COUNTY OF PLACER
Community Development/Resource Agency

Michael J. Johnson, AICP
Agency Director

PLANNING SERVICES DIVISION

EJ Ivaldi, Deputy Director

HEARING DATE: November 20, 2014
ITEM NO.: 1
TIME: 10:05 am

TO: Placer County Planning Commission

FROM: MC Michele Kingsbury, Senior Planner

DATE: November 20, 2014

SUBJECT: PLACER VINEYARDS SPECIFIC PLAN AMENDMENT
Amendments to the SPECIFIC PLAN, LAND USE AND DEVELOPMENT STANDARDS, AND DEVELOPMENT AGREEMENT (PSPA 20130242)
ADDENDUM TO THE PREVIOUSLY CERTIFIED PLACER VINEYARDS SPECIFIC PLAN FINAL ENVIRONMENTAL IMPACT REPORT (SCH# 1999062020)
SUPERVISORIAL DISTRICT 1 (DURAN)

GENERAL PLAN/COMMUNITY PLAN: Placer County General Plan and Dry Creek / West Placer Community Plan

COMMUNITY PLAN DESIGNATION: The Dry Creek / West Placer Community Plan designate the Placer Vineyards Specific Plan Area as the "West Placer Specific Plan."

ZONING: SPL-PVSP (Specific Plan – Placer Vineyards Specific Plan)

ASSESSOR PARCEL NUMBERS: 023-200-037, 023-200-041, 023-200-045, 023-010-004, 023-010-006, 023-010-013, 023-010-014, 023-010-021, 023-010-022, 023-010-023, 023-010-026, 023-010-029, 023-150-026, 023-150-027, 023-160-004, 023-160-011, 023-180-005, 023-180-006, 023-180-007, 023-180-008, 023-190-016, 023-200-006, 023-200-008, 023-200-009, 023-200-010, 023-200-011, 023-200-012, 023-200-013, 023-200-017, 023-200-018, 023-200-068, 023-200-067, 023-200-005, 023-200-071, 023-200-069, 023-200-066, 023-221-002, 023-221-057, and 023-221-058. Non-participating properties include Assessor Parcel Numbers 023-200-062, 023-200-063, 023-200-015, 023-200-028, 023-010-024, 023-200-060, 023-200-042, 023-200-029, and 023-010-028.

STAFF PLANNER: Michele Kingsbury, Senior Planner

LOCATION: The Placer Vineyards Specific Plan area is located in unincorporated southwestern Placer County, bounded on the north by Base Line Road, on the south by the Sacramento / Placer County line, on the west by the Sutter / Placer County line and Pleasant Grove Road, and on the east by Dry Creek and Walerga Road. The Placer Vineyards project area contains approximately 5,230 gross acres, with an east-west length of approximately six miles.

APPLICANT: Kent MacDiarmid, on behalf of the Placer Vineyards Property Owners Group, LLC

PROPOSAL: Proposal to amend the approved Placer Vineyards Specific Plan ("PVSP"), Land Use and Development Standards documents, and Development Agreement to reflect proposed revisions to certain residential and commercial land uses (with no increase in the approved 14,132 residential units), parks and recreational amenities, and roadway improvements.

CEQA COMPLIANCE

These proposed revisions to the Specific Plan include changes to land use designations, reductions in park and open space acreages, the mix and size of capital facilities, and the funding mechanisms for capital facilities. The proposed revisions would not alter any of the conclusions of the certified EIR regarding the significance of environmental impacts nor alter the PVSP boundaries, or the amount of development, including off-site infrastructure, the impacts on the physical environment would be unchanged. The timing and obligation for construction of certain public facilities would change from the developer to the County, but the facilities that would ultimately be built meet the requirements of the General Plan and would adequately serve the plan area. The PVSP applicant and subsequent developers would still be required to implement all required mitigation for impacts.

Although the proposed revisions to the project would not create any new impacts or make impacts identified in the EIR more severe, several mitigation measures were revised to reflect that change in required acreage for parks and the way the public facilities would be constructed (i.e., changing from the previous approval where all public facilities were to be constructed by the developer, to the current proposal where the developer will dedicate land and pay a fee, with the County assuming the obligation to construct said facilities). For instance:

- Mitigation Measure 4.11.13-1 was revised to reflect the fact that the developer will meet its obligation to provide 159 acres of active/passive parkland by providing the following: dedication and improvement of a minimum of 139 acres of active parkland; 2 acre credit for a park maintenance facility; receipt of active parkland credit of 18 acres through payment of in-lieu fees; and dedication of 159 acres of passive parkland, where the previous mitigation measure required the developer to dedicate and improve a minimum of 174 acres of active and passive parkland, respectively.
- To reflect changes in the obligation to construct public facilities, several mitigation measures were revised. For example, Mitigation Measure 4.11.3-2a was revised to reflect the requirement for a smaller sheriff substation and change the way the construction of the substation is funded from a developer-construct obligation to a developer fee obligation. The aforementioned mitigation measure was revised such that the project developer(s) shall comply with Placer County Policy 4.H.4, which requires that all future development either fund or develop law enforcement facilities by dedicating land and paying a proportionate share of a fee for development of a 15,000 square foot substation as specified by the Development Agreements.

Consistent with the requirements of CEQA Guidelines Section 15162 (Subsequent EIRs and Negative Declarations), an environmental checklist was prepared to determine if any circumstances changed or new information of substantial importance would trigger the need for a subsequent EIR. As provided for in Section 15164 (Addendum to an EIR or Negative Declaration), an Addendum to the previously certified EIR was prepared because:

- No substantial changes are proposed in the project which will require major revisions of the previous EIR;

- No substantial changes would occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR; and

- There is no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete.

An Addendum is appropriate where a previously certified EIR has been prepared and some changes or revisions to the project are proposed, or the circumstances surrounding the project have changed, but none of the changes or revisions would result in significant new or substantially more severe environmental impacts, consistent with CEQA Section 21166 and State CEQA Guidelines Sections 15162, 15163, 15164, and 15168. Staff has concluded that an Addendum is appropriate for the proposed PVSP amendments.

PUBLIC NOTICES AND REFERRAL FOR COMMENTS

A public hearing notice was published in the *Sacramento Bee* newspaper. All properties owners within the Specific Plan Area boundaries, as well as all properties within 300 feet of the boundaries of the Specific Plan area, were also mailed a notice of the Planning Commission meeting. The Placer County Community Development Resource Agency staff and Departments of Public Work, Facility Services and Environmental Health were transmitted copies of the plan for review and comment. These comments have been addressed in the attached documents.

One set of correspondence has been received which is attached to this report (Attachment D). The email was dated November 4, 2014 from Bruce and Sheri Greco. Discussion regarding the issues raised in their correspondence is addressed in the Public Correspondence section below.

BACKGROUND

In 2007, the Board of Supervisors approved the PVSP for the development of up to 14,132 residential units and associated commercial land uses and public facilities. As set forth in the Project Description for the PVSP that was approved by the Board, the project was contemplated to potentially develop as a full-service/stand-alone incorporated city. The mixture of capital facilities and parks amenities, therefore, reflected amenities appropriate for a self-contained city, and included allowances for a future City Hall and a large, stand-alone corporation yard.

The following outlines the 2007 approved Specific Plan land uses:

- 14,132 Residential Dwelling Units (including the SPA)
  - 3,519 units of Low Density Residential
  - 6,474 units of Medium Density Residential
  - 3,092 units of High Density Residential
  - 636 Units of Commercial Mixed Use
  - 411 Rural Residential Units assigned to the SPA
- 309 acres of Commercial Land Uses
  - 187 acres of Retail / Commercial
  - 122 acres of Office / Business Park
- 1,559 acres of Public / Quasi Public Land Uses
  - 51 acres of Public Facilities/ Services (government offices, facilities, sheriff and fire stations, library, transit station, utility substation, and cemetery)
  - 91 acres of Religious Facilities
  - 167 acres of School (6 elementary, 2 middle, and 1 high school)
  - 210 acres of Parks (community, neighborhood, mini, recreation center)
  - 709 acres of Open Space

- 332 acres of Major roadways (thoroughfares, arterials, collectors)

Placer County certified an Environmental Impact Report for and approved the Specific Plan, which would result in up to 14,132 dwelling units with an overall 5.4 units per acre density, 67 acres of commercial mixed use, and 262 acres of commercial-only development. As approved in 2007, the Placer Vineyards Specific Plan included 4,251 acres proposed for urban development, with the remaining 979-acre area identified as a Special Planning Area (SPA) requiring additional environmental review and zoning before urban development could occur.

In 2012, the Owners Group (or Applicant) embarked on a path to retool the Specific Plan to make it more financially feasible to construct and maintain in the post-recession economic climate, while remaining competitive with adjacent developments in adjacent jurisdictions. On February 14, 2012, the Applicant received approval from the Board to modify the project from a single-phase project to a multiple-phase project. The Board adopted an addendum to the Final EIR (Resolution 2012-38), amendments to the Specific Plan (Resolution 2012-39) and amendments to the Development Agreement (Ordinance 5665-B) to reflect this change. The project phasing would allow the construction of Backbone Infrastructure to proceed with the development phasing rather than requiring the Backbone Infrastructure be fully constructed with the initial development. Under the revisions, the developers of individual projects within the Plan Area could submit applications for approval of a "Development Phase" within portion of the Specific Plan and propose construction of a portion of the necessary Backbone Infrastructure, subject to County Approval.

On September 11, 2012, pursuant to the terms of settlement in the litigation on the project, the Board of Supervisors adopted an addendum to the certified PVSP FEIR and amended by Resolution No. 2012-211, the PVSP Mitigation Monitoring Reporting Program (MMRP). These modifications revised the "Open Space, Agricultural Land and Biological Resource Mitigation Strategy" section of the Revised Draft EIR and the corresponding mitigation measures. The modifications were structured to make them more closely resemble the biological strategy in the then-current draft of the Placer County Conservation Plan (PCCP) (presented to the Board of Supervisors on January 25, 2011).

On December 10, 2013, the Placer County Board of Supervisors provided direction to staff, approving certain assumptions and methodology to update the Specific Plan's Finance Plan, to echo the development's change away from a stand-alone city model by reducing the mixture and size of capital facilities and parks.

On October 23, 2014, staff presented on informational item to the Planning Commission, providing an overview of the proposed Specific Plan changes. Staff provided clarification to the Commissioners that the neighborhood parks would be the responsibility of the developer to construct. The Commissioners also sought clarification on whether or not the recreation center would be retained elsewhere if the land use designation was removed from the Town Center. The Applicant indicated that the recreation center would be combined into the West Community Park. The Parks Division of Facility Services also provided an update regarding the multipurpose trails, bike paths and park construction component of the proposed amendment.

On November 4, 2014, County staff presented an Informational Item to the Parks Planning Commission that highlighted the proposed changes to the Placer Vineyards Specific Plan. There were no questions received from the Commissioners.

PROJECT DESCRIPTION:

As mentioned above, in 2012, the Applicant began in earnest to take steps to revise its project's financial feasibility. With the Placer County Board of Supervisors' policy direction on December 10, 2013 to change the way public facilities are ultimately constructed and reduce parkland obligations, the Applicant was able to formally begin the process to amend the Specific Plan to institute these changes to be considered today. Key elements of the originally approved 2007 Specific Plan that remain unchanged include: the number of residential units, the amount of commercial / office square footage, school site locations, the requirement for a six-foot landscape berm buffering the SPA from new development remains unchanged, and the requirement for the Locust Road Circulation Study remains unchanged. These proposed amendments are geared toward improving the financial feasibility of the project; staff has concluded the proposed changes do not impact the main objectives of the Specific Plan as detailed below:

- To protect the highest quality natural features and resources of the site and provide transitional buffers sensitive to the character of adjacent land uses.

- To promote compact mixed-use development that strives to provide a balance of uses, diverse housing and transportation choices and contributes to a jobs to housing balance within the region.

- To establish a pedestrian-friendly community and access to a regional system of trails that link neighborhoods together.

- To develop a series of neighborhood areas with their own unique site identity with urban centers and community serving facilities (schools, parks and public amenities).

The Specific Plan Amendment proposal is reflective of the Board's policy direction by reducing sizes of facilities to more closely fit within General Plan and service standards of adjacent jurisdictions and changing the way public facilities are financed and constructed. Typically a developer would be required to construct public facilities at certain trigger points. The following provides more specific details of the proposed Specific Plan Amendment changes:

Parks and Trails

As noted in the description above, the applicants are applying for an amendment to the adopted Specific Plan and modification to the draft Finance Plan to allow a reduction in the parkland/population ratio and a consolidation of parks, park facilities and other public facilities that would reduce construction, maintenance and operational costs. At present, the Applicant proposes to satisfy the active park acreage requirement by dedicating a minimum of 139 acres, payment of an in – lieu fee for 18 acres and the remaining 2 acres to be satisfied through a credit for the park maintenance facility. As stated previously, it is important to note that, even with this reduction in parkland, this proposal achieves the County General Plan requirement of 5.0 acres per 1,000 residents.

The proposed amendment would provide 698 acres of open space that would provide passive recreation land, habitat, drainage, and recharge areas. Therefore, the proposed amendment would be in compliance with the General Plan requirement for 5 acres/1,000 population passive recreation areas (a minimum of 159 acres of required open space).

The proposed amendment would alter the delivery method for development of parks from 100 percent developer-constructed to developer fee-funded with the County providing planning, design, and construction of community parks while developers would be responsible for the development of

neighborhood parks and trails. This fee-funded proposal is consistent with the process used throughout the balance of the County.

While the length of Class I bike paths is proposed to be reduced from approximately 43.6 miles to approximately 35.1 miles, the combined length of the proposed Class I bike paths and multi-purpose trails is approximately 42.3 miles. Staff is supportive of these changes. The proposed changes eliminate several areas of redundant paths while still providing for east – west connections and increasing north-south connections. The Applicant was also able to provide additional connections to the multipurpose trail around the southern boundary of the Specific Plan area to increase opportunities for equestrian riding and other trail experiences.

The proposed amendments to the Specific Plan and Development Agreements allow for the following:

Chapter 7 - Parks and Open Space Concepts

- Delete the requirement to construct the following stand-alone park facilities: 28,000 square foot community center, 8,000 square foot senior center, 8,000 square foot youth center and 12,000 square foot gymnasium and instead, pay the Placer Vineyards Specific Plan Public Facilities Impact Fee. The ultimate configuration and uses of the recreation center facility would be determined at the time of detailed design. In addition, one gymnasium located at a middle school will be upsized and planned as a joint use facility.
- Eliminate mini-parks and utilize larger neighborhood, and community parks to achieve a developed parkland standard of 5 acres per 1,000 residents as previously noted above.

Additional changes proposed to the Parks, Open Space, and Trails are noted below under the Land Use section.

Transportation

The proposed changes to the Specific Plan include the narrowing of landscaped medians in Base Line Road and Watt Avenue from 20 feet to 14 feet; and elimination of the pedestrian bridge over Base Line Road. The 2007 adopted Specific Plan indicated that construction of a bicycle/pedestrian crossing over or under Base Line Road shall be coordinated with the development in the north with the City of Roseville, in conjunction with the Sierra Vista plan. The proposed amendment would eliminate the grade-separated pedestrian/bicycle crossing over or under Base Line Road due to the fact that it was not required when the Sierra Vista plan was adopted. Without the grade-separated crossing, all pedestrian crossing of Base Line Road would be controlled by traffic signals.

Landscaped median widths along Base Line Road and Watt Avenue are proposed for reduction from 20 to 14 feet. The reduction in median width will reduce long-term maintenance costs for the project. In addition, the reduced median widths are consistent with the landscaped median widths approved in the adjacent Sierra Vista Specific Plan by the City of Roseville.

The proposed amendments to the Specific Plan and Development Agreements allow for the following:

Chapter 5 – Transportation and Circulation Changes:

- Reduce the median width of Base Line Road and Watt Avenue from 20 feet to 14 feet and the right-of-way width from 106 feet to 100 feet to conform to the City of Roseville standards for future extensions of these roads into the City.
- Delete the requirement for the construction of a bicycle/pedestrian crossing over or under Base Line Road.

- Reduce the length of Class I bike paths from approximately 43.6 miles to approximately 35.1 miles. The combined length of the proposed Class I bike paths and multi-purpose trails is approximately 42.3 miles (35.1 miles of Class I bike paths and 7.2 miles of multi-purpose trails). The proposed width of modified Class I bike paths are: 8 feet for 28.2 miles; 10 feet for 4.7 miles and 12 feet for 2.2 miles.

Land Use

Proposed amendments to the Specific Plan include re-designating underlying lands previously planned for eliminated park / recreation uses consistent with adjacent land uses and changing the land use designation of the 5-acre Town Center Recreation parcel to High Density Residential, with no proposed increase in the overall units.

Because of the proposed reduction in open space and park acreage, the residential areas are proposed to increase; however, the number of units will remain unchanged. The Business Park area would increase by 1 acre; however, the allocated Gross Square Feet would be unchanged and the intensity utilized for purposes of distributing Commercial intensity to individual properties of record reduces slightly to 0.246.

The proposed amendments to the Specific Plan and Development Agreements allow for the following:

Chapter 3 - Land Use Changes:

- Reduce the amount of park land from 6.2 acres per 1,000 residents to the County requirement of 5.0 acres per 1,000 residents, resulting in a reduction of park land from 210 acres to 159 acres. While a reduction in parkland is proposed, it is important to note that the 5.0 acres per 1,000 resident's standard complies with the County's General Plan standard for the provision of parkland. The amount of required park land for the proposed Specific Plan modifications is based on the following calculations:

  Required Park Land
  Specific Plan Population = 31,786 (excludes the SPA)
  Required park land = 31,786/1,000 x 5 = 158.93 rounded to 159 acres
  Park Credit for Payment of In-Lieu Fees = 18 acres
  Credit for Park Maintenance Facility = 2 acres
  Remaining park land required = 139 acres
- Change the land use designation of the 5-acre Recreation Center (RC) in the Town Center to High Density Residential (HDR).
- Eliminate portions of linear open space from the originally adopted Specific Plan resulting in a decrease of open space from 709 acres to 692.8 acres.
- Change the land use designations from Open Space to adjacent residential designations. (The passive park land standard of 5 acres/1,000 residents (159 acres total) will be met within portions of open space that provide public recreation opportunities.)
- Eliminate designated mini-parks from the adopted Specific Plan and instead provide a combination of neighborhood and community parks. Change the land use designations accordingly to adjacent residential designations.
- Revise the residential and commercial acres shown in the adopted Specific Plan. Please note that due to the proposed reduction in open space, the areas dedicated to residential areas will increase; however, the number of overall units throughout the Specific Plan (14,132) will remain the same. The proposed changes will result in a decrease in LDR density from 3.52 to 3.44 Du/Ac (allowed range 2 to 6 Du/Ac); a decrease in MDR density from 5.51 to 5.33 Du/Ac (allowed range 4 to 8 Du/Ac); and a decrease in HDR density from 15.08 To 13.96 Du/Ac

(allowed range 7 to 21 Du/Ac). The Business Park area will increase by 1 acre; however, the allocated Gross Square Feet remains the same and the intensity utilized for purposes of distributing Commercial intensity to individual properties of record reduces slightly to 0.246.

Other

The Applicant proposes to create a Parks and Recreation District, funded by the residents in the Plan Area to maintain parks, landscaping and open space and provide organized recreational activities not currently provided at the County level. The County has indicated it is amenable to working with the Applicant to form a Parks and Recreation District to oversee and run the park and open space programs and requirements.

In addition, the proposed amendments to the Specific Plan and Development Agreements allow for the following changes to the Public Utilities and Services section to change the way public facilities are paid for and constructed:

Chapter 8 – Public Utilities and Services

- Delete the requirement to construct a sheriff substation, delete the requirement to construct a 25,000 SF library, delete the requirement to construct a stand-alone aquatic center, delete the requirement to construct a Government Center, delete the requirement to construct a transit facility, delete the requirement to construct fire stations, and delete the requirement to construct a corporation yard, pay the Placer Vineyards Specific Plan Public Facilities Impact Fee to go toward the design and ultimate construction of the facilities by the County.

Proposed modifications to the Development Agreement

The Development Agreement is proposed to be amended to reflect the above-referenced changes to the Specific Plan including changes to the following key sections:

- Elimination of the following fee programs:
  - Additional Walerga Road Bridge Construction Fee which is now fully funded through the City / County fee program.
  - Elimination of the Subsequent Traffic fee in the amount of $165 per residential unit.
  - Elimination of the Southwest Placer Fee, which has now been incorporated into the PVSP Fee Program.
  - Elimination of Urban Services Shortfall Fee.
  - Elimination of the Interim Library Facilities Payment due to changes on the delivery of library facilities.
  - Elimination of the Regional Fire Facility Payment and instead the Developer will pay the countywide Fire Fee as later amended and adopted which includes a Regional Fire Facility component.
  - Elimination of the Transit Center payment due to changes in the delivery of the transit facility.
- Changes to the Regional Traffic Tier II Fee to reflect terms and conditions of the program that went into effect after adoption of the original Specific Plan in 2007 (**Section 2.5.5.2**).
- Changes to the PVSP Fee program (**Section 2.5.6**) to establish a fair share mechanism whereby the costs of the infrastructure public facilities and associated equipment necessary for the plan area are allocated to and fairly shared by the benefitted land uses. General elements and guidelines for the PVSP fee program are outlined in Exhibit 2.5.6 but will be subject to further refinement and ultimate adoption by the Board of Supervisors at a later date.
- Introduction of a new term "Park Agency," (**Section 2.5.6**) which shall mean and refer to the County, unless and until the County forms the Park District. If and when the Park District is

formed by the County, the Park District will assume all of the County's rights and obligations with respect to the ownership and maintenance of the open space, trails and parks within the Plan Area.

- Changes to Wetland Fill Permits (**Section 2.7**) to clarify timing, obligations and responsibility of funding obligations related to Wetland Fill Permits.
- Eliminate the requirement to submit a Public Facilities and Parks Master Plan and instead rely on previously submitted Public Facilities Concept Plan. Staff is supportive of this change due to the change in funding of Public Facilities (**Section 3.2.1**).
- Revision of **Section 3.3.5** to reflect active parkland dedication totaling 159 active, which includes credit for an 18 acre in lieu fee payment, and 2 acre credit for providing a parks maintenance facility.
- Clarification of the roles, obligations and responsibilities of the Park Agency, County and Developer for parks and open space (**Section 3.13**). Included in this section is clarification on the responsibility of construction for neighborhood parks and trails by the developer, payment of an in-lieu fee, payment of the Neighborhood and Community Park fees in the PVSP Fee Program and elimination of the requirement to construct mini parks.
- Addition of **Section 3.18.2**, Deferral of Fees for Extended CFD Term to allow in the future, and subject to Placer County Bond Screening Committee Rules and Procedures and separate approval to defer fees in an extended term Community Facilities District (CFD).

If adopted, the Specific Plan amendment will supersede the original 2007 plan and associated approvals by the Board of Supervisors. The objectives of the amendments to the Specific Plan and the Finance Plan are as follows:

- To reduce the overall cost of developing the project while assuring that the County is able to ensure adequate levels of service.
- To reduce the overall cost of developing the project while assuring that future residents of the Specific Plan area will be served with public services and facilities that are commensurate with those of surrounding cities.
- Reduce maintenance and operational costs by consolidating public facilities.

DISCUSSION OF ISSUES:
Staff analyzed each area in which the applicant has proposed changes to the Specific Plan to ensure its compliance with General Plan policies.

Parks and Trails
Active parkland is proposed to be reduced from 210 acres to 159 acres to meet the minimum General Plan requirement of 5 acres of active parkland per 1,000 residential populations. The applicant proposes to meet this requirement by providing 139 acres of parkland onsite and paying an in-lieu fee equivalent to an 18-acre parkland credit and receiving a 2-acre parkland credit through the provision of a park maintenance corporation yard. Staff is supportive of the reduction in acre parkland. It is the intent of the County to use the in-lieu fees to support joint use opportunities with the Center Unified School District as each school site is developed. The County received a letter from the Center Joint Unified School District (Center) dated October 2, 2014 (Attachment 3)which affirmed Center's support and willingness to enter into Joint Use Agreements for Center facilities with the future parks and recreation district. Center indicated its intent to work collaboratively to establish a usage schedule that will provide opportunities for the residents within the Specific Plan area.

Active parkland reduction will be achieved via the elimination of mini parks in the residential neighborhoods. Mini parks are small pocket parks that can be as small as ¼ one-quarter to one-half

acre in size but are more typically 1 to 2 acre in size. These mini parks are proposed for elimination; however, larger neighborhood and community parks will continue to remain within the development. The elimination of the mini parks will support the developer's objective of reducing the overall cost to develop the project and reduce long term maintenance obligations.

Build-out under this proposed amendment to the Specific Plan would result in the same number of residential units and same population as would the adopted Specific Plan. Overall land use, land use patterns would not be altered substantially from the adopted Specific Plan. While the proposed amendment to the Specific Plan would reduce the ratio of parkland/population, the proposal still satisfies the minimum Placer County General Plan parkland/population ratio requirement (5 acres/1,000 people). Therefore, the proposed amendment to the Specific Plan for parkland is consistent with the Placer County General Plan Policy 5.A.3.

The passive parkland minimum requirement of 5 acres per 1,000 residential population (or 159 acres) will be met through the provision of 692.8 acres of open space acres which has been slightly reduced from the originally approved 710 acres. This is a slight reduction in the passive parkland acreage, however the proposal will exceed General Plan requirements and portion of the open space will provide public recreation opportunities. There are no changes proposed to the open space buffers or landscaped berm adjacent to the Special Planning Area.

The applicant has also proposed changes to the extensive trail network proposed within the Specific Plan. Class I bike paths (Off-street pathways completely separated from traveled roadways for the exclusive use of bicycles and pedestrians) are proposed to be reduced from approximately 43.6 miles to approximately 35.1 miles, leaving the combined length of the proposed Class I bike paths and multi-purpose trails is approximately 42.3 miles. Staff is supportive of these changes which eliminate several areas of redundant paths while still providing for east – west connections and increasing north-south connections. The Applicant was also able to provide additional connections to the multipurpose trail around the southern boundary of the Specific Plan area to increase opportunities for equestrian riding and other trail experiences. With these changes, the applicant will still meet General Plan standards while improving the trail network efficiency and connectivity.

Transportation

The proposed changes to the Specific Plan include the narrowing of landscaped medians in Base Line Road and Watt Avenue from 20 feet to 14 feet and elimination of the pedestrian bridge over Base Line Road. The 2007 adopted Specific Plan indicated that construction of a bicycle/pedestrian crossing over or under Base Line Road shall be coordinated with the development in the north with the City of Roseville, in conjunction with the Sierra Vista plan. Because the proposed bicycle/pedestrian crossing was not approved by the City of Roseville with the approval of the City's Sierra Vista development (located north of Base Line Road), the applicant is proposing, and staff concurs, to eliminate the bicycle/pedestrian crossing requirement from this project. In lieu of the grade-separated crossing, all pedestrian crossing of Base Line Road would be controlled by at-grade traffic signals.

The environmental analysis included in the Addendum indicated that elimination of the grade-separated crossing would not adversely affect pedestrian and bicycle safety, and would not adversely affect intersection operations for motorized vehicles. Therefore, the conclusions of the 2007 EIR remain valid, and approval of the proposed amendment would not result in any new significant impacts.

Landscaped median widths along Base Line Road and Watt Avenue are proposed for reduction from 20 to 14 feet. The reduction in median width will reduce long-term maintenance costs for the project. In addition, the reduced median widths will conform to the City of Roseville's standards for future extensions of these roads into the City.

Land Use

Proposed amendments to the Specific Plan include designating in the Development Standards underlying lands previously planned for eliminated park / recreation uses consistent with adjacent land uses and changing the land use designation of the 5-acre Town Center Recreation parcel to High Density Residential, with no proposed increase in the overall units.

Because of the proposed reduction in open space and park acreage, the residential areas are proposed to increase; however, the number of total residential units will remain unchanged. The Business Park area would increase by 1 acre; however, the allocated Gross Square Feet would be unchanged and the intensity utilized for purposes of distributing Commercial intensity to individual properties of record reduces slightly to 0.246.

Build out under proposed amendment to the Specific Plan would result in the same number of residential units and same population as would the adopted Specific Plan. Overall land use, land use patterns would not be altered substantially from the adopted Specific Plan.

Finance

As noted in the project description above, the applicants are applying for an amendment to the adopted Specific Plan and modification to the draft Finance Plan to allow a reduction in the parkland/population ratio and a consolidation of parks, park facilities and other public facilities that would reduce construction, maintenance and operational costs. The proposed amendment would alter the delivery method for development of parks from 100 percent developer-constructed to developer fee-funded with the County providing planning, design, and construction of community parks (while developers would be responsible for the development of neighborhood parks and trails). The delivery method for County facilities such as the sheriff substation, library, and fire stations would also change from 100 percent developer-constructed to developer fee fund with the County providing the planning, design, and ultimate construction of these facilities. This change in delivery method for government facilities is consistent with the Board's direction received on December 10, 2013 (allowing the Placer Vineyards project the option of paying an in-lieu impact fee instead of constructing the public facilities.

Other

The applicant proposes to form a Parks and Recreations District to oversee the maintenance and operation of the community's park programs. The Placer County Board of Supervisors indicated on December 10, 2013 that it was amendable to considering the applicant's request to form a separate Parks and Recreation District. The recreation district formation will occur after the Development Agreement has been revised and is subject to the Local Agency Formation Commission process. Staff is supportive of working with the applicant to change the method of implementation of park programs and services from a County obligation to a Park and Recreation District obligation.

