



**CITY OF PERRIS**  
**DEVELOPMENT SERVICES DEPARTMENT PLANNING**  
**DIVISION**

**MEMORANDUM**

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Kenneth Phung, Director of Development Services

**DATE:** March 10, 2026

**SUBJECT:** Item 10.C. Harvest Landing Project Updated Development Agreement Terms and Conditions of Approval

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The following are additional amendments that have been made to the Development Agreement Terms and Conditions of Approval highlighted in RED below, since issuance of the Staff Report for Harvest Landing Specific Project, which was approved by the City Council on February 10, 2026, by a 3-2 vote (*Yes – Mayor Vargas, Corona, and Rabb, No – Nava and Vallejo*)

The specific updates to the Development Agreement and Conditions of Approval are below:

**Development Agreement**

- **Section 4.2 Commercial Construction and Land Subsidy.** Owner agrees that, except as otherwise provided in Section 4.2.1 below: (i) the entire Retail Commercial component of the Project, including the big box Commercial Retail building (165,050 sq. ft.), in-line commercial building (Majors A through K, totaling 202,977 sq. ft.), **one outlying building for a sit-down restaurant and all outlying buildings (Pads 1 through 8, and Pads A and B)**, as shown in Exhibit F, off-site improvements, **including drainage** and all parking lot improvements and landscaping for the Retail Commercial component of the Project, shall be constructed prior to or concurrently with construction of the Parcel Hub; and (ii) at least 194,000 square feet of the aforementioned retail commercial space, **a family entertainment use, and one sit-down restaurant in the aforementioned outlying building for a sit down restaurant** shall be **tenanted**, open, and fully operational prior to occupancy permits (i.e., issuance of a certificate of occupancy) for the Parcel Hub. In addition to the foregoing, Owner agrees to provide a land subsidy for the Retail Commercial Center in the amount of approximately \$22,400,000.00 to allow for the provision of lower rents that will attract a stable of top tier retail tenants **with at least one tenant being an entertainment use.**
- **Section 4.2.1 Exception.** In the event that clause (i) and/or clause (ii) in Section 4.2 above have not been fully satisfied by Owner at the time when all other requirements for issuance of a certificate of

occupancy for the Parcel Hub are met, then if Owner requests issuance of the certificate of occupancy for the Parcel Hub without first fully satisfying these requirements and demonstrates to the Director's satisfaction that at minimum, construction of the Commercial Retail building (165,050 sq. ft.) and the in-line commercial building (Majors A through K, totaling 202,977 sq. ft.), as shown in Exhibit F, **with one unit for a family entertainment use, and one sit down restaurant in the outlying Pads** and all off-site improvements, and all parking lot improvements, and landscaping has been completed, the City shall issue a Certificate of Occupancy for the Parcel Hub provided Owner makes a payment to the City as follows: (i) Fifteen Million Dollars (\$15,000,000) prior to issuance of a certificate of occupancy for the Parcel Hub; and (ii) One Million Dollars (\$1,000,000) monthly thereafter until ~~the outlying buildings (Pads 1 through 8, and Pads A and B) is completed and one outlying building for a sit-down restaurant is constructed and restaurant is fully operational,~~ at least 194,000 square feet of the constructed commercial retail space is fully operational, and ~~is tenanted one family entertainment use is~~ fully operational. If Owner utilizes the foregoing exception to obtain Parcel Hub occupancy permits, then in addition to making the aforementioned payments to the City, Owner shall have a continuing obligation to diligently complete construction ~~the outlying buildings (Pads 1 through 8, and Pads A and B)) and tenanted and open and operational status for~~ of the outlying sit-down restaurant building and be fully operational, and to have 194,000 square feet of retail commercial space and **one family entertainment use fully operational.** No Permitted Delay or other occurrence of Force Majeure shall apply to the payment obligations set forth in this Section 4.2.1

### **Planning Conditions of Approval**

- **No. 40 – Warehouse and Distribution Use Restriction Covenant.** Prior to issuance of building permit for the Parcel Hub, the property owner shall record a covenant that runs with the land and permanently restricts warehouse and distribution uses on the property as identified in TPM 38810 ~~Lot 1 & 2, and TPM 38810 Parcel 1~~ and TPM 38811 subject to the review and approval City's legal counsel. The covenant shall be binding on all current and future property owners and shall remain in effect unless otherwise modified or released by the City through a public approval process.
- **No. 57.j. – Parcel Hub Additional Landscape Screening.** The applicant/developer shall increase and enhance the landscaped areas at the southeast corner of Frontage Road and Private Drive A, and the northeast corner of Frontage Road and Barrett Avenue, subject to review and approval by Planning staff.

Attachments:            1. Site Plan for Harvest Landing Development  
                                 2. Updated Development Agreement  
                                 3. Updated Planning Conditions of Approval

# **ATTACHMENT 1**

Site Plan for Harvest Landing Development

# Site Plan for Harvest Landing Development



LAND USE AREAS	
MBU (MULTIPLE BUSINESS USE)	= 178.55 AC
COMM (COMMERCIAL)	= 46.24 AC
RESIDENTIAL	= 49.8 AC
SPORTS PARK	= 16.5 AC
WATER QUALITY BASIN	= 12.91 AC
ROADS	= 43.62 AC
<b>TOTAL SPA</b>	<b>= 347.62 AC</b>
OVERLAY	= 10.66 AC
<b>TOTAL WITH OVERLAY</b>	<b>= 358.28 AC</b>

# **ATTACHMENT 2**

Updated Development Agreement

Recorded at request of: )  
Clerk, City Council )  
City of Perris )  
)  
When recorded return to: )  
City of Perris )  
101 North D Street )  
Perris, CA 92570 )  
Attention: Clerk of the Council )  
)

Exempt from Filing Fees, Government Code Section 6103

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**DEVELOPMENT AGREEMENT AMENDMENT NO. 17-05136**

**A DEVELOPMENT AGREEMENT BETWEEN**

**CITY OF PERRIS**

**AND**

**HIP SO-CAL PROPERTIES, LLC**

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## DEVELOPMENT AGREEMENT AMENDMENT NO. 17-05136

This Development Agreement (“Agreement”) is entered into as of this [REDACTED] day of [REDACTED], 2026 by and between the City of Perris, a California municipal corporation and general law city (“City”) on the one hand, and HIP So-Cal Properties, LLC, a California limited company (“Owner” or “Developer”), on the other hand. City and Owner may be referred to in this Agreement individually as a “Party” or collectively as the “Parties.” Initially capitalized terms used in this Agreement shall have the meanings set forth in Section 1 below.

### RECITALS

A. City is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Article 11, Section 7 of the California Constitution and Section 65864, et seq. (“Development Agreement Law”) of the California Government Code (“Government Code”).

B. City has adopted procedures and requirements for the consideration of development agreements (the Development Agreement Policies), pursuant to Section 65865 of the Government Code.

C. This Agreement constitutes a current exercise of City’s police powers to provide predictability to Owner in the development approval process by vesting the permitted uses, density, intensity of use, timing and phasing of development, and applicable ordinances consistent with the Existing Land Use Regulations in exchange for Owner’s commitment to provide public benefits to City.

D. Owner has requested that City enter into this Agreement and proceedings have been taken in accordance with applicable State law and the rules and regulations of City.

E. The best interests of the Citizens and the public health, safety, and welfare will be served by entering into this Agreement.

F. The City Council hereby finds and determines that this Agreement is of major significance because it will provide significant economic benefit to City through additional jobs created by the construction and operation of the Project, property and tax revenue to City, and infrastructure improvements. The Owner will provide substantial acreage for multiple business uses as well as other commercial development areas, resulting in the creation of jobs for Perris’s citizens and lessening commuting traffic on the City’s existing arterials that would otherwise occur if an area for an employment base were not provided.

G. The provision by Owner of the public benefits as set forth in this Agreement allows City to realize significant economic, recreational, open space, educational, social, and other public benefits to City. These public benefits will advance the interests and meet the needs of residents and visitors to a significantly greater extent than would development of the Property without this Agreement.

H. An Environmental Impact Report (State Clearing House No. 2024080337) (“EIR”) was prepared and reviewed for the Project in accordance with CEQA, as detailed in City Council Resolution No. 6770, discussed below.

I. All actions taken and approvals given by City have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings, findings, votes, and other procedural matters.

J. Owner submitted a development project application to the City requesting the following legislative approvals and entitlements for use and development of the project described in the EIR: Specific Plan Amendment 22-05250 (SPA); General Plan Amendment 24-05175 (GPA); Zone Change 24-05176 (ZC); Development Agreement Amendment (DPR) 17-05136; Tentative Parcel Maps (TPMs) 22-05251 (TPM 38810) and 24-05198 (TPM 38811); Conditional Use Permits 22-05050 and 23-05235; and Development Plan Reviews (DPR) 22-22-05239, 23-00017, 23-00018, 22-00023, 22-00024, 22-00025, 24-00008, and 24-00009.

K. On December 17, 2025, following a duly noticed and conducted public hearing, the City Planning Commission adopted: (i) Resolution No. 25-30, recommending that the City Council certify the EIR, adopt the included Mitigation Monitoring and Reporting Program (“MMRP”), and adopt the Findings of Fact and Statement of Overriding Considerations for Alternative 4 (defined below); and (ii) Resolution No. 25-31, recommending that the City Council approve General Plan Amendment (GPA) 24-05175, Zone Change (ZC) 24-05176, Specific Plan Amendment (SPA) 22-05250, Tentative Parcel Maps 22-05251 (TPM 38810) and 24-05198 (TPM 38811), Development Agreement Amendment (DA) 17-05136 (i.e., this Agreement with the Authorizing Ordinance), Conditional Use Permits (CUPs) 22-05005 and 23-05235, and Development Plan Reviews (DPRs) 22-05239 and 23-00018 for approval of Alternative 4 to the project described in the EIR, as said alternative is described and identified in the EIR (“Alternative 4”), with certain Planning Commission-recommended modifications including reduction of the size of the parcel hub facility from the larger size identified in Alternative 4 to the smaller size identified for the project described in the EIR while retaining the location identified for the parcel hub facility in the project described in the EIR (the “Planning Commission Modifications”), subject to conditions of approval.

L. On February 10, 2026, following a duly noticed and conducted public hearing, the City Council adopted: (i) Resolution No. 6770, certifying the EIR, adopting the included MMRP, and adopting the Findings of Fact and Statement of Overriding Considerations for Alternative 4 with the Council Modifications (defined below); (ii) Ordinance No. 1471 conditionally approving Zone Change (ZC) 24-05176; and (iii) Resolution No. 6771, approving General Plan Amendment (GPA) 24-05175, Specific Plan Amendment (SPA) 22-05250, Tentative Parcel Maps 22-05251 (TPM 38810) and 24-05198 (TPM 38811), Conditional Use Permits (CUPs) 22-05005 and 23-05235, and Development Plan Reviews (DPRs) 22-05239 and 23-00018, all for Alternative 4 with the Planning Commission Modifications except for the smaller parcel hub size, and with additional modifications proposed by the Owner whereby the location of the parcel hub facility would be shifted to the southernmost point of the Specific Plan area, directly north of the intersection of Barrett Avenue and Frontage Road, as shown in Exhibit F to this Agreement (which locational modifications have been incorporated into Alternative 4 via Section 3.0 of the Final EIR) (the

“Council Modifications”), subject to the Conditions of Approval attached hereto as Exhibit E, which Resolution provides that it shall take effect upon effectiveness of the Authorizing Ordinance.

M. On February 10, 2026, following a duly noticed and conducted public hearing, the City Council introduced and conducted a first reading, by title only, of the Authorizing Ordinance.

N. On **Month/Day, Year**, the City Council adopted the Authorizing Ordinance, a copy of which is on file at the office of the City Clerk, and which includes the findings required by law for adoption of this Agreement, including the Development Agreement Law and Development Agreement Policies.

O. City has engaged in extensive studies and consultations in assessing the potential impacts of the Project as well as the various potential benefits the Project would provide to City and concluded that the development of the Project, as conditioned, is in the best interests of City.

P. In consideration of the substantial public improvements and benefits that will be provided to City by Owner, the strengthening of the planning process by the cooperation of the City and Owner in creating the Project, the certainty and clarity provided by the Agreement, which will allow Owner to develop the Project and the Parties to better understand the costs of the development, the City intends to give the Owner assurances that Owner can proceed with the development of the Project for the Term pursuant to the terms of this Agreement and in accordance with the Existing Land Use Regulations, except as may otherwise be agreed to by the Parties.

Q. This Agreement is being entered into pursuant to and in compliance with the requirements of the Development Agreement Law, including Sections 65867 and 65867.5 thereof.

## **COVENANTS**

NOW, THEREFORE, pursuant to the authority contained in the Development Agreement Law, as it applies to City, pursuant to Article XI, Section 2 of the California Constitution, and in consideration of the foregoing recitals of fact, all of which are expressly incorporated into this Agreement, the mutual covenants set forth in this Agreement and for the further consideration described in this Agreement, the Parties agree as follows:

### **1. DEFINITIONS AND EXHIBITS.**

1.1 **Definitions.** The following terms when used in this Agreement shall be defined as follows:

1.1.1 “Agreement” means this Development Agreement.

1.1.2 “Authorizing Ordinance” means **Ordinance No. 1472** approving this Agreement.

1.1.3 “Bonds” shall mean the Special Tax Bonds, if any, issued on behalf of any District (as defined in Section 1.14 of this Agreement) to be formed as provided herein, with the City or other governmental agency as the lead agency, or otherwise in connection with the Project.

1.1.4 “CEQA” shall mean the California Environmental Quality Act (Public Resources Code §21000 et seq.) and the related California Code of Regulations (the “CEQA Guidelines”), as amended from time to time.

1.1.5 “Citizens” shall mean the residents of the City of Perris as they may exist from time to time during the Term of this Agreement.

1.1.6 “City Council” means the duly elected and constituted city council of City.

1.1.7 “City Laws” shall mean all codified and uncodified enactments of City and all laws, regulations and standards of any governmental body having jurisdiction within City.

1.1.8 “City Manager” means the city manager of the City.

1.1.9 “Construction Codes” shall mean both the uniform codes governing construction and those adopted by the State of California and binding on City, as may be lawfully amended by City, currently or then applicable to the Project. Examples of Construction Codes include the Uniform Building Code, the National Electrical Code, the Uniform Plumbing Code, the Uniform Mechanical Code, the Uniform Housing Code, and the Uniform Code for the Abatement of Dangerous Buildings.

1.1.10 “Development” means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; and the installation of landscaping. “Development” does not include the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.11 “Development Agreement Policies” means those certain development agreement policies established in Chapter 18.19 of the Perris Municipal Code.

1.1.12 “Development Approvals” means all non-legislative, site-specific (meaning specifically applicable to the Property only and not generally applicable to some or all other properties within the City) plans, maps, approvals, permits and other entitlements applicable to the Development of the Property, including, but not limited to: tentative and final subdivision and parcel maps; conditional use permits, public use permits and site plans; zoning; variances; development plan reviews; and, grading and building permits. Without limitation, “Development Approvals” does not include (i) rules, regulations, policies, and other enactments of general application within the City authorized to be applicable to the Property pursuant to this Agreement, or (ii) any matter where City has reserved authority under this Agreement.

