

**PROJECT LABOR AGREEMENT FOR THE
BALLPARK VILLAGE DEVELOPMENT**

PROJECT AGREEMENT

Preamble

This Project Agreement is entered into the _____ day of September, 2005, between Ballpark Village, LLC, as the Developer and on behalf of all Project Contractors, General Contractors and all subcontractors who become bound hereto (collectively referred to herein as "Contractors") and those Building Trade Unions signatory hereto (collectively referred to as "the Unions") and the San Diego County Building and Construction Trades Council, AFL-CIO ("BTC").

This Project Agreement uses the term "Contractor" and specifies the rights and obligations of each such Contractor as if already parties to this Project Agreement. The term "Contractor" (or "Contractors") includes all construction contractors and subcontractors of whatever tier that are engaged in work on the construction site within the scope of this Project Agreement.

The Unions and all Contractors agree to abide by the terms and conditions contained in this Project Agreement, including, to the extent specified herein, the referenced Schedule "A" agreements. Taken together, this Project Agreement and the Schedule "A" agreements constitute the complete understanding of the Parties with regard to the Project work.

It is agreed that all contractors who perform work on this Project will abide by the terms of this Project Agreement and, to the extent applicable, the terms of at least one of the applicable Schedule "A" agreements.

Except as otherwise provided herein, the Project Contractor[s] will require all contractors and subcontractors, whether or not they have collective bargaining relationships with a Union having jurisdiction over work on the Project, who are awarded or are performing work on the

Project, to become signatories to this Project Agreement and will not allow any such contractors or subcontractors to work unless they become signatory to this Project Agreement.

ARTICLE I PURPOSE

The parties to this Project Agreement acknowledge that the construction of the Project as defined herein is important to the development of downtown San Diego and the Ballpark District. The parties recognize the need for the timely completion of the Project without interruption or delay. This Project Agreement is intended to enhance this cooperative effort through the establishment of a framework for labor-management cooperation and stability. The Contractors and the Unions agree that the timely construction of this Project will require substantial numbers of employees from construction and supporting crafts possessing skills and qualifications that are vital to its completion. They will work together to furnish skilled, efficient craftworkers for the construction of the Project.

Therefore, in recognition of the special needs of this Project and to maintain a spirit of harmony, labor-management peace, and stability during the term of this Project Agreement, the parties agree to establish effective and binding methods for the settlement of all misunderstandings, disputes or grievances that may arise. Further, the Contractors agree not to engage in any lockout, and the Unions agree not to engage in any strike, slowdown, handbilling directed at this Project or the Contractors and Subcontractors performing work at the Project, bannerling, disruptive activity, work stoppage or interruption or any other disruption of or interference with the work covered by this Project Agreement.

ARTICLE II DEFINITION AND SCOPE OF PROJECT

The Project is specifically defined as and limited to: a mixed-use project consisting of approximately 3.2 million gross square feet located within two parcels of land, with the first parcel being within the area generally circumscribed by Park Boulevard, Imperial Avenue, 11th

Avenue (but excluding the East Village District Plant) and Martin Luther King Linear Park, and with the second parcel being within the area generally circumscribed by Park Boulevard, 12th Avenue and Imperial Avenue, both of which are more particularly described in Exhibits 1 (legal description) and 2 (site map), hereto.

ARTICLE III EFFECT OF OTHER AGREEMENTS

The provisions of this Project Agreement, including, to the extent applicable, the Schedule "A" agreements, shall apply to the Contractors and Unions on this Project only, notwithstanding the provisions of local and/or national Union agreements which may conflict or differ with the terms of this Project Agreement. Where a subject covered by the provisions of this Project Agreement is also covered by a collective bargaining agreement which is listed in the Schedule "A," the provisions of this Project Agreement shall prevail. Where a subject is covered by the provisions identified in the Schedule "A" agreements and not covered by this Project Agreement, the provisions of the Schedule "A" agreements shall prevail as to this Project only, except as otherwise specified herein.

ARTICLE IV SCOPE OF PROJECT AGREEMENT

1. This Project Agreement shall apply to and is limited to all on-site preparation and new construction work for the building core and shell only (under the recognized and accepted customary State of California definition) performed by those Contractors of whatever tier that are awarded contracts for such work. Inspectors and Testers performing on-site work who are traditionally represented by the Unions signatory to this Project Agreement shall be hired in accordance with the applicable Schedule "A" agreement. The work covered by this Project Agreement is commercial work only. The work is limited to new construction work for the building core and shell, including construction of all structures on the Project site with the exception of tenant improvements to the approximately 450,000 sq. ft. of office and retail space

(which may be increased or decreased as determined by the Developer), and includes any additional project work resulting from amendments and/or modifications to the Construction Contract.

2. The following are items specifically excluded from the scope of this Project Agreement:

(a) Work of non-manual employees, including but not limited to, superintendents, supervisors above the level of general foreman, staff engineers, timekeepers, mail carriers, clerks, office workers, including messengers, safety personnel, emergency medical and first aid technicians, and other professionals, engineering, administrative, community relations or public affairs, supervisory and management employees. The parties will execute a side letter providing that trust fund contributions may be paid on superintendents and general foremen in accordance with the Schedule "A" agreements.

(b) Any work performed on or near or leading to or onto the site of work covered by this Project Agreement and undertaken by state, county, city or other governmental bodies, or their contractors; or by public utilities or their contractors; and/or by the Owner, for work which is not part of the scope of this Project Agreement as defined in Section 1 of this Article.

(c) Non-construction support services contracted by the Project Contractor in connection with this Project.

(d) All off-site maintenance of leased equipment and on-site supervision of on-site repairs or maintenance, and all off-site manufacturing and handling of materials (but not pre-fabrication performed by the Contractor specifically for this job), equipment or machinery (except at dedicated lay-down or storage areas proximate to the storage).

(e) Any contract for which there are fewer than three (3) unrelated and qualified bidders bidding as subcontractors; provided, however, that there need be only two (2) such bidders for pre-mix concrete. This paragraph (e) shall only be applicable if the Unions are given notice and a copy of the request to bid when the request to bid is sent to contractors and is further given notice at least ten (10) calendar days prior to the close of the bid date that there may be fewer than the minimum number of unrelated and qualified bidders. Qualifications relating to experience on jobs of this nature, ability to perform the work on a job of this size and complexity, and bonding requirements for bidders shall be set forth in the request to bid.

(f) All tenant improvement work in the office and retail portions of the Project and in any residences sold in an unfinished state.

(g) All other work performed after issuance of the certificate of completion for the building core and shell, or if no such certificates are issued, then after, on the entire shell building, a temporary certificate of completion, temporary certificate of occupancy, or a similar form of government acceptance; provided, however, Project work performed by Project Contractor under the Construction Contract after such date shall continue to be subject to this Project Agreement until completed.

(h) Any specialty work, specialized work or finish work that is not within the craft jurisdiction of the Unions or for which the Unions have no qualified employees to perform such work.

3. When work listed in Section 2 is performed, the Unions shall continue to be bound by all the provisions of this Project Agreement.

4. There shall be no limitation or restriction upon the choice of materials or upon the full use and installation of equipment; machinery; package units; factory pre-cast; prefabricated

or preassembled materials; tools; or other labor-saving devices. Fabrication provisions of the appropriate national or local agreements shall be applicable.

5. With respect to Project Contractors, general contractors and subcontractors, this Project Agreement shall be binding only on the signatory Contractors, and it shall not apply to their parents, affiliates or subsidiaries. This Project Agreement shall be binding on the Unions, Project Contractors and general contractors and subcontractors only with respect to the Project.