Public Correspondence

To date, the County has received one correspondence regarding the proposed amendments to the Placer Vineyards Specific Plan. Staff received an e-mail from Bruce and Sheri Greco dated November 4, 2014 (refer to Attachment D) expressing concern regarding the following issues:

- Closure of Locust Road
- Elimination of the mini parks and open space areas near the Special Planning Area
- Modification to the trails system throughout the Specific Plan Area

Mr. and Mrs. Greco contend the feasibility analysis regarding the potential closure of Locust Road should have been conducted years ago. Based upon the approved Development Agreement and the

Conditions of Approval for the Placer Vineyards project, preparation of the feasibility analysis for the potential closure of Locust Road is not required to be submitted until such time that the first set of Improvement Plans are submitted to the County for review. No Improvement Plans have been submitted to date and the "trigger" to require the submission of the roadway feasibility analysis has not yet occurred. As noted above, staff has and continues to have discussions with the Owners Group regarding this requirement, and staff will assure that the required feasibility analysis is submitted and reviewed prior to the submission of the first set of Improvement Plans for this project.

As noted in their e-mail, Mr. and Mrs. Greco are disappointed with the elimination of four mini-parks near the Special Planning area. As discussed in this report, while some of the parks within the project area have been eliminated, the provision of open space still complies with the County's General Plan requirement of having five acres of open space for every 1,000 residents. Additionally, as discussed in this report, staff has concluded that the elimination of the mini-parks and the consolidation of open space within larger neighborhood parks is a better design solution for the project that will result in improved, usable open space areas.

As noted in Mr. and Mrs. Greco's e-mail, this revision to the Specific Plan does in fact eliminate certain on- and off-street trails. As discussed in this report, the trails that were eliminated were redundant, and the applicant concluded – and staff agreed – that these monies could be better spent in other areas of the Specific Plan area. While not noted by Mr. and Mrs. Greco, it is important to acknowledge that there are several areas within the Specific Plan where the trail system has been expanded and improved, most notably for the multi-use trail system adjacent to the Special Planning Area (where the Greco's live). These trail improvements were included by the applicant to address deficiencies and missing linkages from the originally approved trail system.

As of the preparation of this report, no other correspondences from the public have been received. Should any new correspondences be received prior to the Planning Commission hearing, staff will forward the correspondences to the Planning Commission.

WEST PLACER MUNICIPAL ADVISORY COUNCIL:

The applicant and staff have presented the proposed project amendments to the West Placer MAC at multiple meetings. At the August 13, 2014 and October 8, 2014 meeting, staff and the applicant presented an overview of the requested changes to the Specific Plan. At the November 12, 2014 meeting of the West Placer MAC, the proposed project was formally presented to the MAC for a recommendation to the Planning Commission. After receiving a report from staff and a presentation from the applicant, the MAC voted 2-1 to make a recommendation of denial for the applicant's proposed changes to the Specific Plan to the Planning Commission. In response to the presentation, the MAC expressed concern regarding the timing of the Locust Road Circulation Study. As stated in the original project approvals, the applicant is required, prior to approval of any Improvement Plans for any improvements to be constructed as part of the first Development Phase, to identify and review the feasibility of alternatives to retaining Locust Road as a through roadway between Base Line Road and West Town Center Drive. The Applicant has commissioned the Locust Road Circulation Study and staff indicated they will come back to the community with the results to discuss the next steps and options. As set forth in the original Conditions of Approval, the feasibility analysis is required to:

(1) Review the impacts upon the roadway systems in the Specific Plan and in adjacent Jurisdictions, and identify the need for new or additional infrastructure, if any;
(2) Include an analysis of the necessary amendments to the Specific Plan, the County General Plan and/or the Dry Creek West Placer Community Plan to implement any such alternatives;
(3) Identify the costs associated with any such alternatives; and
(4) Comply with the California Environmental Quality Act and any other applicable legal

requirements.

As required in the original project approvals, the purpose of this study is to determine whether modifications to Locust Road are in the best interest of the County. Staff has been in discussions with the Owners Group regarding this required study. The County has approved the Scope of Work to conduct the study, and the consultant underway to prepare this report to analyze Locust Road.

In addition, concerned was expressed regarding the elimination of parks and bike paths within the Specific Plan Area. Audience members residing in the Special Planning Area (SPA) indicated that they felt they made a significant amount of concessions when the project was originally approved, and now feel they are being asked to make more concessions without any benefits. In addition, concern was expressed regarding impacts to the SPA area in terms of flooding and drainage. Staff indicated that the developer has an approved drainage masterplan and with each development proposal, the proposal will be analyzed to confirm with the requirements of the Specific Plan, Development Agreement, master plans, and County codes and policies.

RECOMMENDATIONS:
Staff requests that the Planning Commission make recommendations to the Board of Supervisors to modify the Placer Vineyards Specific Plan and take the following actions:

1. Adopt the addendum to the certified Placer Vineyards Specific Plan Final Environmental Impact Report (SCH#1999062020);

2. Adopt an amendment to the Placer Vineyards Specific Plan Mitigation Monitoring and Reporting Program;

3. Approve amendments to the Placer Vineyards Specific Plan;

4. Approve amendment to the Placer Vineyards Specific Plan Land Use Development Standards; and

5. Approve the Second Amended and Restated Development Agreement.

FINDINGS:
Staff is also requesting Planning Commission's recommend to the Board of Supervisors the following findings pertaining to the recommend actions noted above:

CEQA

1. The proposed project will not result in substantial changes that would lead to the identification of new or previously unidentified significant environmental effects that would require major revisions of the previously certified Final Environmental Impact Report for the Placer Vineyards Specific Plan.

2. No new information of substantial importance which was not known, and could not have been known with the exercise of reasonable diligence at the time the Final Environmental Impact Report for the Placer Vineyards Specific Plan was certified, has been discovered which would require major revisions of the previously certified Environmental Impact Report.

3. There is no substantial evidence in the record as a whole that the project as revised may have a significant effect on the environment. With the incorporation of all previously approved mitigation

measures and minor amendments thereto, the project will not result in any new or additional significant adverse impacts.

4. The Addendum to the previously certified Final Environmental Impact Report for the Placer Vineyards Specific Plan has been prepared as required by law and in accordance with all requirements of CEQA and the CEQA Guidelines and the document as adopted reflects the independent judgment and analysis of Placer County, which has exercised overall control and direction of the preparation of the Addendum..

5. The custodian of records for the project is the Placer County Planning Director, 3091 County Center Drive, Suite 140, Auburn CA, 95603.

SPECIFIC PLAN:

1. The proposed amendments to the Placer Vineyards Specific Plan are consistent with the objectives, policies, general land uses and programs specified in the Placer County General Plan.

2. The proposed amendments are internally consistent with the remaining provisions of the 2007 approved Placer Vineyards Specific Plan.

3. The Specific Plan as amended is not within the area of any airport land use plan.

4. The proposed amendments to the Placer Vineyards Specific Plan are in compliance with Government Code section 65451.

LAND USE AND DEVELOPMENT STANDARDS

1. The proposed amendments to the Placer Vineyards Specific Plan Land Use and Development Standards are consistent with Placer County General Plan.

2. The proposed amendments to the Placer Vineyards Specific Plan Land Use and Development Standards are consistent with and implement the Placer Vineyards Specific Plan, as approved in 2007 and as herein amended.

3. The proposed amendments to the Placer Vineyards Specific Plan Land Use and Development Standards will implement the Placer Vineyards Specific Plan policies and goals and will ensure orderly development of the Specific Plan Area.

DEVELOPMENT AGREEMENT

1. The proposed Second Amended and Restated Development Agreement Relative to the Placer Vineyards Specific Plan is consistent with the objectives, policies, general land uses and programs specified in the Placer County General Plan and the Placer Vineyards Specific Plan, as approved in 2007 and as herein amended.

2. The proposed Second Amended and Restated Development Agreement Relative to the Placer Vineyards Specific Plan is compatible with the uses authorized in and the regulations prescribed for the Placer Vineyards Specific Plan, as approved in 2007 and as herein amended.

3. The proposed Second Amended and Restated Development Agreement Relative to the Placer Vineyards Specific Plan are in conformity with public convenience, general welfare and good land use practice.

4. The proposed Second Amended and Restated Development Agreement Relative to the Placer Vineyards Specific Plan will not be detrimental to the health, safety and general welfare of persons residing in the County.

5. The proposed Second Amended and Restated Development Agreement Relative to the Placer Vineyards Specific Plan will not adversely affect the orderly development of property or the preservation of property valued in the Placer Vineyards Specific Plan area.

ATTACHMENTS:

Attachment A – Addendum to the Final Environmental Impact Report dated October 31, 201 and Environmental Checklist (under separate cover)
Attachment B – Mitigation and Monitoring Reporting Program – strikethrough version (under separate cover)
Attachment C – Center Joint Unified School District letter dated October 2, 2014
Attachment D – Correspondence received

The following items have been provided to the Planning Commission members and are posted on the website. Copies are on file with the Planning Commission Clerk.

Attachment E – Proposed Amended Specific Plan and Appendix A (under separate cover)
Attachment F – Proposed Second Amended and Restated Development Agreement

cc: Engineering and Surveying Division
Environmental Health Services
Air Pollution Control District
Andy Fisher - Parks Department
Gerry Cardin - County Counsel
Karin Schwab – County Counsel
Michael Johnson - CDRA Director
Paul Thompson – Deputy Director
EJ Ivaldi – Deputy Director
Holly Heinzen – CEO Office
Subject/chrono files

Center Joint Unified School District

8408 Watt Avenue * Antelope, California 95843
(916) 338-6330 * Fax (916) 338-6411

Established 1858

BOARD OF TRUSTEES
Nancy Anderson
Kelly Kelley
Delrae Pope
Jeremy Hunt
Donald E. Wilson

SUPERINTENDENT
Scott A. Loehr

October 2, 2014

Placer County Planning Commission
Michael Johnson, Director
3091 County Center Drive
Auburn, CA 95603

Dear Mr. Johnson,

The intent of this letter is to demonstrate the Center Joint Unified School District's support and willingness to enter into Joint Use Agreements between the Center Joint Unified School District facilities and the future parks and recreation district that will be established within the Placer Vineyards Specific Plan of the Center Joint Unified School District boundaries. Furthermore, it is our intent to work collaboratively with the future parks and recreation district within this area to:

1) establish a usage schedule to meet the needs of the Center Joint Unified School District and the future parks and recreation district.
2) meet all conditions outlined by our current Placer Vineyards Specific Plan Development Agreement.
3) meet all required conditions set for by the California Department of Education relating to school facilities.
4) provide more opportunities for the residents within our community.

If I can be of any further assistance, please do not hesitate to contact me. The Center Joint Unified School District is excited about this future partnership and looks forward to working together.

Sincerely,

Scott A. Loehr
Superintendent

cc: Mary Dietrich, Placer County Facilities and Planning
Al Johnson, Al Johnson Consulting

ATTACHMENT C

Michele Kingsbury

Subject: FW: Placer Vineyards Specific Plan
Attachments: PVSP3-17Fig.3.2.pdf; Supervisors_Minutes.pdf

---------- Forwarded message ----------
From: <bcgreco@aol.com>
Date: Tue, Nov 4, 2014 at 11:17 AM
Subject: Placer Vineyards Specific Plan
To: tivaldi@placer.ca.gov, crivera@placer.ca.gov, wwyllie5@gmail.com

Supervisor District 1

Dear Supervisor Duran,

This letter discuses the Placer Vineyards Project and the desire of my SPA (Special Planning Area) neighborhood to not be subjected to greatly increased traffic volumes as a result of the development of this region. Please refer to the Placer Vineyard Specific Plan page 3-17 Figure 3.2 attached to this email (PVSP3-17Fig.3.2). My neighborhood is at the upper left and consists of the streets of Elder, Lowell, Browning, Newton, Peacock, and the section of Locust Rd. between Baseline Rd. and the Placer Vineyards Urban Area. **We want the section of Locust Rd. in our Neighborhood to terminate before entering the top of the New Placer Vineyards Development. This is our top priority. It is the only way to prevent massive north-south through traffic in my residential neighborhood as urbanization occurs in this whole region of Placer county.**

In 2007 my neighborhood got extremely involved in communicating these concerns with the Board of Supervisors, Placer planning staff, and Developer. We had many group meeting with Supervisor Rockholm and many of my neighbors personally met with some of the other District Supervisors. I personally met with several and spent some time with Supervisor Jim Holmes driving around the SPA area. This resulted in wonderful Board of Supervisors support which is documented in the Minutes of the Placer County Board of Supervisors Special Session of 9:00 a.m., Monday, July 16, 2007 which I have attached to this email.

Please refer to the attachment where I highlighted relevant areas. Supervisor Rockholm put on record that he supported closing Locust Road and that the SPA area will have a 50 foot buffer with a 6 foot berm while still having access to shopping, biking, riding, walking and other uses. Supervisor Uhler asked if the Board needed a motion directing staff to study the closure of Locust Road. Scott Finley, Deputy County Counsel, said "the development agreement does provide for that but if the Board wanted the study started early it would be appropriate to provide direction to the development team so they know that it is a **first priority**." So that is exactly what the Board of Supervisors did with the following motion:

"MOTION Uhler/Rockholm/Unanimous directed staff to work through the development agreement or to direct the developer to initiate a study, regarding the closure of Locust Road, as staff deems most appropriate to **get the study going;...**; and direct staff to start neighborhood traffic management planning with the residents of Locust Road."

When Scott Finley said "the development agreement" he was referring to page 5-5 of the Placer Vineyards Specific Plan Policy 5.6 *Locust Road Circulation Study.*

You see the traffic through our neighborhood in 2007 was already bad enough from the Roseville and Rocklin developments that staff was directed to help to decrease its impact on our neighborhood immediately. Staff did follow through on this aspect. We received a weight limit sign which stopped the tremendous number of concrete trucks racing through our neighborhood to the Roseville construction sites. We also got 2 Locust Road stop signs which did not decrease the number of cars, but it has slowed most of them down some.

It seemed pretty clear to me in 2007 that we had Unanimous Board of Supervisor support. They directed staff that it was a first priority to get a study done to show how best to achieve a Locust Road closure. **However, it has been 7 years, and no study has been done in regard to the closure of Locust Road!** I believe it is the Placer County Staff that has completely ignored the on record directive by the Board of Supervisors to get the study done. Kent MacDiarmid (Placer

ATTACHMENT D

Vineyards Developer Representative) has been publicly stating since 2007 that it was totally ok with the Developers if Locust Rd. was closed.

On February 14, 2012 the Board of Supervisors adopted Amendments to the Placer Vineyard Specific Plan Greatly stripping down the amount of Core Backbone Infrastructure that is required to be completed before individual developments are started. The following are all discussed in this Amendment:
1. The Widening of Base Line Road to 4 lanes
2. A new signal light at **Locust Road** and Base Line Road
3. Construction of 4 lane West Dyer Lane which sweeps up to Base Line Road just east of my neighborhood
4. Construction of 2 lane 18th Street between West Dyer Lane and **Locust Road**

The above represents half the streets talked about in the Core Backbone Infrastructure and they will all be directly effected by the closure of Locust Road at the base of my neighborhood.

It is extremely upsetting to me that the Locust Road Closure Study was not performed prior to the 2012 Amendment so that the Amendment would include a description of the Locust Road Closure and any changes to the above mentioned roads.

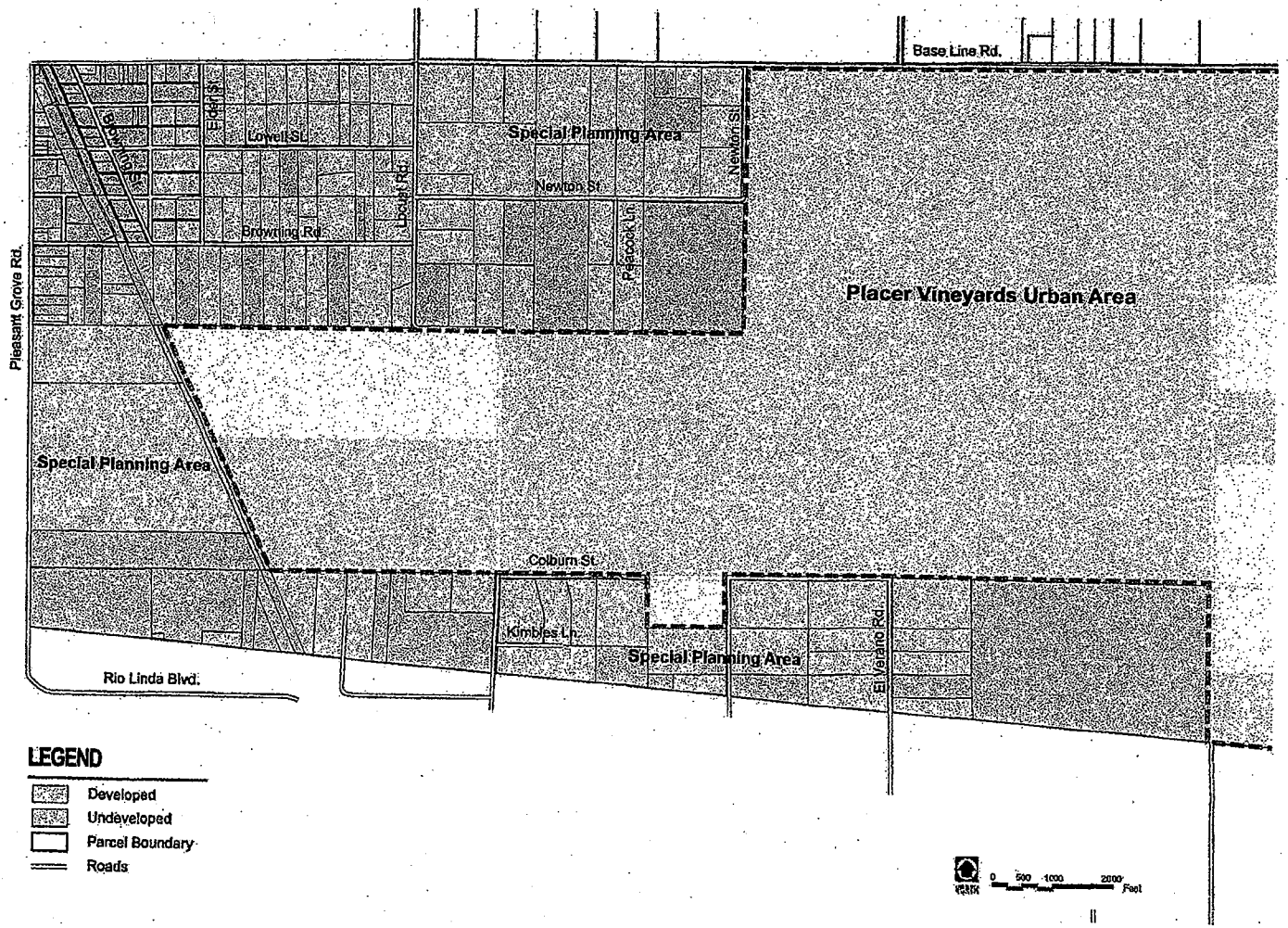
There are now a greater number of developed properties in my neighborhood than the 2005 map (Placer Vineyard Specific Plan page 3-17 Figure 3.2) indicates. My neighborhood contains the majority of the SPA area homes. Even back in 2007 we had already seen an increase in traffic through our neighborhood with just the miniscule amount of development way over in Roseville and Rocklin. Locust Road presently has hazardous right angle turns in it at the base of my neighborhood; why not just have it come up from Sacramento into Placer Vineyards and sweep gracefully north-east as 4 lanes and join into Dryer Lane and head north to Base Line Road. They basically already have it drawn that way in the plans, just need to add more lanes.

Another detail that needs to be addressed is that the Placer Vineyards Specific Plan must state that there will be no ingress or egress of cars between my neighborhood streets and the New Placer Vineyards development. For example, there is low density housing planned for the area south of the Locust Road section that runs east/west at the base of my neighborhood. It should clearly state that no new Placer Vineyards streets will plug into Locust Road here. Another example is Newton St. at the east side of my neighborhood where a Business Park and Medium Density Housing is planed. There are buffers described for this area in the Placer Vineyards Specific Plan, however, there is nothing stating that the developer is barred from allowing ingress and egress between Newton Road and the new development through a break in the buffer. Such ingress and egress would encourage people to cut through my neighborhood as a short cut or to avoid signal lights. Currently over 50% of the cars that travel on Newton St. are westbound Baseline Rd. vehicles that make an illegal left turn onto Newton Street in order to bypass the line of cars waiting to get through the stop sign at westbound Baseline Rd. and Locust Rd. Technically the speed limit on Newton St. is 55mph, however, it is so narrow that if two cars are approaching each other, one needs to move over to the edge (hopefully not falling into the drainage ditch) while the other slowly comes by.

The July 2006 version of the EIR states in Figure 4.7-3 that the Daily Roadway Volumes under Existing Conditions is **1,000** for Locust Rd. Figure 4.7-20 states that Locust Rd. will have a Daily Traffic Volume of **7,000** after urbanization of this region. My residential neighborhood was here many years before Placer County decided in 1994 to urbanize this whole region of the county and we have never had a traffic volume over 1000 even to this day. It is a significant environmental impact, quality of life impact, and safety impact for Placer County to increase our neighborhoods traffic volume to 7000 in direct violation of the Placer County General Plan when the Placer Vineyards Project is ocuring on mile after mile of wide open vacant land with plenty of opportunity to design urban traffic flow around my rural residential neighborhood, not through it. This is a clear violation of CEQA.

We are simply a low density residential agriculture neighborhood and as the original south-west residents of Placer County we certainly deserve to receive the most fundamental and universally accepted design principle of residential neighborhoods which is the absolute prevention of through traffic. Please allow us to receive the same benefits being granted to every residential neighborhood of Placer Vineyards. With Locust Road blocked off we become a nice residential neighborhood where it is safe to walk, bike and horse ride on our streets without fear of being run over by someone just traveling through. The streets of our neighborhood would not need to be widened, No one looses their fences or landscaping. People can safely back out of their driveway (some have no turnaround means on their property). We are pretty much surrounded by miles and miles of vacant land owned by the developers, fulfilling our request to block off the bottom of our neighborhood and adding some additional lanes to a couple new Placer Vineyards roads around us is certainly no hardship to the developer or Placer County. It is simply the right thing to do.

Figure 3.2 Special Planning Area Location Map



Source: Placer County Planning 2005

PLACER COUNTY BOARD OF SUPERVISORS
MINUTES

The Placer County Board of Supervisors met in a special session at 9:00 a.m., Monday, July 16, 2007, in the County Administrative Center, 175 Fulweiler Avenue, Auburn. Supervisors Rockholm, Weygandt, Holmes, Uhler and Kranz present. Chairman Kranz presiding; Ann Holman, Clerk of the Board. Also present were County Executive Thomas Miller and County Counsel Anthony J. La Bouff.

PUBLIC COMMENT – Rosemary Frieborn, Friends of the Animals, spoke about animal services.

COMMUNITY DEVELOPMENT RESOURCE AGENCY/PLANNING/Placer Vineyards Specific Plan (PSPA T20060679)/Land Use And Development Standards/Amendments to the Placer County General Plan/Amendments to the Dry Creek West Placer Community Plan/Rezoning/Development Agreements/Supplement to the Final Environmental Impact Report/Final Environmental Impact Report (PEIR T20040651/SCH #1999062020) – Public hearing to consider a request submitted by the Placer Vineyards Property Owners Group for approval of the Placer Vineyards Specific Plan, Specific Plan Land Use and Development Standards, amendments to the Placer County General Plan and the Dry Creek West Placer Community Plan; Rezoning (as shown in Rezoning Exhibit), and individual Development Agreements. The following parcels, owned by members of the Placer Vineyards Property Owners Group, are included in the request to change the existing zone districts to SPL-PVSP (Specific Plan-Placer Vineyards Specific Plan): APN Nos. 023-221-001, 023-221-002, 023-200-005, 023-200-006, 023-200-017, 023-200-037, 023-200-064, 023-200-065, 023-200-018, 023-200-045, 023-200-066, 023-200-041, 023-200-010, 023-200-012, 023-200-013, 023-200-009, 023-200-011, 023-200-067, 023-200-068, 023-010-026, 023-010-004, 023-010-029, 023-200-008, 023-010-006, 023-010-014, 023-010-013, 023-010-021, 023-010-022, 023-010-023, 023-150-026, 023-150-027, 023-180-005, 023-180-006, 023-180-007, 023-180-008, 023-019-016, 023-160-011, 023-160-004. Non-Participating Properties that are not proposed to be rezoned, but will be subject to the new Specific Plan land use designations, include the following parcels: APN Nos. 023-200-062, 023-200-063, 023-200-015, 023-200-28, 023-010-024, 023-200-060, 023-200-042, 023-200-029, and 023-010-028. Properties within the Special Planning Area (SPA) within the Specific Plan are not proposed to be rezoned. The Board of Supervisors will also consider certification of a Final EIR, including the Supplement to the Final EIR.
MOTION Rockholm/Holmes/Unanimous to accept the Public Facilities Financing Plan and the Urban Services Plan specific to the Base Plan.

MOTION Rockholm/Holmes/Unanimous to adopt Resolution 2007-229 certifying the Final Environmental Impact Report, including Exhibit A (Statement of Findings) with addendum to be incorporated in final findings.

MOTION Rockholm/Holmes/Unanimous to adopt Resolution 2007-230 approving amendments to the Placer County General Plan.

MOTION Rockholm/Holmes/Unanimous to adopt Resolution 2007-231 approving amendments to the Dry Creek/West Placer Community Plan.

MOTION Rockholm/Holmes/Unanimous to adopt Resolution 2007-232 adopting the Placer Vineyards Specific Plan with errata.

MOTION Rockholm/Holmes/Unanimous to adopt Ordinance 5475-B approving the Placer Vineyards Land Use and Development Standards with addendum that the effective date of the ordinance shall take effect and be in full force and effect upon the later of: 1) thirty (30) days after its passage, or 2) the date upon which the Chair executes the last of the Development Agreements.

MOTION Rockholm/Holmes/Unanimous to adopt Ordinance 5476-B rezoning certain properties within Placer Vineyards Specific Plan with addendum that the effective date of the ordinance shall take effect and be in full force and effect upon the later of: 1) thirty (30) days after its passage, or 2) the date upon which the Chair executes the last of the Development Agreements.

MOTION Rockholm/Holmes/Unanimous to adopt Ordinance 5477-B adopting the Development Agreements for participating properties within the Placer Vineyards Specific Plan with amendment that the effective date of the ordinance shall take effect and be in full force and effect upon the later of: 1) thirty (30) days after its passage, or 2) the date upon which the Chair executes the last of the Development Agreements.

MOTION Uhler/Rockholm/Unanimous directed staff to work through the development agreement or to direct the developer to initiate a study regarding the closure of Locust Road, as staff deems most appropriate to get the study going; direct staff to work on the urban study finance plan; and direct staff to start neighborhood traffic management planning with the residents on Locust Road.

Supervisor Uhler asked if the County hired the consultant at the developer's expense for the EIR process. Scott Finley said the consultant worked with County direction and was not influenced by the landowners. Supervisor Uhler pointed out on the Sierra Club website Mr. Davis is quoted to say that Placer Vineyards would pave over 2,300 acres of vernal pool grasslands and would compensate by preserving just 266 acres off-site. Mr. Davis explained those were earlier numbers now the preservation is about 364 acres. Supervisor Uhler said that Mr. Davis is using a different set of standards for what is being paved over and what is being preserved and restored.

Chairman Kranz said he interpreted Mr. Davis' comments on June 12th as supportive of the Blueprint version of the project and since that time he has been fighting the whole project. Mr. Davis said the Sierra Club is supportive of the Blueprint project if habitat mitigation is done off-site.

Michael Faust, Sacramento Metro Chamber, explained they support SACOG Blueprint projects and requested the Board direct staff to develop the necessary documentation in order to consider the Placer Vineyards Blueprint Alternative.

Leslie Fair, J Page, and Mamood, SPA residents, thanked the Board for being attentive to the communities needs.

Frank Weismantel, SPA resident, asked that the Board not approve the Blueprint Alternative.

Karen Tajbl, Sierra Foothills Unitarian Univeralists Church Environmental Task Force, said the faith community is getting involved with environmental issues. She supported the Blueprint Alternative and adequate vernal pool mitigation.

Dan Tajbl, Auburn resident, expressed concern about aesthetics, mass transit ambiguities, and possible lot splits in the future.

Mae Harms, Garden Valley resident, requested the Board protect the project land to the full extent of the law.

Scott Otsuka, Roseville resident, said he would be impacted by the development and the developer has done an excellent job in design and preservation of open space. He supported approval of the project.

Walter Wyllie, Randy Roberts and Duane Renison, SPA residents, thanked the Board and staff for their efforts and requested Locust Road be closed.

Bruce Greco, SPA resident, requested Locust Road be closed as soon as possible so that amendments can be made to the Specific Plan and studies can be done on impacts for surrounding roads before submittal to State and Federal Agencies for approval.

Ann Diamondstone, Del Web resident, supported the Placer Vineyards project.

Michael Lee, Roseville resident, spoke against Placer Vineyards and urban sprawl. He said we need to protect our natural resources and sustain our quality of life.

Michael Johnson addressed public comments. He said there will be some impact to existing trees although the applicant has designed around as many trees as possible. Individual plans will be submitted in the future and the worst case scenario has been used for mitigation requirements. Staff would work with individual property owners to work around and incorporate existing trees into projects. Thomas Miller added the Specific Plan has development guidelines that address boulevard and median landscape to require heavy landscaping. Paul Thompson said the developer is working around the oak grove on Dyer Lane and is incorporating a walkway.

Tim Taron said the letter submitted by the Sierra Club states that the off-site mitigations do not contain grasslands. Hal Freeman, Ecorp Consulting Inc., listed some of the mitigation properties that total at least 2,000 acres of grassland.

Supervisor Rockholm shared his knowledge of the SACOG Blueprint and the improvements that have been made to the plan. He said both alternatives incorporate smart growth and Blueprint components. He supported the base plan because that is what was supported by the community. The project will have expansive open space, mixed uses, and walkable communities. He supported closing Locust Road. Through collaborative planning the SPA will have a 50 foot buffer with a 6 foot berm while still having access to shopping, biking, riding, walking and other uses. Supervisor Rockholm supported adequate law enforcement but did not see the reason for a 1.3 ratio when the City of Roseville has an adequate 1.2 ratio and suggested sharing the fire training facility instead of constructing a new one. The Placer Vineyards project will be environmentally friendly and a sustainable community with smart growth principals, mixed land uses and extensive open space. Community amenities such as parks,

Supervisor Uhler asked if the Board needed a motion directing staff to study the closure of Locust Road. Scott Finley, Supervising Deputy County Counsel, said the development agreement does provide for that but if the Board wanted the study started earlier it would be appropriate to provide direction to the development team so they know that is a first priority. Anthony La Bouff, County Counsel, wanted to make sure there was direction to staff to work on "sharpening the pencil" on the urban study finance plan. He advised that one motion could cover both items with Board direction.

