

RESOLUTION NO. RA 99-04

A RESOLUTION OF THE REDEVELOPMENT AGENCY
OF THE CITY OF EL PASO DE ROBLES
APPROVING AN AMENDMENT TO THE WOODLAND PLAZA II
OWNER PARTICIPATION AGREEMENT

WHEREAS, the AGENCY has determined that it is in the best interest of the City to eliminate the requirement to form an assessment district at Woodland Plaza II to fund public infrastructure improvements; and

WHEREAS, the developer has agreed to give back all property tax increment revenues to the AGENCY in exchange for eliminating the requirement to form an assessment district; and

WHEREAS, the property tax increment revenues generated from the project site would be used to issue tax allocation bonds in order to fund the needed public infrastructure improvements; and

WHEREAS, the AGENCY and developer both desire to amend the owner participation agreement which would eliminate the formation of an assessment district and give back to the AGENCY all property tax increment revenues generated from the project site; and

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of El Paso de Robles, California that the amendment to the owner participation agreement attached herewith as Exhibit "A" is hereby approved.

PASSED AND ADOPTED by the Redevelopment Agency of the City of El Paso de Robles, California, on the 3rd day of August, 1999 by the following vote:

AYES: Board Members: Baron, Mecham, Picanco, Swanson and Macklin

NOES:

ABSTAIN:

ABSENT:

Walter Macklin, Chairman

ATTEST

Sharilyn M. Ryan, Deputy City Clerk

**THIRD IMPLEMENTATION AGREEMENT
TO
OWNER PARTICIPATION AGREEMENT**

THIS THIRD IMPLEMENTATION AGREEMENT TO OWNER PARTICIPATION AGREEMENT (hereinafter referred to as the "Third Implementation Agreement") is entered into as of _____, 199__, by and between the REDEVELOPMENT AGENCY OF THE CITY OF EL PASO DE ROBLES, a public body, corporate and politic (the "Agency"), and RICHARD J. WOODLAND and PATRICIA WOODLAND, as co-trustees of the Richard J. Woodland and Patricia Woodland Trust ("Woodland") and WOODLAND PLAZA II, a California general partnership (the "Partnership"). Woodland and the Partnership are referred to collectively herein as the "Participant".

Recitals

A. The Agency and the Participant have heretofore entered into an Owner Participation Agreement (the "OPA"), dated July 6, 1993, pursuant to which the Participant agreed to develop and construct, in phases, a regional shopping center (the "Retail Center") within the boundaries of the Paso Robles Redevelopment Project Area. The Agency, the Participant and Wal-Mart Stores, Inc., a Delaware corporation ("Wal-Mart") entered into a First Implementation Agreement to Owner Participation Agreement, dated October 12, 1993, to make certain modifications to the OPA, in light of then-current conditions and planning decisions. The Agency and Participant subsequently entered into a Second Implementation Agreement to Owner Participation Agreement, dated December 19, 1995, to make certain additional modifications. The Owner Participation Agreement, the First Implementation Agreement and the Second Implementation Agreement are referred to collectively herein as the "OPA."

B. The OPA provides for, among other things, a commitment on the part of the Participant to provide certain public infrastructure improvements (the "Public Infrastructure Improvements"), to be installed as required by the development of each phase of the Retail Center. The OPA, as it currently exists, requires the Agency to assist the Participant in the financing of the costs of certain of the Public Infrastructure Improvements through the formation of a Mello-Roos Financing District and issuance of Mello-Roos Bonds. In addition, the Agency agreed to use a portion of the tax increments from the Mello-Roos District area to assist the Participant in payment of the debt service on the Mello-Roos Bonds.

C. The Participant has completed the development and construction of Phases 1A and 2A of the Retail Center, in accordance with the terms of the OPA.

The Participant is currently pursuing the approvals for development of Phase 2B of the Retail Center, and Phase 3 of the Retail Center is expected to follow.

D. In light of current economic conditions, the high cost of forming a Mello-Roos District, and the competitive disadvantages determined by the Participant to be associated with the contemplated Mello-Roos financing mechanism, the Participant has requested that, in lieu of formation of a Mello-Roos Financing District and issuance of Mello-Roos Bonds, the Agency or City issue tax allocation bonds to finance a portion of the Public Infrastructure Improvements.

E. The Participant and the Agency now desire to enter into this Third Implementation Agreement to make certain further modifications to the OPA, as previously amended, to set out the further agreement of the parties with respect to this new alternative financing method, in light of the current conditions and the further planning decisions of the parties.