6. It is understood that the liability of any Contractor and the liability of the separate Unions under this Project Agreement shall be several and not joint. The Unions agree that this Project Agreement does not have the effect of creating any joint contractor status between or among the Project Contractors, and/or any other Contractors.

ARTICLE V LABOR MANAGEMENT MEETING

The parties to this Project Agreement recognize the necessity for cooperation and communication between Labor and Management, and for the elimination of disputes and misunderstandings between the parties. To this end, representatives of the Owner or Developer and the Contractors will meet monthly with the representatives of the signatory Building Trades Unions to promote harmonious and stable labor/management relations on this Project, and to insure effective and constructive communications between the labor and management parties. The date and time of these meetings will be determined by the parties and will be open to all representatives of Contractors and Unions signatory to this Project Agreement. The meetings will be held at the offices of the Building and Construction Trades Council of San Diego County, AFL-CIO or at such other site as may be mutually agreed upon.

ARTICLE VI

UNION RECOGNITION AND EMPLOYMENT

1. The Contractor recognizes the Unions as the sole and exclusive bargaining representatives of all craft employees within their respective jurisdictions working on the Project within the scope of this Agreement.

2. Each Contractor shall have the right to determine the competency of all employees and the number of employees required and shall have sole responsibility for rejecting any employee for any legal, nondiscriminatory reason.

3. For Local Unions now having a job referral system as contained in Schedule "A", the Contractors signatory to a Schedule "A" agree to comply with such system and it shall be used exclusively by such Contractor, except as it may be modified by this Article. Such job referral system will be operated in a non-discriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal employment opportunities and non-discrimination, and referrals shall not be affected by obligations of Union membership or the lack thereof. All of the foregoing hiring procedures, including related practices affecting apprenticeship and training, will be operated so as to facilitate the ability of the Contractors to meet any and all equal employment opportunity/affirmative action obligations. The Contractor may reject any referral for any reason. Contractors not signatory to an applicable Schedule "A" shall be governed by paragraphs 4 and 5, below.

4. The parties recognize that construction of Ballpark Village is intended to further redevelopment of Downtown San Diego and is closely tied to other community improvements Developer is pursuing with other local community interests. Accordingly, Developer has certain commitments to the local community, including a commitment and interest in providing opportunities to participate in the construction of the Project to emerging business enterprises and to other construction enterprises which may not have previously had a relationship with the

local Unions signatory to this agreement. The parties further recognize that contractors in certain trades, including, but not limited to, local, emerging or historically under utilized business enterprises, who are not party to any current collective bargaining agreement with a signatory Union having jurisdiction over the affected work may need to employ their "Core Employees" in order to successfully complete for participation in the project. In recognition of this, the parties agree that contractors not parties to an applicable Schedule "A" may employ Core Employees, pursuant to the terms set forth on Exhibit 3 to this Agreement, meeting the following minimum qualifications:

- (a) Possess any license required by state or federal law for the work to be performed;
- (b) Have worked a total of at least 1,000 hours in the construction craft during the prior three years;
- (c) Been on the Contractor's active payroll for at least 60 out of the 180 calendar days prior to the Contract award; and,
- (d) Have the ability to perform safely the basic functions of the applicable trade.

With respect to the utilization of Core Employees, Contractor must, at least two weeks prior to commencing any work on the project, provide Project Contractor and the business agent for the Union having jurisdiction over the craft the names and social security numbers of the individual employees Contractor will utilize on the Project. Following Contractor's commencement of work on the Project, any further employees Contractor requires to perform work on the Project shall be obtained in accordance with paragraphs 3 and 5 of this article.

5. In the event that Local Unions are unable to fill any request for employees within forty-eight (48) hours after such request is made by any Contractor (Saturdays, Sundays, and holidays excepted), the Contractor may employ applicants from any other available source. However, if the Local Unions are unable to fill requests for qualified apprentices, the Contractor shall first seek to fill the apprentice position from any San Diego based state-approved apprenticeship program before seeking applicants from other sources. The Contractor shall inform the Union of the name and social security number of any applicants hired from other sources.

6. The Local Unions shall not knowingly refer an employee currently employed by any Contractor working under this Agreement to any other Contractor.

7. The Local Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the manpower requirements of the Contractor, including calls to local Unions in other areas when its referral lists have been exhausted. The parties to this Agreement support the development of increased numbers of skilled construction workers from the San Diego area to meet the needs of this Project and the labor requirements of the region generally. Toward that end, the Unions agree to encourage the referral and utilization, to the extent permitted by law and the hiring hall procedures, of qualified residents as journeymen, apprentices and trainees on this Project and entrance into such apprenticeship and training programs as may be operated by the signatory Local Unions. The Local Unions further agree that, in the event they are unable to provide qualified apprentices from the San Diego area, apprentices shall be obtained by the Contractor from any San Diego based state-approved apprenticeship program in the craft having jurisdiction over the work before any other sources are utilized.

8. No employee covered by this Agreement shall be required to join any Union as a condition of being employed on the Project; provided, however, that an employee who is a member of the referring Union at the time of the referral shall maintain that membership while employed under the Agreement. All employees shall, however, be required, as a condition of employment on the Project, to comply with the Union security provision of the applicable Schedule "A" for the period during which they are performing on-site Project work to the extent, as allowed by the law, of rendering payment of the applicable monthly dues and fees uniformly required for Union membership in the Local Union which is signatory to this Agreement. The Contractor agrees to deduct Union dues from the pay of any employee who executes a voluntary authorization for such deductions and to remit the dues to the Union at the same time that trust fund contributions are required to be remitted to the administrators of the appropriate trust funds on behalf of the employee.

9. The selection of craft foremen and/or general foremen and the number of foremen required shall be entirely the responsibility of the Contractor. Craft Foremen shall be designated Working Foremen at the request of the Contractor. Craft workers covered by this Agreement will, in the normal day-to-day operations, take their direction and supervision from their foreman.

ARTICLE VII LOCAL PREFERENCE

1. If Contractors request referrals from Union hall, Unions shall cooperate with the contractor, developer and community agencies to recruit and refer local residents to journeymen positions or apprenticeship programs for which they are qualified or qualifiable.

2. Developer shall advertise locally for bidders for all work and may advertise out of the county.

3. Developer recognizes that it is a benefit to the City and County of San Diego to utilize contractors who employ local residents and/or maintain local offices and operations, and developer shall make good faith efforts to utilize such contractors and to encourage the employment of local residents.

4. Developer, Unions and all Contractors shall make good faith efforts to employ at least 20% San Diego County residents on the Project with a particular focus on employing residents residing in the County south of Interstate 8.

ARTICLE VIII NO STRIKE-NO LOCKOUT

1. During the existence of this Project Agreement, there shall be no strike, sympathy strike, picketing, slowdown, withholding of work, refusal to work, walk-off, sit-down, stand-in, wobble, boycott, handbilling directed at this Project, bannering, disruptive activity or other work stoppage or other disruptive activity at the Project site, and there shall be no lockout by the Contractors. It is agreed, however, that the Contractors may lay off employees for lack of work, or in the event that a strike, picketing or other work stoppage impedes the work of the Project.

2. No picket lines will be established at the Project by any of the Unions. The Unions agree that they will not sanction, recognize or honor in any way any picket line and will affirmatively take all measures necessary to effectively induce their members to report for work as scheduled and that responsible representatives of the Unions who are employed on the Project will also do so themselves.

