Pictures Studios lot over a twenty year period. The term of the DA was reduced in March, 2002 (in accordance with the provisions of the DA) from twenty to fifteen years because certain development milestones were not met. The DA now expires in September, 2008.

At the same time the DA was approved, the City approved a Comprehensive Plan (CP) with over 100 conditions. Those conditions range from requirements to provide the Senior Center with free monthly films to funding a wide range of traffic improvements. SPE continues to be in full compliance with the conditions of the DA and the CP. While many of the conditions have been satisfied, a majority are on-going conditions or conditions that have yet to reach specified thresholds.

SITE DEVELOPMENT

Over the past 12 years, SPE has continuously made business decisions to invest in improving the overall Studio lot, as well as the Culver Studios (prior to its sale) and the many properties SPE leases in Culver City. This investment approach has preserved many of the Studio's original structures, increased the value of the Studio and surrounding areas, established SPE as a state-of-the-art Studio, and enhanced SPE's business operations on the lot and in Culver City. SPE estimates that approximately \$500 million dollars have been invested in new construction, adaptive reuse/remodel of existing structures, upgrades to existing infrastructure, lot beautification, and state-of-the art equipment. This approach has been well received by the City and the community.

CONCLUSION

By extending the term of the DA, the City will allow SPE an additional period of time to implement the entitlements of the DA and the CP, based on film and television industry demands, which allow for development of new Studio office space, post-production, retail and support space.

APPLICATION FOR AMENDMENT TO THE DEVELOPMENT AGREEMENT SUPPLEMENTAL INFORMATION

Following is supplemental information to SPE's Application for Amendment to the Development Agreement (DA)

BACKGROUND INFORMATION Comprehensive Plan Conditions of Approval

The CP's Conditions of Approval are organized into the following sections

- I Art in Public Places
- II Child Care
- III Construction
- IV Cultural Resources
- V Design and Development Standards
- VI Fees and Taxes
- VII Housing
- VIII Infrastructure
- IX Process
- X Signs
- XI Site Operations
- XII Transportation

The Conditions of Approval generally fall into the following categories

- Funding of Projects/Services
Includes Website Museum, Childcare Center, feasibility of elimination of freeway on-ramps, and extraordinary plan review
- Conducting Studies/Surveys
Includes annual traffic/parking counts, parks and recreation facility use, and local hiring program
- Public Services
Includes free Studio tours for Culver City, and video loans for the Senior Center
- Business/Development Fees
Includes taxes, building permits, and traffic mitigation measures
- Site Maintenance
Includes hazardous waste handling, cleaning catch basins, and inspection of manholes and stationary internal combustion engines

SPE has remained fully compliant with the conditions of the DA and the CP Compliance includes

- Complying with the City's Art in Public Places Ordinance
- Providing free monthly loans of SPE videos for the Senior Center
- Offering 1,000 free tickets to SPE's Studio walking tours to those who live or work in the City
- Establishing a Child Care Program

APPLICATION FOR AMENDMENT TO THE DEVELOPMENT AGREEMENT SUPPLEMENTAL INFORMATION

- Funding traffic mitigation measures including the purchase of a traffic monitoring camera and releasing of funds (\$100,000) for potential new turn lanes
- Establishing and maintaining a Rideshare Program
- Purchasing annually \$25 000 worth of equipment/programs for the CCUSD
This condition was satisfied in 2004, however SPE voluntarily renewed its commitment in 2005 with another \$250 000 over a ten year period
- Conducting annual traffic studies that analyze traffic volume/parking demand
- Establishing an SPE Website Museum that is an educational destination featuring the wonders of filmmaking and the Studio's rich history, it also includes a section on Culver City, the "Heart of Screenland "
- Complying with all CP and DA design, development, and infrastructure standards and requirements
- Making efforts to hire Culver City residents, retain sales within Culver City, and retain/locate research, development, filming and other Studio related operations on the Studio site or within Culver City

SITE DEVELOPMENT

The following highlights many of the improvement projects that SPE has focused on over the past 12 years that have resulted in new construction, significant adaptive-reuse/remodel of existing structures, major upgrades to existing infrastructure and overall lot beautification

- New Construction

New construction has proceeded throughout the lot with each of the projects striving to maintain the design integrity of the studio New construction has included the

- Astaire, Poitier, and Rosalind Russell office buildings
- Logistic building which houses mail operations, shipping and receiving and location services
- Athletic Club and The Studio Grill building

- Adaptive Reuse/Remodel of Existing Structures

A number of unused stages and buildings have been converted to productive space including dubbing theaters, sound studios, editing rooms and office space These projects have included

- Stage 6 being converted from a limited use 6 500 sq ft stage to a fully utilized office building of over 50,000 sq ft
- Stages 4 and 5 being converted from small unused spaces to state-of-the-art dubbing theaters

APPLICATION FOR AMENDMENT TO THE DEVELOPMENT AGREEMENT SUPPLEMENTAL INFORMATION

- Stage 3 being converted from support space to state-of-the-art sound recording studio
- Stage 14 being converted from set lighting storage back to a working sound stage
- The Gene Autry building being converted from a lab/film vault to editing rooms
- The Robert Young David Lean, and Barrymore buildings being converted from primarily storage/warehouse space to office space
- The Jimmy Stewart building being converted from production office space (small/compartmentalized) to a beautiful headquarter office building for SPE's Tri-Star operations

▪ Infrastructure Upgrades

A substantial investment has been made in upgrading the infrastructure of the Studio lot. The lot that SPE purchased from MGM provided tremendous opportunities for improving efficiency, environmental protection, safety, and security. Upgrades have included:

- Energy Conservation Improvements
 - Replacing electrical and lighting with new energy efficient systems
 - Installing new energy efficient boilers that are ISO 14000 compliant
 - Restoring existing air conditioner ducts to gain energy efficiency
 - Replacing windows with new energy efficient double panes
- Clean Air Measures
 - Installing an additional Edison transformer that eliminates the use of pollutant emitting diesel generators
- Safety Measures
 - Upgrading older structures to meet current seismic code
 - Adding elevators to existing multi-storied buildings to bring them up to ADA code
 - Adding fire lanes and striping for emergency parking
 - Eliminating non-code compliant structures
 - Abating asbestos in all buildings
- On-going Infrastructure Maintenance
 - Replacing over 2400 feet of substandard storm drains
 - Replacing older sprinkler heads inside stages
 - Replacing roofs with complete new roofing material
- New Facilities and Parking
 - Adding new restroom facilities
 - Creating additional parking throughout the lot

APPLICATION FOR AMENDMENT TO THE DEVELOPMENT AGREEMENT SUPPLEMENTAL INFORMATION

▪ Lot Beautification

Efforts to upgrade the aesthetic appearance and functionality of the Studio lot were initiated by SPE almost immediately upon moving into the community, and those efforts continue today. Some of those upgrades include:

- Enclosing the Studio with an architectural pleasing perimeter wall
- Renovating internal and external elements of lot buildings
- Installing stunning entrance gates and lamps in art deco style
- Creating a visitor friendly pedestrian Main Street. Attractive facades have been added to buildings and open eating areas have been created.
- Installing awnings, directional signs, and street/building exterior lighting
- Enhancing green space, flower beds, and outdoor seating areas throughout the lot
- Taking the opportunity to fulfill the Art In Public Places program with art on the Studio that is accessible to the public

State-Of-The-Art Studio

SPE's development efforts have also included investment, maintenance and marketing a state-of-the-art Studio. This has allowed SPE to produce and/or distribute such award-winning feature film hits as *A Few Good Men*, *Air Force One*, *Ali*, *As Good As It Gets* and *Bewitched*, *City Slickers*, *Jerry Maguire*, *Men In Black 1 and 2*, *Sleepless in Seattle*, *Spider-Man 1 and 2*, *Stuart Little*, to name a few. Equally impressive are SPE's popular television shows which have garnered high approval ratings such as *Jeopardy*, *Joan of Arcadia*, *King of Queens*, *Mad About You*, and *Wheel of Fortune*.

Development of a state-of-the-art Studio has further resulted in production, and post-production of television/films for other Studios including *Armageddon*, *The Bourne Identity*, *Castaways*, *Deadwood*, *Harry Potter and the Sorcerer's Stone*, *The Matrix*, *Medium*, *Pearl Harbor*, *The Polar Express*, *Road to Perdition* and *The Simpsons*.

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
1A	Comply with the CC Art in Public Places Program	Cultural Affairs	Christine Byers 253 5776	certificate of occupancy	in compliance
1B	Provide one free monthly screening of film or video at the Senior Center	CAO	Jerry Fulwood	Monthly	in compliance
1B	Provide upgrade equipment to the Senior Center	CAO	Jerry Fulwood		completed
II A	Prior to a new development of 50 000+ sq ft SPE shall develop a child care center for 90 children Center shall be operational prior to issuance of Certificate of Occupancy	Planning/Building	Sherry Jordan 253 5746	When a building permit is requested for 50 000 sq ft	completed
II B	SPE may request a reduction or deletion of the child care center requirement	CAO	Jerry Fulwood	expiration of development agreement	not yet applicable
III A	Air Quality Requirements	Building	Craig Johnson 253 5802	during construction periods	no complaints reported
III B	Noise Regulations	Code Enforcement/ Building	Pam Graves 253 5940	during construction periods	no complaints reported
III C	Human Health and Safety		Craig Johnson 253 5802	during construction periods	no complaints reported
III D	Soil and Groundwater Contamination	Building	Craig Johnson 253 5802	during construction and as necessary	no complaints reported

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
IV A	All proposed alternations to or removal or demolition affecting the exterior of a significant or landmark structure should be submitted to the Planning Commission	Building/ Planning/Cultural Affairs	Christine Byers 253 5776	Each building permit	in compliance
IV B	Planning Commission review of Cert of Appropriateness (Historical)	Building	Craig Johnson 253 5802	As necessary	explanation of terms only
IV C	Sony pictures cannot demolish Colonnade Commissary Gable Myrna Loy Stage 4 Stage 6 and Thalberg Building	Planning/Cultural Affairs	Christine Byers 253 5776	on going	in compliance
IV D	Not later than due 180 days from approval on Comprehensive Plan prepare photographic black and white and color and negative prints and a videotape of all landmark and significant structures	Planning	Sherry Jordan 253 5746	180 days from approval of Comprehensive Plan	completed
IV E	Sony shall comply with all City COA relating to the Sign of Historical Significance atop Sound Stage 6	Planning	Sherry Jorday 253 5746	with each building permit	in compliance

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
IV F	Prior to any issuance of certificate of occupancy for a building in excess of 300 000 sq ft SPE shall display a plaque stating the designation of all existing landmark or significant structures on the lot are in accordance with the CCMC Chapter 38	Cultural Affairs	Christine Byers 253 5776	As necessary	not yet applicable
IV G	SPE shall offer public tours to the public 3x a year SPE shall advertise the tour 60 days in advance	CAO	Jerry Fulwood	3x a year by terms of MOU	in compliance
IV H and MOU 4/02	SPE can establish a virtual web museum to meet the requirement of a film history museum	CAO	Jerry Fulwood	MOU	completed
V A	Air Quality Regulations on Design and Development Standards	Building	Craig Johnson 253 5802	with each building permit	in compliance
VB	Water Supply/Demand regulations of Design and Development Standards	Building/Code Enforcement/Planning	Craig Johnson 253 5802	with each building permit	in compliance
VC	Storm Drainage Regulation of Design and Development Standards	Engineering	Charles Herbertson 253 5630	with each building permit	in compliance

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
V D	Solid Waste Generation refuse storage facilities of the size quantity and location required by the City Sanitation and Planning Divisions shall be provided and constructed as approved by City standards unless modified by the Waste Reduction Plan required by Condition XI D 4	Sanitation/Planning	Sherry Jordan 253 5746	As necessary	in compliance
V E	Police/Fire Services site plans should be submitted to the Police Department for review	Police/Fire/Building	Craig Johnson 253 5802	with each building permit	in compliance
V F	Development Standards of Design and Development Standards prior to the issuance of any certificate of occupancy for any net new development in excess of 250 000 sq ft all remaining existing buildings visible from the Site perimeter including rooftop mechanical equipment shall be made free of excessive/abandoned elements and resurfaced or repainted as necessary	Planning/ Engineering/Building	Craig Johnson 253 5802	prior to certificate of occupancy for buildings greater than 250 000 sq ft	not yet applicable

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No.	Condition	Responsible Division	Responsible Individual	Time	Status
V G	Architectural Design Standards of Design and Development Standards the total area of all buildings on the site shall not exceed 2 542 819 gross sq ft The maximum allowable gross sq footage for office is 1 593 193 For post production 112 278 gross sq ft For retail 35 000 sq ft including the museum It can be increased to 50 000 if either a Sony corporate showroom of at least 20 000 sq ft or a theme restaurant of at least 10 000 sq ft is constructed No more than 35 000 sq ft of nonrestaurant retail space can be located on Culver Blvd Non public retail space can be 5 635 SPE may also provide up to 5 separate outlets no larger than 500 sq ft for each B26pickup and drop off services	Planning	Sherry Jordan 253 5746	with each building permit and as specified by the MOU of 12/14/94	In compliance

