Before the Board of Supervisors
County of Placer, State of California

In the matter of: AN ORDINANCE ADOPTING A DEVELOPMENT AGREEMENT FOR THE PROPERTY COMPRISING THE MARTIS VALLEY WEST PARCEL SPECIFIC PLAN

Ordinance No.: 5841-B

The following Ordinance was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held October 11, 2016, by the following vote on roll call:

Ayes: DURAN, HOLMES, UHLER, WEYGANDT

Noes: MONTGOMERY

Absent: NONE

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

WHEREAS, on June 9, 2016 and July 7, 2016, the Placer County Planning Commission ("Planning Commission") held noticed public hearings pursuant to Placer County Code Chapter 17, Article 17.58, Section 17.58.240(A) to consider, among other land use approvals related to the Martis Valley West Parcel Specific Plan ("Specific Plan") a development agreement by and between the County of Placer ("County"), MVWP Development, LLC. and Sierra Pacific Industries, Inc., the landowners owning the property within the boundaries of the Specific Plan (the "Development Agreement"), and the Planning Commission has made written recommendations to the Board, and

WHEREAS, on September 13, 2016, the Board held a noticed public hearing pursuant to Placer County Code Chapter 17, Article 17.58, Section 17.58.240(B) to consider the recommendations of the Planning Commission, and to receive public input

regarding the approval of the Development Agreement, and the Board then closed the public hearing to further public testimony, and

WHEREAS, having considered the recommendations of the Planning Commission, having reviewed the Development Agreement and the Martis Valley West Parcel Specific Plan and related entitlements and having received and considered the written and oral comments submitted by the public thereon, the Board has elected to reject the Planning Commission's recommendation for denial of the Development Agreement having concluded that the approval of the Specific Plan and associated Development Agreement would enable the conservation of over 6,300 acres of open space in perpetuity and reduce the number of overall residential units previously allocated to the site from 1360 to 760.

WHEREAS, on September 13, 2016, the Board took tentative action to certify the Martis Valley West Parcel Specific Plan Final Environmental Impact Report and to approve the Specific Plan and to approve the Development Agreement and directed staff to prepare findings in furtherance of the Board's tentative action as herein set forth and continued the matter to a date and time certain, and

WHEREAS, on October 11, 2016, the Board considered said findings and this ordinance and move to take final action consistent with its tentative action by adoption of Resolution No. 2016-193 certifying the Martis Valley West Parcel Specific Plan Final Environmental Impact Report and by adoption of Resolution No. 2016-194 to approve the Martis Valley West Parcel Specific Plan, and

WHEREAS, pursuant to Section 17.58.240(c) of the Placer County Code, the Board finds:

a. The Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the Placer County General Plan. Placer County General Plan, including but not limited to General Plan Goal 1.A., Policy C-2 and Goal 6.E. General Plan Goal 1.A. promotes the "wise, efficient and environmentally–sensitive use of Placer County lands to meet the present and future needs of Placer County residents and businesses." By requiring a specific plan and development agreement, the Board will ensure that the area is developed pursuant to said Specific Plan and its Design Guidelines and Development Standards and Development Agreement and in an environmentally-sensitive manner to the surrounding area in Martis Valley. Consistent with Policy C-2, the Development Agreement includes a requirement for the construction of employee housing for 47 Full Time Equivalent Employees and the payment of an in lieu fee for the remaining employee housing obligation. The employee housing construction will be phased to coincide with construction of market rate housing to ensure employee housing needs are met with the pace of market rate development. Goal 6.E. seeks to "preserve and enhance open space lands to maintain the natural resources of the County." The Development Agreement will ensure conservation of the "East Parcel" (6,300 ± acres) that is contiguous to and will result in approximately 50,000 acres of contiguous open space in the

Martis Valley. The Development Agreement is also consistent with Goal 4.A and associated policies 4.A.1 and 4.A.2 by ensuring the "timely development of public facilities and the maintenance of specified service levels." The Development Agreement establishes funding and construction obligations for parks and trails, payment of development fees in addition to regional funding contributions to transit and workforce housing. The Development Agreement also requires an annual contribution to regional transit operations and a one-time upfront operating and capital expenses payment for regional transit.

b. The Development Agreement is compatible with the uses authorized in, and the regulations proscribed for, the land use district in which the real property subject to the Development Agreement is located. The Development Agreement will be recorded and run with the land that is subject to the Specific Plan. As such it is expressly designed to implement and ensure that the properties within the Specific Plan boundaries develop consistent with the Specific Plan and the Plan's Development Standards and the adopted Mitigation Monitoring and Reporting Program as well as ensuring all monetary and construction obligations outlined in the Agreement are implemented.

c. The Development Agreement is in conformity with public convenience, general welfare and good land use practice. The Development Agreement ensures that the property owners must comply with all terms thereof, including the phasing, funding and construction of infrastructure to service the Specific Plan Area, construction of workforce housing to serve the needs created by the Specific Plan development and contributions to regional transit.

d. The Development Agreement will not be detrimental to the health, safety and general welfare of persons residing in Placer County. The Development Agreement ensures that all property owners underlying the Specific Plan area are bound by its terms and satisfy the obligations of the same. The Development Agreement implements and enforces the goals of the Specific Plan. For example, the Specific Plan is designed to limit residential and commercial development to a portion of the "West Parcel" and to require the "East Parcel" to be conserved as open space. The Development Agreement establishes deadlines to ensure that this conservation of the "East Parcel" occurs. The Specific Plan provides for parks and trails. The Development Agreement establishes the fees and timing of construction and obligations for maintenance of the same.

e. The Development Agreement will not adversely affect the orderly development of property or the preservation of property values. The Development Agreement will ensure the orderly development of the Specific Plan property by ensuring orderly development phasing, construction and funding of infrastructure, construction of workforce housing and payment of regional transit fees.

WHEREAS, notice of all hearings required by Section 17.58.240 of the Placer County Code and Section 65867 of the Government Code have been given and all hearings have been held as required by statute and ordinance to adopt this ordinance and approve the Development Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER:

Section 1: The Development Agreement entitled "Development Agreement by and between the County of Placer and MVWP Development LLC and Sierra Pacific Industries, Inc., Relative to the Martis Valley West Parcel Specific Plan", a true and correct copy of which is attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

Section 2: The Chair of the Board of Supervisors is hereby authorized to execute two (2) original copies of the Development Agreement on behalf of the County.

Section 3: The Planning Director is directed to record the Development Agreement at landowner's cost within ten (10) days in accordance with Section 17.58.240(D) of the Placer County Code.

Section 4: This ordinance shall take effect and be in full force and effect upon thirty (30) days after its passage. The Clerk is directed to publish a summary of this ordinance within fifteen (15) days in accordance with Government Code Section 25124.

EXHIBIT A

RECORD AND WHEN RECORDED

RETURN TO:

County of Placer
Attention: Clerk of the Board
175 Fulweiler Ave
Auburn, CA 95603

DEVELOPMENT AGREEMENT
BY AND BETWEEN THE COUNTY OF PLACER AND
MVWP DEVELOPMENT LLC AND SIERRA PACIFIC INDUSTRIES, INC.
RELATIVE TO THE
MARTIS VALLEY WEST PARCEL SPECIFIC PLAN

DEVELOPMENT AGREEMENT
RELATIVE TO THE
MARTIS VALLEY WEST PARCEL SPECIFIC PLAN

This Development Agreement ("Agreement") is entered into this __ day of ____, 2016, by and between the County of Placer, a subdivision of the State of California ("County") and MVWP Development LLC, a Delaware limited liability company ("MVWP") and Sierra Pacific Industries, a California Corporation ("SPI"). MVWP and SPI are collectively referred to as "Developer." The County and Developer are referred to collectively as the "Parties" and singularly as the "Party." The Parties enter into this Agreement pursuant to the authority of California Government Code sections 65864 through 65869.5 and Placer County Code article 17.58, Section 17.58.210 et seq.

RECITALS

A. Authorization. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864, et seq., of the Government Code (the "Development Agreement Statute"), which authorizes the County of Placer and an applicant for a development project to enter into a development agreement, establishing certain development rights in the Property which is the subject of the development project application.

B. Property. The subject of this Agreement is the development of those certain parcels of land described in Exhibit A and shown on Exhibit B (hereinafter the "Property"). Developer owns the Property and represents that all persons holding legal or equitable interests in the Property shall be bound by this Agreement. The portion of the Property located west of State Route ("SR") 267 is referred to as the "West Parcel." The West Parcel is approximately 1,052 acres in size. The portion of the Property located east of SR 267 is referred to as the "East Parcel." The East Parcel is approximately 6,376 acres in size. A portion of the East Parcel (approximately 216 acres) is located in Nevada County. Another portion of the East Parcel (approximately 130 acres) is located within the Tahoe Basin. These two portions of the East Parcel (approximately 346 acres) are not subject to the Martis Valley West Parcel Specific Plan, and are therefore not encompassed in this Agreement. The location of the East and West Parcels is shown on Exhibit B. Exhibit B also shows those portions of the East Parcel that are not encompassed in this Agreement.

C. Hearings. The County Planning Commission is designated as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867. On June 9, 2016 and July 7, 2016, in a duly noticed and conducted public hearings, the County Planning Commission considered this Agreement and recommended against approval of this Agreement to the County Board of Supervisors ("Board").

On September 13, 2016, the Board conducted a duly noticed public hearing, at the conclusion of which the Board rejected the Planning Commission's recommendation and took

tentative action to approve this Agreement. The Board supported its decision on the oral and written testimony presented, the administrative record in this matter and on its conclusions that the approval of the Specific Plan and accompanying requests including this Agreement, would enable the conservation of over 6,300 acres of open space in perpetuity and reduce the number of overall residential units previously allocated to the site from 1360 to 760 as well as lead to the orderly development of the "West Parcel" through the adopted policies and standards set forth in the Specific Plan. The Board concluded that this Agreement would ensure conservation of over 6,300 acres on the "East Parcel" and approximately 510 acres of open space on the "West Parcel" as well as obligate the Developer to provide additional public benefits to the community, including financial contributions to transit and construction of workforce housing.

On _____, 2016, the Board took final action to approve this Agreement.

D. Environmental Impact Report. On _____, 2016, the Board, in Resolution No. ____, certified as adequate and complete the Final Environmental Impact Report ("EIR") (State Clearinghouse No. ___) for the Martis Valley West Parcel Specific Plan ("MVWPSP") in accordance with the California Environmental Quality Act ("CEQA"), adopted the Findings of Fact and a Statement of Overriding Considerations, adopted the Mitigation Monitoring and Reporting Program ("MMRP") and approved the Water Supply Assessment. The MMRP and the mitigation measures listed therein are incorporated by reference in this Agreement.

E. Entitlements. Following consideration and certification of the aforementioned EIR and of CEQA related findings, the Board approved the following land use approvals for the Property, which approvals are the subject of this Agreement:

1. Martis Valley West Parcel Specific Plan ("MVWPSP"):

A. Adopt MVWPSP by Resolution No. _____.

B. Adopt the Development Standards by Ordinance No. _____.

C. Adopt Design Guidelines by Resolution No. _____.

2. By Resolution No. ____, Martis Valley Community Plan Amendment:

A. Amend the Land Use Diagram to incorporate the MVWPSP designation.

3. By Resolution No. ____, Martis Valley Community Plan Amendment:

A. Amend Section VI: Public Facilities and Services to add Goal 6.J and Policies 6.J.1 and 6.J.2 to require new development projects prepare and implement an emergency preparedness and evacuation plan and incorporation by reference of the East Side Emergency Evacuation Plan.

4. By Ordinance No. _____, tentative immediate rezone of +/- 662 acres (of the West Parcel from Timber Production Zone ("TPZ") to Specific Plan – MVWPSP ("SPL – MVWPSP") subject to approval by California Department of Forestry and Fire Protection ("CalFire").

5. By Ordinance No. _____, rezone of +/- 670-acre portion of the East Parcel from its existing zoning designations (Low Density Residential and General Commercial) to TPZ and rezone remainder of real property in the West Parcel from Open Space ("OS") to Specific Plan MVWPSP ("SPL-MVWPSP").

6. By Ordinance No. _____, adopt this Development Agreement.

7. Approve a Large Lot Vesting Tentative Map.

The approvals described in this paragraph are referred to herein collectively as the "Entitlements." The Entitlements will enable Developer to develop the Property as described in the MVWPSP. Development of the Property as described in the MVWPSP, and in this Agreement, in a manner consistent with the Entitlements is referred to in this Agreement as the "Project."

F. General Plans. Development of the Property in accordance with the Entitlements and this Agreement will provide orderly growth and development of the area in accordance with the policies set forth in the Placer County General Plan and the Martis Valley Community Plan. For purposes of the vesting protection granted by this Agreement, except as otherwise provided herein, or by state or federal law, the applicable County laws, rules, regulations, ordinances and policies shall be as set forth in the Entitlements as of the Effective Date.

G. Development Agreement Ordinance. County and Developer have taken all actions mandated by and fulfilled all requirements set forth in the Development Agreement Ordinance of the County (County Code, Chapter 17, Article 17.58, Section 17.58.210 et seq.).

H. Project Benefits. County and Developer contemplate that the development of the Property pursuant to this Agreement and the Entitlements will result in significant benefits to County and to Developer. This Agreement accordingly provides assurances to Developer that it will have the ability to develop the Property in accordance with this Agreement. This Agreement also provides assurances to County that it will receive certain public benefits. Specifically, Developer has voluntarily agreed to enter into this Agreement thereby providing County with various public benefits to County and its residents beyond those attainable through conditions of approval and mitigation measures ("Public Benefits").

ARTICLE 1. GENERAL PROVISIONS

1.1 Incorporation of Recitals. The Preamble, the Recitals and all defined terms set forth in both are hereby incorporated into this Agreement as if set forth herein in full.

1.2 Property Description and Binding Covenants. The Property is that property described in Exhibit A and shown in Exhibit B. Upon satisfaction of the conditions to this Agreement becoming effective and recordation of this Agreement pursuant to Section 1.3.1 below, the provisions of this Agreement shall constitute covenants which shall run with the Property and the benefits and burdens hereof shall bind and inure to all successors in interest to and assigns of the parties hereto. Accordingly, all references herein to "Developer" shall mean and refer to the persons or entities described in the preamble above and the signature page to this Agreement below and each and every subsequent purchaser or transferee of, or persons or entities acquiring an equitable interest in, the Property or any portion thereof from Developer.

1.3 Term.

1.3.1 Commencement; Expiration. The term of this Agreement ("Term") shall commence upon the effective date of the Adopting Ordinance approving this Agreement ("Effective Date"), as determined by State law and County Code. This Agreement shall be recorded against both the West Parcel and the East Parcel at Developer's expense not more than ten (10) days after County enters into this Agreement, as required by California Government Code Section 65868.5 and County Code. The Term of this Agreement shall extend for a period of twenty (20) years ("Initial Term") after the Effective Date, unless said Term is terminated, modified or extended by circumstances set forth in this Agreement or by mutual written consent of the Parties. Following the expiration of the Term, this Agreement shall be deemed terminated and of no further force and effect.