MOTION Uhler/Rockholm/Unanimous directed staff to work through the development agreement or to direct the developer to initiate a study, regarding the closure of Locust Road, as staff deems most appropriate to get the study going, direct staff to work on the urban study finance plan, and direct staff to start neighborhood traffic management planning with the residents on Locust Road.

ADJOURNMENT There being no further business, the Board adjourned. Next special meeting is Monday, July 23, 2007 (Tahoe) and the next regular meeting is Tuesday, July 24, 2007 (Tahoe).

ATTEST:

Ann Holman
Clerk of the Board

Bruce Kranz, Chairman
Placer County Board of Supervisors

Melinda Harrell
Senior Board Clerk

RECORD AND WHEN RECORDED
RETURN TO:

County of Placer
Attn: Planning Director
3091 County Center Drive
Auburn, CA 95603

SECOND AMENDED AND RESTATED

DEVELOPMENT AGREEMENT

BY AND BETWEEN THE COUNTY OF PLACER AND

RELATIVE TO THE

PLACER VINEYARDS SPECIFIC PLAN

ATTACHMENT F

SECOND AMENDED AND RESTATED DEVELOPMENT AGREEMENT RELATIVE TO THE PLACER VINEYARDS SPECIFIC PLAN

This Second Amended and Restated Development Agreement (this "**Agreement**") is entered into this _____ day of _____, 201__, by and between the County of Placer, a municipal corporation ("**County**"), and the entities and/or persons executing this Agreement as Developer on the signature page attached hereto ("**Developer**") pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California.

RECITALS

A. First Restated Agreement. The County and Developer, or Developer's predecessor-in-interest (as reflected on the signature page attached hereto), previously entered into that certain Amended and Restated Development Agreement Relative to the Placer Vineyards Specific Plan, dated February 14, 2012, and the First Amendment to Amended and Restated Development Agreement, dated September 11, 2012 (collectively, the **"First Restated Development Agreement"**). The First Restated Development Agreement replaced the Original Development Agreement (as defined therein) that was previously recorded against the Property in 2007. The First Restated Development Agreement, including the First Amendment thereto, was recorded in the Official Records of Placer County, the date and recording information for which is listed on the signature page attached hereto.

B. Purpose of Amendment. The Developer desires to amend the First Restated Development Agreement to facilitate development of the Plan Area and to incorporate and reflect the revisions to the Specific Plan and Financing Plan, including the former Urban Services Plan incorporated therein, accepted by the County for such development. County has agreed to amend the First Restated Development Agreement to facilitate such development and incorporate the revisions to the Specific Plan and Financing Plan, pursuant to and in accordance with the terms of this Agreement.

C. Effect of Agreement. This Agreement amends and restates the First Restated Development Agreement in its entirety. Upon the Effective Date of this Agreement and recordation of this Agreement in the Official Records of Placer County, the First Restated Development Agreement shall be deemed replaced and superseded in full by this Agreement and shall be deemed to be the only development agreement with the County applicable to development of the Property.

D. 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.

E. Property. The subject of this Agreement is the development of those certain parcels of land described in **Exhibit A-1** and shown on **Exhibit A-2** attached hereto (hereinafter the **"Property"**), within the Placer Vineyards Specific Plan area (**"Specific Plan"** or **"Plan Area"**). Developer owns the property and represents that all persons holding legal or equitable interests in the Property shall be bound by this Agreement. For purposes of identification of the Property within the Specific Plan, all references herein to the Property's number shall refer to the number for the Property identified on **Exhibit A-2** and **Exhibit 2.2** of this Agreement and the number assigned to Developer in the list of Participating Developers attached as **Exhibit B** hereto.

F. Hearings. On _____, 201__, the County Planning Commission considered this Agreement and recommended that the County Board of Supervisors (**"Board"**) approve this Agreement.

G. Environmental Impact Report/Addenda. On July 16, 2007, the Board, in Resolution No. 2007-229, certified as adequate and complete the Final EIR (the **"EIR"**) (State Clearinghouse #1999062020) for the Specific Plan, in accordance with the California Environmental Quality Act (**"CEQA"**) and adopted a Statement of Overriding Considerations. Mitigation measures were identified in the EIR and were incorporated to the extent feasible in the Specific Plan and in the terms and conditions of the Original Development Agreement, as reflected by the findings adopted by the Board concurrently with the Original Development Agreement. On February 14, 2012, the Board, in Resolution No. 2012-38, adopted an Addendum to the EIR, in accordance with CEQA, in connection with its approval of the Amended and Restated Development Agreement and on September 11, 2012, the Board, in Resolution No. 2012-211. adopted an additional Addendum to the EIR, in accordance with CEQA, in connection with its approval of the First Amendment thereto. On _____, 201__, the Board, in Resolution No. 201__-_____, adopted an Addendum to the EIR, in accordance with CEQA, in connection with its approval of this Agreement and corresponding amendments to the Specific Plan documents.

H. Entitlements. Following consideration and certification of the aforementioned EIR and of CEQA related findings and subsequently, following the adoption of the Addenda, the Board approved certain land use entitlements for the

Property, which were the subject of the Original Development Agreement and First Restated Development Agreement and are the subject of this Agreement, as follows:

Original Entitlements Approved in 2007:

1. The Placer County General Plan, as amended by Resolution No. 2007-230 (the **"General Plan"**);

2. The Specific Plan, as adopted by Resolution No. 2007-232 (the **"Original Specific Plan"**);

3. The Development Standards, as adopted by Ordinance No. 5475-B;

4. The zoning of the Property, as adopted by Ordinance No. 5476-B; and

5. The Original Development Agreement, as adopted by Ordinance No. 5477-B (the **"Original Adopting Ordinance"**);

Amended/Additional Entitlements

6. The Original Specific Plan, as amended by Resolution No. 2012-39, and as further amended by Resolution No. 201 - _____ (as amended, the **"Specific Plan"**);

7. The Development Standards, as adopted by Ordinance No. _____;

8. The Placer Vineyards Specific Plan Public Facilities Financing Plan (the **"Financing Plan"**) dated _____, 201__ (which supersedes and replaces the prior Financing Plan dated July 2007 and also revises and incorporates therein the prior Urban Services Plan dated July 2007); and

9. The Amended and Restated Development Agreement, as adopted by Ordinance No. 5665-B, which superseded and replaced the Original Development Agreement, and the First Amendment thereto, as adopted by Ordinance No. 5686-B, both of which are superseded and replaced by this Second Amended and Restated Development Agreement, as adopted by Ordinance No. _____ (the **"Adopting Ordinance"**).

The entitlements described in paragraphs 1 through 9 above are referred to herein collectively as the **"Entitlements."** Subsequent actions or approvals by County for development of the Property, such as Development Phases and Phasing Plans (as described in Section 3.5 below), tentative and final subdivision maps, conditional use permits or design approvals (**"Subsequent Entitlements"**), shall be deemed included

as part of the Entitlements upon County action or approval thereof, provided, however, except as otherwise provided herein regarding the term of tentative maps, the inclusion of Subsequent Entitlements as part of the Entitlements vested hereunder shall not limit the County's discretion to impose time periods within which such Subsequent Entitlements must be implemented. Development of the Property consistent with the Entitlements is referred to herein as the **"Project."**

I. General and Specific Plans. Development of the Property in accordance with the Entitlements and this Agreement will provide orderly growth and development of the Plan Area in accordance with the policies set forth in the General Plan and the Specific 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 hereof.

J. Substantial Costs to Developer. Developer has incurred and will incur substantial costs in order to comply with conditions of approval of the Entitlements and to assure development of the Property in accordance with the Entitlements and the terms of this Agreement.

K. Need for Services and Facilities. Development of the Property will result in a need for urban services and facilities, which services and facilities will be provided by County and other public agencies to such development subject to the performance of Developer's obligations hereunder.

L. Contribution to Costs of Facilities and Services. Developer agrees to provide for the costs of such public facilities and services as required herein to mitigate impacts on the County of the development of the Property, and County agrees to accept such public facilities and provide such services, according to the terms of this Agreement and the EIR, to allow Developer to proceed with and complete development of the Property in accordance with the terms of this Agreement. The Developer will provide as a part of such development a mix of housing meeting a range of housing needs for the County, public facilities such as open space, recreational amenities, and other services and amenities that will be of benefit to the future residents of the County. County and Developer recognize and agree that but for Developer's contributions to mitigate the impacts arising as a result of development entitlements granted pursuant to this Agreement, County would not and could not approve the development of the Property as provided by this Agreement and that, but for County's covenants under this Agreement, Developer would not and could not commit to provide the mitigation as provided by this Agreement. County's vesting of the right to develop the Property as provided herein is in reliance upon and in consideration of Developer's agreement to bear the cost of public improvements and services as herein provided to mitigate the impacts of development of the Property as such development occurs.

Developer agrees to fund the costs of construction and establish the on-going financing mechanisms as provided in this Agreement to ensure that the public facilities and services as required herein are provided at no cost to County. To coordinate and implement the plan for financing the costs of providing such public facilities and services, and provide a guide for the County's establishment of programs related to the costs of such facilities and services, the Developer has prepared and County has accepted the Financing Plan and has approved the Implementation Policies and Procedures Manual required by the Specific Plan (the **"Implementation Policies and Procedures Manual"**). Developer acknowledges that, to the extent public financing mechanisms may be utilized to pay for the costs of providing public facilities and services, the County's priority is to utilize such mechanisms for the costs of providing services.

M. Development Group. In view of the significant costs incurred to date and that will be required to be advanced by Developer to accomplish the goals and objectives of the Specific Plan as set forth in this Agreement, a Development Group consisting of Developer and the other Participating Developers has been formed and will fund the planning costs and may construct or coordinate and administer certain financing programs related to the construction of the improvements and the public facilities. As more particularly described in Section 3.2 of this Agreement, Developer's ability to proceed with any part of the Project will be contingent upon Developer being a member in good standing of such Development Group, as evidenced by the issuance thereto from the Development Group of a Good Standing Certificate.

N. 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.

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-1** and shown in **Exhibit A-2**. 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 person or entity described in the preamble above and the signature page to this Agreement below

and each and every subsequent purchaser or transferee of the Property or any portion thereof from Developer.

1.3 Term.

1.3.1 Commencement; Expiration. The term of this Agreement (**"Term"**) shall be deemed to have commenced as of the Effective Date of the Original Development Agreement, which the parties acknowledge occurred as of August 14, 2007 (the **"Original Effective Date"**). The **"Effective Date"** of this Agreement shall be deemed to occur upon the later of (i) the effective date of the Adopting Ordinance approving this Agreement and full execution by the parties hereto, and (ii) the effective date of the adopting ordinances and full execution by all parties of development agreements in substantially the same form as this Agreement, subject to different property-specific descriptions and land use exhibits with respect thereto, for all of the other owners listed as Participating Developers in **Exhibit B** attached hereto for their respective properties. For purposes of this Agreement, the term **"Participating Developers"** shall mean and refer to the Participating Developers listed in **Exhibit B**; if and when any owners of other property within the Plan Area subsequently elect to enter into a development agreement for such property in substantially the same form as this Agreement, such additional owners shall also become Participating Developers, provided such subsequent additions shall not affect the Term of this Agreement. This Agreement shall be recorded against the Property at Developer's expense within 10 days after County enters into this Agreement, as required by California Government Code Section 65868.5.

Due to the legal challenges filed against the County's approval of the Project Entitlements, the Developer requested in writing a tolling of the Original Development Agreements pursuant to Section 1.3.4 of the Original Development Agreement. The litigation was subsequently settled and dismissed on October 29, 2012. Therefore the parties acknowledge and agree to the following: (a) the Initial Term of the Original Development Agreement was 20 years, commencing on August 14, 2007 and scheduled to expire on August 14, 2027; (b) due to the intervening litigation, this original Initial Term was tolled and extended for the period of August 14, 2007 to and including October 29, 2012 (5 yrs., 2 mos. and 15 days); and, therefore, (c) the Initial Term of this Agreement was extended by such tolling to October 29, 2032 (the **"Initial 20 Year Term"**).

The Initial 20 Year Term will remain in effect unless said Initial 20 Year Term is terminated, modified or extended by circumstances set forth in this Agreement or by mutual consent of the parties hereto. Unless prior to the expiration of the initial period or prior to the second extension becoming effective the Board of Supervisors determines, in its sole discretion, that an extension is not in the best interests of the County, the Initial 20 Year Term, as may be modified or extended, shall be extended

automatically for two (2) consecutive periods of five (5) years each (the "2 Five-Year Extensions"). Following the expiration of the 2 Five-Year Extensions, this Agreement shall be deemed terminated and of no further force and effect.

1.3.2 Automatic Termination Upon Completion and Sale of Residential Unit. This Agreement shall automatically be terminated, without any further action by either party or need to record any additional document, with respect to any single-family residential lot within a parcel designated by the Specific Plan for residential use, upon completion of construction and issuance by the County of a final inspection for a dwelling unit upon such residential lot and conveyance of such improved residential lot by Developer to a bona-fide good faith purchaser thereof. In connection with its issuance of a final inspection for such improved lot, County shall confirm that: (i) all improvements which are required to serve the lot, as determined by County, have been accepted by County; (ii) the lot is included within any community facilities district (CFD), County service area (CSA), or any zone thereof, or other financing mechanism acceptable to the County, to the extent required by the County to fund public facility construction and/or maintenance obligations and services to the lot, in accordance with the provisions of Sections 3.20 and 3.21 below; (iii) if and to the extent applicable to such lot, an affordable purchase or rental housing agreement has been recorded on the lot; and (iv) all other conditions of approval applicable to said lot have been complied with. Termination of this Agreement for any such residential lot as provided for in this Section 1.3.2 shall not in any way be construed to terminate or modify any affordable purchase or rental housing agreement or any CFD tax lien or CSA assessment, fee or charge affecting such lot at the time of termination.

1.3.3 Termination Upon Developer Request. This Agreement may also be terminated, at the election of the then property owner, with respect to any legally subdivided parcel designated by the Specific Plan for residential or non-residential use (other than parcels designated for public use), when recording a final map for such parcel, or receiving a certificate of occupancy or final inspection, whichever is applicable, for a multi-family residential or non-residential building within such parcel, by giving written notice to County of its election to terminate this Agreement for such parcel, provided that: (i) all improvements which are required to serve the parcel, as determined by County, have been accepted by County; (ii) the parcel is included within any CFD or CSA, or any zone thereof, or other financing mechanism acceptable to the County, to the extent required by the County to fund public facility construction or maintenance obligations and services to the parcel, in accordance with the provisions of Sections 3.20 and 3.21 below; (iii) with respect to residential parcels, an affordable purchase or rental housing agreement, if required for such parcel pursuant to Section 2.6.2, has been recorded on the parcel; and (iv) all other conditions of approval applicable to said parcel have been complied with. Developer shall cause any written notice of termination approved pursuant to this subsection to be recorded with the County Recorder against the applicable parcel at Developer's expense. Termination of

this Agreement for any such parcel as provided for in this Section 1.3.3 shall not in any way be construed to terminate or modify any CFD tax lien or CSA assessment, fee or charge affecting such parcel at the time of termination.

1.3.4 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 (such as, any required Fill Permit or Environmental Impact Statement related thereto) are subjected to legal challenge by a third party, other than Developer, and Developer is unable to proceed with the Project 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 resolved to Developer's satisfaction), 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 moratoria for health or safety reasons unrelated to the performance of Developer's obligations hereunder (including without limitation, moratoria imposed due to the unavailability of water or sewer to serve the Plan Area), 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 moratoria prevents such development of the Property.

1.4 Amendment of Agreement. This Agreement may be amended from time to time by mutual written consent of County and Developer (and/or 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 and this Section 1.4. Except as otherwise provided below, any such amendments shall not require the consent or approval of any other Participating Developers.

1.4.1 Improvement and Fee Obligations Under Agreement and Financing Plan. Except as otherwise expressly limited by Section 1.4.2 below, any amendment to Section 2.5 (Fees), or Sections 3.2 through 3.16 (Developer Improvements), or Section 4.2 (Credits and Reimbursements), or to the list of facilities to be financed by development of the Plan Area pursuant to the Financing Plan, as more particularly described in **Exhibit 1.4.1** attached hereto (the **"List of PVSP Facilities"**), shall require, and may be approved by, the County and a super-majority approval of the Participating Developers who are not then in breach of their obligations under their respective Development Agreements and who have been issued and maintain Good Standing Certificates from the Development Group (collectively, the **"Current Developers"**). In particular, Developer and the County may not approve amendments to the foregoing sections without obtaining a super-majority approval of

the Current Developers, but, except as expressly limited by Section 1.4.2 below, a super-majority of the Current Developers and the County may approve amendments to these sections without having to obtain the consent of Developer. Any such permitted amendments shall be effective against all Participating Developers' Properties, including the Property, upon approval and execution thereof by the County and Current Developers representing the requisite super-majority approval, with reference to this Section 1.4.1 and to the recording information for all Participating Developers' Properties.

A super-majority approval shall constitute approval of the Current Developers who, in the aggregate, represent 75% or more of the total equivalent dwelling units (**"EDUs"**) to be developed within their Properties, excluding development for which building permits have then been issued. The determination of whether there exists a super-majority approval shall be provided by the Developer Group for review by the County. For purposes hereof, the EDUs for each Current Developers' Property shall be calculated in accordance with the following table:

i.	Single Family (LDR)	1.0 EDU per planned unit
ii.	Single Family (MDR)	1.0 EDU per planned unit
iii.	Multi Family (HDR/CMU)	0.66 EDU per planned unit
iv.	Office	4.0 EDU per acre
v.	Commercial	5.6 EDU per acre

1.4.2 Amendments Requiring Developer Consent. Notwithstanding anything to the contrary in Section 1.4.1 above or elsewhere in this Agreement, no terms, conditions, provisions or covenants of this Agreement may be amended that would revise or affect the approved land uses for the Property, or any portion thereof, or the reimbursement rights hereunder allocable to the Property or Developer, or any successor thereto, without the written consent of Developer or successor owner of the portion of the Property or holder of the reimbursement rights that would be affected by any such proposed amendment. Any such consent may be granted or withheld within the complete discretion of the consenting, or non-consenting, Developer or successor owner. Developer acknowledges that revisions to the Fair Share Land Dedication Table by the Development Group consistent with the provisions of **Exhibit 2.5.7**, since they implement and do not amend the terms of the Land Equalization Fee Program included in this Agreement, will not require the consent of Developer, even if such revisions affect Developer's reimbursement rights hereunder. If a proposed amendment affects the approved Specific Plan 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 would be subject to or affected by such amendment.

1.4.3 Adjustments to Fees/Assessments Upon Amendment. If a proposed amendment or minor modification for the Property, or any portion thereof, will reduce the amount of revenue anticipated to be received by County from the Property to fund or maintain facilities and/or services, Developer agrees that the County may adjust or modify any fee or assessment allocable to the Property, or portion thereof that is the subject to the amendment, to mitigate the impact associated with such anticipated loss of revenue.

1.4.4 Minor Amendments. The parties acknowledge that under the County Zoning Ordinance and applicable rules, regulations and policies of the County, the Planning Director has the discretion to make a determination of substantial conformance for a minor modification to an approved land use entitlement without the requirement for a public hearing or approval by the Board of Supervisors, unless appealed. Similarly, the Specific Plan includes provisions for the Planning Director to act on requested administrative modifications or amendments and no Planning Commission or Board of Supervisors review is required unless the administrative modification or amendment is appealed. Furthermore, Developer agrees that the Planning Director shall have the discretion to act on requested administrative modifications or amendments to the Exhibits to this Agreement that are consistent with and do not modify the methodology used to generate such Exhibits (such as revisions, updates or clarifications to the List of PVSP Facilities and Services, Development Fee Schedule and/or Summary of the PVSP Fee Program attached hereto that are consistent with the methodology used to generate such Exhibits set forth in the Finance Plan) and no Planning Commission or Board of Supervisors review is required unless the administrative modification or amendment is appealed. Accordingly, the afore-described actions by the Planning Director of minor modifications to the Entitlements or the Exhibits hereto 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, except as allowed pursuant to Section 2.3 of this Agreement, (iv) provisions for the reservation or dedication of land, except for minor changes in the configuration or location of any reserved or dedicated lands as allowed pursuant to Section 3.3.4 of this Agreement (v) conditions, terms, restrictions or requirements for subsequent discretionary actions, or (vi) monetary contributions by Developer, and that may be processed under CEQA as exempt from CEQA, or with the preparation of a Negative Declaration or 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.

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 and the Entitlements. County acknowledges that the Entitlements include the land uses and approximate acreages for the Property as shown and described in **Exhibit 2.2** attached hereto.

Such uses shall be developed in accordance with the Entitlements, as such Entitlements provide on the Effective Date of this Agreement and/or as any Subsequent Entitlements provide on the date of approval thereof by County. Developer's vested right to proceed with the development of the Property shall be subject to a subsequent approval process as specified in the Specific Plan, provided that any conditions, terms, restrictions and requirements for such subsequent approvals shall not prevent development of the Property for the uses set forth in the Entitlements, or reduce the density and intensity of development, or limit the rate or timing of development set forth in this Agreement, so long as Developer is not in default under this Agreement.

Notwithstanding anything to the contrary in this Section 2.2, Developer agrees that, as a condition precedent to the approval of any tentative large lot subdivision or parcel map that will not create individual buildable lots for single-family residential development (a **"Tentative Large Lot Map"**) or any tentative small lot map proposing to create individual buildable lots for any portion of the Property (a **"Tentative Small Lot Map"**), Developer shall have first received approval of a Development Phase and Phasing Plan as required by Section 3.5. The Development Phase shall delineate the boundaries of the portions of the Property proposed to be used for any of the public facilities or areas as set forth in Sections 3.3 or 3.13.2 herein.

2.3 Density Transfer. The number of residential dwelling units planned for the different large lot parcels within the Developer's Property as designated in the Specific

Plan may be transferred to other large lot parcels within either Developer's Property or other property within the Plan Area, subject to compliance with the conditions for such transfer as set forth in the Specific Plan and the Implementation Policies and Procedures Manual approved by the County. Minor density adjustments, as defined in the Specific Plan and the Implementation Policies and Procedures Manual, shall not require an amendment to this Agreement; provided, however, upon approval of any such minor density transfer, the change in units for the transferring and receiving parcels shall be noted by a recorded acknowledgment of such transfer in order to revise **Exhibit 2.2** for this Agreement. The right to transfer any unused units from the Property shall be limited and shall only occur in compliance with the provisions for density transfer as set forth in the Specific Plan and the Implementation Policies and Procedures Manual.

2.4 Rules, Regulations and Official Policies.

2.4.1 Conflicting Ordinances or Moratoria. Except as provided in this Article 2, Section 3.5 and Section 3.9 herein, and subject to applicable law relating to the vesting provisions of development agreements, so long as this Agreement remains in full force and effect, no future resolution, rule, ordinance or legislation adopted by the County or by initiative (whether initiated by the Board of Supervisors or by a voter petition, other than a referendum that specifically overturns the County's approval of the Entitlements) shall directly or indirectly limit the rate, timing, sequencing or otherwise impede development from occurring in accordance with the Entitlements and this Agreement. Provided, however, 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 development 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 permitted uses, density and intensity of use, rate or timing of construction, maximum building height and size, or provisions for reservation or dedication of land under the Entitlements or under any other terms of this Agreement, such rules, ordinances, fees, regulations or policies shall be applicable. By way of example only, a growth limitation ordinance which would preclude the issuance of a building permit due to a lack of adequate sewage treatment capacity to meet additional demand adopted to eliminate placing residents in a condition dangerous to their health or safety, or both, would support a denial of a building permit within the Property or anywhere else in the County if such an approval would require additional sewage treatment capacity. However, an effort to limit the issuance of building permits because of a general increase in traffic congestion levels in the County would not be deemed to directly concern a public health or safety issue under the terms of this paragraph.

2.4.2 Application of Changes. Nothing in this Section 2.4 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.

2.4.3 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 not unreasonably prevent or delay development of the Property for the uses and to the density and intensity of development as provided by the Entitlements and this Agreement, in effect as of the Effective Date of this Agreement.

2.4.4 Implementation of Development. The County will use good faith efforts to refer to and use the approved Implementation Policies and Procedures Manual for the Specific Plan to assist the County in implementing and performing its supplemental planning and administrative tasks contemplated by this Agreement. Such manual is intended to provide a comprehensive approach for processing approvals and issuing permits for all Subsequent Entitlements for development within the Plan Area. In the event of any inconsistency between the terms of this Agreement and the Implementation Policies and Procedures Manual, the terms of the Agreement shall prevail. Within ninety (90) days from the Effective Date of this Agreement, the Developer will submit an update to the Implementation Policies and Procedures Manual for review by the County pursuant to the terms of this Agreement at its sole cost and expense.

2.5 Application, Development and Project Implementation Fees.

2.5.1 Application, Processing Fees and Charges. Developer shall pay those application, processing, inspection and plan checking fees and charges as may be required by County under then current regulations and rates for processing applications and requests for Subsequent Entitlements, permits, approvals and other actions.

2.5.2 Mitigation Monitoring Reporting Program Fees. Developer shall pay all mitigation fees required under the Mitigation Monitoring Reporting Program (**"MMRP"**) adopted in 2007 and amended in 2012 and as may be further amended. Said fees shall be due and payable and in the amount as identified in the MMRP.

Developer shall also pay any costs of 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.

2.5.3 Existing Development Mitigation Fees. Consistent with the terms of this Agreement, County shall have the right to impose and Developer agrees to pay such development fees, impact fees and other such fees levied or collected by County to offset or mitigate the impacts of development of the Property and which will be used to pay for public facilities attributable to development of the Property and the Specific Plan as have been adopted 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 the Adopting Ordinance for this Agreement (**"Existing Development Mitigation Fees"**). The Existing Development Mitigation Fees applicable to development of the Property are more particularly set forth in **Exhibit 2.5** attached hereto (the **"Development Fee Schedule"**), under the heading entitled Existing County Impact Fees.

2.5.4 New Development Mitigation Fees. Consistent with the terms of this Agreement, separate from the PVSP Fees to be adopted by the County pursuant to Section 2.5.6 below, County may adopt and impose and Developer agrees to pay any new development mitigation fees for capital facilities that are identified in the Financing Plan or this Agreement and more particularly set forth in the Development Fee Schedule under the heading entitled Development Agreement/Plan Area Fees or in the MMRP. The Developer also agrees to pay new regional fees that may be adopted and imposed by the County or a joint powers authority in which the County is a member as a result of any settlement agreements, joint powers programs or agreements, which agreements or programs are in effect on the Effective Date of the Adopting Ordinance for this Agreement (collectively, the **"New Development Mitigation Fees"**). Such New Development Mitigation Fees are to be adopted, levied and collected by County in accordance with the Mitigation Fee Act (Government Code section 66000 et seq.) or other applicable law.

2.5.5 Project Development Fees. Developer acknowledges that the requirement to comply with the Mitigation Fee Act shall only apply with respect to the Existing Development Mitigation Fees described in Section 2.5.3 above or any New Development Mitigation Fees adopted by the County or joint powers authority or other agency pursuant to Section 2.5.4 above. As partial consideration for this Agreement and to offset certain anticipated impacts of project approval, the costs of which may not otherwise be calculable at this time, Developer agrees to pay, and specifically waives any objection to County's lack of compliance with the Mitigation Fee Act or other applicable law in the calculation of, each of the following fees (a **"Project Development Fees"**):

2.5.5.1 Enhancement of Agricultural Water Supply Fee. Developer shall pay a fee of $1,000 per residential dwelling unit to provide funding for additional recycled water storage and conveyance facilities to assist with the provisions of affordable agricultural water supply in accordance and in full satisfaction of Standard 8 of Exhibit 1 to Resolution 94-238.

2.5.5.2 Regional Traffic Fee (County Tier II Fee).

a. Developer shall pay the Tier II Development Fee ("Tier II Fee") as established pursuant to the "Memorandum of Agreement, Tier II Development Fee Program", effective May 27, 2009 ("Tier II Fee Program"), which Tier II Fee may be adjusted pursuant to the terms of the Tier II Fee Program . The Tier II Fee is calculated on a per "DUE" amount as set forth in the Tier II Fee Program and which term "DUE" is defined as "the meaning ascribed to it in the Institute of Transportation Engineers Trip Generation Manual." (Tier II Fee Program, pg. 2, Paragraph 1.)

b. Developer agrees to pay the Tier II Fee as may be in effect at the time of issuance of building permit.

c. Developer may pursue a fee deferral option as outlined in the "First Amendment to the Agreement to Memorandum of Agreement, Tier II Development Fee Program", effective September 10, 2013 ("First Amendment to Tier II Fee Program"), provided a County Tier II fee deferral program has been established and/or is in effect at the time of the Developer's request for deferral. If the Developer seeks to utilize said deferral option within the context of establishment of a Community Facilities District, said option is subject to additional review by the South Placer Regional Transportation Authority pursuant to the terms of the First Amendment to Tier II Fee Program and subject to the review, rules and procedures of the Placer County Bond Screening Committee.

d. County agrees that it if the Tier II Fee Program or the County's administration thereof is discontinued or rescinded by the County, then Developer shall have no further obligation to pay the Tier II Fee as required by this Section 2.5.5.2.