1.1.13 “Days” shall mean calendar, not business days.

1.1.14 “Development Agreement Law” means Sections 65864 through 65869.5 of the California Government Code.

1.1.15 “Development Impact Fee” means a monetary payment authorized by Government Code Sections 66001 *et seq.*, whether imposed legislatively on a broad class of development projects or on an ad hoc basis to a specific development project.

1.1.16 “Development Limitation” means proposed Zoning Code Text Amendment 25-00005 (if adopted) or any Moratorium (as defined below) that would temporarily prevent development of the Project in accordance with the Development Plan (as defined below).

1.1.17 “Development Plan” means the Owner’s plan for Development of the Project as set forth in Exhibit F to this Agreement to be implemented pursuant to the Existing Development Approvals and Subsequent Development Approvals, in accord with the Existing Land Use Regulations and applicable Subsequent Land Use Regulations, and subject to the Reservations of Authority.

1.1.18 “Director” means the City’s Director of Development Services, or his or her designee.

1.1.19 “Effective Date” means the date that the Authorizing Ordinance becomes effective.

1.1.20 “Existing Development Approvals” means all Development Approvals approved or issued by City for the Project prior to the Effective Date, including those described in Exhibit C to this Agreement and all other Development Approvals which are a matter of public record as of the Effective Date, which shall include the Tentative Parcel Maps and all approvals under the Subdivision Map Act.

1.1.21 “Existing Land Use Regulations” means all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations includes the Land Use Regulations incorporated herein as Exhibit D and all other Land Use Regulations which are in effect and a matter of public record on the Effective Date. For clarification, and for the avoidance of doubt, notwithstanding any other provision of this Agreement, the Existing Land Use Regulations do not allow any warehousing and distribution uses or facilities on the Property. For purposes of this section, “warehousing and distribution” shall have the meaning set forth in Perris Municipal Code Chapter 19.08, except it shall not include the high-cube parcel hub facility identified as Building 1 in the Development Plan (“Parcel Hub”).

1.1.22 “General Plan” means the City’s General Plan.

1.1.23 “Improvement” or “Improvements” means those public improvements required to support the development of the Project as described in the Conditions of Approval attached hereto as Exhibit E.

1.1.24 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of City and/or any subsidiary district of the City and/or any joint powers authority or council of governments of which the City is a member which affect, govern, or apply to the development and use of land, including, without limitation, the zoning and permitted use of land, the density or intensity of use, subdivision requirements, timing and phasing of development, the maximum height and size of proposed buildings, the reservation or dedication

of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the Property. “Land Use Regulations” does not include any City ordinance, resolution, code, rule, regulation or official policy governing:

- (a) the conduct of businesses, professions, and occupations;
- (b) taxes and assessments;
- (c) the granting of encroachment permits and the conveyance of similar rights and interests which provide for the use of or the entry upon public property; or
- (d) the exercise of the power of eminent domain.

1.1.25 “Moratorium” means any interim urgency ordinance adopted by the City pursuant to Government Code Section 65858.

1.1.26 “Mortgagee” means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.27 “Owner” means the persons and entities listed as Owner on page 1 of this Agreement and their permitted successors in interest to all or any part of the Property.

1.1.28 “Permitted Delay” means delays in a Party’s performance due to: changes in local, state or federal laws or regulations (other than changes expressly permitted by this Development Agreement); strikes or the inability to obtain materials; delays caused by governmental agencies in issuing permits and approvals; Third Party Actions, actions of other public agencies to prohibit Development of the Property according to the Development Plan; civil commotion, fire, acts of God, war, lockouts, riots, floods, earthquakes, epidemic, quarantine, freight embargoes, and/or failure of contractors to perform; or, other circumstances beyond a Party’s reasonable control and which substantially interfere with either Party’s ability to perform its obligations under this Agreement. “Permitted Delays” do not include delays attributable to Developer’s inability to obtain funds or financing or due to changes in market conditions or demands, whether or not foreseeable as of the Effective Date.

1.1.29 “Project” means the Development of the Property in accord with Alternative 4 with the Council Modifications and the Development Plan, as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement. For clarification, and for the avoidance of doubt, notwithstanding any other provision of this Agreement, the Project: (i) does not include any Development Approvals for the areas designated as future Phase 1, Phase 2, or residential in the Development Plan, as the Project is limited to programmatic-level planning for future development in such areas; and (ii) does not and shall not include any warehousing and distribution uses or facilities. For purposes of this section, “warehousing and distribution” shall have the meaning set forth in Perris Municipal Code Chapter 19.08, except it shall not include the Parcel Hub.

1.1.30 “Property” means the real property described on Exhibit A and shown on Exhibit B to this Agreement.

1.1.31 “Reservations of Authority” means the rights reserved to City under Section 3.6 of this Agreement.

1.1.32 “Specific Plan” means that certain specific plan adopted by the City Council, and entitled, “Harvest Landing Specific Plan.”

1.1.33 “Subsequent Development Approvals” means all Development Approvals approved by the City subsequent to the Effective Date in connection with Development of the Property. Subsequent Development Approvals includes, without limitation, any modifications to Existing Development Approvals.

1.1.34 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.35 “Term” has the meaning set forth in Section 2.3.

1.1.36 “Third Party Actions” means litigation filed by a third party challenging the City’s issuance of any Development Approval, including this Agreement.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

Exhibit A — Legal Description of the Property.

Exhibit B — Map showing Property and its location.

Exhibit C — Existing Development Approvals.

Exhibit D — Existing Land Use Regulations.

Exhibit E – Conditions of Approval

Exhibit F – Development Plan

## 2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property shall be carried out in accordance with the terms of this Agreement.

2.2 Ownership of Property. Owner represents and covenants that it is the owner of the fee simple title to the Property, or has the right to acquire fee simple title to the Property from the current owner(s) thereof.

2.3 Term. The term of this Agreement shall commence on the Effective Date and shall continue for an initial period of ten (10) years thereafter unless terminated sooner pursuant to applicable provisions of this Agreement or extended pursuant to this Section or Section 11.12 of this Agreement. The term of this Agreement shall be extended for an additional five (5) years

following expiration of the initial ten (10) year term if the City Council reasonably determines that all of the below conditions have been satisfied:

(a) Owner has requested the extension and provided at least one hundred eighty (180) days' written notice of such request to City prior to expiration of the initial term;

(b) Owner has obtained building permits for at least fifty percent (50%) of the gross area of the commercial buildings contemplated by the Project, and overall is acting diligently and making reasonable progress toward completion of the Project considering all relevant circumstances in the Development of the Project; and

(c) Owner is not default of this Agreement and has not violated any of the Conditions of Approval.

If any of the conditions above have not been satisfied, the City Council may grant the requested five (5) year extension, or may grant a shorter extension or no extension, at its discretion. The initial term and all extensions obtained or granted shall be referred to collectively as the "Term."

## 2.4 Assignment.

2.4.1 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 violate the Subdivision Map Act, Government Code Section 66410 et seq.), to any person, partnership, limited liability company, joint venture, firm or corporation at any time during the term of this Agreement ("Transferee"); provided, however, that any such sale, transfer or assignment shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and shall be made in strict compliance with the following conditions precedent:

(a) 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 all or a part of the Property.

(b) Owner shall provide City with: (1) an executed agreement, in a form reasonably acceptable to City, by the Transferee and providing therein that the Transferee expressly and unconditionally assumes all the rights, duties and obligations of Owner under this Agreement with respect to the portion of the Property so sold, transferred or assigned; and (2) the payment of the applicable processing charge to cover the City's review and consideration of such sale, transfer or assignment.

(c) No sale, transfer or assignment shall be made without City's prior written approval, which shall not be unreasonably withheld, after Owner provides City with documentation reasonably necessary for City to verify compliance subsection (a) of this Section 2.4.1, documentation and payment as necessary to comply with subsection (b) of this Section 2.4.1, and documentation and evidence reasonably satisfactory to City demonstrating that the Transferee meets the following criteria: (1) the Transferee has the financial strength and capability to perform the obligations of Owner under this Agreement with respect to any portion of the Property to be sold, transferred or assigned to Transferee; (2) the Transferee has the experience and expertise to operate the Project or applicable portion thereof and experience with operations and projects of a

similar scale as the Project or applicable portion thereof; and (3) the Transferee's business entity is registered and in good standing with the California Secretary of State, to the extent required by law.

Any sale, transfer or assignment not made in strict compliance with the foregoing conditions shall be void and ineffective and shall constitute a default by Owner under this Agreement.

2.4.2 Release of Transferring Owner. Notwithstanding any sale, transfer or assignment made in strict compliance with Section 2.4.1, 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 only be provided by City upon the full satisfaction by such transferring Owner of all the following conditions:

- (a) Owner no longer has a legal or equitable interest in all or any portion of the Property sold, transferred, or assigned.
- (b) Owner is not then in default under this Agreement.
- (c) Owner has strictly complied with Subsection 2.4.1 above.
- (d) The purchaser, transferee or assignee provides City with security equivalent to any security previously provided by Owner to secure performance of its obligations hereunder.

2.4.3 Effect of Assignment and Release of Obligations. In the event of a sale, transfer or assignment pursuant to the provisions of Section 2.4.2 above:

(a) The Transferee shall be liable for the performance of all obligations of Owner with respect to the Property or portion thereof sold, transferred or assigned ("Transferred Property") commencing as of the effective date of the sale, transfer or assignment, but shall have no obligations with respect to the portions of the Property, if any, not sold, transferred or assigned (the "Retained Property").

(b) The owner of the Retained Property shall be liable for the performance of all obligations of Owner with respect to Retained Property, but shall have no further obligations with respect to the Transferred Property from and after the effective date of the sale, transfer or assignment.

(c) The Transferee's exercise, use and enjoyment of the Property or portion thereof shall be subject to the terms of this Agreement to the same extent as if the assignee were the Owner.

(d) A default under this Agreement by Owner relating to the Retained Property shall not be considered or acted upon by the City as a default by the Transferee and shall not affect the Transferee's rights or obligations hereunder. Likewise, a default by a Transferee relating to the Transferred Property shall not be considered or acted upon by the City as a default by Owner and shall not affect Owner's rights and obligations hereunder.

2.4.4 Subsequent Assignment. Any subsequent sale, transfer or assignment after an initial sale, transfer or assignment shall be made only in accordance with and subject to the terms and conditions of this Section 2.4.

2.4.5 [Reserved]

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part by either Party or successor in interest only in the manner provided for in Government Code Sections 65865.1 or 65868 and the Development Agreement Policies. Any amendment of this Agreement, which amendment has been requested by Owner, shall be considered by the City only upon the payment of the applicable processing charge. This provision shall not limit any remedy of City or Owner as provided by this Agreement. For purposes of this section, the term “successor in interest” shall mean any person having a legal or equitable interest in the whole of the Property, or any portion thereof as to which such person wishes to amend or cancel this Agreement. The procedure for proposing and adopting an amendment to, or cancellation of, in whole or in part, this Agreement shall be the same as the procedure for adopting and entering into this Agreement in the first instance. .

2.6 Modifications. Upon written application to the Director, Owner may request City approval of modifications to the Development Plan, which shall be processed as Subsequent Development Approvals in accordance with Section 3.4 of this Agreement.

2.7 Termination.

2.7.1 This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(a) Termination pursuant to Section 6.1.6(c), 6.2, 6.3, 7.4 or 7.5 of this Agreement.

(b) Entry of a final judgment setting aside, voiding or annulling the adoption of the Authorizing Ordinance.

(c) The adoption of a referendum measure overriding or repealing the Authorizing Ordinance.

(d) Completion of the Project in accordance with the terms of this Agreement including issuance of all required occupancy permits and acceptance by City or applicable public agency of all required dedications.

(e) Termination of this Agreement based on any default of Owner and following the termination proceedings required by the Development Agreement Policies.

2.7.2 In the event this Agreement is terminated, all rights of the Owner or successors in interest under this Agreement shall terminate. Any and all benefits, including money or land, received by the City shall be retained by the City. Notwithstanding the above provision, any termination of this Agreement shall not prevent the Owner from completing a building or other improvements authorized pursuant to a valid building permit previously approved by the City or

under construction at the time of termination, but the City may take any action permitted by law to prevent, stop or correct any violation of law occurring during and after construction, and the Owner or any tenant shall not occupy any portion of the Project or any building not authorized by a previously issued building permit. As used herein, the term "construction" shall mean work under a valid building permit, and the term "completing" shall mean completion for beneficial occupancy for Owner's use, or if a portion of the Project is intended for use by a lessee or tenant, then for such portion the term "completion" shall mean completion except for interior improvements such as, duct and electrical runouts, floor covering, wall coverings, lighting, furniture, trade fixtures, finished ceilings, and other improvements typically constructed by or for tenants of similar buildings. All such uses shall, to the extent applicable, be deemed nonconforming uses and shall be subject to the nonconforming use provisions of the Perris Municipal Code.

## 2.8 Notices.

(a) As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either: (i) when delivered in person, including, without limitation, by courier, to the recipient named below; or (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below. All notices shall be addressed as follows:

If to City:

City of Perris  
101 North "D" Street  
Perris, CA 92570  
Attn: City Manager  
Email: [cmiramontes@cityofperris.org](mailto:cmiramontes@cityofperris.org)  
Telephone: (951) 943-6100

with a copy to:

Aleshire & Wynder, LLP  
1 Park Plaza, Suite 1000  
Irvine, CA 92614  
Attn.: Sunny Soltani  
Email: [ssoltani@awattorneys.com](mailto:ssoltani@awattorneys.com)  
Telephone: (949) 250-5430

If to Owner:

HIP So-Cal Properties, LLC  
Attn: Timothy Howard  
2244 N Pacific Street  
Orange, CA 92865  
Email: thoward@hipre.net  
Telephone: (714) 637-3333

with a copy to:

Allen Matkins Leck Gamble  
Mallory & Natsis LLP  
2010 Main Street, 8<sup>th</sup> Floor  
Irvine, CA 92614  
Attn: Jonathan Shardlow  
Email: jshardlow@allenmatkins.com  
Telephone: (949) 851-5422

(c) Either Party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a Party or an officer or representative of a Party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

### 3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, Owner shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. Notwithstanding the foregoing, any and all Development that is not part of the Project, including Development in the areas depicted as future Phase 1, Phase 2 or residential in Exhibit F attached hereto, will require Owner to apply for and obtain City approval of any and all Development Approvals applicable to such Development. City shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. Owner's aforementioned vested right to develop the Property shall be enforceable notwithstanding the adoption by the City of any Development Limitation that becomes effective after the Effective Date. Except as provided herein: (i) the Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan; and (ii) the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority and Section 3.1 above pertaining to Development Limitations, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings, and the design, improvement and construction standards

and specifications applicable to development of the Property shall be the Existing Land Use Regulations and any further restrictions in the Existing Development Approvals (including the Conditions of Approval). In connection with any Subsequent Development Approval, City shall exercise discretion in the same manner that it exercises discretion under its police powers including the Reservations of Authority set forth herein and irrespective of the adoption or enactment of any Development Limitation that becomes effective after the Effective Date; provided, however, that such discretion shall not prevent development of the Property for the uses and to the density or intensity of development set forth in this Agreement. However, City shall timely process all applications for Subsequent Development Approvals.

