

**THIRD AMENDMENT TO COOPERATION AGREEMENT  
FOR PAYMENT OF COSTS ASSOCIATED WITH  
CERTAIN REDEVELOPMENT AGENCY FUNDED PROJECTS**

This Third Amendment to Cooperation Agreement for Payment of Costs Associated with Certain Redevelopment Agency Funded Projects (this **“Third Amendment”**) is entered into effective as of August 8, 2011, by and between the CITY OF SAN DIEGO, a municipal corporation (the **“City”**), and the REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, a public body, corporate and politic (the **“Agency”**).

RECITALS

The City and the Agency (individually, a **“Party”** and collectively, the **“Parties”**) enter into this Third Amendment with reference to the following facts and circumstances:

A. Pursuant to California Health and Safety Code Section 33220, the City and the Agency have entered into that certain Cooperation Agreement for Payment of Costs Associated with Certain Redevelopment Agency Funded Projects dated February 28, 2011, as amended by that certain First Amendment thereto dated March 11, 2011, and that certain Second Amendment to Cooperation Agreement dated March 15, 2011 (collectively, the **“Cooperation Agreement”**). A true and correct copy of the original Cooperation Agreement is on file with the Office of the City Clerk as Document No. RR-306632 and with the Office of the Agency Secretary as Document No. D-04618. All capitalized terms in this Third Amendment shall have the same meaning ascribed to them in the Cooperation Agreement, unless otherwise specified herein. Notwithstanding any other provision of this Third Amendment, the term **“Agency”** shall have the same meaning ascribed to it in the Cooperation Agreement.

B. Subject to the provisions of the Cooperation Agreement, the Agency has incurred debt to the City in the aggregate amount of \$4,107,090,901 in connection with the City’s agreement to implement the Projects as set forth in the Schedule of Projects attached as Exhibit 1 to the Cooperation Agreement. Among other things, the Cooperation Agreement obligates the Agency to submit payments to the City in accordance with the Payment Schedule, attached as Exhibit 2 to the Cooperation Agreement, and as otherwise necessary to advance funds to the City for costs to be incurred by the City in implementing the Projects and performing its obligations pursuant to the Cooperation Agreement.

C. Section VI(5) of the original Cooperation Agreement allows the Parties to amend the Cooperation Agreement in writing, and further allows any written amendment to be agreed to and executed by the Mayor or designee on behalf of the City and the Executive Director or designee on behalf of the Agency so long as the amendment will not result in an increase in the total amount of funds payable by the Agency to the City under the Payment Schedule and will not require the adoption of any resolution or ordinance pursuant to the Community Redevelopment Law or other applicable law.

RR-306632  
DOCUMENT NO. RR-306632  
FILED MAR 15 2011  
OFFICE OF THE CITY CLERK  
SAN DIEGO, CALIFORNIA

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R-306632

DOCUMENT NO. D-04618/R-04618  
FILED AUG 11 2011  
OFFICE OF THE REDEVELOPMENT AGENCY  
SAN DIEGO, CALIF.

D. The Parties now desire to enter into this Third Amendment on an administrative basis in accordance with Section VI(5) of the original Cooperation Agreement in order to provide ongoing flexibility as to the modification and removal of existing Projects and the addition of new Projects under the Cooperation Agreement, which in turn will facilitate the smooth implementation and administration of the Cooperation Agreement.

## AGREEMENT

**NOW, THEREFORE,** for good and valuable consideration, including the mutual promises and covenants contained herein, the Parties mutually agree as follows:

### **I. AMENDMENTS TO THE COOPERATION AGREEMENT**

1. Subject to Section I(2) below, existing Projects may be modified and removed from the Schedule of Projects, and new Projects may be added to the Schedule of Projects, without the need for a formal written amendment of the Cooperation Agreement. A modification of an existing Project may include either an increase or a decrease in the amount of funds allocated to such Project under the Cooperation Agreement. Any modification, removal and addition of Projects may be accomplished from time to time as deemed mutually acceptable by the Parties and as memorialized in a simple letter agreement executed by the Mayor or designee on behalf of the City and the Executive Director or designee on behalf of the Agency. In connection with the addition of any Projects, or the modification of any existing Projects involving an increase in the amount of funds allocated to such Projects, the Agency shall transfer to the City, and the City shall accept, deposit and expend in accordance with Section III of the original Cooperation Agreement, any funds necessary to carry out the added or modified Projects. In connection with the removal of any Projects, or the modification of any existing Projects involving a decrease in the amount of funds allocated to such Projects, the City shall transfer to the Agency the amount of funds corresponding to the removed or modified Projects, in which event the Agency shall be entitled to administer such Projects outside of the Cooperation Agreement. The source of the City's transfer of funds to the Agency shall be the funds then on deposit with the City under the Cooperation Agreement and shall not consist of any monies derived from the City's general fund. The Executive Director or designee shall maintain a comprehensive, up-to-date Schedule of Projects at all times and, upon the City's request, shall provide the City with a copy of the up-to-date Schedule of Projects reflecting all modifications, removals and additions of Projects then in effect.

2. Nothing in this Third Amendment shall eliminate the need to obtain the approval of an amendment to the Cooperation Agreement by the respective governing bodies of the Parties where such approval is required by Section VI(5) of the original Cooperation Agreement, as described in Recital C above. In addition, no modification or removal of any Project under the Cooperation Agreement in accordance with this Third Amendment shall be interpreted to mean that the Agency or the City, or both, have modified or rescinded their earlier discretionary approvals with respect to the removed or modified Projects.

## II. GENERAL PROVISIONS

1. Effect of Third Amendment. The Parties agree that, except as expressly provided otherwise in this Third Amendment, the Cooperation Agreement and the exhibits attached thereto and any document executed or entered into pursuant to the Cooperation Agreement shall remain in full force and effect, enforceable in accordance with its terms and conditions, without diminution or waiver of any kind of any right, remedy, obligation or liability of the City or the Agency under the Cooperation Agreement.

2. Incorporation. The Recitals set forth above are hereby incorporated into this Third Amendment by this reference, as though fully set forth herein.

3. Counterparts. This Third Amendment may be executed in counterparts, each of which when so executed shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

4. Governing Law and Venue. This Third Amendment and the legal relations between the Parties shall be governed by, interpreted under, construed and enforced in accordance with the laws of the State of California. This Third Amendment is made and entered into in the County of San Diego, California, and any legal actions or proceedings arising from or related to this Third Amendment shall be brought in the County of San Diego.

5. Severability. If any term, provision, covenant or condition of this Third Amendment is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Third Amendment shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such judicial determination.

6. Authority. Each Party warrants that the individuals who have signed this Third Amendment have the legal power, right, and authority to execute this Third Amendment and to bind each respective Party.

*[Remainder of this page intentionally left blank]*

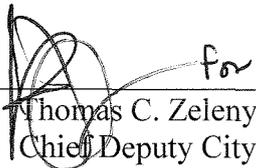
IN WITNESS WHEREOF, the Parties hereto have caused this Third Amendment to be executed as of the date first written above.

**CITY OF SAN DIEGO**

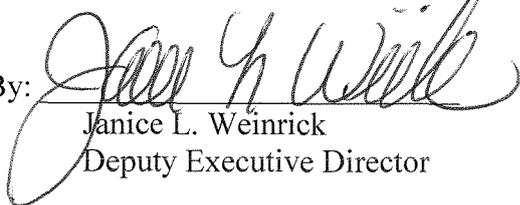
By:   
Jay M. Goldstone  
Chief Operating Officer

APPROVED AS TO FORM:

JAN I. GOLDSMITH  
City Attorney

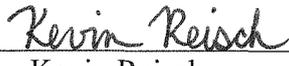
By:  for  
Thomas C. Zeleny  
Chief Deputy City Attorney

**REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO**

By:   
Janice L. Weinrick  
Deputy Executive Director

APPROVED AS TO FORM:

JAN I. GOLDSMITH  
General Counsel

By:   
Kevin Reisch  
Deputy General Counsel