3. The Unions and their representatives shall not sanction, aid or abet, encourage or continue any work stoppage, strike, picketing, slowdown, withholding of work, refusal to work, walk-off, sit-down, stand-in, wobble, boycott, handbilling directed at this Project, bannering, disruptive activity or other work stoppage or other disruptive activity at the Project site, and they shall undertake all reasonable means to prevent or to terminate any such activity. No employee

shall engage in activities which violate this Article. Any employee who participates in or encourages any activities that interfere with the normal operation of the Project shall be subject to disciplinary action, up to and including immediate discharge.

4. Payments to Health and Welfare, Pension and to Other Established Fringe Benefit Funds and Payment of Weekly Payroll. Notwithstanding the provisions of this Project Agreement, it is agreed that the particular Union involved retains the right to withhold the services of its members (but not a right to picket) from a particular Contractor who fails to make timely payments to the Union Health & Welfare, Pension, Vacation and Holiday, Apprentice and Training, or Industry Funds in accordance with the provisions of that particular Contractor's current labor agreement with the particular Union; or fails to timely pay its weekly payroll. However, prior to withholding its members' services on account of a failure to make timely payments to the Union Health & Welfare, Pension, Vacation and Holiday, Apprentice and Training, or Industry Funds, the Union involved will give at least three (3) working days [unless a lesser period is provided within the applicable Schedule "A" agreement, but in no event less than forty-eight (48) hours'] written notice by registered or certified mail, return receipt requested, to the involved Contractor and to the Project Contractor of such failure to pay. Representatives of the parties to the dispute will meet within the three (3) day period to attempt to resolve the dispute.

5. Should a Contractor performing work on this Project be delinquent in the payment of Trust Fund contributions required under this Project Agreement with respect to employees represented by the Union, the Union may request, that the Project Contractor issue joint checks payable to the Contractor and the appropriate employee benefit Trust Fund(s) until such delinquencies are satisfied. Any Trust Fund claiming that a Contractor is delinquent in its fringe benefit contributions to the Trust Fund will provide written notice of the alleged delinquency to

the affected Contractor, with copies to the Project Contractor. The notice will indicate the amount of delinquency asserted and the period that the delinquency covers. It is agreed, however, with respect to Contractors delinquent in trust or benefit contribution payments, that nothing in this Project Agreement shall affect normal contract remedies available under the local collective bargaining agreements. If the Project Contractor is delinquent in the payment of Trust Fund(s) contributions for covered work performed on this Project, the Project Contractor agrees that the affected Trust Fund(s) may place the Project Contractor on notice of such delinquencies and the Project Contractor further agrees that the Owner may issue joint checks to the Project Contractor and the Trust Fund(s) until the delinquency is satisfied.

6. Expiration of Local and Other Applicable Agreements. It is specifically agreed that there shall be no strike, sympathy strike, picketing, lockout, slowdown, withholding of work, refusal to work, walk-off, sick-out, sit-down, stand-in, wobble, boycott, handbilling directed at this Project, bannering, disruptive activity or other work stoppage or other disruptive activity at the Project site as a result of the expiration of any local, regional or other applicable agreement having application at the Project and/or failure of the parties to that agreement to reach a new Schedule "A" agreement. In the event that such a local, regional, or other applicable Schedule "A" agreement does expire and the parties to that agreement have failed to reach agreement on a new Schedule "A" agreement, work will continue to the Project on one of the following two bases, both of which will be offered by the Union(s) involved to the Project Contractor and the Contractors affected:

7. Each of the Union(s) working with an expiring Schedule "A" agreement must offer to continue working on the Project under interim agreements that retain all the terms of the expiring Schedule "A" agreement, except that the Union(s) involved in such expiring Schedule "A" agreement(s) may each propose wage rates and Contractor contribution rates to employee

benefits funds different from what those rates were under the expiring Schedule "A" agreement(s). Said interim agreement(s) would be superseded by any subsequently reached Schedule "A" agreement(s) as of the date of the Schedule "A" agreement is reached. The terms of the Union's interim agreement offered to the Contractor will be no less favorable than the terms offered by the Union to any other Contractor or group of Contractors covering commercial construction work in San Diego County; or

8. Each of the Union(s) with an expiring Schedule "A" agreement must offer to continue working on the Project under all the terms of the expiring Schedule "A" agreement, including the wage rates and Contractor contribution rates to the employee benefit funds, if the Contractor(s) affected by that Schedule "A" agreement agree to the following retroactivity provisions; if a new local, regional or other applicable Schedule "A" agreement for the industry having application at the Project is ratified and signed during the term of this Project Agreement and if such new Schedule "A" agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who performed work covered by this Project Agreement at the Project during the period between the effective dates of such Schedule "A" agreements, an amount equal to any such retroactive wage and benefit increases established by such new labor agreement, retroactive to whatever dates provided by the new local, regional or other applicable agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactivity period. All parties agree that such affected Contractor shall be solely responsible for any retroactive payments to its employees and trust funds and that the Project Contractor has no obligations, responsibility or liability whatsoever for any such retroactive payments or collection of any such retroactive payments from any other Contractor.

9. The Project Contractor and the affected Union will mutually decide for each affected subcontractor (after consultation with each such subcontractor) between the above two

ARTICLE IX HOURS OF WORK AND HOLIDAYS

The hours of work per work week day, including start times and end times, shall not apply with respect to work for which special hours of work have been established in contract specifications or otherwise by the Owner or Contractor, including, but not limited to: (1) special construction requirements necessary to comply with regulations of governmental agencies having regulatory jurisdiction or permit authority over the Qualifying Work, or (2) mitigation

measures specified in the final environmental impact report for the Qualifying Work, or

(3) Contractor or Owner scheduling requirements.

2. Employees shall be at their place of work at the starting time and shall remain at their place of work (as designated by the Contractor) performing their assigned functions until 10 minutes prior to quitting time. These 10 minutes are for cleanup, securing tools and leaving for the parking lot. Any increase in the time set aside for these purposes shall be at the discretion of the individual employer. The place of work shall be defined as the gang box, toolbox or equipment at the employee's assigned work location or the place where the foreman gives instructions. The parties reaffirm their policy of a fair day's work for a fair day's wage. There shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor.

3. Recognized holidays on this Project shall be: New Year's Day, Presidents Day, Memorial Day, Martin Luther King Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

4. The Contractor will schedule a meal period not more than one-half (1/2) hour duration at the work location at approximately at the mid-point of the scheduled work shift (five hours), consistent with Section 1; provided, however, that the Contractor may, for efficiency of the operation, establish a schedule which coordinates the meal periods of two or more crafts. If an employee is required to work through his meal period, he shall be compensated in a manner established in the applicable Schedule "A."

ARTICLE X

WAGE SCALES AND FRINGE BENEFITS

Wages, fringe benefits and all Trust Fund contributions shall be determined by the applicable Schedule "A" agreements for those Contractors signatory to an applicable Schedule "A." Non-signatory Contractors shall also be required to pay wages, fringe benefits and Trust

Fund contributions, which benefits and contributions accrue directly to the benefit of employees (e.g., health and welfare, vacation, holidays, pensions, apprenticeship, training funds), pursuant to the attached Schedule "A" agreements; however, any Contractor or Subcontractor, who for at least ninety (90) days prior to its execution of a contract to perform work on the Project has been a contributing member of a multi-employer pension plan or a third party administered pension plan covering employees performing work covered by this Agreement or has provided company paid health and welfare benefits at a level generally commensurate with the benefits provided by the applicable Union medical plan may, at the discretion of the Contractor or Subcontractor, continue to contribute to such pension and medical plans on behalf of its non-union Core Employees in lieu of payments to the Union's medical and pension plans. In the event the Contractor's contribution to a qualifying pension plan is lower than the pension contribution called for in the applicable Schedule "A", the difference shall be paid to the employee in the employee's regular weekly paycheck. All other required benefit contributions and all contributions on behalf of Union members and employees obtained through Union hiring halls shall be paid to the applicable Union Trust Funds pursuant to the provisions of the applicable Schedule "A." Project Contractor and the business agent of the Union having jurisdiction over the craft shall, upon giving at least seventy-two (72) hours written notice to a Contractor or Subcontractor, have the right to audit the Contractor or Subcontractor's payroll records to ensure compliance with these provisions.

