

## **SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is entered into as of the date on which the last signatures have been affixed hereto (“Effective Date”), by and between, Center for Community Action and Environmental Justice, Center for Biological Diversity, Coalition for Clean Air, Sierra Club, and San Bernardino Valley Audubon Society (collectively, “Petitioner Parties”), and Highland Fairview Properties, HF Properties, Sunnymead Properties, Theodore Properties Partners, 13451 Theodore, LLC, and HL Property Partners (collectively, “Highland Fairview”), and each of them, which are referred to cumulatively as the “Parties” or singularly as a “Party.”

### **RECITALS**

WHEREAS, Highland Fairview is the applicant for a master-planned development project encompassing the development of up to 40.6 million square feet of building area and all necessary infrastructure to support large-scale logistics operations (“World Logistics Center Project”) located on approximately 2,610 acres of largely vacant land south of State Route 60 and north of the San Jacinto Wildlife Area in the Rancho Belago area of the City of Moreno Valley (“Property”);

WHEREAS, in August 2015, the City of Moreno Valley (“City”), through its City Council, approved the World Logistics Center Project and certified a final environmental impact report (“FEIR”) pursuant to the California Environmental Quality Act (“CEQA”);

WHEREAS, the City’s August 2015 approval of the World Logistics Center Project consisted of (a) a Specific Plan to govern the World Logistics Center Project’s development (“Specific Plan”); (b) an amendment to the City’s General Plan (“General Plan Amendment”); (c) an amendment to the Property’s zoning (“Zone Change”); (d) a tentative parcel map to subdivide a 1,539-acre portion of the Property; (e) an annexation request; (f) off-site improvements; and (g) a development agreement to vest the underlying approved land use entitlements (“Development Agreement”);

WHEREAS, on September 23, 2015, the Petitioner Parties commenced litigation in the Riverside County Superior Court, captioned *Center for Community Action and Environmental Justice, et al. v. City of Moreno Valley, et al.* (Case No. RIC1511327), challenging the City’s approval of the World Logistics Center Project (“FEIR Litigation”);

WHEREAS, in November 2015, the City Council directly adopted three initiatives for the World Logistics Center Project: (a) the Land Use and Zoning Entitlements Initiative to repeal and replace the City’s approval of the Specific Plan, General Plan Amendment, and Zone Change with a substantially similar set of entitlements; (b) the World Logistics Center Land Benefit Initiative to repeal and replace the City’s annexation request; and (c) the Development Agreement Initiative to approve a Development Agreement substantially similar to that previously adopted by the City (collectively, “Initiatives”);

WHEREAS, on February 22, 2016, the Petitioner Parties commenced litigation in the Riverside County Superior Court, captioned *Center for Community Action and Environmental Justice, et al. v. City of Moreno Valley, et al.* (Case No. RIC1602094), challenging the City’s adoption of the Initiatives (“Initiatives Litigation”);

WHEREAS, in February 2018, in the FEIR Litigation, the Riverside County Superior Court ordered the City to set aside its certification of the FEIR and approvals of the World Logistics Center Project to make changes to the FEIR's analysis of energy, biological, noise, agricultural resources, and cumulative impacts;

WHEREAS, in the FEIR Litigation, Petitioner Parties appealed the Riverside County Superior Court's decision upholding the FEIR's GHG analysis and Highland Fairview cross-appealed the Superior Court's finding that the FEIR violated CEQA in five respects;

WHEREAS, in August 2018, in the Initiatives Litigation, the Court of Appeal directed the Riverside County Superior Court to issue a writ of mandate ordering the City to set aside the Development Agreement Initiative and vacate its approval of the Development Agreement;

WHEREAS, in a revised final EIR, the City addressed the matters that the Riverside County Superior Court ordered be changed in its February 2018 ruling in the FEIR Litigation and also analyzed new information pertaining to potential air quality, greenhouse gas emissions, and energy impacts ("Revised Final EIR");

WHEREAS, on June 16, 2020, the City Council (a) approved Resolution No. 2020-47, certifying the Revised Final EIR for the World Logistics Center Project and denying the appeal of the City Planning Commission's certification of the Revised Final EIR; (b) approved Resolution No. 2020-48, approving Tentative Parcel Map No. 36457 for Finance and Conveyance Purposes Only ("Parcel Map") and denying the appeal of the City Planning Commission's approval of the Parcel Map, and (c) introduced Ordinance No. 967, approving a new Development Agreement;

WHEREAS, on July 7, 2020, the City Council conducted a second reading of and adopted Ordinance No. 967, approving the new Development Agreement;

WHEREAS, on July 17, 2020, the Petitioner Parties commenced litigation in the Riverside County Superior Court, captioned *Center for Community Action, et al. v. City of Moreno Valley, et al.* (Case No. RIC2002697), challenging the City's adoption of Resolution Nos. 2020-47 and 2020-48, certification of the Revised Final EIR, and adoption of Ordinance No. 967 ("RFEIR Litigation");

WHEREAS, on July 16, 2020, related litigation was commenced in the Riverside County Superior Court, captioned *Golden State Environmental Justice Alliance, et al. v. City of Moreno Valley, et al.* (Case No. RIC2002675) ("Golden State Litigation"); and on or about March 8, 2021, petitioner Golden State Environmental Justice Alliance filed a request to dismiss with prejudice the Golden State Litigation;

WHEREAS, on or about July 17, 2020, further related litigation was commenced in the Riverside County Superior Court, captioned *Paulek, et al. v. City of Moreno Valley. Et al.* (Case No. RIC2002672) ("Paulek Litigation");

WHEREAS, on or about November 9, 2020, the Riverside County Superior Court consolidated the FEIR Litigation with the RFEIR Litigation, Golden State Litigation, and Paulek Litigation;

WHEREAS, in November 24, 2020, the Court of Appeal dismissed the appeal and cross-appeal in the FEIR Litigation as moot and issued a remittitur on January 26, 2021; and

WHEREAS, the purpose of this Agreement is to settle all disputes between the Petitioner Parties and Highland Fairview arising out of or related to the World Logistics Center Project, including without limitation, the FEIR Litigation and the RFEIR Litigation.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants, promises and undertakings set forth herein and other consideration, the receipt and adequacy of which the Parties hereby acknowledge, the Parties agree as set forth below.

1. The Parties' Obligations.

a. Highland Fairview's Obligations.

i. Highland Fairview shall take all actions required of it in this Section 1(a) provided that the Petitioner Parties have met the obligations set forth in Section 1(b) below and upon the earlier of:

1. the commencement of grading for the World Logistics Center Project; or

2. (a) the full and final resolution of the Paulek Litigation and the FEIR Litigation in the City's and Highland Fairview's favor or (b) in the event Highland Fairview has not prevailed in the Paulek Litigation and/or FEIR Litigation, the City reapproves the World Logistics Center Project and all applicable statutes of limitation have passed with no litigation filed or, if such future litigation ("Future Litigation") is filed, that such Future Litigation is resolved in the City's and Highland Fairview's favor and is no longer pending in any court.

ii. *Greenhouse Gas Emissions and Air Quality.* Highland Fairview shall ensure that all actions required in Attachment A hereto are carried out.

iii. *Biological Resources.* Highland Fairview shall ensure that all actions required in Attachment B hereto are carried out.

iv. *Community Benefits.* Highland Fairview shall ensure that all actions required in Attachment C hereto are carried out.

v. *Attorneys' Fees.* Within seven (7) days after the conditions set forth in Section 1(b)(i) are satisfied, Highland Fairview shall pay the Petitioner Parties' attorneys' fees and costs from the RFEIR Litigation, including reasonable attorneys' fees accrued in connection with negotiating this Agreement, in the amount of \$595,000 by ACH deposit, wire transfer, or a check. Petitioners will provide deposit information to Highland Fairview.

vi. *Compliance Reporting.* Each year for a period of fifteen (15) years, commencing on the first anniversary of the Effective Date of this Agreement, and every five (5) years thereafter until the World Logistics Center Project is fully constructed or Highland Fairview's obligations under this Agreement are fully satisfied, whichever condition is satisfied first, Highland Fairview shall provide to the Petitioner Parties a detailed report describing how Highland Fairview has complied with Sections 1(a)(ii)-(iv) above ("Annual Compliance Report"). For a period of thirty (30) days from receipt of the Annual Compliance Report, the Petitioner Parties may request clarification or reasonable additional information from Highland Fairview to verify Highland Fairview's compliance. Highland Fairview shall provide such additional requested information that is within its possession, custody, or control within thirty (30) days after receipt of such request. Any disputes over compliance with the Sections 1(a)(ii)-(iv) above shall be resolved pursuant to Section 2 below.

vii. *Technological and Methodological Progress.* The Parties recognize that technologies and methodologies are likely to progress over time and, due to that, it may be that the technological and methodological specificity in this Agreement could become obsolete or outdated in the future. In that event, Highland Fairview may implement such newer technologies or methodologies provided that such technologies or methodologies achieve at least as much environmental protection and do not result in new or greater significant environmental impacts than the technologies or methodologies specified in this Agreement. At least 90 days prior to implementing any alternative technology or methodology, Highland Fairview shall meet and confer with Petitioner Parties concerning the implementation of such alternative technology or methodology. Any dispute regarding whether the proposed alternative technology or methodology meets the standards in this Section 1(a)(vii) shall be resolved by arbitration pursuant to the procedures in Section 2 of this Agreement.

viii. Nothing in this Agreement shall prevent Highland Fairview and/or World Logistics Center Project tenants from using the obligations under this Agreement also to satisfy any obligation imposed by laws or regulations, whether they be enacted before or after the Effective Date.

b. Petitioner Parties' Obligations.

i. *Pending Litigation.* With respect to the RFEIR Litigation and the FEIR Litigation, the Petitioner Parties shall, within seven (7) days after the Effective Date, take all actions necessary to dismiss with prejudice all Petitioner Parties' claims in the RFEIR Litigation and the FEIR Litigation and through their respective counsel shall take all actions required to ensure compliance with this Section 1(b)(i).

ii. *Non-Opposition.* Provided that Highland Fairview is in compliance with this Agreement, as enforced pursuant to Section 2 below, the Petitioner Parties shall not Oppose the World Logistics Center Project, as detailed below.

1. Previously Issued Approvals. Petitioner Parties shall not Oppose any Approvals issued on or before the Effective Date by any Governmental Authority that are or may be necessary, useful, or convenient for the completion of any portion or aspect of the World Logistics Center Project ("Previously Issued Approvals"). "Approval" or

“Approvals” shall mean in this Agreement any permits, approvals, entitlements, voter initiatives, development agreements, legislative actions, and/or allowances of any sort whatsoever, including any and all environmental clearances, together with any mitigation measures or the implementation thereof. “Governmental Authority” shall mean in this Agreement any federal, state, regional, local, or other governmental entity, body, branch, bureau, official, special district, department, court, or other tribunal, or any other governmental or quasi-governmental authority, including the electorate, exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory, or land use authority or power over the World Logistics Center Project.

