RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Perris
Attn: City Clerk
101 North "D" Street
Perris, CA 95270

(Space Above For Recorder's Use)

SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

This Second Amendment to Development Agreement ("Second Amendment") is made and entered into as of this ____th day of ____, 2021, by and between the CITY OF PERRIS, a municipal corporation ("City") on the one hand, and IDIL PERRIS NORTH 3, L.P. a limited partnership and IDIL PERRIS LOGISTICS CENTER NORTH, L.P., a limited partnership ("Developer") on the other. Collectively, City and Developer may be referred to as "Parties" and individually, each as a "Party".

RECITALS

A. On July 13, 2010, the City Council introduced for first reading (and ultimately adopted in August 2010) Ordinance No. 1271, which approved a General Plan amendment, a Specific Plan amendment, a zone change to allow 3,166,857 square feet of industrial warehouse space in four buildings on approximately 215.7 acres of property in the City ("the Site"), as well as a Development Agreement, DA 10-04-0010 ("Agreement"), recorded by the County of Riverside Assessor, County Clerk and Recorded as document number 2014-0092090. On that same day, the City Council adopted Resolution No. 4326 certifying the South Perris Industrial Project Environmental Impact Report ("EIR") pursuant to the California Environmental Quality Act ("CEQA") and approving TPM 35877, a HANS negotiation, and DPR 08-01-0007. Collectively, all of these approvals are referred herein to as the "Original Development Approvals". The Site is more particularly described in Exhibit "B" to the Agreement.

B. The Agreement defines the Development Plan to mean the development of the Site pursuant to the Development Approvals, including the Subsequent Development Approvals, the Infrastructure Concept Plans, and the Public Improvements.

C. On May 20, 2020, following a duly noticed and conducted public hearing, the City's Planning Commission approved Resolution No. 20-07, which recommended approval of modifications to the Original Development Approvals so that the Development Plan would now allow the development of approximately 2,358,347 square feet of industrial/warehouses in three buildings, as well as a rail spur, plus surface improvements, including parking, landscaping, storm water improvements, and necessary street, water and sewer infrastructure to accommodate the development of the Plan ultimately selected by the Developer, and revised elevations (the "2020 Project").

D. On June 9, 2020, following a duly noticed and conducted public hearing, the City Council approved Resolution No. 5676 approving the 2020 Project. Also on June 9, 2020, the City Council held a first reading of, and on July 28, 2020, adopted after a second reading, Ordinance No. 1392 approving the First Amendment to the Development Agreement ("First Amendment") to conform the Agreement to the revised Project and public improvement obligations, vest the entitlements related thereto throughout the Term of the Agreement, as well as substitute in the current Developer for the entity that was the original party to the Agreement, FR/CAL ELLIS, LLC.

E. When approving the 2020 Project, the City Council approved the 2020 Addendum to the EIR ("2020 Addendum"), and in so doing, found in its independent judgment that, pursuant to CEQA Guidelines section 15162, all of the impacts of the proposed 2020 Project on the environment have been previously analyzed in, and are fully covered by, the certified EIR, and there are no new or increased significant impacts or changed circumstances requiring or allowing the preparation of a subsequent or supplemental EIR.

F. On July 7, 2021, following a duly noticed and conducted public hearing, the City's Planning Commission approved Resolution No. 21-13, which recommended approval of modifications to the Original Development Approvals and 2020 Project, so that the Development Plan would now allow the development of approximately 2,840,838 square feet of industrial/warehouses in three buildings, as well as a rail spur, plus surface improvements, including parking, landscaping, storm water improvements, and necessary street, water and sewer infrastructure necessary to accommodate the development of the project, other offsite improvements, and revised elevations (the "Project").

G. On July 27, 2021, following a duly noticed and conducted public hearing, the City Council approved Resolution No. 5842 ("Resolution") approving the Project. The Resolution includes, as attachments, the Project's approved site plans, elevations, and all conditions of approval, as modified from the Original Development Approvals and the 2020 Project, including updated and revised required public improvements, public improvement fee offsets, and other applicable fee amounts. The Resolution is incorporated by reference into this Second Amendment.

H. Also on July 27, 2021, the City Council held a first reading of, and on August 31, 2021, adopted after a second reading, Ordinance No. 1406 ("Ordinance") approving and authorizing the execution of this Second Amendment to conform the Agreement to the revised Project and vest the entitlements related thereto.