2.5.5.3 Highways 99/70--Riego Road Interchange Fee. Developer shall pay a fee of up to $300 per dwelling unit equivalent to provide funding for the construction of an interchange at the intersection of State Highways 99/70 and Riego Road in Sutter County (**"99/70-Riego Interchange Fee"**). Developer acknowledges that the 99/70-Riego Interchange Fee is not currently included within the County Tier II Fee. Payment of the 99/70-Riego Interchange Fee shall not be subject to imposition of a similar and equivalent fee by the Cities or Sutter County. Provided, however, if and

when the County and the County of Sutter adopt a traffic mitigation fee that includes funding for regional traffic improvements (the **"Bi-County Traffic Mitigation Fee"**), which is adopted to implement, in whole or in part, the settlement between the Counties related to the litigation involving the County's approval of the Project Entitlements in 2007, then the County will credit the 99/70-Riego Interchange Fee against the Bi-County Traffic Mitigation Fee. Any such credit shall apply prospectively only, from and after the Bi-County Traffic Mitigation Fee becoming effective, and the County shall have no obligation to refund from or credit against the Bi-County Traffic Mitigation Fee any 99/70-Riego Interchange Fees collected prior thereto. The 99/70-Riego Interchange Fee shall be adjusted annually from the Original Effective Date by the percentage of change in the 20-Cities Construction Cost Index in the Engineering News Record.

2.5.5.4 Roseville Traffic Impact Mitigation Fee. Developer agrees to pay to the County a fee of $313 per dwelling unit equivalent to provide funding to the City of Roseville as such full mitigation of all impacts on the City of Roseville circulation system associated with the development of the Specific Plan (the **"Roseville Impact Fee"**). Developer's obligation to pay the Roseville Impact Fee is subject to adjustment if the City and County revise the methodology which was utilized to calculate the aforementioned Roseville Impact Fee when applying such methodology to the assessment of impacts to the County circulation system associated with development projects within the City. Once established, the Roseville Impact Fee shall be adjusted annually from the Original Effective Date by the percentage of change in the 20-Cities Construction Cost Index in the Engineering News Record.

2.5.6 PVSP Fees. Pursuant to the request of the Participating Developers to establish a fair share mechanism whereby the costs of the infrastructure and public facilities and associated equipment necessary for development of the Plan Area are allocated to and fairly shared by the benefitted land uses within the Plan Area, the County shall adopt, impose and implement a Specific Plan Fee Program and consider for inclusion therein the elements and provisions generally outlined and summarized in **Exhibit 2.5.6** attached hereto (the **"PVSP Fee Program"**). The Developer agrees to pay all fees associated with the establishment of the PVSP Fee Program and, once established, to pay all applicable Specific Plan Fees (the **"PVSP Fees"**) as adopted by the County in accordance with the PVSP Fee Program. The PVSP Fees are intended to fund the construction of required infrastructure and facilities serving the Plan Area that are not included for financing within the Existing or New Development Mitigation Fees and to fund the County's costs of administering, monitoring and implementing the PVSP Fee Program. Because this PVSP Fee Program is being implemented by the County at the request of the Participating Developers for purposes of establishing a fair share mechanism to finance the necessary Plan Area improvements and facilities, Developer agrees to pay all costs, and specifically waives any objection to County's lack of compliance with the Mitigation

Fee Act or other applicable law, in association with the adoption, calculation and administration of the PVSP Fees in accordance with the PVSP Fee Program.

The PVSP Fees will consist of the following four independent, separate Fees (each of which will include its own administration component to fund the costs to administer, monitor and manage such Fees):

2.5.6.1 Infrastructure Fee: to fund and/or reimburse the fair share of the costs of the design and construction of the Infrastructure Improvements described in the PVSP Fee Program to be constructed by Constructing Owners (as defined therein) and not otherwise reimbursable under any other County fee program;

2.5.6.2 County Facilities Fee: to fund the fair share portion of the costs of equipment and public facilities, comprised of a Corporation Yard, Sheriff's Substation, Government Center, Library, and Transit Center, as more particularly described in the Finance Plan, to be constructed and equipped by the County;

2.5.6.3 Neighborhood Park Fee: to fund the fair share contributions toward the design and construction of neighborhood park improvements and infrastructure, pedestrian, bike and multi-purpose trails, to be constructed by Constructing Owners or the Park Agency (as defined herein). The Neighborhood Park Fee shall also include additional funding from the in-lieu park land dedication fee described in Section 13.3.6 equivalent to 18 acres of dedicated and improved parkland (which funding may be used for parkland acquisition and/or additional park improvements, at the Park Agency's discretion) and additional funding allocated under the Finance Plan for joint use facilities (which funding may be used by the Park Agency to finance joint use facilities in collaboration with the School District or additional neighborhood park improvements); and

2.5.6.4 Community Park Fee: to fund the fair share contributions toward the design and construction of Community Park Improvements as described in Section 3.13.4 below, infrastructure and facilities to be constructed by the Park Agency and additional funding that could provide, at the Park Agency's discretion, for a joint use community/high school swimming pool and/or joint use community/middle school gymnasium.

For purposes of this Agreement, all references herein to the "Park Agency" shall mean and refer to the County, unless and until the County forms the Park District, at which point the rights and obligations assigned herein to the "Park Agency" shall mean and refer to the Park District, except to the extent the County elects to retain

and not assign to the Park District any of the rights or obligations allocated herein to the Park Agency. In accordance with the provisions of Section 3.13 below, if and when the Park District described therein is formed by the County, the parties anticipate that the Park District will thereupon assume all of the County's rights and obligations under this Agreement with respect to the ownership and maintenance of the open space and parks within the Plan Area and the construction of any open space, trails and park improvements, or entering into agreements with Constructing Owners to construct such improvements, and with respect to managing and administering the operation of the open space, trails, and park facilities planned for the Plan Area.

As more generally outlined and summarized in the attached draft PVSP Fee Program Summary, this program anticipates provisions for fee credits and reimbursements associated with the construction of the Infrastructure and Neighborhood Park Improvements by a Constructing Owner. The PVSP Fee Program Summary also includes, at least as to the Infrastructure Fee, provisions for the calculation and collection of shortfall payments in the event a Developer develops less than the planned density for its Property used to establish the PVSP Fees and such underused density is not otherwise transferred for development elsewhere within the Specific Plan. The PVSP Fee Program shall be subject to separate review and approval by the County and the County will consider, but is not bound by, the terms outlined in Exhibit 2.5.6 in connection with its review and adoption of the final PVSP Fee Program. The adopted PVSP Fee Program shall replace Exhibit 2.5.6, which replacement will not require an amendment to this Agreement.

2.5.7 Public Land Dedication Equalization Program. In addition to and separate from the project fees to be adopted and administered by the County described in Sections 2.5.2 through 2.5.6 above (the **"Project Impact Fees"**), but subject to County review and oversight as deemed necessary by the County, the Development Group shall administer a program of land equalization fees, in accordance with and as generally described and outlined by the provisions of **Exhibit 2.5.7** attached hereto (the **"Land Equalization Fee Program"**). The Land Equalization Fee Program involves the calculation and payment of land equalization fees (the **"Land Equalization Fees"**) by each Participating Developer who owns an Under-Dedicating Property (as defined in this Program), and land equalization fee reimbursements reimbursable on a prorata basis to the Over-Dedicating Developers (as defined in this Program). The purpose of this Program is to generally equalize the land dedication obligations between the Participating Developers and other Plan Area properties.

In accordance with the provisions of Section 2.5.7.8 of **Exhibit 2.5.7**, prior to County approval for recordation of each Final Small Lot Map (as defined herein) for single-family residential development or approval of improvement plans for each multi-family or commercial development within the Property, Developer must deliver to the County written confirmation from the Development Group that either (i) Developer has

paid to the Development Group any required Land Equalization Fee or (ii) Developer is not required to pay any Land Equalization Fee in connection with such requested approval. This Land Equalization Fee Program is included in this Agreement at the request of the Participating Developers to establish a fair share land dedication mechanism between the property owners and shall be administered solely by the Participating Developers and/or the Development Group, unless and until the County elects, in its sole discretion, to assume administration of this Land Equalization Fee Program pursuant to Section 2.5.7.16 of **Exhibit 2.5.7** attached hereto. Developer acknowledges and agrees that, as a voluntary program included in this Agreement at its request, the County has no obligation or requirement to comply with the Mitigation Fee Act or other applicable law with respect to the implementation and administration of this Land Equalization Fee Program, even if subsequently assumed by the County.

2.5.8 Adjustment of Development Mitigation Fees. County shall adjust the Existing Development Mitigation Fees and the New Development Mitigation Fees on a regular basis, in accordance with the adopting ordinances and County policies related thereto. With respect to the PVSP Fees, the County shall adjust the PVSP Fees on an annual basis in accordance with the fee adjustment provisions of the PVSP Fee Program attached as **Exhibit 2.5.6** hereto; unless consistent with the methodology of the Financing Plan and approved Development Master Plans, as may be amended as provided herein, the County shall not amend the PVSP Fees to include additional or different improvements for financing thereby without either (i) super-majority written approval of the Current Developers or (ii) compensating reductions or amendments to other facilities authorized for financing by the PVSP Fees, such that the anticipated funding obligations of the Plan Area from the PVSP Fees does not increase beyond the amounts associated with costs of inflation adjustments. Unless and until assumed by the County, the Development Group shall be solely responsible for adjusting the applicable Land Equalization Fees in accordance with the adjustment provisions of the Land Equalization Program attached as **Exhibit 2.5.7** hereto.

2.5.9 Payment of Fees. Unless otherwise specifically provided in this Agreement or the applicable Fee Program adopted by the County and/or described in this Agreement, the Existing Development Mitigation Fees, New Development Mitigation Fees, Project Development Fees and PVSP Fees shall be paid at the time of issuance of building permit, and shall be paid in the amount in effect at the time of issuance of the building permit. As provided in the Land Equalization Fee Program, if the Property is an Under-Dedicating Property, then Developer shall be obligated to provide evidence to the County of its payment to the Development Group of any required Land Equalization Fee prior to recordation of a Final Small Lot Map for single family development or approval of improvement plans for multi-family or non-residential development. Fees required under the MMRP shall be subject to the payment terms and amounts identified in the MMRP.

2.6 Affordable Housing. Consistent with the goals and policies contained in County's General Plan and the Specific Plan, and subject to the terms of this Agreement, except as may otherwise be provided by a subsequently adopted County affordable housing plan that is agreed to be implemented by Developer for the Property as provided herein, Developer shall work in partnership with the County to develop or cause ten percent (10%) of the total residential units which are actually constructed within its Property to be developed as affordable housing. In accordance with the terms of this Section, the goal hereof is to provide two percent (2%) of the total residential units as affordable to moderate income households, four percent (4%) of the total residential units as affordable to low income households, and four percent (4%) of the total residential units as affordable to very low income households. Any election by Developer to satisfy its affordable housing obligation pursuant to a subsequently adopted County affordable housing plan applicable to specific plans as provided herein shall not require an amendment to this Agreement.

The terms "very low income" means households earning fifty percent (50%) or less of the Placer County median income, "low income" means households earning fifty-one percent (51%) to eighty percent (80%) of the Placer County median income, and "moderate income" means households earning eighty-one percent (81%) to one hundred twenty percent (120%) of the Placer County median income. Median income and allowable assets shall be determined in accordance with County policy and applicable State and federal affordable housing laws and requirements.

2.6.1 Affordable Purchase or Rental Residential Units. Subject to any transfer or satisfaction of the affordable housing obligation as provided hereunder, and/or subject to the provisions of any subsequently adopted County affordable housing plan applicable to specific plans agreed to be implemented by Developer (such as, but not limited to, an alternative affordable housing in-lieu fee program subsequently adopted by the County), Developer shall satisfy the above 10% affordable obligation as and when it develops the balance of the Property. The affordable units shall be developed generally concurrently and in proportion with development of the market rate units within the balance of the Property. Such concurrent development shall be achieved in accordance with the following schedule: (i) either Developer and County shall have entered into an Affordable Housing Agreement described below or, if the County has then adopted an affordable housing plan applicable to specific plans, Developer shall have elected to satisfy its affordable housing obligations in accordance with such adopted affordable housing plan, which election shall be made by Developer at the time of approval of the first Tentative Small Lot Map for the Property; (ii) if Developer elects to proceed with the program provided herein, Developer shall have completed the design and obtained all required approvals for the development of the affordable units prior to the issuance of the first building permit after 50% of the total number of single family residential units approved for the Property have been issued; and (iii) if Developer elects to proceed with the program provided herein, Developer

shall have completed construction of the affordable units and obtained certificates of occupancy therefor (or obtained credits for any remaining affordable units, based on the completion of excess affordable units by other developers as described below) prior to the issuance of the first building permit after 75% of the total number of single family residential units approved for the Property have been issued.

The affordable units may be provided as either purchase or rental affordable units, or a mixture of both. With respect to purchase affordable units, such units may be located anywhere within the Property, provided the affordable units shall not be located in a manner that results in an over-concentration of affordable units in any particular portion of the Property.

2.6.2 Agreement Required. Prior to the approval of each final small lot map within a parcel designated by Developer to provide affordable purchase opportunities, unless Developer elected at the time of approval of its Tentative Small Lot Map to satisfy its affordable housing obligations in accordance with the County's subsequently adopted affordable housing plan applicable to specific plans, the parties shall enter into County's then current form of Affordable Purchase Housing Agreement for the residential purchase units affordable to low-income households and affordable to moderate-income households. Similarly, prior to the issuance of a building permit for a multifamily development designated by Developer to provide affordable rental opportunities, unless Developer elected at the time of submittal of its building permit application to satisfy its affordable housing obligations in accordance with the County's subsequently adopted affordable housing plan applicable to specific plans, the parties shall enter into County's then current form of Affordable Rental Housing Agreement for the residential rental units affordable to very low-income households, affordable to low-income households and affordable to moderate-income households. Both agreements shall require that the affordable housing be maintained as affordable units for a period of 30 years (from the initial occupancy of the affordable unit), unless a longer period is required by the type of financing utilized to construct the unit(s), and shall limit sales, resales and rentals of such units to qualified affordable households, subject to permissible hardship exceptions. Upon the expiration of the term of the affordable agreement, no further resale or rental restrictions shall apply with respect thereto. The agreements shall include specific requirements for marketing of affordable purchase units, inclusion or modification of amenities, exterior materials and finishes, alternate methods of satisfying the affordable housing obligation and best efforts requirements. Such best efforts shall include, without limitation, special advertising prior to the release of the affordable units indicating the availability thereof to very low-, low- or moderate-income households, and maintenance of a waiting list and use of a County maintained list of very low-, low- or moderate-income households seeking housing opportunities in Developer's development(s), and notification of such persons prior to any release of affordable units.

2.6.3 No Subsidies. Developer agrees to provide all of the moderate-income, low-income and very low-income affordable units without any subsidy from the County.

2.6.4 Transfer/Satisfaction of Affordable Obligation. Developer's obligation to use its best efforts to provide affordable purchase or rental units may be moved and may be satisfied by the provision of affordable units elsewhere within the applicable subdivision, or within other residential parcels within the Property, or within residential parcels within other properties within the Specific Plan, subject to such transferee parcel being encumbered by this Agreement, a similar development agreement or an Affordable Housing Agreement (or other applicable County-approved form). No such transfer shall require an amendment to this Agreement, but County and Developer shall execute an instrument memorializing such transfer of obligation which shall be recorded against the affected parcels, with reference to this Agreement.

Developer may also satisfy its obligation to provide affordable units through the purchase of affordable housing credits from other developers within the Specific Plan, as such credits are described in Section 2.6.5 below. Also, County may, in its sole discretion and with the consent of Developer, transfer some or all of the Property's affordable housing obligation to a site or sites in the unincorporated County for construction of special needs housing.

2.6.5 Not a Limitation/Credits for Excess Affordable Housing. Nothing in the foregoing Section 2.6 shall be construed to limit Developer from offering affordable units for sale or rental to households of very low, low or moderate incomes in excess of the number of units specified. Furthermore, if Developer elects to develop any excess affordable units, Developer may generate affordable housing credits that may be transferred to other Participating Developers in the Plan Area. An excess affordable unit shall provide an affordable housing credit when (i) such unit is made subject to an Affordable Housing Agreement with the County, (ii) the unit becomes ready for occupancy, and (iii) all affordable units required under this Agreement, based on the aggregate number of residential units then developed within the Property, have been completed and are ready for occupancy. The sale and transfer of any affordable housing credits shall be made pursuant to private transactions between Developer and other Participating Developers and County shall have no obligation to facilitate such transfers, except to acknowledge that such affordable housing credits are available to Developer. A transfer of an affordable housing credit shall be effective upon County's receipt of written notice from Developer (a) stating the name of the Participating Developer to whom the credit has been transferred and (b) identifying the property against which the credit is to be applied; such notice of transfer shall also be recorded against the Developer's and the transferee's property to put subsequent parties on notice of the transfer of this credit from the Property, for the benefit of the transferee's property.

2.7 Wetlands Fill Permits.

2.7.1 Developer Obligation. To the extent required to develop the Property, and to construct the Backbone Infrastructure, Parks, Open Space amenities, Trails and County Facilities, Developer and/or the Development Group shall obtain from the U. S. Army Corps of Engineers or other applicable permitting agencies (collectively, the **"Permitting Agency"**) a permit or permits (the **"Fill Permit"**) to fill specific wetland resources prior to construction of the Backbone Infrastructure and the development of the Property. Developer shall diligently pursue and obtain issuance of the Fill Permit and any amendment, modification or supplement thereto, or any additional Fill Permits if required, in order to implement the Project, including but not limited to off-site improvements. Developer shall be responsible for obtaining all permits associated with the Fill Permit as and to the extent required to allow development of the Backbone Infrastructure, Parks, Open Space amenities, Trails and County Facilities. Such Fill Permit or Permits shall be obtained prior to (i) the approval for recordation of the first final small lot map for the creation of individual buildable lots for single-family residential development (a **"Final Small Lot Map"**) within any portion of the Property, or (ii) commencement of construction of any improvements on any portion of the Property, whichever occurs first; provided, however, Developer may request County to defer the foregoing requirement so that any such Permit may be obtained at a later date. A Fill Permit shall not be required to be obtained prior to the approval for recordation of a final large lot subdivision or parcel map that will not create individual buildable lots for single-family residential development (a **"Final Large Lot Map"**) within any portion of the Specific Plan.

Developer shall use good faith efforts to obtain approval of the Fill Permit or Permits, including the open space management plan to be approved with respect thereto (the **"Open Space Management Plan"**), with conditions that are consistent with and do not adversely impact or limit the planned public uses, operations and improvements to be included within the affected open space areas. Developer acknowledges that Developer and/or the Development Group shall be responsible, at its expense, for satisfying all conditions of the Fill Permit and that the Park Agency shall only be responsible, from and after acceptance by the Park Agency of each of the open space area within the Specific Plan, for complying with the terms and conditions of the Open Space Management Plan that are assigned to the Park Agency as the Park Agency's responsibility and applicable to such accepted open space areas. Developer further acknowledges that, as provided in Section 3.20.2(5) below, the County may delay formation of the Park Services CFD until after approval of the Fill Permit and Open Space Management Plan in order to assure that the maintenance costs allocable to the Park Agency under the Open Space Management Plan can be estimated and included within the financing to be provided by the Park Services CFD. If the Fill Permit or Permits include conditions which result in any costs to the Park Agency for

monitoring, reporting, or maintenance under the Fill Permit after the conclusion of any monitoring period required of Developer by the Permitting Agency, the costs thereof shall be the responsibility of Developer or the Development Group, subject to reimbursement from the Park Services CFD for the costs included therein. The Park Services CFD described herein shall include funding to cover all costs to be incurred by the Park Agency for monitoring, reporting, or maintenance under the Open Space Management Plan, including any such costs after the conclusion of any monitoring period required by the Permitting Agency.

If and to the extent any conditions are imposed by the Permitting Agency that may adversely impact or limit such planned uses, Developer and the Park Agency shall work cooperatively to address and accommodate such conditions consistent with the intent of the Specific Plan. County is in the process of developing a comprehensive habitat conservation plan, commonly referred to as the Placer County Conservation Plan, and acknowledges that, upon approval of the Fill Permit, to the extent permitted by law, the County will not seek to impose any additional conditions or requirements on Developer to mitigate the impacts of development of the Project on wetlands, notwithstanding any additional conditions or requirements that may subsequently be contained within the Placer County Conservation Plan (**"PCCP"**). Developer currently intends to mitigate the impacts of such wetland fills through a combination of on-site preservation, off-site preservation and/or on-site and off-site creation of wetland resources, but retains the flexibility to subsequently decide for itself, as an alternative approach, to comply with the final approved PCCP provisions governing the fill of wetlands. County acknowledges that Developer retains this flexibility.

2.7.2 Maintenance by Developer/Park Agency. Developer, and/or its successors and/or the Development Group, shall be solely responsible for satisfying all monitoring, reporting, and maintenance, requirements under the Fill Permit and Open Space Management Plan (to the extent assigned to the Developer pursuant to the Plan) during the remaining and any extended monitoring period, as determined by the Permitting Agency. To the extent permitted by law and the Fill Permit, the costs of complying with such monitoring, reporting and maintenance requirements within the open space/mitigation areas located within the Plan Area will be funded by the Park Services CFD to be formed pursuant to Section 3.20 below. Park Agency agrees to cooperate with Developer to facilitate the ability of the Park Services CFD to fund such monitoring and compliance within the Plan Area, which may involve acceptance of the open space areas within the Plan Area by the Park Agency or by a non-profit land trust or other such entity acceptable to the Park Agency to assume the responsibility for the monitoring and maintenance obligations assigned to the owner of the open space areas under the Fill Permit and Open Space Management Plan within such open space areas. In no event will the County be obligated by this Agreement to assume the ownership of the open space areas within the Plan Area, provided the County may, at any time, elect in its sole discretion to assume such ownership and any such election

shall not require an amendment to this Agreement. Furthermore, during said monitoring period, unless and until adequate funds are collected by the Park Services CFD to fund all costs associated with the monitoring and mitigation requirements under the Fill Permit and the Open Space Management Plan, the Developer and/or Development Group shall indemnify, defend and hold County and the Park Agency harmless from any and all costs, liabilities or damages for which the County or the Park Agency is or may be held responsible or alleged to be responsible under the Fill Permit and the Open Space Management Plan, which arise out of or relate to any failure of Developer or the Development Group, or any non-profit land trust or other such entity that assumes such monitoring and maintenance obligations, to satisfy such requirements, excluding any such failure caused by the active negligence of County or the Park Agency or any employees, agents or contractors thereof. Developer acknowledges responsibility for obtaining Fill Permit coverage for all open space uses specified in the Specific Plan and this Agreement.

2.7.3 Facilities Included in Open Space Areas. Developer has used and shall continue to use its best efforts to ensure that the approval of its Fill Permit and Open Space Management Plan includes development of the bike paths, passive recreation areas, water quality structures and drainage and flood control facilities planned to be located within the open space areas of the Plan Area, and any other similar improvements described in the Specific Plan and this Agreement. In this regard, Developer shall continue to consult with the Park Agency and include to the extent known or planned the approximate location of proposed bike paths, passive recreation areas, water quality structures and drainage and flood control facilities on all maps and/or exhibits accompanying all Fill Permit applications to ensure all proposed open space improvements within the Plan Area are disclosed and considered by the Permitting Agency during processing of the Fill Permit and drafting of the Open Space Management Plan and permit conditions. If any significant modifications are proposed which substantially conflict with the Entitlements related thereto and to the planned location and improvement of the open space improvements as a result of approval of the Fill Permit and Open Space Management Plan, the revised relocation of such open space improvements shall be resubmitted to the Park Agency for review. The Park Agency may approve or deny any such request to relocate any of the open space improvements and the review of such substantial modifications shall be made in accordance with CEQA, which may only require the Park Agency to determine, if supported by CEQA, that such relocation substantially conforms with the EIR and approvals related thereto.

2.7.4 Costs of Open Space Management Plans. Developer shall be responsible for the cost of preparation of the required Open Space Management Plan required for the Fill Permit and to reimburse the Park Agency for any costs incurred by its review thereof. Prior to submission of the Open Space Management Plan to the Permitting Agency, or any amendments thereto affecting the obligations and

requirements proposed to be allocated to the eventual owner of the open space areas, the Developer shall provide a copy of the Open Space Management Plan to the Park Agency for review and comment on the obligations and requirements proposed to be allocated to the eventual owner of the open space. Developer acknowledges that the County may elect to delay any formation of the Park Services CFD until after approval by the Permitting Agency of the Open Space Management Plan and establishment of the obligations and requirements allocated to the owner of the open space for purposes of establishing the necessary funding therefor.

2.8 Acquisition of Necessary Real Property Interests. In any instance where Developer is required by this Agreement to construct any public improvement on land not owned by Developer or other Participating Developers, Developer at its sole cost and expense shall, in a timely fashion to allow it to construct the required improvements, acquire or cause to be acquired the real property interests necessary for the construction of such public improvements.

In the event Developer is unable after exercising all reasonable efforts, including but not limited to the rights under Sections 1001 and 1002 of the California Civil Code, to acquire the real property interests necessary for the construction of such public improvements as to property within Placer County, Developer shall request the County assist in the acquisition of the necessary real property interests. Developer shall provide adequate security for all costs the County may reasonably incur (including the costs of eminent domain proceedings, including attorney fees, and the value of the real property) and shall execute an agreement in association therewith acceptable to the County. Upon receipt of the security and execution of the agreement, County shall commence negotiations to purchase the necessary real property interests to allow Developer to construct the public improvements as required by this Agreement and, if necessary, in accordance with the procedures established and to the extent allowed by law, may use its power of eminent domain to acquire such required real property interests. Any such acquisition by County shall be subject to County's discretion, which is expressly reserved by County, to make all necessary findings to acquire such interest, including a finding of public necessity.

In the event Developer is unable after exercising all reasonable efforts, including but not limited to the rights under Sections 1001 and 1002 of the California Civil Code, to acquire the real property interests necessary for the construction of such public improvements as to property within the City of Roseville, Sacramento County, Sutter County, or any other jurisdiction other than Placer County, Developer shall immediately notify the County and shall at the same time request assistance in the acquisition of the necessary real property interests from the appropriate officials within that other jurisdiction. Developer shall provide adequate security for all costs that jurisdiction may reasonably incur (including the costs of eminent domain proceedings and the value of the real property) and, subject to such other entity agreeing on commercially

reasonable terms to proceed therewith, shall execute an agreement in association therewith acceptable to that jurisdiction.

In the event after notification by Developer, County or any of the other jurisdictions determines not to proceed with acquisition of the real property interests at that time and Developer is unable thereby to construct the required improvements, Developer shall deposit with County: (a) adequate funds or other security acceptable to County for all costs that the jurisdiction may reasonably incur should it, at some future time, initiate eminent domain proceedings to acquire the real property; and, (b) adequate funds or other security acceptable to County for all costs of construction of the improvements required to be constructed by Developer that are not being constructed due to the lack of public ownership of the necessary real property.

In those circumstances where the County owns property in fee on or over which development of the Property requires permanent and temporary construction easements, road rights-of-way and/or sites for public facilities, County shall grant, at no cost or expense to Developer, such permanent easement, temporary easements, rights-of-way, or sites as needed for the timely and efficient development of the Property. Conveyance of such easements, rights-of-way, or sites shall require Developer to acquire and maintain all insurance policies/limits identified by the County prior to such conveyance.

This Section is not intended by the parties to impose upon the Developer an enforceable duty to acquire land or construct any public improvements on land not owned by Developer, except to the extent that the Developer elects to proceed with the development of the Property.

ARTICLE 3. DEVELOPER OBLIGATIONS

3.1 Development, Connection and Mitigation Fees. Except as otherwise provided in Section 2.5 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 then applicable County ordinances.

3.2 Public Improvements To Be Dedicated, Constructed or Financed by Developer; Requirement for Good Standing Certificate. Wherever this Agreement or any approved Development Phase obligates Developer to design, construct or install any improvements, the cost thereof may be provided by Developer and/or by other Participating Developers and/or the Development Group, subject only to reimbursements or credits specified in this Agreement. Developer acknowledges that Developer's right to obtain (a) approval of any Tentative Large Lot or Tentative Small Lot Maps, or (b) approval for recordation of any Final Large Lot or Small Lot Maps (or to have any such subdivision approvals scheduled for hearing by the County), or (c)

signed improvement plans and/or grading permits for development of multifamily residential or non-residential development, or (d) building permits for any development of the Property (each, a **"Development Entitlement"**), shall be contingent upon Developer's (i) obtaining approval of a Development Phase and Phasing Plan for the portion of the Property subject to the Development Entitlement and being in compliance with all the terms and conditions of such approved Development Phasing Plan, as more particularly described in Section 3.5 below, and (ii) being a member in good standing with the Development Group.

In consideration of the Major Development Group Planning Costs (defined below) funded by the Development Group and additional planning and project implementation costs to be funded by the Development Group hereunder (including costs related to the administration of the PVSP and Land Equalization Fee Programs), when applying for approval of any Subsequent Entitlement, including any Development Phase and Phasing Plan and associated entitlements, any Tentative Large Lot or Small Lot Map, any Final Large Lot or Small Lot Map, or any other Development Entitlement for the Property, other than for building permits or certificates or occupancy or final inspections, Developer shall provide to the County a written certification from the Development Group (a **"Good Standing Certificate"**) that Developer is a member in good standing of the Development Group. Such good standing shall be established and confirmed by the Development Group in accordance with the governing documents for the Development Group. Also, with respect to requests for approval of Tentative Small Lot Maps for residential development and site plans for multi-family residential and non-residential development, pursuant to the PVSP Fee Program, Developer shall provide to the County a PVSP Fee Shortfall Certificate from the Development Group, indicating whether or not any PVSP Shortfall Payment is required in connection therewith.

With respect to requests for building permits, Developer shall not be obligated to provide a Good Standing Certificate to the County, unless, prior thereto, the Good Standing Certificate has expired or the Development Group has notified the County in writing that the Developer's Good Standing Certificate has been revoked and is no longer valid. With respect to requests for certificates of occupancy or final inspections, once a building permit has been issued to Developer, the County shall not deny issuance of certificates of occupancy or final inspections for the improvements covered by such building permit on the basis of Developer's failure to maintain its Good Standing Certificate from the Development Group, whether or not such failure occurred before or after issuance of the building permit.