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Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
V G	Allowable Development in Comprehensive Plan Design Areas Allowable Development Square Footage Transfer Building Envelope Standards Height requirements building footprints setbacks interior setbacks projections architectural features construction across comprehensive plan design area boundaries	Planning	Sherry Jordan 253 5746	on going	in compliance
VI A	Storm Drainage Fee and Taxes SPE shall pay a storm drainage fee determined by the cost of the needed facilities in the master plan of drainage for the City of Culver City	Engineering	Charles Herbertson 253 5630	with each building permit	not yet applicable
VI B 1	Parks and Rec Survey SPE shall conduct a survey of its employees on an annual basis to determine use of municipal parks and recreation programs and facilities	Parks and Rec		yearly	in compliance
VI B 2	Fee for use of parks and recreation programs	As specified in ordinance if adopted (Building/Park & Rec)		As necessary	not yet applicable

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
VI C	SPE shall pay the Commercial and Industrial Development Tax as it existed on the date of approval of the Comprehensive Plan	Building	Craig Johnson 253 5802	with each building permit	in compliance
VID	SPE shall pay the new development impact fee	Planning	Sherry Jordan 253 5746	with each building permit	in compliance
VIE	SPE shall self accrue and pay to the state sales taxes on items purchased from business located outside of California	Treasurer	Crystal Alexander 253 5866	ongoing	in compliance
VIF	SPE shall pay the Water Extraction Tax pursuant to CCMC Ch 33F for all water extracted from a well on the Site	Engineering	Charles Herbertson 253 5630	ongoing	In compliance
VIH	SPE shall purchase \$25 000 worth of equipment and programs for the CUSD	CAO	Jerry Fulwood	Every July for 10 yrs From the adoption of the Comprehensive Plan	completed
VI I	Efforts for SPE To retain sales in Culver City	Treasurer	Crystal Alexander 253 5866	ongoing	in compliance
VII	20% set aside for low income/moderate income housing programs in Culver City	Housing	Tevis Barnes 253 5782	ongoing	explanation of terms only

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
VIIIA	Utilities regulations All onsite overhead utility service lines serving a Comprehensive Plan Design Area shall be undergrounded in accordance with CCMC Section 35A 20 when the building square footage exceeds 25 000 sq ft Within six months after approval of the Comprehensive Plan install a gauge on the existing onsite private well	Engineering	Charles Herbertson 253 5630	with each building permit exceeding 25 000 sq ft	in compliance
VIIIB 1	Human Health and Safety Prior to the issuance of any certificate of occupancy for a building exceeding 400 000 sq ft flow gauges should be installed on any line flowing from the site into the City of LA wastewater system and all underground tanks shall be tested and close and/ or remove all existing inactive underground tanks	Engineering	Pam Keyes 253 5630	prior to the certificate of occupancy for a building 400 000 sq ft	not yet applicable

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
VIII B2 3	A determination of the need for plugging and reabandonment of the abandoned wells on the Site shall be conducted by the State Oil and Gas Supervisor prior to the issuance of the first building permit for any new construction excluding tenant improvements SPE shall comply with all City requirements pertaining to National Pollutant Discharge Elimination System Permit No 0061654 that will be adopted in the future	Engineering	Charles Herbertson 253 5630	As necessary	in compliance
VIII B4 and MOU 12/14/94	SPE shall clean all catch basins on the site and by December 31 of every year SPE shall inform the City Engineer in writing of the date when this cleaning has been completed	Engineering	Charles Herbertson 253 5630	yearly	in compliance
VII B5 and MOU 12/14/95	SPE shall conduct sewer line and manhole inspections for the two sewer lines from the site SPE shall complete the inspection and submit a letter to the City Engineer verify that such inspection took place	Engineering	Charles Herbertson 253 5630	yearly	in compliance

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Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
IXA	SPE shall pay for extraordinary plan review and inspection services	Planning/CAO	Sherry Jordan 253 5746	ongoing	in compliance
IXB	Explanation of Design for Development requirements	Redevelopment	Sherry Jordan 253 5746	with each building permit	explanation of terms only
IXC	Covenant to hold separate parcels as one parcel	City Attorney	Carol Schwab 253 5660	no time specified	in compliance
IXD	explanation of plan review process	Planning	Sherry Jordan 253 5746	ongoing	explanation of terms only
IXE	Planning Commission may approve onsite alcoholic beverage sales as part of the Comprehensive Plan conformance review	Planning	Sherry Jordan 253 5746	ongoing	explanation of terms only
IXF	Execute Document agreeing to all Conditions of Approval	City Attorney	Carol Schwab 253 5660	within 90 days of effective date of Comprehensive Plan	completed
IXG	Terms for memoranda of understanding	City Attorney/CAO	Carol Schwab 253 5660	As necessary	in compliance
IXH	City shall make all annual reports and studies required by these conditions available to the public for review and comment for a period of at least fifteen days before any City actions are taken in reliance on such studies	Planning	Sherry Jordan 253 5746	ongoing	in compliance
X	All signs shall be in accordance with the Comprehensive Sign Plan	Planning	Sherry Jordan 253 5746	with each building permit	in compliance

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Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XI A 1 6	All vehicles owned and or operated by SPE shall comply with South Coast AQMD District Rule 402 which prohibits the discharge of air containments or other materials that may cause a nuisance SPE shall comply with South Coast AQMD Rule 1146 which requires boilers and water heaters rated at greater than five million british thermal units per hour to emit less than 05 pounds nitrogen oxide per million British thermal units heat input SPE shall have water heaters and space heaters that are low emission designs and to the extent feasible SPE shall integrate the use of substitute compounds to reduce the use and release of toxic pollutants	City Engineer/Building Official	Pam Keyes 253 5630/ Craig Johnson 253 5802	Annually	Monitored by AQMD No complaints reported
XI A 3	All engines shall be properly operated and maintained This measure shall be enforced by the quarterly submission of certified mechanic s records	City Engineer	Charles Herbertson 253 5630	quarterly	in compliance

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XI A 7	Local Hiring Program SPE shall submit an annual report before April 1st stating the number of CC residents hired and employed on the site in comparison to the total number of employees	CAO	Jerry Fulwood	Annually	in compliance
XIB	Noise levels from onsite mechanical equipment shall not exceed the specific noise levels prescribed in CCMC Code Section 23 44 Noise Regulations and Standards	Code Enforcement	Pamela Graves 253 5940	ongoing	no complaints reported
XIC 1 3	Human Health and Safety Annually SPE shall submit to the CCFD an annual inventory of hazardous materials in use onsite and a business emergency plan	Fire	Christine Parra 253 5930	Annually	in compliance
XIC 4	Hazardous Materials All hazardous waste shall be transported only during off peak hours to and from Site and a closure permit issued by the Los Angeles County Department of Public Works shall be issued prior to the closure of any industrial waste facilities	Engineering	Charles Herbertson 253 5630	ongoing	in compliance

