

SANTA MONICA MOUNTAINS CONSERVANCY

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November 23, 2009

California Coastal Commission
89 South California Street, Suite 200
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Sweetwater Mesa-Malibu Five Estate Project Application Nos.**4-07-067 Lunch Properties****4-07-068 Vera Properties****4-07-146 Mulryan****4-07-147 Morleigh Properties****4-07-148 Mulryan and Morleigh Properties****4-08-043 Ronan Properties**

Dear Commission Members:

As the principal State planning agency for the Santa Monica Mountains zone, the Santa Monica Mountains Conservancy (Conservancy) offers the following comments on the six above-referenced, fully-integrated Coastal Development Permit applications in Malibu. The six parcels involved are an integral part of a public viewshed with statewide significance that is within reach of over ten million Los Angeles metropolitan area residents and thousands of tourists. Our staff has worked with the applicants' representatives and they have been most forthcoming with information.

Unfortunately, it is impossible to construct the five homes strung over a mile of ridgeline and 7,800 feet of water main without resulting in unavoidable significant adverse visual and ecological impacts. The only combination of homes that could be constructed without such unavoidable significant adverse impacts is Application 4-07-067 (Lunch) as proposed and Application 4-07-068 (Vera) if the house is removed from the ridgeline. These homes would need to be on wells.

The applicant's representative will show a Vera Property constraints analysis showing that the alternative location is on landslide material and would be more visible from the northwest. We disagree with this visibility conclusion and contend that the adjacent proposed access road is far more geologically constrained than this alternative, off-ridge house site.

Exhibit 23**CDP 4-10-040 through 4-10-045****Santa Monica Mountains
Conservancy 11/23/09 Comment
Letter and Public Benefit Program
Agreement Documents**

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The remaining three applications rely on a section of road that is wholly inconsistent with many key sections of the Coastal Act addressed below. A place exists to put a house on APN 4453-005-092 (Application 4-07-146) below this extreme section of road. However, the applicant's representatives have told our staff that landslide conditions would make such a house too costly to secure to bedrock. Under that conclusion (which we disagree with) APN 4453-005-092 is an unbuildable parcel. That misfortune of the applicant should not be balanced on the back of the public's Coastal Zone resource by rewarding him with a buildable replacement lot. The economic cost of meeting Coastal Act provisions is not a Coastal Act issue. Cost is also not a valid reason for failure to meet the hazard, visual, and habitat policies of the Act. In addition LEED certified construction is good, but it is not required under the Coastal Act nor is it a substitute for meeting Coastal Act policies.

Need for Independent Analysis of Road Feasibility as Proposed

For the following reasons we urge the Commission to require an independent investigation on the construction feasibility of the entire one-mile-long section of road that is proposed to connect the five subject houses from the Malibu City line. The Commission staff has not received adequate information on the feasibility of the access road proposed to reach the Ronan (Application 4-08-03), Morleigh (Application 4-07-147), and Mulryan (Application 4-07-146) properties as it is depicted on the detailed plan set submitted to the Commission staff.

Our staff has consulted with a grading expert and has reason to believe that the grading impacts that would result from the road are far more extensive than represented. For example, the excavation behind the retaining walls for the proposed 500-foot-long and 50-foot-high cut slopes does not appear to be represented in the earth work calculations. In addition, where the steep road section begins a 19 percent and 1,000-foot-high climb, the plans show a large section of fill designed to reduce the grade. This fill is placed on the same ancient landslide material that according to the applicant's representatives is not suitable for a house. In such case, the area beneath the fill must be excavated and re-compacted before fill is placed on top. This additional excavation is on a slope and would result in a significantly larger grading footprint than represented on the submitted grading plans. We believe that even a brief consultation with Los Angeles County geologists would confirm this fact.

The scores of piles represented as necessary to support this extreme section of road would also take several years to install. The applicant's figures that this road can be put in with just 43,260 cubic yards of cut seem to be underestimated.

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Our understanding is that a road with a 19 percent grade over a stretch of 1,000-feet must have several 50-foot-long grade breaks with a nine percent grade. A 20 percent road requires such grade breaks every 150 feet. The proposed road has none.

Across the Board Inconsistencies with the Coastal Act

The Coastal Act is the standard of review for the subject projects. None of the five projects is consistent with the Coastal Act. Each of the five projects is inconsistent with Section 30240 because each would result in permanent and significant disruption of Environmentally Sensitive Habitat Area (ESHA).

Each project requires an average of 1800-feet of permanent twenty-foot-wide road through ESHA, resulting in a per project average of 36,000 square feet of direct permanent ESHA impact area without including retaining wall excavation, cut and fill slopes, and drainage dissipaters. In addition approximately 5,000 feet of total driveway length will require ten feet of brush clearance on each side. That clearance alone creates another 100,000 square feet of permanent ESHA impact, equivalent to ten 10,000 square-foot building sites. These driveways are not LEED-certified.

Each project also is inconsistent with Section 30250 because each does not locate development in close proximity to either existing development or adequate public services. Instead, individually and cumulatively, the projects would result in adverse impacts to coastal resources. The request for a 7,800-foot-long water line best illustrates this inconsistency.

All five projects are not consistent with Section 30251 because the scenic and visual qualities of the property are considered a resource of public importance. All five projects would cause major alterations to natural landforms and would result in a significant diminution of public viewsheds. All but the highest house (Ronan Application 4-08-03) requires a minimum of 751 feet of new 20-foot-wide roadway construction on each subject parcel. The average amount of common roadway on the four other parcels is 1,818 feet. Driveways of that length are completely antithetical to the resource preservation purposes of the Coastal Act.

All five projects are located deep into a wildland fire zone and do not minimize risk to life and property in an area of high fire hazard, which is inconsistent with Section 30253. It is hard to imagine a project or set of projects that could be more inconsistent with this Section. If the Mulryan 4-07-146, Morleigh 4-07-147, and Ronan 4-08-043 applications are

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approved, the value of this Section of the Coastal Act would be greatly eviscerated. If these three applications are approved without an independent analysis of the feasibility of their access road, it would be further eviscerated.

Takings Issues

In its assessment of the five subject home applications and the sixth Lot Line Adjustment application (04-07-148), we urge the Commission to consider the following linkages between the six projects. They all have the same consultants and spokesperson. They all have shared easements and provide symbiotic components to each other—such as offsite hammerhead road turnarounds, drainage dissipaters, and utilities. Nobody is fooled by the separation of the projects. Only archaic protections for LLLPs prevent full disclosure of the actual property ownership or else this project would be addressed under the California Environmental Quality Act (CEQA) as a single project.

The applicant derives numerous advantages from this CEQA immunity and suffers no pitfalls. Beautiful LEED certified homes do not balance out a continuous chain of average 1,800-foot-long driveways into a core habitat of the Coastal Zone portion of the Santa Monica Mountains .

The Conservancy asserts that because each of the projects is inconsistent with the Coastal Act, each project can only be approved under the takings clause. Because of the severity of the potential ecological and visual impacts, we assert that a thorough analysis of the takings value of each project must be conducted prior to the upcoming public hearing to determine, based on the cost and ownership of each parcel, the basis for reasonable investment-backed expectations.

Such an analysis must address what the applicants paid for the properties. It is our understanding that the only property that has changed ownership since the current applicants took title is the Lunch Properties LLLP, which was formerly owned by Morleigh Properties LLLP. What was the nature of this exchange?

This letter puts forth feasible alternatives for reasonable economic use of the Vera and Mulryan properties. Houses are routinely built on areas with similar safety factors, although they are less desirable to the applicant(s). There is no takings issue with a denial of applications 04-07-068 and 4-07-146.

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A place exists to put a house on Mulryan (APN 4453-005-092 Application 4-07-146) below the most difficult section of road without a lot line adjustment. We assert that a house with 50-foot deep caissons can easily be located in this broad "meadow" outside of ESHA. If the applicant is correct that this proposal is impossible, then we urge the Commission not to approve Application 04-07-148, which is a lot line adjustment that shifts the Mulryan house over 800 feet north and 350 feet higher.

It is not a good public policy decision to reward those who buy an unbuildable lot with a site worth a lot of money. Why would the Commission approve a lot line adjustment that facilitates one-half-mile of additional roadway to two lots deep into a significant viewshed and core habitat area? There is no automatic entitlement to a lot line adjustment and therefore no takings issue with a denial of applications 04-07-148 and 4-07-146.

Again we urge the Commission to require an independent analysis of the proposed road feasibility north of the Lunch LLLP site. If that analysis shows the road as infeasible as proposed, then the onus is on the applicants to show that applications 4-08-043 (Ronan) and 4-07-147 (Morleigh) are viable and no takings issue has to be addressed.

Project Setting

The subject Sweetwater Mesa ridgeline, located just east of Malibu Creek State Park, is the most prominent landform along the coast between Topanga Canyon Boulevard (SR 27) and the Ventura County line, other than the main spine of Santa Monica Mountains itself. This north-south trending ridgeline is flanked by the 11,000-acre Malibu Creek State Park core habitat to the west and is part of a 2,900-acre roadless habitat block (see attached figure). Many square miles of both roadless and trail-less Coastal Zone wilderness surround the five proposed ridgeline compounds and their greater-than-one-mile-long access road.

The following spatial examples of the extent of this roadless area (shown on the attached figure) illustrate the remoteness of the five subject parcels. For example, the shortest line from Malibu Canyon Road, through the property, to the most westerly homes in Carbon Canyon is 2.3 miles as the crow flies. The roadless area is so wide at one point that a 3.75-mile-long line can be drawn through the property from Malibu Canyon Road to Rambla Pacifico Street. This line spans three distinct Santa Monica Bay watersheds. The attached oblique aerial photograph of the subject ridgeline shows these spatial relationships.

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Major Transformation of Core Santa Monica Mountains Natural Area

The combination of a greater than one mile long road (with up to 70-foot-high and 500 foot-long fill slopes), five houses averaging 9,460-square-feet, and a 7,800-foot-long water line (with accompanying access road) represents a dramatic change for this easternmost extension of the Malibu Creek core habitat area. Add 2.7 acres of paved road surface, several acres of fill slopes with concrete V-ditch systems (like a mass graded subdivision has), and over 11.5 acres of permanent brush clearance and the subject 156 acres have gone through a huge transformation.

Policy 68 of the Malibu LUP states, "Environmentally sensitive habitat areas (ESHAs) shall be protected against significant disruption of habitat values, and only uses dependent on such resources shall be allowed within such areas. Residential use shall not be considered a resource dependent use."

Policy 91 of the Malibu LUP states, "All new development shall be designed to minimize impacts and alterations of physical features, such as ravines and hillsides, and processes of the site (i.e., geological, soils, hydrological, water percolation and runoff) to the maximum extent feasible."

Visibility of Each Project from Public Areas

All of the houses and driveway segments will be plainly visible from public areas. The applicant has made a valiant effort to blend the houses into the landscape but there is no way to make a 9,000-square-foot house with lots of windows invisible. During some times of day the houses would not be distinguishable but other times of day the sun angle would make them obvious. Plus the naked eye picks up details that photographic simulations do not.

A minimum of three houses will be clearly visible from Pacific Coast Highway, Malibu Lagoon State Park, Malibu Legacy Park, Malibu Bluffs Park, and Malibu Canyon Road. Several of the houses and driveway segments also will be visible from the proposed Coastal Slope Trail. This alignment courses through the southern end of the 156-acre property. The viewshed impacts from this trail will be visible both from the Malibu Canyon side and from the Las Flores Canyon Road, Carbon and Coal Canyon trail sections.

Four of the five houses are located on the primary ridgeline. The southernmost house (Vera LLLP) can indisputably be moved off of the ridgeline and closer to the access road.