I. When approving the Project that is the subject of this Second Amendment, the City Council approved the 2021 Addendum to the EIR ("2021 Addendum"), and in so doing, found in its independent judgment that, pursuant to CEQA Guidelines section 15162, all of the impacts of the proposed Project on the environment have been previously analyzed in, and are fully covered by, the certified EIR, and there are no new or increased significant impacts or changed circumstances requiring or allowing the preparation of a subsequent or supplemental EIR.

J. Concurrent with the 2010 approval of the Agreement (then called the "Phase 3 Development Agreement"), the City approved development agreements for two related sites, called the "Phase 1 Development Agreement" and the "Phase 2 Development Agreement". The

foregoing Second Amendment, the Resolution, Ordinance, and 2021 Addendum apply only to the Phase 3 Development Agreement and shall not be construed to affect any obligations of the City or the respective developers/owners of the Phase 1 or Phase 2 Development Agreements.

K. On or about June 30, 2021, IDIL Perris Fulfillment Center, LLC, the previous Developer under the Agreement, assigned its interest in the Site and this Agreement to IDIL Perris North 3, L.P., and IDIL Perris Logistics Center North, L.P., pursuant to Section 2.3 of the Agreement, in the manner set forth in a June 28, 2021 letter to the City and exhibits thereto including legal descriptions. These assignments were accepted and approved by the City pursuant to the terms of the Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Developer. The definition of the term "Developer," as used in the entirety of the Agreement and all Exhibits thereto (specifically including Exhibits "I" and "J"), is hereby amended to replace "IDIL Perris Fulfillment Center, LLC, a limited liability company," with "IDIL Perris North 3, L.P., a limited partnership and IDIL Perris Logistics Center North, L.P., a limited partnership," specifically including the introductory paragraph of the Agreement, the definition of Developer in Section 1.1.4 of the Agreement, and the introductory paragraph and signature block of Exhibit "D" (Assignment and Assumption Agreement) to the Agreement.

2. Recitals. The Recital section of the Agreement is hereby amended to add two Recitals, Recital P and Recital Q, as follows:

P. On July 7, 2021, following a duly noticed and conducted public hearing, the City's Planning Commission approved Resolution No. 21-3, which recommended approval of a modification to the previously approved Development Approvals ("2021 Modification"), so that the Development Plan now allows the development of approximately 2,840,838 square feet of industrial/warehouse uses in three buildings, as well as a rail spur, plus surface improvements, parking, landscaping, storm water improvements, and necessary street, water and sewer infrastructure necessary to accommodate the development of the project, other offsite improvements, and revised elevations.

Q. On July 27, 2021, following a duly noticed and conducted public hearing, the City Council approved Resolution No. 5842 ("Resolution") approving the Modification. The Minor Modification is expressly included in the definition of Development Approvals, as that term is defined in this Agreement. When approving this Resolution, the City Council approved the 2021 Addendum to the South Perris Industrial Environmental Impact Report ("EIR"), and in so doing, found in its independent judgment that, pursuant to CEQA Guidelines section 15162, all of the impacts of the proposed Project on the environment have been previously analyzed in, and are fully covered by, the certified South Perris Industrial Project EIR, and there are no new or increased significant impacts or changed circumstances requiring or allowing the preparation of a subsequent or supplemental EIR.

3. Development Plan. Section 1.1.7 of the Agreement is replaced in its entirety to read as follows:

> "*Development Plan*" means the proposed plan for Development of a portion of the Property pursuant to the Development Approvals, including the Subsequent Development Approvals and the Infrastructure Concept Plans (as such term is hereafter defined). The Development Plan contemplates the development of the Property with a total of approximately 2,840,838 square feet of industrial/warehouse uses in three buildings, as well as a rail spur, on approximately 215.7 acres, plus necessary street, water, and sewer infrastructure to accommodate the Project, as well as other offsite improvements. The Development Plan also includes the Public Improvements described in Section 1.1.15.

4. Term. Section 2.5 of the Agreement is amended to replace to words "fifteen (15) years" with "seventeen (17) years," so that the Term of the Agreement is extended to September 30, 2028.