ARTICLE XI

SAFETY.

1. Safety. It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the Project Contractor. It is understood that the employees have an individual obligation to use

diligent care to perform their work in a safe manner and to protect themselves and the property of each Contractor.

2. Rules. Employees shall be bound by the safety, security and visitor rules and environmental compliance requirements established by the Project Contractor. These rules will be published and posted in conspicuous places throughout the work site. An Employee's failure to satisfy his/her obligations under this Section may subject the employee to discipline, including discharge.

3. Prohibited Items. The use, sale, transfer, purchase and/or possession of a controlled substance, alcohol and/or firearms while performing work on the Project site are prohibited. Accordingly, the parties agree to adopt appropriate procedures and safeguards for the testing of employees for prohibited or controlled substances. It is agreed, with respect to such testing procedures, that:

(a) No person referred from the Union hiring hall shall be allowed on-site as an employee until such person has completed and passed any test(s) required under the uniform substance abuse prevention policy;

(b) A person who is put to work immediately after having passed the tests shall be paid starting at the time the person reported for the test(s); and

(c) Where a Contractor requests a person to report for purposes of a pre-hire substance abuse test, and does not intend to place the person in an active work position on that day, the person shall receive four (4) hours of pay at the regular straight-time hourly rate unless held at the site for longer than the time period prescribed above if the test is negative. If the test is positive, the person shall receive two (2) hours of pay at the regular straight time hourly rate.

(d) The substance abuse prevention policy of the applicable Union(s) set forth in the Schedule "A" agreement(s) shall apply to this Project Agreement.

4. Smoking. The parties acknowledge that the environmental and safety restrictions governing conduct at the Project site may prohibit smoking at any time in any location or facility.

5. Water and Sanitary Facilities. The Project Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees. Proper notification of this requirement shall be provided to the each Contractor at the pre-bid and pre-job conference mark-up to insure compliance with this Section.

ARTICLE XII WORKING CONDITIONS

1. The parties to this Project Agreement recognize Industrial Wage Order 16-2001 covering 'Onsite construction, mining, drilling, and logging industries.' Any grievance involving this Wage Order shall be processed under and in accordance with the procedure for settlement of grievances and disputes of the applicable Schedule "A" agreement. There will be no organized coffee breaks or other non-working time established during working hours, unless established by law or regulation or the applicable Schedule "A" agreement, provided, however, when working conditions permit, workers will be permitted to have personal containers of non-alcoholic beverages, the contents of which may be consumed during working hours at their assigned work locations.

2. There shall be no limit on production by workers or restrictions on the full use of tools or equipment. Slowdowns and featherbedding practices will not be tolerated. The lawful manning provisions of the applicable Schedule "A" agreements shall govern.

3. The Project Contractor shall establish such reasonable Project rules, as it deems appropriate and not inconsistent with this Project Agreement, which rules shall be subject to the

grievance procedure should the Union(s) disagree with the reasonableness of the rule(s). In any dispute over the application of a rule, the grieving party may contest the reasonableness of the rule, the facts of the alleged violation, and the appropriateness of any discipline imposed. These rules will be explained at the pre-job conference and posted at the Project site by the Project Contractor and may be amended thereafter as necessary. Failure to observe these rules and regulations by any employee may be grounds for discipline, including discharge.

4. There shall be no restrictions on the emergency use of any tools by any qualified employee; or on the use of any tools or equipment for the performance of work within the jurisdiction, provided the employee can safely use the tools and/or the equipment involved.

ARTICLE XIII UNION ACCESS

Authorized representatives of the Union shall have access to the Project, provided that such representatives fully comply with posted visitor, security and safety rules and the environmental compliance requirements of the Project. Each Contractor recognizes the right of access set forth in this Section and such access will not be unreasonably withheld from an authorized representative of the Union. Authorized Union representatives shall not interfere with employees' performance of their job duties.

ARTICLE XIV MANAGEMENT'S RIGHTS

1. Each Contractor retains the full and exclusive authority for the management of its operations. Except as expressly limited by other provisions of this Project Agreement, each Contractor retains the right to direct the workforce, including the hiring, promotion, transfer, layoff, discipline or discharge of its employees in accordance with the Schedule "A" agreements; the selection of foremen; the assignment and schedule of work; the promulgation of reasonable work rules; and, the necessity of overtime work, the determination of when it will be worked and the number of employees engaged in such work, as long as it does not violate the lawful manning

provisions of the Schedule "A" agreements. No rules, customs, or practices that limit or restrict productivity, efficiency or the individual and/or joint working efforts of employees shall be permitted or observed. Each Contractor may utilize any methods or techniques of construction.

2. There shall be no limitation or restriction by a signatory Union upon each Contractor's choice of materials, design or manufacture, nor, upon the full use and utilization of equipment, machinery, tools, or other labor saving devices. The Union agrees that it will not in any way restrict the implementation of such new devices or work methods. If there is any disagreement between a Contractor and the Union concerning the manner or implementation of such device or method of work, the implementation shall proceed as directed by the Contractor, and the Union shall have the right to grieve and/or arbitrate the dispute as set forth in this Project Agreement. The on-site installation or application of all items shall be performed by the craft having jurisdiction over such work; provided, however, it is recognized that installation of specialty items which may be furnished by a Contractor may be performed by employees employed under this Project Agreement who may be directed by other personnel in a supervisory role, or, in limited circumstances requiring special knowledge of the particular item(s), may be performed by employees of the vendor or other companies where necessary to protect a manufacturer's warranty. In such instances all provisions of this Project Agreement shall apply. The issue of whether it was necessary to use employees of the vendor or other companies to protect the manufacturer's warranty shall be subject to the grievance and arbitration clause of this Project Agreement.

ARTICLE XV

NON-DISCRIMINATION

The Unions and Contractor(s) shall not discriminate against any employee or applicant for employment because of race, color, sex, sexual orientation, veteran status, national origin, age, religion, physical or mental disability or any other basis prohibited by law.

ARTICLE XVI

EQUAL EMPLOYMENT OPPORTUNITY, HISTORICALLY UNDERUTILIZED BUSINESS ENTERPRISES AND VETERANS' EMPLOYMENT

1. The Unions and the Contractor(s) support the concept of equal employment opportunity and shall make reasonable efforts to ensure that minority, disabled, veteran and women-owned businesses are given the opportunity to competitively bid for work at the Project. The Unions, Contractor(s) and all subcontractor(s) shall comply with the Equal Opportunity Policies and Guidelines established by the Center City Development Corporation, a copy of which is attached as an Appendix to this Project Agreement.