Agreements

Section 1. Purpose of this Agreement

The purpose of this Third Implementation Agreement is to effectuate and implement the OPA, as previously amended by the First and Second Implementation Agreements, by making certain additional changes necessary to reflect the further planning and decisions of the parties following execution of the OPA and the First and Second Implementation Agreements.

Section 2. Reimbursement of Agency Expenses

Subsection (c) of Section 111 of the OPA is deleted in its entirety. Subsection (b) of Section 111 of the OPA is hereby deleted in its entirety and replaced with the following :

(b) Promptly after the close of escrow for sale of the Wal-Mart Parcel (as defined in Section 207 hereof) to Wal-Mart, the Participant shall reimburse Agency, out of the sale proceeds, for its expenses associated with the preparation of the Environmental Impact Report related to the Retail Center. (Agency acknowledges that this obligation has been satisfied.)

Section 3. Public Infrastructure Improvements

Section 204 of the OPA, as previously amended by the First and Second Implementation Agreements, is hereby deleted in its entirety and replaced with the following:

“3. [S204] Public Infrastructure Improvements

“As required by the City pursuant to the Previous Approvals, concurrently with the development of the Retail Center (as described in the Scope of Development, Attachment No. 3), the Participant shall construct or cause the construction of certain off-site public infrastructure improvements (the “Public Infrastructure Improvements”). The Public Infrastructure Improvements consist of: (i) the Participant’s Public Improvements (as defined below); and (ii) the Additional Improvements (as defined below). The Public Infrastructure Improvements are to be installed as required by the applicable development for each Phase. The costs of the Participant’s Public Improvements shall be paid by the Participant, except for those costs to be financed by the Agency through the issuance of TA Bonds, as defined and set forth below and in Part VIII of the Method of Financing (Attachment No. 7). The costs of the Participant’s Public Improvements to be paid by Participant shall include costs of all engineering services, preparation of plans, design, final working drawings and construction of the Participant’s Public Improvements. Said design and final working drawings of the Participant’s Public Improvements shall be subject to the approval of the Agency and City consistent with the terms and requirements of this Agreement and the Previous Approvals.

“Two of the Participant’s Public Improvements include a contribution toward the expansion of the Niblick Bridge, for which Participant’s fees shall be TWO MILLION DOLLARS (\$2,000,000) (the “Niblick Bridge Fees”) and the improvement of South River Road at a cost of ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) (the “South River Road Improvements”) (both as shown on Attachment No. 8), to be paid in conjunction with the development and construction of Phase 2B of the Retail Center.”

“As more fully set forth in the Method of Financing (Attachment No. 7), the Agency agrees to assist the Participant by paying for the Niblick Bridge Fees and the South River Road Improvements portion of the costs of the Participant’s Public Improvements, which costs may be financed through the issuance and sale of tax allocation bonds (the “TA Bonds”) as defined and set forth in Section VIII of the Method of Financing (Attachment No. 7) or any other funds available to the Agency”

“Subject to the conditions set forth in the Method of Financing (Attachment No. 7), the Agency further agrees to construct or cause to be constructed certain of the Public Infrastructure Improvements (the “Additional Improvements”) required for the

development of the Retail Center. The Additional Improvements shall be substantially consistent with those plans submitted to the City for design review on April 27, 1993. The Agency agrees that it shall not require any changes that would be inconsistent with such plans. A list of the Additional Improvements is attached hereto as Attachment No. 9 and is incorporated herein by reference. The maximum aggregate amount of the Agency's obligation to pay for the cost of the Additional Improvements shall not exceed ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000), except with respect to additional expenses caused solely by Agency delays that result in the loss of discounts or result in increased costs for the Additional Improvements, and to the extent that the Agency is notified that such consequences may result from such delays. Participant agrees that it shall pay for any costs of constructing the Additional Improvements in excess of that amount. The Agency agrees to use its reasonable good faith efforts, to the extent legally permissible, to minimize the cost of the Additional Improvements. The Agency shall not be obligated to pay for the Additional Improvements until after all of the following events have occurred: (a) the close of escrow of the sale of the Wal-Mart Parcel (as defined in Section 207 hereof) to Wal-Mart, (b) the issuance of all necessary building permits to Wal-Mart for construction on the Wal-Mart Parcel, (c) the payment of all the applicable fees for construction of the improvements on the Wal-Mart Parcel, and (d) the commencement of construction of the foundation for a Wal-Mart store. Thereafter, the Agency agrees that it shall promptly reimburse the Participant, upon submission of evidence reasonably satisfactory to the Agency, of the costs actually incurred by the Participant in connection with the development and construction of the Additional Improvements.

