

## FUNDING AGREEMENT FOR PROFESSIONAL ENVIRONMENTAL REVIEW SERVICES FOR A PRIVATE PROJECT

This funding agreement for professional environmental review services ("Agreement") is made and entered into this 3rd day of June, 2020 ("Effective Date"), by and between the City of Redlands, a municipal corporation (hereinafter "City") and Duke Realty, a limited liability corp. (hereinafter "Applicant"). City and Applicant are sometimes individually referred to herein as a "Party" and, together, as the "Parties."

### RECITALS

WHEREAS, Applicant has filed an application with City for a proposed Planned Development to construct two warehouses approximately 115,000 and 305,000 square feet, respectively, for a total of 420,000 square feet with related on-site and off-site improvements (the "Project") located on the northeast corner of Mountain View Avenue and Interstate 10 (APNs: 0292-032-31-0000, 0292-032-36-0000, and 0292-032-48-0000) which requires environmental review pursuant to the California Environmental Quality Act ("CEQA"); and

WHEREAS, City, as Lead Agency, has determined that an Initial Study (the "IS") for the Project will be required pursuant to Section 15063 of the State CEQA Guidelines; and

WHEREAS, the IS will be prepared by a consultant approved by and under contract to City; and

WHEREAS, by executing this Agreement, Applicant expressly agrees to advance payment for all costs and expenses the City incurs in the preparation of the IS related to Applicant's Project and for any associated investigations, environmental studies, and documents permitted or required by CEQA or other federal or state law in connection with the processing of Applicant's Project (collectively, the "Environmental Documents");

NOW, THEREFORE, in consideration of the mutual promises contained herein, the City of Redlands and Duke Realty agree as follows:

### AGREEMENT

Section 1. Funding Obligation. Within ten (10) days of the date of written request of City, Applicant shall deposit the sum of Seventy-Seven Thousand One Hundred Five Dollars and Sixty Cents (\$77,105.60) (the "Deposit") with City to engage a professional consultant who will commence work on the Environmental Documents. The present estimated cost of the Environmental Documents is estimated to be Seventy Thousand Ninety-Six Dollars (\$70,096), and the contract administration fee is set at written dollar amount of Seven Thousand Nine Dollars and Sixty Cents (\$7,009.60). Applicant acknowledges that Applicant is obligated by this Agreement to pay to City the full, actual cost for the preparation of the Environmental Documents, as deemed reasonable or necessary by City, to ensure the legal sufficiency of the Environmental Documents. The Deposit will be applied towards the actual total cost of the Environmental Documents. Applicant shall thereafter make payments to City for the balance of City's costs for preparation of

the Environmental Documents within ten (10) days of the date City submits written invoices to Applicant.

Section 2. Compliance Required. Applicant acknowledges that City may require Applicant to make additional payments, supply data and information to determine whether Applicant's Project may have a significant effect on the environment, and to assist City and the consultant in preparing the environment documents. Applicant shall promptly comply with all such requests by City.

Section 3. Failure to Comply. If, at any time, Applicant unreasonably delays in advancing monies as requested by City, paying any invoice from City when due, or failing to provide City with information or data requested pursuant to Section 2 hereof, such unreasonable delay shall suspend the running of the time periods described in State CEQA Guidelines sections 15107 and 15108 for the period of such unreasonable delay. Alternatively, Applicant acknowledges and agrees that City may, without liability to Applicant, disapprove the Project for Applicant's delay in satisfying City's requirements.

Section 4. Notices. Any notice or other communication required, or which may be given, pursuant to this Agreement, shall be in writing. Any such notice shall be deemed delivered (i) on the date of delivery in person; (ii) five (5) days after deposit in first class registered mail, with return receipt requested; (iii) on the actual delivery date if deposited with an overnight courier; or (iv) on the date sent by facsimile, if confirmed with a copy sent contemporaneously by first class, certified, registered or express mail; in each case properly posted and fully prepaid to the appropriate address set forth below, or such other address as a Party may provide notice in accordance with this section:

City

Brian Desatnik, Director  
Development Service Department  
35 Cajon Street, Ste. 20  
P.O. Box 3005 (mailing)  
Redlands, CA 92373  
bdesatnik@cityofredlands.org  
(909) 798-7555

Applicant

Michael Weber, Development Services Manager  
Duke Realty  
200 Spectrum Center Drive, Suite 1600  
Irvine, CA 92618  
michael.weber@dukerealty.com  
(949) 797-7048

Section 5. Attorneys' Fees. In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to costs and any other relief, be entitled to recovery of its reasonable attorneys' fees, including fees for use of in-house counsel by a Party.

Section 6. Entire Agreement/Amendment. This Agreement represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, proposals or verbal agreements are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by the City Council of City and signed by City and Applicant.

Section 7. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

Section 8. Defense and Indemnity. Applicant shall defend, indemnify and hold harmless City, and its elected officials, officers, employees and agents, from and against any and all actions, claims, demands, lawsuits, losses and liability for damages to persons or property, including costs and attorneys' fees, that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization arising out of or in connection with City's processing and approval or denial of Applicant's Project and the Environmental Documents.

Section 9. No Third Party Beneficiary. Applicant expressly acknowledges and agrees that City's contract with the consultant to prepare the Environmental Documents for Applicant's Project is for the benefit of the public and undertaken in compliance with City's obligations under CEQA, and is not for the benefit of Applicant.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date of this Agreement.

CITY OF REDLANDS

DUKE REALTY

By:   
Charles M. Duggan Jr., City Manager

By:   
Michael Weber,  
Development Services Manager

ATTEST:

  
Jeanne Donaldson, City Clerk