

**RECORDING REQUESTED BY AND
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Office of the City Clerk
City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, California 92260

*This document is exempt from the payment of a recording fee
pursuant to Government Code §§ 6103, 27383*

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Second Amendment to Development Agreement

Between

City of Palm Desert

a California Charter City and Municipal Corporation

and

Marriott Ownership Resorts, Inc.

a Delaware Corporation

Legal Description of Property

Marriott Shadow Ridge

9003 Shadow Ridge Road, Palm Desert, California

Resolution No. _____

(Case No. DA 98-1, Amendment No. 2)

Dated: _____

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SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

This SECOND AMENDMENT TO DEVELOPMENT AGREEMENT (DA 98-1) (“Second Amendment”) is made and entered into as of the ___ day of ___, 2024 (the “Effective Date”), by and between the CITY OF PALM DESERT, a California charter city and municipal corporation (“City”) and MARRIOTT OWNERSHIP RESORTS, INC., a Delaware corporation (“Developer”) and is made with reference to the background facts and circumstances set forth in the Recitals below.

RECITALS

A. On December 10, 1998, the City and Developer did enter into Development Agreement DA 98-1 (adopted as Ordinance No. 888) (“Development Agreement”) for Marriott Shadow Ridge, a timeshare development;

B. On April 13, 2017, the City and Developer did enter into the First Amendment to Development Agreement DA 98-1, Amendment No. 1 (adopted as Ordinance No. 1320) extending the term of the Development Agreement for an additional ten (10) years through December 2030;

C. Due to unprecedented and unanticipated economic conditions, development of Designated Remainder Parcels 4 and 5 of Tract 28818-1 as shown by map on file in Book 289, Pages 15 through 29 of Maps, in the official records of Riverside County, California (the “Subject Property”) has not occurred as originally contemplated;

D. Developer has negotiated the sale of the Subject Property to Toll Bros., Inc. for its planned development of ninety-three (93) single-family homes;

E. City and Developer agree that continued development of the Subject Property is in the best interests of the City and the Developer;

F. City and Developer now desire to amend DA 98-1 to accommodate the development of planned unit development of ninety-three (93) single family residential homes on the rather than time share units, subject to the consummation of the sale of the Subject Property to Toll Bros., Inc.;

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants contained herein, the parties hereto agree as follows:

1. Termination. Section 6, Termination, of the Development Agreement is amended by adding a new subsection 6.6 thereto to read as follows:

6.6 The consummation of the sale of the Designated Remainder Parcels 4 and 5 of Tract 28818-1 as shown by map on file in Book 289, Pages 15 through 29 of Maps, in the official records of Riverside County, California (the "Subject Property") pursuant to a Purchase and Sale Agreement ("PSA") by and between Developer and Toll Bros., Inc. as evidenced by (a) delivery to the City of a certified copy of the recorded grant deed conveying fee title to the Subject Property from Developer to Toll Bros., Inc. (or a single purpose development entity controlled by Toll Bros. Inc.), (b) the payment by the escrow holder under the PSA to the City in the amount of ONE MILLION SIX HUNDRED THOUSAND AND 00/100 DOLLARS (\$1,600,000.00) from the proceeds of the sale of the Property, such payment being made in lieu of the Weekly Facilities Fee to which the City may otherwise be entitled to receive in connection with the Subject Property pursuant to the Development Plan contemplated hereunder, and (c) delivery by City to Developer of a certified copy of a resolution releasing the Subject Property from the Precise Plan/Conditional Use Permit 98-5, approved by City Council Resolution 98-108. Notwithstanding anything contained herein to the contrary, any termination pursuant to this Section 6.6 shall be with respect to the Subject Property only, and this Agreement shall remain in full force and effect with respect to the remainder of the Property, which remaining Property shall continue to be subject to and benefitted by this Agreement and the Precise Plan/Conditional Use Permit 98-5, approved by City Council Resolution 98-108, as each has been or may be amended from time to time.

2. Counterparts. This Second Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

3. Continued Effectiveness of Development Agreement. Except as otherwise amended herein, all terms and conditions of the Development Agreement remain in full force and effect.

[Signatures appear on following pages]

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties hereto have entered into this Second Amendment as of the date and year first above written.

CITY:

CITY OF PALM DESERT, a charter city
and municipal corporation

Date: _____, 2024

By: _____
KARINA QUINTANILLA
MAYOR

ATTEST:

By: _____
ANTHONY J. MEJIA, MMC
CITY CLERK

APPROVED AS TO FORM:

By: _____
ISRA SHAH
CITY ATTORNEY

Date: _____, 2024

DEVELOPER:

MARRIOTT OWNERSHIP RESORTS,
INC., a Delaware corporation

By: _____

Name:

Title:

By: _____

Name:

Title:

APPROVED AS TO FORM:

By: _____

COUNSEL

NOTE: ALL SIGNATURES MUST BE IN BLUE INK AND INCLUDE NOTARY ACKNOWLEDGMENTS PER CALIFORNIA CIVIL CODE SEC. 1180 ET. SEQ.

ACKNOWLEDGMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

ACKNOWLEDGMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
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State of California)
County of _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

Summary report:
Litera Compare for Word 11.3.1.3 Document comparison done on
10/13/2023 2:24:38 PM

Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://imanager.ad.mvwcorp.com/IMANAGE_MVW/890577/1	
Modified DMS: iw://imanager.ad.mvwcorp.com/IMANAGE_MVW/890577/2	
Changes:	
<u>Add</u>	12
<u>Delete</u>	6
<u>Move From</u>	0
<u>Move To</u>	0
<u>Table Insert</u>	0
<u>Table Delete</u>	0
<u>Table moves to</u>	0
<u>Table moves from</u>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	18