1.3.2 Tolling and Extension During Legal Challenge or Moratoria. In the event that this Agreement or any of the Entitlements or the EIR or any subsequent approvals or permits required to implement the Entitlements are subjected to legal challenge by a third party, other than Developer, and Developer is unable to proceed with the Project in whole or in part due to such litigation, or Developer gives written notice to County that it is electing not to proceed with the Project until such litigation is concluded, as further described in this section, then the Term of this Agreement and timing for obligations imposed pursuant to this Agreement shall, upon written request of Developer, be extended and tolled during such litigation until the entry of final order or judgment upholding this Agreement and/or Entitlements, or the litigation is dismissed by stipulation of the parties. Similarly, if Developer is unable to develop the Property due to the imposition by the County or other public agency of a development moratorium, then the Term of this Agreement and timing for obligations imposed pursuant to this Agreement shall, upon written request of Developer, be extended and tolled for the period of time that such moratorium is in effect. The date such tolling shall commence is the date Developer provides written notice to the County that a tolling event under this paragraph has occurred. The tolling shall cease when such litigation is resolved, or such moratorium expires or terminates; the Term of this Agreement shall not be further extended under this provision. Determination of the date litigation is resolved shall be the date the court of final jurisdiction enters its final disposition of the case, such as entry of an order, judgment, remittitur, or final decision. Determination of expiration or termination of a development moratorium shall be determined based on the terms of the moratorium or the date of the court of final jurisdiction orders said moratorium terminated.

1.3.3 Extension of Initial Term. The Initial Term will remain in effect unless this Initial Term is terminated, modified or extended by circumstances set forth in this Agreement or by mutual written consent of the Parties. Unless prior to the expiration of the Initial Term (including prior to the expiration of any extension of the Initial Term), the Board determines, in its sole discretion, that an extension is not in the best interests of the County, the Initial Term, shall be extended automatically for two (2) consecutive periods of five (5) years each (the Two Five-Year Extensions). Following the expiration of the Two Five-Year Extensions, this Agreement shall be deemed terminated and of no further force and effect. The termination of the Agreement shall not affect any right or duty emanating from the Entitlements.

1.4 Amendment of Agreement. This Agreement may be amended from time to time by mutual written consent of the Parties (and/or, with respect to Developer, any successor owner of any portion of the Property to which the benefit or burden of the amendment would apply), in accordance with the provisions of the Development Agreement Statute. If the proposed amendment affects the approved MVWPSP land use designation or zoning of less than the entirety of the Property, then such amendment need only be approved by the owner(s) in fee of the portion(s) of the Property that is subject to or affected by such amendment. If the proposed amendment or minor modification would significantly reduce the amount of revenue anticipated to be received by County to the extent that County is unable to fund or maintain facilities and/or service commitments to the Property, Developer agrees County may adjust or modify any fee or assessment as, and solely to the extent, necessary to mitigate the impact. The Parties acknowledge that under the County Zoning Ordinance and applicable rules, regulations and policies of the County, the County Community Development Resource Agency ("CDRA") Director has the discretion to approve minor modifications to approved land use entitlements without the requirement for a public hearing or approval by the Board. Accordingly, the approval by the County CDRA Director of any minor modifications to the Entitlements that are consistent with this Agreement shall not constitute nor require an amendment to this Agreement to be effective.

For purposes of this Section, minor modifications shall mean any modification to the Project that does not relate to (i) the Term of this Agreement, (ii) permitted uses of the Project, (iii) density or intensity of use, (iv) conditions, terms, restrictions or requirements for subsequent discretionary actions, (v) monetary contributions by Developer, provided that such modifications may be processed under CEQA as exempt from CEQA, or with the preparation of an addendum to the EIR, a Negative Declaration, or a Mitigated Negative Declaration.

1.5 Recordation Upon Amendment or Termination. Except when this Agreement is automatically terminated due to the expiration of the Term or the provisions of Section 1.3.2 above, the County shall cause any amendment hereto and any other termination hereof to be recorded, at Developer's expense, with the County Recorder within ten (10) days after County executes such amendment or termination. Any amendment or termination of this Agreement to be recorded that affects less than all the Property shall describe the portion thereof that is the subject of such amendment or termination.

ARTICLE 2. DEVELOPMENT OF THE PROPERTY

2.1 Permitted Uses. The permitted uses of the Property, the density and intensity of use, provisions for reservation or dedication of land for public purposes, and location of public improvements, and other terms and conditions of development applicable to the Property shall be those set forth in the Entitlements and this Agreement. In particular, Developer shall have a vested right to develop the West Parcel in accordance with the "SPL-MVWPSP Zoning District," as in MVWPSP Chapter 3 and Appendix B ("Development Standards"). In accordance with the SPL-MVWPSP Zoning District, Developer shall have a vested right to develop up to 760 dwelling units and up to 6.6 acres of commercial development (up to 34,500 square feet of commercial and 22,000 square feet of homeowner amenities) on the portion of the West Parcel (662 acres) that is designated for such uses. If Developer elects to construct workforce housing units onsite pursuant to conditions specified in Exhibit D, then the 760 dwelling units shall consist of up to 739 market rate units and up to 21 workforce housing units. Development of the West Parcel shall be subject to the policies and specifications set forth in the MVWPSP and the 662- acre portion anticipated for development would be subject to the design and development standards in the MVWPSP, and County shall retain authority to review plans to confirm compliance with those policies.

2.2 Vested Entitlements. Subject to the provisions and conditions of this Agreement, County agrees that County is granting, and grants herewith, a fully vested entitlement and right to develop the Property in accordance with the terms and conditions of this Agreement, the Entitlements and all of the rules, regulations, ordinances, specifications, standards, and officially adopted policies in force as of the Effective Date, including, but not limited to the Placer County Code (collectively, the "Applicable Rules").

2.3 Rules. Regulations and Official Policies.

2.3.1 Conflicting Ordinances or Moratoria. Except as provided in this Article 2, and subject to applicable law relating to the vesting provisions of development agreements, so long as this Agreement remains in full force and effect, any change in, or addition to, the Applicable Rules, including, without limitation, any change in the General Plan, Placer County Code, applicable fee program, or other rules and policies adopted or becoming effective after the Effective Date, including, without limitation, any such change by ordinance, County Charter amendment, initiative, referendum (other than a referendum that specifically overturns the County's approval of the Entitlements), resolution, policy, or moratorium, initiated or instituted for any reason whatsoever and adopted by the Board, or by the electorate, as the case may be, which would, absent this Agreement, otherwise be applicable to the Project, and which would conflict with or be more restrictive than, or impose obligations on the Project greater or more stringent than, the Applicable Rules shall not be applied to the Project unless such changes are expressly allowed by this Agreement or consented to in writing by Developer. Notwithstanding anything to the contrary above, Developer shall be subject to any growth limitation ordinance, resolution, rule or policy that is adopted by the County to eliminate placing residents of the Project in a condition dangerous to their health or safety, or both, in which case County shall treat development of the Property in a uniform, equitable and proportionate manner with all other

properties that are affected by said dangerous condition. To the extent any future resolutions, rules, ordinances, fees regulations or policies applicable to development of the Property are not inconsistent with the Project's permitted floor area, height, density, set back requirements, open space requirements, provisions for reservation or dedication of land or allowed uses under the Entitlements or under any other terms of this Agreement, such rules, ordinances, fees, regulations or policies shall be applicable provided the same are generally applicable on a county-wide basis, or throughout the Martis Valley Community Plan areas of Placer County. Developer shall also be subject to any such changes regarding construction and engineering design standards or building standards in the event such changes are adopted in response to a natural disaster as found by the Board such as floods, earthquakes and similar disasters.

2.3.2 Application of Changes Required by State or Federal Law. Nothing in this Section 2.3 shall preclude the application to development of the Property of changes in County laws, regulations, plans or policies, the terms of which are specifically mandated or required by changes in State or Federal laws or regulations. To the extent that such changes in County laws, regulations, plans or policies prevent, delay or preclude compliance with one or more provisions of this Agreement, County and Developer shall take such action as may be required pursuant to Section 4.1 of this Agreement to comply therewith.

2.3.3 Authority of County. This Agreement shall not be construed to limit the authority or obligation of County to hold necessary public hearings, or to limit discretion of County or any of its officers or officials with regard to rules, regulations, ordinances, laws and entitlements of use which require the exercise of discretion by County or any of its officers or officials, provided that subsequent discretionary actions shall comply with the Applicable Rules and shall not unreasonably prevent or delay development of the Property. Nothing in this Agreement shall preclude the County from taking those actions it deems necessary and essential to protect public health and safety; to the extent such actions are inconsistent with the Entitlements, however, the County's actions shall be narrowly tailored to address the identified public health and safety concern, and the County shall minimize any inconsistency with the Entitlements.

2.3.4 Timing of Development; Effect of *Pardee* Decision. Because the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal.3d 465 that failure of the parties to provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over the parties' agreement, it is the intent of the Parties to cure that deficiency by acknowledging and providing that Developer shall have the right (without the obligation) to develop the Property in such order and at such rate and at such time as it deems appropriate within the exercise of its subjective business judgment, subject to the terms of this Agreement.

2.4 Application and Development Fees.

2.4.1 Application, Processing and Other Fees and Charges. Developer shall pay those application, processing, inspection and plan checking fees and charges as may be required by the County under then current regulations for processing applications and requests for any subsequent entitlements, permits, approvals and other actions, and monitoring compliance with

any permits issued or approvals granted or the performance of any conditions with respect thereto or any performance required of Developer hereunder.

2.4.2 Development Impact Fees. County shall have the right to impose and Developer shall pay development impact fees adopted, levied or collected by County, or as have been adopted by a joint powers authority of which the County is a member, in effect on the Effective Date of this Agreement ("Development Impact Fees"). Development Impact Fees shall be due upon issuance of building permits for the Project, except as otherwise provided under this Agreement or in the MMRP; in the event the timing of payment of a fee, construction of an improvement, or payment of a fair share contribution is addressed in the MMRP, then the timing and amount set forth in the MMRP shall control. The following Development Impact Fees that apply to this development:

County-wide Traffic Fee Program – Tahoe
(Pursuant to Placer County Code Article 15.28)

County-wide Capital Facilities Impact Fee
(Pursuant to Placer County Code Article 15.30)

Nothing in this Section shall limit the ability of Developer to receive credit against applicable Development Impact Fees for certain public infrastructure improvements constructed by Developer, as specified in other sections of this Agreement.

To the extent the County has, in adopting or establishing Development Impact Fees, provided for adjustments in these fees from time-to-time to account for increases or decreases in the cost of constructing the facilities or in providing the services for which such Development Impact Fees are collected (for example, to reflect adjustments in the Consumer Price Index or similar index reflecting changes in such costs), Developer agrees to pay such fees as adjusted, and specifically waives, any objection to County's lack of compliance with the Mitigation Fee Act or other applicable law in the adjustment of such fees.

2.4.3 Project Specific Fees and Contributions. Developer shall pay the following Project-specific fees and contributions:

Parks and Recreation – Exhibit C
Workforce Housing – Exhibit D
Regional Transit Contribution – Exhibit E

Developer waives any objection to County's lack of compliance with the Mitigation Fee Act or other applicable law in the calculation of, the Project -Specific fee identified in this section.

2.4.4 New Development Impact Fees. If the County, or a joint powers authority or other agency of which the County currently is or during the term of the Agreement becomes a member of, adopts a new Development Fee, after the Effective Date of the Agreement in accordance with the Mitigation Fee Act (Government Code section 66000 et seq.) or other

applicable law (a "New Development Impact Fee"), and the New Development Impact Fee is applicable on a county-wide basis, or throughout the Martis Valley Community Plan, then Developer shall pay such fee. Developer may, at its discretion, challenge the adoption of such a fee, or the amount of such a fee, under the Mitigation Fee Act, in the same manner as another person or entity subject to the fee.

2.4.5 Adjustment of Development Impact Fees and New Development Impact Fees. County may, in its discretion, adjust any of the Development Impact Fees, or New Development Impact Fees ("Adjustment(s)") from time to time when the County, at its discretion, deems it necessary and in the interests of the County to do so. All such Adjustment(s) shall be made in accordance with County policy and Code governing the assumptions and methodology governing adjustments of County fees generally or in accordance with the Mitigation Fee Act or state law, whichever is applicable. Developer shall thereafter pay the adjusted fees. Developer reserves, and does not hereby waive, the right to challenge, at its discretion, the applicability or the amount of the Adjustment(s), in accordance and subject to the requirements of the Mitigation Fee Act (Gov. Code, § 66000 et seq.), in the same manner and subject to the same requirements as any other person or entity subject to the Adjustment(s).

2.4.6 Payment of Fees; timing. Unless otherwise specifically provided in this Agreement. Development Impact Fees (Section 2.4.2) and New Development Impact Fees (Section 2.4.4) or Project – specific fees (Section 2.4.3) shall be paid at the time specified in the ordinance, resolution or schedule establishing or amending the fee or, if referenced in the MMRP, then at the time specified in the MMRP. If the timing of payment is not specified in those documents, then the fee shall be paid at the time of approval of civil improvement plans or, if for building-related fees, at the time a building permit is issued.

ARTICLE 3. DEVELOPER OBLIGATIONS

3.1 Development, Connection and Mitigation Fees. Except as otherwise specifically provided in Section 2.4 of this Agreement, any and all required payments of development, connection or mitigation fees by Developer shall be made at the time and in the amount specified by County ordinances in effect as of the Effective Date.

3.2 Other Agency Approvals. Developer shall obtain, at its expense, all permits and agreements required by other agencies having jurisdiction over development of the Property (the "Other Agency Approvals"), as follows:

3.2.1 Prior to commencement of construction of each phases' civil improvements, Developer shall prepare and implement a Storm Water Pollution and Prevention Plan ("SWPPP"), and shall construct and maintain Best Management Practices ("BMPs") as required by law, the SWPPP and as approved by the Regional Water Quality Control Board ("RWQCB"), including those BMPs set forth in Appendix F to the MVWPSP. Developer shall obtain a permit from the RWQCB for the General Construction Storm Water Permit Compliance Program, as required by law, prior to approval of any grading or civil improvement plans.