5. Replacement Exhibits. The following original exhibits to the Agreement are hereby replaced in their entirety by the exhibits attached to this Second Amendment as Exhibit "1" through Exhibit "5", respectively: Exhibit "A" (Depiction of the Property); Exhibit "C" (Infrastructure Concept Plans); Exhibit "E" (Phasing of Public Improvements); Exhibit "F" (TUMF Facilities, Estimated Full Costs of Constructing TUMF Facilities and Estimated Maximum TUMF Offset Eligibility); and Exhibit "G" (City DIF Facilities, Estimated Full Costs of City DIF Facilities and Estimated Maximum City DIF Offset Eligibility).

6. Exhibit "I". Exhibit "I" (TUMF Credit and Reimbursement Agreement) to the Agreement is hereby amended as follows:

4.1. The second and third recitals of the original Exhibit "I," which were replaced by four recitals in the First Amendment, are all hereby replaced in their entirety with the following four recitals:

> **WHEREAS**, the Developer obtained approvals from the City consisting of General Plan Amendment No. 08-05-0023 (Resolution No. 4326), Specific Plan Amendment No. 08-05- 002 (Resolution No. 1271), Tentative Parcel Map No. 35886, a Development Agreement (Ordinance No. 1269), Street Vacation Case No. 08-05-0025, Development Plan No. 08-01-0007 and certification of Environmental Impact Report SCH # 2008071060 (Resolution No. 4323) ("Original Project Approvals"). The Project Approvals permit, subject to conditions of approval, the development of the Property with a total of approximately 3,166,857 square feet of industrial/warehouse uses in four buildings on approximately 215.7 acres (the "Original Project"), plus necessary street, water, and sewer infrastructure to accommodate the Project;

WHEREAS, Developer and City have entered that certain Development Agreement, dated September 30, 2011, and recorded in Riverside County Official Records on March 12, 2014 as Instrument No. 2014-0092090 ("Development Agreement");

WHEREAS, On July 27, 2021 following a duly noticed and conducted public hearing, the City Council approved a major modification to the Original Development Approvals so that the Development Plan would now allow the development of approximately 2,840,838 square feet of industrial/warehouse uses in three buildings, as well as a rail spur, plus surface improvements, including parking, landscaping, storm water improvements, and necessary street, water and sewer infrastructure necessary to accommodate the development of the Development Plan, as well as other offsite improvements and revised elevations (collectively, the "Project");

WHEREAS, on July 27, 2021 the City Council held a first reading of, and on August 31, 2021, adopted after a second reading, Ordinance No. 1406 ("Ordinance") approving and authorizing the execution of the Second Amendment to the Development Agreement to conform the Agreement to the revised Project;

4.2 Exhibit "A" to Exhibit "I" is hereby replaced in its entirety with Exhibit "1" to this First Amendment.

4.3 Exhibit "B" to Exhibit "I" is hereby replaced in its entirety with Exhibit "4" to this First Amendment.

7. Exhibit "J". Exhibit "J" (City DIF Credit and Reimbursement Agreement) to the Agreement is hereby amended as follows:

5.1 The first recital of Exhibit "J," as amended by the First Amendment, is hereby replaced in its entirety with the following:

WHEREAS, on July 27, 2021 following a duly noticed and conducted public hearing, the City Council approved a major modification to the Original Development Approvals so that the Development Plan would now allow the development of approximately 2,840,838 square feet of industrial/warehouse uses in three buildings, as well as a rail spur, plus surface improvements, including parking, landscaping, storm water improvements, and necessary street, water and sewer infrastructure necessary to accommodate the development of the Development Plan, as well as other offsite improvements and revised elevations (collectively, the "Project");

5.2 The second recital of Exhibit "J" is hereby replaced in its entirety with the following:

WHEREAS, Developer and City have entered that certain Development Agreement, dated September 30, 2011, and recorded in Riverside County Official Records as Instrument No. 2014-0092090, as amended by that certain First Amendment to the Development Agreement ("First Amendment"), dated __, 2020 and recorded in Riverside County Official Records as Instrument No._____, and that certain Second Amendment to the Development Agreement ("Second Amendment"), dated ____, 2021 and recorded in Riverside County Official Records as Instrument No._____ (collectively, the "Development Agreement");

5.3 Exhibit "A" to Exhibit "J" is hereby replaced in its entirety with Exhibit "3" to this First Amendment.

5.4 Exhibit "B" to Exhibit "J" is hereby replaced in its entirety with Exhibit "5" to this First Amendment.

8. Conflict. Except as otherwise provided in this Second Amendment, the terms of the Agreement, as amended by the Second Amendment, shall remain in full force and effect. In case of any inconsistency between this Second Amendment and the Agreement, the provisions containing such inconsistency shall first be reconciled with one another to the maximum extent possible, and then to the extent of any remaining inconsistency, the terms of this Second Amendment shall control.