2. Future Implementation Approvals.

a. Petitioner Parties shall not Oppose any Approvals applied for, sought, or issued after the Effective Date by any Governmental Authority that is or may be necessary, useful, or convenient for the completion of any portion or aspect of the World Logistics Center Project (“Future Implementation Approvals”); provided, however, that such Future Implementation Approvals do not: (a) amend the Specific Plan; (b) amend the Initiatives; or (c) eliminate, reduce, or amend a mitigation measure in the Final Revised EIR in a manner that increases environmental impacts. Notwithstanding the foregoing, Petitioner Parties are free to take any action permitted under Section 1(b)(ii)(4) of this Agreement.

b. The Petitioner Parties also understand and acknowledge that the World Logistics Center Project is being challenged in the Paulek Litigation and the FEIR Litigation. Should the World Logistics Center Project be required to be reconsidered, the Petitioner Parties shall not Oppose approval of the World Logistics Center Project, including without limitation its CEQA document with any provisions or mitigation measures then needed provided they do not contradict, interfere with, or reduce any of Highland Fairview’s commitments in this Agreement.

3. Meaning of “Opposition.” “Opposition,” “Oppose,” or “Opposing” means (a) opposing, challenging, or seeking to hinder, whether by litigation, public opposition at any proceeding before a government agency, public testimony, comments, or petition to government authorities, a Previously Issued Approval or Future Implementation Approval, or (b) providing funding for others to file or maintain litigation opposing, challenging, or seeking to hinder a Previously Issued Approval or Future Implementation Approval. A Petitioner Party shall be deemed to be Opposing a Previously Issued Approval or a Future Implementation Approval if its board of directors, officers, or staff, or as to the Sierra Club, in addition to the above-listed persons, the Sierra Club’s San Geronio Chapter’s Board of Directors, officers, staff, group representatives, delegates, and any individual expressly representing or directed to represent the Sierra Club’s interests, Oppose such Previously Issued Approval or Future Implementation Approval. The Sierra Club’s San Geronio Chapter shall advise its staff and volunteer leaders that the Sierra Club has resolved its dispute with Highland Fairview and of the Sierra Club’s obligations under this Agreement, particularly non-Opposition set forth above. In the event that a member or members of the Sierra Club Oppose(s) a Previously Issued Approval or Future Implementation Approval, the Sierra Club agrees to disavow publicly said Opposition, via letter or other appropriate means, upon reasonable request by Highland Fairview, in any proceedings involving the Previously Issued Approval or Future

Implementation Approval before the City of Moreno Valley or any other agency or court having jurisdiction over the World Logistics Center Project. Such statement shall provide that the member or members do not represent the Sierra Club's position concerning the World Logistics Center Project. Opposition, Oppose, or Opposing does not include any action permitted under Section 1(b)(ii)(4) of this Agreement.

4. Governmental Actions of General Applicability. Petitioner Parties are not prohibited from commenting on, supporting, and/or Opposing proposed actions by any Governmental Authority that is generally applicable and not directly related to the development of the World Logistics Center Project, the Previously Issued Approvals, or Future Implementation Approvals, even though such proposed agency actions may have an impact on the World Logistics Center Project, the Previously Issued Project Approvals, and/or Future Implementation Approvals due to the general applicability of such proposed actions by any Governmental Authority. Examples of governmental actions of general applicability that Petitioner Parties are free to comment on, support and/or Oppose include, but are not limited to rules promulgated by local air district related to emissions; regulations promulgated by California agencies related to emissions; approvals for regional transportation plans; approvals of urban water management plans; listing decisions for threatened and endangered species; and the regulation of industrial equipment.

c. Mutual Releases of Claims.

i. Except as otherwise provided in this Agreement, the Petitioner Parties each release Highland Fairview, its affiliates, subsidiaries, parent entities, and each of their respective employees, officers, members, staff, agents, attorneys, and/or representatives, and each of them (collectively, the "Highland Fairview Released Parties"), from any and all claims, lawsuits, administrative and judicial proceedings, appeals, demands, challenges, liabilities, damages, fees, costs, and causes of action, at law or in equity, known or unknown, in any jurisdiction and before any court, agency, or tribunal (collectively and severally, "Claims") that the Petitioner Parties ever had, have, or may have against the Highland Fairview Released Parties, or any of them, arising in any way from or related in any way to the World Logistics Center Project, including without limitation, the claims brought by, or that could have been brought by Petitioner Parties in the RFEIR Litigation and the FEIR Litigation.

ii. Highland Fairview releases the Petitioner Parties, their affiliates, subsidiaries, parent entities, and each of their respective employees, officers, members, staff, agents, attorneys, and/or representatives, and each of them (collectively, the "Petitioner Released Parties") from any and all Claims that Highland Fairview ever had, have, or may have against the Petitioner Released Parties, or any of them, arising in any way from or related in any way to the World Logistics Center Project, including without limitation, the RFEIR Litigation and the FEIR Litigation.

iii. Nothing in this Section shall be interpreted as releasing any Party's right to enforce this Agreement in full.

## 2. Enforcement.

a. *Meet and Confer.* In the event of any dispute between the Parties related to this Agreement or the World Logistics Center Project, the Parties shall, before taking any other action concerning that dispute, provide written notice of the dispute to the other Party and meet and confer in person in a good-faith effort to resolve the dispute within thirty (30) days of the notice, unless otherwise agreed. Any Party that is alleged to be in breach of this Agreement shall have thirty (30) days from that in-person meeting to cure, unless otherwise agreed. Notwithstanding the foregoing, if the dispute is deemed to be a time-urgent matter by Highland Fairview or at least two of the five Petitioner Parties, these time periods may be disregarded and the Parties may seek immediate review by an arbitrator within twenty-four (24) hours' notice to the allegedly breaching Party pursuant to JAMS's Comprehensive Arbitration Rules and Procedures, including Rule 2(c), as those Rules exist on the Effective Date. If the allegedly breaching Party cures or begins a good faith effort to cure the alleged breach, any such proceeding previously commenced pursuant to the alleged time-urgent matter shall be dismissed.

b. *Nonbinding Mediation.* In the event any such dispute is not resolved pursuant to Section 2(a), then at any Party's request the Parties may participate in non-binding mediation of any dispute related to this Agreement or the World Logistics Center Project. This obligation shall take place in a timeframe that is reasonable under the circumstances. Any such mediation is to be completed in one day and not to exceed a total of eight (8) hours, unless extended by mutual consent. If nonbinding mediation is used pursuant to this section, Highland Fairview shall pay for the costs of mediation. The mediator will be selected by mutual agreement.

c. *Binding Arbitration.* In the event any such dispute is not resolved pursuant to Section 2(a) or Section 2(b), then within fifteen (15) days after the conclusion of the meet and confer or non-binding mediation, at Highland Fairview's request or the request of no fewer than two of Petitioner Parties the Parties shall participate in final, binding, and non-reviewable arbitration of any dispute related to this Agreement or the World Logistics Center Project, pursuant to the provisions below.

i. The dispute brought under Section 2(c) shall be determined by arbitration before three arbitrators, each of whom shall be a retired jurist. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and in accordance with the Expedited Procedures in those Rules as those Rules exist on the Effective Date, including Rules 16.1 and 16.2. The determination may be entered in any court having jurisdiction solely for the purposes of enforcing the determination.

ii. Within ten (10) days after notice under Section 2(c) is provided, Highland Fairview shall select one person to act as arbitrator and the Petitioner Parties shall select another. The two so selected shall select a third arbitrator within fifteen (15) days of the commencement of arbitration. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator within the allotted time, the third arbitrator shall be appointed by JAMS in accordance with its rules. All arbitrators shall serve as neutral, independent, and impartial arbitrators. Highland Fairview and the Petitioner Parties shall communicate their choices of a

Party-appointed arbitrator only to the JAMS Case Manager in charge of the filing. Neither is to inform any of the arbitrators as to which of the Parties may have appointed them.

iii. Any relief for an alleged breach of this Agreement shall be limited to any specific performance or injunctive relief necessary to ensure compliance with the provision of this Agreement that the complaining Party alleges another Party has breached. Such relief shall not be broader than necessary to ensure compliance with the provision of this Agreement that has been determined to have been breached.

iv. Highland Fairview shall be responsible for paying any fees and costs JAMS requires for JAMS to perform its arbitration services called for under this Section 2(c) unless the arbitrators determine that Petitioner Parties' commencement of arbitration was frivolous, unreasonable, or without foundation. If and only if the arbitrators determine that Petitioner Parties' commencement of arbitration was frivolous, unreasonable, or without foundation, then the Petitioner Parties who commenced that arbitration shall pay Highland Fairview one-half of JAMS's total fees and costs, such that each side will have paid one-half of JAMS's total fees and costs. Highland Fairview shall also not seek any security in connection with any Interim Measures that may be awarded under Rule 24 of JAMS's Comprehensive Arbitration Rules and Procedures.

v. Unless and only to the extent that an Arbitrator awards an Interim Measure, or other injunctive relief available under Rule 24 of JAMS's Comprehensive Arbitration Rules and Procedures pursuant to Section 2(c)(iii) of this Agreement, under no circumstances shall the pendency of arbitration delay or prevent Highland Fairview from obtaining any Future Implementation Approvals or developing the Property and operating the World Logistics Center Project in accordance with any Previously Issued Approvals and any Future Implementation Approvals.

3. Agreement's Termination. All obligations under this Agreement shall terminate if the Property ceases operations as a logistics facility. In the event that a portion of the Property ceases operations as a logistics facility or is never developed as a logistics facility, then this Agreement shall terminate as to that non-logistics facility portion of the Property but shall remain in full force and effect as to the portion of the Property that is operating as a logistics facility.

4. Attorneys' Fees and Costs. Except as expressly provided elsewhere in this Agreement, the Parties shall bear their own attorneys' fees and costs in connection with the enforcement of this Agreement.

5. Naming and Branding. Highland Fairview shall have the right, in its sole and absolute discretion, to name any of the public benefits or funds created pursuant to Sections 1(a)(ii), (iii), and (iv) of this Agreement. Petitioner Parties shall not be in breach of this Agreement should they choose not to use the names selected by Highland Fairview when referring to the public benefits or funds provided in Sections 1(a)(ii), (iii), and (iv) of this Agreement.



6. No Admission of Liability. This Agreement is a compromise of disputed claims and the fact that the Parties hereto have determined to compromise such disputed claims by entering into this Agreement is not to be construed as an admission of liability or otherwise on the part of the Parties hereto.

7. Successors and Assigns. This Agreement is binding upon and inures to the benefit of each of the Parties and their respective representatives, heirs, devisees, successors and assigns.

a. Highland Fairview may, in its sole discretion, assign any or all of its rights, benefits, and obligations under this Settlement Agreement to any successor(s) in interest or to any purchaser, tenant, or end user of the World Logistics Center Project or any portion thereof. In the event of any such assignment(s), Highland Fairview shall ensure by written instrument that the assignee(s) shall be contractually obligated to comply with all of Highland Fairview's obligations under this Agreement for the Agreement's full term unless Highland Fairview expressly retains one or more such obligations itself. Such written instrument shall detail the specific rights, benefits, and obligations Highland Fairview is assigning and the specific rights, benefits, and obligations Highland Fairview is retaining for itself, if any, and that the assignee has accepted such assignment for the Agreement's full term or unless and until such assignee assigns such rights, benefits, and obligations pursuant to the terms of this Agreement to a subsequent assignee. Highland Fairview and any subsequent assignee upon assignment by it shall provide written notice to Petitioner Parties of any such assignment, reasonable evidence of the assignee's financial ability to fulfill the obligations assigned to it, and the assignee's acceptance by providing a copy of the fully executed written assignment instrument. No assignment, by Highland Fairview or by any subsequent assignee, shall be effective until such notice is provided. Upon delivery of such notice, Highland Fairview or the subsequent assignee shall be deemed released by Petitioner Parties from the obligations so assigned. Petitioner Parties may enforce any assigned obligations against the assignee(s) pursuant to Section 2 of this Agreement. Absent Petitioner Parties' written consent, which consent shall not be unreasonably withheld, no more than ten assignees at any given time shall hold any such assigned rights, benefits, and obligations under this Agreement.

b. Upon the sale of the Property or any portion of the Property, Highland Fairview shall provide a complete copy of this Agreement to the purchaser as an attachment or exhibit to any purchase and sale agreement and shall provide proof of having done so to Petitioner Parties. Any purchase and sale agreement conveying the Property, or any portion of the Property also must include the purchaser's express acknowledgment of this Agreement.

c. Petitioner Parties shall not assign any or all of their rights, benefits, and obligations under this Agreement without prior written consent from Highland Fairview, which as to any assignment of rights and benefits only shall not be unreasonably withheld.