3.2.2 Prior to approval of the improvements plans for the initial improvements (consisting of "Phase 0," which encompasses the construction of backbone infrastructure – water transmission main, water connection to NCSD or new water well, sewer line connecting to NCSD or the Truckee Sanitary District ("TSD"), dry utilities, main access road, EVA – necessary to serve the Project – collectively, referred to as "Phase 0") or concurrent with the submittal of the first small lot tentative map or commercial development application, whichever occurs earlier, Developer shall obtain approval from CalFire of the withdrawal of the portion of the West Parcel (662 acres) from the TPZ. Said approval shall be required to render the tentative immediate rezone identified in Recital E.3. final. A final rezone is required prior to any development of this portion of the West Parcel.

3.2.3 Prior to approval of the improvements plans for the initial improvements of the main access road, Developer shall obtain Caltrans approval of an encroachment permit for improvements within the State Route ("SR") 267 right-of-way.

3.2.4 Prior to approval of the improvements plans for the initial improvements of the first phase of residential or commercial development, Developer shall obtain Placer County LAFCO approval of annexation of the West Parcel development area into the Northstar Community Service District ("NCSD") service area.

3.2.5 Prior to approval of the improvement plans for the initial improvements of the first phase of residential or commercial development, Developer shall obtain approval from NCSD or other service agencies (e.g. TSD) with respect to facilities and services pertaining to water supply and distribution, wastewater collection and treatment, solid waste collection and disposal, and fire and life safety necessary to serve that phase, and shall likewise obtain approval from NCSD (or other service agencies) with respect to each subsequent phase, as required by Mitigation Measure 16-8.

3.3 School Fee Agreements. Developer shall pay applicable fees to the Tahoe-Truckee Unified School District ("District") as required by State law. Developer shall pay the applicable fee at or before the time a residential or commercial building permit is issued, and shall provide the County with evidence of such payment. Alternatively, Developer may reach a written agreement with the District regarding the timing of payment and amount of such fees ("School Agreement"), in which case Developer shall provide the County with a copy of the School Agreement, and evidence of compliance with the requirements of the School Agreement.

3.4 Payment of Fees to Other Agencies. To the extent the MMRP requires or authorizes payment of fees to agencies other than the County, the timing and amount of such payment shall be as set forth in the MMRP.

3.5 Emergency Vehicle Access. Developer shall improve and/or construct a primary emergency vehicle access ("EVA") road as described in MVWPSP section 4.5 (Exhibit 4-2). The primary EVA shall be completed with completion of Phase 0 of the Project. Developer shall ensure the EVA is gated, locked and signs posted to prohibit access through the gates by anyone other than emergency providers. Developer shall relinquish abutters rights to access through said EVA. The CC&Rs for the West Parcel shall provide for additional enforcement provisions of

the gated EVA, including the implementation of a fine system, inclusion of cameras and any other mechanism to ensure the gated EVA is not utilized by non-emergency providers.

3.6 Transit. Developer shall construct a bus shelter with two parking stalls and a bike rack within the Project area, near the intersection of the main access road with SR 267. The bus shelter shall be completed at the same time as the initial improvements to the entrance to the Project area located at SR 267. Parking stalls may double as designated winter chain-up area.

3.7 Regional Transit Contribution. Developer shall pay a "Regional Transit Contribution" as specified in Exhibit E.

3.8 EIR Mitigation Measures. Notwithstanding any other provision in this Agreement to the contrary, as and when Developer elects to develop the Property, Developer shall be bound by, and shall perform, all mitigation measures contained in the EIR and are identified in the MMRP adopted for the Project. The timing of performance of said mitigation measures shall be as identified in the MMRP. In the event this Agreement and the MMRP both address the timing of payment of fees, then the MMRP shall control.

3.9 Conditions of Approval. Notwithstanding any other provision in this Agreement to the contrary, as and when Developer elects to develop the Property, Developer shall be bound by, and shall perform, all conditions of approval for each of the Entitlements.

3.10 Transfer and Reduction in Residential Density and Transfer of Commercial Density. A material term of this Agreement is the transfer of residential development from the East Parcel to the West Parcel, and a reduction in the number of residential units authorized under the MVCP as adopted in 2003. A further material term of this agreement is the transfer of 6.6 acres of commercial development from the East Parcel to the West Parcel. Specifically, the Project results in the following amendments to the MVCP:

(1) The transfer of commercial development (maximum of 6.6 acres of commercial development – up to 34,500 square feet of commercial and up to 22,000 square feet of homeowner amenities) from east of SR 267 (East Parcel) to west of SR 267 in the vicinity of the Northstar Resort (West Parcel);

(2) The transfer of residential units from the East Parcel to the West Parcel, and the reduction in the maximum number of residential units, from 1,360 residential units authorized in the Martis Valley Community Plan, to 760 residential units under the MVWPSP (a reduction of 600 residential units), with the 760 residential units consisting of single family, townhomes, cabins, condominiums, and / or workforce housing, as set forth in Chapter 3 of the MVWPSP.

Developer understands and acknowledges that this transfer and reduction in development and preservation of the East Parcel as open space in perpetuity is an essential component of the County's willingness to enter into this Agreement. Therefore, permanent protection of the East Parcel is a material term of this Agreement. Developer acknowledges the materiality of this term,

and commits to the County that Developer will take no actions that threaten the permanent preservation of the East Parcel as open space. Failure to satisfy this obligation shall constitute a material breach of this Agreement and may be grounds, upon the discretion of the Board, to initiate termination proceedings pursuant to County Code Chapter 17, Article 17.58, Section 17.58.260.

3.11 East Parcel Preservation. Developer shall ensure the permanent protection of the East Parcel as open space. In order to memorialize this obligation, the County, in approving the Specific Plan, has designated the East Parcel "MVWSP" and zoned the East Parcel "TPZ". Developer represents and warrants that it has entered into an option agreement with a Conservation Organization for the sale of the East Parcel upon specified terms ("Option"). The Parties recognize that some time may be required for the Conservation Organization to secure the funding necessary to acquire the East Parcel. Accordingly, the sale of the land to a Conservation Organization shall occur on or before December 31, 2020. Prior to this date, Developer shall take no action inconsistent with the permanent preservation of the East Parcel as open space, so that the character of the East Parcel as open space is not materially diminished prior to the acquisition of the East Parcel by the Conservation Organization under the terms of the Option. If the sale has not occurred by December 31, 2020, then Developer shall record on the East Parcel a conservation easement ("conservation easement") that permanently prohibits commercial and/or residential development of the East Parcel. Said recordation shall occur within ninety (90) days of January 1, 2021. The conservation easement shall provide that its terms may be enforced by the County. The conservation easement shall be subject to review by County Counsel to confirm that the easement meets the requirements of this paragraph. Developer may request that the County extend the December 31, 2020, deadline, upon a showing that the extension will facilitate the sale of the East Parcel to a Conservation Organization. The County Executive Officer may, at his or her discretion, extend this deadline to a date certain, but not more than three years from the December 31, 2020 date (the "Extension Period"), upon finding that (1) as of the date of the request Developer has not taken actions that are inconsistent with the permanent protection of the East Parcel as open space, (2) the extension will not threaten the preservation of the East Parcel as permanent open space, and (3) the extension will facilitate the sale of the East Parcel to a Conservation Organization. A request to extend the December 31, 2020 date must be formally submitted by the Developer, together with written justification for said request no later than one hundred eighty (180) days before December 31, 2020. Failure to satisfy this deadline shall preclude the Developer from requesting such an extension. The County Executive Officer may, at his or her sole discretion, refer the extension request to the Board. If an extension is timely filed, the deadline by which to record a conservation easement shall be stayed until the County Executive Officer or Board takes final action on the extension request. If the County Executive Officer denies the request, then Developer may, at its discretion, appeal that decision to the Board; such an appeal shall be timely if filed not more than ten (10) days after notice of the County Executive Officer's decision. If the County Executive Officer or (following an appeal) the Board denies the request, then Developer shall record the conservation easement within ninety (90) days of the date of the denial. Other than as identified herein, no extensions of the deadline to file the conservation easement shall be granted. If the County Executive officer grants an extension of the deadline to record the conservation easement, shall be triggered ninety (90) days from the end date of the Extension Period.

3.12 Park and Recreation Facilities. Developer shall provide the park and recreation facilities in accordance with this Section 3.12:

3.12.1 The Placer County General Plan requires the Project develop and dedicate 8.75 acres of active parkland, 8.75 acres of passive recreation and 1.75 miles of recreational trail. In order to comply with these General Plan requirements, Developer shall provide the equivalent through the payment of a Park and Trail Fee and the construction of recreational facilities, and / or the conveyance of public recreational use rights on the East Parcel. These facilities include a public staging area, private recreation center for property owner use, and recreational trails. Parties agree that the value of compliance with the park and recreation General Plan requirements is calculated to be $5,051,635 (2015/16 dollars) as depicted in Exhibit C.

3.12.2 Park and Trail Fee. Developer shall pay a park and trail fee (Park and Trail Fee), upon the issuance of each residential building permit within the Project. The Park and Trail Fee shall be $1,236 per residential unit adjusted annually on any unpaid fees by the 20 Cities ENR Construction Cost Index. The Park and Trail Fee shall be kept in a trust account (Placer County Park Dedication Fee Area #1 account or other as established by the County). The Parties agree and acknowledge that the Park and Trail Fee identified herein is a negotiated amount that is intended to cover the Project's Park and Trail Fee obligation to benefit public park and trail facilities and features in the Martis Valley and North Tahoe Region.

The Park and Trail Fee specified in this section is predicated on the scheduled delivery of constructed amenities and dedications that provide credit against Park and Trail Fees that would otherwise be required as shown in Exhibit C. If, in the determination of the County, any or all of the creditable facilities, as described in Sections 3.12.3 and 3.12.5, are delayed or canceled in their delivery schedule, the County may adjust the Park and Trail Fee proportionately to ensure compliance with General Plan standards and/or provide reimbursable security in the event of delayed delivery. Alternatively, Developer and County may enter into deferred improvement agreement(s) to provide security for delayed improvements and/or dedications.

3.12.3 Public Staging Area. Prior to recordation of the first small lot final map, Developer shall deliver to the County an irrevocable offer of dedication in fee for the parcel that contains the Public Staging Area lot as shown on Exhibit F of this Agreement. A Record of Survey depicting the monumented boundaries of said Public Staging Area described in the recorded irrevocable offer of dedication in fee shall also be provided by the Developer prior to the recordation of the first small lot final map.

In conjunction with the improvement plans for the unit that constructs infrastructure to serve the 200th residential unit, Developer shall include full design, and permitting for construction of the Public Staging Area. Satisfaction of this requirement shall be evidenced by the signature of the Placer County Parks and Grounds Division on the improvement plans for the construction of the 200th residential unit.

Prior to acceptance of improvements for the unit that constructs infrastructure to serve the 200th residential unit, Developer shall complete construction of the Public Staging Area.

Satisfaction of this requirement shall be evidenced by the final sign off of improvements by the Placer County Parks Division.

3.12.4 Recreation Center and Private Trails. Prior to recordation of first small lot final map, Developer shall provide a delivery schedule, schematic layout and engineers estimate of the private Recreation Center and private Trail System, for review and reasonable approval of the County. The schedule shall show that the completion of phased portions of the Recreation Center and Trail System keep pace with the credit value of Park and Trail fees that would otherwise be paid as shown in Exhibit C. The delivery schedule shall include triggers for completion linked to the recordation of final map(s), or acceptance of improvements for improvement plans providing service to specified residential units. Once a delivery schedule and engineers report are accepted by the County, the triggers shall become binding. Following the completion of each triggered improvement, Developer may submit a revised schedule and engineer's estimate for review and approval by the County.

3.12.5 The County, in its sole discretion, may consider alternate or additional public or private recreation amenities for credit against Park and Trail Fees otherwise due if proposed by Developer. If alternate or additional recreation facilities are approved by the County, they shall be included in a revised delivery schedule and engineer's estimate and corresponding adjustment in the Park and Trail Fee schedule for review and approval by the County.

3.12.6 Ongoing Funding for Community Parks and Trails. Developer agrees to a fair share payment of ongoing maintenance and operation funding for public community recreation facilities within the region, both constructed by this Project and constructed by others. Developer shall form a new County Service Area Zone of Benefit or annex into the existing County Service Area 28 Zone of Benefit 194 (Zone 194). Prior to recordation of the first small lot final map, Developer agrees to cooperate in the successful annexation into Zone 194 or other ongoing funding mechanism approved by the County, which may include but is not limited to establishment of a Community Facilities District for Services or County Service Area.

Developer shall pay the entire cost of preparation of an Engineer's Report and election proceedings for the establishment of an ongoing funding mechanism. The Engineer's Report shall include the ongoing maintenance and operation costs of existing facilities included in Zone of Benefit 194, planned public recreation facilities within the Martis Valley/Northstar area identified by the Martis Valley Community Plan, and public facilities provided by this project including the Public Staging Area and East Side public recreation amenities.

Funds generated by Zone 194, or approved alternate source, shall be eligible for use in construction of planned regional public recreational facilities until such time as funds are needed for maintenance and operation of completed facilities.

3.12.7 For all privately owned and maintained recreation amenities receiving credit against Park and Trail Fees otherwise due, Developer shall include language in the Development Notebook and Covenants Conditions &Restrictions (CC&R's) stating that the amenities must be maintained in good working order for public and or private availability

without the payment of a commercial fee for use (other than standard property owners association dues) and that failure to maintain the facilities in good working order as prescribed and/or denial of prescribed access is considered a material breach of this Agreement and will require payment of in-lieu Park and Trail Fees or other remedy as approved by the County.

3.12.8 Entire Parkland, Passive Recreation, and Trail Obligation. The County agrees that the commitments contained in Section 3.12 fully satisfy Developer's General Plan, Quimby Act, and all other park obligations imposed by law for the dedication of park land and open space and for the improvement of such park lands and trails. To ensure that the full amount of passive recreation, park sites and trails are dedicated and funding provided for the benefit of future residents of the Specific Plan, Developer agrees that it shall not have any right to seek any subsequent reductions in the amount of Park and Trail Fees, active or passive park acreage or trails to be dedicated hereunder.

3.12.9 Acceptance of Irrevocable Offers of Dedication (IODs). Except as expressly provided for by this Agreement, all dedicated areas and any other property to be conveyed in fee or by easement to the County or other public agency pursuant to this Agreement shall be with good and marketable title, free of any liens, financial encumbrances, special taxes, environmental mitigation obligations, or other adverse interests of record. The dedicated areas may be subject to existing non-monetary easements and encumbrances, such as existing easements for below ground or above ground utilities or proposed emergency vehicle access, so long as such encumbrances do not materially interfere, as reasonably approved by the County or other Agency, with the intended use(s) for the dedicated area. The foregoing restriction on monetary encumbrances shall not preclude inclusion of such public property within a financing services district, so long as the levy or assessment authorized thereby is zero (0) while the property is used for public purposes.