Developer acknowledges that its right to obtain approval of Development Phase and Phasing Plan and associated entitlements, a Tentative Large Lot or Small Lot Map, a Final Large Lot or Small Lot Map, or other such Development Entitlement to develop the Property is contingent on Developer obtaining and maintaining a Good Standing

Certificate from the Development Group and complying with the Development Phase and Phasing Plan provisions set forth in Section 3.5. Developer further acknowledges that the County will rely solely on the Developer's submittal of a Good Standing Certificate from the Development Group for purposes of establishing the Developer's good standing as a condition precedent to approving a Tentative Large Lot or Small Lot Map, a Final Large Lot or Small Lot Map, or other such Development Entitlement for the Property. Similarly, County will rely solely on any written notice received from the Development Group that Developer's Good Standing Certificate has been revoked or terminated by the Development Group. County shall have no obligation to independently determine or verify whether or not Developer is a member in good standing of the Development Group or whether Developer is otherwise funding its share of the Major Development Group Planning Costs described below.

The County reserves the right to reject an application if less than 100% of the fees and charges required under 2.5.1 are not concurrently submitted. The County further reserves the right to deny approval of a Final Large Lot Map, Final Small Lot Map or other such Development Entitlement if less than 100% of the fees in the amount determined to be applicable to that particular Final Large Lot Map, Final Small Lot Map or other such Development Entitlement is not submitted in the time frames required pursuant to Section 2.5 and the applicable fee ordinances.

With respect to any Subsequent Entitlements, Tentative Large Lot or Small Lot Maps, Final Large Lot or Small Lot Maps, or other such Development Entitlements, if Developer fails to maintain its Good Standing Certificate from the Development Group, Developer acknowledges that, upon receipt of written notice from the Development Group, the County shall not accept, process or approve any applications, and shall promptly suspend the processing of any previously accepted applications, for any Subsequent Entitlement, Tentative Large Lot or Small Lot Map, Final Large Lot or Small Lot Map, or other such Development Entitlement for development within the Developer's Property until a Good Standing Certificate is reissued by the Development Group to Developer.

Developer hereby waives and releases the County from any and all rights, claims, actions or liabilities for damages, specific performance or any other relief or remedy otherwise available hereunder or in law or in equity if the County refuses to approve a Development Phase and Phasing Plan or associated entitlements, a Tentative Large Lot or Small Lot Map, Final Large Lot or Small Lot Map, or other such Development Entitlement on the basis of Developer's failure to provide a Good Standing Certificate from the Development Group, whether or not Developer is a member in good standing in the Development Group or is otherwise funding its share of Major Development Group Planning Costs or any Backbone Infrastructure costs. Developer also hereby waives and releases the County from any and all rights, claims, actions or liabilities for damages, specific performance or any other relief or remedy

otherwise available hereunder or in law or in equity if the County mistakenly approves a Development Phase and Phasing Plan and associated entitlements, a Tentative Large Lot or Small Lot Map, Final Large Lot or Small Lot Map, or other such Development Entitlement for another Participating Developer who fails to provide a Good Standing Certificate when required hereunder, provided this waiver shall not prevent Developer or the Development Group from asking the County to enforce the provisions of this Section 3.2 against such Participating Developer with respect to any subsequent requests for approvals of any Development Entitlements.

3.2.1 Development Master Plans; Funding By Development Group. The County acknowledges that the Sewer Master Plan, the Drainage Master Plan, and the Transit Master Plan described in this Article 3 and the Implementation Policies and Procedures Manual previously required to be prepared by the Development Group have been prepared by the Development Group and approved by the County. Developer acknowledges that the Landscape Master Plan described in Section 3.15 below must still be prepared by the Development Group and approved by the County. For purposes hereof, the approved Sewer, Drainage and Transit Master Plans, the Public Facilities Concept Plan, and the pending Landscape Master Plan are referred to collectively herein as the **"Development Master Plans."** The County and Developer further acknowledge, in consideration of the preparation of the Public Facilities Concept Plan provided by the Development Group to the County, that the previously required County Facilities Master Plan and Parks Master Plan are no longer required to be prepared by the Developer or the Development Group.

Once the Development Master Plans for the Plan Area are approved, minor modifications thereto may be approved by the appropriate, designated staff representative responsible for the monitoring and/or implementation of the applicable Development Master Plans.

The costs for the development of the Development Master Plans and the Implementation Policies and Procedures Manual, the preparation of legal descriptions for the offers of dedication described in Section 3.3.1 below, the formation of the Services Districts, formation of PVSP Fee Program, the formation of the Park District, the approval of the Fill Permit and Open Space Management Plan described in Section 2.7.1 above, and other planning and design costs related thereto have been and will be funded by the Development Group (collectively, the **"Major Development Group Planning Costs"**). The costs for design and construction of some of the Backbone Infrastructure may also be coordinated by the Development Group through financing programs or internal funding and/or may be funded by Landowner, alone or in coordination with other Participating Landowners. Each Development Master Plan generally describes how the improvements and facilities addressed thereby will be provided for and will support the coordinated, overall development of the Specific Plan. As each Development Phase is processed for approval by the County, the specific,

detailed components and timing of the improvements and facilities required to serve such Development Phase shall be determined by the County, consistent with the Development Master Plans, to confirm both the adequacy thereof to serve such Development Phase as well as the manner in which such improvements and facilities will be coordinated with subsequent Development Phases to serve the entire Specific Plan. As such detailed improvement and facilities information is developed with the processing of such Development Phases, the general description of remaining improvements and facilities addressed by the Development Master Plans may be updated and/or amended as deemed necessary by the County to incorporate such additional information therein.

Developer shall not be obligated by this Agreement to fund any of the foregoing costs, unless and until Developer elects to proceed with development of Property and applies to include the Property, or any portion thereof, within a Development Phase and/or applies for any Development Entitlement for the Property or any portion thereof.

3.3 Offers of Dedication for Backbone Infrastructure, Drainage, Parks, Open Space and County Facilities.

3.3.1 Initial Dedications. Unless deferred as provided below, within one hundred eighty (180) days of the Effective Date of this Agreement, Developer shall execute and deliver to the County for recordation irrevocable offers of dedication (**"IODs"**), in forms acceptable to the County, for any and all portions of the Property planned to be utilized for any of the following purposes:

(i) Backbone Infrastructure described in Section 3.6.1 below;

(ii) Community Parks described in Section 3.13.4;

(iii) Open space areas described in the Specific Plan, including the drainage areas (**"Drainage Areas"**) within which the Permanent Drainage Facilities described in Section 3.12 below will be located as generally described in the Drainage Master Plan; and

(iv) County Facilities described in Section 3.10 below.

The portions of the Property offered for dedication shall be consistent with the locations shown therefor in the Specific Plan; provided, however, the legal descriptions included with the IODs shall be subject to review and approval by the County prior to recordation. With respect to the foregoing dedications, the County will sign the appropriate acknowledgments to allow the dedications to be recorded, but in its sole discretion may choose to reject the offers until the applicable improvements to be constructed therein are completed and a financing mechanism for the maintenance of

such completed improvements acceptable to the County has been established, or until the County otherwise determines it to be in the interests of the County to accept the offer. Upon recordation of the foregoing IODs by all the Participating Developers, the Participating Developers shall prepare a record of survey of all the dedicated areas and, subject to the approval by the County, the County will cause such record of survey to be recorded in the Official Records of Placer County.

3.3.2 Deferral of Dedications Due to Legal Challenges. Notwithstanding anything to the contrary above or elsewhere in this Agreement, in the event a legal action or actions is filed challenging the County's approval or any or all of the Entitlements, the time for executing and delivering the IODs described in Section 3.3.1 above shall be deferred until ninety (90) days after full and complete resolution of all such legal action(s) that either upholds the Entitlements on substantially the same conditions and terms as approved on the Effective Date or with such amendments or modifications thereto that are acceptable to the County, Developer and all other Participating Developers, each in its sole discretion.

3.3.3 Additional Dedications for Secondary Road Improvements. Developer shall offer to dedicate any portion of the Property planned for Secondary Road Improvements described in Section 3.7.1 below within sixty (60) days after written request therefor from the County, which request shall include a legal description of the needed portion of the Property.

3.3.4 Adjustments to Dedications. County acknowledges that, as Developer processes large lot and small lot maps for the Property, minor adjustments to the boundaries of the dedicated areas may be required based on the final engineering for such maps, co-location of park facilities adjacent to schools, or other minor topographic optimizations and Developer may also propose to relocate certain roadways, County Facilities or park sites. County and Developer agree to cooperate with any such proposed adjustments or relocations, provided the approval of such adjustments or relocations shall be subject to the County's sole discretion. Upon such approval, County and Developer will cooperate to effect such adjustments or relocations, subject to Developer offering to dedicate to the County any replacement area that may be required by such adjustment or relocation so long as any such replacement area has not then been developed by Developer.

The parties also acknowledge that the descriptions for the County Facility Sites described in Section 3.10 below are based on preliminary plans for the adjacent road improvements and County Facilities planned for these County Facility Sites and that the boundaries of these dedicated areas may need to be revised when the final engineering for the roadways and the final plans for the facilities to be located on these County Facility Sites are approved. As and when such engineering and plans are finalized, Developer shall prepare, execute and deliver to County for recordation

amended irrevocable offers of dedication, in forms acceptable to the County, with the required amendments to the descriptions to conform with the final plans for the improvements, so long as (i) the total area dedicated by Developer for the County Facility Site is not substantially increased, (ii) dedication of the additional area will not adversely impact in place improvements constructed by Developer pursuant to a County approval, and (iii) to the extent applicable and provided Developer applies for any necessary approvals and pays all costs of processing, County acknowledges that any area that may have been included as part of the original offer of dedication for the County Facility Site that is no longer required for the intended purpose may be abandoned back to Developer. Subject to the foregoing conditions, Developer shall provide the amended dedication when the final engineering for the roadways is completed and prior to approval of the final plans for the facilities to be located on these County Facility Sites.

The boundaries for the Drainage Areas may also need to be modified once the Other Agency Approvals described in Section 3.12.2 below are obtained. Developer and County shall cooperate with each other and the Other Agencies to reach agreement on the final descriptions for the Drainage Areas, provided the final approval thereof shall be at the sole discretion of the County. Once the Other Agency Approvals are obtained for the Permanent Drainage Facilities within a drainage shed, subject to the County's approval of any changes, Developer and County shall take such actions as may be necessary to adjust the boundaries of the Drainage Areas in the Drainage IODs and Temporary Construction Licenses to be consistent with such Approvals.

3.3.5 Satisfaction of Parkland Dedication Requirements. The County agrees that the provisions of the Specific Plan and the commitments contained herein, including the dedication of the open space areas and active park sites within the Specific Plan, the agreement pursuant to Section 3.13.6 below to support an in-lieu parkland dedication fee equivalent to providing an additional 18 acres of fully improved, active parkland, and the identification of 2 acres within the planned Corporation Yard for park maintenance facilities, fully satisfy the General Plan park obligations for the dedication of neighborhood/community parks, recreational facilities and open space related to development of the Property, based on the Specific Plan land uses and densities in effect as of the Effective Date of this Agreement. In addition to the dedications required pursuant to Section 3.3.1 above, Developer shall dedicate to the Park Agency, either as part of the applicable Final Small Lot Map(s) or as separate IODs (consistent with the conditions of the applicable Tentative Small Lot Map(s)) for any and all neighborhood park sites concurrent with the associated Final Small Lot Map(s) that contain such park sites. The number, location and size of any neighborhood park sites shall be determined as part of the approval of the Tentative Small Lot Map(s) for the Property, provided the total acreage for any required neighborhood park sites shall be consistent with the Specific Plan acreage shown therefor on **Exhibit 2.2** attached hereto.

3.3.6 No Requirement to Accept or Provide Credits for Additional Parkland Dedications. Developer acknowledges that Park Agency shall not be obligated to accept any proposed park land dedications in excess of the amount of acreage set forth on **Exhibit 2.2** attached hereto and that, in the event of any such excess dedication, Developer shall not receive any park land credit nor any park fee credit for construction of park improvements on such additional acreage, which construction shall be at the sole cost and expense of Developer.

3.3.7 Grant of Temporary Construction Licenses. In addition to offering for dedication the real property and easements described in Sections 3.3.1 and 3.3.3, when such offers are provided to the County, Developer shall also provide to the County a temporary construction license (the **"Temporary Construction License"**) to permit the construction of the applicable improvement within the dedicated right of way or real property. The Temporary Construction License for road rights of way shall include an additional twenty-five feet (25') on either side of the dedicated rights of way for access by construction equipment, provided such access area shall not extend into any graded pads or improvements constructed within the Property. The Temporary Construction License shall be recorded against the Property and shall be in the form attached hereto as **Exhibit 3.3.7**. After thirty (30) days written notice to Developer (which notice shall describe the improvement(s) that are the subject of such notice), unless Developer has then commenced or responds that it will be commencing construction of the applicable improvement(s) within 60 days of such notice, the County shall have the right under the Temporary Construction License to assign the license to any other Participating Developer or group of Participating Developers or the Development Group to construct the improvement(s) described in such notice.

3.3.8 Acceptance of 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 the Park 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, so long as such encumbrances do not materially interfere, as reasonably approved by the County or the Park Agency, with the intended use(s) for the dedicated area. For example, the County acknowledges that easements for overhead power lines encumbering areas to be dedicated for open space would not interfere with the County's use or acceptance of the dedicated area for open space. 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 the Park 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.

With respect to the open space areas within the Specific Plan, the parties acknowledge that, if the Park District is formed, the County will assign and/or convey the IODs for the open space areas to the Park District, subject to the Park District assuming all ownership responsibilities related to the open space areas, including maintenance of any and all trail improvements therein and, to the extent not assumed or retained by the County, the maintenance of all drainage improvements therein. Such assignment or conveyance shall be subject to the County's reservation of easement(s) for access, maintenance and operation of all Drainage Areas therein, including drainage ways, channels, detention or retention ponds or other such ancillary drainage facilities located or to be located within such open space areas, and subject also to any habitat conservation easements as described below.

The Drainage Areas and open space areas dedicated hereunder, or portions thereof, may be required to be preserved as habitat conservation areas and may be subject to deed restrictions and easements for the benefit of the Permitting Agency for the Fill Permit or related approvals. County agrees to accept such areas subject to the deed restrictions and easements required thereby, provided County had the prior opportunity to review and comment on the provisions of the Open Space Management Plan applicable to the use of the Drainage Areas and owner of the open space areas in accordance with Section 2.7 above. If the County accepts any Drainage Areas or open space areas prior to recordation of such deed restrictions or easements, upon request of Developer, County shall convey and sign for recordation against such Drainage Areas and open space areas any deed restrictions and/or easements that may be required by the Permitting Agency for the Fill Permit or related approvals consistent with the approved Open Space Management Plan.

3.3.9 Release of Excess Offers of Dedication/No Compensation. In addition to adjustments to dedicated property pursuant to Section 3.3.4 above, County may determine, in its sole discretion, that certain property offered for dedication may not be necessary for public purposes associated with the Specific Plan. Because the offers of dedication pursuant to this Section 3.3 are being made early in the planning process to assure the availability of the areas planned for the Backbone Infrastructure, Drainage Areas, County Facilities, park sites and open space, County agrees that

subsequent adjustments to or releases of areas approved by the County that were previously offered for dedication by Developer shall not require any compensation to be paid by Developer, notwithstanding any existing County ordinances or policies to the contrary. Developer's early dedication hereunder, together with its covenant to dedicate any replacement area that may be required by an adjustment or relocation, provides adequate compensation to the County for any such subsequent abandonment by the County of these dedicated areas.

3.3.10 Additional Dedication for Cemetery. If Developer is the owner of Property 19 (as identified on **Exhibit A-2**), then the following provision shall apply: Upon recordation of the first Final Large Lot Map within the Property, the first Final Small Lot Map for any portion of the Property, or the commencement of construction of improvements on any portion of the Property, whichever occurs first, such map shall include an irrevocable offer of dedication to the Roseville Cemetery District (the **"Cemetery District"**) for the portion of the Property planned for cemetery use as shown on the Specific Plan (the **"Cemetery Property"**). Although being dedicated to the Cemetery District to support the operations thereof, the dedication shall not limit the use of the Cemetery Property nor shall it include any reversionary interest if the Cemetery District elects to use the Cemetery Property for any non-cemetery purposes or elects to sell the Cemetery Property. The irrevocable offer shall be freely assignable. The irrevocable offer shall continue in perpetuity until either accepted or rejected by recorded written notice by the Cemetery District or any assignee thereof. Prior to such acceptance by the Cemetery District or assignee thereof, Developer shall remain the owner of the Cemetery Property and shall be obligated to maintain the Cemetery Property and may, at its own risk and cost, improve the Cemetery Property with landscaping, parking or other such at-grade improvements consistent with any use of the Cemetery Property as may be approved by County. If requested by the Cemetery District or assignee thereof, Developer shall remove any such improvements and restore the Cemetery Property substantially consistent with its prior, unimproved condition, within one hundred eighty (180) days after acceptance of the irrevocable offer by the Cemetery District or assignee thereof.

3.4 Public Utilities Within Rights-of-Way. Except as otherwise set forth in the Specific Plan or otherwise required by County as provided below, public utilities shall be located within the rights-of-way to be granted by Developer to County for public utility and/or landscape easements or within rights-of-way granted by Developer to County for the arterials, collectors and other local streets within the Property. Accordingly, upon approval of final Small Lot Maps for any portion of the Property or the commencement of construction of improvements on any portion of the Property, or demand of the County based upon service needs, whichever occurs first, in addition to the dedications to be provided pursuant to Section 3.3 above, Developer agrees to grant and convey to County, through a recorded irrevocable offer of dedication or other means acceptable to County, the rights-of-way for any additional arterials, collectors, local streets, or public

utility easements within the area subject to such Small Lot Map or construction or as required by County within the Property within which such public utilities will be located. If, however, public utilities need to be installed prior to the construction of the applicable street(s), Developer shall grant and convey to County in recordable form an irrevocable offer of dedication or other such document acceptable to County for the street(s) within which such utilities will be located prior to or concurrently with the conveyance of the public utility easement. The width of the road rights-of-way and public utility and/or landscape easements shall be as shown in the Specific Plan.

Nothing in this Agreement shall be construed to limit or restrict the right of the County to require the dedication of an easement for utility purposes related to development of any parcel when such requirement would be otherwise consistent with the reasonable exercise of the police powers of the County and is reasonably related to a requirement to serve the parcel or parcels adjacent to the easement. The County and/or Park Agency may also, in its sole discretion, approve alternative locations for utilities, such as through parks or open space areas.

3.5 Development Phases and Phasing Plans. Developer acknowledges and agrees that no Tentative or Final Large Lot Maps, or Tentative or Final Small Lot Maps, or any other such Subsequent Entitlement shall be approved for any portion of the Property prior to approval by the County of a Development Phase as defined below for the Property, or portion thereof, that is the subject of such requested entitlement. The foregoing requirement for approval of a Development Phase prior to approval of any Development Entitlement for the Property, or portion thereof, shall not preclude Developer who is then in good standing with the Development Group from seeking to obtain approval of any amendments to the Specific Plan or this Agreement or to the zoning for the Property or any portion thereof prior to approval of a Development Phase therefor.

3.5.1. Submittal of Application. From time to time, Developer, or Developer and one or more other Participating Developers, or the Development Group acting on behalf thereof, may submit an application for approval of development within a designated portion of land owned by said Participating Developers within the Plan Area (a **"Development Phase"**). The application shall include, among other application requirements as set forth in the Implementation Policies and Procedures Manual, a Phasing Plan (a **"Phasing Plan"**) describing the portions of the Backbone Infrastructure, any neighborhood park improvements and any other interim or permanent public improvements proposed to be installed to serve such Development Phase (collectively, the **"Phased Improvements"**). Neither Developer nor any group of Participating Developers may submit, independent of the Development Group, an application for a Development Phase and Phasing Plan without the prior written acknowledgment from the Development Group that Good Standing Certificate(s) are held by the Developer(s) and that the Development Group has received and reviewed

the Developer(s)' proposed application for the Development Phase and Phasing Plan. Upon receipt of an application by Developer, County may notify the Development Group and/or any other Participating Developers that could be affected by the application that County has received an application, and provide such party or parties an opportunity to comment on the application before County commences with processing the application.

3.5.2 Processing and Approval of Development Phases. The application, processing, and approval by the County of Development Phases and Phasing Plans that include the Property or any portion thereof shall be performed by the County in accordance with the application requirements and approval standards set forth in the County Code and this Agreement. The County will also use best efforts to follow the Implementation Policies and Procedures Manual application processing provisions with respect to the processing of such Development Phase applications. At a minimum, the following provisions shall apply:

3.5.2.1. Contents of Application for Approval of Development Phase and Phasing Plan. Each application for approval of a proposed Development Phase and Phasing Plan shall include the following:

(a) Description of Development Phase. The application shall describe the area within the Plan Area proposed for development. The description of the Development Phase will include the total number of residential units and/or square footage of non-residential development and dwelling unit equivalent (DUE) proposed to be developed within such Development Phase and/or to be allocated within portions of the Development Phase. The description shall include a statement of how the affordable housing requirements described in Section 2.6 above will be satisfied within such Development Phase. The application shall identify all portions of Backbone Infrastructure to be financed and/or constructed. The application shall identify the quantities of developed parkland, park facilities, open space amenities, and trails to be constructed by the Developer as part of the Development Phase. Phasing of such improvements shall be addressed in the Phasing Plan(s) (see section 3.5.2.1(c) below).

(b) Related Ancillary Entitlements. If Developer's Property, or portion thereof, is included in an application for a proposed Development Phase, Developer shall submit, concurrently with the application for approval of the Development Phase, either

(1) (i) an application for a Tentative Large Lot Map for residential development within the Development Phase, which shall include a lotting study or lotting plan for the proposed large lot parcels to indicate how development thereof would affect and be integrated with adjacent

developments, or (ii) if the Developer's Property, or portion thereof, to be included in such Development Phase already consists of large lots for residential development created by the recordation of a Final Large Lot Map, then a lotting study or lotting plan for such large lot residential parcels to indicate how development thereof would affect and be integrated with adjacent developments, or

(2) a Tentative Small Lot Map for residential parcel(s) within the proposed Development Phase, and/or

(3) a subdivision or parcel map (or other necessary entitlement application, as the case may be) and preliminary site plan for development of any nonresidential parcel(s) within the Development Phase (which shall include a proposed maximum square footage for such development and DUE).

Any such application may also include, at Developer's discretion, amendments to the zoning for the portion of the Property within such Development Phase. Any such application shall be processed in accordance with the requirements of the Subsequent Entitlement Process in the Specific Plan and the Implementation Policies and Procedures Manual. Processing of a Tentative Large Lot Map or Tentative Small Lot Map(s) for residential parcel(s) and/or preliminary site plan(s) for nonresidential parcel(s) and any proposed rezoning by Developer shall generally proceed concurrently with the processing of the Development Phase. Developer acknowledges that its submission and concurrent processing of a Tentative Large Lot Map or Tentative Small Lot Map(s) for residential parcel(s) and/or preliminary nonresidential site plans for nonresidential parcel(s) or any proposed rezoning for the Property, or portion thereof, within a proposed Development Phase shall be at Developer's risk that the Development Phase and/or Phasing Plan may not be approved by the County.

Although processed concurrently with the Development Phase application, Developer's application for Tentative Small Lot Maps and/or non-residential development entitlements or any proposed rezoning shall not be required to be approved concurrently with the approval of the Development Phase and Phasing Plan in order for the County to approve the Development Phase, although in this instance the Developer acknowledges and agrees that non-concurrent approval may extend the overall review and approval process for that Tentative Small Lot Map(s) or nonresidential development entitlement or any proposed rezoning. The approval of any Tentative Small Lot Map and/or nonresidential development entitlement or proposed rezoning after approval of a Development Phase shall be required to be consistent with and subject to

compliance with all of the terms and conditions of the approved Development Phase and the approved Phasing Plan.

(c) Phasing Plan for Phased Improvements. A Phasing Plan shall be required for each Development Phase. The Phasing Plan shall include, but not be limited to, a list of the Phased Improvements proposed and required to be constructed by each Developer and/or Development Group to serve the Development Phase and shall include the timing for the commencement and completion of each Phased Improvement in relation to the timing of development of the entitlements proposed to be granted for each Developer whose Property is included with the Development Phase. Also, where more than one Participating Developer is involved in a proposed Development Phase, the Phasing Plan may include an allocation to the respective properties of the Phased Improvements required to support development thereof; for example, based on the locations of properties proposed for a Development Phase, some Phased Improvements may be required to be completed to support development of any of such properties, while other Phased Improvements, or only portions thereof, may be required to serve particular properties within the Development Phase. Allocation of the improvements between properties may affect the determination of timing of construction of the same, but shall not defer or waive the fee payment requirements set forth in Section 2.5. The County may not require the Participating Developers to construct any additional, permanent public improvements or facilities as part of the Phased Improvements that are not otherwise described in the Specific Plan, the Mitigation Monitoring and Reporting Program (the **"MMRP"**), or this Development Agreement, but may require improvements and/or facilities as part of the Phasing Plan or Phased Improvements as a temporary alternative to any such identified public improvements and/or facilities if requested by the Development Group, or as determined by the County to be necessary through the Subsequent Conformity Review process, in order to adequately serve the Property or reduce impacts outside of the Development Phase whether within or outside of the Plan Area, pending installation of the permanent public improvements and facilities.

(d) Mitigation of Impacts for Development Phase. Each application for a Development Phase shall include as part of the Phasing Plan technical studies, as required by the County, to demonstrate that the Phased Improvements to be installed along with the development of the Development Phase will be adequate to serve the needs of the Development Phase and coordinated with any prior approved Development Phase. Subject to the provisions of subsection 3.5.2.1(c) above, the County may require the Developer and/or Development Group to construct improvements as part of the Phasing Plan in order to mitigate the impacts associated with such development.

(e) Finance Plan Review. In addition to any other plan, study or information which may be required, each application shall be accompanied by financing information acceptable to the County describing and/or confirming the plan for financing the construction and completion of the remaining Backbone Infrastructure, Secondary Road Improvements, parkland development, recreational facilities, trail network, and open space amenities which will remain to be constructed after the Phased Improvements that are associated with the proposed Development Phase are constructed (the **"Remaining Improvements"**). Similar to the updates for the Development Master Plans, as each Development Phase is processed for approval by the County, financial information acceptable to the County shall be provided to confirm the ongoing validity of the Finance Plan, based on the then estimated costs to construct and complete the Remaining Improvements and the remaining development within the Specific Plan anticipated to support the costs of such construction and completion. As such detailed and updated financial information is developed with the processing of each Development Phase, the general description under the Financing Plan of the anticipated financing required to construct and complete the Remaining Improvements may be updated and/or amended as deemed necessary by the County to incorporate such additional information therein and confirm, to the County's satisfaction, that the Financing Plan provides a reasonably feasible, economic plan whereby the remaining development planned for the Specific Plan can be anticipated to support the costs to construct and complete the Remaining Improvements, as required by the Specific Plan and this Agreement.

3.5.2.2. County Approval of Development Phases. Each application for a Development Phase and Phasing Plan shall be subject to the review and approval by the County Planning Commission or appropriate, designated staff representative, with the right to appeal in accordance with the application requirements and approval standards set forth in the Implementation Policies and Procedures Manual. Any such approval shall be subject to CEQA compliance, to the extent deemed necessary by the County in accordance with the Subsequent Entitlement Process under the Specific Plan. The County may undertake a single, integrated analysis under CEQA for the Development Phase and any proposed Tentative Large Lot Map or Tentative Small Lot Map(s) and nonresidential development.

Approval of the Development Phase shall be subject to the determination by the County that the Development Phase presents a logical and reasonable pattern for development within the Plan Area, that the Phasing Plan will adequately mitigate the impacts of development of the Development Phase and can be served by the Phased Improvements, consistent with the Specific Plan, the MMRP and related Development entitlements and approvals. In reviewing an application with these considerations in mind, County shall consider and address how the development that

would occur pursuant to the application would conform to, or be consistent with, the service standards set forth in the approved Specific Plan and the relevant Mitigation Measures in the MMRP or would conform to, or be consistent with, such service standards or Mitigation Measures within a reasonable time period as other anticipated Development Phases are proposed and approved.

Once approved, minor modifications to the Phasing Plan may be approved by the Planning Director.

3.5.3. Development of Approved Development Phase. After approval by the County of a Development Phase and Phasing Plan, the following provisions shall generally apply to the development of such approved Development Phase. Each entitlement subsequently approved shall be subject to compliance with the conditions of approval of the Development Phase and the Phasing Plan as approved by the County. As may be more particularly described in the approved Phasing Plan, a Phasing Plan may require completion of all Phased Improvements as a condition precedent to any development within the corresponding Development Phase or may allow portions of the Development Phase to be developed as certain components of the Phased Improvements are commenced and/or completed.

3.5.3.1. Issuance of Building Permits Only Upon Completion of Phased Improvements. If the Phasing Plan requires completion of all Phased Improvements, or elements or segments thereof allocable to the Property, prior to the issuance of building permits for development within any portion of the Property within the Development Phase, then the County may, in its sole discretion and in lieu of requiring completion of all of the Phased Improvements, allow for development of the Property to proceed provided that the following conditions precedent shall be satisfied prior to issuance by the County to Developer of the first building permit, excluding any building permit for model homes issued in accordance with applicable County Code requirements, anywhere within the corresponding Development Phase: (i) the design for the construction of the applicable Phased Improvements shall be completed and approved by the County or applicable public agency, (ii) all required permits, agreements and approvals for the construction of the applicable Phased Improvements, including without limitation any Fill Permits or streambed alteration agreements shall be obtained, (iii) adequate security (i.e. bonds or other such security), to the satisfaction of the County securing the completion of the applicable Phased Improvements, shall be posted with the County or applicable public agency, (iv) construction contract(s) for all of the applicable Phased Improvements shall have been let and entered into by Developer and/or other Participating Developers and/or Development Group, (v) construction of the applicable Phased Improvements shall have commenced pursuant to all applicable construction contract(s) and (vi) that portion of the Phased Improvements that provide complete access, circulation, and service to the portion of

the Property proposed to be developed by Developer have been substantially completed, as determined by the County in its sole discretion.