8. Entire Agreement. This Agreement: (a) constitutes the entire agreement between the Parties concerning the subject matter hereof, (b) supersedes any previous oral or written agreements concerning the subject matter hereof, and (c) shall not be modified except by a writing executed by the Party(ies) to be bound thereby.

9. Attachments. All attachments to this Agreement are incorporated herein by this reference.

10. Notices. All notices shall be in writing and shall be addressed to the affected Parties at the addresses set forth below. Notices shall be: (a) hand delivered to the addresses set forth below, in which case they shall be deemed delivered on the date of delivery, as evidenced by the written report of the courier service; (b) sent by certified mail, return receipt requested, in which case they shall be deemed delivered five (5) business days after deposit in the United States mail; or (c) transmitted by email in which case they shall be deemed delivered on the date of transmission if sent before 5:00 pm or on the first business day after transmission if sent at 5:00 pm or later or if sent on a Saturday, Sunday, or California court holiday, provided the Party transmitting notice by email does not receive a delivery status notification indicating that delivery of the email communication failed. Any Party may change its address, its email, or the name and address of its attorneys by giving notice in compliance with this Agreement. Notice of such a change shall be effective only upon receipt. Notice given on behalf of a Party by any attorney purporting to represent a Party shall constitute notice by such Party if the attorney is, in fact, authorized to represent such Party. The addresses and email addresses of the Parties are:

| <u>Parties</u>                                                                                                                                                                                             | <u>Electronic and Mailing Address</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>For Petitioner Parties:</u><br>Center for Community Action and Environmental Justice, Center for Biological Diversity, Coalition for Clean Air, Sierra Club, and San Bernardino Valley Audubon Society. | Adriano Martinez<br>Fernando Gaytan<br>Earthjustice<br>707 Wilshire Blvd., Suite 4300<br>Los Angeles, California 90017<br><a href="mailto:amartinez@earthjustice.org">amartinez@earthjustice.org</a><br><a href="mailto:fgaytan@earthjustice.org">fgaytan@earthjustice.org</a><br><br>Omonigho Oiyemhonlan<br>Earthjustice<br>50 California Street, Suite 500<br>San Francisco, California 94111<br><a href="mailto:ooiyemhonlan@earthjustice.org">ooiyemhonlan@earthjustice.org</a> |
| <u>For Petitioner Party:</u><br>Sierra Club                                                                                                                                                                | Kevin P. Bundy<br>Shute, Mihaly & Weinberger, LLP<br>396 Hayes Street<br>San Francisco, California 94102<br><a href="mailto:bundy@smwlaw.com">bundy@smwlaw.com</a><br><br>With a copy to:<br><br>Aaron Isherwood [Coordinating Attorney]<br>Sierra Club<br>2101 Webster Street, Suite 1300<br>Oakland, California 94612<br><a href="mailto:aaron.isherwood@sierraclub.org">aaron.isherwood@sierraclub.org</a>                                                                        |

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>For Petitioner Party:</u><br>Center for Biological Diversity                                                                                                                                 | Aruna Prabhala<br>Center for Biological Diversity<br>1212 Broadway, Suite 800<br>Oakland, California 94612<br>aprabhala@biologicaldiversity.org                                                                                                                                                                        |
| <u>For the Highland Fairview:</u><br>Highland Fairview, HF Properties, Sunnymead Properties, 13451 Theodore LLC, Theodore Properties Partners, HL Property Partners, and ROES 21-40, inclusive. | James L. Arnone<br>Benjamin J. Hanelin<br>Latham & Watkins LLP<br>355 S. Grand Avenue, Suite 100<br>Los Angeles, California 90071<br>james.arnone@lw.com<br>benjamin.hanelin@lw.com<br><br>With a copy to:<br><br>Iddo Benzeevi<br>14225 Corporate Way<br>Moreno Valley, California 92553<br>iddo@highlandfairview.com |

11. Force Majeure. No Party shall be responsible or liable for any failure or delay in the performance of its obligations pursuant to this Agreement arising out of or caused by, directly or indirectly, forces beyond the Party's reasonable control, including, without limitation, fire, explosion, floods, acts of war or terrorism, national emergencies, pandemics, strikes, riots, and changes in laws or regulations.

12. Severability. In the event that any provision of the Agreement shall be held invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provisions hereof unless any of the stated purposes of the Agreement would be defeated.

13. Incorporation of Recitals. The recitals contained herein are hereby incorporated by reference and are material and binding upon the Parties hereto.

14. Construction and Choice of Law. The terms of this Agreement are the product of arms-length negotiations between the Parties, through their respective counsel of choice, and no provision shall be construed against the drafter thereof. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any Party may enforce the terms of this Agreement pursuant to Section 2.

15. Counterparts. This Agreement may be executed in counterparts, by either an original signature or signature transmitted by facsimile or electronic transmission or other similar process, each of which shall be an original, but all of which taken together shall constitute one and the same instrument; provided, however, that such counterparts shall have been delivered to

the Parties (in person, by messenger, by overnight courier, by registered or certified mail, or by facsimile or electronic transmission).

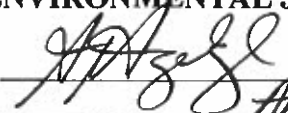
16. Authority. Each signatory to this Agreement represents and warrants that he or she is authorized to sign this Agreement on behalf of the Party for which he or she is signing, and thereby to bind that Party fully to the terms of this Agreement.

[SIGNATURES ON NEXT PAGE]

**AGREED TO AND ACCEPTED AS OF THE EFFECTIVE DATE:**

**Petitioner Parties:**

**CENTER FOR COMMUNITY ACTION  
AND ENVIRONMENTAL JUSTICE**

By:   
Name: Ana Gonzalez  
Title: Finance and Administration Director  
Date: 4/28/2021

**CENTER FOR BIOLOGICAL DIVERSITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**COALITION FOR CLEAN AIR**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SIERRA CLUB**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SAN BERNARDINO VALLEY AUDUBON  
SOCIETY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

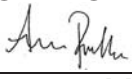
**AGREED TO AND ACCEPTED AS OF THE EFFECTIVE DATE:**

**Petitioner Parties:**

**CENTER FOR COMMUNITY ACTION AND ENVIRONMENTAL JUSTICE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CENTER FOR BIOLOGICAL DIVERSITY**

By:  \_\_\_\_\_  
Name: Aruna Prabhala  
Title: Senior Atty & UW Program Dir.  
Date: 4/28/2021

**COALITION FOR CLEAN AIR**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SIERRA CLUB**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SAN BERNARDINO VALLEY AUDUBON SOCIETY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**AGREED TO AND ACCEPTED AS OF THE EFFECTIVE DATE:**

**Petitioner Parties:**

**CENTER FOR COMMUNITY ACTION AND  
ENVIRONMENT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CENTER FOR BIOLOGICAL DIVERSITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**COALITION FOR CLEAN AIR**

By:  \_\_\_\_\_  
Name: Joseph K. Lyou, Ph.D. \_\_\_\_\_  
Title: President & CEO \_\_\_\_\_  
Date: April 28, 2021 \_\_\_\_\_

**SIERRA CLUB**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SAN BERNARDINO VALLEY AUDUBON  
SOCIETY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**AGREED TO AND ACCEPTED AS OF THE EFFECTIVE DATE:**

**Petitioner Parties:**

**CENTER FOR COMMUNITY ACTION AND ENVIRONMENTAL JUSTICE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

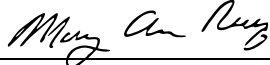
**CENTER FOR BIOLOGICAL DIVERSITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**COALITION FOR CLEAN AIR**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SIERRA CLUB**

By:  \_\_\_\_\_  
Name: Mary Ann Ruiz  
Title: Sierra Club San Geronimo Chapter Chair  
Date: April 28, 2021

**SAN BERNARDINO VALLEY AUDUBON SOCIETY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**AGREED TO AND ACCEPTED AS OF THE EFFECTIVE DATE:**

**Petitioner Parties:**

**CENTER FOR COMMUNITY ACTION AND ENVIRONMENTAL JUSTICE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CENTER FOR BIOLOGICAL DIVERSITY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**COALITION FOR CLEAN AIR**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SIERRA CLUB**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SAN BERNARDINO VALLEY AUDUBON SOCIETY**

By: Bradley C Singer  
Name: Bradley C Singer  
Title: President  
Date: 04/28/2021

**Highland Fairview:**

**HIGHLAND FAIRVIEW PROPERTIES**

By: Iddo Benzeevi  
Name: Iddo Benzeevi  
Title: President & CEO  
Date: April 29, 2021

**HF PROPERTIES**

By: Iddo Benzeevi  
Name: Iddo Benzeevi  
Title: President & CEO  
Date: April 29, 2021

**SUNNYMEAD PROPERTIES**

By: Iddo Benzeevi  
Name: Iddo Benzeevi  
Title: President & CEO  
Date: April 29, 2021

**THEODORE PROPERTIES PARTNERS**

By: Iddo Benzeevi  
Name: Iddo Benzeevi  
Title: President & CEO  
Date: April 29, 2021

**13451 THEODORE, LLC**

By: Iddo Benzeevi  
Name: Iddo Benzeevi  
Title: President & CEO  
Date: April 29, 2021

**HL PROPERTY PARTNERS**

By:   
Name: Iddo Benzeevi  
Title: President & CEO  
Date: April 29, 2021

**Approved as to form and content:**

  
Adriano Martinez  
Counsel for Center for Community Action and  
Environmental Justice, Center for Biological  
Diversity, Coalition for Clean Air, Sierra Club, and  
San Bernardino Valley Audubon Society

  
James L. Arnone  
Counsel for Highland Fairview

## HL PROPERTY PARTNERS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

### Approved as to form and content:



Adriano Martinez  
Counsel for Center for Community Action and  
Environmental Justice, Center for Biological  
Diversity, Coalition for Clean Air, Sierra Club, and  
San Bernardino Valley Audubon Society

\_\_\_\_\_  
James L. Arnone  
Counsel for Highland Fairview

# **Attachment A**

## Greenhouse Gas Emissions and Air Quality

### 1) *Operational GHG and Criteria Pollutant Emissions Reduction Measures*

#### a) **Electric Truck and Car Grant Programs.**

- i) **Heavy Duty Truck Grants.** WLC will provide funding for 500 grants for the purchase of Class 8 heavy duty electric trucks. The grants shall be provided pursuant to the attached table at Attachment A, Exhibit 1. The program shall prioritize applicants who will use the trucks in Moreno Valley and along the Highway 60 corridor, and will give special priority for drayage trucks that will be used in Moreno Valley and along the Highway 60 corridor. The grants will be phased proportionately with buildout of the first 35 million square feet of the project.