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This change would significantly reduce grading, impacts to ESHA and visual impacts. There is no justification under the Coastal Act not to relocate this house off of one of the most prominent ridgelines in the Santa Monica Mountains.

Less Obvious Impacts to be Analyzed

Any homes on the subject 156-acre site will be set against a dark sky in a light-element-free landscape spanning many square miles. Currently the site is comprised of unimpeded core habitat for animals and an unmarred daytime and nighttime viewshed. Because of the site's statewide significance, a nighttime viewshed analysis for each home compound is critical to understand permanent potential impacts. That impact analysis also must extend to the potential adverse impact on core habitat carrying capacity for insects, mammals, and reptiles.

The proposed greater-than-one-mile-long road essentially severs the subject 2,900 acre roadless area with a twenty-foot-wide path of pavement, guard rail structures, massive long retaining walls, numerous cut and fill slopes, concrete V-ditch systems, and energy dissipaters.

It is imperative that there be immutable conditions that no portion of the greater-than-one-mile-long road be lit in any manner.

Even with just a 150-foot-radius brush clearance zone around the center of each housing compound (not around the edge of the habitable structures as usually calculated at 200 feet) and just 10 feet of brush clearance on each side of the road, the project will produce a minimum of 11.5 acres of permanent fuel modification zone.

As proposed, any single proposed house with its associated section of roadway would result in an unavoidable significant adverse impact to a viewshed of statewide significance. When you add the minimum 2.25 acres of additional fuel modification zone per home on a ridgeline, the degree of those significant visual impacts substantially expands.

The applicants may say that the fuel modification zones will be greatly irrigated. Irrigation would help mitigate the visual impact but would result in extensive permanent use of water supplies. If the 7,800-foot-long waterline from Costa del Sol is denied by the Commission, requiring the five homes to use wells and trucked-in water, it is likely that extensive fuel modification irrigation will make those wells go dry and prevent implementation of the permanent irrigation mitigation measures. In addition, the ground water pumping could

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have adverse ecological impacts. Irrigation of fuel modification zones creates additional impacts in the semi-arid Santa Monica Mountains. Most importantly irrigation spreads the reach of Argentine ants and does alter the natural composition of native plant species in an area. On balance, fuel modification zone irrigation is a potential mitigation measure that unfortunately results in unavoidable additional adverse impacts.

The net result is that the houses should be clustered in the southern third of the 156 acres to share fuel modification zones and be closer to better potential groundwater sources and potential arrangements with Water Works District No. 29.

No one is forcing the applicant to build at the highest elevation sites. The water issues associated with this choice should not result in otherwise avoidable visual and ecological impacts to the Public Trust.

Growth-Inducing, Visual, and Ecological Impacts of 7,800-Foot-Long Water Main

The applicant's proposal to run an eight-inch water main to the site from the north with an accompanying dirt access road is fraught with additional growth-inducing, visual and ecological impacts. The applicant is using the same legal maneuver to run the water line to the farthest house. We urge the Commission to deny Application No. 4-07-068, which includes the whole 7,800-foot waterline extension.

The waterline would serve all five houses and clearly many other existing and potential new houses between Piuma Road and the site. The potential future impacts of the line far exceed the obvious impacts of the current proposal. Our concern is not so much that the waterline access road itself with all its retaining walls would facilitate growth. It is that the water will be brought into the proximity of an area with limited development. Many acres of ESHA would be disturbed by the pipeline.

Short of doing a pro forma for each potential undeveloped private parcel benefiting from the water line extension, it is speculation whether the new water availability would increase development. However, many of the houses in the subject neighborhood have failing wells and require supplemental trucked-in water in the summer. That fact says a lot about whether or not a new water main could facilitate new residential development. The applicants downplay the catalyst of extending a new water main.

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In addition, where houses already exist on private parcels, proximity to a new water main increases the likelihood of more agricultural, equestrian, non-native landscaping-type uses along with economic justification for expanded structure sizes and guest houses.

It is a circular argument to assert that wells are not feasible because piped water reduces impacts and improves fire fighting. That argument is a rationale to plumb the Santa Monica Mountains National Recreation Area.

Need for Conservation Easements on Every Lot

The statewide visual and ecological significance of the site warrants permanent protection of all areas not approved for development. The only way to guarantee such permanent protection is with conservation easements to public park agencies. The Mountains Recreation and Conservation Authority (MRCA) or the National Park Service are the most appropriate agencies.

The conservation easements must prohibit all disturbance other than fire department required fuel modification within 200 feet of habitable structures. Drip irrigation of native plants species approved by the easement holder should be the only other allowed use. It is critical that no non-native plants, lighting, pathways, or fencing of any type be allowed in the easements.

We urge the Commission to require a direct dedication of these easements and that the legal descriptions for the easements be drawn within 15 feet of any approved development.

We also urge the Commission to require limited conservation easements over all of the subject access roads and driveways to prevent any future road or driveway lighting. Such lighting, even if minimal, would greatly alter the impact footprints of the projects.

Impact of Road Through MRCA Fee Simple Parkland

We urge the Commission and staff to require all possible mitigation measures to reduce the visual and ecological impacts of the required road through MRCA parkland.

Need for Coastal Slope Trail Dedication

The attached Coastal Slope Trail alignment through the subject property is critical for a functional trail of regional significance. The proposed trail alignment goes through two of

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the subject lots APNs 4453-005-092 and 018 (Applications 4-07-068 and 4-07-146). One of those applications is associated with the discretionary waterline and the other one with the discretionary lot line adjustment.

We urge the Commission not to approve any projects involving APNs 4453-005-092 and 018 without adequate trail easements on both of the subject parcels. Fortunately the proposed trail is located as far away from those two proposed houses as possible.

Adequate trail easements should be broad enough to guarantee optimal trail alignment and the ability to make adjustments if there are land failures. Said easements must be a minimum of 100-foot-wide running along the parcel boundaries.

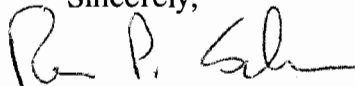
The trail easements must come as direct dedications to the MRCA or the National Park Service.

The applicant has proposed to the MRCA that the Coastal Slope Trail alignment only cross the access road once. The current alignment has it crossing three times as the trail switchbacks up slope. A ten percent grade is the maximum multi-agency standard for new trails. That grade reduces erosion and maintenance costs and the overall user experience is better and much safer for equestrians. We believe the applicant's suggested alignment will work, but cannot confirm that yet.

The applicant's suggestion for a single road-trail interface requires a retaining wall ramp leading up to the raised roadbed. The other side the trail exits onto a cut slope. The grade of the applicant's proposed trail is not known at this time. Clearly a compromise solution must be achieved to not require any section of trail to exceed ten percent grade. We applaud the applicant's effort to create a functional and scenic trail alignment.

Please address any questions to Paul Edelman of our staff at the above address and by phone at (310) 589-3200 ext. 128.

Sincerely,



RONALD P. SCHAFER
Chairperson

Memorandum

To : The Conservancy
The Advisory Committee

Date: April 25, 2011

From : 
Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Director

Subject: **Agenda Item 14: Consideration of revised resolution concerning public benefits program associated with Coastal Development Permit application numbers 4-10-040, 4-10-041, 4-10-042, 4-10-043, 4-10-044, 4-10-045 and 4-10-046 (formerly application numbers 4-07-067, 4-07-068, 4-07-146, 4-07-147, 4-07-148 and 4-08-043) and authorizing entering into an agreement to secure such public benefits, Sweetwater Mesa, unincorporated Malibu area.**

Staff Recommendation: That the Conservancy endorse a proposed public benefits program offered by the applicants of Coastal Development Permit application numbers 4-10-040, 4-10-041, 4-10-042, 4-10-043, 4-10-044, and 4-10-045 (formerly application numbers 4-07-067, 4-07-068, 4-07-146, 4-07-147, 4-07-148 and 4-08-043) and authorize entering into an agreement to secure such public benefits.

Background: The six subject Coastal Development Permit applications to the California Coastal Commission were addressed by a Conservancy letter to the Commission dated November 2009. The letter raised numerous concerns with the projects. The applications are for a total of five single family residences served by a new common roadway, a water line from an offsite area, and an internal lot line adjustment. Some of the issues raised in that letter, most notably physical geological feasibility, have been addressed to staff's satisfaction.

Representatives for the applicants approached staff to formulate a substantial public benefits package to augment already proposed mitigation measures if the projects are approved by the Commission. Los Angeles County already approved the projects as individual plot plan projects with Categorical Exemptions. Staff engaged in the formulation of the program. The basic program framework consists of: (a) deed restriction areas around the proposed houses, (b) conservation easement over approx. 97 acres (c) \$750,000 in funding for the acquisition and development of the Coastal Slope Trail between the subject project eastward to the Mountains Recreation and Conservation Authority's Tuna Canyon Park, (d) dedications of key Coastal Slope Trail easements at no public cost over three offsite parcels (Carbon Mesa parcels) with development areas in the City of Malibu, and (e) \$250,000 of pre-acquisition and trail design services.

The proposed deed restricted areas are shown on the attached figure prepared by the applicant's engineer. Also find attached the draft Public Benefits Agreement Term Sheet, draft OTD for the Carbon Mesa Coastal Slope trail, map depicting location of pads on Carbon Mesa lots,

map depicting proposed Coastal Slope Trail alignment, draft letter of non-opposition for Carbon Mesa parcels development.

Since the January 24, 2011 meeting of the Conservancy when acceptance of the Public Benefits Program was deliberated, staff has worked to modify the Public Benefits Program term sheet to further define what types of improvements can be constructed within the fuel modification zone and when the program benefits transfer and vest.

Elements of Public Benefits Program

1. Dedication of deed restriction over property located between the first 100 feet of the fuel modification zone and the conservation easement area as depicted on the attached map of the project with reserved right to make improvements therein subject to the approval of the Conservancy's Executive Director and subject to Commission approval.
2. Dedication of deed restriction over 100 foot wide fuel modification zone with reserved right to make certain defined future improvements subject to Commission approval.
3. Dedication of conservation easement over remainder of the lots with limited reserved rights consistent with standard conservation easements.
4. Dedication Coastal Slope Trail over three Carbon Mesa lots.
5. Grant of \$750,000 to acquire or improve the Coastal Slope Trail easements.
6. Commitment to pay \$250,000 for design and acquisition services.
7. Dedication of Coastal Slope Trail over Sweetwater Mesa project area.

MRCA/Conservancy Obligations

1. The Conservancy and MRCA to take a neutral position on the project but may ask the Commission to consider its 2009 comment letter. The letter is attached.
2. The Conservancy to support the Public Benefits Program by resolution and in writing and by speaking in favor of the Public Benefits Program.
3. The Conservancy and MRCA to not oppose development of a single family residence on each of the three pads depicted on the attached Carbon Mesa exhibit.

Escrow , Recording and Vesting of the Public Benefits Program Elements

1. Sweetwater Offers to Dedicate: a) deed restriction over property located within second 100 foot fuel modification zone on each lot; b) deed restriction over property located outside the approved development area within the first 100 feet of fuel modification; c) Coastal Slope Trail easement; and, d) conservation easement.
 - i) OTDs will be deposited into an escrow prior to the Commission hearing;
 - ii) if the Project is approved by the Commission escrow will cause the offers to dedicate to be recorded;
 - iii) upon Final Approval of the Project, which is defined below, the offers to dedicate will vest.