2. The Parties acknowledge that Developer is committed to attempting to ensure the participation of Historically Underutilized Business Enterprises ("HUBE's"), including MBE/WBE/DBE/DVBE on the project. In furtherance of this goal, should Developer determine that HUBE's are not adequately bidding or participating in work on the project, Developer, may at its sole discretion, elect to suspend the requirements of Article X "Wage Scales and Fringe Benefits" with respect to any MBE/WBE/DBE/DVBE certified through CalTrans or any other recognized governmental agencies governing such certifications at least six months prior to submitting a bid on the project. Exercise of this discretionary power by Developer shall only be exercised after Developer has conferred in good faith with the Building Trades Council and applicable signatory Unions in an attempt to address the lack of a sufficient number of HUBE bidders and/or participants in the Project. Any MBE/WBE/DBE/DVBE contractor for whom the requirements of Article X are suspended by the Developer shall, at a minimum, meet the requirements of the City of San Diego's Living Wage Ordinance No. 0-19386.

3. The contractors and the Unions recognize a desire to facilitate the entry into the building and Construction Trades of veterans who are interested in careers in the building and construction industry. The contractors and Unions agree to utilize the services of the Center for

Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties. The parties understand and agree that augmentation for placement of returning military veterans into apprenticeship and the skilled Building and Construction crafts has been implemented, through the AFL-CIO Building and Construction Trades apprenticeship programs in San Diego County, in conjunction with Helmets to Hardhats, and further, that these programs will increase the skilled work force of San Diego County.

ARTICLE XVII JURISDICTIONAL DISPUTE RESOLUTION

1. Work shall be assigned by the Contractor in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry Including Procedural Rules and Regulations (hereinafter the "Plan" or "The Green Book", effective June 1, 1984, or any successor plan, and will be based upon the appropriate agreements of record, decisions of record and previously provided local written agreements between or among the Unions. Such assignments will be disclosed by the Contractor at a pre-job conference called by the Contractor and held in accordance with industry practice, which pre-job conference will include a representative of the Building and Construction Trades Council of San Diego County, AFL-CIO and will be held at the Building Trades Council offices.

2. The parties agree that all jurisdictional disputes over assignment of work will be settled in accordance with the procedural rules and regulations of the Plan. All Contractors on this project agree to assign work and be bound to the terms and conditions of the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry, and all signatory Unions agree

that the assignments of the Contractors shall be followed until the dispute is resolved in accordance with this section.

3. Any award or resolution made pursuant to this procedure, shall be final and binding on the disputing Unions and the involved Contractor under this Project Agreement only, and may be enforced in any court of competent jurisdiction in accordance with the Plan. Such award or resolution shall not establish a precedent on any construction work not covered by this Project Agreement. In all disputes under this Article, the Project Contractor shall be considered a party in interest, with a full right of participation.

4. In making any determination hereunder, there shall be no authority to assign work to a double or composite crew, that is, to more employees than the minimum required to perform the work involved; nor to assign the work to employees who are not qualified to perform the work involved. The aforesaid determination shall decide only to whom the disputed work belongs.

5. There will be no strikes, work stoppages, slowdowns, withholding of work, refusal to work, walk-off, sit-down, stand-in, wobble, boycott, handbilling directed at this Project, bannering, disruptive activity or work stoppage or other disruptive activity arising out of any jurisdictional dispute. Pending the resolution of the dispute, the work shall proceed as assigned by the Contractor. The award or resolution shall be confirmed in writing to the involved parties. There shall be no strike, work stoppage or interruption in protest of any such award or any resolution.

ARTICLE XVIII

EXPEDITED ARBITRATION PROCEDURE

1. Upon written notice by hand-delivery or facsimile of a violation of the no-strike provisions of this Project Agreement to the Local Union and International Union's offices, the Union(s) and their officers shall take immediate action and shall use their best efforts to prevent,

end, or avert any such activity or the threat thereof by any of its officers, members, representatives, or employees, including, but not limited to, publicly disavowing any such action and ordering all such officers, representatives, employees or members who participate in such unauthorized activity to cease and desist from same immediately and to return to work and comply with this Project Agreement. Nothing in this Project Agreement shall be construed to limit or restrict the right of any of the parties to this Project Agreement to pursue fully any and all other remedies available under law in the event of a violation of this Project Agreement.

2. In consideration of the foregoing, the Contractor(s) shall not incite, encourage, or participate in any lockout or cause to be locked out any employee covered under the provisions of this Project Agreement.

3. There shall be no bannering, striking, picketing, handbilling directed at this Project, or disruptive activity directed at the Developer at any other location where the Developer is present because of any labor dispute or disagreement at this Project.

4. There shall be no strikes, picketing, work stoppages, slowdowns or other disruptive activity affecting the Project site during the term of this Project Agreement. Any Union or Local Union which initiates or participates in a work stoppage in violation of this Article, or which recognizes or supports the work stoppage of another Union or Local Union which is in violation of this Article, agrees as a remedy for said violation, to pay liquidated damages in accordance with Section 5(h) below.

5. Any party, including the Owner, whom the parties agree is a party in interest for purposes of this Article, or Contractor, may institute the following procedure, in lieu of or in addition to any other contractual procedure or any action at law or equity, when a breach of Section 4 above, or any other provision of this Project Agreement prohibiting economic activity by the Unions is alleged:

6. A party invoking this procedure shall notify Gerald McKay, Esq., who the parties agree shall be the permanent arbitrator under this procedure. In the event that the permanent arbitrator is unavailable at any time, he shall appoint an alternate. Invocation of this procedure and notification of the arbitrator on behalf of the Contractor parties shall be made by the Contractor. Notice to the arbitrator shall be by the most expeditious means available, with notices to the party alleged to be in violation and to the BTC if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by, facsimile, hand delivery or overnight mail but will be deemed effective upon receipt.

7. Upon receipt of said notice, the arbitrator named above or his alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists. The arbitrator shall notify the parties of the place and time chosen for the hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's decision, shall not exceed twenty-four (24) hours unless otherwise agreed upon by all parties. A failure of any party or parties to attend said hearings shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

8. The sole issue at the hearing shall be whether or not a violation of Section 4 above or any other provision of this Project Agreement prohibiting economic activity by the Unions has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation or, except as expressly provided by Section 5(h) of this Article, to award damages, which issue is reserved for court proceedings, if any. The award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any party desires an opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the award. The arbitrator

may order cessation of the violation of the Article and other appropriate relief, and such award shall be served on all parties by hand or registered mail upon issuance.

9. Such award shall be final and binding on all parties and may be enforced by any court of competent jurisdiction upon the filing of this Project Agreement and all other relevant documents referred to hereinabove in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the arbitrator's award as issued under Section 5(d) of this Article, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all parties by hand or by delivery to their last known address by registered mail.

10. Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the parties to whom they accrue.

11. The fees and expenses of the arbitrator shall be equally divided between the moving party or parties and the party or parties respondent. If the arbitrator determines that a violation of Section 4 above, or any other provision of this Project Agreement prohibiting economic activity by the Unions has occurred in accordance with Section 5(d) above, the Union(s) shall, within eight (8) hours of receipt of the award, direct all of the employees they represent on the Project to immediately return to work. If the Union(s) involved does not return to work by the beginning of the next regularly scheduled shift following receipt of the arbitrator's award, and the Union(s) has not complied with Section 4 of this Article, then the Union(s) shall be required to pay liquidated damages to the owner of the Project in an amount not less than \$10,000 or more than \$ 50,000 for each day of activity in violation of this Project

Agreement, at the discretion of the arbitrator, and will be assessed an additional amount of not less than \$10,000 and up to \$50,000, at the discretion of the arbitrator, for each subsequent day thereafter on which the Union(s) has not returned to work.