These heavy duty grants will include the following two conditions: (1) a prohibition on the resale of the electric truck to an entity that will operate trucks outside of California; and (2) 85% of the mileage must occur in the SCAQMD region and be enforced using a geo-fencing electronic system on each truck.

- ii) **Medium Duty Truck Grants.** WLC will provide up to 60 grants for the purchase of Class 4 through Class 7 medium duty trucks. The grants shall be provided pursuant to the attached table at Attachment A, Exhibit 2. The program will prioritize (i) applicants who will use the trucks in Moreno Valley and along the Highway 60 corridor and (ii) Class 6 and 7 trucks. Only if there is no demand for the Class 6 and 7 truck classes shall grants be provided to Class 4 and 5 trucks with priority provided to Class 5 trucks over Class 4 trucks. The grants will be phased proportionately with buildout of the first 20 million square feet of the project.

These medium duty grants will include the following two conditions: (1) a prohibition on the resale of the electric truck to an entity that will operate trucks outside of California; and (2) 85% of the mileage must occur in the SCAQMD region and be enforced using a geo-fencing electronic system on each truck.

- iii) **Local Delivery Truck Grants.** WLC will provide up to 120 grants for WLC tenants to purchase light-duty delivery vehicles (generally referred to Class 1, 2, and 3 trucks) for use for deliveries in Moreno Valley and the immediately proximate area. The grants shall be provided pursuant to the attached table at Attachment A, Exhibit 3. The program will prioritize (i) tenant applicants whose buildings are located closest to residential areas and (ii) the highest class of Class 1, 2, and 3 trucks and vehicles for which there is demand. The grants will be phased proportionately with buildout of the first 20 million square feet of the project.

These local delivery grants will include a condition that 50% of the mileage must occur in Moreno Valley and the Highway 60 corridor and be enforced using a geo-fencing electronic system on each truck.

- iv) **Local Community Passenger Vehicle & Zero Emission Transportation Grants.** WLC shall (1) fund a \$1,100,000 community clean vehicle grant program that will

provide up to 1,000 \$1,000 electric vehicle car grants to Moreno Valley residents and/or (2) fund other programs to advance zero emission transportation. Car grants for Moreno Valley residents shall be prioritized to households earning not more than 150% of the Area Median Income, as calculated by the U.S. Department of Housing and Urban Development. The grants will be phased proportionately with buildout of the first 20 million square feet of development of the project.

v) **Grant Programs Administration and Education.**

- (1) The electric truck and electric car grant programs shall be administered by one or more mutually agreeable third party(ies).
- (2) WLC shall fund the electric truck and electric car grant programs' reasonable administration costs separately from and in addition to the costs of the grants.
- (3) The electric truck and electric car grant programs shall be phased proportionately with the project buildout terms identified in section 1(a), and funded upon or before the issuance of building construction permits for each warehouse building. If a building triggers a fraction of a grant, the grant number will be rounded up to the higher number.
- (4) For all of the electric truck and electric car grant programs, the Parties shall meet and confer regarding any mutually agreeable opportunity to seek more deployment of zero emission trucks through the augmentation of these grant funds with other funding sources. The Parties may also meet and confer to address conditions of grants that may inhibit applicants from using the programs, including but not limited to resale requirements and geofencing in sections 1(a)(i), 1(a)(ii), and 1(a)(iii) above.
- (5) At five year intervals, parties will meet and confer to assess whether grants are being used within the particular classes identified in sections 1(a)(i), 1(a)(ii), and 1(a)(iii). The Parties may agree to shift grants to other classes of vehicles that may have demand. In the event that the number of qualified applications are insufficient to exhaust the number of truck grants made available within five years of the project's full buildout, then all remaining grant funds earmarked for a particular truck class may be redistributed to truck classes for which demand remains. In the event grant funds remain after this reallocation, then all unused funds shall be paid to a mutually agreeable third party for zero-emissions heavy-duty truck projects to benefit the residents of Moreno Valley and the communities along the Highway 60 corridor.

vi) **Electric Vehicle Advocacy Fund.** Upon the commencement of grading within the Specific Plan area, WLC shall pay \$300,000 to a mutually agreeable third party entity selected by Petitioners to provide outreach, education, and training on zero-emissions vehicles and maintenance, with a focus on educating and training Moreno Valley residents about the electric truck and car programs provided for under this agreement.

b) **Maximize Onsite Solar.**

i) At a minimum, WLC shall do the following.

- (1) WLC shall install the maximum amount of on-site rooftop solar generation permitted under the existing Moreno Valley Utility ordinance and other applicable law.
- (2) If the existing Moreno Valley Utility ordinance is amended to allow additional onsite rooftop solar generation, and if that additional generation is approved by the Moreno Valley Utility and Southern California Edison and is allowed by other applicable law, then WLC shall install additional on-site rooftop solar generation at a cost of at least \$1,650 per 10,000 square feet of warehouse floor area.

c) **Solar Advocacy Fund.** Upon the commencement of grading within the Specific Plan area, WLC shall provide \$300,000 to a third-party, non-profit advocacy group or foundation that Petitioners shall select to advocate for a regional approach to encourage solar power generation and protect desert resources and greenfields.

d) **Lower Carbon Hydrogen Available Onsite.** If available under commercially reasonable terms, WLC will make available to tenants hydrogen fuel with a carbon intensity (CI) score of 50 or less. Hydrogen fuel will be made available upon the issuance of certificates of occupancy for 15 million square feet of logistics warehousing, or earlier, provided there is sufficient demand at that time to allow for a break-even price point or higher after the return of capital costs and ongoing operational expenses for the initial 5 years of operation, with a commercially reasonable income thereafter.

e) **Onsite EV chargers.**

- i) WLC will provide 1,000 Level 1 chargers in WLC parking lots, phased proportionately with project buildout, and will ensure that they function properly for at least 15 years from their dates of installation.
- ii) WLC will provide 80 Level 2 chargers in WLC parking lots with two ports per charger (for a total of at least 160 ports), phased proportionately with project buildout, and will ensure that they function properly for at least 15 years from their dates of installation.
- iii) WLC shall install signage at each EV parking space stating that the parking space is for EVs only and improperly parked vehicles will be towed.

2) ***Operational Air Quality (TACs)***

a) **Electrification/No Diesel/Alternative Fuels**

- i) At least 90% of all forklifts must be powered by electricity, hydrogen, or non-fossil zero-emission fuels. No forklift may be powered by diesel fuels.



- ii) 90% of all handheld landscaping equipment (e.g., leaf blowers, hedge trimmers, weed whackers, etc.) shall be electric or meet most current CARB standard within five years of the standard's implementation, to be enforced by including this requirement in all service contracts.
- iii) Hot water heaters for office and bathrooms shall be powered either through solar cells mounted on the roofs of the buildings or solar-generated electricity.
- iv) Only electric appliances shall be used in building office areas (e.g., electric stoves).
- v) Diesel powered generators will be prohibited unless necessary due to emergency situations or constrained supply.
- vi) All "yard goats," yard trucks, and hostlers will be powered by electricity or a non-diesel alternative.

**b) Auxiliary Power Unit (APU).**

- i) All truck idling shall be limited to no more than 5 minutes.
- ii) Each warehouse building shall provide an on-site air-conditioned lounge with a vending machine(s), a seating area, restrooms, workstations, shower facilities, and a television. The lounge shall be regularly maintained, cleaned, and stocked.
- iii) WLC shall provide at least one APU plug-in for every 35 dock doors at multiple locations within the Specific Plan area where trucks park and signage shall be provided in English and Spanish identifying where such APU plug-ins are located.

**c) Warehouse Construction.**

- i) WLC shall construct all warehouse buildings to achieve at least LEED Silver Certification for core and shell. If the WLC seeks to advertise a building as having LEED Silver Certification, it shall apply for certification. If certification is granted, notice shall be provided to Petitioners.
- ii) Warehouse roof areas not covered by solar panels shall be constructed with materials with an initial installation Solar Reflective Index Value of not less than 39.
- d) **Cold Storage.** All transport refrigeration units (TRUs) shall have electric plug-ins and electrical hookups shall be provided at all TRU loading docks. WLC shall notify petitioners in writing before filing any applications for cold storage in warehouses.

**3) Construction Emissions/Dust**

- a) All construction equipment shall meet or be cleaner than Tier 4 standards, except if the construction contractor certifies that it is not feasible to use exclusively Tier 4 equipment due to limited availability. In all events, at least 80% of construction equipment shall meet or be cleaner than Tier 4 standards for the life of the project's construction.

- b) In the event that diesel-powered construction equipment becomes available (1) with improved emission control devices that reduce particulate matter emissions, including fine particulate matter, and reduces NOx emissions, (2) at commercially reasonable prices, and (3) in sufficient quantities to be reasonably available, then WLC shall use such construction equipment.
- c) No diesel-powered portable generators shall be used, unless necessary due to emergency situations or constrained supply.
- d) No idling longer than five minutes shall be permitted.

4) ***Worker Education / Enforcement of Requirements***

- a) See section 8(i) in Attachment C to this Agreement.

**Attachment A, Exhibit 1**  
**Class 8, Heavy Duty Truck Grant Program**

| <b>Truck Model Year</b> | <b>Grant (\$) per Truck</b> |
|-------------------------|-----------------------------|
| 2024                    | 24,391                      |
| 2025                    | 23,523                      |
| 2026                    | 22,823                      |
| 2027                    | 22,228                      |
| 2028                    | 21,687                      |
| 2029                    | 21,198                      |
| 2030 and later          | 20,709                      |

Notes and Source: All assumptions are based on CARB data developed in the Advanced Clean Trucks rulemaking. Class 8 trucks are defined by Federal Highway Administration as trucks with Gross Vehicle Weight Rating (GVWR) of more than 33,000 lbs. The grants specified in this table equal the down payments projected to be required to purchase a Class 8 heavy duty electric truck for each specified truck model year, using the CARB Total Cost of Ownership Calculator available at: [https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tcocalc\\_2.xlsx](https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tcocalc_2.xlsx). Consistent with industry practice, the down payment represents 10% of the amount due at the truck purchase, which includes the truck purchase price, the taxes and the registration (but not the fuel and maintenance).