2. Carbon Mesa Coastal Slope Trail Easement Offers to Dedicate:
 - i) OTDs will be deposited into an escrow prior to the Commission hearing;
 - ii) if the Project is approved by the Commission escrow will cause the offers to dedicate to be recorded;
 - iii) upon the earlier of either Final Approval of the Project, which is defined below, or final action of the City of Malibu approving development on a Carbon Meas lot owners pad the offer(s) to dedicate will vest.

3. \$750,000 funding for Coastal Slope acquisitions and/or improvements:
 - i) letter of credit securing the payment will be deposited into escrow prior to Commission hearing and will be released by escrow after Final Approval..

4. \$250,000 service contract will be deposited into escrow prior to Commission hearing and will be released by escrow after Commission Approval..

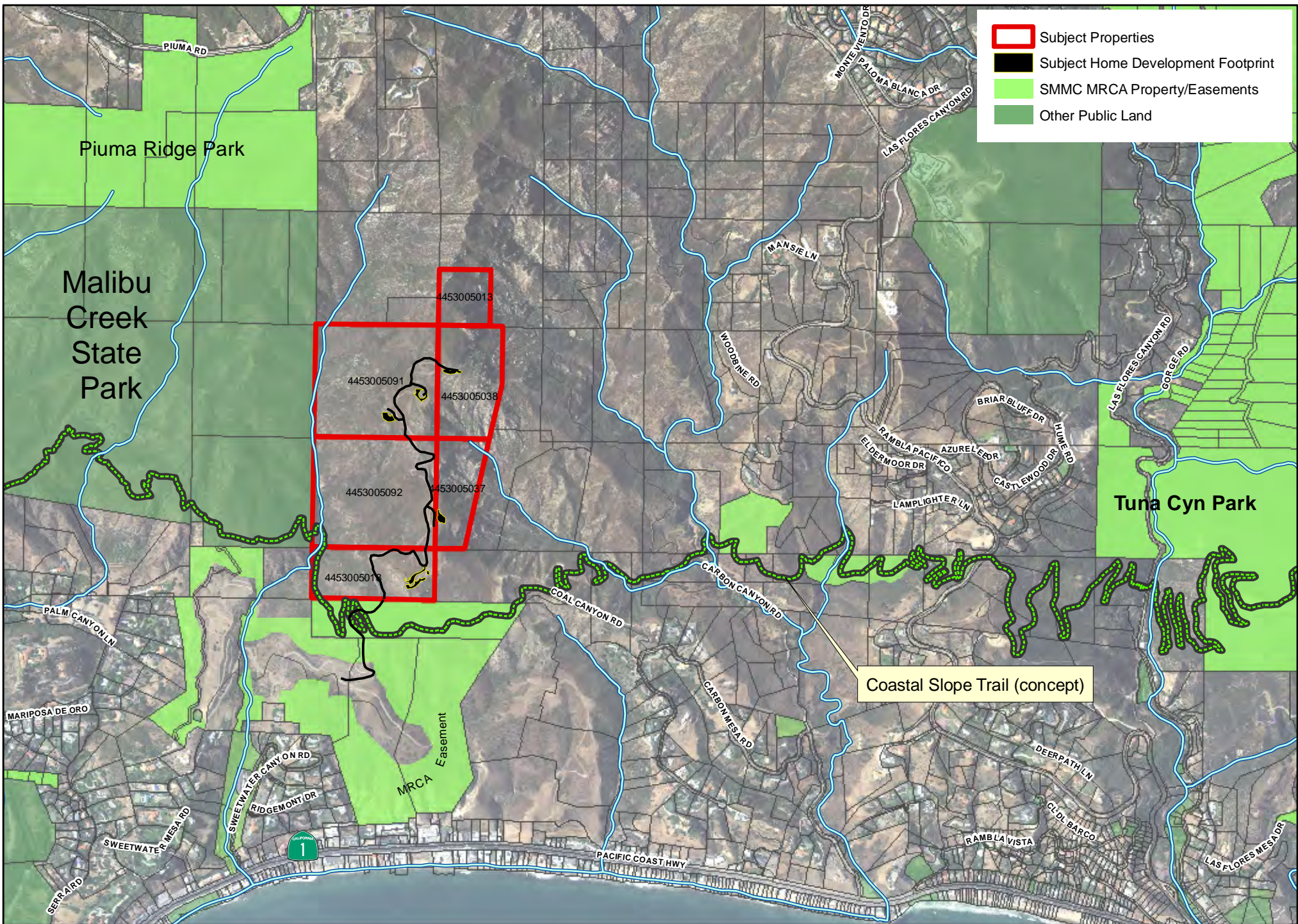
Final Project Approval Required for Vesting OTDs

Final Approval is defined in relevant part as follows:

“Final Approval is obtained to construct five new single family residences ...as proposed in California Coastal Commission coastal development permit applications 4-10-040, 4-10-

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041, 4-10-42, 4-10-043, 4-10-44, and 4-10-045 (Sweetwater Mesa Projects). Final approval of the Sweetwater Mesa Projects means that the project, **as conditioned by the California Coastal Commission** or other administrative or regulatory body **and as accepted by the applicants has received approvals from all government agencies...** which is: i) final and not appealable; ii) all judicial challenges or administrative appeals are resolved in favor of the Projects; and, iii) the statute of limitations for challenging any approvals of the Projects has run. **Notwithstanding the foregoing, if one or more the project applicants does not seek to obtain final approval of that applicant's Sweetwater Mesa Project, this offer to dedicate shall vest if all the remaining applicants receive Final Approval...."**

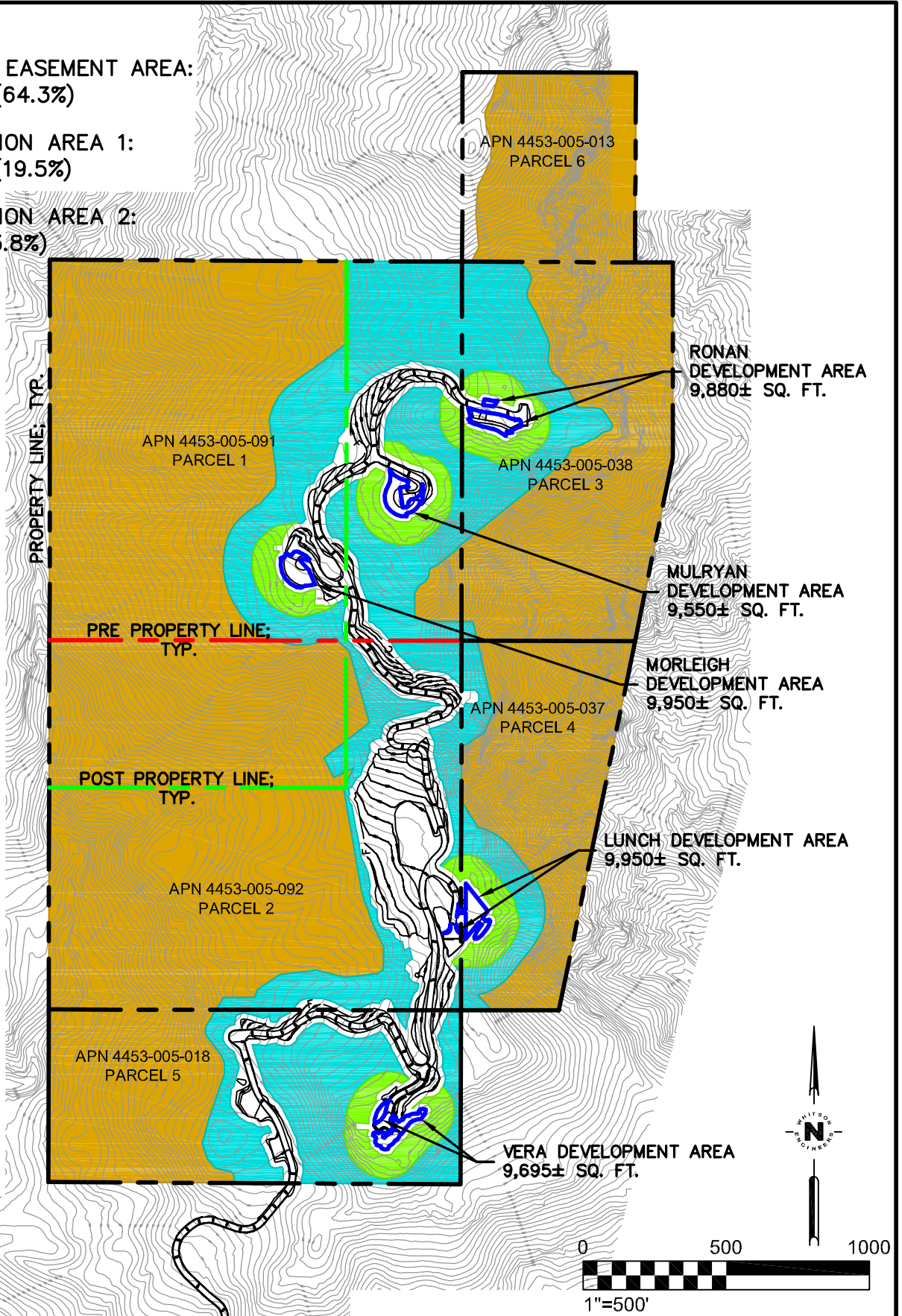


LEGEND

CONSERVATION EASEMENT AREA:
97.2± ACRES (64.3%)

DEED RESTRICTION AREA 1:
29.5± ACRES (19.5%)

DEED RESTRICTION AREA 2:
5.7± ACRES (3.8%)



SWEETWATER MESA

LOS ANGELES COUNTY

CALIFORNIA

CONSERVATION AREA

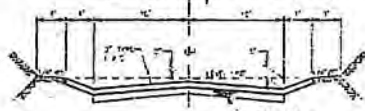
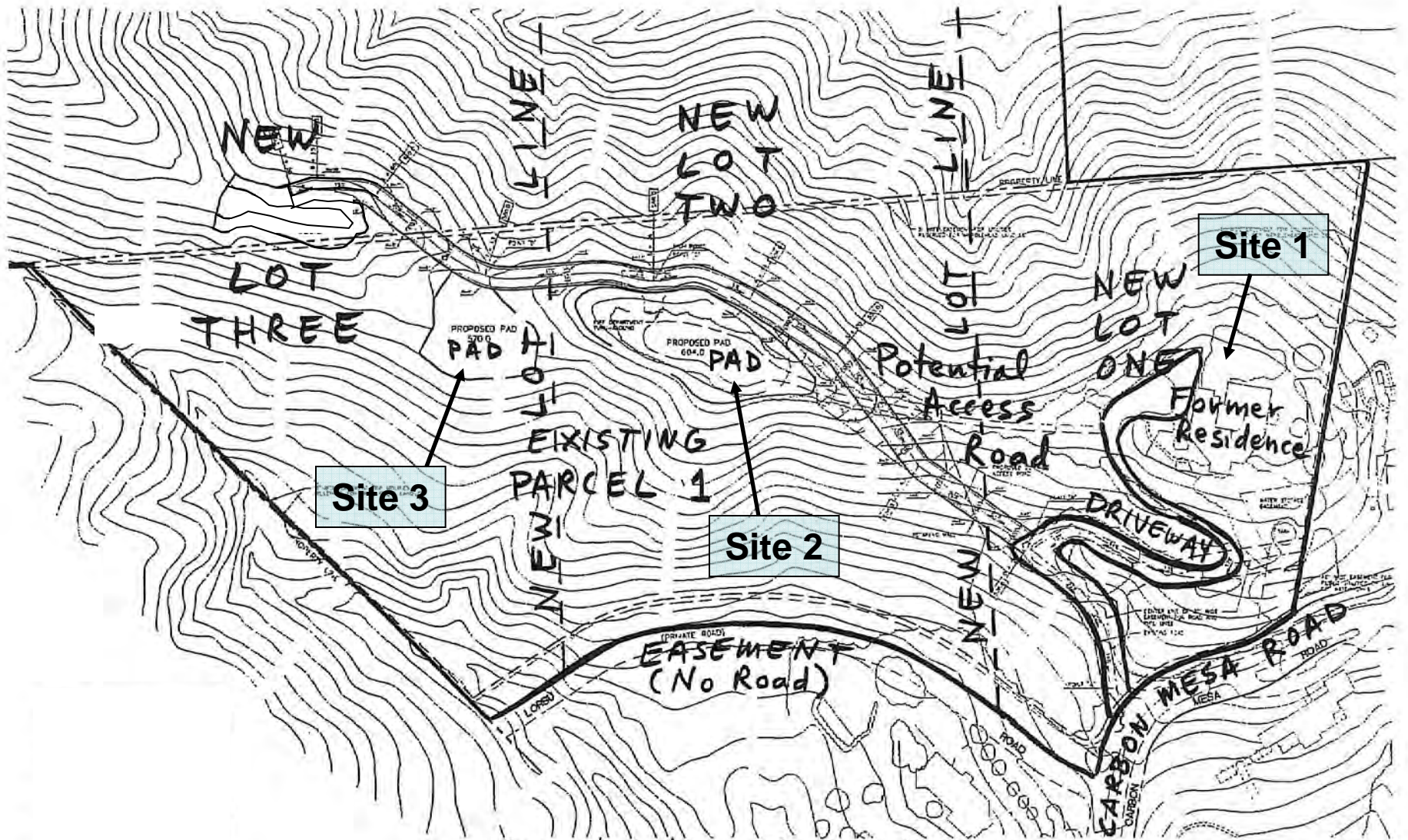
DRAWING PATH: Conservation Area Exhibit-2.dwg