Developer shall, for each such conveyance, provide to County or applicable other Agency, at Developer's expense, a current preliminary title report, a CLTA standard coverage title insurance policy in an amount specified by the grantee, and a Phase 1 site assessment for hazardous waste approved by the grantee. In the event the Phase 1 site assessment indicates the potential presence of any hazardous waste or substance, the grantee may require additional investigation be performed at Developer's expense. Developer shall bear all costs of providing good and marketable title consistent with the foregoing and of providing the property free of hazardous wastes or substances.

3.13 Road Maintenance and Snow Removal. Developer shall provide for permanent road maintenance and snow removal by (1) creating a Permanent Road Division to fund maintenance and snow removal to be performed by NCSD, or (2) another method approved by the County to provide for permanent road maintenance and snow removal prior to the recordation of first small lot final map. The mechanism to ensure road maintenance and snow removal shall be approved by the County prior to approval of implementation plans for Phase 0. Developer shall bear all the costs associated with the creation of a Permanent Road Division or other approved funding mechanism for maintenance and snow removal.

3.14 Homeowners' Association. In the event a proposed Homeowners' Association ("HOA") will perform any maintenance activities required by this Agreement, then Developer shall provide County Counsel with a copy of proposed conditions, covenants and restrictions ("CC&Rs"), and shall identify those responsibilities assigned to the HOA, so that the County can confirm that the CC&Rs are consistent with this Agreement reasonable consent shall not be withheld. Any such assignment shall be ineffective unless approved by the County. If any responsibilities are assigned to the HOA, then County approval of CC&Rs shall occur prior to approval of any final subdivision map on the Property creating a residential lot.

3.15 Disclosures to Subsequent Purchasers. This Agreement shall constitute notice to all successors to Developer hereunder, and to all subsequent purchasers of any lots, parcels and/or residential units within the Property, of all of the matters set forth herein. If Developer records any Property CC&Rs, such CC&Rs shall include disclosure of the existence of this Agreement and a summary of the material obligations contained herein.

3.16 Waiver. In consideration of the benefits received pursuant to this Agreement, Developer, on behalf of itself and its respective heirs, successors in interests and assigns, waives any and all causes of action which it might have under the ordinances of the County of Placer or the laws of the State of California or the United States with regard to any otherwise uncompensated or under-compensated conveyance or dedication of land or easements over the Property or improvements that are specifically provided for in this Agreement, that are required in conjunction with changes to this Agreement or the MVWPSP that are requested by Developer, or that are logically implied by this Agreement.

3.17 Community Facilities District – Project Infrastructure.

3.17.1 Formation. At the request of Developer, County may form one or more community facilities districts for the purpose of financing the acquisition of a portion or portions of the public infrastructure and facilities within the Specific Plan (an Infrastructure CFD). The infrastructure and facilities that may be constructed and/or acquired with Infrastructure CFD funds include, without limitation, public roads, water, sewer, drainage, public utilities, parks, open space and other such public facilities of the County located within the Project Area and/or required to serve development of the Project Area (CFD Improvements). Formation of an Infrastructure CFD shall be pursuant to and consistent with the requirements of this Agreement, applicable County policies, including the policies of the County Bond Screening Committee, and the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 et seq.).

3.17.1.1 Developer shall submit a comprehensive Finance Plan to County with their initial request to form and Infrastructure CFD.

3.17.2 Nothing in this Section 3.17 shall be construed to require Developer to form an Infrastructure CFD nor, if formed, to preclude the payment by an owner of any of the parcels within the Property to be included within the Infrastructure CFD of a cash amount equivalent to its proportionate share of costs for the CFD Improvements, or any portion thereof, prior to the issuance of bonds. Nothing in this Section 3.17 shall be construed to require County

to form an Infrastructure CFD if County determines formation would not be consistent with applicable County policies or, in its sole discretion, prudent public fiscal practice.

3.17.3 Concurrent with any formation of the Infrastructure CFD, Developer and County shall enter into a shortfall and acquisition agreement, in form and substance acceptable to County, whereby Developer shall covenant to finance the costs of the CFD Improvements then required to be installed pursuant to the terms of this Agreement and the Entitlements, to the extent that the bonds issued by the CFD do not provide sufficient funding for the completion of such improvements. To the extent permitted by and consistent with statute, including without limitation, Government Code Section 53313.51, the acquisition agreement may, if agreed to by County in its sole discretion, include provisions to permit payments for discrete portions of improvements during construction of any CFD Improvements that have been accepted by County and are capable of serviceable use and to permit payments for discrete portions or phases of the partially completed improvement, as the costs thereof are incurred by Developer and confirmed by County.

3.17.4 Nothing herein shall be construed to limit Developer's option to install the CFD Improvements through the use of traditional assessment districts or private financing.

3.17.5 Effect of CFD Financing on Credits and Reimbursements. Wherever the terms of this Agreement provide for (a) credits or (b) reimbursements to Developer for construction of certain improvements, and such improvements are financed by the Infrastructure CFD, at the request of Developer (i) Developer shall receive credits against the applicable impact fees, based on the amount of financing provided for the improvements by the Infrastructure CFD that would otherwise have been funded by such fees up to, but not in excess of, the amount that will be funded by such fees by the properties within the Infrastructure CFD or (ii) the amount of the fees otherwise applicable to such improvements for the Property shall be adjusted as necessary to reflect the funding of such improvements by the Infrastructure CFD.

Alternatively, Developer may request that Infrastructure CFD funds be used to acquire facilities not included for financing by any fee program. To preserve Developer's right to receive reimbursement for the share of any costs of improvements that benefit properties outside of the Infrastructure CFD, Developer may request that acquisition by CFD funds of any facilities included for financing by a fee program not exceed the amount of such fees that would otherwise be payable by Developers' Property within the Infrastructure CFD.

3.17.6 Effect of CFD Financing on Required Security. If and to the extent proceeds from CFD special taxes and/or bond sales are available to fund the acquisition and construction of Phase 0, then upon request of Developer, the County shall consider reserving and sequestering the available CFD funds for the acquisition and construction of the foregoing improvements in the amount and for the improvements as designated by Developer in such request, and said funds may then be credited against Developer's obligation to post security acceptable to the County to assure completion of such designated improvements.

3.18 County Services Areas – Services

3.18.1 Formation. If required by the County, in addition or as an alternative to a Services CFD, prior to the approval for recordation of the first small lot final subdivision map within any portion of the Specific Plan, Developer consents to the formation of a County service area (CSA) to include the Property. Developer consents to the imposition of such assessments, fees and charges as may be necessary in order to provide the funds for services as described in this Agreement, or any other service that may be allowed by law to be funded through a County service area, in amounts consistent with this Agreement. For the purposes of Article XIIID of the California Constitution, Developer acknowledges hereby that all the services described herein to be provided by the CSA will provide a special benefit to the Property as defined by said Article. Anticipated CSAs will be formed for: Transit services, Parks / Trail Maintenance, Water Quality, Fire and Emergency services as may be necessary, and road maintenance (permanent road division).

3.18.2 Additional CSAs/Zones of Benefit or Services Community Facilities District. The County may require the formation of more than one CSA, and a CSA may be divided as necessary into zones of benefit among which the amount of assessment, fee or charge may vary. The County may also chose to require the formation of a Community Facilities District for services as allowed by law.

3.18.3 Waiver of Protest. Developer agrees, on behalf of itself and its successors in interest and subsequent homeowners' or similar associations, that Developer and its successors will participate in and will not protest the formation of a CSA or other similar such financing mechanism as may be required by the County to establish and collect funds through assessment or other means for the described services, and that they waive any and all rights to protest formation and continued assessment pursuant to the Majority Protest Act of 1931 (Streets and Highways Code, § 2800 et seq.) or any similar statute or constitutional provision whether currently existing or hereafter adopted, including but not limited to any provisions of California Constitution Article XIIIC; provided, however, such participation and waiver shall apply only as to the individual property owner's fair share of the services costs to be shared by all Developers within the Specific Plan.

3.18.4 Amount of Assessment, Charge or Fee. Developer acknowledges that the Placer County General Plan requires that new development must pay the cost of providing public services that are needed to serve new development, and that but for Developer's agreement to fund the necessary levels of service to the Project, County would not have approved the Entitlements. Developer concurs that the nature of the Project will create new demands on County services and require services and service levels that the County has not previously provided to residents of County at this location. Developer further acknowledges that County has limited resources to fund such services from existing and future ad valorem property tax revenues and that additional funding will be required to maintain levels of service acceptable to County, although the exact amount of such additional funding is not certain at this time. Developer further acknowledges that it is County's objective that new services required by approval of the Specific Plan will not adversely impact the County's general fund obligations or

fiscal revenues from existing and future ad valorem property taxes. In association with the formation of a CSA, Developer agrees to an assessment amount that is sufficient to provide funding for the levels of services ultimately required by County.

3.18.5 Public Parcel Exclusion. Developer expressly agrees that any lot or parcel conveyed or to be conveyed to the County or to another public agency or entity shall be excluded from any assessment imposed by the CSA so long as such parcels remain in public ownership, and acknowledges that such parcels do not and will not receive a special benefit from the CSA.

3.18.6. Formation of Zone of Benefit for Regional Transit Contribution. In order to meet its obligations as set forth in Exhibit E, Developer shall form a Zone of Benefit or annex into an existing Zone of Benefit, if one has already been formed, for participation in the Regional Transit Contribution program. Said formation or annexation shall be required prior to approval of the first small lot final tentative map. The Regional Transit Contribution is further described in Exhibit E.

ARTICLE 4. COUNTY OBLIGATIONS

4.1 County Cooperation. County shall work in good faith and in a reasonably timely manner with Developer, as it applies to County for permits that may be required by County and, to the extent applicable, other public, state and federal agencies. In the event State or Federal laws or regulations enacted after the Effective Date of this Agreement or action of any governmental jurisdiction other than the County prevents or precludes compliance with one or more provisions of this Agreement, or requires material modification of the Entitlements, Developer shall notify County in writing of the anticipated duration of any delay caused thereby, and, provided any such delay is not the fault of Developer, the parties agree that the provisions of this Agreement, except Sections 3.10 and 3.11, shall be extended as may be reasonably necessary to comply with such new State and Federal laws or regulations or the regulations of the other governmental jurisdictions. County acknowledges the potential applicability of Government Code section 65457, Public Resources Code section 21083.3, and other statutes and regulations that may serve to streamline supplemental review of later discretionary approvals. The County shall in good faith consider the applicability of such devices when performing such review so as to streamline any future environmental review that may be required.

4.2 Applications for Permits and Entitlements.

4 2.1 Action by County. County agrees that it will accept, in good faith, for processing, review and action, all applications for development permits or other entitlements for use of the Property in accordance with the Entitlements and this Agreement, and shall exercise its best efforts to act upon such applications in an expeditious manner. Accordingly, to the extent that the applications and submittals are in conformity with the Entitlements, Applicable Rules and this Agreement and adequate funding by Developer exists therefor, County agrees to diligently and promptly accept, review and take action on all subsequent applications and submittals made to County by Developer in furtherance of the Project. Similarly, County shall promptly and diligently review and approve improvement plans, conduct construction inspections and accept completed facilities.

4.2.2 Review and Approval of Improvement Plans. Building Permits, Final Maps and Inspections. Timely review and approval of final subdivision maps, improvement plans, and building permits, and inspection of constructed facilities and residential and non-residential dwellings is important in achieving the success of the Project. To assure these services will be provided to the Project on a timely basis, if Developer so requests, Developer and County may enter into a separate agreement on mutually agreeable terms that will establish the time periods for timely review, approval and inspections by County and the commitment of Developer to pay all costs incurred by County to provide such timely review, approval and inspections. Unless such an agreement is entered into, nothing in this Agreement shall be construed to otherwise require County to hire or retain personnel for the purposes of evaluating, processing or reviewing applications for permits, maps or other entitlements or for the design, engineering or construction of public facilities in excess of those for which provision is made in the normal and customary budgeting process or fee schedules of County.

4.2.3 Maps and Permits. Provided that Developer is in full compliance with the conditions of approval and the terms of this Agreement, County shall not refrain from approving subdivision final maps nor shall it cease to issue building permits, certificates of occupancy or final inspections for development of the Property that is consistent with the Entitlements and applicable County ordinances and provisions of the Subdivision Map Act. Pursuant to the provisions of Government Code Section 66452.6(a), the term of any tentative subdivision map approved by the County for the Property is hereby extended to be co-terminus with the Term of this Agreement. For maps approved subsequent to the Entitlements and the Effective Date, the term of said maps shall not extend beyond the Term of this Agreement and any extension thereto.

4.3 Waiver of Protest Rights. In conjunction with any proceedings creating an assessment district or other applicable financing mechanism for which provision is made in this Agreement, Developer, on behalf of itself and its successors in interest, waives herewith any right to protest that it may have.

4.4 NCSD. The Parties contemplate that the MVWPSP will be annexed into the NCSD, and that the NCSD will provide services to the MVWPSP comparable to those provided to NCSD's existing service area. As part of the annexation process, the County and NCSD will have to reach agreement regarding an appropriate division of property tax revenue in order to achieve revenue neutrality. The County agrees to negotiate in good faith with NCSD, but does not guarantee an agreement will be reached to share property tax revenues. . Developer shall cooperate with the County and NCSD as necessary in those negotiations.

ARTICLE 5. DEFAULT, REMEDIES, TERMINATION

5.1 General Provisions. Subject to extensions of time by mutual consent in writing, failure or unreasonable delay by either party to perform any term or provisions of this Agreement shall constitute a default. In the event of alleged default or breach of any term or condition of this Agreement, the party alleging such default or breach shall give the other party not less than thirty (30) days' notice in writing specifying the nature of the alleged default and the manner in

which said default may be satisfactorily cured during any such thirty (30) day period, the party charged shall not be considered in default for purposes of termination or institution of legal proceedings or for purposes of cessation of processing, approving and/or issuing any building permits, subdivision maps, or other approval required in order to proceed with the Project.

After notice and expiration of the thirty (30) day period, the other party to this Agreement at its option may institute legal proceedings pursuant to this Agreement or give notice of intent to terminate this Agreement pursuant to California Government Code Section 65868 and regulations of County implementing said Government Code Section. Following notice of intent to terminate, the matter shall be scheduled for consideration and review by the Board within thirty (30) calendar days in the manner set forth in Government Code Sections 65865, 65867 and 65868 and County Code Chapter 17, Article 17.58, Section 17.58.260.

Following consideration of the evidence presented in said review before the Board, either party alleging the default by the other party may give written notice of termination of this Agreement to the other party.

Evidence of default may also arise in the course of a regularly scheduled periodic review of this Agreement pursuant to Government Code Section 65865.1. If either party determines that the other party is in default following the completion of the normally scheduled periodic review, said party may give written notice of default of this Agreement as set forth in this Section, specifying in said notice the alleged nature of the default, and potential actions to cure said default and shall specify a reasonable period of time in which such default is to be cured. If the alleged default is not cured within thirty (30) days or within such longer period specified in the notice, or if the defaulting party waives its right to cure such alleged default, the other party may terminate this Agreement pursuant to the procedures for such termination identified herein.

