
AMENDMENT TO
PARKING REVENUE REIMBURSEMENT AGREEMENT
(Paseo Colorado Parking Facilities)

by and among the

PASADENA COMMUNITY DEVELOPMENT COMMISSION

and the

PASADENA PUBLIC FINANCING AUTHORITY

and the

CITY OF PASADENA

Dated as of September 1, 2008

AMENDMENT TO
PARKING REVENUE REIMBURSEMENT AGREEMENT
(Paseo Colorado Parking Facilities)

This AMENDMENT TO PARKING REVENUE REIMBURSEMENT AGREEMENT (Paseo Colorado Parking Facilities), dated as of September 1, 2008 (this "Amendment"), is entered into by and among the PASADENA COMMUNITY DEVELOPMENT COMMISSION, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Commission"), the PASADENA PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "Authority"), and the CITY OF PASADENA, a municipal corporation organized and existing under a charter adopted pursuant to the Constitution and laws of the State of California (the "City"), amending that Parking Revenue Reimbursement Agreement (Paseo Colorado Parking Facilities), dated as of June 1, 2000 (the "Original Reimbursement Agreement") by and among the Commission, the Authority and the City:

W I T N E S S E T H:

WHEREAS, in 2000, in connection with certain redevelopment and modernization of a shopping center and the improvement of certain parking facilities and other related property and facilities adjacent thereto, the Commission entered into (i) an Amended and Restated Operation and Reciprocal Easement Agreement for Paseo Colorado, made and entered into as of May 1, 2000 (the "REA"), by and among Developers Diversified Realty (successor in interest to H-CHH Associates) (the "Developer"), the Commission and Federated Western Properties, Inc., an Ohio corporation (ii) a Parking Operation and Maintenance Agreement, made and entered into as of May 1, 2000 (the "POMA"), by and among the Developer, the Commission and Federated Western Properties, Inc., an Ohio corporation, and (iii) an Owner Participation Agreement, dated as of March 31, 2000 (the "OPA"), by and between the Commission and the Developer, and to the extent required for the limited purpose of Article 7 thereof, the City (the REA, the OPA and the POMA are collectively referred to herein as the "Development Agreements"); and

WHEREAS, in 2000, the Authority authorized the issuance of its Taxable Variable Rate Demand Lease Revenue Bonds (Paseo Colorado Parking Facilities), Series 2000 (the "2000 Bonds") to assist in the refinancing of a developer's interest under a parking lease related to parking facilities located in the City and the financing of the costs of certain improvements to be made to the parking facilities and other related property and facilities (collectively, the "Project"); and

WHEREAS, in consideration for the financial assistance provided by the City in connection with the Project and the Authority's agreement to assist the City in such financing, pursuant to an Authority Lease (Paseo Colorado Parking Facilities), dated as of June 1, 2000 (the "2000 Authority Lease"), by and between the Commission and the Authority, the Commission assigned to the Authority all of its rights to receive Parking Operation Net Income, Delayed Re-Opening and Lease-Up Payments and Retail Developer Tract Owner's Shortfall Contribution (as such terms are defined in, and pursuant to the terms of, the POMA) in an amount not to exceed

in any Lease Year the aggregate Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City pursuant to the 2000 Lease; and

WHEREAS, pursuant to a Lease Agreement (Paseo Colorado Parking Facilities), dated as of June 1, 2000 (the "2000 Lease"), by and between the Authority and the City, the Authority assigned to the City all of its rights (assigned by the Commission) to receive Parking Operation Net Income, Delayed Re-Opening and Lease-Up Payments and Retail Tract Owner's Shortfall Contribution in an amount not to exceed in any Lease Year the aggregate Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City in such Lease Year pursuant to the 2000 Lease; and

WHEREAS, the Commission, the Authority and the City entered into the Original Reimbursement Agreement in order to give effect to, and provide certain other terms of, such assignments of Parking Operation Net Income, Delayed Re-Opening and Lease-Up Payments and Retail Tract Owner's Shortfall Contribution as hereinabove described; and

WHEREAS, the Commission, the City and the Authority have determined that it is in the best interests of the City at this time to refinance the City's obligation to make the lease payments under the 2000 Lease, and as a result thereof, it is in the best interest of the Authority to refund all of the currently outstanding 2000 Bonds; and

WHEREAS, the Authority desires to issue \$_____ in aggregate principal amount of Taxable Variable Rate Demand Lease Revenue Refunding Bonds (Paseo Colorado Parking Facilities), Series 2008 (the "Bonds"), pursuant to a certain Trust Agreement, dated as of September 1, 2008 (the "Trust Agreement") by and between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"), for the purposes, among others, of providing funds to refund the 2000 Bonds; and

WHEREAS, the Commission is no longer receiving Delayed Re-Opening and Lease-Up Payments and Retail Developer Tract Owner's Shortfall Contribution under the POMA; and

WHEREAS, the OPA expired upon the completion of the Project and the occurrence of certain events as provided in the OPA; and

WHEREAS, in consideration of the issuance of the Bonds and the refunding of the 2000 Bonds, the Commission, the Authority and the City desire to amend the Original Reimbursement Agreement in order to re-associate it to the Bonds, to extend the term of the Original Reimbursement to June 1, 2038, to delete references to the OPA and to reflect the Commission's assignment to the Authority and the Authority's re-assignment to the City of the Parking Operation Net Income; and

WHEREAS, the Commission intends to assign to the Authority, pursuant to an Authority Lease (Paseo Colorado Parking Facilities), dated as of September 1, 2008 (the "Authority Lease"), by and between the Commission and the Authority, all of its rights to receive Parking Operation Net Income in an amount not to exceed in any Lease Year the aggregate Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City pursuant to the Lease; and

WHEREAS, pursuant to the Lease, the Authority intends to assign to the City all of its rights (assigned by the Commission) to receive Parking Operation Net Income in an amount not to exceed in any Lease Year the aggregate Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City in such Lease Year pursuant to the Lease; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Amendment do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Amendment;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

SECTION 1. AMENDMENT. (A) The following terms are hereby amended and restated in its entirety as follows:

Authority Lease

The term "Authority Lease" means that certain Authority Lease (Paseo Colorado Parking Facilities), dated as of September 1, 2008, by and between the Commission, as lessor, and the Authority, as lessee, with respect to the Leased Premises.