## EV Heavy Duty Truck Grant

LATHAM & WATKINS LLP



### Helping Truckers Transition to EV by Eliminating Up-front Cash Needed

#### Biggest Barrier to EV Truck Conversion?

- Where does the buyer get the money for the down payment

#### Solution: Zero Cash Down for Zero Emissions Grant Program

- WLC will provide Grant to cover the projected down payment on new HD EV truck based on CARB data
- Grant program will continue throughout the construction period

| Class 8<br>Model Year | Purchase Price <sup>1</sup><br>(capital cost, registration,<br>taxes) |                    | Upfront Costs<br>(capital cost, registration, taxes) |                                           |                                       |                                         | Benefits to Purchaser                                          |                                                                   |
|-----------------------|-----------------------------------------------------------------------|--------------------|------------------------------------------------------|-------------------------------------------|---------------------------------------|-----------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------|
|                       | Diesel<br>(CARB)                                                      | Electric<br>(CARB) | Diesel<br>Down<br>Payment <sup>2</sup>               | EV Down<br>Payment<br>(CARB) <sup>2</sup> | WLC EV<br>Truck<br>Grant <sup>3</sup> | EV Down<br>Payment<br>(net of<br>grant) | Day 1 Cash<br>Savings to<br>Switch to<br>Electric <sup>4</sup> | Year 1 Fuel &<br>Maintenance<br>Savings vs<br>Diesel <sup>5</sup> |
| MY 2024               | \$172,220                                                             | \$243,913          | (\$17,222)                                           | (\$24,391)                                | \$24,391                              | \$0                                     | \$17,222                                                       | \$5,850                                                           |

1. Cost data for diesel and electric trucks estimated using the CARB TCO Calculator, available at: [https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tccalc\\_2.xlsx](https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tccalc_2.xlsx). All assumptions are based on CARB data developed in the Advanced Clean Trucks rulemaking. The (lower) Tesla Semi price projections represent a less conservative scenario and accordingly the Tesla data was not used to set Grant levels.
2. Consistent with industry practice, the down payment represents 10% of the purchase price, tax and registration (but not fuel and maintenance).
3. The CARB price projections represent a conservative scenario and accordingly CARB data has been used to set Grant levels.
4. Incremental cost of EV Truck assumes no additional incentives or subsidies, which is highly conservative given the many existing EV subsidy programs. Note that no incentives are available for diesel trucks.
5. Annual maintenance and fuels costs (and savings) based on CARB data. This does not include revenues from the sale of LCFS credits.

Confidential Settlement Communication – Not for Dissemination

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**Attachment A, Exhibit 2**  
**Medium Duty Truck Grant Program**

| <b>Truck Model Year</b> | <b>Grant (\$) per Truck (Class 4-5)</b> | <b>Grant (\$) per Truck (Class 6-7)</b> |
|-------------------------|-----------------------------------------|-----------------------------------------|
| 2024                    | 8,466                                   | 13,040                                  |
| 2025                    | 8,274                                   | 12,728                                  |
| 2026                    | 8,118                                   | 12,476                                  |
| 2027                    | 7,983                                   | 12,261                                  |
| 2028                    | 7,859                                   | 12,065                                  |
| 2029                    | 7,746                                   | 11,887                                  |
| 2030 and later          | 7,632                                   | 11,710                                  |

Notes and Source: All assumptions are based on CARB data developed in the Advanced Clean Trucks rulemaking. Federal Highway Administration (FHA) defines Class 4, Class 5, Class 6 and Class 7 trucks as trucks with GVWRs as follows: (i) Class 4 between 14,001 lbs and 16,000 lbs; (ii) Class 5 between 16,001 lbs and 19,500 lbs; (iii) Class 6 between 19,501 lbs and 26,000 lbs; (iv) and, Class 7 between 26,001 lbs and 33,000 lbs. FHA classifies Class 4, Class 5 and Class 6 trucks as Medium Duty and classifies Class 7 trucks as Heavy Duty. In terms of emission standards, the U.S. Environmental Protection Agency (EPA) classifies Class 4-5 trucks as Light Heavy Duty and Class 6-7 trucks as Medium Heavy Duty. The grants specified in this table equal the down payments projected to be required to purchase either a Class 4-5 or Class 6-7 electric truck for each specified truck model year, using the CARB Total Cost of Ownership Calculator available at: [https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tcocalc\\_2.xlsx](https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tcocalc_2.xlsx). Consistent with industry practice, the down payment represents 10% of the amount due at the truck purchase, which includes the truck purchase price, the taxes and the registration (but not the fuel and maintenance).

**Attachment A, Exhibit 3**  
**Local Delivery Truck Grant Program**

| <b>Truck Model Year</b> | <b>Grant (\$) per Truck (Class 2B-3)</b> |
|-------------------------|------------------------------------------|
| 2024                    | 8,949                                    |
| 2025                    | 8,762                                    |
| 2026                    | 8,607                                    |
| 2027                    | 8,467                                    |
| 2028                    | 8,336                                    |
| 2029                    | 8,213                                    |
| 2030 and later          | 8,090                                    |

Notes and Source: All assumptions are based on CARB data developed in the Advanced Clean Trucks rulemaking. The EPA classifies Class 2B trucks as trucks with GVWR between 8,500 lbs and 10,000 lbs and Class 3 trucks as trucks with GVWRs between 10,001 lbs and 14,000 lbs. The grants specified in this table equal the down payments projected to be required to purchase a Class 2B-3 electric truck for each specified truck model year, using the CARB Total Cost of Ownership Calculator available at: [https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tcocalc\\_2.xlsx](https://ww2.arb.ca.gov/sites/default/files/2019-05/190508tcocalc_2.xlsx). Consistent with industry practice, the down payment represents 10% of the amount due at the truck purchase, which includes the truck purchase price, the taxes and the registration (but not the fuel and maintenance).

# **Attachment B**

## Biological Resources

- 1) **Lighting Program.** Reduce light and glare to maximum extent practicable. Implement a campus-wide lighting program in compliance with International Dark Sky Association standards with at least the following measures (except where doing so would violate safety requirements or federal, state, City or county governmental regulations; provided, however, that if doing so would violate such requirements or regulations, then WLC shall consult with Petitioner Parties and, should Petitioner Parties so decide, WLC and Petitioner Parties shall cooperate to attempt to persuade the decision maker to allow the lighting program described below).

- a) Light color of all exterior lighting, including street lights, shall be 2,700 Kelvin.
- b) Limit the heights of all freestanding and wall-mounted lights to 20 feet within 1,500 feet of the San Jacinto Wildlife Area ("SJWA").
- c) Dimmers to 25% output after sundown when no motion detected for ten minutes, subject to City approval, which approval WLC shall request.
- d) Motion sensors on all interior lighting shall be installed consistent with applicable Title 24 regulations.
- e) Require darker colored paint (Pantone 7501C) on all exterior building walls within 1,000 feet of the SJWA property line and visible from the SJWA to reduce glare.



- f) Plant trees within setback area to reduce glare to SJWA.
- g) Install full cut-off luminaries on buildings and poles.
- i) Installation of automatic blinds on office windows visible from the SJWA within 1,500 feet of the SJWA edge that automatically close within 20 minutes after sunset and open within 20 minutes of sunrise.
- h) Truck head lights shall be turned off within five minutes of truck parking.



- i) All construction lighting shall be shielded and directed away from the project's property lines.

## **2) SJWA Setback Area & Additional SJWA Protections**

- a) Truck yards shall be no closer than 350 feet from the southern boundary with SJWA, as depicted by the yellow line in the attached graphic. No buildings, truck courts, loading areas, parking, truck circulation areas, or truck or trailer storage, shall be permitted within the 350-foot setback area. Only landscaping, drainage facilities, and underground utilities shall be permitted. Emergency access and maintenance access shall also be permitted.
- b) Warehouse buildings shall be no closer than 450 feet from the southern boundary with SJWA, as depicted by the red line in the attached graphic. *See Attachment B, Exhibit 1 – Setback.*
- c) The SJWA setback area shall be subject to an open space deed restriction that limits uses within the 350-foot setback area to only landscaping, drainage facilities, underground utilities, emergency access, and maintenance access.
- d) No lighting shall be located in the 350-foot setback.
- e) No wall or fence shall be installed along the project's property line with the SJWA, unless required by California Department of Fish and Wildlife or other governmental authority.
- f) All portions of truck yards visible from the SJWA, including those truck yards adjacent to the SDG&E Moreno Compressor Station, shall be shielded by a wall or walls at least 14 feet high, if the City so permits under the Specific Plan, which permission WLC shall in good faith seek. In no event shall such walls be lower than 12 feet high.
- g) WLC shall plant landscaping and design detention basins in the SJWA special edge treatment area so as to soften the southern appearance of truck yard screen walls by planting at least 50% of all trees at 24" box in size. Detention basins within the SJWA special edge treatment shall be designed and built no larger than necessary to handle the Specific Plan area's estimated storm water flow.
- h) Landscaping within the SJWA special edge treatment area shall be substantially consistent with conceptual design set forth in the Specific Plan at pages 4-25 and 4-26.
- i) Plant only low-biogenic and native vegetation in SJWA special edge treatment area.
- j) At least 50% of trees within the 350-foot setback area shall be evergreen trees.
- k) At least 50% of trees within the 350-foot setback area shall be native to Southern California.

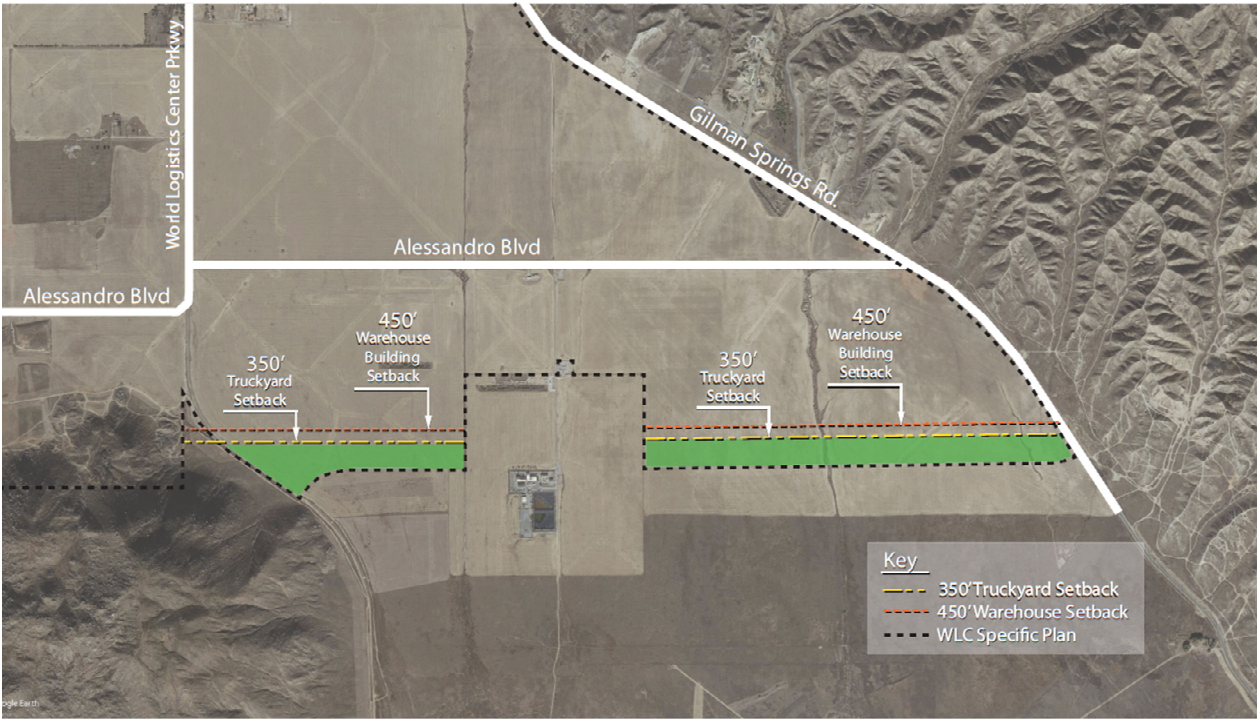
- l) No ornamental grasses shall be installed in the Specific Plan area. Only grasses, shrubs, or sub-shrubs listed in section 5.4.4 of the Specific Plan, which are all native grasses, shall be planted within the Specific Plan area.
  - m) Invasive, non-native grasses, shrubs, and sub-shrubs shall be removed from the Specific Plan area's developed portions as part of the WLC's regular landscaping services.
  - n) All leases shall inform tenants within 1,000 feet of the SJWA edge that the project is adjacent to the SJWA, which permits hunting.
  - o) Permanent signage in English and Spanish shall be installed within 450 feet of the SJWA stating that such area is within 450 feet of an area that permits hunting.
- 3) ***SJWA Conservation Fund***—Upon the issuance of a building permit for a warehouse building south of Alessandro Blvd., WLC shall fund a \$4 million account for (i) land acquisition efforts to augment the SJWA, (ii) SJWA conservation efforts, (iii) wildlife corridor crossings on Gilman Springs Road, (iv) facilitating native plantings, (v) plant management, (vi) other conservation efforts, or (vii) administration of such funds. The funds shall be managed by a third-party, non-profit entity or foundation chosen by Petitioner Parties.
- 4) ***SDG&E Moreno Compressor Station Shielding.***
- a) ***Landscaping.*** Prior to the issuance of a certificate of occupancy for a warehouse building south of Alessandro Blvd. and north of the SDG&E Moreno Compressor Station, landscaping that substantially blocks vehicle lights shall be installed and maintained around the project's western, northern, and eastern property line abutting the SDG&E Moreno Compressor Station.
  - b) ***Fencing.*** Prior to the issuance of a certificate of occupancy for a warehouse building south of Alessandro Blvd., ten foot tall fencing with metal mesh installed below and above ground level to prevent animals from moving between the SDG&E Compressor Station and SJWA shall be installed and maintained around the western, northern, and eastern property line abutting the SDG&E Moreno Compressor Station.
- 5) ***Davis Road***—WLC shall support efforts to keep Davis Road closed north of the SJWA, as shown on the attached map, including the placement of a gate near Alessandro Blvd. No access from the north via Davis Road for the property located at 16200 Davis Road shall be requested. *See Attachment B, Exhibit 2 – Horse Ranch Exhibit.*
- 6) ***WLC Open Space Area (Planning Area 30).***
- a) WLC shall not build any buildings within Planning Area 30. WLC shall provide notice of any property transfer or proposed activity within Planning Area 30 within 30 days of such transfer or formal proposed activity.
  - b) Prior to the issuance of a certificate of occupancy for any warehouse building adjacent to Planning Area 30, a wall at least 14 feet high, if the City so permits, which approval