12. If the arbitrator determines that a lockout has occurred in violation of Section 1 and the Contractor does not return the locked-out employees to work within eight (8) hours of the Contractor's receipt of the award, then the Contractor shall be required to pay liquidated damages to the owner in an amount not less than \$10,000 or more than \$50,000 for each day of activity in violation of this Project Agreement, at the discretion of the arbitrator, and will be assessed an additional amount of not less than \$10,000 and up to \$50,000, at the discretion of the arbitrator, for each subsequent day thereafter on which the employees have not been returned to work. The arbitrator is empowered to award back pay to the employees who were locked out. The arbitrator shall retain jurisdiction to determine compliance with the Project Agreement.

ARTICLE XIX GRIEVANCE AND ARBITRATION PROCEDURE

1. Except as provided in Article XVIII, above, all disputes concerning the interpretation and/or application of this Project Agreement, including the attached Schedule "A" agreements, shall be governed by the following grievance and arbitration procedures.

2. A grievance shall be considered null and void if not brought to the attention of the Contractor(s) within five (5) working days after the grievance is alleged to have occurred or within five (5) working days after the Union's first knowledge of the grievance. Similarly, a grievance shall be considered null and void if not brought to the attention of the Union(s) within five (5) working days after the grievance is alleged to have occurred or within five (5) working days after the Contractor(s)' first knowledge of the grievance.

3. Grievances shall be settled according to the following Steps:

Step. 1: The steward or business representative and the grievant shall attempt to resolve the grievance with the craft supervisor.

Step 2: In the event the matter remains unresolved in Step 1 above, within five (5) working days, the grievance shall be reduced to writing and may then be referred by the Union to the Contractor(s) for discussion and resolution.

Step 3: In the event the matter remains unresolved in Step 2 above, either party may request, within five (5) working days, that the dispute be submitted to arbitration. The time limits set out in this procedure may, upon mutual agreement, be extended. Any request for arbitration, request for extension of time limits, and agreement to extend such time limits shall be in writing.

Step 4: The parties agree that the arbitrator who will hear the grievance shall be selected from among the following: Gerald McKay, Thomas Angelo, Morris Davis, William Riker and Gerri-Lou Cossack. The arbitration procedure contained herein, once invoked, shall be mandatory. Should a party to the procedure fail or refuse to participate in the hearing, if the arbitrator determines that proper notice of the hearing has been given, said hearing shall proceed to a default award. The arbitrator's award shall be final and binding on all parties to the arbitration. The costs of the arbitration, including the arbitrator's fee and expenses, shall be borne equally by the parties. The arbitrator's decision shall be confined to the question(s) posed by the grievance and the

arbitrator shall not have authority to modify, amend, alter, add to, or subtract from, any provisions of this Project Agreement.

4. The Contractor(s), as well as the Unions, may bring forth grievances under this Article.

ARTICLE XX APPRENTICES

1. Use of Apprentices. The parties recognize the need to maintain continuing support of programs designed to develop adequate numbers of competent workers in the construction industry, and the Contractor(s) will employ apprentices in their respective crafts to perform work within their capabilities and customarily performed by the craft in which they are indentured.

2. Percentage of Apprentices. Apprentices may comprise up to fifty (50) percent of each craft's workforce at anytime, unless Union craft apprentice standards provide for a greater percentage. The Union agrees to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage, and there shall be no restrictions on the utilization of apprentices in performing the work of their craft provided they are properly supervised. If the Schedule "A" permits, other non-journeyman classifications may be utilized at the Contractor's discretion as part of the fifty (50) percent ratio.

ARTICLE XXI GENERAL SAVINGS CLAUSE

It is not the intent of any party to this Project Agreement to violate any federal, state or local laws governing the subject matter contained herein. If any provisions contained herein are finally held or determined to be illegal or void by a court of competent jurisdiction, the Project Contractor and its successor may proceed to the extent required to prevent delay to the Project and the parties will promptly enter into negotiations concerning the clauses affected by such a legal decision for the purpose of achieving conformity with the requirement of any applicable

law so violated. In the event any laws, statutes, or development agreements become effective that supersede this Project Agreement, this Project Agreement may, at the discretion of either party, be re-opened. If any governmental agency requires that work on the Project be performed pursuant to a Project specific plan or program the parties shall meet for the purpose of negotiating any changes to this Project Agreement which may be necessary to comply with such plan or program. Any negotiations which occur as a result of this Article shall be limited to the subject of negotiating changes to the Project Agreement to comply with such plan or program.

ARTICLE XXII PARKING

Free secured parking within 1/4 mile of the Project for each employee covered by this Agreement shall be provided for the duration of the Project during the hours that each such employee is employed and actually working on the Project. Recognizing that Padres week-day daytime games may create parking problems on those days, the Parties agree to cooperate in finding reasonable solutions to parking issues which may arise on those days.

ARTICLE XXIII TERMINATION OF AGREEMENT

All commitments of the parties described herein are effective upon the effective date of this Agreement, unless otherwise specified. Notwithstanding the foregoing or anything to the contrary in this Agreement, if, either: (1) the City Council of San Diego does not approve a resolution or resolutions adopting the OPA and certifying the Addendum, on or before October 18, 2005, and/or (2) during the City Council's initial consideration of the Project, the City Council materially increases Developer's obligations or materially decreases Developer's rights as set forth in the OPA, the Master Plan, or any documents contemplated thereby, this Agreement shall terminate, at Developer's election given by written notice to BTC, on the date that is five (5) days after the date of Developer's notice. Notwithstanding the foregoing, if, during the City Council's initial consideration of the Project, the City Council attempts or

proposes any action which would materially increase Developer's obligations or materially decrease Developer's rights as set forth in the OPA, the Master Plan, or any documents contemplated thereby, Kris Hartnett, on behalf of BTC, and Charles Black, on behalf of Developer, shall jointly approach the microphone to object to such attempt or proposal and to inform the City Council that this Agreement shall terminate if any such action is taken.

Finally, notwithstanding any other provision of this Agreement, Owner or Developer may, in the sole and absolute discretion of Owner or Developer, terminate or withdraw the use of this Agreement as a part of any bid specification should a court of competent jurisdiction issue any order which could result, temporarily or permanently, in delay of the bidding, awarding or construction of the project.

ARTICLE XXIV SUCCESSORS AND SUBSEQUENT AGREEMENTS

1. This agreement shall be binding upon and inure to the benefit of Developer, Project Contractors, Contractors, Unions and BTC and their successors in interest, transferees, assigns, present and future partners, agents, representatives, heirs and administrators. Developer acknowledges and agrees that, should Developer transfer fee title or the right to develop the Project, or any portion thereof, Developer shall reference, incorporate in and attach to such transferring documents this Agreement and shall require that any such transferee or successor, assign, tenant, contractor, subcontractor, agent or representative comply with the terms of this Agreement. Furthermore, any transferee or successor in interest of Developer wishing to subsequently transfer the property to any other entity shall abide by the terms of this Article and require its transferee or successor in interest to also abide by these terms. Any contract entered into by Developer or any transferee or successor in interest of Developer with any Project Contractor, general contractor or subcontractor to perform work covered by this Project

Agreement shall also incorporate and attach this Project Agreement to such Construction Contract.

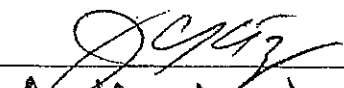
2. Developer shall not enter into any other project labor agreement, collective bargaining agreement or similar agreement covering the Project or any portion of the Project containing more favorable conditions with respect to any other Union or its members than are contained in this Agreement unless Developer offers the same terms and conditions to the parties signatory to this Agreement. Developer shall provide the signatory Unions and BTC with copies of all agreements, memoranda and side letters of understanding with any Union or labor organization covering work performed on the Project.