5.2 Annual Review. County shall, at least every twelve (12) months during the Term of this Agreement, review the extent of good faith substantial compliance by Developer with the terms of this Agreement. Such periodic review shall be limited in scope to compliance with the terms of this Agreement pursuant to Section 65865.1 of the Government Code, Section 17.58.250 of Chapter 17, Article 17.58 of the County Code and the monitoring of mitigation in accordance with Section 21081.6 of the Public Resources Code of the State of California. Notice of such annual review shall include the statement that any review of obligations of Developer as set forth in this Agreement may result in termination of this Agreement. A finding by County of good faith compliance by Developer with the terms of this Agreement shall be conclusive with respect to the performance of Developer during the period preceding the review. Developer shall be responsible for the cost reasonably and directly incurred by the County to conduct such annual review, the payment of which shall be due within thirty (30) days after conclusion of the review and receipt from the County of the bill for such costs.

Upon not less than thirty (30) days written notice by the County, Developer shall provide such information as may be reasonably requested and deemed to be required by the Planning Director in order to ascertain compliance with this Agreement.

In the same manner prescribed in Article 7, the County shall deposit in the mail to Developer a copy of all staff reports and related exhibits concerning contract performance and, to the extent practical, at least ten (10) calendar days prior to any such periodic review. Developer shall be permitted an opportunity to be heard orally or in writing regarding its performance under this Agreement before the Board, or if the matter is referred to the Planning Commission, before the Planning Commission.

If the County takes no action within thirty (30) days following the hearing required under this Section 5.2, Developer shall be deemed to have complied in good faith with the provisions of this Agreement.

5.3 Remedies Upon Default by Developer. No building permits, subdivision maps or other approvals shall be granted or issued or applications for such approvals be accepted for any improvement to or structure on the Property if the applicant for the approval owns and controls any property subject to this Agreement, and if such applicant or entity or person controlling such applicant is in default of the terms of this Agreement.

5.4 Permitted Delay, Extension of Times of Performance. In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or default are due to war, insurrection, strikes, walkouts, riots, floods, drought, earthquakes, fires, casualties, acts of God, acts of terrorism, governmental restrictions imposed or mandated by other governmental entities, enactment of conflicting state of federal laws or regulations, new or supplementary environmental regulation, litigation, or similar bases for excused performance ("Permitted Delay"). If written notice of such delay is given to County within thirty (30) days of the commencement of such delay, an extension of time for such cause shall be granted in writing for the period of the Permitted Delay, or longer as may be mutually agreed upon.

5.4.1 Permitted Extensions by County. In addition to any extensions to the time for performance of any obligation due to a Permitted Delay, the County, in its sole discretion (acting through the County Executive Officer or designee) may extend the time for performance by Developer of any obligation hereunder, with the exception of Sections 3.10 and 3.11. Any such extension shall not require an amendment to this Agreement, so long as such extension only involves the time for performance thereof and does not change the obligations to be performed by Developer as a condition of such extension.

5.5 Legal Action: No Obligation to Develop. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation, provided. however, that the Developer, its successors and assigns hereby waive any and all claims for monetary damages against County arising out of this Agreement at any time, except for monetary claims for any refunds of any credits or payments of any reimbursements otherwise payable to Developer hereunder. All legal actions shall be initiated in either the Superior Court of the County of Placer or County of Sacramento, State of California, or in the Federal District Court in the Eastern District of California.

By entering this Agreement, Developer shall not be obligated to develop the Property, and, unless Developer seeks to develop the Property, Developer shall not be obligated to install or pay for the costs to install any infrastructure, or Public Facilities, or to otherwise perform any obligation under this Agreement with the exception of Sections 3.10 and 3.11.

5.6 Effect of Termination. If this Agreement is terminated following any event of default of Developer or for any other reason, such termination shall not affect the validity of any building or improvement within the Property which is completed as of the date of termination, provided that such building or improvement has been constructed pursuant to a building permit issued by the County. Furthermore, no termination of this Agreement shall prevent Developer from completing and occupying any building or other improvement authorized pursuant to a valid building permit previously issued by the County that is under construction at the time of termination, provided that any such building or improvement is completed in accordance with aid building permit in effect at the time of such termination.

5.7 Applicable Law and Attorneys' Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by either party for breach of this Agreement, or to enforce any provisions herein, the prevailing party to such action shall be entitled to reasonable attorneys' fees, court costs and such other costs as may be fixed by the Court.

ARTICLE 6. HOLD HARMLESS AND COOPERATION

6.1 Hold Harmless. Developer and its successors-in-interest and assigns, hereby agrees to, and shall defend and hold County, its elective and appointive boards, commissions, officers, agents, and employees harmless from any costs, expenses, damages, liability for damages or claims of damage for personal injury, or bodily injury including death, as well as from claims for property damage which may arise from the operations of Developer, or of Developer's contractors, subcontractors, agents, or employees under this Agreement, whether such operations be by Developer, or by any of Developer's contractors or subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Developer or Developer's contractors or subcontractors, unless such damage or claim arises from the negligence or willful misconduct of County. The foregoing indemnity obligation of Developer shall not apply to any liability for damage or claims for damage with respect to any damage to or use of any public improvements after the completion and acceptance thereof by County.

In addition to the foregoing indemnity obligation, Developer agrees to and shall defend, indemnify and hold County, its elective and appointive boards, commissions, officers, agents and employees harmless from any and all lawsuits, claims, challenges, damages, expenses, costs, including attorney's fees that may be awarded by a court, or in any actions at law or in equity arising out of or related to the processing, approval, execution, adoption or implementation of the Project, the Entitlements, this Agreement, or the environmental documentation and process associated with the same, exclusive of any such actions brought by Developer, its successors-in-interests or assigns. The County shall retain the right to appear in and defend any such action or lawsuit on its own behalf regardless of any tender under this provision. Upon request of County, Developer shall execute an indemnification agreement in a form approved by County Counsel.

6.2 Cooperation in the Event of Legal Challenge. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the parties hereby agree to cooperate in defending said action.

ARTICLE 7. GENERAL

7.1 Enforceability. The County agrees that unless this Agreement is amended or canceled pursuant to the provisions of this Agreement and the Adopting Ordinance, this Agreement shall be enforceable according to its terms by any party hereto notwithstanding any change hereafter in any applicable general plan, specific plan, zoning ordinance, subdivision ordinance or building regulation adopted by County, or by initiative, which changes, alters or amends the rules, regulations and policies applicable to the development of the Property at the time of approval of this Agreement, as provided by Government Code Section 65866.

7.2 County Finding. The County hereby finds and determines that execution of this Agreement is in the best interest of the public health, safety and general welfare and is consistent with the Placer County General Plan and the MVCP.

7.3 Third-Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of Developer and County and their successors and assigns. No other person shall have any right of action based upon any provision in this Agreement.

7.4 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the subject project is a private development. No partnership, joint venture or other association of any kind is formed by this Agreement.

7.5 Notices. All notices required by this Agreement, the enabling legislation, or the procedure adopted pursuant to Government Code Section 65865, shall be in writing and delivered in person or sent by certified mail, postage prepaid.

Notice required to be given to the County shall be addressed as follows:

Director, Community Development Resources Agency
County of Placer
3091 County Center Drive
Auburn, CA 95603

With a copy to:

County Executive Officer
County Counsel
County of Placer
175 Fulweiler Ave.
Auburn, CA 95603

Notice required to be given to Developer shall be addressed as follows:

MVWP Development LLC
Attn: Kurt Krieg
PO Box 2537
Truckee, CA 96160

Sierra Pacific Industries, Inc.
Attn: Gary Blanc, Land Planning
P.O. Box 496014
Redding, CA 96049-6028

With a copy to:
Sherman and Howard
Attn: Rebecca Fischer
633 17th Street, Suite 3000
Denver, Colorado 80202

Any of the parties may change the address stated herein by giving notice in writing to the other parties, and, thereafter, notices shall be addressed and delivered to the new address.

7.6 Severability. Except as set forth herein, if any term, covenant or condition of this Agreement or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons, entities or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law; provided, however, if any provision of this Agreement is determined to be invalid or unenforceable and the effect thereof is to deprive a party hereto of an essential benefit of its bargain hereunder, then such party so deprived shall have the option to terminate this entire Agreement from and after such determination.

7.7 Construction. This Agreement shall be subject to and construed in accordance and harmony with the Placer County Code, as it may be amended, provided that such amendments do not impair the rights granted to the parties by this Agreement.

7.8 Other Necessary Acts. Each party shall execute and deliver to the other all such other further instruments and documents as may be reasonably necessary to carry out this Agreement in order to provide and secure to the other party the full and complete enjoyment of its rights and privileges hereunder.

7.9 Estoppel Certificate. Either party may, at any time, and from time to time, deliver written notice to the other party requesting such party to certify in writing that, to the knowledge of the certifying party, (i) this Agreement is in full force and effect and a binding obligation of the parties, (ii) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (iii) the requesting party is not in default in the

performance of its obligations under this Agreement, or if in default, to describe therein the nature of such default. The party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof. County acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees of Developer.

7.10 Mortgagee Protection. The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property, except as limited by the provisions of this Section. County acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Developer and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. County will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any lender or other such entity (a "Mortgagee") that obtains a mortgage or deed of trust against the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee has submitted a request in writing to County in the manner specified herein for giving notices, may request to receive written notification from County of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) . If County receives a timely request from a Mortgagee requesting a copy of any notice of default given to Developer under the terms of this Agreement, County shall provide a copy of that notice to the Mortgagee within thirty-one (31) days of sending the notice of default to Developer. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed to Developer under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, by any means, whether pursuant to foreclosure of the mortgage deed .of trust, or deed in lieu of such foreclosure or otherwise, shall take the Property, or part thereof, subject to the terms of this Agreement. Provided, however, notwithstanding anything to the contrary above, any Mortgagee, or the successors or assigns of such Mortgagee, who becomes an owner of the Property through foreclosure shall not be obligated to pay any fees or construct or complete the construction of any improvements, unless such owner desires to continue development of the Property consistent with this Agreement and the Entitlements, in which case the owner by foreclosure shall assume the obligations of Developer hereunder in a form acceptable to the County.

(e) The foregoing limitation on Mortgagees and owners by foreclosure shall not restrict County's ability pursuant to Section 7.1 of this Agreement to specifically enforce against such Mortgagees or owners any dedication requirements under this Agreement or under any conditions of any other Entitlements.

7.11 Assignment. From and after recordation of this Agreement against the Property, Developer, and Developer's successors in interest, shall have the full right to assign this Agreement as to the Property, or any portion thereof, in connection with any sale, transfer or conveyance thereof, and upon the express written assignment by Developer, or its successors in interest, as applicable, and assumption by the assignee of such assignment in the form attached hereto as Exhibit G, and the conveyance of Developer's interest in the Property related thereto, Developer shall, subject to the County's approval which will not to be unreasonably withheld, conditioned, or delayed, be released from any further liability or obligation hereunder related to the portion of the Property so conveyed and the assignee shall be deemed to be the Developer, with all rights and obligations related thereto, with respect to such conveyed property. Developer shall remain subject the Agreement for the Portion of the Property that is not so assigned.

As set forth in Section 3.11, the parties contemplate that either the East Parcel will be sold to a Conservation Organization, or a conservation easement will be recorded on the East Parcel. In either event, the East Parcel shall remain undeveloped open space. If the East Parcel is sold in fee to a Conservation Organization, the County may, upon notice from said Conservation Organization of close of escrow and recordation of title in that Conservation Organization, release the Conservation Organization from the obligations of this Development Agreement as to the East parcel. The County may deny said release if there are not sufficient written legal assurances of conservation of the East Parcel as open space in perpetuity.

7.12 Entire Agreement. This Agreement, inclusive of its Recitals and Exhibits, constitutes the entire understanding and agreement of the parties. This Agreement may be signed in identical counterparts, and the signature pages and consents, together with appropriate acknowledgments, may be removed from the counterparts and attached to a single counterpart, which shall all be considered a fully-executed original for all persons and for purposes of recordation hereof.

IN WITNESS WHEREOF, the County of Placer, a political subdivision of the State of California, has authorized the execution of this Agreement by its Chair, and attested to by the Board Clerk under the authority of Ordinance No. 16-_____ adopted by the Board of Supervisors on the ____, 2016.

For County:

COUNTY OF PLACER:

By: _____
Robert Weygandt
Chair, Board of Supervisors

ATTEST:

By: _____

Board Clerk

APPROVED AS TO FORM:

By: _____
Karin E. Schwab
Senior Deputy County Counsel

For Developer:

MVWP DEVELOPMENT LLC, A DELAWARE LIMITED LIABILITY COMPANY

By: MVWP Investors LLC, a Delaware limited liability company, its manager

By: Mountainside Partners LLC, a Delaware limited liability company, its manager

By: _____

Name: Blake L. Ring

Title: VP

SIERRA PACIFIC INDUSTRIES, A CALIFORNIA CORPORATION

By: _____
Name: M.D. Emerson
Title: Chief Financial Officer

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

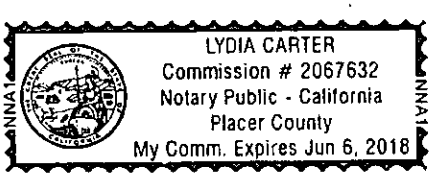
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
)
)
County of Placer)

On 10/3/16 *Date* before me, Lydia Carter, Notary Public *Here Insert Name and Title of the Officer*

personally appeared Blake Riva *Name(s) of Signer(s)*

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 _____ *Signature of Notary Public*

(Seal)

For County:

COUNTY OF PLACER:

By: _____
Robert Weygandt
Chair, Board of Supervisors

ATTEST:

By: _____

Board Clerk

APPROVED AS TO FORM:

By: _____
Karin E. Schwab
Senior Deputy County Counsel

For Developer:

MVWP DEVELOPMENT LLC, A DELAWARE LIMITED LIABILITY COMPANY

By: MVWP Investors LLC, a Delaware limited liability company, its manager

By: Mountainside Partners LLC, a Delaware limited liability company, its manager

By: _____

Name: _____

Title: _____

SIERRA PACIFIC INDUSTRIES, A CALIFORNIA CORPORATION

By: _____
Name: M.D. Emerson
Title: Chief Financial Officer

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 Shasta)

On Sept. 29, 2016 before me, Susan E. Witherspoon, Notary Public.
Date *Here Insert Name and Title of the Officer*

personally appeared M. D. Emmerson
Name(s) of Signer(s)

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.