3.3 Timing of Development. The Parties acknowledge that the public benefits to be provided by Owner to City pursuant to this Agreement are in consideration for and reliance upon assurances that City will permit development of the Property in accordance with the terms of this Agreement. Accordingly, City agrees that it will not attempt to restrict or limit the development of the Property in conflict with the provisions of this Agreement, including through the application of any Development Limitation that becomes effective after the Effective Date to the Property during the term of this Agreement. City acknowledges that Owner cannot at this time predict the timing or rate at which the Property will be developed. The timing and rate of development depend on numerous factors such as market completion schedules, and other factors which are not within the control of Owner or City. Except as provided in Section 4.2 pertaining to the requirements for development and construction of the Retail Commercial component of the Project prior to or concurrently with the Parcel Hub, and subject to all other applicable requirements of this Agreement, it is the intent of the Parties to avoid the result reached *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal.3d 465 and permit Owner to develop the Property in such order and at such rate and at such time as Owner deems appropriate within the exercise of Owner's sole subjective business judgment, notwithstanding the adoption of an initiative after the Effective Date by City's electorate to the contrary.

3.4 Modifications to Existing Development Approvals; Subsequent Development Approvals. The Parties acknowledge that refinement and further development of the Project may necessitate Subsequent Development Approvals, including modifications to the Existing Development Approvals. In the event Owner finds that a modification in the Existing Development Approvals or in a Subsequent Development Approval is necessary or appropriate, Owner shall apply for a Subsequent Development Approval to effectuate such change and City shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any Subsequent Development Approval shall be incorporated herein as an addendum to Exhibit C, and may be further changed from time to time as provided in this Section. Notwithstanding the foregoing, unless otherwise required by law, as determined in City's reasonable discretion, a change to the Existing Development Approvals that is deemed "minor" by the Director in his or her discretion, subject to the following limitations, may be approved by the Director and shall not require an amendment to this Agreement. Notwithstanding the Existing Land Use Regulations, a change to the Existing Development Approvals may be deemed "minor" by the Director only if such change does not do any of the following:

- (a) Alter or contravene the permitted uses of the Property;

(b) Increase the square footage of any Project tenant space by more than 2,500 square-feet, except any such increase that does not comply with all applicable development standards shall not be deemed “minor”;

(c) Modify the site layout of any portion of the Project in a manner that substantially alters the intent of the original concept as approved in the Existing Development Approvals;

(d) Increase the height or square footage of any Project building, if such increase in height or square footage would exceed the height or square footage specified in the Existing Development Approvals;

(e) Delete any requirement for the reservation or dedication of land for public purposes within the Property, unless such deletion is warranted due to a decrease in the Project’s square footage; or,

(f) Require a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

3.5 Operating Memoranda. The provisions of this Agreement require a close degree of cooperation between the City and the Owner. It is anticipated due to the term of this Agreement that clarifications to the Development Approvals may be appropriate with respect to the details of performance of the City and the Owner. If and when, from time to time, during the Term, City and Owner agree that such clarifications are necessary or appropriate, the Parties shall effectuate such clarifications through operating memoranda (“Operating Memoranda”) approved by the Parties in writing, which reference this Section of the Agreement. Operating Memoranda are not intended to constitute an amendment to this Agreement but mere ministerial clarifications; therefore, public notices and hearings shall not be required. The City Attorney shall be authorized, upon consultation with the Owner, to determine whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such character to constitute an amendment to the Agreement which requires compliance with the provisions of this Agreement pertaining to amendments. The authority to enter into such Operating Memoranda is hereby delegated to the City Manager, and the City Manager is hereby authorized to execute any Operating Memoranda hereunder without Planning Commission or City Council action and without public hearing.

### 3.6 Reservations of Authority.

3.6.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the City shall not be prevented from applying new rules, regulations and policies (including Subsequent Land Use Regulations) upon the Project or the Property, nor shall a development agreement prevent the City from denying or conditionally approving any subsequent development project application (including for any Subsequent Development Approval) on the basis of such new rules, regulations and policies where the new rules, regulations and policies consist of the following:

(a) Processing fees and charges of every kind and nature imposed by City to cover the costs of processing applications for Development Approvals or Subsequent Land

Use Regulations or for monitoring compliance with any Development Approvals or Land Use Regulations.

(b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.

(c) Regulations, policies, and rules governing engineering and construction standards and specifications applicable to public and private improvements, including all uniform codes adopted by the City and any local amendments to those codes adopted by the City.

(d) Regulations which conflict with this Agreement or the Development Plan but which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide Owner with the rights and assurances provided under this Agreement.

(e) Regulations which do not conflict with this Agreement or the Development Plan. To the greatest extent possible, these regulations must be applied and construed to provide Developer with all of the rights and assurances provided under this Agreement. Future changes to the Existing Land Use Regulations shall be deemed to be in conflict with the Development Plan if they: (i) alter or change any permitted or conditionally permitted land use of the Project in a manner that is more restrictive than the Development Plan; (ii) limit or reduce the height or floor area ratio of any of the Project buildings or improvements to a level that is below what is provided for in the Development Plan; (iii) reduce the square footage of any of the buildings of the Project to a level that is below what is provided for in the Development Plan; (v) materially increase (by an amount greater than 15%) the cost of performance of, or preclude compliance with, the Development Plan; (vi) preclude the availability of public utilities, services, infrastructure or facilities to the Project; (vii) impose limits or controls in the rate, timing, phasing or sequencing of development of the Project inconsistently with or more restrictive than limitations included in the Existing Development Approvals and this Agreement; (viii) limit or control the locations of buildings, structures, grading or other improvements of the Project inconsistently with or more restrictive than limitations included in the Existing Development Approvals and this Agreement; or (ix) constitute a Development Limitation that become effective after the Effective Date.

(f) Regulations that conflict with the Development Plan, but which the Owner applies to the City for (e.g., requested Subsequent Land Use Regulations for the Property such as further amendments to the Harvest Landing Specific Plan, which are subject to City Council approval), or to which the Owner consents in writing.

(g) Development Impact Fees, including but not limited to establishment or adjustment of Development Impact Fee amounts pursuant to Perris Municipal Code Section 19.68.020(b)(2).

(h) Fees adopted, imposed or increased pursuant to Perris Municipal Code Chapter 18.32 or Government Code Sections 66483 *et seq.*, including but not limited to any

South Perris Road and Bridge Benefit District (RBBD) that may be formed or established by the City.

3.6.2 Subsequent Development Approvals. This Agreement shall not prevent City, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations that are authorized by Section 3.6.1, nor shall this Agreement prevent City from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation that is authorized by Section 3.6.1. Notwithstanding the foregoing or any other provision of this Agreement, no Subsequent Development Approval shall provide or allow for any warehousing and distribution use or development on the Property. For purposes of this section, “warehousing and distribution” shall have the meaning set forth in Perris Municipal Code Chapter 19.08, except it shall not include the Parcel Hub.

3.6.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce. In the event Owner alleges that such State or Federal laws or regulations preclude or prevent compliance with one or more provisions of this Agreement, and the City does not agree, the Owner may, seek declaratory relief (or other similar non-monetary remedies); provided, however, that nothing contained in this Section 3.6.3 shall impose on City any monetary liability for contesting such declaratory relief (or other similar non-monetary relief).

3.6.4 Intent. The Parties acknowledge and agree that City is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to City its police power which cannot be limited. This Agreement shall be construed to reserve to City all such power and authority which cannot be restricted by contract. However, unless it is necessary to preserve the City’s police power, City agrees that it shall not further restrict or limit Development of the Property in violation of this Agreement except in strict accordance with the Reservations of Authority outlined in this Section 3.6.

3.6.5 If Owner files litigation challenging the application of a Subsequent Land Use Regulations as being in violation of this Agreement or as exceeding the Reservations of Authority, Owner shall bear the burden of proof in establishing that such Subsequent Land Use Regulations is inconsistent with this Agreement, Existing Development Approvals, Subsequent Development Approvals, the Project, or the Intent of the Parties. Once Owner establishes its burden of proof, City shall bear the burden of proof in establishing that such Subsequent Land Use Regulation Law was enacted pursuant to, and in accordance with, the Reservations of Authority and was not applied by City in violation of this Agreement or any other law.

3.7 Public Works. If Owner is required by this Agreement to construct any public works facilities which will be dedicated to City or any other public agency upon completion, and

if required by applicable laws to do so, Owner shall perform such work in the same manner and subject to the same requirements as would be applicable to City or such other public agency should it have undertaken such construction.

3.8 Acquisition of Offsite Real Property Interests. Subject to compliance with and the protections provided by Government Code Section 66462.5, in any instance where Owner is required by any Development Approval or Land Use Regulation to construct any public improvement on land not owned by Owner (together, “Offsite Improvements”), Owner shall at its sole cost and expense provide or cause to be provided, the real property interests necessary (generally assumed to be via easement or license rather than fee title ownership) for the construction of such public improvements (the “Offsite Property”). The City and Owner each reserve and retain all rights and protections available to them, respectively, under Government Code Section 66462.5.

3.8.1 Owner’s Option to Terminate Proceedings. City shall provide written notice to Owner no later than fifteen (15) days prior to making an offer to the owner of the Offsite Property. At any time within that fifteen (15) day period, Owner may, at its option, notify City that Owner wants City to cease all acquisition proceedings with respect to the Offsite Property. Upon notification, City shall cease all acquisition proceedings relating to the Offsite Property. If the City elects to utilize its power of eminent domain, City shall provide written notice to Owner no later than fifteen (15) days prior to the date of the hearing on City’s intent to consider the adoption of a resolution of necessity as to any Offsite Property. At any time within that fifteen (15) day period, Owner may, at its option, notify City that it wants City to cease condemnation proceedings, whereupon City shall cease such proceedings. If Owner does not notify City to cease condemnation proceedings within said fifteen (15) day period, then City may proceed to consider and act upon the Offsite Property resolution of necessity. If City adopts such resolution of necessity, then City shall diligently institute condemnation proceedings and file a complaint in condemnation and seek an order of immediate possession with respect to the Offsite Property.

3.9 Regulation by Other Public Agencies. It is acknowledged by the Parties that other public agencies not within the control of City possess authority to regulate aspects of the development of the Property separately from or jointly with City and this Agreement does not limit the authority of such other public agencies. City agrees to reasonably cooperate, at no cost to City, with Owner in obtaining any required permits or compliance with the regulations of other public agencies provided such cooperation is not in conflict with any laws, regulations or policies of the City.

3.10 Tentative Parcel Maps and Other Development Approvals; Extension. With respect to applications by Owner for tentative parcel or subdivision maps for portions of the Property, City agrees that Owner may file and process tentative parcel and subdivision maps and final maps, which may be processed in phases. The lifespan of all tentative maps and all other Development Approvals shall be coterminous with the Term of this Agreement.

#### 4. PUBLIC BENEFITS.

4.1 Intent. The Parties acknowledge and agree that development of the Property will result in substantial public needs which will not be fully met by the Development Plan and further

acknowledge and agree that this Agreement confers substantial private benefits on Owner which should be balanced by commensurate public benefits. Accordingly, the Parties intend to provide consideration to the public to balance the private benefits conferred on Owner by providing more fully for the satisfaction of the public needs resulting from the Project.

4.2 Retail Commercial Construction and Land Subsidy. Owner agrees that, except as otherwise provided in Section 4.2.1 below: (i) the entire Retail Commercial component of the Project, including the big box Commercial Retail building (165,050 sq. ft.), in-line commercial building (Majors A through K, totaling 202,977 sq. ft.), ~~one outlying building for a sit-down restaurant and all outlying buildings (Pads 1 through 8, and Pads A and B)~~, as shown in Exhibit F, off-site improvements, ~~including drainage~~, and all parking lot and landscaping improvements for the Retail Commercial component of the Project, shall be constructed prior to or concurrently with construction of the Parcel Hub; and (ii) at least 194,000 square feet of the aforementioned retail commercial space, ~~a family entertainment use, and one sit-down restaurant in the aforementioned outlying building for a sit down restaurant~~ shall be ~~tenanted~~, open, and fully operational prior to occupancy permits (i.e., issuance of a certificate of occupancy) for the Parcel Hub. In addition to the foregoing, Owner agrees to provide a land subsidy for the Retail Commercial Center in the amount of approximately \$22,400,000.00 to allow for the provision of lower rents that will attract a stable of top tier retail tenants ~~with at least one tenant being an entertainment use.~~

4.2.1 Exception. In the event that clause (i) and/or clause (ii) in Section 4.2 above have not been fully satisfied by Owner at the time when all other requirements for issuance of a certificate of occupancy for the Parcel Hub are met, then if Owner requests issuance of the certificate of occupancy for the Parcel Hub without first fully satisfying these requirements and demonstrates to the Director's satisfaction that at minimum, construction of the Commercial Retail building (165,050 sq. ft.) and the in-line commercial building (Majors A through K, totaling 202,977 sq. ft.), as shown in Exhibit F, ~~with one unit for a family entertainment use, and one sit down restaurant in the outlying Pads~~ and all off-site improvements, and all parking lot improvements, and landscaping has been completed, the City shall issue a Certificate of Occupancy for the Parcel Hub provided Owner makes a payment to the City as follows: (i) Fifteen Million Dollars (\$15,000,000) prior to issuance of a certificate of occupancy for the Parcel Hub; and (ii) One Million Dollars (\$1,000,000) monthly thereafter until ~~the outlying buildings (Pads 1 through 8, and Pads A and B) is completed and one outlying building for a sit-down restaurant is constructed and restaurant is fully operational~~, at least 194,000 square feet of the constructed commercial retail space is fully operational, and ~~is tenanted one family entertainment use is fully operational~~. If Owner utilizes the foregoing exception to obtain Parcel Hub occupancy permits, then in addition to making the aforementioned payments to the City, Owner shall have a continuing obligation to diligently complete construction ~~the outlying buildings (Pads 1 through 8, and Pads A and B)) and tenanted and open and operational status for of the outlying sit-down restaurant building and be fully operational, and to have 194,000 square feet of retail commercial space and one family entertainment use fully operational~~. No Permitted Delay or other occurrence of Force Majeure shall apply to the payment obligations set forth in this Section 4.2.1

4.3 Public Art Installation. In addition to paying the applicable public art fee pursuant to Perris Municipal Code Chapter 5.60, Owner agrees to construct a minimum of five (5) public art installations within the public right-of-way or privately-owned common area spaces of the Project from which such art installations can be viewed and enjoyed by the public with a total estimated value of approximately \$2,500,000.00. Owner agrees to work cooperatively and coordinate with the City, including obtaining approval from an applicable City Council subcommittee, and the City of Perris Historical Society on the specific nature and locations of such art installations. All such art installations shall be complete prior to issuance of any certificate of occupancy for the Project. Individual art valuations shall be submitted by Developer to the Director for each such art installation. Should the value of Developer's art installations collectively be less than \$2,500,000 as reasonably determined by the Director, then Developer shall pay the City the difference between \$2,500,000 and the collective value of the Developer's art installations as reasonably determined by the Director prior to issuance of any certificate of occupancy for the Project.