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XIC5	A closure permit shall be obtained from the Los Angeles County Department of Public Works prior to the closure of any industrial waste facilities on the project site	Engineering	Charles Herbertson 253 5630	ongoing	in compliance
XI D1	SPE shall participate in any waste reduction measures	Sanitation	Damian Skinner 253 6402	ongoing	in compliance
XI D2	SPE shall designate an onsite waste reduction coordinator to work with the City Sanitation Division	Sanitation	Damian Skinner 253 6402	ongoing	in compliance
XI D3	SPE shall presort recyclable waste materials prior to collection provided that struck sets may be sorted and recycled offsite	Sanitation	Damian Skinner 253 6402	ongoing	in compliance
XI D4	SPE shall initiate a comprehensive waste management plan	Sanitation	Damian Skinner 253 6402	ongoing	in compliance
XI E1	SPE shall donate excess paint to the City of Culver City for its graffiti control program	CAO	Jerry Fulwood	ongoing	in compliance
XI E2	To the extent feasible SPE shall use all reasonable efforts to notify all persons conducting operations at the Site of the need to obtain a business tax certificate from the City	CAO	Jerry Fulwood	ongoing	in compliance

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XII A1	Transportation during construction periods All transportation materials to or from the site will buy way of routes designated by the City Engineer Prior to 30 days of the construction SPE shall meet with City Engineer to determine expected volumes of construction vehicles	Engineering	Max Paetzold 253 5622	during construction periods	in compliance
XII A2	Maintaining Haul Routes	Code Enforcement	Pamela Graves 253 5940	during construction periods	in compliance
XII A3	Construction Hours	Code Enforcement/Police	Pamela Graves 253 5940	during construction periods	in compliance
XII A4 A7	Construction Hours and construction equipment storage	Code Enforcement	Pamela Graves 253 5940	during construction periods	in compliance
XII A8 A10	Construction taking place in street	City Engineer	Charles Herbertson 253 5630	during construction periods	no complaints reported
XII A11 12	Construction working driving routes and parking	Code Enforcement	Charles Herbertson 253 5630	during construction periods	no complaints reported
XII A13	All SPE construction contracts should include language regarding Section III and XII A	CAO	Jerry Fulwood	Annually	in compliance

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Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2a	Intersection Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for net new development which exceeds 25 000 sq ft	In the City of Los Angeles not yet completed
XIIB 2b 1 7	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development estimated to cause net new trip generation to exceed 290 afternoon peak hour trips	in compliance due to XII B
XIIB 2b 8	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	No longer contemplated because of Route 405 HOV Project	in compliance due to XII B
XIIB 2 9	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Retain parking along the south side of the Culver Boulevard south roadway for a specified amount of time	in compliance due to XII B

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Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9c	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Within 6 months after approval of the Comprehensive Plan SPE may submit plans to the City Engineer for installation of a pedestrian crossing on Madison Avenue between the site and Sony Pictures Plaza	completed
XIIB 2 9d	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Installation of the Smart Street Corridor System	in compliance
XIIB 2 9e	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	SPE shall fund a study of the feasibility of the elimination of the northbound onramp facility of the San Diego Freeway at Braddock Drive	In compliance SPE has reimbursed the City \$48 593 33 for study

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9f	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development causing net new trip generation to exceed 185 morning peak hour trips SPE shall implement specified improvements	Presently being considered by City Engineer for installation
XIIB 2 9g	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development causing net new trip generation to exceed 211 afternoon peak hour trips SPE shall implement specified improvements	In Los Angeles not yet applicable

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9h	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development causing net new trip generation to exceed 405 morning peak hours	In Los Angeles-not yet applicable Condition may be altered by MTA-Light Rail Transit Project
XIIB 2 9i	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of certificate of occupancy for development causing net new trip generation to exceed 466 morning peak hour trips	not yet applicable
XIIB 2 9j	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior the issuance of any certificate of occupancy for development causing net new trip generation to exceed 484 morning peak hour trips	not yet applicable

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Condition No.*	Condition	Responsible Division	Responsible Individual	Time *	Status
XIIB 2 9k	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of certificate of occupancy for development causing net new trip generation to exceed 519 morning peak hour trips	Completed by the City of Los Angeles in 1996 however threshold for condition has not yet been met
XIIB 2 9l	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 563 morning peak hour trips	Already in compliance although threshold for condition has not yet been met
XIIB 2 9m	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 590 morning peak hours	not yet applicable In the City of Los Angeles Condition might change with MTA Light Rail Transit Project

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Condition No.	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9n	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development causing net new trip generation to exceed 607 morning peak hour trips	not yet applicable
XIIB 2 9o	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development causing net new trip generation to exceed 607 morning peak hours	not yet applicable
XIIB 2 9p	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development causing net new trip generation to exceed 660 morning peak hour trips	in compliance due to XII B

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Condition No.	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9q	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to the issuance of any certificate of occupancy for development causing net new trip generation to exceed 616 morning peak hour trips	in compliance due to XII B
XIIB 2 9r	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 625 morning peak hour trips	Not yet applicable
XIIB 2 9s	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 634 morning peak hour trips	Not yet applicable

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Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9t	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 642 afternoon hour trips	not yet applicable
XIIB 2 9u	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 660 morning peak hour trips	not yet applicable
XIIB 2 9v	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 704 afternoon peak hour trips	not yet applicable

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Condition No.	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9w	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 713 afternoon peak hour trips	not yet applicable
XIIB 2 9x	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 722 morning peak hour trips	not yet applicable
XIIB 2 9y	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 774 morning peak hour trips	not yet applicable

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Condition No.	Condition	Responsible Division	Responsible Individual	Time	Status
XIIB 2 9z	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 836 morning peak hour trips	not yet applicable
XIIB 2 9aa	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	Prior to issuance of any certificate of occupancy for development causing net new trip generation to exceed 836 morning peak hour trips	In compliance due to XII B
XIIB 2 9bb	Traffic Facilities Improvements	Engineering	Max Paetzold 253 5622	SPE and the City shall use all reasonable best efforts to complete all steps necessary to expedite Caltrans review and approval of any mitigation measure within Caltrans jurisdiction	in compliance

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XIIC (all conditions)	Parking Supply Requirements	Planning	Sherry Jordan 253 5746	with building permits as specified in each condition and in MOU of 12/14/94	in compliance
XIIC	Parking for Fleet Vehicles annually SPE shall submit to the City Planner and the City Engineer a list of all fleet vehicles counted onsite at any time during each of 3 weekdays of the high activity period of the year	Planning and Engineering	Pam Keyes 253 5630	Annually	in compliance
XIID	Parking Design and Layout	Planning	Sherry Jordan 253 5746	prior to the issuance of a building permit and as specified in each condition an in MOU of 12/14/94	in compliance
XII E 1 7	Site Access and Circulation	Engineering	Max Paetzold 253 5622	prior to the issuance of a building permit and or issuance of any certificate of occupancy	in compliance
XII E8	Transportation subterranean parking	Planning/Engineering	Sherry Jordan 253 5746	with building permits	in compliance