3.5.3.2. Issuance of Building Permits Upon Commencement, But Prior to Completion, of Phased Improvements. If the Phasing Plan allows building permits to be issued for development within any portion of the Property within the Development Phase upon commencement, but not necessarily completion, of construction of any Phased Improvement(s), then prior to the issuance of building permits within any portion of the Property within a Development Phase, excluding permits for model homes, that requires such commencement of a Phased Improvement, the County may, in its sole discretion and in lieu of requiring completion of all of the Phased Improvements allocable to the Property, allow for development of the Property to proceed provided that the following conditions precedent must be satisfied: (i) the design of such Phased Improvement shall be approved by the County or applicable public agency, (ii) any and all required permits therefor shall be obtained, (iii) a contract for the construction of such Phased Improvement shall be bid and let, (iv) adequate security assuring completion of such Phased Improvement to the satisfaction of the County shall have been posted with the County or applicable public agency, (v) construction of such Phased Improvement (to the extent not then already constructed or under construction) shall have commenced and (vi) that portion of the Phased Improvements that provide complete access, circulation, and service to the portion of the Property proposed to be developed by Developer have been substantially completed, as determined by the County in its sole discretion. From and after such commencement, and subject to any Permitted Delay pursuant to Section 5.4 below, Developer and/or the other Participating Developers and/or the Development Group will diligently proceed with the construction of such Phased Improvement until completion and acceptance by County; provided, however, if County determines that construction is not being diligently pursued, County may, in its sole discretion, suspend issuance of building permits to Developer within such sub-phase of the Development Phase until either (1) completion of construction, or (2) County is satisfied that construction is being diligently pursued, or (3) County and the Developer and/or Development Group reach an alternative arrangement acceptable to the County for completion of the Phased Improvement in a timely fashion.

3.5.3.3. Completion of Improvements. The Phasing Plan may, as determined by the County in its sole discretion to be appropriate during the review of the application for approval of the Development Phase, allow the issuance of a maximum number of building permits, excluding permits for model homes, upon commencement of construction of the Phased Improvements as described above but prior to completion and acceptance thereof, but thereafter require that the issuance of any additional building permits in excess thereof may be issued within the Development Phase or sub-phase thereof only if and when all the Phased Improvements related

thereto are: (i) determined by County to be fully complete; and, (ii) accepted for public use by County utilizing its standard procedures for acceptance of public improvements.

Developer expressly acknowledges and agrees that, if the Phasing Plan for any Development Phase or sub-phase thereof includes a maximum number of residential units for which building permits may be issued prior to completion and acceptance of any required Phased Improvements or components thereof and if, prior to such completion and acceptance, Developer applies for a building permit for any residential units within such Development Phase or sub-phase that will cause the aggregate number of residential units for which building permits have been issued within such Development Phase or sub-phase to exceed such maximum, then the County may deny the issuance of building permits for the portion of the Property within the Development Phase or sub-phase until such time as the Phased Improvements or components thereof are accepted by County, or until Developer and/or the Development Group enters into an acceptable agreement with the County that provides for completion in a timely manner and security for the completion of the improvements to the full satisfaction of County.

Developer shall be responsible for all costs of care and maintenance of the Phased Improvements until such time as County accepts it as provided herein. As a condition of acceptance, Developer shall warrant that the work shall be free of defects in workmanship and material for a period of one (1) year after acceptance.

3.5.3.4. Additional Conditions. The foregoing conditions precedent to development within a Development Phase or sub-phases thereof pursuant to an approved Phasing Plan are not intended to be exhaustive and shall not limit the discretion of the County to include additional or alternative terms and conditions to development within a Development Phase as part its approval of a Phasing Plan therefor.

3.5.4. Funding of Fair Share for Development Phase. By electing to include the Property, or portion thereof, in an application for development within a Development Phase, if the application is approved by the County prior to any withdrawal therefrom by Developer, Developer shall be obligated to support development of the Development Phase consistent with the approved Phasing Plan, including funding its fair share of the construction of the required Phased Improvements allocable to development of the Property. Failure of Developer to fund the fair share allocable to the Property, or portion thereof, within an approved Development Phase of the costs of the required Phased Improvements, as determined by the Development Group, may result in the Development Group's refusal to issue and/or revocation of any previously issued Good Standing Certificate required to obtain Development Entitlements, including building permits, from the County for development of the

Property, or portion thereof. Subject to County approval of any Improvement CFD for a Development Phase pursuant to the Development Agreements, all Properties, or portion(s) thereof, within such Development Phase shall be required to either participate in the formation of or annex into such Improvement CFD or agree to an alternative arrangement, acceptable to the County and the Development Group, to support its fair share of funding for the applicable Development Phase Improvements and Facilities.

3.5.5. Concurrent Processing of Development Entitlements. During the design and permitting process for the Phased Improvements, Developer shall have the right to submit and process for approval improvement plans and/or Final Large Lot Map or Final Small Lot Maps for the Property, or portion thereof, within the Development Phase consistent with the Entitlements. The County may withhold approval of any improvement plans and/or Final Small Lot Maps for recordation prior to the satisfaction of conditions 3.5.3.1(i) through (vi) above.

Upon approval of any improvement plans and/or Final Small Lot Map for recordation, Developer may commence construction of improvements consistent therewith in combination with or subsequent to commencement of construction of the Phased Improvements required for such development, provided such construction shall not interfere with the construction of the required Phased Improvements. Developer agrees that any construction of such subdivision improvements by Developer prior to completion and acceptance of the required Phased Improvements shall be at Developer's own risk and that County reserves the right not to accept any such subdivision improvements prior to its acceptance of the required Phased Improvements.

3.5.6 Locust Road Circulation Study. Prior to approval of improvement plans for any Phased Improvement to be constructed as part of the first Development Phase approved by the County, the Developer and/or the Development Group shall fund a study to be undertaken by the County to identify and review the feasibility of alternatives to retaining Locust Road as a through roadway between Baseline Road and West Town Center Drive. Any such study shall (1) review the impacts upon the roadway systems in the Specific Plan and in adjacent jurisdictions, and identify the need for new or additional infrastructure, if any; (2) include an analysis of the necessary amendments to the Specific Plan, the County General Plan and/or the Dry Creek West Placer Community Plan to implement any such alternatives; (3) identify the costs associated with any such alternatives, and; (4) specify compliance with the California Environmental Quality Act and any other applicable legal requirements. County shall utilize the study to determine whether modifications to Locust Road are in the best interests of the County. Developer acknowledges that, in the event County determines that modifications to Locust Road are in the best interests of the County, amendments to the Specific Plan and changes to road improvements within the Specific Plan may be required to implement such modifications. Developer agrees that any such change shall not be considered a change to the terms and conditions of this Agreement or the

Entitlements and Developer agrees to incorporate any such changes into the Backbone Infrastructure or Secondary Road Improvements as directed by County.

3.6 Backbone Infrastructure. Developer shall be obligated, in accordance with the requirements of the Phasing Plan for each Development Phase that includes the Property, or any portion thereof, to install any and all Backbone Infrastructure, or applicable components or portions thereof, that are included in the list of Phased Improvements for such approved Development Phase. Subject to County's discretion pursuant to Section 3.8 below to remove any improvement from the list of Backbone Infrastructure as provided therein, the intent of the parties is that, upon full build-out of all the Properties consistent with the Specific Plan and the Development Agreements, all of the Backbone Infrastructure will have been completed to serve such development of the Properties.

3.6.1. List of Backbone Infrastructure. The Backbone Infrastructure, consisting of major roadway improvements, sewer, water and recycled water improvements within such roadways, and certain off-site sewer and water improvements and drainage improvements, are described in the Financing Plan and summarized in **Exhibit 3.6.1** attached hereto (the **"Backbone Infrastructure"**).

3.6.2. Maintenance and Warranties. During construction for each Development Phase, Developer and/or the Development Group shall be responsible for all costs of care and maintenance of the Backbone Infrastructure until such time as County accepts it as provided herein. As a condition of acceptance, Developer shall warrant that the work shall be free of defects in workmanship and material for a period of one (1) year after acceptance and appropriate Services CFDs in place to fund the on-going maintenance thereof.

3.7 Road Improvements.

3.7.1 Secondary Road Improvements. In addition to the construction of the Backbone Infrastructure if and when required by each Phasing Plan for a Development Phase, development of the Property may require, as determined to be necessary by the County, the completion of other roadway improvements not included within the list of Backbone Infrastructure, such as Palladay Road, Town Center Drive, Locust Road, 14th Street and/or Tanwood Avenue, or applicable components thereof (the **"Secondary Road Improvements"**), all as approved by the County as part of its approval of the Phasing Plan for such Development Phase. These Secondary Road Improvements, or components thereof, shall be completed as and when required by each Phasing Plan for a Development Phase. As an alternative to completion, an improvement agreement between Developer or the Development Group and County with timing acceptable to County for such construction may be executed and adequate security therefor acceptable to County shall be posted. If an improvement agreement

for the construction thereof has already been entered into between the County and another Participating Developer for the identical improvements and improvement security has been posted to secure such construction, and said Participating Developer and County consent that the improvement security may also be used to secure Developer's obligations, Developer need not post security.

If and to the extent any Secondary Road Improvement has not been completed in connection with development of a prior Development Phase and such Secondary Road Improvement is required by Developer's development within a subsequent Development Phase, Developer shall be obligated to design and construct the then required Secondary Road Improvement at its sole cost and expense, subject to the reimbursement rights, if any, described below. Developer acknowledges that some or all of the Secondary Road Improvements may be installed by other Participating Developers or the Development Group in connection with the development of a prior Development Phase, in which case such other Participating Developers or the Development Group may have reimbursement rights as described below. To the extent necessary to provide service to the property being developed, the obligation to construct Secondary Road Improvements shall include the obligation to construct the appropriate and necessary sewer and water infrastructure, as more particularly provided in the approved Phasing Plan.

If other Participating Developers or the Development Group installs or is installing any Frontage Improvements (as defined below) adjacent to the Property prior to the time when Developer would be required hereunder or by any approved Phasing Plan to install such Frontage Improvements, and if the County determines in connection with its approval of the Development Phase that required the installation of such Frontage Improvements that, based on the proportionate improvement burden associated with such development that reimbursement from Developer is appropriate upon subsequent development of the Property, then as a condition of development of the Property that would have required Developer to install such Frontage Improvements, Developer shall be obligated to provide such reimbursement as follows. Developer shall either (i) pay to such other Participating Developers or the Development Group the reimbursable costs of the Frontage Improvements allocable to the Property (as such costs are calculated in the same manner as reimbursable costs of Backbone Infrastructure under the PVSP Fee Program) and/or (ii) provide written confirmation to the County from the other Participating Developers or Development Group that Developer and the other Participating Developers or Development Group are parties to a private cost sharing agreement whereby Developer is sharing in the costs of the Frontage Improvements and that Developer is in compliance with such private agreement. If a private cost sharing agreement does not exist between the parties and Developer is obligated to pay the costs of the Frontage Improvements to the other Participating Developers or Development Group, and if the other Participating Developers or Development Group is installing but has not yet completed the Frontage

Improvements, then Developer may satisfy this payment obligation by paying its share of the costs then incurred for the Frontage Improvements to the Participating Developers or Development Group and depositing the balance of its share of such costs into an escrow, with instructions to release the deposited funds to the other Participating Developers or Development Group upon completion of the Improvements and acceptance thereof by the County.

If Developer fails without good cause to provide either such payment or evidence of the existence of and its compliance with a private cost sharing agreement with the other Participating Developers or Development Group if and when required hereunder, then Developer may be deemed to be in breach of this Agreement and County may refuse to approve any Subsequent Entitlements or issue any building permits within the Property (or portion thereof then requiring such Frontage Improvements) until such breach is cured by Developer.

If Developer installs any Frontage Improvements adjacent to another Participating Developer's property, and if the County determines in connection with its approval of the Development Phase that required the installation of such Frontage Improvements that, based on the proportionate improvement burden associated with such development that reimbursement from the other Participating Developer is appropriate upon subsequent development of the other Participating Property's Property, then the County shall use good faith efforts to enforce this provision of its development agreement with such Participating Developer and condition development of such other Participating Developer's property on payment to Developer of the reimbursable costs of its adjacent Frontage Improvements in accordance with the foregoing provisions contained in its development agreement with such Participating Developer.

3.7.2 Frontage Improvements. Except as otherwise provided herein with respect to the Backbone Infrastructure and with respect to improvements adjacent to public property, and consistent with the terms of the Financing Plan, Developer shall be obligated as deemed necessary by County, at its sole cost and expense and without any right of reimbursement or fee credit from the County, to design and construct all other road improvements within or adjacent to the Property. Such improvements shall include curb, gutter, sidewalks, utilities, landscaping, streetlights, pavement (including, but not limited to, asphalt, concrete, aggregate base and aggregate sub-base), underground water, sewer and drainage improvements, wholly within the Property and to the centerline of the road rights-of-way adjacent to the Property and, as deemed necessary by County, the full width of landscape medians. Such improvements shall also include any additional pavement widening at intersections within or adjacent to the Property to accommodate turn lanes and bus turnouts (including the approaches to intersections and separate lanes for each turning movement), all grading, drainage laterals and inlets, cross culverts, traffic signing and striping, underground portions of

traffic signals and signal interconnects in conjunction with joint trench work along all arterial roadways and at other locations deemed necessary by the County.

Also, except for improvements to Baseline Road and Watt Avenue, if the Backbone Infrastructure include an initial two lanes for a road adjacent to the Property, which road is thereafter required to be widened to four lanes upon certain subsequent development of the Property or other property within the Specific Plan, then Developer shall be responsible for one-half of the cost of such widening adjacent to the Property, even though such widening may occur on the other side of the road.

The improvements described above in this subsection 3.7.2 that are the responsibility of Developer shall be referred to herein collectively as the **"Frontage Improvements."**

Where a roadway is to be constructed by Developer adjacent to an open space parcel located within the Property, Developer shall be responsible for the Frontage Improvements adjacent to the parcel, including the construction of the sidewalk, Class 1 Bike Paths and any required landscaping. Where a roadway is to be constructed by Developer adjacent to a park parcel or County Facility Site that will be subsequently developed for an active public use, Developer shall be responsible for the Frontage Improvements adjacent to the parcel, excluding, however, the construction of the sidewalk and landscaping (which shall be installed in conjunction with the subsequent development of such parcels for public use). The costs of these Frontage Improvements adjacent to parks and County Facility Sites shall be included within the Infrastructure Fee and Developer shall be entitled to any fee credits or reimbursements with respect to the construction thereof in accordance with the PVSP Fee Program. Developer shall also be responsible for the costs of any Frontage Improvements adjacent to open space, school sites, water tanks, cemetery or electrical substation, without credit or reimbursement from the Infrastructure Fee or any other component of the PVSP Fee Program, since the costs thereof are assigned to each Developer as to open space or anticipated to be otherwise recoverable by Developer pursuant to a separate acquisition agreement to be entered into between Developer and the school district or entity that will be acquiring such site.

3.7.3 Timing of Sidewalks and Landscaping. Sidewalks/trails and landscaping to be installed adjacent to single-family subdivisions within the Plan Area shall be installed concurrently with the subdivision improvements for each single-family residential-lot subdivision. In the case of multi-family or non-residential development, sidewalks and landscaping shall be installed concurrently with construction of the subject building(s). Landscape medians shall be installed concurrently with the road improvements that include such medians. The improvements described above in this subsection 3.7.3 that are the responsibility of Developer shall be referred to herein collectively as the **"Sidewalk and Landscaping Improvements"**.

In addition to the general rule above, depending on the timing of other development within the Specific Plan, to the extent deemed necessary by the County to provide pedestrian connections along applicable thoroughfares, arterials or collectors, County may require Developer to install temporary or permanent sidewalk and/or Class 1 Path improvements as part of any Secondary Road Improvements being installed by Developer adjacent to the Property (even if Developer is not then developing the subdivision adjacent thereto) and adjacent to other Participating Developer's properties, to the extent such Secondary Road Improvements are being installed adjacent to or through such Participating Developer's property. Temporary improvements are not reimbursable by County.

3.7.4 Road Improvement Standards. All improvements to be installed by Developer shall comply with the Specific Plan Roadway Section Standards. Unless the Specific Plan provides otherwise, the design and construction of all improvements shall be in accordance with County's Land Development Manual, as amended and updated from time-to-time. The rights-of-way required for such road improvements shall be as set forth in the Specific Plan, or, if not shown in the Specific Plan, then as set forth in the County's Land Development Manual. As to any road improvements to be constructed by Developer hereunder, Developer shall have the responsibility of securing any and all local, state and federal permits necessary for such construction.

3.7.5 Landscape Setbacks. For the roadways within and/or adjacent to the Property, Developer shall establish the applicable landscape setbacks provided therefor by the Specific Plan. Such setbacks shall be measured generally from back of curb, except along intersections, bus turnouts, turn lanes, etc., which facilities may encroach into the landscape setback to the extent permitted by the Specific Plan. Such landscape setbacks shall be limited to landscaping, streetlights, utilities, sidewalks, Class 1 Paths and related uses.

3.8 County Discretion to Defer, Revise or Delete Improvements. The County, in its sole discretion, acting through the County Executive Officer or designee, may elect to defer the timing for the installation of or advance funding for any component of: Backbone Infrastructure, Secondary Road Improvements, Frontage Improvements, Sidewalk and Landscaping Improvements, or the park facilities and trail improvements as specified in the Specific Plan and Finance Plan, so long as such deferral does not impair Developer's right to develop or continue development of the Property as if such deferred improvement were then completed. Any such deferral shall not require an amendment to this Agreement to be effective. Such deferral may be unlimited or may require Developer to commence and diligently proceed with construction of the deferred improvement at a later time, or upon development of another portion of the Property, or upon development of other property within the Specific Plan. The deferral of any Frontage Improvement or Sidewalk and Landscaping Improvements shall not affect the

obligation of Developer to share in the cost of such Improvements when subsequently constructed, provided, if the deferral may cause the applicable Improvement to be deferred until after buildout of the Property, then prior to approval of a final small lot map that creates more than Eighty Percent (80%) of the single family lots planned for the Property, the County shall require Developer to pay (or post acceptable security to assure payment of) the then estimated amount of the Frontage Improvement and/or Sidewalk and Landscaping Improvements allocable to the Property, for future reimbursement to the Developer who will subsequently build such Improvements.

The Developer may propose with the written concurrence of the Development Group: (1) to revise the location and/or reduce the sizing or design capacity of any component of: the Backbone Infrastructure, the Secondary Road Improvements, or the park facilities and trail improvements as specified in the Specific Plan and Finance Plan; or (2) to remove from the list of required public improvements and facilities, or acknowledge the assumption of the responsibility therefor and/or completion thereof by the County, or another public entity (such as the City of Roseville) or private development (such as other developers within the area) any of the following, or any component thereof: the Backbone Infrastructure, the Secondary Road Improvements, or the park facilities and trail improvements as specified in the Specific Plan. The County, in its sole discretion, acting through the Board of Supervisors, may elect to approve any such request. Any such removal and/or acknowledgment of assumption or assignment or completion shall be subject to a determination by the Board that the improvement or facility, or component thereof, is not needed to support build-out of the Specific Plan and/or will be or has been completed by other persons or entities. Any such revision that relocates or reduces the scope or size of required public improvements or facilities shall be based on revised or updated engineering studies, modeling and standards and may be subject to CEQA review as needed. Any such deletion and/or acknowledgment of assumption or assignment or completion of any listed public improvements or facilities shall not require an amendment to this Agreement to be effective.

3.9 Water Supply.

3.9.1 Water Facilities. Developer acknowledges that the water transmission and storage facilities to be installed by Developer as part of the Backbone Infrastructure will be owned and operated by the Placer County Water Agency (**"PCWA"**). Accordingly, the design of these water facilities shall be subject to approval by PCWA and any reimbursements or credits associated with these water facilities shall be subject to and dependent upon Developer and/or the Participating Developers entering into a separate agreement(s) with PCWA. The costs of these water facilities shall not be included within the fees outlined in Section 2.5.

Developer also acknowledges that PCWA is currently planning for the potential extension of a major water transmission main to transport water from the Sacramento River to PCWA's system, which is anticipated to be located, in part, within the alignment for Baseline Road. Developer has confirmed with PCWA that the location of such transmission main may be able to be located within the portion of Baseline Road planned to be widened as part of the Remaining Backbone Infrastructure. County agrees to cooperate with Developer and PCWA to allow any such major water transmission main to be located within such portion of Baseline Road.

3.9.2 Periodic Confirmation of Water Supply. The County has determined, and Developer agrees, based upon the current information at the time of approval, that the available water supply is sufficient to serve all phases of the Project. This determination was the conclusion of a review of the demand and source issues created by the projected build-out of the Project, which was based upon the various technical studies completed in connection with the environmental review of the Project and information provided by PCWA. The demand for water at build-out of the Project was determined by reference to the current information on water usage by the various land uses included and permitted within the County and the proposed land uses within the Project. The sources of water evaluated for the Project are the same types of sources currently used throughout the County. Nothing in this Agreement shall limit or restrict PCWA's use of its water resources, except as water supply commitments are perfected between Developer and PCWA. Developer is satisfied, based upon detailed technical analysis, that the demand and source assumptions relied upon to assure water for the Project are valid. However, the Parties have agreed to the following procedure to assure the continued validity of the underlying assumptions and the continued availability of sufficient water to service all phases of the Project. On an annual basis during the Term of this Agreement, the Parties shall meet with the Placer County Water Agency and review the underlying assumptions regarding water demands of the Project and sources of water for the Project. If the actual demand and sources appear that they will differ materially from the assumptions upon which the Project was approved, and that the difference(s) will negatively affect the ability to provide water for the Project, then the Parties shall meet and in good faith attempt to implement whatever measures are needed to assure that the water supply will meet the Project's demands. Development and implementation of such measures shall be at Developer's cost. Notwithstanding any other provision of this Agreement, including but not limited to Sections 2.2 and 2.4.1, the County shall have the right to impose any restrictions needed to assure that the further development of the Project will be consistent with the then current assessment of the available water supply. County restrictions may include, but shall not be limited to, additional conservation measures, water transfers, limitation on new tentative maps and permits and such other measures as the County deems necessary.

3.10 County Facilities. Consistent with the Specific Plan, Developer shall dedicate to the County any lands located within the Property that are planned for public facilities to be owned and operated by the County, as generally shown on the map of public land dedications attached as Exhibit 2.5.7.A to **Exhibit 2.5.7** and more particularly described in the Specific Plan (the **"County Facilities"**). Consistent with the Financing Plan and the Specific Plan, County shall be solely responsible for the planning, design, construction and equipping of the County Facilities, subject only to Developer's obligation to pay, as and when required hereby and the applicable fee ordinances and the Project Development and/or PVSP Fees related to such County Facilities. The sites planned for the County Facilities to be owned and operated by the County (the **"County Facility Sites"**) are designated in the Specific Plan for uses consisting of a Corporation Yard, Sheriff's Substation, Government Center, Library, and Transit Center, as more particularly listed in **Exhibit 1.4.1** attached hereto. Any additions or modifications from the Specific Plan and Finance Plan to the County Facilities, equipment or furnishings proposed by the County (except as may be required by changes in building codes, state or federal requirements) that would cause a material increase to the cost of design, construction and equipping of such County Facilities above the costs anticipated therefor in the Finance Plan (as updated based on applicable annual cost of construction inflation factors or changes in actual construction costs), shall be at the cost and expense of County.

3.11 Sewer Master Plan. The Development Group has prepared and obtained approval from the County of a Sewer Master Plan for providing sewer service to the developed properties within the Specific Plan area. The Sewer Master Plan includes information on wastewater generation rates, peaking factors, location, placement and sizing of gravity pipelines, force mains, lift stations, and other necessary infrastructure. Should development of the Project move forward prior to completion of construction of the sewer infrastructure for the Riolo Vineyard Specific Plan, the Development Group will be required to evaluate the need to construct improvements to two off-site sewer lines (from manhole KB11-07 to KB11-03 and manhole KB11-03 to the Dry Creek Lift Station) and the Dry Creek and Creekview Middle School lift stations to insure the system is fully operational in peak and minimal flow conditions after the planned Riolo Vineyard Specific Plan Lift Station is constructed and, to the extent required to be constructed by Developer, the County shall use good faith, diligent efforts to obtain reimbursement for the costs of any such improvements from development of the Riolo Vineyard Specific Plan.

3.12 Drainage Facilities. Developer shall dedicate land for and provide drainage improvements as provided in this Section.

3.12.1 Drainage Master Plan. As part of the approval of the EIR, the County approved a drainage study. The Development Group has prepared and obtained approval from the County of a Drainage Master Plan updating the work

previously undertaken in conjunction with the EIR. The Drainage Master Plan identifies each of the drainage sheds within the Plan Area and the areawide drainage facilities (the **"Permanent Drainage Facilities"**) required to serve each drainage sheds. Subject to the Other Agency Approvals described below, the Drainage Master Plan identifies the size and location of all Permanent Drainage Facilities proposed for each of the drainage sheds within the Plan Area.

3.12.2 Other Agency Approvals. Prior to the issuance of any grading permit, or approval of any improvement plans, or recordation of a final small lot map for any development within an affected drainage shed of the Plan Area, if not then obtained by another Participating Developer, Developer shall obtain, at its expense, all permits and agreements as required by other agencies having jurisdiction over drainage, water quality or wetlands issues (the **"Other Agency Approvals"**), including, but not limited to, the Regional Water Quality Control Board (**"RWQCB"**), the U.S. Army Corps of Engineers and the California Department of Fish and Game for all the Permanent Drainage Facilities planned to be located within or serving such drainage shed. The requirement to obtain these Other Agency Approvals for all Permanent Drainage Facilities serving the drainage shed prior to any development within such drainage shed shall apply whether or not Developer will be constructing all or only a portion the planned Permanent Drainage Facilities for development of the Property. Developer shall also be responsible for obtaining the Other Agency Approvals for the construction of any Interim Drainage Facilities, as may be permitted pursuant to Section 3.12.4 below, prior to the issuance of any grading permit, or approval of any improvement plans, or recordation of a final small lot map for any development of the Property that would be served by such Interim Drainage Facilities.

Concurrently with construction of any 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 RWQCB and County. Developer shall obtain a permit from the RWQCB for the General Construction Storm Water Permit Compliance Program, as required by law, prior to the start of any construction, including grading.

3.12.3 Construction Consistent with Drainage Master Plan and Other Agency Approvals. Prior to the issuance of any grading permit, or approval of any improvement plans, or recordation of a final small lot map for any portion of the Property, Developer shall design and construct the drainage facilities required to serve development of the Property, or such portion thereof, consistent with the Drainage Master Plan and the Other Agency Approvals. For each portion of the Property then proposed for development, Developer shall construct all Permanent Drainage Facilities located within such developing portion of the Property. Also, except as may otherwise be permitted pursuant to Section 3.12.4 below with respect to construction of Interim Drainage Facilities, for each portion of the Property then proposed for development,

Developer shall design and construct all downstream Permanent Drainage Facilities within the applicable drainage shed required to provide drainage of the developing portion of the Property.

3.12.4 Interim Drainage Facilities Prior to 50% Development. Until grading permits or improvement plans are approved or final small lot maps are recorded for more than 50% of the developable area within a drainage shed, if the downstream Permanent Drainage Facilities that would be required for Developer's proposed development of the Property, or any portion thereof, cannot feasibly be constructed due to either the amount of additional Permanent Drainage Facilities that would be required, the ability to obtain necessary right of way and/or any other reasons that County determines would make construction of such downstream Permanent Drainage Facilities impracticable, County may approve the construction of a combination of Permanent Drainage Facilities within and near the Property and other interim drainage facilities, which may consist of temporary detention basins and/or temporary channel improvements (**"Interim Drainage Facilities"**). Prior to approving any such Interim Drainage Facilities, Developer shall prepare a supplemental drainage report that identifies the reasons why the necessary downstream Permanent Drainage Facilities cannot feasibly be constructed, alternative interim drainage facilities proposed to serve the Property and the interrelationship between the Interim and Permanent Drainage Facilities. The supplemental drainage report shall be subject to the review and approval by the County and may require additional environmental analysis and review and may also require approval by the Other Approval Agencies.

3.12.5 Permanent Drainage Facilities After 50% Development. Once grading permits or improvement plans are approved or final small lot maps are recorded for more than 50% of the area within a drainage shed, if any remaining Permanent Drainage Facilities are needed to serve Developer's development, then Developer shall construct the additional Permanent Drainage Facilities required to serve the Property and shall have no right to seek approval from the County for construction of any Interim Drainage Facilities.

3.12.6 Storm Drains. Developer shall construct storm drain mains and laterals as required by the Drainage Master Plan and in accordance with the County's then current improvement standards and shall provide laterals to serve all parcels on the Property, including, but not limited to, commercial, multifamily, church, fire station, schools, park and other public sites. Storm drain laterals shall be constructed to the property line concurrently with the construction of connecting open channels or storm drain mains.

3.12.7 Maintenance of Drainage Facilities. The construction of the Permanent Drainage Facilities and related facilities will require on-going funding for long-term maintenance and repair. Developer shall be solely responsible for the

maintenance of any Interim Drainage Facilities constructed by Developer to serve the Property. The maintenance of the Permanent Drainage Facilities is anticipated to be funded by either the Services CFD described in Section 3.20 below or the County Service Area described in Section 3.21 below. Developer and County acknowledge that the maintenance of these Permanent Drainage Facilities will benefit the entire Specific Plan area. Therefore, the funding for such maintenance shall be shared on a per acre basis by all developable property within the Specific Plan, as determined by the County in connection with the formation of the Services CFD or CSA, and shall not be separately allocated or divided between the drainage sheds.