4.4 Park Features Around the Regional Water Quality Basin. Prior to the issuance of occupancy permits for any of the Retail Commercial buildings (including the big box and shopping center buildings), and in consultation with the City, Owner agrees to construct and install certain park features and amenities, as substantially illustrated in the concept plan submitted to and approved by the City Council in connection with its approval of the Project, in and around the proposed Regional Water Quality Basin ("Park Features"). Such Park Features may include, without limitation, outdoor open space gathering areas, trails, exercise equipment, water features, and public art. The present estimated cost of the Park Features to be installed by Owner pursuant to this provision is approximately \$9,000,000.00.

4.5 Sports Park. Owner agrees to construct a 16-acre Sports Park for the benefit of local residents in Phase 1 of the Project, prior to issuance of a certificate of occupancy for the Parcel Hub, substantially in the area depicted in green and labeled "Harvest Landing Sports Park" in the Development Plan included as Exhibit F to this Agreement, subject to the City's approval of an Administrative Development Plan Review application for the development, which shall be submitted by Owner within 60 days after the Effective Date and diligently pursued thereafter. The Sports Park shall include the following amenities, subject to the City's final approval: up to four (4) grass or artificial grass soccer fields, a tot-lot or playground area, perimeter fencing, a soccer pro-shop, restrooms, and designated storage area. La Academia, Soccer Club ("La Academia, S.C.") shall be entitled to a right of first refusal to lease or license the use of the Sports Park from Owner, including all maintenance, security and other responsibilities associated therewith. In the event that La Academia, S.C. fails to adequately maintain or secure the Sports Park, and at any other time when there is no lessee or licensee adequately performing such obligations, Owner (as landowner) shall be held responsible for such security and maintenance obligations. Nothing herein shall be construed to relieve Owner of any of its obligations as a landowner to maintain the property free of nuisances at all times in compliance with Title 7 of the Perris Municipal Code. If La Academia, S.C. fails to exercise its right of first refusal or ceases to lease, license or operate the Sports Park at any point in the future, City shall have a right of first refusal to acquire fee title to the Sports Park from Owner at no cost to City. City shall be required to exercise such right of first refusal within ninety (90) days after receiving formal notice from Owner of the failure to exercise, termination or expiration of La Academia, S.C.'s lease or license to use the Sports Park, which notice shall specify the City's right of first refusal and the 90-day period to act.

4.6 Hospital Use. For a period of 10 years, Owner agrees to reserve and set aside the 40.42 acre parcel within the Phase 2 MBU designation for a hospital, and agrees to make reasonable and diligent good faith efforts to procure such a hospital development and use occupying all or most of the reserved land.

4.7 Development Impact Fees and Assessment Districts.

4.7.1 Amount and Components of Fee. Notwithstanding any other provision of this Agreement, Development Impact Fees shall be paid by Owner in accordance with the City's Development Impact Fee Program pursuant to Perris Municipal Code Section 19.68.020 and applicable City resolutions and policies adopted thereunder, as the same may be amended. The Development Impact Fee amounts to be paid by Owner shall be determined according to the fees/rates in effect at the time of building permit issuance for each portion or portions of the Project.

4.7.2 Time of Payment. The Development Impact Fees required pursuant to Subsection 4.5.1 shall be paid to City prior to building permits for each portion or portions of the Project. No fees shall be payable for building permits issued prior to the Effective Date of this Agreement, but the fees required pursuant to Subsection 4.5.1 shall be paid prior to the re-issuance or extension of any building permit for the Project for which such fees have not previously been paid. Notwithstanding the foregoing, deferral of the payment of any Development Impact Fees may be granted pursuant to a separate agreement approved by City pursuant to City policy.

4.7.3 Credits. To the extent that the Owner constructs qualifying public facilities as part of the Project, the Owner shall be entitled to credit and/or reimbursement to offset the Development Impact Fees required pursuant to Subsection 4.5.1 in accordance with Perris Municipal Code Section 19.68.020 and the City's applicable policies and procedures adopted or amended by resolution thereunder from time to time. City shall issue any DIF Credit in accordance with the provisions of a separate Fee Credit Agreement to be entered into between City and Owner. City and Owner agree that the Fee Credit Agreement between City and Owner shall comply with City's adopted policies applicable to such agreements, as such policies may be amended from time to time.

4.7.4 Assessment Districts. The Project shall be annexed into any assessment, community facilities, or similar district that provides funding for maintenance, services, or public improvements that benefit the Project. The costs and benefits shall be described in the applicable district and annexation documents. Owner shall complete all actions required to complete such annexation prior to approval or recordation of a Final Map or issuance of any grading permit for the Project, whichever occurs first. This requirement shall apply to districts existing as of the Effective Date and any later-formed districts existing prior to approval or recordation of a Final Map or issuance of any grading permit for the Project, whichever occurs first.

4.8 Responsibility for Construction of Public Improvements. Developer shall construct all Improvements as required by the Conditions of Approval attached hereto as Exhibit E, as may be modified by a Subsequent Development Approval, at the times specified in the relevant Conditions of Approval.

4.8.1 Timely Construction of Public Infrastructure. The phasing of any areawide infrastructure construction will be as approved by the City. Owner shall be responsible for the timely construction and completion of all Improvements required for the Project and for compliance with this Agreement including Section 4.2 hereof.

4.8.2 Completed Infrastructure. In the event that any condition imposed by the City on the Project has been satisfied by another developer or other source in the City prior to the time that Owner is required to satisfy same, then upon satisfaction of that condition by the third party, Owner's conditions shall be deemed satisfied, and no further or additional condition shall be added by City to replace or supplement same.

4.8.3 Scope and Timing. Except as expressly provided herein, Owner shall construct all on and off-site improvements in accordance with the Existing Development Approvals and Subsequent Development Approvals. The timing and phasing of the on and off-site improvements shall be in accordance with the Conditions of Approval (attached hereto as Exhibit E) applicable to the phase of the Project being developed, unless a contrary time is specified in this Agreement.

4.9 Relocation of School Site; Future Development of Existing School Site. Prior to the construction of any building within the MBU-designated area located north of Orange Avenue, Owner agrees to use reasonable good faith efforts to purchase the current Val Verde Elementary School site, and shall offer to the Val Verde Unified School District, as a proposed relocation school site in connection with Owner's proposed purchase of the current Val Verde Elementary School site, an alternative site comprised of at least eleven (11) acres suitable for the proposed relocation of Val Verde Elementary School, which eleven (11) acres shall be located on Owner's property identified as Riverside County Assessor's Parcel Numbers 300-190-001, 300-190-002, 300-190-003, and/or 300-190-004 ("Relocation School Site"). In the event the Relocation School Site is not deemed acceptable to the Val Verde Unified School District, Owner shall make reasonable efforts to identify an alternative site of at least eleven (11) acres suitable for the proposed relocation of Val Verde Elementary School, which site shall be owned or subject to acquisition by Owner within a reasonable period of time not to exceed one (1) year following the effective date of this Agreement. In the event that Owner complies with the foregoing and Val Verde Unified School District fails to approve such Relocation School Site or alternative site prior to the commencement of construction of any building within the MBU-designated area north of Orange Avenue, this provision shall not preclude the development of any such building nor otherwise prevent or delay the construction of the Project in accordance with the Development Plan. In addition to and notwithstanding the foregoing, Owner agrees that any future development on the former Val Verde Elementary School site shall not consist primarily of a heavy truck-intensive use or operation.

4.10 Job Fair. Owner will coordinate with the Perris Chamber of Commerce to hold a job fair for local residents for the Project's Retail Commercial Center and Parcel Hub facilities.

4.11 Toy Drive. Owner will agree to participate as a “Christmas Miracle” Lifetime Annual Partner for the Perris Trolley Toy Drive commencing in 2026.

4.12 EMWD Well Service. Owner will agree to coordinate with Eastern Municipal Water District for the provision of potable water well service for up to 3,000 new residential units in the area surrounding the Project.

4.13 Project Labor Agreements. Owner will agree to enter into Project Labor Agreements with at least three (3) local union organizations for the construction of Project backbone infrastructure and other site improvements contemplated for the Project.

## 5. FINANCING OF PUBLIC IMPROVEMENTS.

If deemed appropriate by City to form any special assessment district, community facilities district or alternate financing mechanism to pay for the construction and/or maintenance and operation of public infrastructure facilities or Improvements required as part of the Development Plan, Owner will cooperate in such formation as may be requested by City. City acknowledges the possibility that, to the extent any such district or other financing entity is formed and sells bonds in order to finance such infrastructure or Improvements, such district or other financing entity may allow for Owner to be reimbursed to the extent that Owner spends funds or dedicates land for the establishment of public facilities. Notwithstanding the foregoing, it is acknowledged and agreed by the Parties that nothing contained in this Agreement shall be construed as requiring City or the City Council to form any such district or to issue and sell bonds, or to allow any reimbursement for Owner.

## 6. REVIEW FOR COMPLIANCE.

### 6.1 Periodic and Special Reviews.

6.1.1 Time for and Initiation of Periodic Review. The Director, on behalf of the City, shall review this Agreement annually at Owner’s expense, on or before the anniversary of the Effective Date, in order to ascertain the good faith compliance by Owner with the terms of this Agreement. Owner shall submit an Annual Monitoring Report to City, in a form acceptable to the Director, along with the applicable processing charge, within ten (10) days after each anniversary date of the Effective Date of this Agreement. The applicable processing charge shall be based upon the actual costs incurred by City to process this Annual Monitoring Report. Issuance of a notice of continuing compliance may be issued by the Director. The amount of the annual review and administration fee shall be set by resolution of the City Council. Failure of City to conduct an annual review will not constitute a waiver by City of its rights to otherwise enforce the provisions of this Agreement nor will Developer have or assert any defense to such enforcement by reason of any such failure to conduct any annual review(s).

6.1.2 Initiation of Special Review. A special review may be called either by agreement of the Parties or by unilateral initiation by the City in one or more of the following ways:

- (a) Recommendation of the Director;
- (b) Affirmative vote of at least three (3) members of the Planning Commission; or
- (c) Affirmative vote of at least three (3) members of the City Council.

6.1.3 Notice of Special Review. The Director shall begin the special review proceeding by giving notice to Owner that the City intends to undertake a special review of this Agreement. Such notice shall be given at least ten (10) days in advance of the time at which the matter will be considered by the Planning Commission.

6.1.4 Special Review Public Hearing. The Planning Commission shall conduct a hearing for the special review at which Owner must demonstrate good faith compliance with the terms of this Agreement. The burden of proof on this issue shall be on Owner.

6.1.5 Findings Upon Special Review Public Hearing. The Planning Commission shall determine, upon the basis of substantial evidence, whether Owner has, for the period under review, complied in good faith with the terms and conditions of this Agreement.

6.1.6 Procedure.

(a) During either a periodic review or a special review, Developer will be required to demonstrate good faith compliance with this Agreement.

(b) Upon completion of a periodic review or special review, if the Director (based on the Planning Commission's determination for a special review) finds good faith compliance by the Owner with the terms of this Agreement, the Director shall issue a Certificate of Compliance in accordance with Section 6.4. The issuance of a Certificate of Compliance and the expiration of the appeal period hereinafter specified without appeal, or the confirmation by the City Council of the issuance of the certificate on such appeal, shall conclude the review for the applicable period and such determination shall be final.

(c) If the Director, on basis of substantial evidence, finds the Owner has not complied in good faith with the terms of this Agreement, the Director shall specify in writing to the Owner the respects in which Owner has failed to comply. The Director shall also specify a reasonable time for the Owner to meet the terms of compliance. If such areas of noncompliance are not corrected within the reasonable time limits as prescribed by the Director, this Agreement may be terminated in accordance with Section 6.2 and Section 6.3.

(d) Any interested person may file an appeal of the issuance of a Certificate of Compliance to the City Council within ten days after the certificate's issuance. The Owner may also file an appeal to the City Council of the finding of the Director of noncompliance within ten days after the giving of notice of such determination. All appeals before the City Council shall be conducted pursuant to a noticed hearing in the same manner as any other appeal before the City Council, at which evidence shall be taken and findings thereon made.

6.2 Proceedings Upon Modification or Termination. If Owner fails to timely cure any of the matters constituting the basis for the Director's finding under Section 6.1.6(c), then City may proceed to terminate this Agreement following the procedures set forth in this Section 6.2 and in Section 6.3. In accordance with Perris Municipal Code Section 18.19.250, the Director shall pursuant to the notice provisions of Perris Municipal Code Chapter 18.19 request that the City Council conduct a public hearing as provided in Section 6.3.

6.3 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, Owner shall be given an opportunity to be heard. Owner shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof by substantial evidence of compliance by Owner shall be on Owner. If the City Council finds, based upon substantial evidence in the administrative record, that Owner has not complied in good faith with the terms or conditions of the Agreement, the City Council may either terminate this Agreement upon 60 days' notice to Owner, or in its discretion, may allow this Agreement to be continued by imposition of new terms and conditions intended to remedy such noncompliance. The City Council may impose such conditions to the action it takes as it considers necessary to protect the interests of the City. The decision of the City Council shall be final.

6.4 Certificate of Agreement Compliance. If, at the conclusion of a periodic or special review, Owner is found to be in compliance with this Agreement, the Director shall issue a Certificate of Agreement Compliance ("Certificate") to Owner stating that after the most recent periodic or special review and based upon the information known or made known to the Director and City Council, (i) this Agreement remains in effect and (ii) Owner is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after a periodic or special review, and shall state the anticipated date of commencement of the next periodic review. Owner may record the Certificate with the County Recorder.

## 7. DEFAULT AND REMEDIES.

7.1 Remedies in General. It is acknowledged by the Parties that City would not have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof.

In general, and subject to those procedural prerequisites required under the Development Agreement Law or this Agreement, each of the Parties may pursue any remedy at law or equity available for the breach of this Agreement, except that neither Party will be liable in monetary damages (other than attorneys' fees under Section 7.6) to the other Party, or to any successor in interest of that Party, or to any other person, entity, organization or association. Each Party covenants not to sue for monetary damages or claim any monetary damages related to any of the following:

- (a) Any breach of this Agreement or for any cause of action which arises out of this Agreement; or
- (b) Any taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or

(c) Any dispute, controversy or issue regarding the application or interpretation or effect of the provisions of this Agreement.

7.2 Specific Performance. The Parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all Parties for the following reasons:

(a) Money damages are unavailable against City as provided in Section 7.1 above.

(b) Due to the size, nature and scope of the Project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, Owner may be foreclosed from other choices it may have had to utilize the Property or portions thereof. Owner has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money which would adequately compensate Owner for such efforts.

7.3 Release. Except for non-damage remedies, including the remedy of specific performance and judicial review as provided for in Sections 7.2 and 6.3, respectively, Owner, for itself, its successors and assignees, hereby releases the City, its elected and appointed officials, officers, agents and employees from any and all claims, demands, actions, or suits of any kind or nature arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other liability or damage, whatsoever, upon the City because it entered into this Agreement or because of the terms of this Agreement.

7.4 Termination or Modification of Agreement for Default of Owner. Subject to the provisions contained in Subsection 6.3 herein, City may terminate or modify this Agreement for any failure of Owner to perform any material duty or obligation of Owner under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as “default”); provided, however, City may terminate or modify this Agreement pursuant to this Section only after providing written notice to Owner of default setting forth the nature of the default and the actions, if any, required by Owner to cure such default and, where the default can be cured, Owner has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within the first 30 days of such 60 day period and to diligently proceed to complete such actions and cure such default.