9. No Effect on Other Agreements. Concurrent with the 2010 approval of the Agreement (then called the "Phase 3 Development Agreement"), the City approved development agreements for two related sites, called the "Phase 1 Development Agreement" and the "Phase 2 Development Agreement". This Second Amendment, the Resolution, Ordinance, and 2021 Addendum apply only to the Phase 3 Development Agreement and shall not be construed to affect any obligations of the City or the respective developers/owners of the Phase 1 or Phase 2 Development Agreements.

10. Successors and Assigns. This Second Amendment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns, subject to any limitations on assignment set forth in the Agreement.

11. Counterparts; Governing Law. This Second Amendment may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Second Amendment. This Second Amendment shall be governed by the laws of the State of California.

[END OF TEXT; SIGNATURES FOLLOW IMMEDIATELY ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Second Amendment to the Development Agreement as of the date first set forth above.

CITY:

CITY OF PERRIS, a Municipal Corporation

By:_____
Clara Miramontes
City Manager

APPROVED AS TO FORM:

By:_____
Eric Dunn
City Attorney
City of Perris

DEVELOPER:

IDIL Perris Fulfillment Center, LLC, a limited liability company

By:_____

Its:

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)
Notary Public, personally appeared _____,
who 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.

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

WITNESS my hand and official seal.

Signature_____ (Seal)

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)
Notary Public, personally appeared _____,
who 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.

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

WITNESS my hand and official seal.

Signature_____ (Seal)

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)
Notary Public, personally appeared _____,
who 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.

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

WITNESS my hand and official seal.

Signature_____ (Seal)

EXHIBIT "1"

[Replacement Exhibit on Following Page]

EXHIBIT "1"

EXHIBIT “A”