3.13 Parks and Open Space.

3.13.1 Formation of Park District. The County shall work cooperatively with the Development Group, at the sole cost of the Development Group, to consider and support the formation of a park district (the **"Park District"**) to own, manage, operate and maintain all neighborhood and community parks and recreation facilities, recreation programming, trails and open space areas. Subject to obtaining all necessary approvals for formation of the Park District with all terms and conditions acceptable to the County, when formed, the Park District shall assume the responsibility to review, approve, inspect and accept all design and construction by Constructing Owners of all neighborhood parks, trails, open space and any other improvements within the Specific Plan to be owned by the Park District. The Park District shall also manage the design and construction of all improvements to the Community Parks and coordinate the development of any and all joint use recreation facilities with the School District in the Plan Area. The Park District may also elect, at its sole discretion, to assume the responsibility from Developer for the design and construction of any neighborhood parks in the Plan Area.

Upon formation of the Park District, where references are made herein to the "Park Agency" with respect to the review, approval, ownership, management and administration of parks, trails and open space areas and the Park Fees and Park Services CFD related thereto, except as may otherwise be decided between the County and the Park District in connection with such formation and the assignment and assumption of the Park Agency's rights and obligations with respect thereto, all such references to the "Park Agency" shall be deemed to mean and refer to the "Park District" and such change shall not require any amendment to this Agreement to be effective.

3.13.2 Construction of Neighborhood Park Improvements. In the absence of election by the Park Agency to construct a neighborhood park, and subject to Developer being eligible for fee credits and/or fee reimbursements from the component of the PVSP Fees for neighborhood park improvements (the **"Neighborhood Parks Fee"**), Developer shall design and install park improvements for

any and all neighborhood park site(s) within the Property consistent with the acreage as shown in the Specific Plan for the Property, in accordance with the following provisions:

3.13.2.1 Location of Parks. If Developer is obligated to provide any park acreage for neighborhood parks, including neighborhood parks adjacent to school sites (but excluding community parks to be dedicated pursuant to Section 3.3.1 above), then Developer's Tentative Small Lot Map(s) for the Property that includes any neighborhood park(s) shall identify the proposed location(s) for these neighborhood park acreages. In addition to determining the number, size and location of any neighborhood park sites to satisfy Developer's park acreage requirement, if more than one neighborhood park site is proposed for the Property, the Tentative Small Lot Map shall identify appropriate neighborhoods, the development of which will be responsible for the construction of its assigned park site. Such neighborhoods shall generally consist of a grouping of approximately 200 residential units surrounding or near the applicable neighborhood park site. If only one park site is proposed for the Property, then all references in this Section 3.13.2 to a "neighborhood" shall refer to the Property.

3.13.2.2 Design of Parks. Each neighborhood park site shall be improved in conjunction with Developer's development of the applicable neighborhood assigned to the development of such park site as approved by the County in conjunction with each Phasing Plan. The park facilities therefor shall be constructed and improved according to a plan for the site to be prepared by Developer and approved by the Park Agency. These park facilities shall be designed in accordance with conceptual plans therefor described in the Specific Plan and Public Facilities Concept Plan and with the per-acre funding provided therefor under the Finance Plan, as accepted by the County and as addressed in connection with its approval of the Development Phase, and any additional detailed design standards and specifications for such facilities and improvements that may be required by the Park Agency, consistent with the list of park facilities to be distributed throughout all neighborhood parks that is included in the Specific Plan and the per-acre funding budget for such neighborhood park improvements provided therefor under the Finance Plan and used to establish the Neighborhood Parks Fee. The proposed number and type of park facilities to be included in neighborhood parks shall be submitted by the Developer and approved by the County in conjunction with each Phasing Plan. The County shall review the Phasing Plan and conceptual neighborhood park improvement plans (and submit the same for review and comment by the Park Agency) to insure general proportionality in the distribution of park facilities throughout all neighborhood park sites. The improvement plans for the park site shall include detailed construction plans, specifications and drawings for the site to be approved by the Park Agency. Developer shall be responsible for all costs associated with the approval of the plan, including the costs of preparing the required construction plans and drawings.

3.13.2.3 Costs of Park Construction. Except for any park improvements to be constructed by the Park Agency, Developer shall be responsible for all costs to construct the park improvements for its applicable park site(s) consistent with the approved plans therefor and a park construction agreement to be entered into with the Park Agency prior to commencement of such construction, setting forth the responsibilities for such construction and the rights to reimbursement from and/or credits against the Neighborhood Park Fee in consideration of such construction (a **"Park Construction Agreement"**). The cost estimates and the corresponding Neighborhood Park Fee shall be adjusted by the County as part of the fee adjustments pursuant to Section 2.5 above. Upon execution of a Park Construction Agreement and posting of security acceptable to the Park Agency to secure the timely commencement and completion of the park improvements consistent with the construction timing described below and/or in the Park Construction Agreement, Developer shall be entitled to credits against and/or reimbursements from the Neighborhood Park Fee in accordance with in the applicable provisions of the PVSP Fee Summary as adopted by the County. The administration of such fee credits and reimbursements shall be addressed in the Park Construction Agreement, with the general intent that the fee credits associated therewith shall be allocated first over the balance of the then undeveloped portion of the "neighborhood" responsible for such construction and any fee credits remaining after such initial allocation (i.e., any credits in excess of the fee credits anticipated to be applied in connection with build out of the applicable "neighborhood") being eligible for reimbursement after completion of the park improvements from available Neighborhood Park Fees on a first completed, first reimbursed basis.

3.13.2.4 Timing for Design of Park Improvement Plans. Except as may otherwise be agreed to during the County's approval of the subdivision that includes a neighborhood park, and in the absence of any election by the Park Agency to defer or assume construction responsibility of a park, Developer shall submit completed plans to the Park Agency for improvement of each neighborhood park prior to the issuance of the 100th building permit within the applicable neighborhood for a neighborhood park, excluding permits for model home construction. Upon request of Developer, but without accelerating the timeline described below for the commencement of construction of the park improvements for a neighborhood park, the Developer may submit improvement plans to the Park Agency for the proposed park improvements earlier than said 100th building permit in order to obtain the Park Agency's approval of the plans therefor, upon which a Park Construction Agreement could be entered into and security posted to provide credits against the Neighborhood Park Fee earlier during the development of the Property.

3.13.2.5 Timing for Park Construction. Except as may otherwise be agreed to during the County's approval of the subdivision that includes a park or in any Park Construction Agreement, and in the absence of the Park Agency's

election to assume such construction, Developer shall commence construction of the park improvements for a neighborhood park in accordance with its approved park plan prior to the issuance of the earlier of the 200th residential building permit or 75% of residential units within the applicable neighborhood, excluding permits for model home construction. Thereafter, except as may otherwise be provided in the Park Construction Agreement, Developer shall diligently proceed with such construction and use good faith, diligent efforts, subject to the provisions of Section 5.4 below, to complete the construction of the improvements to the park site within one (1) year of the date of commencement of such construction. Developer may, subject to approval by the Park Agency at its sole discretion, propose to install some park improvements (such as irrigation and turf improvements to green up the park site) or all of the park improvements earlier than required above.

3.13.2.6 Park Utility and Frontage Improvements. Park improvements constructed by Developer for each park shall include all utilities and all landscaping and irrigation necessary to serve the park. When installing road improvements adjacent to a neighborhood park site, Developer shall construct the necessary Frontage Improvements therefor (excluding landscaping and sidewalks, unless the park is developed at the same time as such Frontage Improvements are being installed) and stub utilities for the park site, subject to direction from the County and/or the Park District on the location of such utility stubs. As noted above, the costs of the Frontage Improvements will be included for financing as part of the Infrastructure Fee and Developer will thereby receive credit for bonding for and/or installing these Frontage Improvements against the Infrastructure Fee in accordance with the PVSP Fee Program.

3.13.2.7 Acceptance of Park Improvements. Upon satisfactory completion of the neighborhood park improvements by Developer, the Park Agency shall accept the dedication of the improved park site and assume the ownership and maintenance thereof, provided the cost of such maintenance shall be funded by the Park Services CFD described in Section 3.20 below.

3.13.3 Construction of Pedestrian, Bike and Multi-Purpose Trail Improvements. Developer shall design and construct any pedestrian, bike and/or multi-purpose trail improvements, including structures as needed over wetland, riparian and topographic depressions, and signage, as proposed by the Specific Plan to be included within any portion of the Property and/or adjacent open space (collectively, the **"Trail Improvements"**) to be located within any portion of the Property, subject to and in accordance with the following provisions and subject to reimbursement therefor from the Neighborhood Park Fee.

3.13.3.1 Installation of Trail Improvements. Except for Trail Improvements to be located within neighborhood or Community Parks, which shall be

installed as part of the park improvements therefor, and except as otherwise agreed to by the Park Agency in the trails construction agreement to be entered into by Developer and the Park Agency related to such construction, and the reimbursements and credits to be derived thereby (the **"Trails Construction Agreement"**), Developer shall install the sections of any Trail Improvements within its Property as and when it installs the subdivision improvements within the applicable portion of the Property and/or adjacent to open space contained within the Property, but in no event later than the issuance of building permits for more than 50% of the number of residential units approved for the Property. The Trail Improvements to be installed upon development of the Property are generally shown in the Specific Plan, as may be further described and agreed to by the Park Agency in the Trails Construction Agreement. Connections to existing Trail Improvements from the Property to all existing trails adjacent to the Property, where no future intermediate development will provide for trail connections, shall be included as part of the subdivision improvements for the Property. Subject to the Park Agency obtaining dedications and temporary easements to allow Developer to construct such additional sections of the Trail Improvements, in addition to installing all Trail Improvements to be located within the Property, depending on the timing of other development within the Specific Plan and the applicable Trails Construction Agreement, the Park Agency may require additional off-site trail improvements to be installed by Developer to the extent deemed necessary by the Park Agency to provide trail connections to and between existing thoroughfares, arterials or collectors, subject to adequate funding being available therefor from the PVSP Neighborhood Park Fee.

Developer acknowledges that once the planned widening and bridge crossing for Watt Avenue is completed, the planned connection of the Multi-Purpose trail from the Sacramento County line at Gibson Ranch to Watt Avenue will be a high priority to the Park Agency and the County may elect, in consultation with the Park Agency, to include such connection as part of the next Development Phase within the Plan Area, if not previously constructed prior to or as part of such Watt Avenue construction. Furthermore, Developer acknowledges that the off-site sanitary sewer line to serve the Plan Area, which will necessarily include a maintenance access road, is planned to follow the alignment of the Multi-Purpose Trail to be extended by the developers of the Dry Creek Plan Area from Watt Avenue to Walerga Road. When this off-site sanitary sewer line is required to be installed to serve the Plan Area, Developer shall coordinate the design thereof with the Park Agency, to the extent feasible, to enable the incorporation of the necessary maintenance access road into and as part of such Multi-Purpose Trail.

3.13.3.2 Design of Trail Improvements. The applicable Trail sections shall be constructed and improved according to the Specific Plan. The Trails shall be designed in accordance with the design standards for such Trails in the Specific Plan. Subject to credit against and/or reimbursement from the Neighborhood Park Fee pursuant to the Trails Construction Agreement, Developer shall be

responsible for all costs associated with the design and construction of the Trail Improvements, including the costs of preparing the required plans and drawings and, if necessary, obtaining any and all other required permits and any required supplemental environmental analysis.

3.13.3.3 Installation with Subdivision. Subject to and in accordance with the terms of the applicable Trails Improvement Agreement, Developer shall proceed with and complete the construction of the Trail Improvements in accordance with the approved plans at the same time as it installs and completes the subdivision improvements for the applicable or adjacent subdivision.

3.13.3.4 Acceptance of Trail Improvements. Upon completion of any Trail Improvements by Developer, Park Agency shall accept the dedication of the applicable Trail Improvements and open space area within which such Trail Improvements are located and assume the ownership and maintenance thereof, provided the cost of such maintenance shall be funded by the Park Services CFD described in Section 3.20 below. Subject to the terms of the applicable Trails Improvement Agreement, upon such acceptance, the Park Agency will reimburse Developer for all reasonable, documented costs of construction of the Trail Improvements from the Neighborhood Park Fee (less any amounts thereof then applied by Developer as credits against such Fee).

3.13.4 Community and Town Center Parks. The Park Agency shall be solely responsible for the planning, design, construction and equipping of the Community and Town Center Parks, subject only to Developer's obligation to pay, as and when required hereby, the Community Park Fee related to the financing of such park facilities. The Community Park Fee shall include funding for a multi-purpose community center, field lighting, and park shop construction and equipment and all other facilities related thereto described in the Specific Plan and consistent with the funding provided therefor under the Finance Plan (collectively, the **"Community Park Improvements"**). Developer agrees to support the provision of funding for these recreation amenities within the Community Park Fee regardless of whether such provisions meet or exceeds any County park and facility standards. By mutual agreement, the Developer and Park Agency may agree, each in its sole discretion, to enter into a Community Park Construction Agreement delineating certain improvements to be installed within Community Parks by the Developer and any fee credit against the Community Park Fee to be realized thereby.

The County and Developer acknowledge that the development of Community Parks and the planned facilities therein described in the Specific Plan, Public Facilities Concept Plan and Finance Plan are schematic in nature and completion of all facilities contemplated is dependent on fees generated only at full build out of the Placer Vineyards Specific Plan area. As such, the Park Agency

reserves the right, in its sole discretion, without having to obtain any consent or approval from Developer or any super-majority of the Participating Developers, to schedule construction, modify facility types, designs, sizes and configurations, and determine phasing as influenced by funding, desires of future residents, and any other relevant factors provided that the cost of such modifications does not result in a net increase in the intensity of facilities to be constructed relative to those described in the Specific Plan, Public Facilities Concept Plans and Finance Plan or require the incorporation of funding from sources other than the Community Park Fee.

3.13.5 Joint Use Facility Contribution. In addition to providing funding for developed community parkland, Developer acknowledges and agrees that the Community Park Fee will include funding towards the potential joint use development with the School District of a community/high school swimming pool and a community/middle school gymnasium. Full development of such anticipated joint use facilities is understood to be dependent on future agreement with and participation of the school district and on sufficient Community Park Fees being generated over full build out of the Specific Plan. As such, Developer acknowledges that the Park Agency will reserve the right to exercise its sole discretion in development of any such joint use facilities and may modify facility types, designs, sizes and configurations, and determine phasing as influenced by funding, desires of future residents, plans of the school district, and any other relevant factors provided that the cost of such modifications does not result in a net increase in the intensity of joint use facilities to be constructed relative to those described in the Specific Plan, Public Facilities Concept Plans and Finance Plan or require the incorporation of funding from sources other than the Community Park Fee.

3.13.6 In-Lieu Fee for Parkland Dedication. Developer acknowledges that, to provide the equivalent of 18 acres of additional fully improved, active parkland towards the General Plan active parkland standard for the Specific Plan of 5 acres/1000 residents, the Finance Plan provides for and Developer shall support the inclusion in the Neighborhood Park Fee of an in-lieu fee (the **"Dedication In-Lieu Fee"**) equating to the value of 18 acres of developed active parkland. The Park Agency, in its sole discretion, will use the Dedication In-Lieu Fee to develop park facilities within the Plan Area representative of the service level of 18 acres of active parkland. The form of development may include contribution toward joint use recreation facilities, acquisition and development of additional parkland, enhancement or addition of recreation features to provide increased usability (i.e. artificial turf fields or lighted fields), or any combination thereof.

3.13.7 Satisfaction of Park Obligations. The County acknowledges that Developer's covenants to construct the neighborhood park and trails improvements pursuant to this Section 3.13 and to pay the Neighborhood Park Fee, which includes the Dedication In-Lieu Fee and components for the costs of such neighborhood park

and trail improvements, and to pay and the Community Park Fee, which includes funding for the Community Park Improvements contemplated by the Financing Plan, fully satisfy the County's development mitigation fee requirements for parks and recreation facilities as set forth in Placer County Code Article 15.34, based on the Specific Plan land uses and densities in effect as of the Effective Date of this Agreement.

3.14 Transit Master Plan. The Development Group has prepared and obtained approval from the County of a Transit Master Plan for public transit service to the Specific Plan area. The Master Transit Plan includes detail on routes, service times, fare programs (including a method to determine fair share costs for inter-community and inter-regional routes connecting the Specific Plan area to other areas within and outside Placer County), vehicle requirements, service triggers establishing the timing for expansion of service levels to reach ultimate service levels, staffing, requirements, administrative costs, capital requirements and other related information necessary to provide a complete transit service.

3.15 Landscape Master Plan. The Development Group shall prepare a Landscape Master Plan for landscaping along and within roads in the Specific Plan area, which shall be (i) substantially complete (as determined by County) and submitted to the County Executive Officer for review and approval in concept prior to submittal of the application for the first Development Phase and Phasing Plan within any portion of the Specific Plan and (ii), if required by the County, approved by the Board of Supervisors prior to the approval of the first Development Phase and Phasing Plan within any portion of the Specific Plan. The Landscape Master Plan shall include details on design of streetscapes, entry features, landscaping materials and other image features that define the public landscape areas of the Specific Plan.

3.16 Other Public Facilities. Developer shall reserve for acquisition by the applicable public agency any lands located within the Property that are planned for school sites, cemetery, water tanks, electrical utility substations and other such facilities to be acquired by a public agency other than the County. The terms and conditions for the sale of such reserved sites to the applicable entities, including the payment of any reimbursements or provision of any credits for the value of such sites and any improvements by Developer or the Participating Developers thereto, shall be subject to separate agreements with the applicable entities.

3.17 School Sites and Fee Agreements. As part of the processing and approval of each Phasing Plan for a Development Phase, the Development Group shall consult with and obtain the approval of the affected School Districts of the school site or sites, if any, to be reserved and improved to serve the development of the proposed Development Phase, based on the relative needs of the affected School Districts.

The Specific Plan currently designates certain sites for the future location of elementary, middle and high schools to serve the build out of the Specific Plan. The parties acknowledge that, subject to approval by the affected Developer, the County, the Park District (if involving a joint use site) and affected School Districts, the location of the elementary and/or middle school sites may need to be relocated to be within or near a proposed Development Phase to coordinate the improvement of the school sites with the development of the Development Phase. In any event, the location of each school site shall be consistent with the Specific Plan and subject to approval of the affected Developer, County, the Park District (if involving a joint use site) and the School Districts within which the proposed school sites are located.

As and when required by the approved Phasing Plan for each Development Phase, and as approved by the affected School Districts, Developer or the Development Group shall rough grade and cause streets, including all Frontage Improvements and stubs for utilities to be installed and operational to provide access to and service for the school site(s) planned and agreed to serve such Development Phase. Prior to installing such improvements, the applicable school districts shall confirm the acceptability of the site for proposed school use and shall use good faith efforts to enter into an agreement with the owner of each site to establish the terms and conditions for the purchase of the improved school site, which shall include amounts for the value of the sites and for the costs of the improvements thereto.

As and when needed to serve subsequent Development Phases within the Specific Plan, additional school sites shall be reserved for acquisition in locations approved by the parties during the processing and approval of the Phasing Plans for such Development Phases, consistent with the Specific Plan and improved consistent with the foregoing improvement standards in accordance with the separate agreements to be entered into with the applicable school districts described below.

Developer will enter into separate written agreements with the elementary and high school districts that serve the Property (collectively, the **"Districts"**), prior to approval of any final small lot map for recordation or issuance of any residential building permit (excluding permits for model homes) within an approved Development Phase, to mitigate the impacts of development of each Development Phase on said Districts. Such agreements shall be subject to the mutual agreement of the Developer and District(s) which include the Development Phase within its/their jurisdiction; provided, however, Developer's position is that non-residential uses and senior family housing should only be obligated to pay the amount of the authorized statutory fee that may be imposed against such uses. With the execution thereof, County agrees that so long as Developer is not in default of said agreements or this Agreement, County shall process and approve any small lot maps or other such entitlements for the approved Development Phase and issue any building permits for development thereof consistent

with the Entitlements. Developer agrees that a default under any of these school agreements shall also constitute a default under this Agreement.

3.18 Community Facilities District – Project Infrastructure.

3.18.1 Formation. At the request and with the support of the Developer and/or the Participating Developers, County shall form one or more community facilities districts for the purpose of financing the construction and acquisition of a portion or portions of the Backbone Infrastructure and public facilities within the Specific Plan and/or financing the Project Impact Fees (an **"Infrastructure CFD"**). The infrastructure and public facilities that may be constructed and/or acquired with Infrastructure CFD funds include, without limitation, roads, water, sewer, drainage, public utilities, parks, trails, open space and other such public facilities of the County located within the Plan Area and/or required to serve development of the Plan 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 Placer County Bond Screening Committee Rules and Procedures and the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 et seq.).

3.18.1.1 Voluntary Formation. Nothing in this Section 3.18 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 shall be construed to require County to form an Infrastructure CFD if County determines, in its sole discretion, formation would not be consistent with applicable County policies or with prudent public fiscal practice. In determining whether to form an Infrastructure CFD, County shall first consider the need for and fiscal impact of the creation of a Services CFD and/or CSA as provided below, and then the need for and fiscal impact of this financing tool to provide funding for the CFD Improvements, including, in particular, the Backbone Infrastructure and any public facilities. The Developer acknowledges and agrees that in the absence of an Infrastructure CFD, the Developer shall be obligated to pay all fees identified in Section 2.5.

3.18.1.2 Shortfall and Acquisition Agreement. Concurrent with any formation of an Infrastructure CFD, the Developer, with other Participating Developers and/or through the Development Group, and County shall enter into a shortfall and acquisition agreement, in form and substance acceptable to County, whereby the Development Group 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 Infrastructure CFD do not provide sufficient funding for the completion of such improvements and/or until such time as sufficient proceeds have been generated through the Infrastructure CFD. 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 the Development Group and confirmed by County.

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

3.18.1.4 Intent to Limit Taxes to Developed Property. Developer acknowledges, for the benefit of all Participating Developers, that notwithstanding the inclusion of the Property in an Infrastructure CFD, unless Developer elects to include undeveloped portions of the Property into the Infrastructure CFD, only developed portions of the Property, defined as those portions for which a Development Entitlement (as defined in Section 3.2 above) has been approved, shall be subject to the levy of special tax by an Infrastructure CFD. In other words, unless otherwise elected by Developer, the parties intend that undeveloped portions of the Property for which a Development Entitlement has not been approved will be exempt from the levy of any Infrastructure CFD special taxes until a Development Entitlement is approved therefor.

3.18.2 Deferral of Fees for Extended CFD Term. In connection with the formation of the Infrastructure CFD and pursuant to the Placer County Bond Screening Committee Rules and Procedures, the Developer may request and support that the term for the authorized levy of special taxes be extended beyond the term otherwise required to support the initial bond sale to finance the CFD Improvements (such as 20 or more years beyond). The special taxes to be levied and collected by the Infrastructure CFD during any such extended term, after payment in full of the initial bond sale thereby, are intended by Developer to be available to provide additional special tax revenues and/or support the sale of supplemental bonds ("**Extended Term Revenues**") that could be used to fund the costs of other authorized facilities, including without limitation, facilities that would otherwise be funded by Developer's payment of Project Impact Fees. The commitment to provide such Extended Term Revenues is intended to enable Developer to defer payment of certain Project Impact Fees (the "**Deferred Fees**") from payment at building permit to payment from the Extended Term Revenues, subject to the County's review and approval of any such deferral and the amount thereof in the County's sole discretion. County reserves, in its sole discretion,

the right to determine at the time of formation of the Infrastructure CFD which Project Impact Fees, if any, and which portions (amounts) thereof, if any, may be included in the list of Deferred Fees for deferral to the Extended CFD Revenues.

3.18.3 Effect of CFD Financing on Credits and Reimbursements. Wherever the terms of this Agreement provide for credits or reimbursements to Developer for construction of certain improvements, and such improvements are financed by the Infrastructure CFD, at the request of Developer(s) whose properties are included within the Infrastructure CFD (the **"CFD Developer(s)"**), either (i) the CFD Developer(s) shall receive credits against the applicable components of the PVSP Fee, or (ii) the CFD Developer(s) may, at the County's sole discretion, receive credits against other Project Impact Fees, based on the amount of financing provided for the improvements by the Infrastructure CFD that would otherwise have been funded by such Project Impact 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 (iii) the amount of the PVSP Fee (or other Project Impact Fees, in the County's sole discretion) otherwise applicable to such improvements for the CFD Developer(s)' properties within the Infrastructure CFD 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 construct 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, the CFD Developer(s) may request that construction and acquisition of any facilities included for financing by a fee program not exceed the amount of such fees that would otherwise be payable by the CFD Developer(s)' properties within the Infrastructure CFD.

3.18.4 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 the Backbone Infrastructure, then upon request of the Participating Developers or the Development Group, the County may consider, at its sole discretion, 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 the Participating Developers or the Development Group 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.

3.19 INTENTIONALLY DELETED

3.20 Community Facilities Districts – Services and Parks

3.20.1 Formation. Prior to the approval of the first Development Phase and Phasing Plan within any portion of the Specific Plan, two (2) community facilities districts shall be formed that includes the Property for the purposes of funding the park maintenance and services described in Section 3.20.2 (**"Park Services CFD"**) and the County services described in Section 3.20.3 (**"County Services CFD"**); the Park Services CFD and the County Services CFD shall be referred to collectively herein as the **"Services CFDs"**). Developer may request the County to defer the foregoing requirement so that any such Services CFDs may be formed at a later date, subject to Developer's commitment to fund any of the Park Services or County Services that would otherwise be funded by the Services CFDs prior to such formation. Any such request shall be made in writing and submitted to the County Executive Officer, who shall have sole discretion to decide to grant an extension of time for performance of this obligation.

Developer acknowledges that the County intends to include all Participating Developer's Properties within the Services CFDs at the time of formation thereof and consents to and shall cooperate in the formation of the Services CFDs when required hereunder, whether or not Developer is then seeking to obtain any Subsequent Entitlements for the Property at the time of formation. Developer consents to the imposition of the special taxes necessary to fund the services consistent with the Finance Plan and this Agreement. Upon formation, Developer hereby consents to the levy of such special taxes as are necessary to fund the services obligations described in Sections 3.20.2 and 3.20.3 consistent with the Finance Plan and this Agreement and hereby acknowledges that any such special tax is necessary to provide services in addition to those provided by County to the Property before the Specific Plan was approved.

In the event Developer submits a request to defer the formation of the Services CFDs and the imposition of any necessary special taxes, the County Executive may require that such request include substantially complete (as determined by the County Executive Officer) drafts of proposed rates and method of apportionment of special taxes to fund the required services in accordance with the Finance Plan, and all necessary written waivers and consents for the formation of the Services CFDs and for the imposition of any special tax, executed by all the Participating Developers in a form approved by the County. Developer agrees that in the event the formation of the Services CFDs is deferred, Developer shall require as a condition of sale of any portion of its Property that the purchaser execute written waivers and consents for the formation of the Services CFDs and imposition of any special tax in a form approved by the County and shall provide the same to the County upon close of escrow,

3.20.2 Park Services. The Park Services CFD shall provide the funding required for new and/or enhanced services to be provided by the Park District to the Property and within the Plan Area which would not have been necessary but for

the approval of the Entitlements (collectively, the **"Park Services"**). The funds shall be utilized for some or all of the following purposes:

1) Maintenance of parks and park improvements;
2) Maintenance of landscaping, excluding median landscaping within road rights of way and any other roadway landscaping that the County may elect to perform and have included in the County Services CFD;
3) Park District administration and recreation program services, including operation and maintenance of recreation activities and facilities;
4) Maintenance of open space within the Specific Plan,
5) Maintenance of habitat mitigation lands within such open space and performance of habitat monitoring and maintenance consistent with the Open Space Management Plan adopted in connection with or related to the approval of the Fill Permit. The County may require that the Fill Permit and Open Space Management Plan be approved prior to or at the time of formation of the Parks Services CFD to facilitate the estimation of the maintenance costs that will be allocable to the Park Agency under the Open Space Management Plan to be included within such financing.
6) Maintenance of the open channel Drainage Areas within such open space areas;
7) Maintenance of public trails; and
8) Any other service related to the provision and maintenance of parks, open space and trails provided by the Park District to the Plan Area that may be allowed by law to be funded through the Park Services CFD consistent with the Finance Plan.

At the time of formation of the Park Services CFD, the maximum special tax to be authorized to fund the foregoing services shall be based initially on the then estimated costs to provide the services described in items 1, 2, and 4 through 8 above (including, as identified and approved by the Park Agency, the costs to comply with the Open Space Management Plan requirements allocated to the Park Agency as part of the approved Fill Permit), and the costs to provide the administration and recreation services described in item 3 above shall be based on the costs set forth in the Finance Plan for this item, subject to the annual escalator applicable thereto described in the Finance Plan from the Effective Date of this Agreement to the date of formation of the Park Services CFD. The costs to provide the services described in items 4, 5 and 6 above and the cost to maintain trails within the open space areas shall be referred to collectively as the **"Open Space Management Costs."**

The methodology for allocating the share of these costs across the different land uses within the Specific Plan and for establishing the corresponding maximum special taxes applicable to each land use shall be as provided in the Finance Plan. The maximum special tax rates allocated to each land use shall thereafter be

subject to the applicable annual escalator described in the Finance Plan. From and after the formation of the Park Services CFD, the terms and provisions of the Park Services CFD shall control over any inconsistent provisions of the Finance Plan or this Agreement. Until such time as the community parks and facilities identified in the items above are completed and operational, funds derived from the Park Services CFD for maintenance and operation shall be eligible for use in the funding of development of park and recreation facilities to be constructed by the Park Agency, which funding authorization shall be included in the formation documents of the Park Services CFD.

3.20.3 County Services. The County Services CFD shall provide the funding required for new and/or enhanced services to be provided by County to the Property and within the Plan Area which would not have been necessary but for the approval of the Entitlements. The funds shall be utilized for some or all of the following purposes:

1) Sheriff services;
2) Fire protection and suppression services, including ambulance and paramedic services;
3) Maintenance of public roadways within the Plan Area, including landscape maintenance within roadway medians and any other roadway landscaping that the County may elect to perform;
4) General government services;
5) Library services;
6) Maintenance of storm drainage systems, excluding the open channel drainageways to be maintained by the Park District as part of its open space maintenance;
7) Transit services; and
8) Any other service provided by the County to the Property that may be allowed by law to be funded through a community facilities district consistent with the Finance Plan.