7.5 Termination of Agreement for Default of City. Owner may terminate this Agreement only in the event of a default by City in the performance of a material term of this Agreement and only after providing written notice to City of default setting forth the nature of the default and the actions, if any, required by City to cure such default and, where the default can be

cured, City has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within the first 30 days of such 60 day period and to diligently proceed to complete such actions and cure such default.

7.6 Attorneys' Fees. Should any legal action be brought by either Party against the other for default under this Agreement or to enforce or interpret any provision hereof, the Party prevailing in such action shall be entitled to recover against the non-prevailing Party its reasonable attorneys' fees and costs incurred in such action.

## 8. THIRD PARTY LITIGATION.

8.1 General Plan Litigation. City has determined that this Agreement is consistent with its General Plan, as such General Plan exists as of the Effective Date ("General Plan"), and that the General Plan meets all requirements of law. Owner has reviewed the General Plan and concurs with City's determination.

Neither City, nor any of its agents, elected and appointed officials, officers, employees or independent contractors, shall have any liability in damages to Owner or any other person or entity for any failure of City to perform under this Agreement or the inability of Owner to develop the Property as contemplated by the Development Plan or this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

8.2 Third Party Litigation Concerning Agreement. Owner shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless City, its agents, elected and appointed officials, officers, employees, and independent contractors, and each of them, from and against any claim, action or proceeding against City, its agents, elected and appointed officials, officers, employees, or independent contractors to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit, entitlement or approval granted pursuant to or in connection with this Agreement or the Project, and from and against any associated liabilities, costs, fees, or expenses. City shall promptly notify Owner of any such claim, action or proceeding, and City shall cooperate reasonably in the defense. City may in its discretion participate in the defense of any such claim, action or proceeding.

8.3 Indemnity. In addition to the provisions of Sections 8.1 and 8.2 above, Owner shall indemnify and hold City, its officers, agents, elected and appointed officials, employees and independent contractors, and each of them, free and harmless from and against any claims and liabilities whatsoever, based or asserted upon any act or omission of Owner, its directors, officers, owners, agents, elected or appointed officials, employees, subcontractors and/or independent contractors, for property damage, bodily injury, or death (Owner's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the work, operations or activities contemplated hereunder, including, but not limited to, the study, design, engineering, Development, construction, completion, failure and conveyance of the Project and/or the Improvements, save and except for damages which are finally determined by a court of competent jurisdiction to have resulted from the sole active negligence or sole willful

misconduct of City. Owner shall defend, at its expense, including attorneys' fees, City, its officers, agents, elected and appointed officials, employees and independent contractors, and each of them, in any action or proceeding based upon such alleged acts or omissions. City may in its discretion participate in the defense of any such action or proceeding.

8.4 Environmental Assurances. Owner shall indemnify and hold City, its officers, agents, elected and appointed officials, and employees free and harmless from and against any claims and liabilities whatsoever, based or asserted upon any act or omission of Owner, its directors, officers, owners, agents, elected or appointed officials, employees, subcontractors, predecessors in interest, successors, assigns and/or independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions, and Owner shall defend, at its expense, including attorneys' fees, City, its officers, agents, elected and appointed officials, and employees in any claim, action or proceeding based or asserted upon any such alleged act or omissions. City may in its discretion participate in the defense of any such action or proceeding.

8.5 Reservation of Rights. With respect to Sections 8.2, 8.3 and 8.4 herein, City reserves the right to conduct its own defense, provided, however, that Owner shall reimburse City forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

8.6 Loss and Damage. To the fullest extent allowable by law, City shall not be liable for any damage to property of Owner or of others located on the Property, nor for the loss of or damage to any property of Owner or of others by theft or otherwise. To the fullest extent allowable by law, City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of the Property or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of the Property, or by any other cause of whatsoever nature.

8.7 Survival. The provisions of Sections 8.1 through 8.6, inclusive, shall survive the termination or expiration of this Agreement. The provisions of Sections 8.1 through 8.6, inclusive, which begin upon the Effective Date, are in addition to the indemnification, defense and hold harmless obligations of Owner set forth in the Conditions of Approval, which begin upon effectiveness of City's approval of the applicable Development Approvals unless otherwise provided in the applicable Conditions of Approval. In the event of any conflict between the provisions of Sections 8.1 through 8.6, inclusive, and the indemnification, defense and hold harmless obligations of Owner set forth in the Conditions of Approval, the stricter provisions/obligations (i.e., those that are most protective of the City and its officers, agents, elected and appointed officials, employees and/or independent contractors) shall prevail.

## 9. MORTGAGEE PROTECTION.

The Parties hereto agree that this Agreement shall not prevent or limit Owner, in any manner, at Owner's sole discretion, from 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. 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:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) 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 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.

(c) 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. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Owner's obligations or other affirmative covenants of Owner hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by Owner is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and further provided that any sale, transfer or assignment by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement.

## 10. INSURANCE

### 10.1 Types of Insurance.

10.1.1 Public Liability Insurance. Prior to commencement and until completion of construction by Developer on the Property, Developer shall at its sole cost and expense keep or cause to be kept in force for the mutual benefit of City and Developer broad form commercial general public liability insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of the Property, improvements or adjoining areas or ways, affected by such use of the Property or for property damage, providing protection of a least Five Million Dollars (\$5,000,000) per occurrence for bodily injury, death or property damage combined for any one accident or occurrence, which limits shall be subject to reasonable increases in amount as City may reasonably require from time to time.

10.1.2 Builder's Risk Insurance. Prior to commencement and until completion of construction by Developer on the Property, Developer shall procure and shall maintain in force, or caused to be maintained in force, "all risks" builder's risk insurance including vandalism and malicious mischief, covering improvements in place and all material and equipment at the job site

furnished under contract, but excluding contractor's, subcontractor's, and construction manager's tools and equipment and property owned by contractor's or subcontractor's employees, with the replacement cost value of the Project, or on a project by project basis.

10.1.3 Worker's Compensation. Developer shall also furnish or cause to be furnished to City evidence reasonably satisfactory to it that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries workers' compensation insurance as required by law.

10.1.4 Other Insurance. Developer may procure and maintain any insurance not required by this Agreement, but all such insurance shall be subject to all of the provisions hereof pertaining to insurance and shall be for the benefit of City (to the extent applicable) and Developer.

10.1.5 Insurance Policy Form, Sufficiency, Content and Insurer. All insurance required by express provisions hereof shall be carried only by responsible insurance companies licensed and admitted to do business by California, rated "A-" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VIII or better, unless waived by City. All such policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence (excepting willful and intentional violations of law) of City or Developer that might otherwise result in the forfeiture of the insurance, (ii) the insurer waives the right of subrogation against City and against City's agents and representatives; (iii) the policies are primary and noncontributing with any insurance that may be carried by City; and (iv) the policies cannot be canceled or materially changed except after thirty (30) days' written notice by the insurer to City or City's designated representative. Developer shall furnish City with copies of all such policies promptly on receipt of them or with certificates evidencing the insurance. City shall be named as an additional insured on all policies of insurance (other than Workers' Compensation) required to be procured by the terms of this Agreement. The City's Risk Manager acknowledges and agrees that the insurance requirements above have been established based on anticipated use, activities, and conditions of the Property. In the event the City's Risk Manager reasonably determines that a new or unreasonable use, activity, or condition of the Property, improvements or adjoining areas or ways, affected by such use of the Property under this Agreement creates an increased or decreased risk of loss to the City than what the Parties hereby acknowledge to be duly satisfied by the insurance requirements above, Developer agrees that the minimum limits of the insurance policies required by this Section 10 may be changed accordingly upon receipt of written notice from the City's Risk Manager; provided that Developer shall have the right to appeal a determination of increased coverage to the City Manager of City within twenty (20) days of receipt of notice from the City's Risk Manager.

10.1.6 Failure to Maintain Insurance and Proof of Compliance. Developer shall deliver to City, in the manner required for notices, copies of certificates of all insurance policies required hereunder together with evidence satisfactory to City of payment required for procurement and maintenance of each policy within the following time limits:

(a) For insurance required above, within thirty (30) days after the Effective Date.

(b) For any renewal or replacement of a policy already in existence, at least ten (10) days before the expiration or replacement of the existing policy.

(c) If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish City with required proof that that insurance has been procured and is in force and paid for, such failure or refusal shall be a default hereunder.

## 11. MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment or cancellation thereof shall be recorded with the Riverside County Recorder by the City Clerk within ten (10) days of City's entry into this Agreement, as required by Section 65868.5 of the Government Code. If the Parties to this Agreement or their successors in interest amend or cancel this Agreement as provided for herein and in Government Code Section 65868, or if the City terminates or modifies the agreement as provided for herein and in Government Code Section 65865.1 for failure of the applicant to comply in good faith with the terms or conditions of this Agreement, the City Clerk shall have notice of such action recorded with the Riverside County Recorder.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the Parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Section 4 of this Agreement, including the payment of the fees set forth therein, are essential elements of this Agreement and City would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be employed in interpreting this Agreement, all Parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.6 Singular and Plural. As used herein, the singular of any word includes the plural.

11.7 Joint and Several Obligations. Subject to Section 2.4, if at any time during the term of this Agreement the Property is owned, in whole or in part, by more than one owner, all obligations of such owners under this Agreement shall be joint and several, and the default of any such owner shall be the default of all such owners.

11.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.9 Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by the other Party with the terms of this Agreement thereafter.

11.10 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.

11.11 Force Majeure. Neither Party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by a Permitted Delay. Each Party shall promptly notify the other Party to this Agreement upon learning of a Permitted Delay. If any Party to this Agreement is prevented by a Permitted Delay from performing its obligations under this Agreement, then on the condition that the Party claiming a Permitted Delay (i) did not cause said event(s) and (ii) said event(s) was beyond said Party's reasonable control, the time for performance by said Party of its obligations under this Agreement shall be extended day for day by a number of days equal to the number of days of that said Permitted Delay continued in effect or when the circumstances giving rise to the Permitted Delay are eliminated or mitigated, whichever is sooner. The Party alleging the Permitted Delay shall exercise commercially reasonable efforts to eliminate or mitigate the circumstances giving rise to the Permitted Delay.

11.12 Extension of Term. The Term (and any extension thereof under Section 2.3) will automatically be extended by the number of days in the period commencing on the date of filing of any Third Party Action and ending on the date that it is either settled or fully and finally resolved in City's and Owner's favor, as evidenced by the expiration of all appeal periods with no further appeal being filed or the issuance of a full, final, and non-appealable judgment or decision.

11.13 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the Party benefited thereby of the covenants to be performed hereunder by such benefited Party.

11.14 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is

binding upon each Party and each successor in interest during ownership of the Property or any portion thereof.

11.15 Counterparts. This Agreement may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the Parties had executed the same instrument.

11.16 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a Party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Riverside, State of California, and the Parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.17 Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties hereto that the development of the Project is a private development, that neither Party is acting as the agent of the other in any respect hereunder, and that each Party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between City and Owner is that of a government entity regulating the development of private property and the owner of such property.

11.18 Further Actions and Instruments. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either Party at any time, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record those instruments, and take any reasonable actions, necessary to evidence or consummate the transactions expressly described, or which are a logical extension of the transactions described, in this Agreement. The City Manager may delegate his or her powers and duties under this Agreement to an Assistant City Manager or other management level employee of the City.

11.19 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by City of its power of eminent domain.

11.20 Agent for Service of Process. In the event Owner is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, Owner shall file with the Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Owner. If such Owner has filed a designation of agent for service of process in connection with registration of its foreign business entity with the California Secretary of State, the Owner's designation filed with the City pursuant to this Section shall match the Owner's designation on file with the California Secretary of State. If for any reason service of such process upon such agent is not feasible, then in such event, without limitation as to any other means of service available to the City under applicable law, Owner may be personally served with

such process out of this Country and such service shall constitute valid service upon Owner. Owner is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto. Owner for itself, assigns and successors hereby waives the provisions of the Hague Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U.S.T. 361, T.I.A.S. No. 6638).

11.21 Estoppel Certificate. Within thirty (30) days following a written request by any of the Parties, the other Party shall execute and deliver to the requesting Party a statement certifying that (i) either this Agreement is unmodified and in full force and effect or there have been specified (date and nature) modifications to the Agreement, but it remains in full force and effect as modified; and (ii) either there are no known current uncured defaults under this Agreement or there are known current uncured defaults under this Agreement, in which case such defaults shall be specified, including the date and nature thereof. The statement shall also provide any other reasonable information requested. The City Manager is authorized to approve and execute estoppel certificates under this Section 11.21 on behalf of the City, but may, in his or her sole discretion, refer the approval to the City Council. Owner shall pay to City all costs actually incurred by City in connection with the issuance of estoppel certificates under this Section 11.21 prior to City's issuance of such certificates.

11.22 Authority to Execute. The person or persons executing this Agreement on behalf of Owner warrants and represents that he or she/they have the authority to execute this Agreement on behalf of his or her/their corporation, partnership or business entity and warrants and represents that he or she/they has/have the authority to bind Owner to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties hereto have executed this Development Agreement on the day and year set forth below.