"Notwithstanding the foregoing, and in light of the delays caused by the litigation regarding the City's Previous Approvals and the agreement of Wal-Mart to commence construction of a foundation within the time set forth in the Wal-Mart Agreement, the Agency agrees that it shall advance to Participant the costs (the "Advance") for the Box Culvert (Unnamed Creek No. 1) (the "Box Culvert"), which is one of the Additional Improvements set forth in Attachment No. 9, in an amount not to exceed FIVE HUNDRED FORTY THOUSAND DOLLARS (\$540,000). The Agency shall make the Advance for such costs upon the occurrence of both of the following: (i) the close of escrow for the sale of the Wal-Mart Parcel to Wal-Mart; and (ii) the obtaining of all necessary permits by Participant for the construction of the Box Culvert.

"In consideration of the Agency's making such Advance, Wal-Mart agrees that it shall promptly reimburse the Agency for

Eighty-Three Percent (83%) of the actual amount of such Agency Advance and Participant agrees that it shall promptly reimburse the Agency for the remaining Seventeen Percent (17%) of the actual amount of such Agency Advance if Wal-Mart breaches any of its obligations under Section 13 of the Wal-Mart Agreement. No interest shall accrue on the principal amounts owed by Wal-Mart and Participant on this obligation during the term of this obligation. The Agency shall notify Participant and Wal-Mart of the actual aggregate amount of such Advance for the Box Culvert. Wal-Mart and Participant agree that, at the time of the making of the Agency's Advance, Wal-Mart and Participant shall each be obligated to reimburse the Agency for their respective shares of the Advance on the terms set forth herein. Wal-Mart and Participant agree that they shall pay the Agency within thirty (30) days of the receipt of a written notice from the Agency that Wal-Mart has not complied with all of its obligations under Section 13 of the Wal-Mart Agreement and that the Agency is entitled to repayment of the Advance under this Section 204. Wal-Mart further expressly agrees that the Agency may enforce payment of the obligations set forth herein against Wal-Mart under this Section 204 rather than under a separate promissory note. This obligation is not assignable by Wal-Mart. As further evidence of Participant's obligation under this Section 204, Participant shall execute the promissory note, attached hereto as Attachment No. 12A (the "Participant Note") and incorporated herein by reference. Wal-Mart and Woodland both agree that none of the terms of Section 13 of the Wal-Mart Agreement shall be modified in any way without the prior written consent of the Agency, which consent it may withhold in its sole and absolute discretion. The provisions set forth in this paragraph shall not modify any of the terms and conditions of the Wal-Mart Agreement or any of the respective rights and obligations of the parties thereto. In addition, the obligations of Wal-Mart and Participant to repay the Advance to the Agency set forth in this Section 204 shall automatically and irrevocably terminate upon the satisfaction by Wal-Mart of all of its obligations under Section 13 of the Wal-Mart Agreement within the time set forth in such Section 13. In such event, the Advance made by the Agency shall be credited against the amount of its total obligation to pay for the Additional Improvements.

"Except as modified by this Third Implementation Agreement, all of Participant's obligations with respect to the Participant's Public Improvements that have accrued to date have been satisfied."

Section 4. Conforming Changes

In light of the changes reflected in Section 3, above, all references throughout the OPA to "Mello-Roos Improvements" shall hereafter mean and refer to the "Participant's Public Improvements", and references to the "Mello-Roos Bonds" shall hereafter mean and refer to the "TA Bonds" (including, but not limited to, references contained in Sections 106; 109; 215; 410; 411; 605; Parts II.B, II.C and III of the Scope of Development (Attachment No. 3); Sections 5 and 7 of the Agreement to be Recorded Affecting Real Property (Attachment No. 5); and Attachment No. 8).

Section 5. Taxes, Assessment, Encumbrances and Liens

Section 214 of the OPA is hereby deleted in its entirety and replaced with the following:

"B. §214 Taxes, Assessments, Encumbrances and Liens

"The Participant shall pay prior to delinquency all real estate taxes and all special taxes or special assessments levied against the Site. Nothing herein contained shall be deemed to prohibit the Participant from contesting the validity or amounts of any tax, assessment, encumbrance or lien, nor to limit the remedies available to the Participant in respect thereto."