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Condition No.	Condition	Responsible Division	Responsible Individual	Time	Status
XII F 1 2	Transportation Demand Management SPE shall form a transportation management association and shall be headed by a full-time transportation coordinator Annual employee commute mode surveys shall be completed	Transportation	Steve Cunningham 253 6540	ongoing/ annually	in compliance
XII F 3 a b	SPE shall designate a # of parking spaces for preferential use by carpools and vanpools and display information on rideshare programs	Planning	Sherry Jordan 253 5746	when building permits are issued	in compliance
XII F 3 c d	Where feasible transit shelters and convenient routes should be provided to serve bus stops on the streets surrounding Sony and bicycle storage facilities should be provided	Transportation	Steve Cunningham 253 6540	ongoing	in compliance
XII F4	Additional transportation management conditions including acquisition of one new 40' long transit bus to meet the increased demand from the site	Transportation	Steve Cunningham 253 6540	one time	not yet applicable

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Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XII F4 i	SPE guarantees that in the City's fiscal year first following the date the City purchases the above described bus and for 11 fiscal years after or until the development agreement expires the annual revenue received by the City from utility sales and business taxes generated on the site shall be at least 96 000 plus an increase based upon the previous year's CPI for every year after the 1st yr	Treasurer	Crystal Alexander 253 5866	Annually	not yet applicable
XII F4 g1	SPE shall pay all fees required by the congestion management plan of the LA County MTA	Transportation	Steve Cunningham 253 6540	ongoing	in compliance
XII F4 g2	SPE shall post a financial guarantee for the purpose of guaranteeing implementation of any traffic mitigation measures	Building	Craig Johnson 253 5802	prior to the issuance of a building permit	in compliance
XII H1 and 2a	Traffic Flow on local streets	Engineering/ Transportation/ Building	Charles Herbertson 253 5630	prior to the issuance of any certificate of occupancy for net new development on the site exceeding 150 000 sq ft	not yet applicable

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Condition No.	Condition	Responsible Division	Responsible Individual	Time	Status
XII H 2b	Security guards at SPE should not permit pedestrians to enter SPE except at unrestricted entrances to the public retail and restaurant unless they can provide proof that they used public transit live within 1 mile of SPE gate or are dropped off by a private vehicle	Code Enforcement	Pamela Graves 253 5940	ongoing	in compliance
XII H 2c	Monitor parking on residential streets	Engineering	Max Paetzold 253 5622	ongoing	in compliance
XII H 2d	SPE shall pay the City costs for enforcement in the neighborhoods	Treasurer	Crystal Alexander 253 5866	In compliance completed requirement in 1997	completed
XII 1 a b	SPE shall conduct a survey of all employees arriving or scheduled to arrive between 6 10 a m to determine their commute mode and the # of people per vehicle Survey shall be in compliance with the South Coast Air Quality Management District and be presented for SPE employees only and total employees from Sony parent company subsidiary companies and tenant companies renting space at the site for 1 month or more	Transportation	Steve Cunningham 253 6540	Annually	not in compliance staff is looking into changing the terms of the MOU to state that if SPE is in compliance with the AQMD requirements then SPE meets the City requirements

Sony Pictures Studios Comprehensive Plan and Memorandum of Understanding Status Report 2003

Condition No	Condition	Responsible Division	Responsible Individual	Time	Status
XII 2	Annual trip generation and parking survey and annual count of all vehicles entering and leaving at each vehicular driveway of the Site	Engineering	Charles Herbertson 253 5630	Annually	in compliance
XII 3	SPE shall conduct counts of all vehicles parked on the site during a Tuesday Wednesday and Thursday in February or another peak activity month mutually agreed upon by the City and SPE during 3 hours 11 12 noon 1 30 to 2 30 pm and 4 00 5 00 p m During this same time SPE shall count vehicles on both sides of specific streets	Engineering	Charles Herbertson 253 5630	Annually	in compliance
XII 4	Any application for a building permit for net new development in excess of 25 000 sq ft which could result in net new trip generation shall be analyzed by the Traffic Engineer and then a report shall be issued by such individual	Engineering/Building	Max Paetzold 253 5622	Upon application of building permit for 25 000 sq ft of net new development	on going



SONY PICTURES ENTERTAINMENT
COMPREHENSIVE PLAN DEVELOPMENT AGREEMENT

ANNUAL REPORT
SEPTEMBER 2005

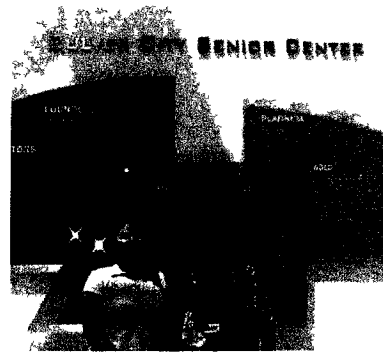
The Annual Report has been prepared to show Sony Pictures Entertainment Inc's (SPE) good faith compliance with the Comprehensive Plan and Development Agreement. The Development Agreement was executed on September 15, 1993, between Culver City and SPE for development of the Sony Pictures Studios (SPS). Each reported section includes a reference to the applicable article in the Comprehensive Plan Conditions of Approval.

ART IN PUBLIC PLACES

❖ FREE MONTHLY SCREENINGS SENIOR CENTER

The Senior Center continues to enjoy Sony Pictures Home Entertainment videos on loan from Sony Pictures Entertainment's (SPE) Video Library. SPE provides at least one movie per month in support of the Senior Center's Movie-of-the-Week program. The popular titles this year included "Spanglish,"

"Being Julia," and "Spider-Man 2." The Center also kicked off its new monthly series, "Sony Sundays," with a screening of the ever-popular "A League of Their Own." Pictured here are Minerva Sanchez, SPE Studio Relations, and Debbie Cahill, Senior Center Social Services Specialist. *Section I B, page 1*



❖ HISTORIC BUILDING DESIGNATION – COLONNADE PLAQUE

In May of last year, the first historical structure plaque was unveiled at the Sony Pictures Studios (SPS) colonnade entrance, which was built in 1915. SPE has continued to work with the City on installation of plaques on SPE's historically designated structures. Installation of these plaques has been completed except for Stage 6, which will be installed next year upon completion. The studio tour guides now refer to the plaques and historical significance of each building while conducting the daily studio walking tours. *Section IV F, page 7*

CULTURAL RESOURCES

❖ STUDIO TOURS

SPE provides 1,000 free SPS walking tour tickets to the City every fall from September through November. People who live and work in Culver City are eligible for these tickets and obtain them from the Culver City Chamber of Commerce office. A newly designed ad promoting the free tours appears in *The Culver City News* in August, September and October. SPE expects to distribute all 1,000 tickets again this year. *Section IV G, page 7, MOU 08 29 00*



Sony Pictures is pleased to announce our
Annual 2005 Public Walking Tours
of the
Sony Pictures Studios

A limited number of tickets are available to
Culver City residents and business people. 1 the
Culver City Chamber of Commerce
4249 Overland Avenue

Tours will be conducted Monday through Friday, three times daily
from September 6 - November 23, 2005, during normal studio
hours. Each walking tour lasts about two hours. In addition
visiting the historic studio lot, you will have an opportunity to
visit the Studio Emporium for souvenirs and refreshments.