WLC shall in good faith request, shall be constructed along the warehouse building's southern edge. In no event shall such wall be lower than 12 feet high.

**7) *SJWA Boundary & Setbacks.***

- a) For purposes of this Agreement, SJWA boundary shall mean SJWA's boundaries as they exist as of the Effective Date of the Agreement.
- b) All setback obligations from the SJWA shall be as shown on the following attachment. *See Attachment B, Exhibit 1 – Setback.*

Attachment B, Exhibit 1 – Setback





**Attachment B, Exhibit 2 – Horse Ranch Exhibit**



# **Attachment C**

## **Community Benefits**

### **1) *Berms/Screening Before Warehouse Construction***

- a) The berms to be installed along Redlands Blvd. and Merwin St. shall be completed before the construction of any warehouses within 1,000 feet of Redlands Blvd. or Merwin St.
- b) Either the berm to be installed along Bay St. or a temporary barrier sufficient to substantially screen warehouse construction activities shall be completed before the construction of any warehouses within 1,000 feet of Bay St.

### **2) *Setbacks From residentially zoned property.*** Buildings shall be setback at least 290 feet measured from the nearest existing City residential zoning boundary (which is currently the centerline of Redlands Blvd., Bay Ave., and Merwin St.). Notwithstanding the foregoing, buildings of no more than 45 feet in height, as measured pursuant to the Specific Plan, shall be setback at least 250 feet from the nearest existing City residential zoning boundary.

### **3) *Visual Protections/Berms/Landscaping***

#### **a) *Landscaping/Screening***

- i) Merwin St. Berm: WLC will install a berm and landscaped area on the east side of Merwin St. similar to that to be installed on Redlands Blvd. to screen future buildings and development as viewed from Merwin St.
- ii) Enhancements to Berm: The property's Western Edge, as defined by the Specific Plan and as shown in Specific Plan Exhibit 4-1, when viewed from the western side of Redlands Boulevard and Merwin Street and the southern side of Bay Avenue, shall be developed to screen future buildings with walls, berms, and/or landscaping as follows.
  - (1) For a minimum of 25% of the linear length of the berms, the entirety of the buildings and roof mounted equipment behind the berms shall be substantially screened by walls, berms, and/or landscaping at maturity at all times of the year. "Substantially screened" means that while there might be some view of the buildings looking through the foliage, the buildings will be mostly obscured from view.
  - (2) For a minimum of 25% of the linear length of the berms, all but the top five feet of the buildings and roof mounted equipment behind the berms shall be substantially screened by walls, berms, and/or landscaping at maturity at all times of the year.
  - (3) For the remaining 50% or less of the linear length of the berms, all but the top fifteen feet of the buildings and roof mounted equipment behind the berms shall be substantially screened by walls, berms, and/or landscaping at maturity at all times of the year.

- (4) In the event the above levels of screening on the Western Edge are not achieved within 15 years of landscaping's installation, WLC shall do supplemental planting to meet the above levels of screening.
- iii) Larger Trees than the Specific Plan Requires: WLC will plant larger trees within the Specific Plan's Western Edge, as follows: 50% of all trees to be 24" box.
- iv) Evergreen Trees:
  - (1) Western Edge. Evergreen trees shall constitute 85% of all 24" box trees planted within the Specific Plan's Western Edge.
  - (2) Specific Plan Campus. Evergreen trees shall constitute 50% of all trees planted within the WLC. For purposes of defining evergreen trees, deciduous trees that behave like evergreen trees in the Southern California climate shall be considered evergreen trees.
- v) Varied Appearance: Landscaping on the Western Edge shall avoid a linear appearance through implementation of the following measures:
  - (1) Trees shall be planted at varied depths from the World Logistic Center's property line so that they do not create a uniform and linear appearance and create a layering effect as viewed from adjacent streets so as to maximize screening of World Logistic Center buildings;
  - (2) Consistent with layering effect, larger evergreen trees shall be concentrated towards the top of the berms to maximize screening;
  - (3) To the extent practicable, berm contours shall vary and accent elements, such as boulders, shall be placed on berm slopes facing adjacent streets to create visual interest; and
  - (4) Trees within the Western Edge shall be maintained in their natural form and shape with minimal pruning.
- vi) Dead trees shall be promptly removed and replaced with similar type trees.
- vii) Use of palm trees shall be limited to accent areas only.
- viii) Plant trees in the parking areas that are capable of achieving 50% shading within ten years.
- ix) Use concrete for parking lots with concrete having a solar reflective index of no less than 30.



#### 4) ***Architectural Design***

- a) Screen all rooftop equipment: (i) visible from any existing residential homes within 1,000 feet of the property's Western Edge; or (ii) within 1,000 feet of the San Jacinto Wildlife Area ("SJWA"). Rooftop equipment shall be screened using the building's parapet wall or other architectural element that appears to be or is an integral part of the building.
- b) No portion of any building that is closer than 600 feet to the centerline of Redlands Blvd., Bay Ave., or Merwin St. shall exceed 60 feet in height (portions that are farther away may exceed 60 feet in height).
- c) For warehouse buildings abutting the Western Edge that are not substantially screened, the rooflines shall be designed to avoid long linear flat walls through the incorporation of architectural features like breaks, wall offsets, height variations, and/or accent features.

#### 5) ***Homeowner or Resident Reimbursements***

- a) Air Filtration System Reimbursement Program.
  - i) WLC shall pay 90% of the costs of purchasing and installing non-portable air filtration systems ("Air Filtration System Reimbursement Program"), including any necessitated HVAC modification, which cost shall not exceed \$25,000 per home, as follows.
    - (1) The home is an eligible home as shown on the attached map. *See Attachment C, Exhibit 1 – Filter Overview Map.*
    - (2) The homeowner or resident requests payment within five years of the commencement of grading or commencement of construction of a warehouse building within 2,000 feet of such homes.
    - (3) In the event a property owner or resident has a household income less than 80% of the Area Median Income as determined by the Department of Housing and Urban Development, WLC shall pay 100% of the cost of the air filtration system up to \$25,000.
  - ii) The project shall mail notice via registered or certified mail of the Air Filtration System Reimbursement Program to Petitioners and to residents and property owners of record of the qualified homes prior to the issuance of the project's first grading or building permit within 2,000 feet of the homes and annually thereafter for four years. The notice shall identify the exact date when the five year period starts and ends. Proof of mailing shall be provided to Petitioners. The project's website shall also include notice of the Air Filtration System Reimbursement Program during the program's five-year term, including identifying which homes have started the five year window and when it ends.

- iii) The homeowner or resident may select and contract with a contractor or installer of the homeowner's or resident's choice.
- b) Noise Insulation Reimbursement Program.
  - i) WLC shall pay 90% of the costs of purchasing and installing noise insulation measures ("Noise Insulation Reimbursement Program"), which cost shall not exceed \$10,000 per home, as follows.
    - (1) The home is an eligible home as shown on the attached map. *See Attachment C, Exhibit 2 – Sound Proofing Overview Map.*
    - (2) The homeowner or resident requests payment under the Noise Insulation Reimbursement Program within five years of the commencement of grading or commencement of construction of a warehouse building within 2,000 feet of such homes.
  - ii) The project shall mail via registered or certified mail notice of the Noise Insulation Reimbursement Program to Petitioners and to residents and property owners of record of the qualified homes at least 60 days before the issuance of the project's first grading or building permit within 2,000 feet of the homes and annually thereafter for four years. The project's website shall also include notice of the Noise Insulation Reimbursement Program during the program's five-year term, including identifying which homes have started the five year window and when it ends.
  - iii) The homeowner or resident may select and contract with a contractor or installer of the homeowner's or resident's choice.
  - iv) In the event a property owner or resident has a household income less than 80% of the Area Median Income as determined by the Department of Housing and Urban Development, WLC shall pay 100% of the cost of the noise insulation measures up to \$10,000.
- c) Exterior Pressure Washing Reimbursement.
  - i) Due to possible dust during grading, WLC shall reimburse each homeowner for exterior pressure washings of the first two rows of homes on the west side of Redlands Blvd., south side of Bay Ave., and west side of Merwin St. up to \$500 per house.
- d) Additional Homeowner Outreach. Petitioners are free to engage in their own homeowner notification, outreach and efforts to maximize awareness and success of the air filtration, noise insulation, and power washing programs, either directly or through a contractor or third party nonprofit. WLC shall provide funds of up to \$120,000 to a designated nonprofit or foundation selected by Petitioners upon the issuance of the Project's first grading or building permit for work within 2,000 feet of any home identified in sections 5(a)(i)(1) and 5(b)(i)(1). WLC will annually notify Petitioners of how many and which homes have used this program. Petitioners may also request this information, and the

WLC shall provide it within 30 days. WLC shall also notify Petitioners of any rejected requests under the air filtration, noise mitigation, and/or pressure washing program for any home with a rationale for the rejection within 30 days of such rejection. Any unused funds from this \$120,000 may be directed to other philanthropic activities to benefit the City of Moreno Valley if any funds remain after the expiration of the reimbursement programs.