Section 6. Damages

Section 407 of the OPA is hereby deleted in its entirety and replaced with the following:

"D. §407 Damages

"If either party defaults with regard to any of the provisions of this Agreement, the nondefaulting party shall serve written notice of such default upon the defaulting party. Subject to the provisions of Sections 410 and 411 which shall control as to specific events of termination thereunder and subject to the limitations set forth in this Section 407, if, after the giving of notice to cure any default such default is not cured within the applicable cure period specified in Section 401, the defaulting party shall be liable to the nondefaulting party for any damages caused by such default, and the nondefaulting party may thereafter (but not before) commence an action for damages against the defaulting party with respect to such default. The liability of the Participant to the Agency for monetary damages shall be limited to an amount which shall not exceed the costs incurred by the Agency and City in proceedings to establish and issue the TA Bonds less any reimbursement made by Participant pursuant to Section 111."

Section 7. Termination by the Participant

Subsection (a) of Section 410 of the OPA is hereby deleted in its entirety.

Section 8. Termination by the Agency

Subsection (a) of Section 411 of the OPA is hereby deleted in its entirety.

Section 9. Schedule of Performance

The parties acknowledge and agree that Phases 1A and 2A of the Retail Center have been substantially completed, with the exception of one (1) stand-alone pad site, the Wal-Mart store expansion and the J. C. Penney expansion, which may be developed by the Participant at any time.

With respect to Phase 2B, Item 28 and Item 29 (as previously amended by the Second Implementation Agreement) of the Schedule of Performance, Attachment No. 4 to the OPA, are hereby deleted in their entirety, and new Item 29A is hereby added, to read as follows:

<u>Action</u>	<u>Date</u>
28. <u>Governmental Permits for Phase 2B.</u> The Participant shall obtain any and all permits and pay and all fees required by the City or any other governmental agency, or demonstrate financing or funding for permits or arrange financing for the Participant's Public Improvements required for Phase 2B, in lieu of all or any of such fees. (Section 210)	Not later than six (6) years from the date of this Third Implementation Agreement.
29. <u>Completion of Phase 2B of the Retail Center.</u> Construction of the improvements for Phase 2B of the Retail Center shall be completed and one retail store in Phase 2B of the Retail Center shall be open for business.	Not later than seven (7) years from the date of this Third Implementation Agreement.

29A. Construction of Niblick Bridge Improvements. The Agency or City shall construct or cause construction of the Niblick Bridge improvements.

On a schedule to coincide with issuance of the TA Bonds, and as determined by the City.

With respect to Phase 3, Items 30 through 33 of the Schedule of Performance, Attachment No. 4 to the OPA, are hereby deleted in their entirety and replaced with the following:

<u>Action</u>	<u>Date</u>
30. <u>Commencement of Construction of Phase 3</u> . The Participant shall have obtained all necessary approvals for the Agency and City and obtained all necessary permits and paid all required fees, and shall have commenced construction of the improvements for the applicable portion of Phase 3 of the Retail Center.	Not later than seven (7) years from the date of this Third Implementation Agreement.
31. <u>INTENTIONALLY OMITTED.</u>	
32. <u>Commencement of Construction of Participant's Public Improvements</u> . The Participant shall commence construction of the Participant's Public Improvements required for the applicable portion of Phase 3 of the Retail Center.	Within 30 days after the date all applicable permits have been issued.
33. <u>Completion of Construction of Participant's Public Improvements</u> . The Participant shall complete construction of the Participant's Public Improvements for Phase 3.	On a schedule that allows for substantial completion of all such applicable improvements prior to the opening of Phase 3 of the Retail Center.

Section 10. Method of Financing (Attachment No. 7)

The Method of Financing, Attachment No. 7 to the OPA, including Exhibits A and B thereto, is hereby deleted and replaced in its entirety with the Method of Financing (Revised), attached hereto and incorporated herein by reference. All references in the OPA to the Method of Financing and/or Attachment No. 7 shall hereafter mean and refer to the Method of Financing (Revised) attached hereto.

Section 11. Mello-Roos Improvements/Participant's Public Improvements (Attachment No. 8)

The list entitled "Mello-Roos Improvements", Attachment No. 8 to the OPA, is hereby renamed and referred to as "Participant's Public Improvements", Attachment No. 8.