**[SIGNATURES CONTAINED ON FOLLOWING PAGE]**

**SIGNATURE PAGE**

**TO DEVELOPMENT AGREEMENT NO. \_\_\_\_\_**

**“OWNER”**

HIP SO-CAL PROPERTIES, LLC,  
a California limited company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**“City”**

CITY OF PERRIS,  
a California municipal corporation

By: \_\_\_\_\_  
[Name]: \_\_\_\_\_  
Its: Mayor  
Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
City Attorney

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPERTY**

[to be attached]

## EXHIBIT B

### MAP SHOWING PROPERTY AND ITS LOCATION



Harvest Landing  
City of Perris

## EXHIBIT C

### EXISTING DEVELOPMENT APPROVALS

Item	Case No.	Details	Approval Date
EIR	SCH No. 2024080337	Certified Environmental Impact Report for the Project (Alternative 4 with Council Modifications)	TBD
TPMs, CUPs, and DPRs	Tentative Parcel Maps 22-05251 (TPM 38810) and 24- 05198 (TPM 38811), CUPs 22-05005 and 23- 05235, and DPRs 22- 05239 and 23-00018	Entitlements Approved for the Project (Alternative 4 with Council Modifications)	TBD

## **EXHIBIT D**

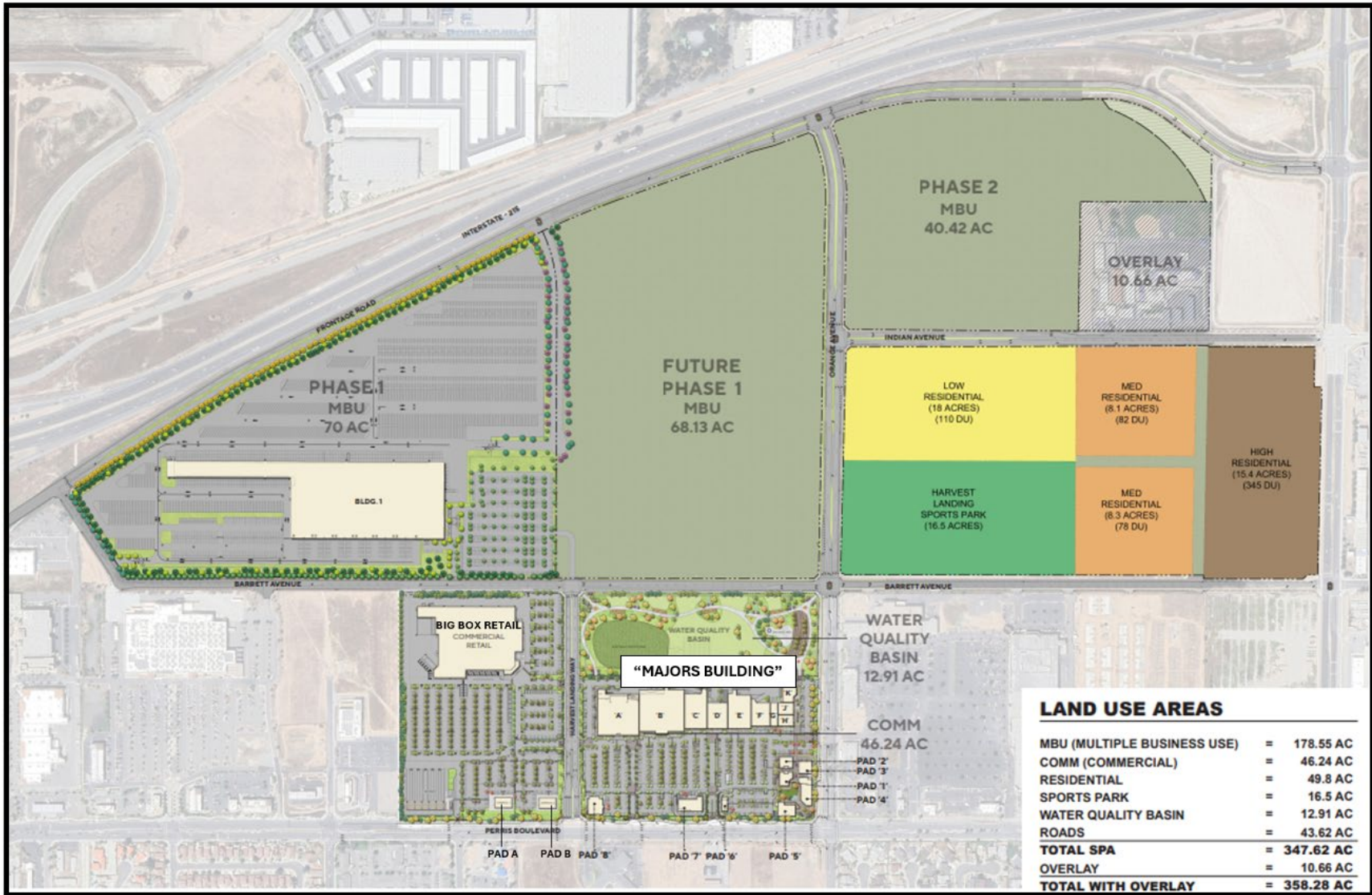
### **EXISTING LAND USE REGULATIONS**

1. City of Perris General Plan, including as amended by GPA 24-05175 for the Project (Alternative 4 with Council Modifications).
2. Harvest Landing Specific Plan (adopted by Ordinance No. 1276 and dated May 10, 2011), as amended by SPA 12-04-0010 (Amendment No. 1), SPA 11-12-0005 (Amendment No. 2), and SPA 22-05250 (Amendment No. 3) for the Project (Alternative 4 with Council Modifications).
3. The Ordinances of the City that are formally in effect on the Effective Date, governing all aspects of the development or use of real property.
4. The Resolutions of the City that are formally in effect on the Effective Date, governing or affecting the development or use of real property, including Zone Change (ZC) 24-05176 for the Project (Alternative 4 with Council Modifications).
5. Other policies of the City that are formally in effect on the Effective Date, governing or affecting the development or use of real property.
6. The prior Harvest Landing Development Agreement (recorded as Instrument No. 2013-0240661), which is scheduled to expire in May 2026. Nothing in this Agreement shall be construed to extend the prior Harvest Landing Development Agreement.

**EXHIBIT E**  
**CONDITIONS OF APPROVAL**

**[to be inserted]**

**EXHIBIT F  
DEVELOPMENT PLAN**



<b>LAND USE AREAS</b>	
<b>MBU (MULTIPLE BUSINESS USE)</b>	<b>= 178.55 AC</b>
<b>COMM (COMMERCIAL)</b>	<b>= 46.24 AC</b>
<b>RESIDENTIAL</b>	<b>= 49.8 AC</b>
<b>SPORTS PARK</b>	<b>= 16.5 AC</b>
<b>WATER QUALITY BASIN</b>	<b>= 12.91 AC</b>
<b>ROADS</b>	<b>= 43.62 AC</b>
<b>TOTAL SPA</b>	<b>= 347.62 AC</b>
<b>OVERLAY</b>	<b>= 10.66 AC</b>
<b>TOTAL WITH OVERLAY</b>	<b>= 358.28 AC</b>

**ACKNOWLEDGMENT**

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 of notary)

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)

**ACKNOWLEDGMENT**

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 of notary)

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)

# **ATTACHMENT 3**

Updated Planning Conditions of Approval

**CITY OF PERRIS  
DEVELOPMENT SERVICES DEPARTMENT  
PLANNING DIVISION**

**FINAL CONDITIONS OF APPROVAL**

**General Plan Amendment (GPA) 24-05175**

**Specific Plan Amendment (SPA) 22-05250**

**Zone Change (ZC) 24-05176**

**Development Agreement Amendment(DA) 17-05136**

**Tentative Parcel Maps 22-05251 (TPM 38810) and 24-05198 (TPM 38811)**

**Conditional Use Permits (CUPs) 22-05005 and 23-05235**

**Development Plan Reviews (DPRs) 22-05239 and 23-00018**

**March 10, 2026**

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**PROJECT:** General Plan Amendment 24-05175, Specific Plan Amendment 22-05250, Zone Change 24-05176, Development Agreement Amendment 17-05136, Tentative Parcel Maps 22-05251 (TPM 38810) and 24-05198 (TPM 38811), Conditional Use Permits 22-05005 and 23-05235, Development Plan Reviews 22-05239, 22-05235, 22-00023, 22-00024, 22-00025, 23-00018, 24-00008, and 24-00009 - A proposal to consider a comprehensive update to the Harvest Landing Specific Plan that originally consisted of commercial, industrial, and parcel hub uses, which has been modified by Alternative 4 of the Environmental Impact Report (EIR), to eliminate industrial warehouse uses and provide for a two-phased development consisting of Phase 1, including a 391,725-square-foot parcel hub facility on approximately 70 acres, a commercial shopping center totaling 428,507 square feet on approximately 46.49 acres, a 12.91-acre water quality basin, and approximately 78.76 acres designated as Multiple Business Uses (MBU) for future development; and Phase 2, including approximately 51.08 acres designated as MBU for future development north of Orange Avenue, with the residentially designated areas and the Harvest Landing Sports Park north of Orange Avenue remaining unchanged. The following entitlements are required:

- 1) General Plan Amendment to change the land use designation of 16.20 acres north of Orange Avenue from Light Agricultural (A1) and Public (P) to Harvest Landing Specific Plan;
- 2) Specific Plan Amendment to comprehensively amend the Harvest Landing Specific Plan and expand the Specific Plan boundaries by 16.2 acres north of Orange Avenue;
- 3) Zone Change to rezone 5.64 acres in the northerly area of the Project site from Light Agricultural (A1) to Specific Plan (SP); and to apply the MBU Overlay to 10.66 acres currently developed with the Val Verde Elementary School;
- 4) Development Agreement Amendment for specific project improvements/community benefits;
- 5) Tentative Parcel Maps to create parcels for the commercial and MBU development and consolidate parcels for future MBU development;
- 6) Conditional Use Permits to allow two drive-thru restaurants and a vehicle fueling station; and
- 7) Development Plan Reviews for site plans/building elevations for the commercial shopping center and the parcel hub facility.

Applicant: HIP SoCal Properties, LLC

- **GENERAL CONDITIONS:**

1. **Mitigation Monitoring Program.** The project shall comply with all provisions of the adopted Mitigation Monitoring and Reporting Program (MMRP). The Mitigation Monitoring and Reporting Program (MMRP) for the Final Environmental Impact Report (SCH: 2024080337). It shall be implemented in accordance with the timeline, reporting, and monitoring intervals listed.
2. **Approval Period for Tentative Parcel Maps 38810 and 38811.** In accordance with the Subdivision Map Act, the recordation of the final map shall occur within two (2) years from the City Council approval, unless an automatic extension is granted by the State of California. The applicant may apply for a maximum of six (6) one-year extensions, to permit additional time to record the final map. A written request for an extension of time shall be submitted to the Planning Division at least 30 days prior to the expiration of the map..
3. **Approval Period for Conditional Use Permits 22-05005 and 23-05235, Development Plan Reviews 22-05239, and 23-00018.** The Conditional Use Permits and Development Plan Reviews approval shall expire three (3) years from the date of City Council approval. Within three years, the applicant shall demonstrate the beginning of substantial construction as approved, which shall thereafter be diligently pursued to completion or substantial utilization. A maximum of three (3) one-year extensions may be requested. A written request for extension shall be submitted to the Planning Division at least thirty (30) days prior to the initial (and any subsequent extension) expiration of the Development Plan Reviews and Conditional Use Permits.
4. **Indemnification.** The developer/applicant shall indemnify, protect, defend, and hold harmless the City and any agency or instrumentality thereof and/or any of its officers, employees, and agents from any and all claims, actions, or proceedings against the City or any agency or instrumentality thereof, or any of its officers, employees, and agents, to attack, set aside, void, annul, or seek monetary damages resulting from approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board or legislative body including actions approved by the voters of the City concerning **General Plan Amendment 24-05175, Specific Plan Amendment 22-05250, Zone Change 24-05176, Development Agreement Amendment 17-05136, Tentative Parcel Maps 22-05251 (TPM 38810) and 24-05198 (TPM 38811), Conditional Use Permits 22-05005 and 23-05235, Development Plan Reviews 22-05239, and 23-00018.** The City shall promptly notify the applicant of any claim, action, or proceeding for which indemnification is sought and shall cooperate fully in defense of the action.
5. **Notice of Determination.** Within five (5) days of City Council approval, the applicant shall file a Notice of Determination to the Riverside County Clerk and submit appropriate payment of fees in accordance with Section 753.5, (Title 14) of the California Code of Regulations.

Conditions of Approval

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• **ENTITLEMENTS**

6. **Parcel Hub Facility.** If the parcel hub facility requires changes to the architecture, minor site layout modifications, or changes to colors or materials, the Applicant shall obtain approval of a Modification as determined by the Planning Division and as required in the Harvest Landing Specific Plan. A separate application and fee will be required.
7. **Parcel Hub Facility.** There shall be only one (1) parcel hub building allowed within the Harvest Landing Specific Plan site.
8. **Commercial/Retail Shopping Buildings.** If the Commercial/Retail Shopping buildings require changes to the architecture or minor site layout modifications, the Applicant shall obtain approval of a Modification as determined by the Planning Division and as required in the Harvest Landing Specific Plan. A separate application and fee will be required.

• **COMMUNITY CONTRIBUTIONS**

9. **Development Agreement.** The Applicant/Developer shall comply with the provisions of the Development Agreement including but not limited to 1) At least one top tier tenant is an entertainment use; 2) For a period of 10 years land would be set-aside for a hospital facility with reasonable good faith effort to pursue such use; 2) Prior to occupancy permit of the Parcel Hub at least occupancy of 194,000 square feet of the commercial retail shall be opened and operational; 3) Construction of the Sports Park in Phase 1 within occupancy permit of the Parcel Hub, which was previously in Phase 2.
10. **Public Art Installation.** In addition to paying the public art fee as required by Perris Municipal Code Chapter 5.60, the Owner will install at least five public art pieces (valued at approximately \$2,500,000) in publicly visible areas of the Project. The Owner must coordinate with the City and the City of Perris Historical Society on the artwork's specifics and locations, obtain subcommittee approval, and complete all installations before any certificate of occupancy is issued. Each piece's value must be submitted to the Director; if the total value is less than \$1,000,000, the Developer must pay the City the difference before any certificate of occupancy is granted.
11. **Park Features Around the Regional Water Quality Basin.** Prior to issuance of occupancy permits for any retail commercial buildings, the Developer/Owner shall in consultation with the City, construct park features around the Regional Water Quality Basins ("Park Features") as depicted in the approved concept plan submitted to and approved by the City Council. These features shall include outdoor open space gathering areas, trails, exercise equipment, water features, and public art with an estimated cost of up to \$9,000,000.
12. **Relocation Site for Val Verde.** Offer a relocation site for Val Verde Elementary School to the north of the Specific Plan, which they have started exclusive negotiations for the relocation;

Conditions of Approval

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13. **Job Fair.** Developer/Owner shall coordinate with the Perris Chamber of Commerce to hold a job fair for local residents for the Project's Retail Commercial Center and Parcel Hub facilities.
  14. **Toy Drive.** Developer/Owner shall participate as a "Christmas Miracle" Lifetime Annual Partner for the Perris Trolley Toy Drive starting in 2026.
  15. **Sports Park.** Developer/Owner shall construct a 16.5-acre Sports Park in **Phase 1 2** of the Project.
  16. **EMWD Well Service.** Developer/Owner shall coordinate with Eastern Municipal Water District (EMWD) for the provision of potable water well service for up to 3,000 new residential units in the area surrounding the Project.
  17. **Project Labor Agreements.** Developer/Owner shall agree to enter into Project Labor Agreements with at least three (3) local union organizations for the construction of Project backbone infrastructure and other site improvements contemplated for the Project.
- **PLANNING DIVISION**
    18. **Municipal Code and Specific Plan Compliance.** The Project shall conform to the standards of Commercial, Multiple Business, Water Quality Management Plan, Residential, and Harvest Landing Sports Complex land use designations of the Harvest Landing Specific Plan (HLSP) and Title 19 (Zoning Code) of the Perris Municipal Code.
    19. **Expansion of Use.** The Project site or its uses may not be expanded without subsequent reviews and approvals by the Planning Division.
    20. **Conformance to Approved Plans.** Development of the Project site, building elevations, and conceptual landscaping shall conform substantially to the plans approved by the Planning Commission on **December 17, 2025**, or as amended by final approval by the City Council. Any deviation shall require appropriate Planning Division consideration.
    21. **Advisory-Signs.** Signs shall be permitted in accordance with Chapter 19.75 Sign Regulations of the Zoning Code and the Harvest Landing Specific Plan. Signs shall be subject to separate review and assessment. A separate application and fee will be required.
    22. **State, County, and City Ordinances.** All tenants shall comply with all State, County of Riverside, and City of Perris ordinances including, but not limited to, an annual fire inspection and maintenance of a City business license.
    23. **Temporary Uses.** Any outdoor use of the common space for special events that will require temporary structures or tents shall be required to apply for a Temporary Activities and Use Permit as described in Section 19.60.060 of the City of Perris Municipal Code and the Harvest Landing Specific Plan.