6) **Noise**

a) **Project Operations**

- i) All portions of truck yards that are visible from Redlands Blvd., Merwin St., Bay Avenue and the SJWA shall be shielded by walls at least 14 feet high, if the City so permits. WLC shall apply for an administrative variance pursuant to Specific Plan section 11.3.3.1, if necessary, and make a good-faith effort to seek permission to install these 14-foot high walls. In no event shall such walls be lower than 12 feet high.
- ii) All portions of truck circulation drive aisles that are visible from any existing home within 1,000 feet of the Specific Plan's Western Edge shall be shielded by walls at least 14 feet high, if the City so permits. WLC shall apply for an administrative variance pursuant to Specific Plan section 11.3.3.1, if necessary, and make a good-faith effort to seek permission to install such 14-foot high walls. In no event shall such walls be lower than 12 feet high.
- iii) No exterior mechanical building equipment generating noise levels above 50 dBA CNEL measured at the property line of each of the homes located West of Redlands Blvd., south of Bay Ave., and west of Merwin St. shall be installed, absent the written consent of such affected homeowner.
- iv) Buildings located between E Street and Redlands Blvd. or 500 feet east of Merwin St. shall not have loading docks or parking areas facing residential home frontage on Redlands Blvd. or Merwin St., as shown on attached map in red. *See Attachment C, Exhibit 3 – Map for No Docks Facing Existing Homes.*
- v) Prohibit outdoor loading activities within 1,000 feet of any existing home between 9:00 p.m. to 6:00 a.m. if noise levels exceed 50 dBA CNEL measured at the property line of each such home located West of Redlands Blvd., south of Bay Ave., and west of Merwin St., absent the written consent of such affected homeowner or resident.
- vi) No outdoor speakers that exceed 45 dBA Leq measured at the property line of any existing home between 7:00 p.m. and 7:00 a.m. within 1,500 feet of any residential property fronting Redlands Blvd., Merwin St., and Bay Ave. except in the event of an emergency, absent the written consent of such affected homeowner.

**b) Project Construction**

- i) No nighttime grading or outside construction between 6:00 p.m. and 7:00 a.m. shall be conducted within 1,000 feet of any existing home west of Redlands Blvd., south of Bay Ave., and west of Merwin St., except if necessary for concrete pours.
- ii) Notice shall be provided to residents within 750 feet of the Western Edge at least one week prior to construction between 6:00 p.m. and 7:00 a.m.

**7) *Lighting***

- a) The heights of all outdoor freestanding and wall-mounted lights shall not exceed 20 feet within 1,000 feet of the centerline of Redlands Blvd., Bay Ave., and Merwin St., except where doing so would violate safety requirements or federal, state, City or county governmental regulations.
- b) All outdoor freestanding and wall-mounted lights within 1,000 feet of the centerline of Redlands Blvd., Bay Ave., and Merwin St. shall dim to 50% output after sundown when no motion detected for ten minutes.

**8) *Operational Trucking/Employee Trips***

**a) Provide On-Site Truck Parking (to discourage parking in neighborhoods)**

- i) Dedicate 7-10 acres east of Theodore St. and north of Alessandro Blvd. for fueling and trucker personal services, such as food service, showers, resting, truck washes, repair facility, etc. (“Truck Service Area”).
- ii) Auxiliary power unit (“APU”) plug-ins shall be provided at each designated Class 8 truck parking spot in the Truck Service Area.
- iii) Provide conduit and prewiring in the Truck Service Area to accommodate potential heavy duty truck charging facilities.
- iv) Ongoing private security shall be provided within the Truck Service Area.
- v) WLC shall in good faith advocate for the City to permit overnight parking within the WLC for trucks servicing WLC tenants.
- vi) Provide sufficient on-site truck parking within parking lots and/or public rights-of-way to enable all trucks reasonably expected to visit WLC to park on-site (as determined by a qualified transportation engineer).
- vii) Install permanent signs in English and Spanish to inform truck drivers of the on-site amenities, including the Truck Service Area.
- viii) Maps of designated City truck routes shall be made available within truck amenity facilities and the Truck Service Area.

- ix) All limitations regarding trucking activities shall be provided to tenants upon lease commencement and leases shall require tenants to inform employees and third-party truckers of these limitations through a WLC-maintained website containing these limitations.

**b) Off-Street Community Truck Parking Planning & Advocacy Fund**

- i) WLC shall, upon the commencement of construction of the first warehouse building, pay \$150,000 to a mutually agreeable non-profit entity or foundation to fund efforts (1) to advocate for and support the development of off-street parking for Class 8 trucks in or adjacent to Moreno Valley and not within the WLC, and (2) to advocate for the City's adoption of a \$1,000 street parking fine for illegal truck parking on residential streets and in residential neighborhoods.

- (1) In the event the City does not adopt a \$1,000 fine for illegal truck parking on residential streets then, when 5 million square feet of warehouse buildings between WLC Parkway and Redlands Blvd. have received their certificates of occupancy, WLC shall provide nighttime private patrol (10:00 p.m. to 6:00 a.m.) for 7 years to patrol residential streets within one-half mile of the project to report any overnight/illegal truck parking to authorities. If 18 or fewer WLC related infractions are identified after any three-year period, the patrol may be discontinued.

**c) Prohibiting Trucks on Cactus Avenue**

- i) Trucks shall not be permitted to use Cactus Ave. as a truck route between WLC and Perris Blvd. If the City approves the installation of physical measures to prevent trucks from using Cactus Avenue (e.g., signage, speed humps, etc.), WLC shall fund up to \$200,000 to implement such measures.

- (1) Unused funds, which are funds not expended within five years of certificates of occupancy having been issued for 5 million square feet of warehouse uses approved under the Specific Plan, shall be provided to a mutually agreeable non-profit entity dedicated to supporting the SJWA and/or the community of Moreno Valley.

- ii) Prohibit WLC trucks from using Cactus Ave. in tenant leases.

**d) Prohibiting Trucks on Redlands Blvd. South of Eucalyptus**

- i) Prohibit WLC truck use of Redlands Blvd. south of the roundabout at Eucalyptus Ave. in tenant leases.

- ii) If the City approves permanent signage prohibiting trucks from using Redlands Blvd., then WLC shall fund up to \$50,000 to install such signage.

- (1) Unused funds, which are funds not expended within five years of certificates of occupancy having been issued for 5 million square feet of warehouse uses

approved under the Specific Plan, shall be provided to a mutually agreeable non-profit entity dedicated to supporting the SJWA and/or the community of Moreno Valley.

**e) Alessandro Blvd. Closure**

- i) Upon the completion of the extension of Cactus Ave., Alessandro Blvd. east of Merwin St. shall be closed to vehicular traffic (other than emergency vehicles).

**f) Truck Turning Prohibitions (to avoid turning in prohibited directions)**

- i) To discourage trucks from turning the wrong direction when entering or leaving the WLC, design and install physical measures the City and Fire Department approves (e.g., curbs that force turns in only one direction, bumps/textures that rattle vehicles traversing them, etc.).
- ii) Install signage clearly stating which directions trucks must turn at all streets exiting the Specific Plan area.

**g) No Truck Parking Signage**

- i) If the City approves a “no truck parking” signage program within one mile of the WLC, fund implementation of that program up to \$200,000.
  - (1) Unused funds, which are funds not expended within five years of certificates of occupancy having been issued for 5 million square feet of warehouse uses approved under the Specific Plan, shall be provided to a mutually agreeable non-profit entity dedicated to supporting the SJWA and/or the community of Moreno Valley.

**h) Prohibit Off-Site Employee Parking**

- i) Provide free on-site employee parking.
- ii) To discourage employee parking within neighborhoods, prohibit employee “walk-ins” onto WLC campus at the start and end of shifts, unless the employee lives within walking distance of WLC.
- iii) Prohibit off-site employee parking in tenant leases.

**i) Worker Education / Enforcement of Trucking and Parking Requirements**

- i) Upon the issuance of the certificate of occupancy for the first warehouse building, WLC shall implement an ongoing program to educate truckers, tenants, and construction workers of all of the rules and requirements expected of them, including the applicable GHG/air quality measures listed in Sections 2 and 3 of Attachment A to the Agreement and the other requirements listed in this Attachment C to the Agreement. The education program shall be in English and Spanish and shall include

- prominently posted signage throughout the project site, including a requirement in tenant leases obligating tenants to inform employees, temporary workers, contractors, and third-party truckers of the rules by posting the rules in lounges provided at their warehouses. WLC shall also maintain a website with a trucker and construction worker information page specifying the rules. The educational information with the rules developed under this program shall be provided to all tenants in paper form (e.g., a pamphlet) on request and at least annually for inclusion in lounges.
- ii) WLC shall install permanent reflective signage in English and Spanish no less than every 25 feet along the interior of truck yard screening walls facing loading docks stating limits on engine idling, vehicle lights, and APUs.

**j) Employee Trip Reduction Measures**

- i) WLC shall implement the following measures to reduce Specific Plan employee trips.
- (1) Provide on-site meal areas.
  - (2) Provide up to 1,000 eBike subsidies in the amount of \$500 to WLC employees who commit to bike to work at least twice per week on average. The subsidies will be phased proportionately with buildout of the first 15 million square feet of the project.
  - (3) Provide on-line transit incentive “virtual kiosk” giving free transit assistance to WLC employees (e.g., ridesharing/carpooling connections, assistance determining best bus routes, sales of bus passes, etc.).
  - (4) Develop and implement program to ensure knowledge of trip reduction measures by project employees.
  - (5) Provide 40% subsidies for bus passes for tenants’ employees who commit to bus to work at least twice per week on average.
  - (6) Require tenants to have trip reduction plans to achieve 1.3 average vehicle ridership as a factor of total number of employees (in tenant leases).
  - (7) Require tenants to have a Transportation Management Association to encourage carpooling (in tenant leases).
  - (8) Provide bike lockers for 5% or more of building users within 50 yards of employee building entrances.
  - (9) Provide short-term bike racks near employee building entrances.
  - (10) Provide preferential parking for carpools and vanpools equal to 5% of total parking spaces.
  - (11) Provide designated parking spaces for motorcycles.

- (12) Fund a zero emission shuttle that circulates within the Specific Plan area and has pickup and drop-offs at the closest off-site bus stop no later than the issuance of a certificate of occupancy for 15 million square feet of warehouse buildings.

9) ***Multi-Use Trail***

- a) Pursuant to Specific Plan section 3.4.2, WLC shall construct a multiuse trail along the Western Edge that connects to the existing trail segment on the west side of Redlands Blvd. via a crosswalk at Cottonwood Avenue and Redlands Boulevard, the trail segment on Eucalyptus Ave., and the existing trail on Cactus Ave. *See Attachment C, Exhibit 4 – WLC Specific Plan Trail Map.*
- b) Completion of the multiuse trail along the northern portion of Eucalyptus Avenue between Theodore Street and Redlands Boulevard shall be completed no later than the completion of the southern half of Eucalyptus Avenue between Theodore Street and Redlands Boulevard.
- c) Pursuant to Specific Plan section 3.4.3, Class II bikeways shall be provided along all roadways within the project.

10) ***Graffiti & Trash Abatement***

- a) Graffiti shall be removed within one week of identification or notification.
- b) Trash removal within and along all WLC edge areas shall occur at least every other week or within three business day of receipt of notification by community ombudsman.

11) ***Construction Vehicles/Trucking***

- a) Prohibit construction trucks from using Redlands Blvd., other than for infrastructure construction or necessary detours
- b) Provide lunch vendor services on-site for construction workers.