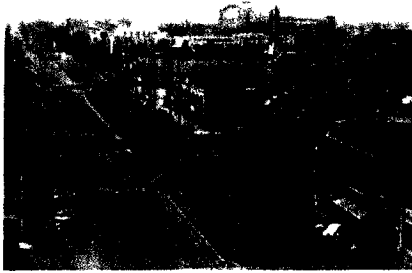
Pick up your tickets at the Culver City Chamber of Commerce.
Once you have your tickets, reservations are required. Call the
telephone number on your ticket to reserve your date and time.

Children over 12 are welcome. Limit 1 tickets per person.

SONY
PICTURES
STUDIOS

www.sonypicturesstudios.com

❖ SONY PICTURES ENTERTAINMENT MUSEUM



The Sony Pictures Entertainment Museum web site, www.sonypicturesmuseum.com, averages close to 200,000 visitor hits per month. The Museum Collection, Film Preservation, Studio History and Culver City sections remain popular areas of the museum. Visitors who take the studio tour are also able to visit the museum web site

before or after their tour by using the touch screen kiosk located in the Studio Tours Museum section of Sony Pictures Plaza. A link to the web museum can also be found on the official Culver City web site.

Recent additions to the web museum include

- A collection of historic Culver City photos, found in the Culver City History section,
- A Film Preservation section about the film noir classic, *The Big Heat*, showcasing four film clips before and after restoration, and,
- An exciting feature in the Post Production section highlighting Sound Effects with an interactive sound tool that allows visitors to hear actual sounds as they learn how sound effects are created and used in films.

The Culver City museum committee, consisting of members from SPE's Studio Relations, Culver City's Redevelopment Agency, Information Technology staff and the City Historian continues to meet on a quarterly basis, with creative ideas generating from this collaboration. *Section IV H, page 8, MOU 4 10 02*

❖ PARKS AND RECREATION SURVEY

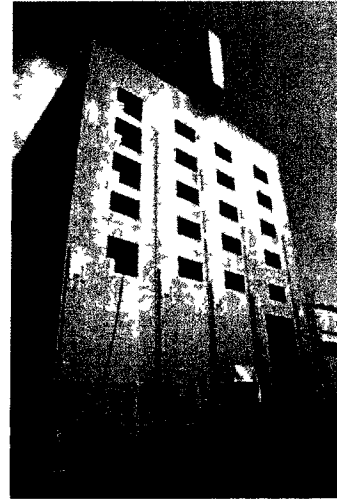
This annual survey, conducted in June 2005, determines SPE employees' usage of Culver City's parks and recreation programs and facilities. Of approximately 3,500 Culver City based SPE employees and contractors surveyed, 298 responded. Less than half of the respondents indicated that they use Culver City's parks and recreation programs and facilities. The complete survey results were submitted to the City in July 2005. *Section VI B 1, page 37*



DEVELOPMENT

❖ STAGE 6

The exterior rehabilitation and adaptive re-use of Stage 6 is progressing according to schedule. Stage 6, once a thriving stage for MGM musicals, had outlived its intended purpose and will be converted into office and support space. After receiving final approval from the Planning Commission on September 8, 2004, interior demolition of the stage began in November. The interior structural work commenced in January 2005 with each concrete floor being poured in succession, the most recent being the fourth floor in August 2005. New window openings on the south and west elevations were also removed in August. Occupancy of the revitalized space is anticipated in April 2006.

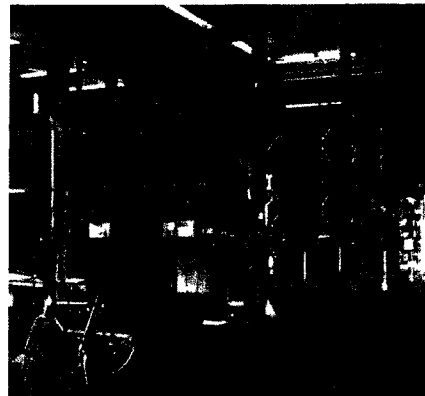


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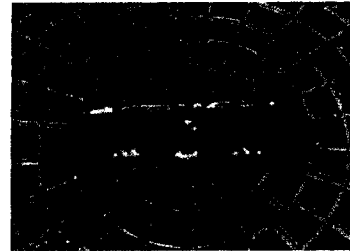
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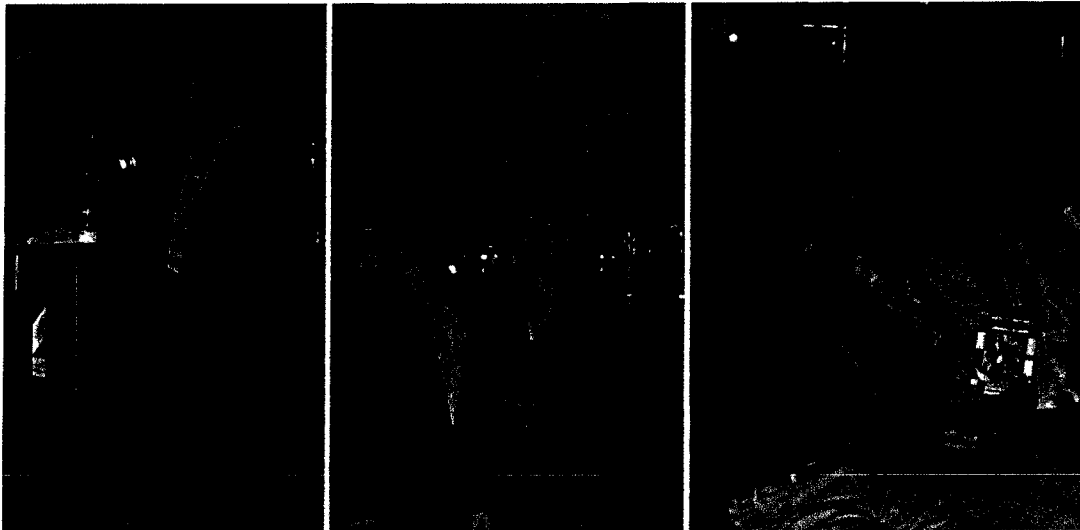
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❖ **NURTURING A SPIRIT OF COMMUNITY**

In the spring of 2005, Sony Pictures Entertainment released *Nurturing a Spirit of Community*, a sixteen page, full color booklet highlighting the many ways SPE has provided support to the City of Culver City. It demonstrated the importance the corporate sector plays in helping to build stronger, better communities. The booklet, distributed to community members and SPE management, now appears on the Culver City web site. In addition, an electronic version of the report was sent via global email to all employees at the company.