Conditions of Approval

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24. **Rooftop Solar.** The Project does not propose rooftop solar panels at this time. However, if the Project were to propose solar rooftop panels in the future, the Applicant/Developer(s) shall prepare a solar glare study that analyzes glare impacts, and this study shall be reviewed by the Airport Land Use Commission and March Air Reserve Base.
- ~~25. **Potential School Relocation.** If Val Verde Elementary School should relocate to a new facility, the new school facility must be completed first and operational prior to any development preparation of the existing school site.~~

***Prior to Map Recordation:***

26. **Mitigation Measures.** All applicable Mitigation Measures shall be satisfied
27. **Final Map(s) Recordation.** Prior to recording of the Final Parcel Maps, the Applicant/Developer(s) shall submit two separate applications and fees, one application to the Planning Division and a second application to the Engineering Department for review and approval for City Council action.
28. **Map(s) Recordation.** Prior to the recordation of the Final Map(s), the developer shall obtain the following clearances, approvals or actions:
- a. Verification from the Planning Division that all pertinent conditions of approval have been met, as mandated by the Perris Municipal Code, including minimum lot size, and minimum lot width and depth requirements for each parcel.
  - b. A shared parking and access agreement between Parcels 1, 2, 3 and 4 of Tentative Parcel Map (TPM) 38811-3 shall be recorded concurrently with the Parcel Map. The shared parking and access agreement is required to be reviewed by the City Attorney's Office and Planning Division.
  - c. A shared parking and access agreement between Parcels 5 through 10 of Tentative Parcel Map (TPM) 38811-3 shall be recorded concurrently with the Parcel Map. The shared parking and access agreement is required to be reviewed by the City Attorney's Office and Planning Division.
  - d. Any other required approval from an outside agency.

***Prior to Grading Permit Issuance***

29. **Recorded Maps.** Tentative Parcel Maps 38810 and 38811 shall be recorded.
30. **Mitigation Measures.** All applicable Mitigation Measures shall be satisfied.
31. **Precise Grading Plans.** Precise grading plans shall be submitted to the City Engineer for review and approval. Grading plans shall be consistent with approved development plans.

Conditions of Approval

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32. **Traffic Control Plan.** A Traffic Control Plan shall be submitted for approval by the City Engineer
33. **Southern California Edison (SCE).** The Developer(s)/Owner shall contact the Southern California Edison (SCE) area service planner (951.928.8323) to complete the required forms prior to commencement of construction. No grading permits shall be issued until a letter from SCE is received by the City Engineer indicating electrical service will be placed underground.
34. **Eastern Municipal Water District (EMWD).** After the City's approval, the Applicant shall submit landscape plans to EMWD for approval and comply with required EMWD inspections. Contact EMWD at 951.928.3777, ext. 4334.
35. **Engineering Clearance.** The applicant shall first obtain clearance from the Planning Division to verify that all pertinent conditions of approval have been met.
36. **Fees.** Prior to issuance of a grading permit, the Applicant/Developer(s) shall pay any outstanding development related processing fees owed to the City, including, but not necessarily limited to, Planning review fees, Engineering review fees, CEQA review fees, and City Attorney review fees.
37. **Department of Fish and Wildlife Requirement.** The project applicant shall obtain all necessary State and Federal permits, approvals, or other entitlements, including obtaining the necessary authorizations from the regulatory agencies for proposed impacts to jurisdictional waters. Authorizations may include a Section 1602 Streambed Alteration Agreement from the California Department of Fish and Wildlife and a Section 401 Water Quality Certification/Waste Discharge Requirement from the Regional Water Quality Control Board. Prior to issuance of grading permits that would result in disturbance of either Drainage 1 or Drainage 2 onsite, the Developer shall provide proof of purchase of re-establishment and/or establishment mitigation credits at a ratio of at least 2:1 or rehabilitation mitigation credits at a ratio of at least 3:1. If credits are unavailable, the Developer shall mitigate impacts through the creation of a 0.5-acre riparian/riverine habitat onsite. If impacts are mitigated onsite, a conservation easement shall be recorded in favor of a qualified habitat maintenance organization listed on CDFW's online list of organizations qualified to hold a conservation easement and the Developer shall provide funding to the qualified habitat maintenance organization selected to carry out the maintenance of the conserved habitat in the onsite Mitigation Area.

***Prior to Building Permit Issuance***

38. **Mitigation Measures.** All applicable Mitigation Measures shall be satisfied.
39. **Outstanding Fees.** The Applicant/Developer(s) shall pay the following fees prior to the issuance of building permits.
  - a. Stephen's Kangaroo Rat Mitigation Fees of \$500.00 per acre;
  - b. Multiple Species Habitat Conservation Plan fees;
  - c. Current statutory school fees to all appropriate school districts;
  - d. Any outstanding liens and development processing fees owed to the City;

Conditions of Approval

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- e. Appropriate Road and Bridge Benefit District fees;
  - f. Residential Park Development fees;
  - g. City Development Impact fees; and
  - h. Appropriate City Development Impact Fees or any other Development Impact Fees from other departments in effect at the time of development.
40. **Warehouse and Distribution Use Restriction Covenant.** Prior to issuance of building permit for the Parcel Hub, the property owner shall record a covenant permanently restricting warehouse and distribution uses on the property as identified in TPM 38810 ~~Lot 1 & 2, and TPM 38810 Parcel 1 and TPM 38811~~, subject to review and approval by the City Attorney's Office and Planning Division. The covenant shall be binding on all current and future property owners and shall remain in effect unless otherwise modified or released by the City through a public approval process.
41. ~~**Off-Site Tree Planting or Funding.** To promote the City's tree planting initiative currently underway to make Perris GREEN providing positive benefits to the local environment from air quality to shading, the developer shall plant one 24-inch box tree per 2,500 square feet of the parcel hub building size to include irrigation lines and controllers at an off-site location to be determined by the City (i.e., City right-of-way, parks, etc.) to provide funding equivalent to such cost the discretion of the City prior to issuance of the building permit (Perris Good Neighbor Guidelines Goal1, Policy 20).~~
42. **Construction Drawings.** All Planning, Public Works, and Engineering Conditions of Approval and Mitigation Measures shall be copied on the construction drawings. The Conditions shall be annotated for ease of reference (i.e. Sheet and detail numbers).
43. **School District.** The proposed Project shall adhere to the standard requirements and mitigation fees established by the Perris Elementary School District and Perris Union High School District, or any other school district with jurisdictional boundaries wherein the Project is located.
44. **Performance Standards.** The applicant shall comply with all Performance Standards in Chapter 19.44.070 of the Perris Municipal Code and Harvest Landing Specific Plan.
45. **Construction Practices.** To reduce potential noise and air quality nuisances, the following items shall be listed as "General Notes" on the construction drawings:
- a. Construction activity and equipment maintenance are limited to weekday hours between 7:00 a.m. and 7:00 p.m. and Saturday between 8:00 a.m. to 5 p.m. Construction may not occur on Sundays or State holidays without the prior consent of the Building Official. Non-noise-generating activities (e.g., interior painting) are not subject to these restrictions.
  - b. Construction routes are limited to City of Perris designated truck routes.
  - c. Water trucks or sprinkler systems shall be used during clearing, grading, earth moving, excavation, transportation of cut or fill materials, and construction phases to prevent

Conditions of Approval

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- dust from leaving the site and to create a crust after each day's activities cease. At a minimum, this would include wetting down such areas in the late morning and after work is completed for the day and whenever wind exceeds 15 miles per hour.
- d. A person or persons shall be designated to monitor the dust control program and to order increased watering as necessary to prevent the transport of dust off-site. The name and telephone number of such people shall be provided to the City. Also, a board shall be placed at the subject site to include a person and phone number for the public to call in case of dirt and dust issues.
  - e. Project applicants shall provide construction site electrical hook-ups for electric hand tools, such as saws, drills, and compressors, to eliminate the need for diesel-powered electric generators or provide evidence that electrical hook-ups at construction sites are not practical or prohibitively expensive.
46. **ADA Compliance.** The Project shall conform to all disable access requirements in accordance with the State of California, Title 24, and the Federal Americans with Disabilities Act (ADA).
  47. **Screening of Roof-Mounted Equipment.** Proper screening shall prevent public views of all HVAC equipment and roof-mounted equipment. Also, all vent pipes and similar devices shall be painted to match building colors.
  48. **Mechanical Equipment.** All ground mounted mechanical equipment, including air conditioning units, fuel station venting, etc., shall be screened from the public right-of-way by view approved obscuring fences, walls, landscaping, or any combination thereof to the satisfaction of the Planning Division.
  49. **Downspouts.** Exterior downspouts are not permitted on building elevations facing the public right-of-way. Interior downspouts are required for these elevations.
  50. **Utilities.** If applicable, all utilities such as cable TV and electrical distribution lines (including those that provide direct service to the project site and/or currently exist along public right-of-way) adjacent to the site shall be placed underground, except for electrical utility lines rated at 65kv or larger. All utility facilities attached to buildings, including meters and utility boxes, shall be painted to match the wall of the building to which they are affixed. These facilities shall also be screened from the public right-of-way by landscaping.
  51. **Roof Parapets.** The roof parapets shall be the same height or higher than any roof-mounted equipment for adequate screening. All vent pipes and similar devices shall be architecturally integrated to match the respective building.
  52. **On-Site and Off-Site Utilities.** All utilities attached to buildings, including meters and utility boxes, shall be painted to match the wall of the building to which they are affixed.

Conditions of Approval

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These facilities shall also be screened from the public right-of-way by landscaping and or walls to the satisfaction of the Planning Division.

53. **Trash Enclosures.** In accordance with the ~~Perris Valley Commerce Center~~ Harvest Landing Specific Plan, all development shall contain trash enclosures for the collection of trash and recyclable materials, subject to water quality and best management practices, and include the following:
- a. The sides of the trash enclosure shall be screened with landscaping (vines and shrubs) and provide a decorative solid trellis cover and a metal mesh between the trellis cover and the trash enclosure stucco wall.
  - b. Trash enclosure locations shall have an ADA path of travel from each one of the buildings to the trash enclosure it is meant to serve.
54. **Site Plan Requirements.** The following shall be depicted on the building plan check set for Planning staff review and approval:
- a. **Parking Stalls.** Parking stalls for passenger vehicles shall be striped in accordance with Chapter 19.69.030C.5b of the Zoning Code (double striping).
  - b. **Charging Stations.** The Applicant/Developer(s) shall install the EV parking spaces as depicted on the plans. Electric Vehicle charging stations for light-duty vehicles, and the station locations and specifications shall be included on the building plans.
  - c. **Phase 1 Driveway Access.** Prior to issuance of a building permit for any structure within Phase 1, all driveways from North Perris Boulevard and Orange Avenue shall be constructed to full width in compliance with Engineering Department Conditions of Approval.
  - d. **Pedestrian Connectivity.** The project applicant/developer shall provide safe pedestrian connectivity, including controlled sidewalk and traffic signalization between the Phase 1 commercial area and the Phase 2 development.
55. **Parcel Hub Facility Amenities.** The parcel hub facility shall provide a half-court basketball court and two pickleball courts inside the building.
56. **Building Elevations Requirements.** The following shall be depicted on the building plan check set for Planning staff review and approval:
- a. Highly reflective glass shall not be used on architectural elevations
  - b. All drive-through restaurants shall include the following:
    - i. Incorporation of architectural design features with respect to basic form articulation, building materials, roofing materials, and cohesive color scheme.

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- ii. Corporate colors will be allowed as accent colors only.
  - iii. Incorporation of a porte cochere at the pick-up window, as depicted on the plans. The porte-cocheres shall be architecturally integrated and include substantial support legs clad with an accent material no less than 3-feet tall and painted to match the remaining structure.
  - iv. All future drive-thru restaurant shall provide stacking of a minimum of eight (8) cars before the first drive-thru window.
  - v. All drive-thrus are required to install a three-foot-high pony wall and a minimum 36-inch-shrub border using a staggered double-row of 5-gallon shrubs at 3 ½ feet on center along the drive-through lane to screen the service lane.
- c. All other Commercial and Multiple Business Use buildings shall be required to incorporate architectural design features with respect to basic form articulation, building materials, roofing materials, and cohesive color scheme.
  - d. All Commercial and Multiple Business buildings shall be consistent with Development Standards and Design Guidelines of the Harvest Landing Specific Plan.
  - e. **Phase 1 Big Box Retail Building.** The Project Applicant/Developer shall work with staff to provide design enhancements to the Big Box Retail building elevations.
57. **Landscape and Irrigation Plans.** The Applicant/Developer(s) shall submit three (3) copies of the landscape and irrigation plans to the Planning Division for review and approval. Design modifications may be required as deemed necessary. A separate application and applicable fee are required. Landscape plans shall comply substantially with the conceptual plans approved by the City Council. The plans shall be prepared by a California-registered Landscape Architect and shall conform to requirements of Chapter 19.70-Landscaping of the Perris Municipal Code. The following shall be included:
- a. **North Perris Boulevard, Orange Avenue, Frontage Road.** As depicted on the conceptual landscape plans for Phase 1 development, 36-inch and 48-inch box trees shall be installed within the landscaped setback along North Perris Boulevard, Orange Avenue, and Frontage Road. In addition, the Applicant/Developer(s) shall install up-lighting on accent trees within the landscaped setback area.
  - b. **Accent Landscaping.** Large trees (36-inch box) shall be included in the landscape design of all driveway entrances.
  - c. **Passenger Vehicle Parking Areas.** In passenger vehicle parking areas, drive aisles, and street frontage, a minimum of 30% of trees shall be 36-inch boxes or larger. Also, a minimum of one 34-inch box tree per six (6) parking stalls shall be provided.
  - d. **Enhanced Pavement.** Decorative pavement treatments (accent colors, textures, and patterns) shall be used for driveway entrances to the Commercial portion of Phase 1, and the parcel hub facility.

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- e. **BMPs for Water Quality.** All BMPs shall be indicated on the Phase 1 landscape plans for Planning review and approval.
  - f. **Shade Tree.** The Project shall provide a shade tree for every six (6) parking stalls throughout all parking lots.
  - g. **Water Conservation.** Rain-sensing override devices and soil moisture sensors shall be required on all irrigation systems. Landscaping shall comply with City Zoning Code Chapter 19.70 for mandated water conservation.
  - h. **Maintenance.** All landscaping shall be maintained in a viable growth condition in perpetuity.
  - i. **Interim Landscaping.** Prior to issuance of an occupancy permit for the Phase 1 parcel hub facility or for any building in the Commercial portion of the Specific Plan, interim landscaping shall be provided across the remaining undeveloped portion of Phase 1. Said landscaping shall include a minimum of ground cover plant materials, or any combination of ground cover, wildflowers, decorative rock, decomposed granite, and similar landscape treatments. This interim condition shall also require that these undeveloped properties be kept in good condition free of weeds and other debris in perpetuity until such time that a project has been approved for the undeveloped sites, and a grading permit has been issued.
  - j. **Parcel Hub Additional Landscape Screening.** The applicant/developer shall increase and enhance the landscaped area at the southeast corner of Frontage Road and Private Drive A, and the northeast corner of Frontage Road and Barrett Avenue, subject to review and approval by Planning staff.
58. **Fence and Wall Plans.** Plans and details for the screen walls for the Phase 1 parcel hub property and the relevant Commercial portion of the Specific Plan site shall be included in the landscape plan check submittal package for review and approval by the Planning Division. The proposed wall and fence plan shall generally conform to the appropriate Design Guidelines in the Harvest Landing Specific Plan. The following shall apply:
- a. **Commercial Shopping Center Walls and Fences.** The Commercial shopping center walls and fences shall consist of a 3-foot-high decorative wall to screen all drive-through lanes from the street view (North Perris Boulevard). Said walls shall be constructed at the same time as the building on each drive-through pad and completed prior to issuance of an occupancy permit.
  - b. **Parcel Hub Screen Walls/Fencing.** The project shall construct all walls, screen walls, and fences per the approved plans and shall consist of:
    - i. **Wrought iron Gates.** All tubular steel gates in public view shall be a minimum of eight (8) feet in height and be screened by a high-quality view-obscuring material, subject to Planning staff review and approval.