Section 12. Force and Effect

Except as modified and amended by this Third Implementation Agreement, all other provisions of the OPA, as previously amended by the First and Second Implementation Agreements, shall remain unchanged and in full force and effect.

Section 13. Counterparts

This Third Implementation Agreement may be executed in any number of counterparts, all of which counterparts, when taken together, shall constitute one and the same Third Implementation Agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Third Implementation Agreement as of the date first above written.

AGENCY:

REDEVELOPMENT AGENCY OF THE
CITY OF EL PASO DE ROBLES

By Walter J. Macklin
Chairman

By [Signature]
Secretary

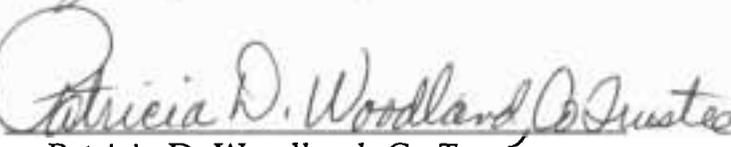
-AND-

"PARTICIPANT":

WOODLAND PLAZA II, a California
general partnership ("PARTNERSHIP")

By: Richard J. Woodland and Patricia D. Woodland
co-trustees of the Richard J. Woodland and
Patricia D. Woodland Trust, General Partner

By: 
Richard J. Woodland, Co-Trustee

By: 
Patricia D. Woodland, Co-Trustee
"WOODLAND"

By: James L. Halferty, an individual,
General Partner

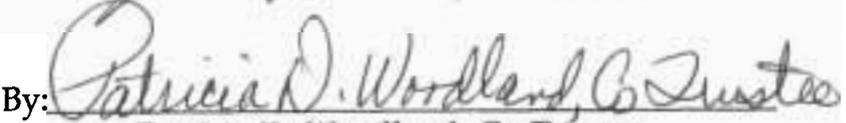

"JLH"

-AND-

"PARTICIPANT" (Continued):

RICHARD J. WOODLAND and
PATRICIA D. WOODLAND,
co-trustees of the Richard J. Woodland
and Patricia D. Woodland Trust,
General Partner.

By: 
Richard J. Woodland, Co-Trustee

By: 
Patricia D. Woodland, Co-Trustee

"WOODLAND"

ATTACHMENT NO. 7

METHOD OF FINANCING
(Revised)

I. GENERAL

A. Pursuant to the Owner Participant Agreement, as originally entered into by the Agency and Participant, and as previously amended by the First and Second Implementation Agreements thereto (the "OPA"), it was the Participant's desire to finance a portion of the costs of the public infrastructure improvements (defined in the original OPA as the "Mello-Roos Improvements") by having the Agency or City issue and sell tax-exempt bonds (the "Mello-Roos Bonds") pursuant to the Method of Financing (Attachment No. 7) attached to and incorporated in the original OPA. The Agency agreed to assist the Participant in financing the Mello-Roos Improvements by pledging a portion of the Tax Increments generated from the Project to partially reimburse the Participant for the costs of the annual special taxes or special assessments levied against the Project with respect to certain specified Mello-Roos Improvements under the Mello-Roos District.

B. In light of current economic conditions, the high cost of forming a Mello-Roos District, and the competitive disadvantages associated with the contemplated Mello-Roos financing mechanism, the Participant has proposed, and the Agency has agreed, upon an alternative method of financing such public infrastructure improvements, as more fully set forth below in this Method of Financing (Revised).

C. In implementation of the original OPA, the Agency has collected and set aside a portion of the Tax Increments generated from the Retail Center in anticipation of the formation of the Mello-Roos District and payment of the Tax Increments to the Participant as originally contemplated under the OPA. In consideration for the Agency undertaking its obligations under this Method of Financing (Revised), the Participant acknowledges and agrees that all the Tax Increments allocated to and received by the Agency from the Redevelopment Project Area, including that portion of Tax Increments previously set aside by the Agency in anticipation of its obligations under the original OPA, are the property of the Agency, and may be used by the Agency for any purposes determined by the Agency, without any restrictions and/or conditions on such use. Further, the Agency shall have no further obligation to set aside any additional amounts of Tax Increments, and the Participant shall have no right or interest in any of the Tax Increment funds allocated to and collected by the Agency.