DATE:	APRIL 20, 2011
SCALE:	1" = 500'
DRAWN:	SH
CHECKED:	MB
PROJECT #:	1817.00

SHEET

1

OF 6



TYPICAL SECTION

1%
4%

AVERAGE ROAD GRADES

- PT. A' TO PT. B' - 1% X
- PT. A' TO PT. C' - 1% X
- PT. B' TO PT. C' - 4% X
- PT. D' TO PT. E' - 1% X

BEHRENS ENGINEERING 8241 GLADYS AVENUE HUNTINGTON BEACH, CA 92646 (714) 373-0277		THE LAND AND WATER CO. CONCEPTUAL ACCESS ROAD CARBON MESA ROAD LOT 1 OF RECORD OF SURVEY 56 PAGES 14-17	
DRAWN BY: [blank] DATE: 11/11/11 CHECKED BY: [blank]	SCALE: [blank] DATE: 11/11/11	MAP NO.: [blank]	COUNTY: CALIFORNIA

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Resolution No. 11-34

REVISED RESOLUTION OF THE SANTA MONICA MOUNTAINS CONSERVANCY CONCERNING PUBLIC BENEFITS PROGRAM ASSOCIATED WITH COASTAL DEVELOPMENT PERMIT APPLICATION NUMBERS 4-10-040, 4-10-041, 4-10-042, 4-10-043, 4-10-044, 4-1-045 (FORMERLY APPLICATION NUMBERS 4-07-067, 4-07-068, 4-07-146, 4-07-147, 4-07-148 AND 4-08-043) AND AUTHORIZE ENTERING INTO AN AGREEMENT TO SECURE SUCH PUBLIC BENEFITS, SWEETWATER MESA, UNINCORPORATED MALIBU AREA

Therefore Be It Resolved, That the Santa Monica Mountains Conservancy hereby:

1. SUPPORTS the Public Benefits Program outlined in the staff report and Sweetwater Mesa Public Benefits Agreement Term Sheet.
2. ADOPTS the staff report dated April 25, 2011.
3. FINDS that the action taken herein is consistent with the Santa Monica Mountains Comprehensive Plan.
4. FINDS that the action taken herein is exempt from the provisions of the California Environmental Quality Act.
5. FURTHER AUTHORIZES the Executive Director or his designee to execute the Sweetwater Mesa Public Benefits Agreement, communicate support of the Public Benefits Program in writing, attend public meetings and hearings and speak in favor of the Public Benefits Program, and execute the Carbon Mesa non-opposition letter.

~ End of Resolution ~

I HEREBY CERTIFY that the foregoing resolution was adopted at a meeting of the Santa Monica Mountains Conservancy, duly noticed and held according to law, on the 25th day of April, 2011 at Calabasas, California.

Dated:

Executive Director

Non-Opposition Agreement

Santa Monica Mountains Conservancy ("**SMMC**") or Mountains Recreation and Conservation Authority ("**MRC**A"), in consideration of the recordation of Offers to Dedicate Trail Easement on the property owned by Pebblecreek, LLC, a California limited liability company ("**Pebblecreek**") more particularly described in Exhibit "A" ("**Pebblecreek Property**") agree that they will not oppose any permitted residential development and accessory uses within the approved building site on the Pebblecreek Property generally depicted on Exhibit "B"

SANTA MONICA MOUNTAINS
CONSERVANCY

By: _____

Print Name: Joseph Edmiston
Its: Executive Director

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

By: _____

Print Name: Joseph Edmiston
Its: Executive Officer

RESTRICTION AREA	RESTRICTIONS & CONDITIONS
Conservation Easement	Use limited to natural open space Landowner Permitted Rights: <ul style="list-style-type: none"> -Vegetation clearance for fuel mod & regulatory compliance - Activities to facilitate construction, repair or reconstruction - Access for development of the project. - Response to government requests for information - Walking or riding of horses - Entry that does not violate the easement’s purpose
Deed Restriction Area 1	Any new development subject to ED’s reasonable approval <ul style="list-style-type: none"> - ED review limited to the following concerns <ul style="list-style-type: none"> - Impacts to public viewsheds on public lands - Glare and maintenance of dark sky - Habitat loss and/or degradation - Habitat fragmentation - Clearance of native plant communities - Rodenticide ecological impacts - Introduction of non-native species - Erosion Use Restrictions <ul style="list-style-type: none"> - No expansion of fuel mod into native vegetation - No habitable structure, except with ED consent Mediation/Arbitration dispute resolution
Deed Restriction Area 2	New structures subject ED approval per above New structures limited to: 1 stable and/or corral Does not prohibit: <ul style="list-style-type: none"> - Walks, trails, landscaping, sitting areas (benches & tables) - Patios not to exceed 2,000 square feet - Gardens occupying up to 30% of deed restriction area - Wildlife permeable walls and fencing - Drainage improvements Landscaping limited to California native plants.

PUBLIC BENEFITS AGREEMENT

THIS PUBLIC BENEFITS AGREEMENT ("**Agreement**") is hereby made and entered into as of this ____ day of _____, 2011 (the "**Effective Date**"), by and between the following parties:

A. Vera Properties, LLLP, a Delaware limited liability limited partnership, ("**Vera**") Lunch Properties, LLLP, a Delaware limited liability limited partnership ("**Lunch**"), Morleigh Properties, LLLP, a Delaware limited liability limited partnership ("**Morleigh**"), Mulryan Properties, LLLP, a Delaware limited liability limited partnership ("**Mulryan**"), and Ronan Properties, LLLP, a Delaware limited liability limited partnership ("**Ronan**") (collectively "**Sweetwater Mesa Landowners**") and

B. Santa Monica Mountains Conservancy ("**SMMC**") and Mountains Recreation and Conservation Authority ("**MRCA**").

RECITALS

A. Vera owns that certain real property more particularly described in Exhibit "A" ("**Vera Property**").

B. Lunch owns that certain real property more particularly described in Exhibit "B" ("**Lunch Property**").

C. Morleigh owns that certain real property more particularly described in Exhibit "C" ("**Morleigh Property**").

D. Mulryan owns that certain real property more particularly described in Exhibit "D" ("**Mulryan Property**").

E. Ronan that certain real property more particularly described in Exhibit "E" ("**Ronan Property**"). The Vera, Lunch, Morleigh, Mulryan and Ronan Properties are collectively referred to as the "**Sweetwater Mesa Properties**".

F. The Sweetwater Mesa Landowners intend to construct single family residences on their respective Sweetwater Mesa Properties. Each of the Sweetwater Mesa Landowners has applied to the California Coastal Commission ("**Commission**") for a coastal development permit or permits to construct a single family residence on its property. The Commission has denominated the applications as Nos. 4-10-040, 4-10-041, 4-10-042, 4-10-043, 4-10-044, and 4-10-045 in order to develop the Project ("**CDP Applications**"). The proposed single family residences and related improvements described the CDP Applications are collectively referred to as the Project."

G. In 2009 SMMC submitted concerns about the Project in writing.

H. The overall purpose of this Agreement is that SMMC/MRCA will take a neutral position on the Project and support the conservation easements, deed restrictions and a trail

acquisition package to provide a public trail extending between the Sweetwater Mesa Properties and Tuna Canyon Park (the "**Trail**") provided for in this Agreement ("**Public Benefits Program**"). The Public Benefits Program also entails (i) a commitment from the Sweetwater Mesa Landowners in excess of \$1 million, consisting of \$750,000 in funds to acquire either fee title or trail easement rights and improve the same ("**Acquisition Funds**"), plus up to Two Hundred Fifty Thousand Dollars (\$250,000) to negotiate and to secure agreements to acquire title or easements for the Trail and (ii) the acquisition of trail easements on property owned by Pebblecreek, LLC, a California limited liability company, Watercrest Vista, LLC, a California limited liability company, and Bigrock Canyon, LLC a California limited liability company (collectively, the "**Carbon Mesa Properties**") which the Sweetwater Mesa Landowners will provide to SMMC/MRCA. All of the foregoing is contingent on final approval from the Coastal Commission, the County of Los Angeles and City of Malibu and any other permitting authority to construct the Project as defined herein subject to termination as provided herein.

I. SMMC/MRCA's agreement to the Public Benefits Program is contingent on each of the Sweetwater Mesa Landowners's execution of this Agreement.

J. The governing boards of SMMC and MRCA have adopted formal resolutions in support of the Public Benefits Program, which is a condition precedent to this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

I. CONDITIONS PRECEDENT TO EFFECTIVENESS OF AGREEMENT

As conditions precedent to the effectiveness and validity of the Agreement, the failure of which shall make this Agreement void and of no further force and effect, SMMC and MRCA agree:.

A. To adopt formal resolutions in support of the Public Benefits Program.

B. To take a neutral position on the Project. SMMC/MRCA may inform the Commission that it has previously submitted concerns about the Project in writing in 2009, that the Commission may consider the concerns it previously expressed in writing in rendering its decision regarding the Project, and that the SMMC/MRCA supports the Public Benefits Program.

II. OPENING OF ESCROW

A. Within ten (10) days of the date of this Agreement, the Parties shall open an escrow at _____ ("**Escrow**").

B. Prior to the Commission hearing on the CDP Applications SMMC/MRCA shall execute and deposit in Escrow the following:

1. The escrow instructions between SMMC/MRCA and the Sweetwater Mesa Landowners, in the form attached to as Exhibit "F" ("**Escrow Instructions**"), which shall provide that the Sweetwater Mesa Landowners deposit in escrow prior to the hearing on the CDP Application the following: (a) offers to dedicate conservation easements over the portions of

each of the Sweetwater Mesa Properties depicted in Exhibit "H"; (b) offers to dedicate trail access rights for a public trail across the Vera Property and the Mulryan Property in the area depicted in Exhibit "H"; (c) offers to dedicate deed restrictions over portions of each of the Sweetwater Mesa Properties depicted in Exhibit "H"; and (d) offers to dedicate deed restrictions over portions of each of the Sweetwater Mesa Properties depicted in Exhibit "H."