DEPICTION OF THE PROPERTY

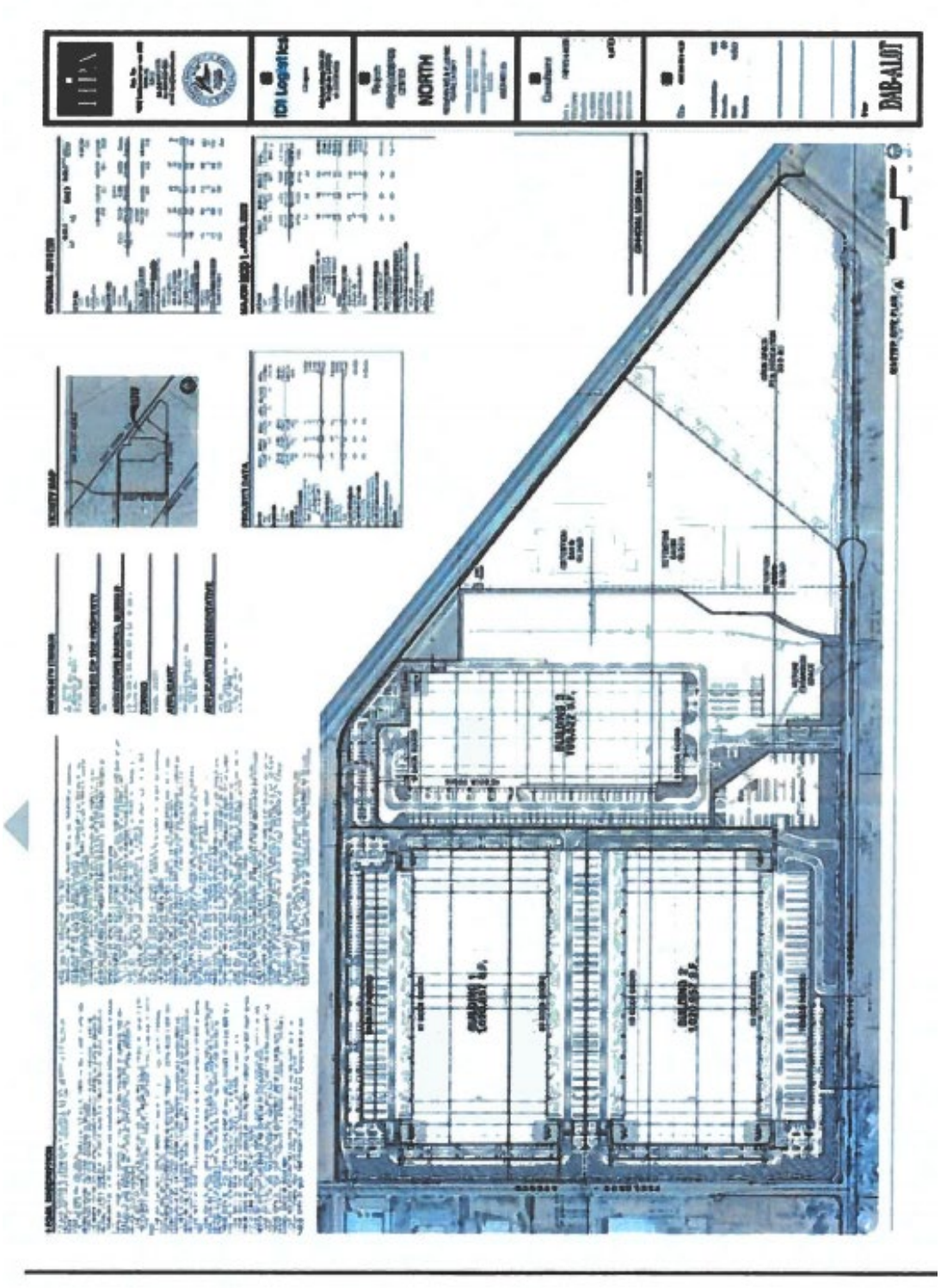

EXHIBIT "2"

[Replacement Exhibit on Following Page]

EXHIBIT "2"

EXHIBIT "C"
INFRASTRUCTURE MAP

EXHIBIT "3"

[Replacement Exhibit on Following Page]

EXHIBIT "3"

Exhibit "E"

LIST OF PUBLIC IMPROVEMENTS

Street
Case Road (800' North of Ellis Avenue to I-215 including Bridge construction

Ellis Avenue (From Case Road to 3,300' east of Redlands)

Redland Avenue (4th Street to Ellis Avenue)

Intersections/Signals

Ellis and Case (Signal)

Ellis and Redlands (Signal)

Case and Murrieta (Signal)

Case and Mapes (Signal)

Case and Bonnie (Signal)

Case and I-215 SB Ramp (Signal)

EXHIBIT "4"

[Replacement Exhibit on Following Page]

EXHIBIT "4"

Exhibit "F"

TUMF Facilities, Estimated Full Costs of Constructing TUMF Facilities and Estimated maximum TUMF offset eligibility

Phase 3 - TUMF Facilities Offset	Estimated Full Cost of of Construction	Maximum TUMF Offset Eligibility
Street - TIA		
Case Road (800' North of Ellis Avenue to I-215) Including Bridge construction	$25,426,695	$14,014,746

These fee credits are based upon mutual agreement between the developer and the City of Perris in the interpretation of the WRCOG TUMF Nexus Study dated 2016 (TUMF Nexus). Reconstruction of bridge on Case Road will qualify for the fee credits in the TUMF Nexus respectively and is not required to be constructed to a 100-year flood standard.

EXHIBIT "5"

[Replacement Exhibit on Following Page]

EXHIBIT "5"

Exhibit "G"

City DIF Facilities
Estimated Full Costs of City DIF Facilities and
Estimated Maximum City DIF Offset Eligibility

Phase 3 - DIF Facilities	Estimated Full Cost of of Construction	Maximum DIF Offset Offset Eligibility
Street - TIA		
Ellis Avenue (From Case Road to 3,300' east of Redlands)	$10,020,800	$2,040,000
Case Road	$21,091,695	$2,136,500
Case Road Bridge	$4,335,000	$2,800,000
Redlands Avenue (4th Street to Ellis Avenue)	$2,807,300	$1,260,000
Intersections/Signals		
Ellis and Case	$472,100	$250,000
Ellis and Redlands	$315,200	$250,000
Case and Murrieta	$278,000	$250,000
Case Road and Mapes Road	$351,000	$250,000
Mapes Road and Bonnie Road	$250,000	$250,000
	$39,921,995	$10,486,500

These fee credits are based upon mutual agreement between the developer and the City of Perris DIF Justification Study dated February 25, 2006 (DIF Nexus). Reconstruction of bridge on Case Road will qualify for the fee credits in the DIF Nexus is not required to be constructed to a 100-year flood standard.