❖ **SONY PICTURES ENTERTAINMENT HEALTH FAIR**

On June 23, SPE sponsored its eighth annual Health Fair, featuring vendors that specialize in the health and environmental fields. SPE employees always enjoy the opportunity to learn more about local health products and services to improve their well-being. This year, twelve Culver City based businesses participated in the SPE Health Fair, offering a wide range of services (massage therapy, optometry, podiatry) and social and environmental awareness (American Cancer Society, American Red Cross).



CULVER CITY BOARDS/COMMITTEES

Following is a list of boards and committees that SPE executives serve on and volunteer for in Culver City.

April Dmytrenko, Vice President, Studio Relations and Information Management

- ❖ Chamber of Commerce, Board and Executive Committee
- ❖ Brotman Hospital Board of Directors
- ❖ Culver City Historical Society
- ❖ Downtown Business Association

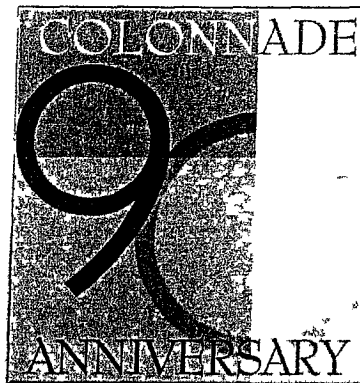
Janice Pober, Senior Vice President, Corporate Affairs

- ❖ Los Angeles County Public Library Foundation, Board
(Culver City has a County library)

- ❖ Culver City High School Academy of Visual and Performing Arts
Advisory Council
- ❖ Culver City Unified School District Art Team

Lance Wedegaertner, Vice President, Real Estate Administration

- ❖ Culver Palms Family YMCA, Board of Managers



SONY PICTURES ENTERTAINMENT
COMPREHENSIVE PLAN DEVELOPMENT AGREEMENT

ANNUAL REPORT
SEPTEMBER 2005

The Annual Report has been prepared to show Sony Pictures Entertainment Inc's (SPE) good faith compliance with the Comprehensive Plan and Development Agreement. The Development Agreement was executed on September 15, 1993 between Culver City and SPE for development of the Sony Pictures Studios (SPS). Each reported section includes a reference to the applicable article in the Comprehensive Plan Conditions of Approval.

ART IN PUBLIC PLACES

❖ FREE MONTHLY SCREENINGS SENIOR CENTER

The Senior Center continues to enjoy Sony Pictures Home Entertainment videos on loan from Sony Pictures Entertainment's (SPE) Video Library. SPE provides at least one movie per month in support of the Senior Center's Movie-of-the-Week program. The popular titles this year included 'Spanglish,' 'Being Julia,' and 'Spider-Man 2.' The Center also kicked off its new monthly series, 'Sony Sundays,' with a screening of the ever-

popular 'A League of Their Own.' Pictured here are Minerva Sanchez, SPE Studio Relations, and Debbie Cahill, Senior Center Social Services Specialist. *Section I B, page 1*



❖ HISTORIC BUILDING DESIGNATION – COLONNADE PLAQUE

In May of last year, the first historical structure plaque was unveiled at the Sony Pictures Studios (SPS) colonnade entrance, which was built in 1915. SPE has continued to work with the City on installation of plaques on SPE's historically designated structures. Installation of these plaques has been completed except for Stage 6, which will be installed next year upon completion. The studio tour guides now refer to the plaques and historical significance of each building while conducting the daily studio walking tours. *Section IV F, page 7*

CULTURAL RESOURCES

❖ STUDIO TOURS

SPE provides 1,000 free SPS walking tour tickets to the City every fall from September through November. People who live and work in Culver City are eligible for these tickets and obtain them from the Culver City Chamber of Commerce office. A newly designed ad promoting the free tours appears in *The Culver City News* in August, September and October. SPE expects to distribute all 1,000 tickets again this year. *Section IV G, page 7 MOU 08 29 00*

Sony Pictures is pleased to announce our
Annual 2005 Public Walking Tours
of the
Sony Pictures Studios

A limited number of tickets are available to
Culver City residents and business people. 1 the
Culver City Chamber of Commerce
4249 Overland Avenue

Tours will be conducted Monday through Friday, three times daily
from September 6 - November 23, 2005, during normal studio
hours. Each walking tour lasts about two hours. In addition to
seeing the historic studio lot, you will have an opportunity to shop
the Studio Emporium for souvenirs and refreshments.

Pick up your tickets at the Culver City Chamber of Commerce.
Once you have your tickets, reservations are required. Call the
telephone number on your ticket to reserve your date and time.

Children over 12 are welcome. Limit 1 tickets per person.

SONY
PICTURES
STUDIO TOURS
www.sonymovie.com



❖ SONY PICTURES ENTERTAINMENT MUSEUM



The Sony Pictures Entertainment Museum web site, www.sonypicturesmuseum.com, averages close to 200,000 visitor hits per month. The Museum Collection, Film Preservation, Studio History and Culver City sections remain popular areas of the museum. Visitors who take the studio tour are also able to visit the museum web site

before or after their tour by using the touch screen kiosk located in the Studio Tours Museum section of Sony Pictures Plaza. A link to the web museum can also be found on the official Culver City web site.

Recent additions to the web museum include

- A collection of historic Culver City photos, found in the Culver City History section,
- A Film Preservation section about the film noir classic, *The Big Heat*, showcasing four film clips before and after restoration, and,
- An exciting feature in the Post Production section highlighting Sound Effects with an interactive sound tool that allows visitors to hear actual sounds as they learn how sound effects are created and used in films.