2. The escrow instructions between SMMC/MRCA, the Sweetwater Mesa Landowners and the owners of the Carbon Mesa Properties in the form attached to as Exhibit "G" ("**Carbon Mesa Escrow Instructions**"), which shall provide that each of the Carbon Mesa Landowners will deposit offers to dedicate trail access rights for a public trail across the Carbon Mesa Properties in the area depicted in Exhibit "N." Pursuant to the Carbon Mesa Escrow Instructions, SMMC/MRCA shall deposit into Escrow written agreements not to oppose the development on the Carbon Mesa Properties within the approved building sites on those properties.

C. Prior to the Commission hearing on the CDP Applications the Sweetwater Mesa Landowners shall execute (or cause to be executed) and deposit in Escrow the following:

1. The Escrow Instructions.
2. Carbon Mesa Escrow Instructions executed by the owners of the Carbon Mesa Properties.

III. MRCA/SMMC OBLIGATIONS

A. SMMC/MRCA shall support the Public Benefits Program before the Commission, the County of Los Angeles, the City of Malibu and any other governmental agencies from which approvals are required to develop the Project. Such support shall include, at a Sweetwater Mesa Landowner's request: (i) communicating support for the Public Benefits Program in writing, and (ii) attending public meetings and hearings and speaking in favor of the Public Benefits Program.

B. SMMC/MRCA shall use the Acquisition Funds exclusively to acquire either fee title or trail easement rights and improve the same.

IV. SWEETWATER MESA LANDOWNER OBLIGATIONS

A. Each Sweetwater Mesa Landowner shall deposit into escrow with respect to that Sweetwater Mesa Landowner's property (a) an offer to dedicate a conservation easement in substantially in the form set forth in Exhibit "I" over the portion of that Sweetwater Mesa Landowner's property depicted in Exhibit "H"; (b) an offer to dedicate a deed restriction in substantially in the form set forth in Exhibit "J" over the portions of that Sweetwater Mesa Landowner's property depicted in Exhibit "H"; and (c) an offer to a dedicate deed restriction in substantially in the form set forth in Exhibit "K" over the portions of that Sweetwater Mesa Landowner's property depicted in Exhibit "H."

B. Vera into escrow an offer to dedicate in substantially in the form set forth in Exhibit "L" trail access rights for a public trail across the Vera Property in the area depicted in Exhibit "H." Mulryan shall deposit into escrow an offer to dedicate in substantially in the form

set forth in Exhibit "L" trail access rights for a public trail across the Mulryan Property in the area depicted in Exhibit "H."

C. Sweetwater Mesa Landowner shall cause to be deposited into escrow prior to the hearing on the CDP Application separate offers to dedicate in substantially in the form set forth in Exhibit "M" from each of the Carbon Mesa Landowners trail access rights for a public trail across the Carbon Mesa Properties in the area depicted in Exhibit "N."

D. Following Final Approval of the Project (as defined herein), the Sweetwater Mesa Landowners shall pay all sums incurred by SMMC/MRCA to negotiate and to secure agreements to acquire title or easements for the Trail up to and not exceeding the total amount of Two Hundred Fifty Thousand Dollars (\$250,000) ("**Trail Assistance Funds**"). SMMC/MRCA shall provide the Sweetwater Mesa Landowners a written request for disbursement of Trail Assistance Funds ("**Dispersal Request**"). Each Dispersal Request shall be accompanied by reasonably detailed written documentation evidencing the purpose for the funds requested and the basis for the charges included the Dispersal Request. Within thirty (30) days after the Sweetwater Mesa Landowners' receipt of each Dispersal Request and such supporting documentation, the Sweetwater Mesa Landowners shall deliver to MRCA the funds in the amount specified in the Dispersal Request. In no event shall any Sweetwater Mesa Landowner be obligated jointly or severally to pay any amounts in excess of the total amount of Two Hundred Fifty Thousand Dollars (\$250,000).

V. **TERMINATION**

A. This Agreement shall terminate and the parties shall have no obligation to perform any of the covenants herein if (i) the MRCA or SMMC oppose the Project or any portion thereof before the Commission, County of Los Angeles, City of Malibu or any other governmental agency whose approval is necessary for Final Approval of the Project, (ii) SMMC or MRCA fail to support the Public Benefits Program in accordance with Section III, or (iii) the Sweetwater Mesa Landowners do not receive Final Approval of all of the Projects.

B. Final Approval of the Project means that the Project, as conditioned by the Commission or other administrative or regulatory body and as accepted by the applicants, has received approvals from all government agencies (including but not limited to the Commission, the City of Malibu, the County of Los Angeles and the Regional Water Quality Control Board) which are final and not appealable, (ii) all judicial challenges or administrative appeals are resolved in favor of the Projects and (iii) the statute of limitations for challenging any of the approvals of the Projects has run. Notwithstanding the foregoing, if one or more of the Sweetwater Mesa Landowners does not seek to obtain final approval of that applicant's Project, the Public Benefits Program shall vest if all of the remaining Sweetwater Mesa Landowners receive Final Approval of the Project on their respective properties. Nothing herein shall in any way prevent any Sweetwater Mesa Landowner from withdrawing its CDP Application or require any Sweetwater Mesa Landowner to obtain Final Approval of the Project on its property.

VI. MISCELLANEOUS.

A. No Waiver. No waiver of any default of any obligation by any Party hereto may be implied from any omission by another Party to take any action with respect to such default.

B. Entire Agreement. This Agreement contains the complete understanding and agreement of the Parties with respect to all matters referred to herein, and all prior representations, negotiations, and understandings are superseded hereby.

C. No Modifications. No addition to or modification of any term or provision of this Agreement shall be effective unless set forth in writing and signed by the Sweetwater Mesa Landowners and Grantor.

D. Governing Law. The laws of the State of California govern the interpretation, validity, performance, and enforcement of this Agreement.

E. Further Assurances. Each of the Parties shall execute and deliver any and all additional papers, documents, and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of this Agreement.

F. Notices. Any notice to be given hereunder to either Party shall be in writing and shall be given either by personal delivery (including express or courier service), by overnight courier, by facsimile (provided the facsimile is transmitted to the party's telecopy number specified below and confirmation of receipt is received by the transmitting party) or by registered or certified mail, with return receipt requested, postage prepaid and addressed as follows:

Sweetwater Mesa Landowners

Attention: _____
Fax: _____

SMMC/MRCA

Attention: _____
Fax: _____

Any Party may, by written notice to the others, designate a different address which shall be substituted for the one specified above. Any such notice shall be deemed to have been delivered upon its receipt or upon the second attempt at delivery, as evidenced by the regular records of the person or entity attempting delivery.

SMMC/MRCA has asked that the Sweetwater Mesa Landowners designate a single person to receive notice under this Agreement. Pursuant that request, the Sweetwater Mesa Landowners have designated one person to receive notice, who shall be responsible for communicating such notice to the Sweetwater Mesa Landowners to the extent that person determines it is necessary to do so.

G. Incorporation of Exhibits. All exhibits to this Agreement are incorporated herein by this reference.

H. Counterparts. This Agreement may be executed in any number of identical counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

I. No Third Party Beneficiary. No person or entity other than the Parties shall have any rights hereunder, and no person or entity shall be a third party beneficiary hereof.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

“SWEETWATER MESA LANDOWNERS”

VERA PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____
David Evans
Its: General Partner

LUNCH PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____
Anthony Kilduff
Its: General Partner

MULRYAN PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____
Tim Delaney
Its: General Partner

MORLEIGH PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____

Chantal O'Sullivan

Its: General Partner

RONAN PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____

Dean McKillen

Its: General Partner

"SMMC/MRCA"

SANTA MONICA MOUNTAINS
CONSERVANCY

By: _____

Print Name: _____

Its: _____

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

By: _____

Print Name: _____

Its: _____

Exhibit "A"

Legal Description of Vera Property

Exhibit "B"

Legal Description of Lunch Property

Exhibit "C"

Legal Description of Mulryan Property

Exhibit "D"

Legal Description of Morleigh Property

Exhibit "E"

Legal Description of Ronan Property

Exhibit "F"

Escrow Instructions

Exhibit "G"

Carbon Mesa Escrow Instructions

Exhibit "H"

Sweetwater OTD Depiction

Exhibit "I"

Sweetwater Mesa Offers to Dedicate Conservation Easements

Exhibit "J"

Sweetwater Mesa Offers to Dedicate Deed Restriction

Exhibit "K"

Vera Offer to Dedicate Trail Easement

Exhibit "L"

Mulryan Offer to Dedicate Trail Easement

Exhibit "M"

Carbon Mesa Offer to Dedicate Trail Easement

Exhibit "N"

Carbon Mesa OTD Depiction

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

OFFER TO DEDICATE CONSERVATION EASEMENT

This Offer to Dedicate dated _____, 2011 is made by Vera Properties, LLLP, a Delaware limited liability limited partnership, ("**Vera**") with respect to that certain real property more particularly described in Exhibit "A" ("**Vera Property**").

OFFER TO DEDICATE

Vera hereby offers to dedicate to the Mountains Recreation and Conservation Authority ("**MRCA**"), an agency authorized pursuant to Civil Code section 815 to accept and hold conservation easements, a permanent, non-exclusive conservation easement, over, along and across the portion of the Vera Property depicted on Exhibit "B" ("**Conservation Easement Area**") for preservation and protection as natural open ("**Conservation Easement**").

CONSERVATION EASEMENT TERMS

Upon vesting and acceptance of this Offer to Dedicate the following terms shall apply to the Conservation Easement Area.

A. Limitations on Grant. This Conservation Easement does not, and shall not, affect any portion of the Vera Property other than the Conservation Easement Area and shall not, in any way, affect, limit, or interfere with Vera's use, activities and/or enjoyment of the Vera Property that is outside the Conservation Easement Area.

B. Purpose of Easement. This Conservation Easement "A" is expressly granted for purposes of preserving and protecting the Conservation Easement Area as natural open space.

C. Retained Rights. Notwithstanding any other provision herein, Vera hereby reserves the following rights with respect to the Conservation Easement Area:

1. The right to clear vegetation within the Conservation Easement Area to comply with fuel modification and other mandatory governmentally-imposed requirements;

2. The right to engage in activities in or upon the Conservation Easement Area to facilitate the construction, maintenance, repair or replacement of any improvement on the Vera Property or adjoining properties, including, without limitation, any improvements contemplated by any development approval to develop the Sweetwater Mesa Projects, defined below, or required by any governmental agency;

3. The right to construct, maintain, repair, replace or access necessary improvements within the Conservation Easement Area for the development of the Sweetwater Mesa Projects, as defined below (including, without limitation, roads, drainage improvements and water and other utility lines) or to comply with conditions imposed by a governmental agency;

4. The right to engage in activities in or upon the Conservation Easement Area in order to comply with any requests for information by a governmental agency;

5. The right to use the Conservation Easement Area for walking or riding of horses; and

6. The right to otherwise enter in or upon the Conservation Easement Area for any other purpose whatsoever, provided that such entry does not violate the purpose of the Conservation Easement.

D. MRCA Improvements and Entry MRCA shall have no right to, and shall not, make any alterations to, nor construct any improvements on, the Conservation Easement Area. MRCA's right to enter onto the Conservation Easement Area shall be subject to 72-hour advance written notice.