ARTICLE XXV TERM OF AGREEMENT

This Project Agreement shall become effective as of the date hereof and shall continue in full force and effect until Project Contractor's completion of the Project work under the Construction Contract covered by this Project Agreement or until terminated pursuant to Article XXIII.

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

Ballpark Village, LLC

By 
Its: Authorized Rep

Project Contractor:


San Diego County Building and Construction Trades Council, AFL-CIO

By _____
Its: _____

By _____
Its: _____

Asbestos Workers Local #5

By

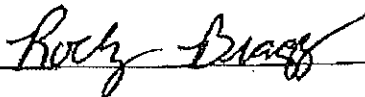


Boilermakers Local #92

By

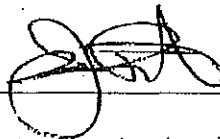
Bricklayers and Allied Crafts Local #4

By



Cement Masons Local #500/Area 4-744

By



Electrical Workers Local #569

By



Elevator Constructors Local #18

By

Glaziers & Floor Covers Local # 1399

By

District Council of Ironworkers of California
and Ironworkers Local # 229

By



Laborers Local # 89

By

Laborers Local # 1184

By

Operating Engineers Local # 12

By

Painters and Allied Trades District Council #
36

By

Painters and Tapers Local # 333

By

Plasterers Local # 200

By



Plumbers & Pipefitters Local #230

By



Road Sprinkler Fitters Local # 669

By

Roofers Local #45

Sheet Metal Workers Local #206

By Marcus Colman

By [Signature]

Teamsters Local #36

By _____

By

[Signature]

Steamfitters & Pipefitters Local #250

By _____

By

Tile, Marble & Terrazzo Local #18

UA Local #345 (Landscape and Irrigation)

By _____

By

SCHEDULE A

APPLICABLE COLLECTIVE BARGAINING AGREEMENTS FOR THE FOLLOWING LOCAL UNIONS







Asbestos Workers Local #5	Boilermakers Local #92
Bricklayers and Allied Crafts Local #4	Cement Masons Local #500/Area 4
Electrical Workers Local #569	Elevator Constructors Local #18
Glaziers & Floor Covers Local #1399	District Council of Ironworkers of California and Ironworkers Local #229
Laborers Local #89	Laborers Local #1184
Operating Engineers Local #12	Painters and Allied Trades District Council #36
Painters and Tapers Local #333	Plasterers Local #200
Plumbers & Pipefitters Local #230	Road Sprinkler Fitters Local #669
Roofers Local #45	Sheet Metal Workers Local #206
Steamfitters & Pipefitters Local #250	Teamsters Local #36
Tile, Marble & Terrazzo Local #18	UA Local #345 (Landscape and Irrigation)

EXHIBIT 1

Lots 7, 8, 10, 12, and 13 through 16, inclusive, of Parcel Map No. 18855 filed on December 7, 2001, as File No. 2001-0900838 in the Official Records of the San Diego County Recorder.

SITE MAP

LEGEND

-  PROPERTY LINE
-  PROPOSED RIGHT-OF-WAY LINE
-  PARCEL C & D (PARTICIPATING PARCEL)
-  AGENCY SALES PARCEL TO BE ADDED TO PARCEL C = APPROX. 3335.0 SF
-  LAND TO BE VACATED BY THE CITY TO PARCEL C = APPROX. 2154.8 SF
-  LAND TO BE DEDICATED TO THE CITY 12TH AVENUE RIGHT-OF-WAY = APPROX. 6283.9 SF

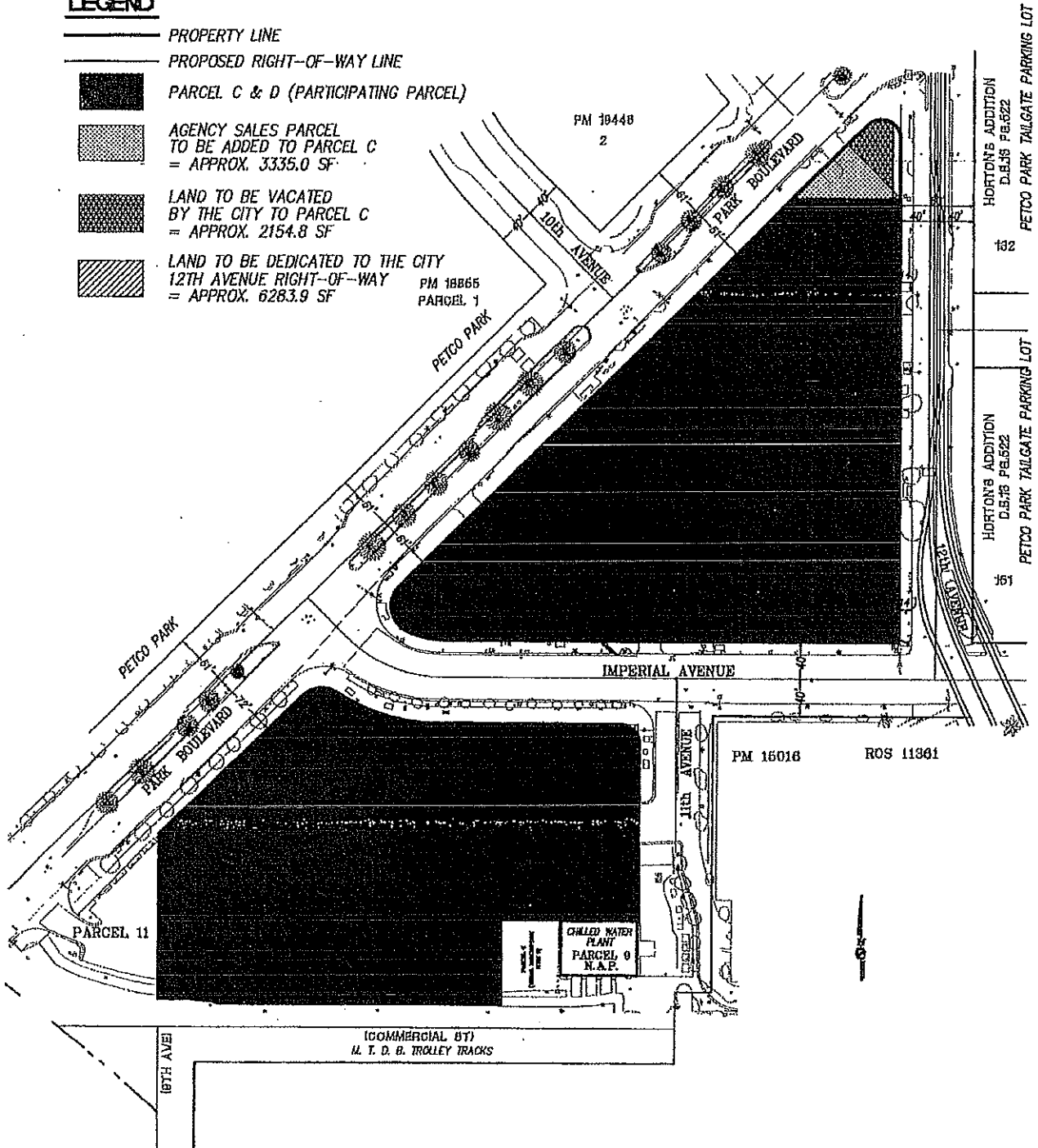


EXHIBIT 3

In accordance with the provisions of Article VI, Section 4, Contractors may employ Core Employees as their core crew in the following numbers. Additional employees shall be obtained on a one-to-one basis from the applicable craft hiring hall and the Contractor's regular source of employees until the Unions are unable to timely supply employees as described in Article VI, Section 5.

