

FOURTH AMENDMENT TO REIMBURSEMENT AGREEMENT

This Fourth Amendment to Reimbursement Agreement (“the Amendment”) is made and entered into as of the 21th day of November, 2023, (the “Effective Date”), by and between the **CITY OF REDONDO BEACH**, a chartered city and municipal corporation (“City”), and South Bay Center SPE, LLC a Delaware limited liability company, a successor to South Bay Associates SPE, LLC a Delaware limited liability company (“Developer”).

RECITALS

A. Developer is the owner of a shopping center known as the South Bay Galleria in the City of Redondo Beach and it proposes to redevelop into a mixed-use development including retail, hotel and residential uses (“Proposed Project”); and

B. The City and the Developer have entered into a “Reimbursement Agreement,” dated as of December 16, 2014, which sets forth the terms and conditions for Developer to reimburse costs incurred by City to fund the environmental review and the review, preparation and processing of all required entitlements for the Proposed Project; and

C. The City and the Developer entered into a First Amendment to the Reimbursement Agreement on April 5, 2016 to modify the reimbursable costs; and

D. The City and the Developer entered into a Second Amendment to the Reimbursement Agreement on March 21, 2017 to modify the reimbursable costs; and

E. The City and the Developer entered into a Third Amendment to the Reimbursement Agreement on December 19, 2017 to further amend the reimbursable costs to account for an increase in work; and

F. As of the date of this Amendment, (i) the City and Developer have paid and reimbursed to the party entitled thereto all sums pertaining to the City’s processing of applications under the original Reimbursement Agreement and the amendments prior to this Amendment, (ii) there is no unused deposit or expense authorization thereunder, and (iii) there are no outstanding payments or reimbursements due to either party thereunder; and

G. The City and the Developer desire to further increase the amount of authorized reimbursable costs to account for an additional City review which shall examine whether the Galleria expansion project EIR certified by City Council in 2019 needs further revision if Developer adds back the additional 350 residential units to the Project which were studied in the 2019 EIR but are beyond the 300-unit alternative approved by City Council in 2019.

NOW, THEREFORE, the City and Developer hereby agree to amend the Reimbursement Agreement as follows:

1. **Exhibit A.** The reimbursable cost for the additional scope of review shall be limited to \$25,000. In addition, the reimbursable cost for the City's Administration Costs associated with this additional scope will be limited to \$3,000 for a total not to exceed amount of \$28,000. The City shall use environmental consultants and/or legal counsel of the City's choosing. An amended Exhibit A reflecting these modifications is attached hereto and incorporated herein by this reference.

2. **Change in Address for Notices to Developer.** Notices and communications to Developer pursuant to this Amendment shall be addressed as follows:

SOUTH BAY CENTER SPE LLC
1815 Hawthorne Blvd., Suite 377
Redondo Beach, CA 90278
Attention: Stuart Miller
stuart@sbgdm.com

3. **No Further Changes.** Except as expressly provided herein, nothing in this Amendment shall be deemed to waive or modify any of the other provisions of the Reimbursement Agreement. In the event of any conflict between this Amendment and the Reimbursement Agreement, the terms of this Amendment shall prevail. Unless otherwise expressly provided in this Amendment, capitalized terms used in this Amendment shall have the same meanings as in the Reimbursement Agreement.

4. **City Council Authority and Responsibility.** Nothing in this Amendment, previous Amendments or the Reimbursement Agreement, or any previous agreements between the Parties, should be construed to delegate or otherwise limit the City Council's discretionary authority to approve, disapprove, or elect not to proceed with the Proposed Project or any associated future agreements. Nothing in this Amendment or the Reimbursement Agreement, or any previous agreements between the Parties, should be construed to delegate or otherwise limit the City Council's responsibilities under CEQA, including, but not limited to, the consideration of any feasible alternatives and mitigation measures that may be developed during CEQA review.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as of the Effective Date.

CITY:

CITY OF REDONDO BEACH,
a Chartered City and Municipal
Corporation

William C. Brand, Mayor

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

ATTEST:

Eleanor Manzano, City Clerk

DEVELOPER:

SOUTH BAY CENTER SPE, LLC,
a Delaware Limited Liability Company

By: _____

Name: _____

Title: _____

ADDITIONAL COSTS ADDED TO
EXHIBIT A TO REIMBURSEMENT AGREEMENT

Developer Reimbursable Costs for Additional Scope of Review pursuant to Fourth Amendment to Reimbursement Agreement

<u>Service</u>	<u>Provider of Service</u>	<u>Estimated Cost of Service</u>
CEQA Consultant And/or CEQA and Land Use Legal Counsel	City's Choice	\$25,000
City Administrative Costs	City of Redondo Beach	\$3,000
	ADDITIONAL REIMBURSABLE COSTS	\$28,000