12) ***Community Outreach and Transparency***

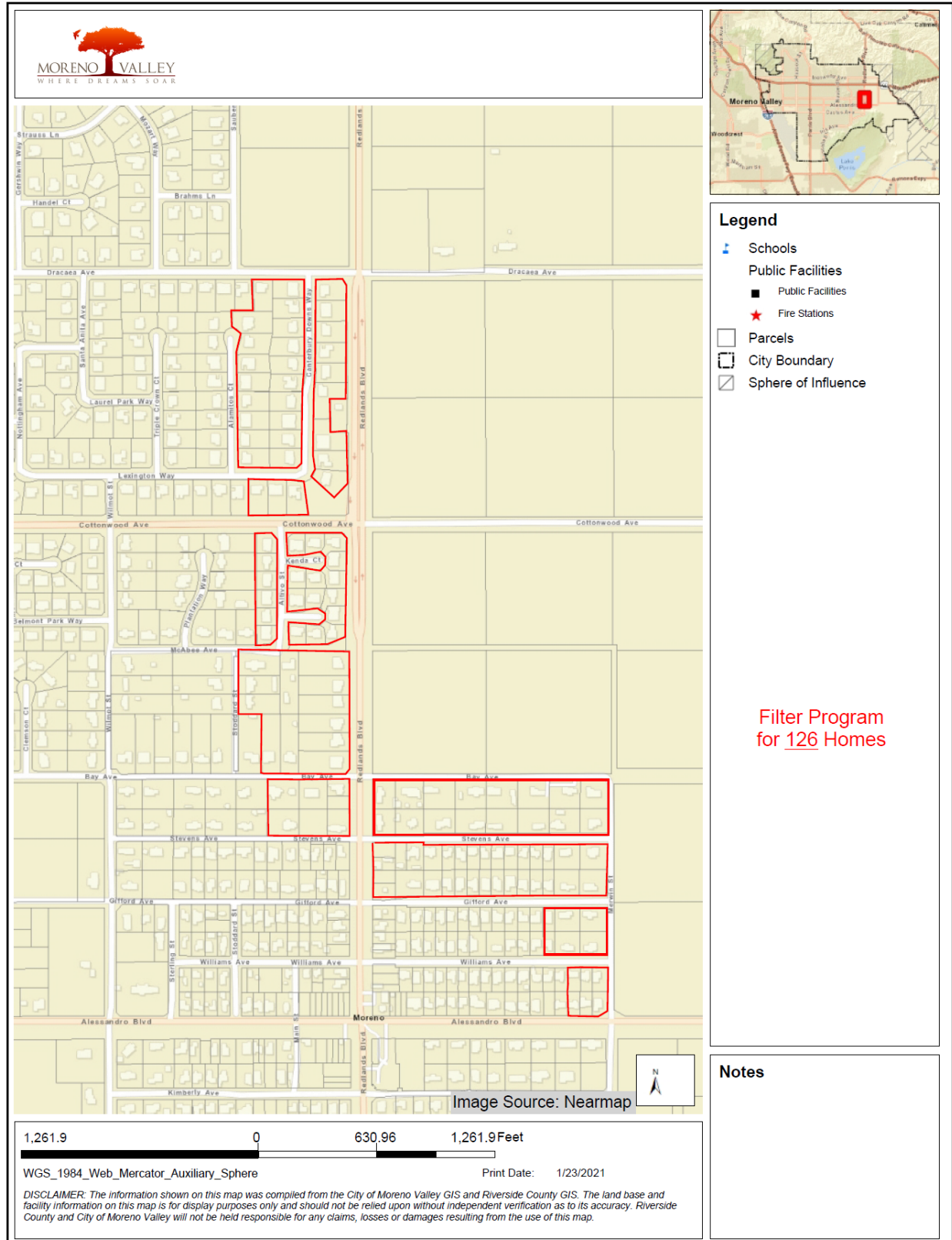
- a) WLC shall implement the following community measures.
  - i) Provide a designated ombudsman and 24-hour hotline to address neighbor concerns prior to the commencement of construction and such hotline shall be maintained for 10 years beyond the Specific Plan's full buildout. A live operator shall staff the hotline 24 hours per day. The hotline number shall be mailed to all properties within 1,500 feet of project site no more than one month prior to the commencement of grading on the property.
  - ii) Permanent signs at the project's five main entrances, easily read from the street, shall be installed and shall provide the ombudsman hotline number and state that the



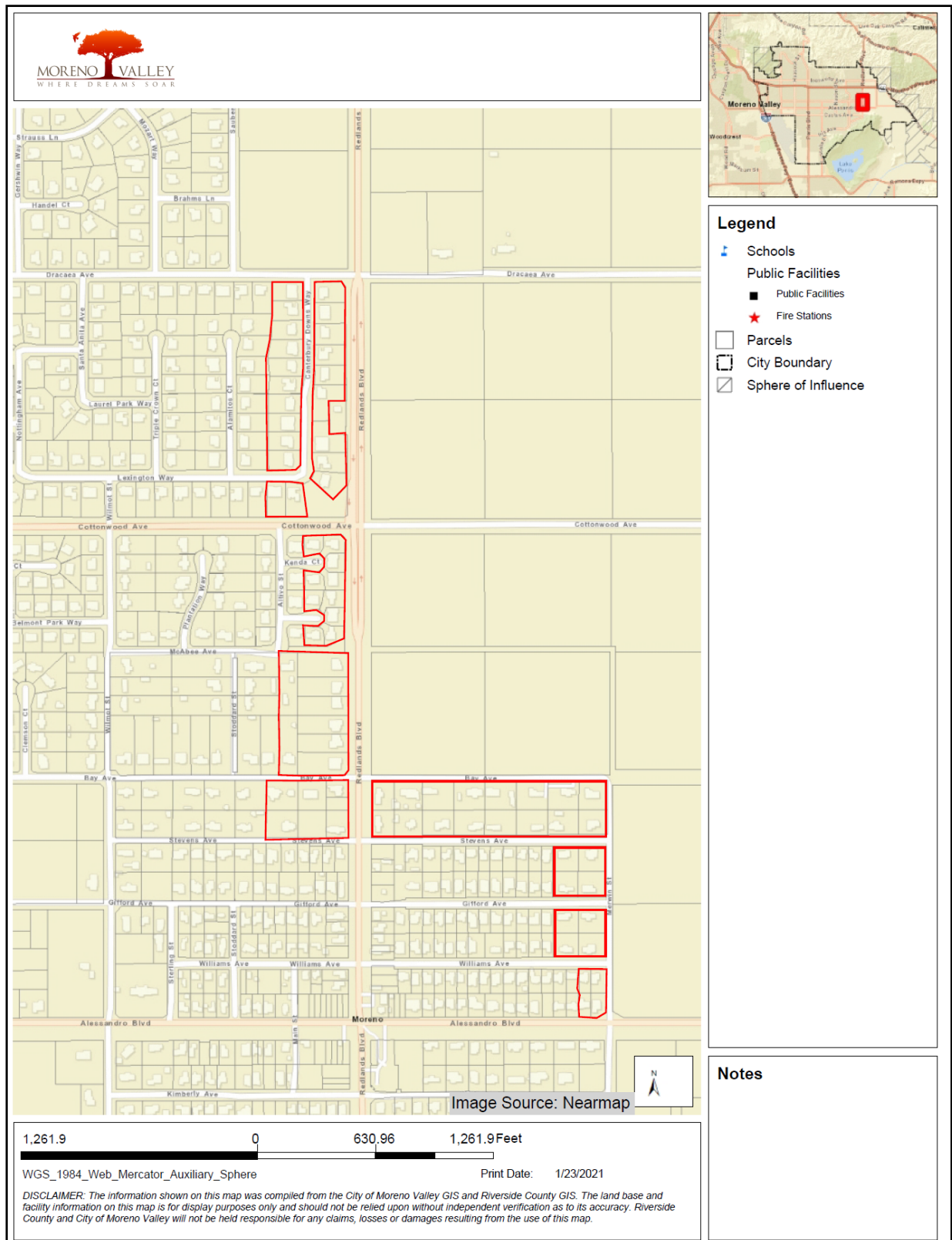
ombudsman may be contacted regarding graffiti, trash, illegal truck parking, or other operational disturbances.

- iii) Give notice of any discretionary permit applications for development to any groups or individuals who so request and to residents and property owners within 1,000 feet of the parcel for which work is proposed. Petitioners shall be notified when any project development application is formally submitted to the City and a copy of the proposal and plans shall be provided digitally.

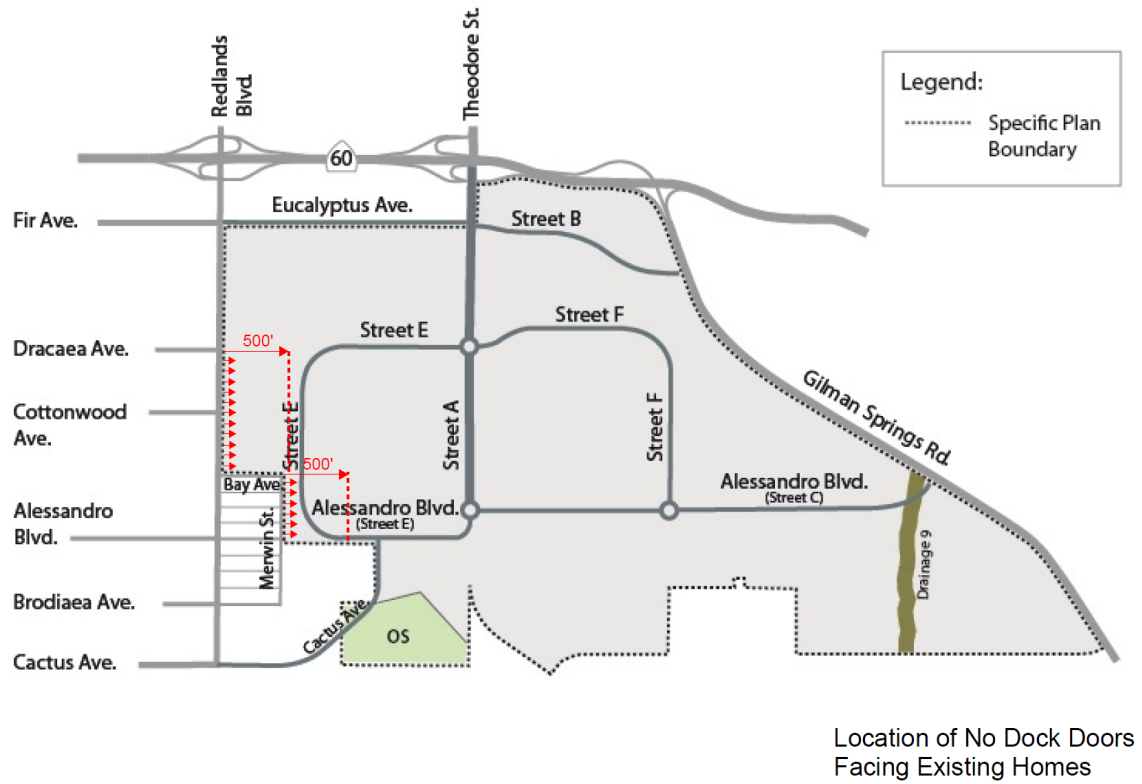
## Attachment C, Exhibit 1 – Filter Overview Map



## Attachment C, Exhibit 2 – Sound Proofing Overview Map



### Attachment C, Exhibit 3 – Map for No Docks Facing Existing Homes



## Attachment C, Exhibit 4 – WLC Specific Plan Trail Map