<u>Craft</u>	<u>Number of Core Employees</u>			
Asbestos Workers	4			
Bricklayers	2			
Cement Masons				
Drywall Tapers	5			
Electrical Workers	2			
Glaziers				
Ironworkers	Rebar 10	Ornamental 2	Curtain Walls 2	Fencing 2
Laborers	2			
Landscapers	1			
Operating Engineers	2			
Painters	5			
Plasterers	2			
Plumbers/Pipefitters	5			
Roofers/Waterproofers	1			
Sheet Metal Workers	HVAC 5	Arch/General 3		
Sprinkler Fitters	6			
Teamsters	5			
Tile Marble Terrazzo	5			

APPENDIX

CITY OF SAN DIEGO, CALIFORNIA COUNCIL POLICY

CURRENT

SUBJECT: EQUAL OPPORTUNITY
POLICY NO.: 300-10
EFFECTIVE DATE: May 19, 1986

BACKGROUND:

Since the adoption of the City's second Five-Year (1979-1984) Affirmative Action Program, significant progress has been made towards realizing the goal of equal employment opportunity. The City has, in most cases, achieved its interim goal that the representation of women and minorities in its work force mirror the representation of women and minorities with requisite skills, based on job-related criteria, in the labor force of the County of San Diego. However, there continue to be job areas within the City in which women and minorities are underrepresented.

PURPOSE:

The City Council, in this Policy, declares its commitment to provide Equal Opportunity in all activities of the City and its agencies, including employment of individuals and firms which contract with the City. This policy is intended to reinforce the merit principle in public employment. Its provisions serve to promote equal opportunity in a cooperative spirit and to create goodwill throughout the community.

POLICY:

1. The City Council is committed to an Equal Opportunity Program pursuant to applicable State and Federal laws and guidelines, to provide Equal Opportunity in all activities of the City and its agencies, including employment of individuals and firms which contract with the City. The Council has extended this commitment even further to have as the City's goal that the representation of women and minorities in the City's work force achieve parity with the ethnic and sex composition of the population of the City of San Diego.
2. The Personnel Director will submit semi-annual reports detailing goals, progress, and strategies to the City Council for review and approval by the Rules Committee and Council. These reports will contain data of sufficient detail as to provide a clear and comprehensive breakdown of the City's workforce in all city departments.
3. The agency and corporate directors of those entities under Council direction and contract will submit semi-annual reports detailing goals, progress and strategies to the City Council for review and approval by the Rules Committee and Council. These reports will contain data of sufficient detail so as to provide a clear and comprehensive breakdown of the workforce.
4. The City Council will require reports on Equal Opportunity programs and progress to be submitted by those individuals and companies doing contract work with the City.
5. The City will continue its efforts to employ and retain women and minorities in occupational categories where they appear to be underrepresented so that they may obtain requisite skills.

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

6. The City is committed to eliminating architectural barriers to the employment of the disabled and to provide equal opportunity in City employment to the disabled community.
7. The City Council encourages equal opportunity for women, minorities and the disabled to serve on City commissions, boards, committees, and panels.
8. The City Council in order to achieve the goals of this Equal Opportunity Policy shall create a nine-member Equal Opportunity Commission to monitor, review, report and assist in the overall equal opportunity effort of the City and the community at large. The Equal Opportunity Commission shall be appointed by and report to the City Council, and shall:
 - A. Monitor and/or evaluate the Equal Opportunity Program of the City as it exists and as it may be amended from time to time by the City Council.
 - B. Advise on a continuing basis and make recommendations regarding the Program, as are deemed appropriate and/or necessary, to the Mayor, City Council, Civil Service Commission, Manager and other agencies and appropriate authority of City government.
 - C. Submit written semi-annual reports which evaluate the progress of the City and its agencies for review and acceptance by the Rules Committee and Council. Submittal should coincide with semi-annual submittals by the City Manager, Civil Service Commission, non-managerial departments and agencies.
 - D. In coordination with City Manager, Civil Service Commission, non-managerial departments and agencies, assist in the recruitment of competent minorities, women and handicapped to compete for available City positions, particularly in specific classes and occupation which reflect underrepresentation.
 - E. Promote the City of San Diego as an Equal Opportunity Employer of individuals and firms desiring to contract with the City in order to build confidence and goodwill between the City and all citizens.
 - F. Meet regularly with the staff of the City and its agencies to carry out its responsibilities.

HISTORY:

Adopted by Resolution R-258429 05/09/1983


Amended by Resolution R-265745 05/19/1986

PROJECT LABOR AGREEMENT
FOR THE
BALLPARK VILLAGE PROJECT

Letter of Assent

It is hereby agreed that with respect to work under the jurisdiction of the International Union of Elevator Constructors, such work shall be performed under the terms of its National Agreement, with the exception of Article II (Definition and Scope of Project), Article IV (Scope of Project Agreement), Article VIII (No Strike-No Lockout), Article XVII (Jurisdictional Dispute Resolution), Article XVIII (Expedited Arbitration Procedure), Article XXIII (Termination of Agreement), and Article XXV (Term of Agreement), of the Project Labor Agreement for the Ballpark Village Project, which shall apply to such work and be controlling.

I.U.E.C. Local _____


Ernie Brown
Business Manager

MEMORANDUM OF UNDERSTANDING

To clarify potential ambiguity in Article VI, sections 5, 7; Article VII, section 1; and, Article XX, sections 1, 2, Developer, on behalf of itself and all successors, Project Contractors, General Contractors and Subcontractors who become bound to the Ballpark Village Project Labor Agreement ("Agreement"), and Building Trades Council, on behalf of itself and all Unions signatory to the Agreement, agree that Unions are not obligated to provide, and shall not provide, apprentices to nonunion contractors signatory to the Agreement. Furthermore, nonunion contractors shall first obtain available apprentices from San Diego based state-approved apprenticeship programs in the craft having jurisdiction over the work before utilizing any other state approved program. It is the intent of the Parties to the Agreement that, providing they are properly supervised, apprentices may constitute up to 50% of the workforce in any craft, unless union craft apprentice standards provide for a greater percentage.

The Parties further agree, in recognition of valid concerns for employee privacy, that Article VI, section 4 at page 8 is modified to require only the last four (4) digits of a core employee's Social Security Number be provided to the Project Contractor and Business Agent.

Except as clarified in this Memorandum, the provisions of the above referenced Articles and sections remain in full force and effect.

BALLPARK VILLAGE, LLC

By: _____

Its: _____

SAN DIEGO COUNTY BUILDING AND
CONSTRUCTION TRADES COUNCIL, AFL-
CIO on behalf of itself and all Union signatories to
the Project Labor Agreement for the Ballpark
Village Development

By: Tom Lemmon

Its: Business Manager SDBTC

MEMORANDUM OF UNDERSTANDING

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BALLPARK VILLAGE, LLC

By: _____

Its: _____

[Signature]
Authorized Rep

SAN DIEGO COUNTY BUILDING AND
CONSTRUCTION TRADES COUNCIL, AFL-
CIO on behalf of itself and all Union signatories to
the Project Labor Agreement for the Ballpark
Village Development

By: _____

Its: _____