

**ADDENDUM 2 – NONPUBLIC IMPROVEMENTS**  
**(Cash, Escrow, Letter of Credit Form)**

1. **Incorporation and Definitions.** This Addendum 2 is hereby incorporated into the Public Improvement Construction and Assurance Agreement (the “Agreement”) to which it is attached. The purpose of Addendum 2 is to provide a financial Assurance for nonpublic improvements (the “Nonpublic Improvements”) to be completed by Applicant as required by the terms of the issuance of permits and approvals for the Project.

2. **Effect of Addendum.** The Agreement shall apply to Public Improvements and Nonpublic Improvements, except the following enumerated sections of the Agreement shall **not** apply to Nonpublic Improvements: Recital D, 2(d), 2(e), 9(b), 9(c), 9(d), 10 and 11. In all other sections, the term “Public Improvement(s)” shall also include Nonpublic Improvements.

**ADDITIONAL TERMS AND CONDITIONS**  
**FOR NONPUBLIC IMPROVEMENTS**

3. **Additional Definitions.** Terms defined in the Agreement shall have the same meaning as set forth therein unless otherwise defined herein. In addition:

(a) “Nonpublic Improvement Assurance” shall mean the portion of the Proceeds attributable to the Nonpublic Improvements as shown in Exhibit A to Addendum 2. The Nonpublic Improvement Assurance shall be 100% of the estimated cost of the Nonpublic Improvements as set forth in “Exhibit A to Addendum 2,” attached hereto and incorporated herein by reference. The Nonpublic Improvement Assurance shall apply only to Nonpublic Improvements.

(b) “Nonpublic Improvements” shall mean improvements required as a condition of the permits and approvals of the Project that will not be dedicated for public use.

4. **Reduction and Release of Nonpublic Improvement Assurance.**

(a) Interim Reductions. There will be no interim reductions for the Nonpublic Improvement Assurance.

(b) Warranty Period. There will be no warranty period and no Retainage for Nonpublic Improvements.

(c) Separate Acceptance and Release. Nonpublic Improvements may be accepted separately from Public Improvements.

5. **Release of Nonpublic Improvement Assurance.** After the City has inspected and approved the Nonpublic Improvements, the City may release the Nonpublic Improvement Assurance. Such release will be approved in writing by the City Manager if all Nonpublic Improvements meet the Compliance Requirements. Nonpublic Improvements will not be accepted by the City.

EXHIBIT A to Addendum 2  
ESTIMATED COST OF NONPUBLIC IMPROVEMENTS