E. Underlying Fee Interest. Vera shall retain the underlying fee title to the Conservation Easement Area.

F. Rights and Remedies. If either MRCA or Vera reasonably determines that the other is in violation of these terms or that a violation hereof is pending or threatened, such party (the "**Notifying Party**") shall notify the other party (the "**Recipient Party**"), in writing of same (each such notice being referred to herein as a "**Violation Notice**"). The Recipient Party shall have thirty (30) days after receipt of a Violation Notice to either oppose same or take corrective action sufficient to cure, or to prevent the violation of, the matter described in the Violation Notice. If the Recipient Party fails to object or to cure within such thirty (30) day period after receiving the Violation Notice, the Notifying Party may bring an action, at law or in equity, to enforce these terms, to enjoin the violation by temporary or permanent mandatory or prohibitory injunction, to recover any damages to which it may be entitled for violation of these terms and/or to require the restoration of the Conservation Easement Area to the condition that existed prior to any such injury, as applicable. In lieu of bringing such action, the parties may agree to proceed in accordance with the dispute resolution provision set forth in Section G below. Notwithstanding the foregoing, the Notifying Party shall have the right to seek immediate injunctive relief in court during the 30-day period if reasonably necessary to prevent irreparable harm provided that further proceedings with respect to such relief may be conducted in accordance with Section G below.

G. Dispute Resolution. In the event of any dispute between MRCA and Vera, including, without limitation, any dispute as to whether or not any party hereto is in violation of the terms hereof (a "**Dispute**"), MRCA and Vera shall endeavor in good faith to resolve such Dispute amicably and without the need for litigation. In the event MRCA and Vera are unable to resolve the Dispute through good faith negotiation, they shall submit same to a referee pursuant to the provisions of the California Code of Civil Procedure Sections 638 to 645.2, inclusive. MRCA and Vera shall agree upon a single referee who shall try all issues of fact and law and report his decision thereon. If MRCA and Vera are unable to agree upon a referee, then either may thereafter seek to have a referee appointed pursuant to the California Code of Civil Procedure Sections 638 and 640. The cost of such proceeding shall be borne equally by MRCA and Vera. MRCA and Vera expressly waive the right to trial by jury. MRCA expressly waives any right to file a Lis Pendens or any other form of equitable lien against the Vera Property in connection with a Dispute.

H. Exercise of Rights and Remedies Subject to Sole Discretion of Party and Does Not Waive Future Exercise. The exercise of any right or remedy by either MRCA and Vera hereunder is at the sole discretion of said party and the failure to exercise or delay in the exercise of any right or remedy shall not impair the right or remedy nor act as a future waiver of said right or remedy with respect to the claimed breaches, and the only limitation on the exercise of said right or remedy shall be the applicable statute of limitations period, defenses of laches being specifically waived, or agreed upon limitations periods set forth in the next sentence. If no period of time is set forth in any statute for limiting the exercise of any legal or equitable remedy, then MRCA and Vera agree that no such remedy, whether legal or equitable, shall be exercisable more than three (3) years after the party claiming such right or remedy actually did or could have, by means of ordinary diligence, discovered the breach giving rise to such right or remedy.

I. Acts Beyond Owner's Control. Nothing contained herein shall be construed to entitle MRCA or Vera to bring an action against other for any injury to or change in or upon the Conservation Easement Area resulting from causes beyond the control of the other including, without limitation, (i) fire, flood, storm, earth movement, and/or any other natural disaster or event, (ii) any necessary action taken by Vera in cases of emergency to preserve health or safety or to restore or to prevent injury to the Conservation Easement Area or the Vera Property as a result of fire, flood, storm, earth movement and/or any other natural disaster or event or (iii) any action by any governmental or quasi-governmental agency or authority, including, without limitation, any eminent domain proceeding affecting the Vera Property.

J. Costs and Liabilities; Taxes. Except as otherwise provided herein, Vera retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership of the Conservation Easement Area including, without limitation, maintenance of reasonable amounts of comprehensive general liability insurance coverage, and payment of property taxes assessed against the Conservation Easement Area.

K. Subsequent Transfers by Vera. This Conservation Easement is a covenant, condition and restriction that runs with the Vera Property, which burdens the Vera Property and benefits the MRCA. Without further notice other than that provided by recordation in the

Official Records, these terms shall be binding on all future owners of the Vera Property and/or of the Conservation Easement Area itself.

L. Successors and Assigns. The Conservation Easement and all of its terms shall be binding upon, and inure to the benefit of, all successive owners and assigns of the Vera Property, or any portion thereof, who shall succeed to all rights and obligations of Vera.

M. Notices. Any notice, consent or approval required or permitted to be given under this Conservation Easement shall be in writing and shall be deemed to have been given upon (i) hand delivery, (ii) one (1) business day after being deposited with Federal Express or another reliable overnight courier service for next business day delivery, or (iii) three (3) days after being deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, and addressed as follows:

To Vera: Vera Properties LLLP

Attention: _____

To MRCA Mountains Recreation and Conservation Authority
Ramirez Canyon Park
5750 Ramirez Canyon Road
Malibu, California 90265
Attention: Mr. Joseph Edmiston

MRCA and Vera may, by written notice to the others, designate a different address which shall be substituted for the one specified above. Any such notice shall be deemed to have been delivered upon its receipt or upon the second attempt at delivery, as evidenced by the regular records of the person or entity attempting delivery.

N. Governing Law. The Conservation Easement shall be governed by and construed in accordance with the laws of the State of California.

O. Grant Jointly Drafted. MRCA and Vera have had the benefit of legal counsel with respect to the matters described herein, and any presumption with respect to the interpretation of this Conservation Easement based on the party primarily responsible for drafting same shall not apply.

P. No Third Party Beneficiaries The Conservation Easement and all of its terms are intended solely for the benefit of and enforcement by MRCA. No other person or entity is a beneficiary of the Conservation Easement or its term or has any rights or remedies thereunder.

VESTING AND ACCEPTANCE

A. The Conservation Easement Terms shall not be binding on Vera unless it is accepted by MRCA.

B. This Offer to Dedicate shall vest and be accepted by the MRCA only after Final Approval is obtained to construct five new single family residences on lots located north of Sweetwater Mesa Road in the Santa Monica Mountains, Los Angeles County, indentified as Assessor's Parcel Nos. 4453-005-037, 4453-005-018, 4453-005-092, 4453-005-091 and 4453-005-038 as proposed in California Coastal Commission coastal development permit application nos 4-10-044, 4-10,041, 4-10-042, 4-10-043, 4-10-044 and 4-10-045 ("Sweetwater Mesa Projects").

C. Final Approval of the Sweetwater Mesa Projects means that the Projects, as conditioned by the California Coastal Commission or other administration or regulatory body and as accepted by the Grantors have received approvals from all government agencies (including but not limited to the California Coastal Commission, the City of Malibu, the County of Los Angeles and the Regional Water Quality Control Board) which are final and not appealable, (ii) all judicial challenges or administrative appeals are resolved in favor of the Projects and (iii) the statute of limitations for challenging any of the approvals of the Sweetwater Mesa Projects has run. Notwithstanding the foregoing, if one or more of the project applicants does not seek to obtain final approval of that applicant's Sweetwater Mesa Project, this Offer to Dedicate shall vest if all of the remaining applicants receive Final Approval of their respective Sweetwater Mesa Projects.

TERMINATION

This Offer to Dedicate shall terminate automatically and be of no force or effect if either of the following occurs:

1. The MRCA or the Santa Monica Mountains Conservancy ("SMMC") (i) oppose any of the Sweetwater Mesa Projects before the Coastal Commission, County of Los Angeles, City of Malibu or any other governmental agency whose approval is necessary for Final Approval of the Sweetwater Mesa Projects or (ii) fail to support the Public Benefits Program in accordance with the terms of the Public Benefits Agreement dated _____, 2011 between MRCA, SMMC and the owners of the Sweetwater Mesa Projects.

2. The Sweetwater Mesa Projects do not receive Final Approval, as defined herein.

In the event of termination, MRCA shall execute and deliver documentation to vacate or remove this Offer To Dedicate within seven days after Vera's request

ADDITIONAL TERMS

1. It is the parties intent that this Offer to Dedicate runs with the Vera Property and shall be binding on all future owners of the Vera Property without further notice other than that provided by the recordation of this Offer to Dedicate in the Official Records of Los Angeles County. Any conveyance of any interest in the Vera Property shall be deemed to incorporate by this reference the provisions of this Offer to Dedicate.

2. Vera warrants that as of the date of the delivery of this Offer to Dedicate it holds title to the Vera Property and agrees that prior to the recordation of this Offer to Dedicate to

deliver an unrecorded copy of this Offer to Dedicate to any successors, assigns, or transferees and further agrees to deliver a copy of this Offer to Dedicate to all lender(s) of record.

VERA PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____
David Evans
Its: General Partner

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

By: _____
Print Name: _____
Its: _____

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

OFFER TO DEDICATE DEED RESTRICTION AREA 1

This Offer to Dedicate dated _____, 2011 is made by Vera Properties, LLLP, a Delaware limited liability limited partnership, ("**Vera**") with respect to that certain real property more particularly described in Exhibit "A" ("**Vera Property**") for the benefit of the Mountains Recreation and Conservation Authority ("**MRCA**") and that certain real property owned by MRCA more particularly described in Exhibit "B."

OFFER TO DEDICATE

Vera hereby offers to dedicate to the Mountains Recreation and Conservation Authority ("**MRCA**") and the Santa Monica Mountains Conservancy ("**SMMC**") the following deed restriction over the portion of the Vera Property as depicted on Exhibit "C" ("**Deed Restriction Area 1**").

DEED RESTRICTION TERMS

Upon vesting and acceptance of this Offer to Dedicate the following terms shall be conditions of title to the Vera Property. Any development, as defined in Public Resources Code Section 30106, proposed within Deed Restriction Area 1 after the vesting and acceptance of this Offer to Dedicate and not subject to a coastal development permit approved by the Coastal Commission prior to the date of acceptance of this Deed Restriction shall be subject to the following terms prior to the submission of an application for a coastal development permit or other land use approval for such development:

1. The landowner proposing the development shall submit plans for such construction to the Executive Director of SMMC ("**Director**"), for review and approval, which shall not be withheld unreasonably.

2. The Director's review and approval shall be based on and limited to the following concerns and interests (a) potential adverse impacts to public viewsheds on public land including future public viewsheds on public land, (b) glare and maintenance of dark sky conditions, (c) habitat loss and/or degradation (including impacts to Coast horned lizard), (d) habitat

fragmentation, (e) clearance of established plant communities where the dominant species are California native plants (“**Native Vegetation**”), (f) ecological impacts due to use of rodenticides, (g) introduction of non-native species, and (h) erosion. New development shall not expand the area of governmentally required fuel modification beyond the limits required for existing development at the time of the application for the new development, provided that such expansions may occur in locations where Native Vegetation is not present.

3. No habitable structure or part of a habitable structure (as defined by Los Angeles County Fire code or regulation, or by applicable law in the absence of such code or regulation) shall be located on Deed Restriction Area 1, except with the consent of the Director, which may be withheld for any reason. Nothing herein shall in any way prevent the repair, replacement, construction or reconstruction of a habitable structure on the Deed Restriction Area 1.

4. These Deed Restriction Terms are intended solely for the benefit of and enforcement by MRCA and SMMC to the extent stated herein. No other person or entity is a beneficiary of these Deed Restriction Terms or has any rights or remedies hereunder.