D. The agreement and satisfaction by the Participant of its obligations in this Method of Financing (Revised) shall be deemed to also satisfy certain conditions of approval imposed by the City's Planning Commission relating to an adjacent project proposed by the Participant; specifically, the requirements for the payment by Participant of its pro-rata share of the South River Road fees, as set forth in Condition No. 63, and payment of the bridge development fees, as set forth in Condition No. 64, imposed by Planning Commission Resolution No. 98-042, relating to Planned Development 98003, Woodland Plaza III (APN 09-814-002, -003). The Agency agrees to execute any documents reasonably requested by Participant to confirm the provisions of this Paragraph D.

II. SITE PREPARATION

Except for the Agency's responsibilities as set forth hereinbelow, the Participant shall pay all costs for preparing the Site for development, including but not limited to: any preliminary grading not already completed, soils tests and any corrections necessary, including toxic cleanup if contamination should be discovered; and final grading of the Site.

III. GENERAL DEVELOPMENT

Except for the payments by the Agency as set forth in Section VIII hereof relating to the financing of a portion of certain specified Participant's Public Improvements and the payment by the Agency of the cost of the Additional Improvements (subject to a maximum cost), the Participant shall pay for all costs associated with developing the Site as set forth in the Scope of Development (Attachment No. 4).

IV. PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements consist of: (i) the Additional Improvements, set forth in Attachment No. 9 and (ii) the Participant's Public Improvements, set forth in Attachment No. 8.

A. The Additional Improvements

The Agency shall construct or cause to be constructed the Additional Improvements (as defined in Section 204 of the Agreement), subject to the terms and conditions set forth in the Agreement.

Attachment No. 7
(Revised)

2

B. The Participant's Public Improvements

The Participant's Public Improvements, set forth in Section II.C. of the Scope of Development (Attachment No. 3) shall be required for development of the Site. The Participant shall be responsible for constructing or causing the construction of the Participant's Public Improvements, except for the improvements to the Niblick Bridge and South River Road, which improvements shall be constructed by the Agency or City. Except for the costs to be paid by the Agency as set forth in Part VIII hereof, Participant shall pay the cost of the Participant's Public Improvements, including design and construction, contract administration and inspection.

V. PAYMENTS TO MAIN STREET PROGRAM

In connection with the development of the Site, the Participant has agreed to make payments to the City's Main Street program (the "Main Street Program") at the times and in the amounts and in the manner set forth in the Agreement.

VI. DEVELOPMENT, PROCESSING, AND OTHER FEES

Subject to the provisions of Section VIII below and Section 204 of this Agreement, the Participant shall be responsible for the payment of all the planning, development, public works, license and building fees relating to development of the Site.

VII. ENVIRONMENTAL REVIEW

Except for the payments by the Agency as set forth in Section VIII hereof, the Participant shall be responsible for all costs of preparing any additional environmental documents required for development of the Project, including, but not limited to, any additional environmental documents relating to construction of the Public Infrastructure Improvements set forth in Section II.D. of the Scope of Development (Attachment No. 3).

VIII. FINANCING OF PARTICIPANT'S PUBLIC IMPROVEMENTS

Except for the payment by the Agency of a portion of the costs of the Participant's Public Improvements, as set forth below, the Participant, at its sole cost and expense, shall finance, construct and develop the Participant's Public

Improvements identified in Attachment No. 8 to this Agreement within the times set forth in the Schedule of Performance (Attachment No. 4).

The Agency shall pay a portion of the costs of the Participant's Public Improvements, in an amount not to exceed Two Million One Hundred Fifty Thousand Dollars (\$2,150,000). That portion of the costs to be paid by the Agency shall be limited to the Participant's \$2,000,000 contribution for the expansion of Niblick Bridge, and \$150,000 for the improvement of South River Road.

IX. ALTERNATIVE METHOD OF FINANCING PUBLIC INFRASTRUCTURE IMPROVEMENTS

[Deleted]

X. AGENCY PARTICIPATION UPON THE SALE OF THE PHASE 3 PORTION OF THE SITE

As set forth in Section 605 of the Agreement, the Participant agrees that it shall pay Agency a share of the net proceeds from the sale of any part of the Phase 3 portion (as shown on the Map of the Site, Attachment No. 1) of the Site.

Participant's obligation to pay the Agency a portion of Net Sales Proceeds as set forth in this Section X. shall be evidenced in the Agreement to be Recorded Affecting Real Property (Attachment No. 5).

Attachment No. 7
(Revised)