SUSAN E. WITHERSPOON
COMM. NO. 2089237
NOTARY PUBLIC - CALIFORNIA
SHASTA COUNTY
MY COMMISSION EXPIRES
NOVEMBER 21, 2018

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 Susan E. Witherspoon
Signature of Notary Public

(Seal)

LIST OF EXHIBITS AND ATTACHMENTS

A Legal description of property

B Figuring showing the property and location of "East Parcel" and "West Parcel," and showing the portions of the East Parcel that are not part of this Agreement (Nevada County and Tahoe Basin portions)

C Parks and Recreation

D Workforce Housing

E Regional Transit Contribution

F Public Staging Area

G Form of Development Agreement Assignment

Exhibit A
Legal description of property

THE LAND REFERRED TO IS SITUATED IN THE COUNTY OF PLACER, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

A portion of the Southeast 1/4 of Section 4, Township 16 North, Range 17 East, M.D.B. & M., and a portion of the North 1/2 of Section 9, Township 16 North, Range 17 East, M.D.B. & M., as described in the Deed to Sierra Pacific Industries in Book 3747, Page 323, Official Records, described as follows:

COMMENCING at the West 1/4 corner of Section 9, Township 16 North, Range 17 East, M.D.B.& M. Thence northerly along the West line of Section 9 a distance of 549.02 feet to the TRUE POINT OF BEGINNING. Said Point of Beginning is located on the boundary of said Sierra Pacific Industries parcel described in said Book 3747, Page 323, Official Records of Placer County.

Thence along said Sierra Pacific Boundary, the following seven (7) courses:

1. Northerly along the West line of said Section 9 to the Northwest corner of said Section 9, said point also being the Southwest corner of said Section 4;

2. Leaving said West line of said Section 9 and continuing northerly along the West line of said Section 4, to the Northwest corner of the Southwest 1/4 of said Section 4;

3. Leaving said West line of Section 4 and continuing easterly along the North line of said Southwest 1/4 of Section 4 to the Northeast corner of said Southwest 1/4 of Section 4;

4. Leaving said North line of the Southwest 1/4 of Section 4 and continuing northerly along the East line of the Southeast 1/4 of the Northwest 1/4 of said Section 4 to the Northeast corner of the Southeast 1/4 of the Northwest 1/4 of said Section 4;

5. Leaving said East line of the Southeast 1/4 of the Northwest 1/4 of Section 4 and continuing westerly along the South line of the North 1/2 of the Northwest 1/4 of said Section 4 to the Southwest corner of the North 1/2 of the Northwest 1/4 of said Section 4;

6. Leaving said South line of the North 1/2 of the Northwest 1/4 of Section 4 and continuing northerly along the West line of said Section 4 to the Northwest corner of said Section 4;

7. Leaving said West line of Section 4 and continuing easterly along the North line of said Section 4 to a point on the southerly right of way of California State Route No. 267 (SR 267) as shown on State of California Business, Transportation and Housing Agency, Department of Transportation Record Map EA:R-0e9990 (distances shown on said Map are modified to ground distances hereon);

Thence leaving said Sierra Pacific Industries Boundary, along said southerly right of way the following eleven (11) courses:

1. South 66°47'19" East a distance of 179.62 feet, more or less to the West end of a line as shown on record map EA:R-0e9990 as "N74°15'24"W 134.79 FT;

2. Continuing along said southerly right of way South 74°15'24" East a distance of 134.85 feet;

3. Along a non-tangent curve to the left having a radial bearing of South 21°02'50" West, along the arc of a 3540.00 radius curve, an arc distance of 410.50 feet, having a central angle of 6°38'38";

4. South 75°35'49" East a distance of 144.14 feet;

5. South 69°53'11" East a distance of 100.50 feet;

6. South 75°35'49" East a distance of 375.01 feet;

7. South 81°28'13" East a distance of 127.54 feet;

8. Along a non-tangent curve to the left, having a radial bearing of South 11°38'51" West, along the arc of a 2640.00 radius, an arc distance of 407.91 feet, having a central angle of 8°51'10";

9. South 87°12'19" East a distance of 1082.97 feet;

10. Along a tangent curve to the right, along the arc of a 3460.00 radius, an arc distance of 483.11 feet, having a central angle of 8°00'00";

11. South 79°12'19" East a distance of 394.54 feet;

Thence leaving said right of way, along the following twenty-two (22) courses:

1. South 15°16'22" West a distance of 1169.48 feet;

2. South 71°11'24" West a distance of 2686.02 feet;

3. South 36°15'26" East a distance of 934.76 feet;

4. South 09°59'19" East a distance of 738.72 feet;

5. South 53°58'15" East a distance of 751.36 feet;

6. North 88°49'54" East a distance of 942.33 feet to a point that bears South 88°49'54" West a distance of 114.69 feet from a point on the East section line of said Section 4; said point on said East section line bears North 00°55'39" West a distance of 657.89 feet (cited as North 00°59'03" West a distance of 664.81 feet in Document No. 97-0028105) from the Southeast Corner of said Section 4;

7. South 53°25'02" West a distance of 347.10 feet;

8. South 25°51'42" West a distance of 518.50 feet;

9. South 16°53'44" West a distance of 373.10 feet;

10. South 23°41'00" West a distance of 282.63 feet;

11. South 32°38'06" West a distance of 526.86 feet;

12. South 41°55'17" West a distance of 522.18 feet;

13. South 49°52'54" West a distance of 709.36 feet;

14. North 78°50'18" West a distance of 206.21 feet;

15. South 79°13'35" West a distance of 378.26 feet;

16. South 64°20'17" West a distance of 359.34 feet;

17. South 53°07'30" West a distance of 331.48 feet;

18. South 75°41'28" West a distance of 354.99 feet;

19. North 83°31'15" West a distance of 305.04 feet;

20. North 81°30'01" West a distance of 565.40 feet;

21. South 85°56'35" West a distance of 555.54 feet;

22. South 83°56'24" West a distance of 319.71 feet,

To the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM rights of the public as to any portion of the land lying within the area known as Martis Peak Road.

Basis of Bearings:

The basis of bearing is identical to that of Record of Survey No. 1665 filed in Book 13 of Surveys, Page 26, Official Records of Placer County, California and is stated thereon as being California Coordinate System, Zone 2.

Said land is also shown as Resultant Parcel A on that certain Resolution to Approve Minor Boundary Line Adjustment No. PLN15-00086 recorded November 2, 2015, Instrument No. 2015-0094971, Official Records.

PARCEL TWO:

A portion of Sections 3 and 4, Township 16 North, Range 17 East, M.D.B. & M. and the South 1/2 of the South X of Section 34, Township 17 North, Range 17 East, M.D.B. & M., as described in the Deeds to Sierra Pacific Industries in Book 3747, Page 323, Official Records, and Document No. 97-0028105, Official Records, described as follows:

BEGINNING at a point on the southerly line of said Deed to Sierra Pacific Industries described in Book 3747, Page 323, Official Records of Placer County being also a point on the West line of Section 3, Township 16 North, Range 17 East, M.D.B.& M., said point also being the Northwest corner of the South 1/2 of the South 1/2 of the South X of Section 3, Township 16 North, Range 17 East, M.D.B.& M. as shown on Record of Survey No. 1665 filed in Book 13 of Surveys, Page 26, Official Records of Placer County, California. Said point bears North 00°55'39" West a distance of 657.89 feet from the Southwest corner of said Section 3. Said point also being on a ridgeline;

Thence along the Sierra Pacific Industries Boundary per Document No. 97-0028105, the following twenty-seven (27) courses:

1. Along ridgeline North 88°49'54" East a distance of 277.10 feet to the Southwest corner of "Tract 1", as described in said Document No. 97-0028105 and shown on said Record of Survey No. 1665;

2. Along the northern line of said "Tract 1" being the southerly boundary of said Sierra Pacific Industries parcel, along ridgeline North 32°34'01" East a distance of 271.46 feet;

3. Along ridgeline North 11°52'13" East a distance of 334.68 feet;

4. Along ridgeline South 87°16'05" East a distance of 366.76 feet;

5. Along ridgeline North 79°45'29" East a distance of 290.30 feet;

6. Along ridgeline North 85°41'15" East a distance of 339.04 feet;

7. Along ridgeline South 78°15'56" East a distance of 346.69 feet;

8. Along ridgeline South 75°09'11" East a distance of 355.95 feet;

9. Along ridgeline South 76°48'48" East a distance of 358.27 feet;

10. Along ridgeline North 65°26'30" East a distance of 211.21 feet;

11. Along ridgeline North 71°10'46" East a distance of 311.62 feet;

12. Along ridgeline North 51°39'44" East a distance of 307.97 feet;

13. Leaving said ridgeline South 52°06'57" East a distance of 638.74 feet;

14. North 41°11'26" East a distance of 185.78 feet;

15. North 84°38'43" East a distance of 309.73 feet to the western right of way of California State Route 267, as shown on said Record of Survey No. 1665;

16. North 84°38'43" East a distance of 104.09 feet to the eastern right of way of said State Route 267, as shown on said Record of Survey No. 1665;

17. Thence along said eastern right of way, along a non-tangent curve to the right having a radial bearing of North 52°56'32" East, a radius of 949.99 feet, an arc length of 328.78 feet and an internal angle of 19°49'47", to a point at an intersection of said State Route 267 and said Sierra Pacific Industries Boundary. Said point also being on a ridgeline;

18. Along said ridgeline North 79°06'57" East a distance of 359.27 feet, as shown on said Record of Survey No. 1665;

19. Along said ridgeline North 79°12'30" East a distance of 306.92 feet;

20. Along said ridgeline North 60°50'45" East a distance of 291.81 feet;

21. Along said ridgeline North 43°33'27" East a distance of 256.88 feet (cited as 256.80 feet in Document No. 97-0028105) to a point on the East line of said Section 3, as shown on said Record of Survey No. 1665;

22. Along said East line of Section 3 North 00°59'03" West a distance of 793.59 feet to the East 1/4 corner of said Section 3, as shown on said Record of Survey No. 1665;

23. Continuing along the East line of Section 3 North 00°49'28" East a distance of 2684.17 feet to the Northeast corner of said Section 3, as shown on Record of Survey No. 1279 filed in Book 10 of Surveys, Page 146, Official Records of Placer County (bearing being rotated to the Basis of Bearing described herein). Said Northeast corner also being the Southeast corner of Section 34, Township 17 North, Range 17 East, M.D.B.& M.;

24. Continuing northerly along the East line of said Section 34 to the Northeast corner of the South 1/2 of the South 1/2 of said Section 34;

25. Leaving said Northeast corner westerly along the North line of the South 1/2 of the South 1/2 of said Section 34, to the Northwest corner of said South 1/2 of the South 1/2 of said Section 34;

26. Leaving said Northwest corner southerly along the West line of said Section 34 to the Southwest corner of said Section 34. Said point also being the Northeast corner of Section 4, Township 16 North, Range 17 East, M.D.B. & M.;

27. Leaving said Northeast corner westerly along the Sierra Pacific Industries Boundary, as described in Book 3747, Page 323, Official Records of Placer County, being along the North line of said Section 4 to a point on the California State Route 267 southerly right of way, as shown on State of California Business, Transportation and Housing Agency, Department of Transportation Record Map EA:R-0e9990 (distances shown on said Map are modified to ground distances hereon);

Thence leaving said Sierra Pacific Industries Boundary, along said southerly right of way the following eleven (11) courses:

1. South 66°47'19" East a distance of 179.62 feet,

2. Continuing along said southerly right of way South 74°15'24" East a distance of 134.85 feet;

3. Along a non-tangent curve to the left having a radial bearing of South 21°02'50" West, along the arc of a 3540.00 radius curve, an arc distance of 410.50 feet, having a central angle of 6°38'38";

4. South 75°35'49" East a distance of 144.14 feet;

5. South 69°53'11" East a distance of 100.50 feet;

6. South 75°35'49" East a distance of 375.01 feet;

7. South 81°28'13" East a distance of 127.54 feet;

8. Along a non-tangent curve to the left, having a radial bearing of South 11°38'51" West, along the arc of a 2640.00 radius, an arc distance of 407.91 feet, having a central angle of 8°51'10";

9. South 87°12'19" East a distance of 1082.97 feet;

10. Along a tangent curve to the right, along the arc of a 3460.00 radius, an arc distance of 483.11 feet, having a central angle of 8°00'00";

11. South 79°12'19" East a distance of 394.54 feet;

Thence leaving said southerly right of way of State Route 267 along the following seven (7) courses:

1. South 15°16'22" West a distance of 1169.48 feet;

2. South 71°11'24" West a distance of 2686.02 feet;

3. South 36°15'26" East a distance of 934.76 feet;

4. South 09°59'19" East a distance of 738.72 feet;

5. South 53°58'15" East a distance of 751.36 feet;

6. North 88°49'54" East a distance of 942.33;

7. North 88°49'54" East a distance of 114.69 feet,

To the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM Fee portions of California State Route 267, as shown on State of California Business, Transportation and Housing Agency, Department of Transportation Record Map EA:R-0e9990.

ALSO EXCEPTING THEREFROM rights of the public as to any portion of the land lying within the area known as Martis Peak Road.

Basis of Bearings:

The basis of bearing is identical to that of Record of Survey No. 1665 filed in Book 13 of Surveys, Page 26, Official Records of Placer County, California and is stated thereon as being California Coordinate System, Zone 2.

Said land is also shown as Resultant Parcel Con that certain Resolution to Approve Minor Boundary Line Adjustment No. PLN15-00086 recorded November 2, 2015, Instrument No. 2015-0094971, Official Records.

PARCEL THREE:

Lot 1 of the Northwest 1/4 of Section 4, Township 16 North, Range 17 East, M.D.B. & M., according to the Official Plat thereof.

EXCEPTING THEREFROM ALL THAT PORTION THEREOF LYING WITHIN THE TAHOE REGIONAL PLANNING AGENCY'S JURISDICTION.

