REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE SECOND AMENDMENT TO GROUND LEASE WITH LIBERTY STATION MARKETPLACE, LLC AND AUTHORIZING EXECUTION THEREOF.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] and McMillin-NTC, LLC, a Delaware limited liability company [McMillin-NTC], entered into that certain Disposition and Development Agreement [DDA] in June 2000 for the purposes of effectuating the Redevelopment Plan for the Naval Training Center Redevelopment Project, adopted by the City Council in May 1997, and the Naval Training Center Reuse Plan, adopted by the City Council in October 1998; and

WHEREAS, pursuant to the DDA, the Agency and McMillin-NTC entered into that certain Ground Lease dated as of August 1, 2004 related to certain real property located in the City of San Diego, State of California identified as Lot 20 of NTC-Unit No. 5 of Parcel Map 14723 filed in the office of the San Diego County Recorder on December 19, 2003 [Property]; and

WHEREAS, the Ground Lease was amended by that certain First Amendment to Ground Lease dated as of June 1, 2006 to correct the permitted use of the Property as provided for therein [the Ground Lease and First Amendment to Ground Lease are collectively referred to herein as the Ground Lease]; and

WHEREAS, the Ground Lease was subsequently assigned by McMillin-NTC to Liberty Station Marketplace, LLC, a Delaware limited liability company [Liberty Station Marketplace, LLC] pursuant to that certain Assignment of Ground Leases dated as of July 27, 2006; and

WHEREAS, the Ground Lease identifies certain requirements that must be satisfied prior to Agency approval of any modification to a loan encumbering the Property [Requirements for Loan Modification], and

WHEREAS, due to fluctuating real estate market conditions, Liberty Station Marketplace, LLC has requested a further modification to the Ground Lease to revise the Requirements for Loan Modification, which modification would provide direction to the Agency Executive Director to approve loan modifications using certain underwriting criteria, including, but not limited to, loan to value ratio, minimum debt service coverage, approval of new and modified leases, restrictions on use of encumbrance proceeds, status of development of improvements and term of encumbrance; and

WHEREAS, the Agency and Liberty Station Marketplace, LLC desire to amend the Ground Lease by and through the proposed Second Amendment to Ground Lease in order to provide the Agency Executive Director the authority to approve loan modifications using certain underwriting criteria, including, but not limited to, loan to value ratio, minimum debt service coverage, approval of new and modified leases, restrictions on use of encumbrance proceeds, status of development of improvements and term of encumbrance; NOW, THEREFORE,

BE IT RESOLVED, by the Redevelopment Agency of the City of San Diego [Agency] as follows:

1. That the Agency hereby approves the Second Amendment to Ground Lease.

2. That the Agency Executive Director, or designee, is hereby authorized to execute on behalf of the Agency, the Second Amendment to Ground Lease, a copy of which shall be placed on file in the office of the secretary of the Agency as Document No. D- _____.

3. That the Agency Executive Director or designee is authorized, on behalf of the Agency to execute all documents necessary and appropriate to carry out and implement this Resolution and to administer the Agency's obligations, responsibilities and duties to be performed hereunder.

APPROVED: Jan I. Goldsmith, General Counsel

By _____
Diane Bazán Young
Deputy General Counsel

07/13/10
Or.Dept:Redev.Agency
RA-2011-9
MMS#8479

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at this meeting of _____.

REDEVELOPMENT AGENCY

By_____
Jeannette Santos, Deputy Secretary

Approved: _____
(date)

_____
JERRY SANDERS, Executive Director

Vetoed: _____
(date)

_____
JERRY SANDERS, Executive Director