Bonds

The term "Bonds" means the Authority's Taxable Variable Rate Demand Revenue Refunding Bonds (Paseo Colorado Parking Facilities) Series 2008.

Developer

The term "Developer" means Developers Diversified Realty (successor in interest to H-CHH Associates).

Development Agreements

The term "Development Agreements" means (i) the Amended and Restated Operation and Reciprocal Easement Agreement for Paseo Colorado, made and entered into as of May 1, 2000 (the "REA"), by and between the Developer, the Commission and Federated Western Properties, Inc., an Ohio corporation and (ii) the Parking Operation and Maintenance Agreement, made and entered into as of May 1, 2000 (the "POMA"), by and among the Developer, the Commission and Federated Western Properties, Inc.

Lease

The term "Lease" means that certain Lease Agreement (Paseo Colorado Parking Facilities), dated as of September 1, 2008, by and between the Authority, as sublessor, and the City, as sublessee, with respect to the Leased Premises.

Trust Agreement

The term "Trust Agreement" means that certain Trust Agreement, dated as of September 1, 2008, by and between the Authority and Wells Fargo Bank, National Association, as trustee, pursuant to which the Bonds are issued.

(B) Section 3 of the Original Reimbursement Agreement is hereby amended and restated in its entirety as follows:

"SECTION 3. TRANSFER OF PARKING OPERATION NET INCOME. In order to effect (i) the assignment of Parking Operation Net Income by the Commission to the Authority pursuant to Section 6.06 of the Authority Lease and (ii) the assignment of Parking Operation Net Income by the Authority to the City pursuant to Section 10.04 of the Lease, the Commission, the Authority and the City hereby agree as follows:

(a) On or before the thirty-fifth (35th) day following the end of each calendar quarter, the Commission shall transfer to the City all Parking Operation Net Income received by the Commission in an amount up to but not exceeding (subject to paragraph (b) of this Section 3) the total amount of Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City during such calendar quarter. Notwithstanding the foregoing, to the extent that any amounts held by the Trustee in the Bond Fund (including any investment income credited to the Bond Fund pursuant to Section 6.05 of the Trust Agreement) shall be credited against Lease Payments payable by City pursuant to Section 4.03 of the Lease, the City may, but is not required to, relieve the Commission of its obligation to transfer to the City Parking Operation Net Income in such amount pursuant to this Section 3(a).

(b) In the event that in any calendar quarter, all amounts received by the City from the Authority, who in turn receives from the Commission, pursuant to paragraph (a) of this Section 3 are less than the total amount of Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City during such calendar quarter, if and to the extent that Parking Operation Net Income exceeds the total amount of Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City during any future calendar quarter, the Commission shall transfer to the Authority, who shall in turn transfer to the City, from Parking Operation Net Income (on a basis which is pari passu with any reimbursement amounts

payable by the Commission to the Developer pursuant to Section 6.6 of the POMA in proportion to the respective amount of all theretofore-unreimbursed Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent paid by the City) the amount of the excess equal to the amount of all theretofore-unreimbursed Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent payable by the City plus interest on such previously theretofore-unreimbursed amounts at the rate of six percent (6%) per annum.”

(C) Section 4 of the Original Reimbursement Agreement is hereby amended and restated in its entirety as follows:

“SECTION 4. TERM.

The term of this Reimbursement Agreement and Amendment shall commence on the Closing Date and shall continue until the later of: (i) the forty-fifth (45th) day immediately succeeding the end of the term of the Lease and (ii) the date upon which the City shall have received from the Commission Parking Operation Net Income pursuant to Section 3 above in an amount sufficient to fully reimburse the City for all Lease Payments (including any Excess Amount), Additional Payments and Reserve Replenishment Rent paid by the City throughout the entire term of the Lease.”

SECTION 2. PROVISIONS OF ORIGINAL REIMBURSEMENT AGREEMENT NOT OTHERWISE MODIFIED.

Except as expressly amended pursuant to the terms of this Amendment, the Original Reimbursement Agreement remains unchanged and is hereby approved and confirmed by the parties hereto as remaining in full force and effect.

SECTION 3. LAW GOVERNING.

This Amendment shall be governed exclusively by the provisions hereof and by the laws of the State of California.

SECTION 4. EXECUTION.

This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Amendment.

IN WITNESS WHEREOF, the Commission, the Authority and the City have caused this Reimbursement Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

PASADENA COMMUNITY DEVELOPMENT
COMMISSION

By: _____
Bernard K. Melekian
Chief Executive Officer

ATTEST:

By: _____
Mark Jomsky, CMC
Commission Secretary

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
General Counsel

PASADENA PUBLIC FINANCING AUTHORITY

By: _____
Steven B. Mermell
Treasurer

ATTEST:

By: _____
Mark Jomsky, CMC
Secretary

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
General Counsel

CITY OF PASADENA

By: _____
Steven B. Mermell
Interim Finance Director

[SEAL]

ATTEST:

By: _____
Mark Jomsky, CMC
City Clerk

APPROVED AS TO FORM:

By: _____
Michele Beal Bagneris
City Attorney