The Culver City museum committee, consisting of members from SPE's Studio Relations, Culver City's Redevelopment Agency, Information Technology staff, and the City Historian, continues to meet on a quarterly basis, with creative ideas generating from this collaboration. *Section IV H, page 8, MOU 4 10 02*

❖ PARKS AND RECREATION SURVEY

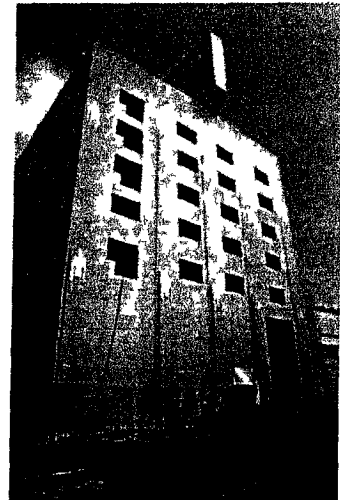
This annual survey, conducted in June 2005, determines SPE employees' usage of Culver City's parks and recreation programs and facilities. Of approximately 3,500 Culver City based SPE employees and contractors surveyed, 298 responded. Less than half of the respondents indicated that they use Culver City's parks and recreation programs and facilities. The complete survey results were submitted to the City in July 2005. *Section VI B 1, page 37*



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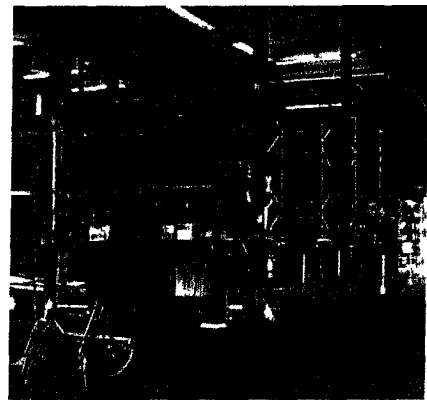


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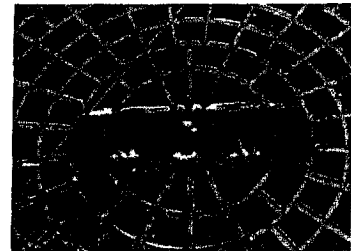


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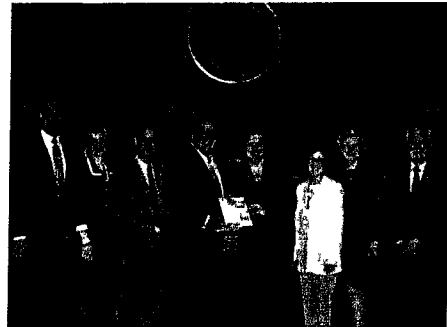


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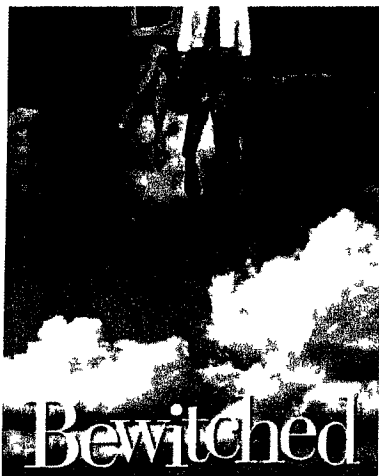
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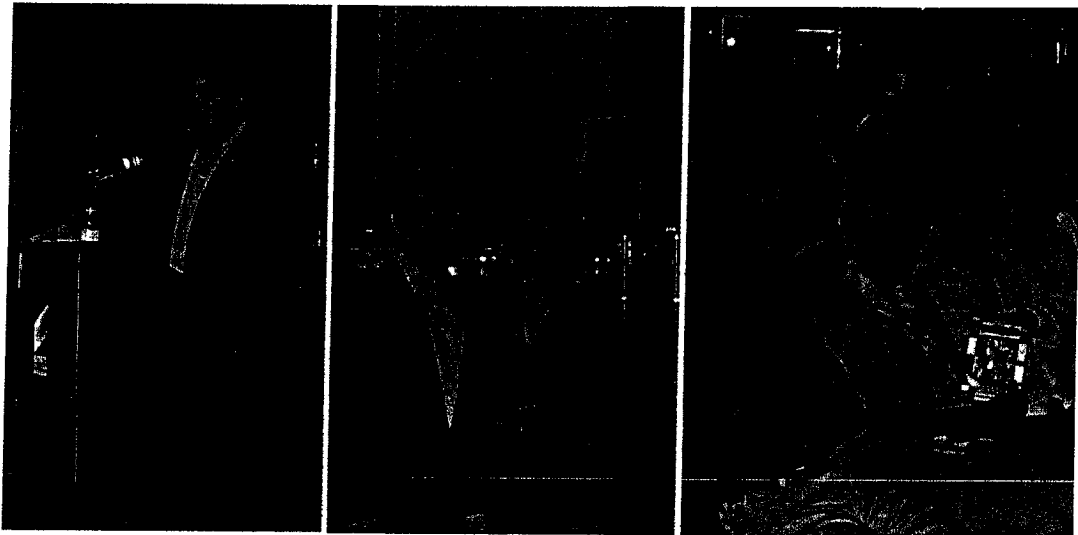
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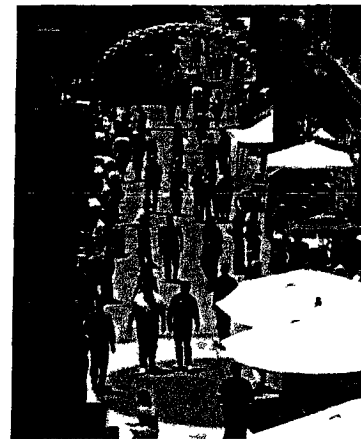


❖ NURTURING A SPIRIT OF COMMUNITY

In the spring of 2005, Sony Pictures Entertainment released *Nurturing a Spirit of Community*, a sixteen page, full color booklet highlighting the many ways SPE has provided support to the City of Culver City. It demonstrated the importance the corporate sector plays in helping to build stronger, better communities. The booklet, distributed to community members and SPE management, now appears on the Culver City web site. In addition, an electronic version of the report was sent via global email to all employees at the company.

❖ SONY PICTURES ENTERTAINMENT HEALTH FAIR

On June 23, SPE sponsored its eighth annual Health Fair, featuring vendors that specialize in the health and environmental fields. SPE employees always enjoy the opportunity to learn more about local health products and services to improve their well-being. This year, twelve Culver City based businesses participated in the SPE Health Fair, offering a wide range of services (massage therapy, optometry, podiatry) and social and environmental awareness (American Cancer Society, American Red Cross).



CULVER CITY BOARDS/COMMITTEES

Following is a list of boards and committees that SPE executives serve on and volunteer for in Culver City.

April Dmytrenko, Vice President, Studio Relations and Information Management

- ❖ Chamber of Commerce, Board and Executive Committee
- ❖ Brotman Hospital Board of Directors
- ❖ Culver City Historical Society
- ❖ Downtown Business Association

Janice Pober, Senior Vice President, Corporate Affairs

- ❖ Los Angeles County Public Library Foundation, Board
(Culver City has a County library)



- ❖ Culver City High School Academy of Visual and Performing Arts Advisory Council
- ❖ Culver City Unified School District Art Team

Lance Wedegaertner, Vice President, Real Estate Administration

- ❖ Culver Palms Family YMCA, Board of Managers