- ii. **Screen Wall.** Decorative screen walls shall be 14 feet in height with pilasters at every 150 linear feet and include a decorative cap, subject to the review and approval of the Planning Division. The 14-foot-high wall along the public way shall provide a landscape berm to screen the visible height of the wall to be no taller than eight (8) feet in height. The decorative screen wall at the entrance to the parcel hub facility, found at the end of the cul-de-sac private driveway, must extend 50 feet to the east on both sides.
  - c. **Water Quality Detention Basin(s) (Parcel 11 of TPM 38811).** If required, a four (4) to six (6) foot-high wrought iron fence (painted black) and decorative pilasters every 100 feet shall be installed around the perimeter of the Water Quality Detention Basin located on Parcel 11 of TPM 38811 as determined by the Planning and Building and Safety Division staff.
  - d. **Graffiti.** All block/tilt-up walls shall be treated with a graffiti-resistant coat, also refer to conditions of approval no. 58 70.
  - e. **Knox Boxes** are required for all gates and shall be approved by the Fire Marshal and issued by the Building Department.
  - f. **Signs.** No wall, fence, or monument sign shall be allowed in the right-of-way area, unless allowed by the Harvest Landing Specific Plan.
59. **Photometric Plan (Site Lighting Plan).** The Applicant/Developer(s) shall submit a Photometric Plan to the Planning Division for review and approval. The Lighting Plan shall include photometric, fixture details, and a standard light elevation to meet 2700 KV illumination or less (to provide adequate illumination) for all Project components. High-efficiency fixtures with full-cut-off shields shall be used to prevent light and glare above the horizontal plane of the bottom of the lighting fixtures. At least one foot-candle of light shall be provided in all parking lots and pedestrian areas for safety and security. All lighting shall be shielded downward to prevent light pollution from spilling onto adjacent parcels or the public right-of-way

*During Construction*

- 60. **Mitigation Measures.** All applicable Mitigation Measures shall be satisfied.
- 61. **Waste Hauling and Disposal.** The Project shall use only the City-approved waste hauler for all construction and other waste disposal.
- 62. **Temporary Construction Fencing.** A six-foot high temporary chain link fence (with view obscuring mesh) is required along the perimeter of each phase during construction. The fence shall limit public access to each construction site.
- 63. **Dust Monitor.** A person or persons shall be designated to monitor the dust control program and to order increased watering as necessary to prevent the transport of dust off-site. The name and telephone number of such persons shall be provided to the City. Also,

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a dust control sign shall be placed adjacent to each phase to allow the public to call for any dust issues.

*Prior to Issuance of Occupancy Permits*

- 64. Assessment and Community Facilities Districts.** The project shall be annexed into any assessment, community facilities, or similar district that provides funding for maintenance, services, or public improvements that benefit the project. The costs and benefits shall be described in the applicable district and annexation documents. The developer shall complete all actions required to complete such annexation before issuing a Certificate of Occupancy. This condition shall apply only to districts existing when the project is approved (or all requirements have been met for a certificate of occupancy, as applicable). Such districts may include but are not limited to the following:
- a. Landscape Maintenance District No. 1
  - b. Flood Control Maintenance District No. 1
  - c. Maintenance District No. 84-1
  - d. North Perris Community Facilities Assessment District; and
  - e. Any other applicable City Assessment and Community Facilities Districts
- 65. On-Site Landscape Inspections.** The project applicant shall inform the on-site project manager and the landscape contractor of their responsibility to call for a final landscape inspection after the installation of all landscaping and irrigation systems is completely operational. Before calling for a final inspection, the City's "Certificate of Compliance" form shall be completed and signed by the designer/auditor responsible for the project and submitted to the project planner. The project planner shall sign off the "Certificate of Compliance" to signify code compliance and acceptance.
- 66. Final Inspection.** The applicant shall obtain occupancy clearance from the Planning Division by scheduling a final Planning inspection after final sign-offs from the Building Division and Engineering Department. Planning Staff shall verify that all pertinent conditions of approval have been met. The applicant shall have all the required paving, parking, walls, site lighting, landscaping, and automatic irrigation installed and in good condition.
- 67. Dam Inundation Disclosure.** The Property Owner/Developer(s) shall disclose to all future tenants indicating the Project is adjacent to a dam inundation area making the Project site subject to flooding in the event of a dam failure.
- 68. March Air Reserve Base Disclosure.** All prospective purchasers of the property and tenants of all buildings shall be given notice regarding proximity to the March Air Reserve Base (i.e., to be provided by March Air Reserve Base).
- 69. Occupancy Clearance.** The applicant shall have all required paving, parking, screen walls, colors, and materials (per approved elevation plans), site lighting, landscaping, and automatic irrigation installed and in good condition prior to Planning sign-off.

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*Operational Conditions*

70. **Property Maintenance.** The project shall comply with the provisions of Perris Municipal Code 7.06 regarding Landscape Maintenance and Chapter 7.42 regarding Property Maintenance in perpetuity for the life of the development. In addition, the project shall comply with the one-year landscape maintenance schedule identified in the Public Works Department Conditions of Approval No. 4 December 8, 2025.
71. **Retail Security Guards and Surveillance.** The Project Developer shall maintain 24-hour security surveillance monitoring for the retail commercial portion of the project. Surveillance footage shall be retained for a minimum of 30 days prior to deletion.
72. **Graffiti and Property Maintenance.** The project shall comply with the Perris Municipal Code Chapter 7.42 regarding Property Maintenance. The site shall be maintained graffiti-free state at all times. Graffiti located on site shall be removed within 48 hours. Graffiti shall be painted over in panels and not patches. In addition, it will match the color of the wall or material surface. Furthermore, the applicant shall apply an anti-graffiti coating on the walls.
73. **Future Obligation of Buyers and Lessees.** All future property owners and lessees shall be informed of their obligation to comply with these Conditions of Approval. The Applicant/Developer(s) shall provide a copy of the Conditions and inform the buyer or lessee of their obligation to maintain compliance with all local and City ordinances, including but not limited to an annual fire inspection and maintenance of a City business license.

- **ENGINEERING DEPARTMENT**

74. The project shall adhere to the requirements of the City Engineer as indicated in the attached Engineering Conditions of Approval dated **December 17, 2025 and February 10, 2026**. On and off-site improvement plans shall be submitted for review and approval by the City Engineer.

- **PUBLIC WORKS DEPARTMENT**

75. The project shall adhere to the requirements of the Public Works Administration Department as indicated in the attached Conditions of Approval dated **December 17, 2025 and February 10, 2026**.

- **COMMUNITY SERVICES DEPARTMENT**

76. The project shall adhere to the requirements of the Community Services Department as indicated in the attached Conditions of Approval dated **December 11, 2025**.

- **BUILDING & SAFETY DIVISION**

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77. The project shall adhere to the requirements of the Building & Safety Division as indicated in the attached Conditions of Approval dated **December 11, 2025**.

- **BUILDING OFFICIAL/FIRE MARSHAL**

78. The proposed project shall adhere to all requirements of the Building Official/Fire Marshal. Fire hydrants shall be located on the project site pursuant to the Building Official and the approved Fire Access Plan. Water, gas, sewer, electrical transformers, power vaults and separate fire/water supply lines (if applicable) must be shown on the final set of construction plans pursuant to the requirements of the Building Official. All Conditions of Approval shall be included in the building plans. See City of Perris website, Office of the Fire Marshal, for examples and relevant information for access and underground plan available at: <http://www.cityofperris.org>.

- **FIRE**

79. The project shall comply with all requirements set forth by the California Code of Regulations Title 24 Parts 1-12 respectively.

80. The adopted edition of the California Code of Regulations, Title 24, Parts 1 through 12, and the Perris Municipal Code shall apply at the time the architectural plans are submitted for construction permits.

81. Prior to the issuance of grading permits a fire department access plan shall be submitted to the City of Perris for review and approval. The fire department access plan shall comply with the requirements specified by the City of Perris Guideline for Fire Department Access & Water Requirements for Commercial & Residential Development, and the California Fire Code, Chapter 5.

82. Prior to the issuance of grading permits, evidence of sufficient fire flow of 4,000 GPM for 4 hours shall be provided to the City of Perris. The City of Perris Building and Fire Marshal Water Available/Fire Flow Form shall be utilized.

83. A fire department access road complying with the CFC, Chapter 5 and the approved fire department access plans shall be installed prior to building construction.

84. All required fire hydrants shall be installed and operational prior to building construction. All fire hydrants shall remain operational during construction. NOTE: Fire hydrants must be at least 40 feet from buildings.

85. A minimum of two points of connection to the public water shall be provided for the private fire-line water.

86. The private underground fire-line system shall have aboveground indicating sectional valves for every five (5) appurtenances.

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87. Fire Department Connections (FDCs) shall be located within 100 feet of a public fire hydrant on the same side of the street. A vehicle access roadway/approach shall not be placed between an FDC and the closest hydrant to it.
88. Fire department access doors shall be provided for the Parcel Hub (Building 1) such that the lineal distance between adjacent fire department access doors does not exceed 125 feet, measured center to center.
89. Prior to construction a temporary address sign shall be posted and clearly visible from the street.
90. The permanent building addresses shall be provided and either internally or externally illuminated during hours of darkness. The addresses shall be clearly visible from the street fronting the property and comply with California Fire Code Section 505.1 for size and color.
91. All buildings shall be sprinklered in accordance with NFPA 13. Construction plans shall be submitted for review and approval to the City of Perris prior to installation.
92. Prior to building finals, each building shall be provided with a Knox key box located no more than seven feet above the finished floor surface and near the main entrance door.
93. Prior to the issuance of a Certificate of Occupancy, the large warehouse (Building 1) shall be provided with emergency responder communication coverage. The emergency responder communication coverage system shall meet the requirements of CFC § 510 and all applicable subsections. The system shall be installed and inspected by the City of Perris Building Department before the Certificate of Occupancy is issued. The requirement can be waived by the Fire Marshal if the building is evaluated by an Emergency Radio Communication Specialist licensed by the FCC, who certifies the building meets the emergency communications capability as specified by the California Fire Code § 510. The certification shall be in the form of a written report which outlines the analysis used in determining whether the building meets the emergency communications coverage without an enhancement system.

- **RIVERSIDE COUNTY AIRPORT LAND USE COMMISSION**

94. Any outdoor lighting installed shall be hooded or shielded so as to prevent either the spillage of lumens or reflection into the sky. Outdoor lighting shall be downward facing.
95. The following uses/activities are not included in the proposed project and shall be prohibited at this site.
  - a. Any use which would direct a steady light or flashing light of red, white, green, or amber colors associated with airport operations toward an aircraft engaged in an initial straight or circling climb following takeoff or toward an aircraft engaged in

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a straight or circling final approach toward a landing at an airport, other than a DoD or FAA-approved navigational signal light or visual approach slope indicator.

- b. Any use which would cause sunlight to be reflected towards an aircraft engaged in an initial straight climb following takeoff or towards an aircraft engaged in a straight final approach towards a landing at an airport to the extent as to result in a potential for temporary after-image greater than the low (“green”) level.
  - c. Any use which would generate smoke or water vapor or which would attract large concentrations of birds, or which may otherwise affect safe air navigation within the area. (Such uses include landscaping utilizing water features, aquaculture, production of cereal grains, sunflower, and row crops, composting operations, wastewater management facilities, artificial marshes, trash transfer stations that are open on one or more sides, recycling centers containing putrescible wastes, construction and demolition debris facilities, fly ash disposal, and incinerators.)
  - d. Any use which would generate electrical interference that may be detrimental to the operation of aircraft and/or aircraft instrumentation.
  - e. Highly noise-sensitive outdoor nonresidential uses. Examples of noise-sensitive outdoor nonresidential uses that are prohibited include, but are not limited to, major spectator-oriented sports stadiums, amphitheaters, concert halls and drive-in theaters.
  - f. Hazards to Flight.
96. The notices below shall be provided to all prospective purchasers of the property and tenants of the building and shall be recorded as a deed notice.

Any proposed stormwater basins or facilities shall be designed and maintained to provide for a maximum 48-hour detention period following the design storm and remain totally dry between rainfalls. Vegetation in and around the stormwater basins that would provide food or cover for birds would be incompatible with airport operations and shall not be utilized in project landscaping. Trees shall be spaced so as to prevent large expanses of contiguous canopy, when mature. Landscaping in and around the stormwater basin(s) shall not include trees or shrubs that produce seeds, fruits, or berries.

97. Landscaping in the stormwater basin, if not rip-rap, should be in accordance with the guidance provided in ALUC “LANDSCAPING NEAR AIRPORTS” brochure, and the “AIRPORTS, WILDLIFE AND STORMWATER MANAGEMENT” brochure available at [RCALUC.ORG](http://RCALUC.ORG) which list acceptable plants from Riverside County Landscaping Guide or other alternative landscaping as may be recommended by a qualified wildlife hazard biologist.
98. A notice sign, in a form similar to that attached hereto, shall be permanently affixed to the stormwater basin with the following language: “There is an airport nearby. This stormwater

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basin is designed to hold stormwater for only 48 hours and not attract birds. Proper maintenance is necessary to avoid bird strikes". The sign will also include the name, telephone number or other contact information of the person or entity responsible to monitor the stormwater basin.

99. March Air Reserve Base must be notified of any land use having an electromagnetic radiation component to assess whether a potential conflict with Air Base radio communications could result. Sources of electromagnetic radiation include radio wave transmission in conjunction with remote equipment inclusive of irrigation controllers, access gates, etc.
100. The project has been evaluated to construct 22 retail/restaurant buildings totaling 428,436 square feet and 7 manufacturing buildings totaling 1,727,579 square feet. Any increase in building area, change in use to any higher intensity use, change in building location, or modification of the tentative parcel map lot lines and areas will require an amended review to evaluate consistency with the ALUCP compatibility criteria, at the discretion of the ALUC Director.
101. The project does not propose rooftop solar panels at this time. However, if the project were to propose solar rooftop panels in the future, the applicant/developer shall prepare a solar glare study that analyzes glare impacts, and this study shall be reviewed by the Airport Land Use Commission and March Air Reserve Base.

**END OF CONDITIONS**