5. In the event that the landowner making the application disputes the determination of the Director or the parties have a disagreement with respect to the Director’s consideration of the application, the parties shall submit the dispute to mediation or binding arbitration on the following terms:

a. Either party may elect to proceed to arbitration or mediation by sending written notice to the other party of such election. In the event a party elects to mediate the dispute, the other party shall inform the noticing party whether they consent to the mediation on or before 30-days following receipt of the election. In the event that the parties do not mutually agree to mediation, the dispute shall proceed to binding arbitration. In the event that the dispute is not concluded following a mediation, the matter shall proceed to binding arbitration.

b. On or before 30-days following receipt of notice, the parties shall select an arbitrator or mediator, who shall be a former or retired justice of the California Court of Appeal or any higher court in California, unless the parties agree otherwise. If the parties do not agree on an arbitrator, on or before 60 days following receipt of notice, the parties shall submit a request to a private dispute resolution service for selection of an arbitrator or mediator meeting the qualifications set forth above or to the Los Angeles Superior Court in the event such service does not exist or the parties cannot agree on a service. The parties shall share the cost of the arbitrator or mediator equally.

c. In the event the parties engage in a mediation and the dispute is not resolved at the conclusion of the mediation, on or before 15-days after the conclusion of the mediation, each party shall inform the other whether they agree to the mediator serving as the arbitrator. In the event the parties do not agree to the mediator serving as the arbitrator, within 30-days after the conclusion of the mediation, the parties shall select an arbitrator in the manner set forth above.

d. The subject of the arbitration shall be limited to whether the Director’s approval has been unreasonably withheld, whether the proposed development should be

approved by the Director based on the criteria set forth above for the Director's decision and applicable law, whether any disputed terms of a Director approval may be applied to the development based on the criteria set forth above for the Director's decision and applicable law and any other matter which the parties mutually agree may be decided by the arbitrator. The arbitrator's decision may be based on the evidence and information presented at the arbitration.

e. All awards and orders of the arbitrator shall be final and binding subject to confirmation, correction or vacation pursuant to California Code of Civil Procedure Sections 1285 and following. The arbitrator(s) shall decide the matter in accordance with California law and applicable federal law, including, applicable law regarding permissible regulation and imposition of conditions and exactions by a governmental agency, which shall apply to the Director's decision. Any error in law by the arbitrator or in application of the law shall be deemed in excess of the arbitrator's authority. Any such error in law may be reviewed de novo by Superior Court upon a Petition To Vacate or Confirm the arbitration award and may thereafter be appealed as with any other judgment.

f. An arbitration or mediation shall conclude on or before 90-days from the date that an arbitrator or mediator is selected for such proceeding and shall be conducted in accordance with California Code of Civil Procedure section 1282 et seq. The parties may conduct discovery in accordance with Code of Civil Procedure section 1283.05. Notwithstanding any provision to the contrary, the parties shall bear their own costs and attorney fees in the arbitration and in connection with any action or proceeding to enforce the requirements of this Section or to enforce the arbitration award.

6. It is the intent of Vera, MRCA and SMMMC that the restrictions, conditions and covenants contained herein run with the Vera Property as burdens that inure to the benefit of SMMC, MRCA, and the MRCA Property and shall be binding on all future owners of the Vera Property without further notice other than that provided by the recordation of this document in the Official Records of Los Angeles County. Any conveyance of any interest in the Vera Property shall be deemed to incorporate by this reference the provisions of this Deed Restriction.

VESTING AND ACCEPTANCE

1. This Offer to Dedicate shall not be binding on Vera unless it is accepted by MRCA and SMMC.

2. This Offer to Dedicate shall vest and be accepted by the MRCA and SMMC only after Final Approval is obtained to construct five new single family residences on lots located north of Sweetwater Mesa Road in the Santa Monica Mountains, Los Angeles County, identified as Assessor's Parcel Nos. 4453-005-037, 4453-005-018, 4453-005-092, 4453-005-091 and 4453-005-038 as proposed in California Coastal Commission coastal development permit application nos 4-10-044, 4-10,041, 4-10-042, 4-10-043, 4-10-044 and 4-10-045 ("**Sweetwater Mesa Projects**").

3. Final Approval of the Sweetwater Mesa Projects means that the Projects, as conditioned by the California Coastal Commission or other administration or regulatory body and as accepted by the Grantors have received approvals from all government agencies

(including but not limited to the California Coastal Commission, the City of Malibu, the County of Los Angeles and the Regional Water Quality Control Board) which are final and not appealable, (ii) all judicial challenges or administrative appeals are resolved in favor of the Projects and (iii) the statute of limitations for challenging any of the approvals of the Sweetwater Mesa Projects has run. Notwithstanding the foregoing, if one or more of the project applicants does not seek to obtain final approval of that applicant's Sweetwater Mesa Project, this Offer to Dedicate shall vest if all of the remaining applicants receive Final Approval of their respective Sweetwater Mesa Projects.

TERMINATION

This Offer to Dedicate shall terminate automatically and be of no force or effect if either of the following occurs:

1. The MRCA or SMMC (i) oppose any of the Sweetwater Mesa Projects before the Coastal Commission, County of Los Angeles, City of Malibu or any other governmental agency whose approval is necessary for Final Approval of the Sweetwater Mesa Projects or (ii) fail to support the Public Benefits Program in accordance with the terms of the Public Benefits Agreement dated _____, 2011 between MRCA, SMMC and the owners of the Sweetwater Mesa Projects.

2. The Sweetwater Mesa Projects do not receive Final Approval, as defined herein.

In the event of termination, MRCA shall execute and deliver documentation to vacate or remove this Offer To Dedicate within seven days after Vera's request.

ADDITIONAL TERMS

1. It is the parties intent that this Offer to Dedicate runs with the Vera Property and shall be binding on all future owners of the Vera Property without further notice other than that provided by the recordation of this Offer to Dedicate in the Official Records of Los Angeles County. Any conveyance of any interest in the Vera Property shall be deemed to incorporate by this reference the provisions of this Offer to Dedicate.

2. Vera warrants that as of the date of the delivery of this Offer to Dedicate it holds title to the Vera Property and agrees that prior to the recordation of this Offer to Dedicate to deliver an unrecorded copy of this Offer to Dedicate to any successors, assigns, or transferees and further agrees to deliver a copy of this Offer to Dedicate to all lender(s) of record.

VERA PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____
David Evans
Its: General Partner

SANTA MONICA MOUNTAINS
CONSERVANCY

By: _____

Print Name: _____

Its: _____

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

By: _____

Print Name: _____

Its: _____

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

OFFER TO DEDICATE DEED RESTRICTION AREA 2

This Offer to Dedicate dated ____ __, 2011 is made by Vera Properties, LLLP, a Delaware limited liability limited partnership, ("**Vera**") with respect to that certain real property more particularly described in Exhibit "A" ("**Vera Property**") for the benefit of the Mountains Recreation and Conservation Authority ("**MRCA**") and that certain real property owned by MRCA more particularly described in Exhibit "B."

OFFER TO DEDICATE

Vera hereby offers to dedicate to the Mountains Recreation and Conservation Authority ("**MRCA**") and the Santa Monica Mountains Conservancy ("SMMC") the following deed restriction over the portion of the Vera Property as depicted on Exhibit "C" ("**Deed Restriction Area 2**").

DEED RESTRICTION TERMS

Upon vesting and acceptance of this Offer to Dedicate the following terms shall be conditions of title to the Vera Property and shall apply only to the land within Deed Restriction Area 2:

1. Structures, as defined in the Uniform Building Code, proposed within Deed Restriction Area 2 after the vesting and acceptance of this Offer to Dedicate and not subject to a coastal development permit approved by the Coastal Commission prior to the date of acceptance of this Deed Restriction ("**Structures**") shall be limited to one stable and/or corral per approved parcel. Nothing herein shall restrict walks, trails, patios not to exceed 2,000 square feet, landscaping, gardens occupying up to 30 percent of the deed restriction area, sitting areas, (benches and tables), wildlife permeable walls and fencing and drainage improvements to the extent permitted by applicable law.

2. All landscaping shall consist of California native plants.

3. All Structures shall be subject to the following terms prior to the submission of an application for a coastal development permit or other land use approval for such Structures:

A. The landowner proposing the development shall submit plans for such Structures to the Executive Director of SMMC ("Director"), for review and approval, which shall not be withheld unreasonably.

B. The Director's review and approval shall be based on and limited to the following concerns and interests (a) potential adverse impacts to public viewsheds on public land including future public viewsheds on public land, (b) glare and maintenance of dark sky conditions, (c) habitat loss and/or degradation (including impacts to Coast horned lizard), (d) habitat fragmentation, (e) clearance of established plant communities where the dominant species are California native plants ("Native Vegetation"), (f) ecological impacts due to use of rodenticides, (g) introduction of non-native species, and (h) erosion. New Structures shall not expand the area of governmentally required fuel modification beyond the limits required for existing development at the time of the application for the new Structures provided that such expansions may occur in locations where Native Vegetation is not present.

C. No habitable Structure or part of a habitable Structure (as defined by Los Angeles County Fire code or regulation, or by applicable law in the absence of such code or regulation) shall be located on the Deed Restriction Area 2, except with the consent of the Director, which may be withheld for any reason. Nothing herein shall in any way prevent the repair, replacement, construction or reconstruction of a habitable structure on Deed Restriction Area 2.

D. These Deed Restriction Terms are intended solely for the benefit of and enforcement by MRCA and SMMC to the extent stated herein. No other person or entity is a beneficiary of these Deed Restriction Terms or has any rights or remedies hereunder.

E. In the event that the landowner making the application disputes the determination of the Director or the parties have a disagreement with respect to the Director's consideration of the application, the parties shall submit the dispute to mediation or binding arbitration on the following terms:

a. Either party may elect to proceed to arbitration or mediation by sending written notice to the other party of such election. In the event a party elects to mediate the dispute, the other party shall inform the noticing party whether they consent to the mediation on or before 30-days following receipt of the election. In the event that the parties do not mutually agree to mediation, the dispute shall proceed to binding arbitration. In the event that the dispute is not concluded following a mediation, the matter shall proceed to binding arbitration.

b. On or before 30-days following receipt of notice, the parties shall select an arbitrator or mediator, who shall be a former or retired justice of the California Court of Appeal or any higher court in California, unless the parties agree otherwise. If the parties do not agree on an arbitrator, on or before 60 days following receipt of notice, the parties shall submit a request to a private dispute resolution service for selection of an arbitrator or mediator meeting

the qualifications set forth above or to the Los Angeles Superior Court in the event such service does not exist or the parties cannot agree on a service. The parties shall share the cost of the arbitrator or mediator equally.

c. In the event the parties engage in a mediation and the dispute is not resolved at the conclusion of the mediation, on or before 15-days after the conclusion of the mediation, each party shall inform the other whether they agree to the mediator serving as the arbitrator. In the event the parties do not agree to the mediator serving as the arbitrator, within 30-days after the conclusion of the mediation, the parties shall select an arbitrator in the manner set forth above.

d. The subject of the arbitration shall be limited to whether the Director's approval has been unreasonably withheld, whether the proposed development should be approved by the Director based on the criteria set forth above for the Director's decision and applicable law, whether any disputed terms of a Director approval may be applied to the development based on the criteria set forth above for the Director's decision and applicable law and any other matter which the parties mutually agree may be decided by the arbitrator. The arbitrator's decision may be based on the evidence and information presented at the arbitration.

e. All awards and orders of the arbitrator shall be final and binding subject to confirmation, correction or vacation pursuant to California Code of Civil Procedure Sections 1285 and following. The arbitrator(s) shall decide the matter in accordance with California law and applicable federal law, including, applicable law regarding permissible regulation and imposition of conditions and exactions by a governmental agency, which shall apply to the Director's decision. Any error in law by the arbitrator or in application of the law shall be deemed in excess of the arbitrator's authority. Any such error in law may be reviewed de novo by Superior Court upon a Petition To Vacate or Confirm the arbitration award and may thereafter be appealed as with any other judgment.

f. An arbitration or mediation shall conclude on or before 90-days from the date that an arbitrator or mediator is selected for such proceeding and shall be conducted in accordance with California Code of Civil Procedure section 1282 et seq. The parties may conduct discovery in accordance with Code of Civil Procedure section 1283.05. Notwithstanding any provision to the contrary, the parties shall bear their own costs and attorney fees in the arbitration and in connection with any action or proceeding to enforce the requirements of this Section or to enforce the arbitration award.