AND CONTAINING 1,494 ACRES MORE OR LESS. APN's: 110-040-020, 110-051-023, 110-051-024, 110-051-043, 110-051-045, 110-060-069, 110-060-070

REAL PROPERTY SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF PLACER, UNINCORPORATED AREA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PLACER COUNTY

THE EAST ONE HALF OF SECTION 21, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-010-025

THE SOUTH 302.4 FEET OF THE SOUTHWEST ONE-QUARTER OF THE SOUTHEAST ONE-QUARTER OF SECTION 15, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.& M.
A.P.N. 110-020-001

THE EAST ONE-HALF, THE SOUTHEAST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER, AND THE SOUTHWEST ONE-QUARTER OF SECTION 22, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-020-003

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER; THE SOUTH HALF OF THE NORTH HALF; AND THE SOUTH HALF OF SECTION 23, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-020-005

PARCEL 'A' BEING A PORTION OF THE NORTHWEST ONE-QUARTER OF SECTION 25, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M., AS SHOWN ON THE OFFICIAL MAP THEREOF FILED IN THE OFFICE OF THE PLACER COUNTY RECORDER IN BOOK 21 OF PARCEL MAPS, PAGE 87.
A.P.N. 110-020-012

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THE WEST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; AND THE SOUTHWEST QUARTER OF SECTION 24, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-020-028

THE NORTHWEST ONE-QUARTER OF SECTION 25, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M: EXCEPTING THEREFROM PARCEL 'A' BEING A PORTION OF THE NORTHWEST ONE- QUARTER OF SECTION 25, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M., AS SHOWN ON THE OFFICIAL MAP THEREOF FILED IN THE OFFICE OF THE PLACER COUNTY RECORDER IN BOOK 21 OF PARCEL MAPS, PAGE 87.
A.P.N. 110-020-029

EAST ONE-HALF OF THE SOUTHEAST ONE-QUARTER OF SECTION 28, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-030-048

ALL OF SECTION 33, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
EXCEPTING THEREFROM THAT PORTION DESCRIBED IN THE DEED TO FIBREBOARD CORPORATION, A DELAWARE CORPORATION RECORDED SEPTEMBER 18, 1992, AS INSTRUMENT NO. 92-71229, OFFICIAL RECORDS.
A.P.N. 110-030-050

ALL OF SECTION 27, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-040-001

ALL OF SECTION 26, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-040-002

THE NORTHEAST QUARTER; THE SOUTHWEST QUARTER; THE WEST HALF OF THE SOUTHEAST QUARTER; THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER; AND THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A. P. N. 110-040-003

THE SOUTH ONE-HALF OF THE SOUTH ONE-HALF OF SECTION 35, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-040-013
A.P.N. 110-040-014

THE NORTH ONE-HALF, THE NORTH ONE-HALF OF THE SOUTH ONE-HALF OF SECTION 35, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-040-016

NORTH ONE-HALF; NORTH ONE-HALF OF SOUTH ONE-HALF OF SECTION 34, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-040-018

SOUTH ONE-HALF OF THE SOUTH ONE-HALF OF SECTION 34, TOWNSHIP 17 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-040-020

A PORTION OF SECTION 4 LYING NORTH OF THE RIGHT OF WAY OF CALIFORNIA STATE ROUTE NO. 267 (SR267) AS SHOWN ON STATE OF CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY, DEPARTMENT OF TRANSPORTATION RECORD MAP EA:R-0e9990, TOWNSHIP 16 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-050-065

THE NORTHWEST QUARTER (N/W ¼) OF SECTION 2, TOWNSHIP 16 NORTH, RANGE 17 EAST, M.D.B.&M.
A.P.N. 110-060-014

ALL OF SECTION 3, TOWNSHIP 16 NORTH, RANGE 17 EAST, MOUNT DIABLO MERIDIAN.

EXCEPTING THEREFROM ALL THAT PORTION THEREOF CONVEYED TO THE UNITED STATES OF AMERICA BY DEED RECORDED OCTOBER 4, 1997, IN BOOK 1597, PAGE 55, OFFICIAL RECORDS, WHICH PORTIONS IS MORE PARTICULARLY DESCRIBED AS BEING THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTH HALF OF SECTION 3.

ALSO EXCEPTING THEREFROM ALL OF THOSE PORTIONS THEREOF DESCRIBED IN THAT CERTAIN DEED TO SIERRA PACIFIC INDUSTRIES, A CALIFORNIA CORPORATION, RECORDED OCTOBER 30, 1989, ON BOOK 3747, PAGE 323 OF OFFICIAL RECORDS, WHICH PORTIONS ARE MORE PARTICULARLY DESCRIBED AS THE WEST HALF OF LOT 2 IN THE NORTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER, THE NORTH HALF OF THE SOUTHWEST QUARTER AND THE NORTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 3.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF THE REMAINDER OF SAID LAND LYING WITHIN THE TRACT CONVEYED TO THE UNITED STATES OF AMERICA BY DEED RECORDED AUGUST 27, 1992, INSTRUMENT NO. 92-065809 OF OFFICIAL RECORDS WHICH TRACT IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH 1/64 CORNER ON THE EAST LINE OF SAID SECTION 3 THAT IS DISTANT THEREON N0-1/2°59'03"W 664.01 FEET FROM THE SOUTHEAST CORNER THEREOF, THENCE FROM SAID POINT OF BEGINNING ALONG THE SOUTH 1/64 SECTION LINE OF SECTION 3 S89-1/2°14'38"W 2590.21 FEET AND S88-1/2°49'54"W 2372.52 FEET TO A POINT THEREON; THENCE LEAVING LAST SAID LINE ALONG AN APPROXIMATE RIDGE LINE THE FOLLOWING COURSES: N33-1/2°34'01"E 271.46 FEET; N11-1/2°52'13"E 334.68 FEET; S7-1/2°16'05"E 366.76 FEET; N79-1.2°45'29"E 290.39 FEET; N 5-1/2°41'15"E 339.04 FEET; S78-1/2°15'56"E 346.69 FEET; S75-1/2°09'11"E 355.95 FEET; S76-1/2°48'48"E 358.27 FEET; N65-1/2°26'30"E 211.21 FEET; N71-1/2°10'46"E 311.62 FEET; AND N51-1/2°39'44"E 307.97 FEET; THENCE LEAVING SAID RIDGE LINE THE FOLLOWING COURSES: S52-1/2°06'57"E 638.74 FEET; N41-1/2°11'26"E 185.78 FEET; AND N84-1/2°38'43"E 309.73 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF STATE HIGHWAY 267; THENCE N84-1/2°30'43"W 104.09 FEET TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF SAID HIGHWAY 267; THENCE ALONG LAST SAID LINE FROM A TANGENT THAT BEARS N37-1/2°03'28"W ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 949.99 FEET AND A CENTRAL ANGLE OF 19-1/2°49'47" AN ARC DISTANCE OF 320.78 FEET TO A POINT THEREON; THENCE ALONG AN APPROXIMATE RIDGE LINE THE FOLLOWING COURSES: N79-1/2°06'57"E 359.27 FEET; N79-1/2°12'30"E 306.92 FEET; N60-1/2°50'45"E 291.01 FEET; AND N43-1/2°33'27"E 256.80 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 3; THENCE ALONG LAST SAID LINE S0-1.2°59'03"E 1200.37 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THOSE PORTIONS THEREOF CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED JUNE 3, 1997, INSTRUMENT NO. 97-0031722 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM ALL THOSE PORTIONS THEREOF CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED SEPTEMBER 20, 2010, INSTRUMENT NO. 2010-73942.

ALSO EXCEPTING THEREFROM ALL THOSE PORTIONS THEREOF LYING SOUTHWEST OF THE RIGHT OF WAY OF CALIFORNIA STATE ROUTE NO. 267 (SR267) AS SHOWN ON STATE OF CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY, DEPARTMENT OF TRANSPORTATION RECORD MAP EA:R-0e9990, TOWNSHIP 16 NORTH, RANGE 17 EAST, M.D.B.&M.

A.P.N. 110-060-070

LOTS 1 THROUGH 18, INCLUSIVE OF SECTION 31, TOWNSHIP 17 NORTH, RANGE 18 EAST, M.D.B.&M.

EXCEPTING THEREFROM BEING A PORTION OF LAND LOCATED TOTALLY WITHIN THE LAKE TAHOE BASIN MANAGEMENT UNIT, THE STATE OF CALIFORNIA, THE COUNTY OF PLACER, IN THE SOUTH HALF OF SECTION 31, TOWNSHIP 17 NORTH, RANGE 18 EAST, MOUNT DIABLO MERIDIAN, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE CLOSING CORNER OF TOWNSHIP 16 AND 17 NORTH, RANGE 18 EAST, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND ON FILE IN THE BUREAU OF LAND MANAGEMENT; THENCE N0°32'10"W, 533.02 FEET, ALONG THE WESTERLY SECTION LINE OF SAID SECTION 31, TO A MONUMENT MARKED AP T17N R17E S25 1989 BUREAU OF LAND MANAGEMENT; THENCE, CONTINUING ALONG THE WESTERLY LINE OF SAID SECTION 31, WITH A NEW BEARING, N0°33'40"E, 996.56 FEET, TO A MONUMENT STAMPED AP1 1996 LS 4956; THENCE, S82°00'E, 778 FEET, TO A MONUMENT STAMPED AP2 1996 LS 4956; THENCE, N60°19'E, 1284 FEET TO A MONUMENT STAMPED AP3 1996 LS 4956; THENCE,

S75°06'E, 1286 FEET, TO A MONUMENT STAMPED AP4 1996 LS 4956; THENCE, N77°54'E, 569 FEET, TO A MONUMENT STAMPED AP5 1996 LS 4956; THENCE, S42°00'E, 382 FEET, TO A 3/41NCH DIAMETER STEEL ROD; THENCE, S25°15'E, 527 FEET, TO A ¾ INCH DIAMETER STEEL ROD; THENCE, S59°20'E, 662 FEET, TO A MONUMENT STAMPED AP8 1996 LS 4956; THENCE, S87°29'E, 333 FEET, TO A% INCH DIAMETER STEEL ROD; THENCE, S42°55'E, 914 FEET, TO A. CROSS CHISELED IN A ROCK ON THE LINE BETWEEN SECTION 31 AND 6; THENCE, ALONG SAID LINE BETWEEN SECTION 31 AND 6, S89°52'00'W, 656.5 FEET TO THE NORTH EAST CORNER OF LOT 13 OF SAID SECTION 6; THENCE, CONTINUING ALONG SAID LINE BETWEEN SECTION 31 AND 6 WITH A NEW BEARING S89°17'30"W, 5038.44 FEET TO THE POINT OF BEGINNING;

A.P.N. 090-010-011
A.P.N. 090-010-014

EXCEPTING THEREFROM ALL THAT PORTION THEREOF LYING WITHIN THE TAHOE REGIONAL PLANNING AGENCY'S JURISDICTION.
AND CONTAINING 6,030 ACRES MORE OR LESS.

END OF THIS DESCRIPTION.

Exhibit B

Figuring showing the property and location of "East Parcel" and "West Parcel," and showing the portions of the East Parcel that are not part of this Agreement (Nevada County and Tahoe Basin portions)

Exhibit "B"

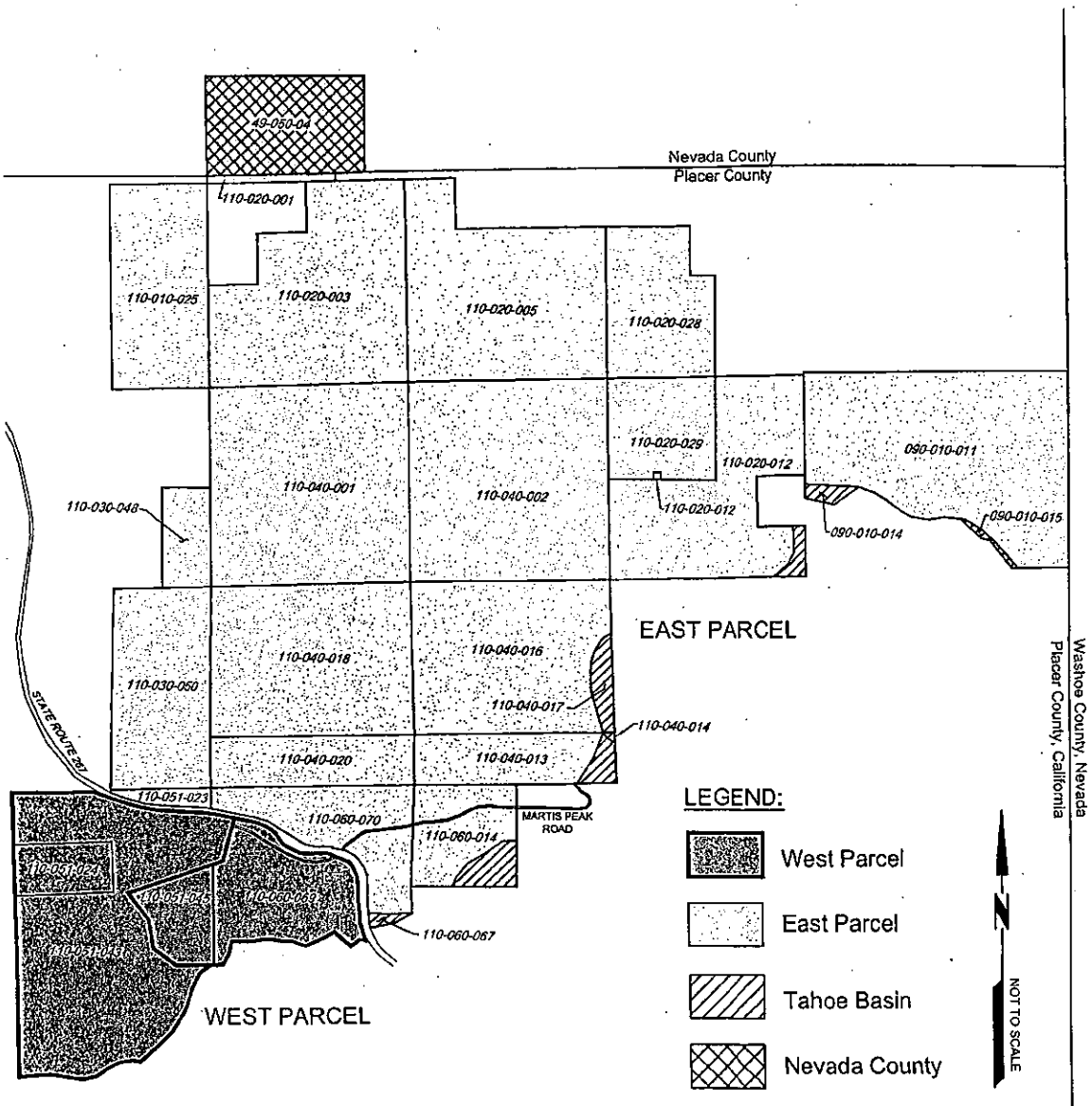

49-050-04
Nevada County
Placer County
110-020-001
110-010-025
110-020-003
110-020-005
110-020-028
110-020-029
110-020-012
090-010-011
110-040-001
110-040-002
110-020-012
110-030-048
090-010-014
090-010-015
EAST PARCEL
110-040-018
110-040-016
110-030-050
110-040-017
110-040-014
STATE ROUTE 267
110-040-020
110-040-013
110-051-023
110-060-070
MARTIS PEAK ROAD
110-060-014
110-060-067
WEST PARCEL
Washoe County, Nevada
Placer County, California
LEGEND:
West Parcel
East Parcel
Tahoe Basin
Nevada County
N
NOT TO SCALE

Exhibit C					
MVWP Parks and Recration Fees and Mitigation					
	Genral Plan Park and Recreation Development Obligations				
A	**Single Family Residential Units**		500		
B	Occupancy (residents/unit)		2.54		
C	Residents (A*B)		1270		
D	**Multi Family Residential Units**		260		
E	Occupancy (residents/unit)		1.85		
F	Residents (D*E)		481		
G	**Employee Units**		0		
H	Occupancy (residents/employee unit)		1.85		
I	Employee Residents		0		
J	**Total Residents (C+F+I)**		**1751**		
	Active Parkland Standard - Requirements				
K	Active Park Standard		5 ac / 1000 res		
L	Active Park Acres Required (J*5/1000)		8.755		
M	Active Parkland - Land Value / acre		$ 212,000.00		
N	Active Parkland - Development Value/acre		$ 320,000.00		
O	Total Active Parkland Value per acre (M+N)		$ 532,000.00		
P	**Total Active Parkland Mitigation Value (L*O)**		**$ 4,657,660.00**		
	Passive Parkland Standard - Requirements				
Q	Passive Park Standard		5 ac / 1000 res		
R	Passive Park Acres Required (J*5/1000)		8.755		
S	Passive Parkland - Land Value / Acre		$ 25,000.00		
T	Passive Parkland - Development Value/Acre		$ 20,000.00		
U	Total Active Parkland Value per acre (S+T)		$ 45,000.00		
V	**Total Active Parkland Mitigation Value (R*U)**		**$ 393,975.00**		
W	**TOTAL PARK AND RECREATION MITIGATION VALUE (P+V))**		**$ 5,051,635.00**		

	Proposal to Meet General Plan Park and Recreation Development Stadards				
			Engineer's Estimate	**Mitigation Credit Value**	
	Private Recreation Amenities				
X	(Recreaton Center, private Trails, land value)[1]		$ 2,525,818.00	100%	$ 2,525,818.00
Y	**SUBTOTAL - Private Facilities**		**$ 2,525,818.00**		**$ 2,525,818.00**
	Public Recreation Amenities				
Z	Trailhead Land Value		$ 25,000.00	100%	$ 25,000.00
AA	Trailhead Development Cost		$ 1,561,400.00	100%	$ 1,561,400.00
BB				100%	$ -
CC	**SUBTOTAL - Public Amenities (SUM Z thru BB)**		**$ 1,586,400.00**		**$ 1,586,400.00**
DD	**Value of Recreation Facilities Constructed by Development (Y+CC)**		**$ 4,112,218.00**		**$ 4,112,218.00**
EE	**Park Mitigation Fees Due After Application of Credit (W-DD)**				**$ 939,417.00**
FF	**Fee Due Per Dwelling - FY 2015/16 (EE/(A+D)**				**$ 1,236**
Notes					
1	Private Recreation credit = 50% of W				

EXHIBIT D

WORKFORCE HOUSING

The Project is expected to generate between 66.58 and 122.68 new full-time equivalent (FTE) employees. Consistent with Placer County General Plan Housing Policy C-2, the Developer must provide housing for half of the total FTE (between 33.29 and 61.34 employees). Developer shall meet this obligation as follows.

1. Employee Housing Construction. The Developer shall construct employee housing units sufficient to house a minimum of 47 FTE employees located within the Specific Plan areas designated for residential or commercial development.

a. The Developer shall designate the site(s) where the employee housing units will be located at the time the Developer submits a tentative small-lot subdivision map/condominium plan on the property according to the schedule set forth below. The County shall have the right to record deed restrictions on the employee housing site(s) restricting them for use as employee housing only.

Application for subdivision map / condominium plan	**Number of FTE employees to be accommodated on map**
First small lot tentative subdivision map or condominium plan	12
Small lot tentative subdivision map creating the 246th lot or unit	12
Small lot tentative subdivision map or condominium plan creating the 400th lot or unit	23

b. A sufficient number of units to house no less than 24 FTE employees shall be constructed prior to the recordation of the Small Lot Final Map that creates the 246th lot or unit. Developer shall construct onsite the remaining employee housing units of sufficient number to house the remaining FTE employees (or 23 FTE employees) prior to the recordation of the Small Lot Final Map/condominium plan that creates the 400th lot or unit.

c. The employee housing units will be provided in a combination of studio, one, two, three, or four bedroom units. The (Full time equivalent employee) FTEE per unit constructed is calculated as follows:

Studio Unit = 1 FTEE
1-bedroom Unit = 2 FTEE
2-bedroom Unit = 3 FTEE
3-bedroom Unit = 4 FTEE
4-bedroom Unit = 5 FTEE

d. With submittal of each Small Lot Tentative Map or condominium plan that are designated for affordable / workforce employee housing, the developer shall submit for review and approval by the County a housing plan that identifies the mix of units to satisfy the respective FTEE employee housing unit obligation.

e. Employee housing units shall be provided for household incomes within 60-140% of Area Median Income (AMI). The County may administer a program for the for-sale units with the homeowners association or other appointed designee that represents the property and employee housing units.

f. The County will record Individual Regulatory Agreements against any on-site ownership employee housing units or on any parcel(s) containing rental employee housing units in order to -restrict the rental rate of those units or the purchase and resale restrictions on ownership units.

g. Within one hundred twenty (120) days after the end of the Developer's fiscal year in which the first anniversary of the date of issuance of the Certificate of Occupancy for employee housing rental units is issued and 30 days after the end of each Northstar ski season but no later than April 15th, thereafter Developer shall submit to the County an inventory of the occupants of the employee housing units. The inventory shall identify the unit number, name of occupant(s), employer, gross household income, rent amount, and length of residency to allow the County to determine Developer's compliance with this agreement.

h. The Developer shall also submit to the County within fifteen (15) days after receipt of a written request any other information or completed forms reasonably requested by the County.

2. In lieu fee. The Developer shall pay the County $585,000 to fully satisfy the remainder of its obligation for employee housing units in the following increments:

a. $292,500 shall be due and payable to the County in one lump sum prior to recordation of Small Lot Final Map/condominium plan that creates the 246th lot/unit.

b. $292,500 shall be due and payable to the County in one lump sum prior recordation of the Small Lot Final Map/condominium plan that creates the 400th lot/unit.

3. Regional Employee Housing Contribution. In addition to the above requirements to satisfy Developer's employee housing obligation, the Developer shall also provide the County with a one-time payment of $125,000 toward regional employee housing initiatives as determined by the County for the Tahoe-Sierra Region. The Regional Employee Housing Contribution shall be paid in full prior to the approval of the improvement plans for Phase 0. If the County has not received the Regional Employee Housing Contribution within five (5) years

from the Effective Date of this Agreement, then the amount due and payable to the County for the Regional Employee Housing Contribution will increase to $175,000 payable in full prior to the approval of the improvements plans for Phase 0.

Exhibit E

Regional Transit Contribution

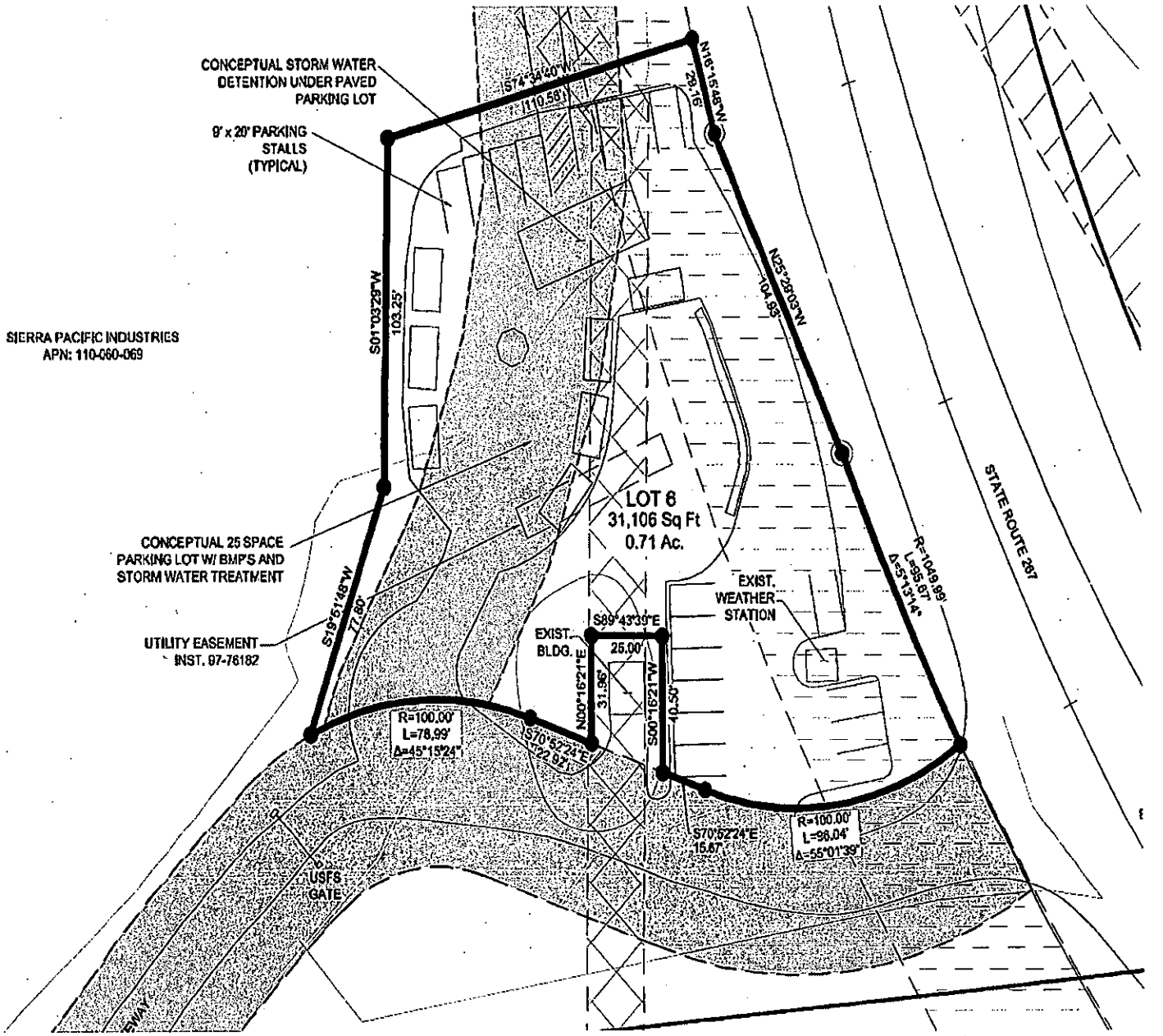
- No later than ninety (90) days after execution of the Agreement and by June 30th of each subsequent year thereafter, Developer will pay the County a lump sum payment of $68,000 annually as a regional contribution to Transit operations. This is considered of significant regional public benefit to the Tahoe – Sierra region. The annual payment will be subject to annual escalators consistent with how the County handles its other fee programs. A CSA or other appropriate funding mechanism must be formed for said transit services prior to approval of the first small lot tentative map or approval of a building permit for any non-residential project that does not require a Small Lot Final Map, whichever occurs first.

- Developer will pay a onetime fee of $59,700 for upfront operating and capital expenses payable to the County prior to the recordation of the first Small Lot Final Map or approval of a building permit for any non-residential project that does not require a Small Lot Final Map, whichever occurs first.

Exhibit F

Public Staging Area

Exhibit F
STAGING AREA



STAGING AREA, LOT 6, 31,106 Sq Ft / 0.71 Ac

Trailhead parking with appropriate easement.

North

Exhibit G

Form of Development Agreement Assignment

Recording Requested By and

When Recorded Mail To:

_____

_____

_____

Attn: _____

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

ASSIGNMENT AND ASSUMPTION AGREEMENT

RELATIVE TO

THE MARTIS VALLEY WEST SPECIFIC PLAN DEVELOPMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (hereinafter, the "Agreement") is entered into this ____ day of _____, ____, by and between MVWP Development, LLC, a Delaware limited liability company and Sierra Pacific Industries, a California Corporation (hereinafter collectively referred to as "Developer") and _____ (Name of Purchaser), a _____ (hereinafter "Assignee"), with respect to the following facts:

RECITALS

A. On _____, 20___, the County of Placer and Developer entered into that certain agreement entitled "Development Agreement By and Between The County of Placer and MVWP Development, LLC and Sierra Pacific Industries, Inc., Relative to the Martis Valley West Specific Plan" (hereinafter the "**Development Agreement**"). Pursuant to the Development Agreement, Developer agreed that development of certain property more particularly described in the Development Agreement (hereinafter, the "**Property**") would be subject to certain conditions and obligations as set forth in the Development Agreement. The Development Agreement was recorded against the Property in the Official Records of Placer County on _____, 20___, as **Document No.** _____.

B. Developer intends to convey the property, as identified in Exhibit A attached hereto and incorporated herein by this reference, to Assignee (hereinafter, the "**Assigned Property**").

C. Developer desires to assign and Assignee desires to assume Developer's right, title, interest, burdens and obligations under the Development Agreement with respect to and as related to the Assigned Property.

ASSIGNMENT AND ASSUMPTION

NOW, THEREFORE, for valuable consideration, Developer and Assignee hereby agree as follows:

1. Assignment. Developer hereby assigns, effective as of Developer's conveyance of the Assigned Property to Assignee, all of the rights, title, interests, burdens and obligations of Developer under the Development Agreement with respect to the Assigned Property. Developer retains all the rights, title, interests, burdens and obligations of Developer under the Development Agreement with respect to any other property within the Property still owned by Developer.

2. Assumption. Assignee hereby assumes all of the rights, title, interests, burdens and obligations of Developer under the Development Agreement with respect to the Assigned Property, and agrees to observe and fully perform all of the duties and obligations of Developer under the Development Agreement with respect to the Assigned Property, and to be subject to all the terms and conditions thereof with respect to the Assigned Property.

3. Release and Substitution. The parties intend hereby that, upon the execution of this Agreement and conveyance of the Assigned Property to Assignee, Developer shall be released from any and all obligations under the Development Agreement arising from and after the effective date of this transfer with respect to the Assigned Property and that Assignee shall become substituted for Developer as the "Developer" under the Development Agreement with respect to the Assigned Property.

4. Binding on Successors. All of the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

5. Notice Address. The Notice Address described in the Development Agreement with respect to the Assigned Property shall be:

[Name of Assignee]

_____

_____

Attn: _____

IN WITNESS HEREOF, the parties hereto have executed this Agreement as of the day and year first above written. This Agreement may be signed in identical counterparts.

DEVELOPER:

By: _____

Name: _____

Title: _____

ASSIGNEE:

[NAME OF ASSIGNEE],

_____

By: _____

Name: _____

Title: _____