6. It is the intent of Vera, MRCA and SMMMC that the restrictions, conditions and covenants contained herein run with the Vera Property as burdens that inure to the benefit of SMMC, MRCA, and the MRCA Property and shall be binding on all future owners of the Vera Property without further notice other than that provided by the recordation of this document in the Official Records of Los Angeles County. Any conveyance of any interest in the Vera Property shall be deemed to incorporate by this reference the provisions of this Deed Restriction.

VESTING AND ACCEPTANCE

1. This Offer to Dedicate shall not be binding on Vera unless it is accepted by MRCA and SMMC.

2. This Offer to Dedicate shall vest and be accepted by the MRCA and SMMC only after Final Approval is obtained to construct five new single family residences on lots located north of Sweetwater Mesa Road in the Santa Monica Mountains, Los Angeles County, indentified as Assessor's Parcel Nos. 4453-005-037, 4453-005-018, 4453-005-092, 4453-005-091 and 4453-005-038 as proposed in California Coastal Commission coastal development permit application nos 4-10-044, 4-10,041, 4-10-042, 4-10-043, 4-10-044 and 4-10-045 ("Sweetwater Mesa Projects").

3. Final Approval of the Sweetwater Mesa Projects means that the Projects, as conditioned by the California Coastal Commission or other administration or regulatory body and as accepted by the Grantors have received approvals from all government agencies (including but not limited to the California Coastal Commission, the City of Malibu, the County of Los Angeles and the Regional Water Quality Control Board) which are final and not appealable, (ii) all judicial challenges or administrative appeals are resolved in favor of the Projects and (iii) the statute of limitations for challenging any of the approvals of the Sweetwater Mesa Projects has run. Notwithstanding the foregoing, if one or more of the project applicants does not seek to obtain final approval of that applicant's Sweetwater Mesa Project, this Offer to Dedicate shall vest if all of the remaining applicants receive Final Approval of their respective Sweetwater Mesa Projects.

TERMINATION

This Offer to Dedicate shall terminate automatically and be of no force or effect if either of the following occurs:

1. The MRCA or SMMC (i) oppose any of the Sweetwater Mesa Projects before the Coastal Commission, County of Los Angeles, City of Malibu or any other governmental agency whose approval is necessary for Final Approval of the Sweetwater Mesa Projects or (ii) fail to support the Public Benefits Program in accordance with the terms of the Public Benefits Agreement dated _____, 2011 between MRCA, SMMC and the owners of the Sweetwater Mesa Projects.

2. The Sweetwater Mesa Projects do not receive Final Approval, as defined herein.

In the event of termination, MRCA shall execute and deliver documentation to vacate or remove this Offer To Dedicate within seven days after Vera's request.

ADDITIONAL TERMS

1. It is the parties intent that this Offer to Dedicate runs with the Vera Property and shall be binding on all future owners of the Vera Property without further notice other than that provided by the recordation of this Offer to Dedicate in the Official Records of Los Angeles

County. Any conveyance of any interest in the Vera Property shall be deemed to incorporate by this reference the provisions of this Offer to Dedicate.

2. Vera warrants that as of the date of the delivery of this Offer to Dedicate it holds title to the Vera Property and agrees that prior to the recordation of this Offer to Dedicate to deliver an unrecorded copy of this Offer to Dedicate to any successors, assigns, or transferees and further agrees to deliver a copy of this Offer to Dedicate to all lender(s) of record.

VERA PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____
David Evans
Its: General Partner

SANTA MONICA MOUNTAINS
CONSERVANCY

By: _____
Print Name: _____
Its: _____

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

By: _____
Print Name: _____
Its: _____

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

OFFER TO DEDICATE TRAIL EASEMENT

This Offer to Dedicate dated ____ __, 2011 is made by Vera Properties, LLLP, a Delaware limited liability limited partnership, ("**Vera**") with respect to that certain real property more particularly described in Exhibit "A" ("**Vera Property**").

OFFER TO DEDICATE

Vera hereby offers to dedicate to the Mountains Recreation and Conservation Authority ("**MRCA**") an easement in perpetuity to construct and maintain a public trail over and across a portion of the Vera Property depicted in Exhibit "B" ("**Dedication Area**").

VESTING AND ACCEPTANCE

This Offer to Dedicate shall vest and be accepted by the MRCA only on the following terms:

1. Final Approval is obtained to construct five new single family residences on lots located north of Sweetwater Mesa Road in the Santa Monica Mountains, Los Angeles County, indentified as Assessor's Parcel Nos. 4453-005-037, 4453-005-018, 4453-005-092, 4453-005-091 and 4453-005-038 as proposed in California Coastal Commission coastal development permit application nos 4-10-044, 4-10,041, 4-10-042, 4-10-043, 4-10-044 and 4-10-045 ("**Sweetwater Mesa Projects**").

2. Final Approval of the Sweetwater Mesa Projects means that the Projects, as conditioned by the California Coastal Commission or other administration or regulatory body and as accepted by the applicants have received approvals from all government agencies (including but not limited to the California Coastal Commission, the City of Malibu, the County of Los Angeles and the Regional Water Quality Control Board) which is final and not appealable, (ii) all judicial challenges or administrative appeals are resolved in favor of the Projects and (iii) the statute of limitations for challenging any of the approvals of the Projects has run. Notwithstanding the foregoing, if one or more of the project applicants does not seek to obtain final approval of that applicant's Sweetwater Mesa Project, this Offer to Dedicate shall

vest if all of the remaining applicants receive Final Approval of their respective Sweetwater Mesa Projects.

TERMINATION

This Offer to Dedicate shall terminate automatically and be of no force or effect if either of the following occurs:

1. The MRCA or the Santa Monica Mountains Conservancy ("**SMMC**") (i) oppose any of the Sweetwater Mesa Projects before the Coastal Commission, County of Los Angeles, City of Malibu or any other governmental agency whose approval is necessary for Final Approval of the Sweetwater Mesa Projects or (ii) fail to support the Public Benefits Program in accordance with the terms of the Public Benefits Agreement dated _____, 2011 between MRCA, SMMC and the owners of the Sweetwater Mesa Projects.

2. The Sweetwater Mesa Projects do not receive Final Approval, as defined herein.

In the event of termination, MRCA shall execute and deliver documentation to vacate or remove this Offer To Dedicate within seven days after Vera's request.

ADDITIONAL TERMS

1. It is the parties intent that this Offer to Dedicate runs with the Vera Property and shall be binding on all future owners of the Vera Property without further notice other than that provided by the recordation of this Offer to Dedicate in the Official Records of Los Angeles County. Any conveyance of any interest in the Vera Property shall be deemed to incorporate by this reference the provisions of this Offer to Dedicate.

2. Vera warrants that as of the date of the delivery of this Offer to Dedicate it holds title to the Vera Property and agrees that prior to the recordation of this Offer to Dedicate to deliver an unrecorded copy of this Offer to Dedicate to any successors, assigns, or transferees and further agrees to deliver a copy of this Offer to Dedicate to all lender(s) of record.

VERA PROPERTIES, LLLP,
a Delaware limited liability limited partnership

By: _____
David Evans
Its: General Partner

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

By: _____
Print Name: _____
Its: _____

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

OFFER TO DEDICATE TRAIL EASEMENT

A. This Offer to Dedicate dated ____ __, 2011 is made by Pebblecreek, LLC, a California limited liability company ("**Pebblecreek**") with respect to that certain real property more particularly described in Exhibit "A" ("**Pebblecreek Property**").

OFFER TO DEDICATE

Pebblecreek hereby offers to dedicate to the Mountains Recreation and Conservation Authority ("**MRCA**") an easement to construct and maintain a public trail over and across a portion of the Pebblecreek Property depicted in Exhibit "B" ("**Easement**")

VESTING AND ACCEPTANCE

This Offer to Dedicate shall vest and be accepted by the MRCA only on the following terms, whichever occurs first:

1. Final Approval is obtained to construct five new single family residences on lots located north of Sweetwater Mesa Road in the Santa Monica Mountains, Los Angeles County, indentified as Assessor's Parcel Nos. 4453-005-037, 4453-005-018, 4453-005-092, 4453-005-091 and 4453-005-038 as proposed in California Coastal Commission coastal development permit application nos 4-10-044, 4-10,041, 4-10-042, 4-10-043, 4-10-044 and 4-10-045 ("**Sweetwater Mesa Projects**"). Final Approval of the Sweetwater Mesa Projects means that the Project, as conditioned by the California Coastal Commission or other administration or regulatory body and as accepted by the applicants have received approvals from all government agencies (including but not limited to the California Coastal Commission, the City of Malibu, the County of Los Angeles and the Regional Water Quality Control Board) which is final and not appealable, (ii) all judicial challenges or administrative appeals are resolved in favor of the Projects and (iii) the statute of limitations for challenging any of the approvals of the Projects has run. Notwithstanding the foregoing, if one or more of the project applicants does not seek to obtain final approval of that applicant's Sweetwater Mesa Project, this Offer to Dedicate shall vest if all of the remaining applicants receive Final Approval of their respective Sweetwater Mesa Projects.

2. In the event that Pebblecreek applies for approval of development on the approved building site on the Pebblecreek Property, when final action is taken by the City of Malibu on the application, provided that neither MRCA nor the Santa Monica Mountains Conservancy has opposed such development. For purposes of this paragraph:

A. An approved building site on the Pebblecreek Property refers to the pad on such property located in the City of Malibu, generally depicted on Exhibit 5 of the Coastal Commission Permit Application 4-96-015 entitled "Conceptual Access Roads and Pad" a copy of which is attached as Exhibit "C."

B. Final action the City of Malibu means a (i) final decision is made by the City of Malibu that is final and not appealable, (ii) all judicial challenges or administrative appeals have been concluded, and (iii) the statute of limitation for challenging any such action by the City of Malibu has run.

TERMINATION

This Offer to Dedicate shall terminate automatically and be of no force or effect if any of the following occurs prior to acceptance of this Offer To Dedicate:

1. The Sweetwater Mesa Projects do not receive Final Approval, as defined herein.
2. The MRCA or the Santa Monica Mountains Conservancy ("SMMC") (i) oppose any of the Sweetwater Mesa Projects before the Coastal Commission, County of Los Angeles, City of Malibu or any other governmental agency whose approval is necessary for Final Approval of the Sweetwater Mesa Projects or (ii) fail to support the Public Benefits Program in accordance with the terms of the Public Benefits Agreement dated _____, 2011 between MRCA, SMMC and the Sweetwater Mesa Projects applicants.
3. MRCA or SMMC oppose approval of permitted residential development and accessory uses on the approved building site, as defined herein, on the Pebblecreek Property. In the event such opposition occurs after this OTD has vested or is accepted, this OTD and the Easement shall terminate.

In the event of termination, MRCA shall execute and deliver documentation to vacate or remove this Offer To Dedicate and the Easement within seven days after Pebblecreek's request.

PEBBLECREEK, LLC,
a California limited liability company

By: _____

Print Name: _____

Its: Managing Member

MOUNTAINS RECREATION AND
CONSERVATION AUTHORITY

By: _____
Print Name: _____
Its: _____

SANTA MONICA MOUNTAINS
CONSERVANCY

By: _____
Print Name: _____
Its: _____