(Placeholder language – terms regarding special tax rates and annual escalators shall be finalized prior to Board of Supervisors action.

3.20.4 Public Parcel Exclusion. Developer expressly agrees that any

lot or parcel conveyed or to be conveyed to the County, the Park Agency, any Joint Powers Authority or land trust (for the purpose of open space maintenance), or to a School District shall be excluded from any tax levy imposed by the Services CFD so long as such parcels remain in the aforementioned ownership.

3.20.5 Commitment to Fund Open Space Habitat Mitigation. In consideration of the County/Park District's agreement in Section 2.7.2, and subject to the contingencies outlined in said Section 2.7.2, to support the ability of the Park Services CFD to fund the costs of complying with the monitoring, reporting and maintenance requirements under the Fill Permit, Developer hereby acknowledges and agrees that, except for the Public Parcel exclusions described in Section 3.20.4 above and except as provided herein for Properties 1B, 2, 6 and 8 (each, a **"Farmer Property"**) unless subsequently entitled, all other Participating Developer Properties, including the Property (unless the Property is a Farmer Property), may be subject to a levy of special taxes by the Park Services CFD to fund all of the Open Space Maintenance Costs described and defined in Section 3.20.2 above. These Open Space Maintenance Costs include, without limitation, all costs to satisfy the monitoring, reporting, and maintenance requirements under the Open Space Management Plan allocated by such Plan to the entity that will assume ownership of the open space areas and applicable to the on-site habitat mitigation lands located therein.

Developer's obligation to fund its share of the Open Space Maintenance Costs through the Park Services CFD will not be dependent upon the approval of any Development Entitlements for any development of the Property; provided, however, Developer understands that the special taxes required to fund such costs, as finally approved by the County, are anticipated to be levied first against developed properties within the Specific Plan (i.e., property subject to a Final Small Lot Map or building permit), then against properties within approved Development Phases, then against all other Participating Developer Properties, excluding Farmer Member Properties until subsequently entitled.

As to each Farmer Property, no special tax shall be levied by the Park Services CFD against such Farmer Property for any share of such Open Space Maintenance Costs unless and until a Tentative Large Lot Map, Tentative Small Lot Map, or other such Development Entitlement is approved for such Farmer Property, or any portion thereof.

As an alternative to including the Open Space Maintenance Costs for financing in the Park Services CFD, the Park Agency may elect, at its discretion, to form a separate County Service Area (an **"Open Space CSA"**) or community facilities services district (an **"Open Space CFD"**) to fund the Open Space Maintenance Costs. Upon any such election, Developer shall support and participate in the inclusion of the Property into any such Open Space CSA or Open Space CFD and sign any petitions or

waivers that may be necessary to accomplish such formation, consistent with the special tax allocation provisions outlined above. Any election by the Park Agency to form a separate Open Space CSA or Open Space CFD shall not require an amendment to this Agreement and all references herein to the "Services CFDs" shall be deemed to include the Open Space CSA or Open Space CFD, as applicable.

3.20.6 Undeveloped Property Exemption. Except as otherwise provided in Section 3.20.5 above regarding Developer's commitment to pay its share of special taxes required to fund open space maintenance through the Park Services CFD, County expressly agrees that, notwithstanding the inclusion of the Property in the Services CFDs, in consideration that Developer is not obligated by this Agreement to develop the Property, only those portions of the Property for which a Development Entitlement (including without limitation, any Final Large Lot Map or Tentative Small Lot Maps for any such portions of the Property) has been approved shall be subject to the levy of special tax by the Services CFDs. With respect to portions of the Property for which a Tentative or Final Large Lot Map has been approved, or a Tentative Small Lot Map has been approved but for which a Final Small Lot Map as to single family development has not been recorded or approved improvement plans for multifamily or commercial/office development have not been approved, such portions of the Property shall only be subject to the levy of the special taxes for up to the amount of the special taxes imposed for maintenance of roads, maintenance of parks and landscaping, maintenance of sewer/storm drainage systems, and sheriff and fire/emergency services. Such taxes on such property may be levied only if the County determines, in its sole discretion that the special taxes allocable to such services generated by properties with other Development Entitlements are insufficient to fund the level of such services then required to serve the Specific Plan. Notwithstanding anything to the contrary above, in no event will a Farmer Property be subject to the levy of any special taxes by either Services CFD prior a Subsequent Entitlement being approved therefor.

3.21 County Service Area 28 – Sewer Maintenance.

3.21.1 Annexation. Prior to the approval within any portion of the Plan Area of the first Final Small Lot Map for single family residential development or approval of improvement plans for the development of multifamily or commercial/office development, the Property shall be annexed into County Service Area 28, Zone 173 ("**CSA 28**"), or at the County's discretion, a separate County Service Area or zone of benefit shall be formed, for the purposes of funding sanitary sewer maintenance services. If the County determines that a separate CSA or zone of benefit is required, the Developer will fund all costs associated with said formation including studies, reports, documentation, including but not limited to financial feasibility analysis. Developer may request County defer the foregoing requirement so that any such annexation or formation may occur at a later date. Any such request shall be made in

writing and submitted to the County Executive Officer, who has sole discretion to decide to grant an extension of time for performance of this obligation.

Developer acknowledges that the County intends to include all Participating Developer's Properties within CSA 28 or new CSA or separate zone at the time of annexation or formation thereof and Developer consents to and, if required, agrees to petition to the Placer County Local Agency Formation Commission (**"LAFCO"**), for the annexation of the Property to CSA 28 or formation of such separate CSA when required hereunder. Developer consents to the imposition of such assessments, fees and charges as may be necessary in order to provide the funds for sanitary sewer maintenance services to serve development of the Plan Area consistent with the Finance Plan and this Agreement. For the purposes of Article XIIID of the California Constitution, Developer acknowledges hereby that the sewer maintenance services to be provided by CSA 28 or any such separate CSA will provide a "special benefit" to the Property as defined by said Article. Developer agrees that in the event County agrees to defer annexation of the Property into CSA 28 or formation of a new CSA or separate zone, Developer shall require as a condition of sale of any portion of its Property that the purchaser execute written waivers and consents for the annexation of the Property into CSA 28 or separate CSA and imposition of any assessment, fee and charge in a form approved by County and shall provide the same to County upon close of escrow of any such sale.

3.21.2 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 annexation of the Property, or portion thereof, within an approved Development Phase into CSA 28 or formation of any other CSA or zone of benefit or similar such financing mechanism as may be required by the County to establish and collect funds through assessment or other means for the sewer maintenance 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 sewer maintenance services costs to be shared by all Developers within the Specific Plan.

3.21.3 Public Parcel Exclusion. Developer expressly agrees that any lot or parcel conveyed or to be conveyed to the County shall be excluded from any assessment imposed by CSA 28 or any other such CSA or zone of benefit so long as such parcels remain in the County's ownership, and acknowledges that such parcels do not and will not receive a special benefit from CSA.

3.21.4 Undeveloped Property Exemption. County expressly agrees that, notwithstanding the annexation of the Property in CSA 28 or any other CSA or zone of benefit formed by the County, in consideration that Developer is not obligated by this Agreement to develop the Property, to the extent permitted by law, only those portions of the Property for which a Final Large Lot Map, Tentative or Final Small Lot Map or other such Development Entitlement has been approved shall be subject to CSA 28 or other such CSA or zone of benefit assessments. With respect to portions of the Property for which a Final Large Lot Map is approved, or a Tentative Small Lot Map has been approved but which has not then received a Final Small Lot Map or other such Development Entitlement, to the extent permitted by law, the CSA 28 or other CSA or zone of benefit assessments on such property may be levied only if the County determines, in its sole discretion, that the assessments allocable to such services generated by properties with Development Entitlements are insufficient to fund the level of the sewer maintenance services then required to serve the Specific Plan.

3.22 Encroachment Permits, Landscape Maintenance Easements. Developer and County agree to grant encroachment permit(s) or maintenance easements to the Developer or County, or their agents, employees, successors, assigns, agents and employees, for the purpose of entry into the landscape easement and setback areas or County property (including streets and rights-of-way) to perform the maintenance obligations described herein.

3.23 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.

3.24 Construction Waste. Developer shall require construction contractors and subcontractors to reduce construction waste by recycling a minimum of 50% of construction materials or require that all construction debris be delivered to the Placer County Western Regional Materials Recovery Facility where recyclable material will be removed. Developer shall require that contractors and subcontractors submit records annually of waste diversion and disposal to the County's Facilities Services Department, Solid Waste Division, in order to verify compliance with this requirement.

3.25 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 be responsible to perform or provide evidence of performance (such as performance by the Development Group) of, all mitigation measures contained in the Plan EIR and adopted by County the MMRP.

3.26 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 Specific Plan that are requested by Developer, or that are logically implied by this Agreement.

ARTICLE 4. COUNTY OBLIGATIONS

4.1 County Cooperation. County agrees to work in good faith 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 this Agreement has been executed 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 or a Subsequent Entitlement approved by County, 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 or the other Participating Developers, the parties agree that the provisions of this Agreement 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.

4.2 Fee Credits and Reimbursements. Developer will, pursuant to this Agreement, dedicate certain lands and construct certain improvements, including but not limited to Backbone Infrastructure, neighborhood parks, trails and other public facilities which may serve other properties and/or be financed by applicable Project Impact Fees. Developer's rights to credits and reimbursements for any obligations set forth in this Agreement to dedicate such lands or construct such improvements are or shall be defined in the underlying individual fee programs adopted or to be adopted by the County consistent with this Agreement. Any such credits or reimbursements related to the construction of improvements shall be dependent upon Developer (together with any other advancing Participating Developers and/or the Development Group) entering into a fee credit and reimbursement agreement with the County to document its credit and reimbursement rights consistent with the applicable Fee programs. Developer acknowledges and agrees that nothing herein shall be construed to constitute any guarantee that Developer will receive reimbursement for its costs to construct improvements as required by this Agreement.

4.2.1 Credits Generally. To the extent that a particular fee program includes provisions for credits, if Developer, Participating Developer(s), or Development Group (hereafter, the **"Constructing Owner"**) construct any improvements included for

funding by such fee program, then the Constructing Owner shall receive a credit for the creditable costs advanced or deemed advanced thereby pursuant to the terms of the adopting ordinance for the particular fee program and/or the credit and reimbursement agreement related to the construction of such improvements and the provision of such credits. With respect to any credits granted to the Development Group as a Constructing Owner, the County will credit the Development Group in one lump sum and the Development Group shall have the right to allocate such credits between the Participating Developers, which allocations shall be the sole responsibility of the Development Group.

Credits related to the construction of improvements shall become available to the Constructing Owner pursuant to the terms of the adopting fee ordinances for the applicable fee program and/or the terms of the fee credit and reimbursement agreements related thereto. Developer hereby acknowledges and assumes the risk that the granting of any credits to another developer based on the posting of improvement bonds prior to completion and acceptance of an improvement by the County may result in a loss of fee revenues that would otherwise be available to reimburse Developer for these costs and hereby waives and releases County from any loss, responsibility or liability with respect to the granting of such credits.

4.2.2 Credits for Duplicative Fees. If and to the extent any Project Impact Fee includes amounts to finance construction of facilities that are also included within other Project Impact Fees, the County will provide appropriate credit against and reduce the amount of the applicable Project Impact Fee to account for the amount to be funded already by Developer for the same facility pursuant to the terms of the other impact fee program.

4.2.3 Fee Credit for Dedication of Fire Station Sites. County agrees to provide a fee credit, to be spread over the entire Plan Area (excluding the SPA portion thereof), for the dedication of the fire station sites located within the Plan Area against the pending regional Fire Fee to be adopted by the County. The amount of the fee credit shall be determined based on the value for public land dedication purposes included within the pending regional Fire Fee, which has initially been set at $300,000.00 per gross acre and as may be adjusted from time to time. Developer acknowledges that, in consideration of including the fire station sites within the Land Equalization Fee Program described in Section 2.7 above, it is appropriate that the Fire Fee credit associated with this dedication be spread over the entire Plan Area and not just to the Participating Developers whose properties include the fire station sites. Except for the fee credit associated with these dedications of the fire station sites (and any credit associated with its participation in the Land Equalization Fee Program), Developer acknowledges that it shall not be entitled to any other fee credits or reimbursements associated with any other public land dedications required under this Agreement.

4.2.4 Reimbursements Generally. As more particularly provided in the Financing Plan, adopting fee ordinances or fee credit and reimbursement agreements, if and to the extent Developer as a Constructing Owner constructs or advances the costs to construct any improvements included for financing within a Project Impact Fee program, and if and to the extent Developer does not apply or otherwise assign the credits associated therewith, Developer as a Constructing Owner may be entitled to reimbursement for the amount of the Project Impact Fee credits generated by such construction, on a first-constructed, first-reimbursed basis, in the amount and pursuant to the terms of the adopting ordinances implementing the applicable fee program or the fee credit and reimbursement agreement related to such construction.

4.2.5 Term for Credits and Reimbursements. County's obligation to impose any such condition and collect such reimbursement shall terminate upon any termination of this Agreement unless the particular ordinance, fee credit or reimbursement program or agreement provides for a longer term.

4.2.6 Not a Limitation. Nothing in this Section 4.2 shall be construed to limit Developer from receiving, in consideration of the improvements to be constructed by Developer hereunder, any other credits or reimbursements from County otherwise provided under then existing County policy, rule, regulation or ordinance.

4.3 Reimbursements by Non-Participating Property Owners. Except as may otherwise be provided by an applicable fee credit and reimbursement agreement or program, the Constructing Developer(s) or Development Group shall be entitled to receive reimbursement from owners of property within the Specific Plan who are not Participating Developers (hereafter, each a **"Non-Participating Property Owner"**) for the pro rata share of planning costs advanced by the Development Group, land dedications, and improvements and facilities constructed by the Constructing Developer(s) or the Development Group which benefit the properties owned by the Non-Participating Property Owners. Provided, however, development of property within the Specific Planning Area of the Specific Plan, up to the 411 residential units contemplated by the Specific Plan therefor (the **"SPA"**), shall not be obligated to pay any reimbursement to any Constructing Developer or the Development Group hereunder.

4.3.1 Specific Plan Fee. To provide the Development Group with the reimbursement for reimbursable planning and environmental costs, County shall require benefiting Non-Participating Property Owners to pay to the County a fee for the fair share of such planning and environmental costs allocable to the Non-Participating Property Owners' properties (a **"Specific Plan Fee"**). Developer agrees to pay all costs for the studies that support the adoption of this Specific Plan Fee. Unless a Non-Participating Property Owner becomes a member in good standing with the

Development Group, the Specific Plan Fee shall be collected at the time each the Non-Participating Property Owner files an application with the County for any land use entitlements on its Property, including any rezoning application or other such development application, consistent with the Specific Plan. The Specific Plan Fee shall charge the Non-Participating Property Owner for its fair share, based on relative gross acreage, of the costs incurred by the Development Group, and their predecessors in interest, to prepare and process the Specific Plan, including the costs of all engineering, legal and environmental consultants related thereto (collectively, the **"Planning Costs"**). The total amount of such Planning Costs and the fair share thereof allocable to the properties owned by each Non-Participating Property Owner shall be determined by the County. The County shall pay the collected Specific Plan Fees to the Development Group within ten (10) days of receipt thereof.

4.3.2 Improvement Costs. County shall use good faith efforts to cause Non-Participating Property Owners to fund their fair share reimbursement of the costs of any improvements advanced or constructed by Developer through the Non-Participating Property Owners' participation in the PVSP Fee Program and any other applicable Project Impact Fee program adopted to finance such improvement costs. In particular, and without limitation thereof, the County shall use good faith efforts to include, as a condition of development and any development agreement for a Non-Participating Property Owner's property, to require the Non-Participating Property Owner to participate in and support the PVSP Fee Program and all other Project Impact Fee programs required to be supported by Developer hereunder.

4.3.3 Fair Share Land Dedication Payment. With respect to land dedications, including without limitation, the dedication of the fire station site referred to above, in consideration of the benefits derived by the Non-Participating Owner's properties from the land dedications required hereunder from the Participating Developers, County shall use good faith efforts to require payment from the Non-Participating Property Owners for their fair share of the land dedications, as set forth in **Exhibit 2.5.7.C** attached hereto, as a condition of and when required by any development of the Non-Participating Property Owners' properties consistent with Exhibit 2.5.7 of the Land Equalization Fee Program attached hereto.

4.3.4 Frontage Improvements. In the case of Frontage Improvements installed by Developer which abut property or traverse through property owned by Non-Participating Property Owners, Developer shall be entitled to receive, in the same manner as Developer would be entitled to receive from any other Participating Developer pursuant to Section 3.7.1 above, a reimbursement from such Non-Participating Property Owner for the costs of the Frontage Improvements installed by Developer adjacent to and benefitting such Non-Participating Property Owner's property. Any such reimbursement for Frontage Improvements may be provided directly from the Non-Participating Property Owner abutting such improvements.

4.3.5 County Support for Non-Participating Owner Reimbursements. With respect to the foregoing fair share reimbursements by Non-Participating Owners, County shall use its best efforts, to the extent County has the authority to do so at the earliest opportunity in the approval process, to impose the foregoing obligations to pay said reimbursement, as a condition of development of such benefited property, at the time such property owner requests a discretionary approval or other such entitlement from County for development of the benefited property whereby such condition can be imposed. County shall have no obligation to make any payments to Developer unless and until it receives any such reimbursement amount from a third-party source.

4.4 Applications for Permits and Entitlements.

4.4.1 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 Law 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. In the event County does not have adequate personnel resources or otherwise cannot meet its obligations under this Section 4.4, and Developer enters into an agreement with County to pay all costs of County in conjunction therewith, County will utilize, consistent with County policy, outside consultants for inspection and plan review purposes at the sole expense of Developer. Developer acknowledges that, notwithstanding the ability to hire such outside consultants, County may need to retain adequate staff to supervise the work of the consultants, which may require additional lead time and expense in order for the County to effectively and efficiently use the consultants to assist in this work. County will consult with Developer concerning the selection of the most knowledgeable, efficient and available consultants for purposes of providing inspection and plan review duties for the County and the Project.

4.4.2 Review and Approval of Improvement Plans, Final Subdivision Maps and Inspections. Developer and County agree that the timely review and approval of improvement plans, tentative and final subdivision maps, design review, and building permits, and inspection of constructed facilities and residential and non-residential dwellings are important to Developer 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, County shall enter into a separate agreement in a form acceptable to

County that will establish the time periods for timely review, approval and inspections by County and the commitment of the Participating Developers 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. The foregoing costs for review, approval and inspection services of the County are not included in any of the Project Impact Fee programs, CFDs or CSAs to form in accordance with this Agreement and will be paid for separately by the Developer(s) in accordance with the provisions of Section 2.5.1 above.

4.4.3 Maps and Permits. Provided that the necessary Services CFD and/or CSA has been or will at the time of the requested final approval be formed and authorized to levy the special taxes against the applicable portion of the Property in accordance with Sections 3.20 and 3.21 hereof, and provided that Developer has been issued and maintains a Good Standing Certificate from the Development Group and is in full compliance with the conditions of approval of any Subsequent Entitlement and the terms of this Agreement, County shall not refrain from approving final small lot 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.

Prior to such formation, County shall accept, for review, processing and approval, consistent with the Entitlements, applications for Tentative and Final Large Lot Maps consistent with the parcels described by the Specific Plan for the Property and Tentative Small Lot Maps consistent with the Development Phase(s) related thereto, provided no Tentative Small Lot Maps shall be approved prior to County approval of the Development Phase and Phasing Plan applicable thereto.

A subdivision, as defined in Government Code Section 66473.7, shall not be approved unless any tentative map prepared for the subdivision complies with the provisions of said Section 66473.7; this provision is included in this Agreement to comply with Section 65867.5 of the Government Code. 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.

4.5 Implementation Policies and Procedures Manual. To assist County in implementing and performing its various administrative tasks as contemplated by this Agreement, the Development Group has prepared, in association with County Executive Officer and as approved by the County Board of Supervisors, an

Implementation Policies and Procedures Manual. Such manual provides a comprehensive approach for processing approvals and issuing permits for development within the Plan Area, including without limitation, forms and checklists to assist County staff in tracking and accounting for credits and reimbursements, processing approvals consistent with the procedures set forth in this Agreement and the Specific Plan, and obtaining Good Standing Certificates, PVSP Fee Shortfall Certificates, and any required PVSP Shortfall Payments as and when required hereunder. Within the ninety (90) days from the Effective Date of this Agreement, the Developer will submit to the County for review an update to the Implementation Policies and Procedures Manual pursuant to the terms of this Agreement at its sole cost and expense.

4.6 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 waives herewith any right to protest that it may have.

4.7 Essence of Agreement. Articles 2, 3, 4, 5 and 6 are the essence of this Agreement.

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.

After notice and expiration of the thirty-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 the County implementing said Government Code Section. Following notice of intent to terminate, the matter shall be scheduled for consideration and review by the Board of Supervisors within thirty (30) calendar days in the manner set forth in Government Code Sections 65865, 65867 and 65868 and County regulations implementing such Sections.

Following consideration of the evidence presented in said review before the Board of Supervisors, 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.

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 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 10, 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 of Supervisors, or if the matter is referred to the Planning Commission, before the Planning Commission.

If 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 Subsequent Entitlements or building permits shall be approved or issued or applications for Subsequent Entitlements or building permits accepted for any improvement to or structure on the Property or any portion thereof if the applicant owns and controls any portion of the 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, 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. 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; Specific Enforcement. 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 Backbone Infrastructure, or to otherwise perform any obligation under this Agreement, except for the obligation to provide the dedications and construction easements described in Section 3.3 above.

Failure of Developer to fund its fair share of any Major Development Group Planning Costs or any Backbone Infrastructure costs as a member of the Development Group after seeking to develop the Property, or any portion thereof, shall not constitute a breach of this Agreement with the County, but may result in the Development Group's refusal to issue and/or revocation of any previously issued Good Standing Certificate, which would then preclude County approval of any Development Entitlements for development of the Property, or portion thereof, until reinstatement of such Good Standing Certificate.

With respect to any dedications required pursuant to Section 3.3 or any condition of any other Entitlement, in addition to any other rights or remedies hereunder and whether or not Developer seeks to proceed with development of the Property, in the event of any failure by Developer to dedicate any portion of the Property or grant temporary construction easements with respect thereto as and when provided by this Agreement, County may seek specific performance to compel the Developer to timely provide to the County the required dedications and temporary construction licenses in the form and condition required hereunder.

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 said 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 attorneys 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 Specific Plan and General Plan.

7.3 Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of Developer, Participating Developers 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:

Planning Director
County of Placer
3091 County Center Drive
Auburn, CA 95603

With a copy to:

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

Notice required to be given to the Developer shall be addressed as set forth for Developer in the **Exhibit B** list of Participating Developers, with a copy thereof to the Development Group. Notice to the Development Group shall be addressed as follows:

Placer Vineyards Development Group
c/o Lennar Communities
1420 Rocky Ridge Dr., Suite 320
Roseville, CA 95661

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 ten (10) 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 Land Use 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 5.5 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 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 and assumption by the assignee of such assignment in the form attached hereto as **Exhibit 7.11**, and the conveyance of Developer's interest in the Property related thereto, Developer shall 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.

7.12 Entire Agreement. This Agreement is executed in two duplicate originals, each of which is deemed to be an original. 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.

7.13 Authority to Execute Agreement. Each person signing on behalf of Developer represents that he or she has the legal authority to enter into this Agreement and bind the entity represented thereby.

7.14 Replacement and Cancellation of First Restated and Original Development Agreement. Upon the Effective Date of this Agreement (defined in Section 1.3.1 above) and recordation of this Agreement in the Official Records of Placer County, this Agreement shall replace and supersede the First Restated Development Agreement in its entirety, which previously replaced and superseded the Original Development Agreement defined therein in its entirety. Accordingly, upon recordation of this Agreement, the First Restated Development Agreement and Original Development Agreement shall be nullified and of no further force or effect and the First Restated Agreement and Original Development Agreement shall no longer constitute matters of record with respect to the Property. Developer and County hereby authorize and direct any and all issuers of title insurance with respect to the Property not to indicate the First Restated Development Agreement or the Original Development Agreement as matters affecting the condition of title to the Property following the recordation of this Agreement.

IN WITNESS WHEREOF, the County of Placer, a political subdivision of the State of California, has authorized the execution of this Agreement in duplicate by its Chair, and attested to by the Board Clerk under the authority of Ordinance No. _____, adopted by the Board of Supervisors on the ____ day of _____, 201__.

COUNTY OF PLACER,
a political subdivision

By: _____
_____
Chair, Board of Supervisors

ATTEST:

By: _____
Ann Holman
Board Clerk

APPROVED AS TO FORM:

By: _____
Karin Schwab
Supervising Deputy County Counsel

APPROVED AS TO SUBSTANCE:

By: _____
Michael Johnson
Planning Director

[DEVELOPER SIGNATURE(S) ON FOLLOWING PAGE(S)]

DEVELOPER SIGNATURE PAGE:

PROPERTY ID: ___

AMENDED AND RESTATED DA RECORDING INFORMATION:

NAME OF RESTATED DEVELOPER: _____
DATE OF RECORDATION OF RESTATED DA: _____, 20
DOCUMENT NO.: _____

NAME OF AMENDING DEVELOPER: _____
DATE OF RECORDATION OF FIRST AMENDMENT: _____, 20
DOCUMENT NO.: _____

DEVELOPER:

[INSERT NAME(S) OF CURRENT VESTED OWNER(S) OF PROPERTY]:

By:_____
Name:_____
Title:_____

[IF PROPERTY IS UNDER OPTION, INCLUDE FOLLOWING ADDITIONAL SIGNATURE BLOCK FOR OPTION HOLDERS:]

THE UNDERSIGNED HEREBY REPRESENTS THAT IT HOLDS AN OPTION OR OTHER EQUITABLE INTEREST TO ACQUIRE THE PROPERTY. THE UNDERSIGNED HEREBY CONSENTS TO THE EXECUTION OF THIS AGREEMENT BY THE OWNER(S) LISTED ABOVE COMPRISING DEVELOPER AND ACKNOWLEDGES AND AGREES THAT, IF AND WHEN THE UNDERSIGNED ACQUIRES THE PROPERTY, THE UNDERSIGNED WILL BE BOUND BY THE TERMS AND CONDITIONS OF THIS AGREEMENT:

[INSERT NAME OF OPTION HOLDER]:

By:_____
Name:_____
Title:_____

PLACER VINEYARDS DEVELOPMENT AGREEMENT

LIST OF EXHIBITS

Exhibit A-1	Property Legal Description - **TO BE ATTACHED FOR EACH DA**
Exhibit A-2	Property Map – **TO BE ATTACHED FOR EACH DA**
Exhibit B	List of Participating Developers and Respective Properties
Exhibit 1.4.1	List of PVSP Facilities
Exhibit 2.2	Property Specific Land Use Plan and Table of Permitted Uses - – **TO BE ATTACHED FOR EACH DA**
Exhibit 2.5	Development Fee Schedule
Exhibit 2.5.6	Summary of PVSP Fee Program
Exhibit 2.5.7	Summary of Public Land Dedication Equalization Program
Exhibit 2.5.7.A	Map of Public Land Dedications
Exhibit 2.5.7.B	Fair Share Land Dedication Table
Exhibit 2.5.7.C	Plan-Wide Fair Share Dedication Table
Exhibit 3.3.6	Form of Temporary Construction License
Exhibit 3.6.1	Backbone Infrastructure, with Infrastructure Maps
Exhibit 3.20.3	Table of Maximum Special Tax Rates for County Services CFD
Exhibit 7.11	Form of Assignment

Exhibit "B"
List of Participating Developers

Property ID	Current Vested Owner	Address	APN #
1A	PLACER 400 INVESTORS, LLC, a California limited liability company	Placer 400 Investors, LLC c/o AKT Investments, Inc. 7700 College Town Dr., Suite 101 Sacramento, CA 95826 Attn: Ron Bertolina, Esq.	23-200-005; 23-221-057, 058 (formerly 23-221-001, 002)
1B	HODEL FAMILY ENTERPRISES, LP, A California limited partnership	Hodel Family Enterprises 7314 Quail Rd. Fair Oaks, CA 95628 Attn: Christine Jordan	23-200-006
2	JOHN L. MOURIER III, TRUSTEE of the Mourier Family Revocable Lifetime Trust, UTA dated April 13, 1989	John Mourier Construction 1430 Blue Oaks Blvd., Suite 190 Roseville, CA 95747 Attn: Steve Schnable	23-200-017
3	BASELINE & WATT, LLC, a California limited liability company	Petrovich Development 5046 Sunrise Blvd., Ste 1 Fair Oaks, CA 95628 Attn: Phil Harvey	23-200-037
4A	B AND W 60, L.P., a California limited partnership	Evergreen Commercial 1755 Creekside Oaks Dr., Ste 290 Sacramento, CA 95833 Attn: Ted Messner	23-200-069 (formerly part of 23-200-064, 065)
4B	LDK-AREP III PLACER OWNER, LLC a Delaware limited liability company	3140 Peacekeeper Way McClellan, CA 95652 Attn: Denton Kelley	23-200-071 (formerly part of 23-200-064, 065)
6	FRANCES E. SHADWICK, a married woman as her sole and separate property, ELLEN G. O'LOONEY, a married woman as her sole and separate property, and SUSAN K. PILARSKY, a married woman as her sole and separate property, each as to an undivided one-third (1/3) interest, as tenants in common	Fran Shadwick 7811 Feldspar Ct. Citrus Heights, CA 95610 Susan Pilarski 1272 Palmerston Loop Roseville, CA 95678	23-200-018

Property ID	Current Vested Owner	Address	APN #
7	BHT II NORTHERN CAL 1, a Delaware limited liability company	BHT II Northern Cal 1, LLC c/o West Coast Housing Partners, LLC 3130 W. Main St., Suite A-2 Visalia, CA 93291 Attn: Rick Langdon	23-200-045, 066
8	SPINELLI INVESTMENTS, LLC, a California limited liability company, as to an undivided 50% interest, and MILLSPIN INVESTMENTS, LLC, a California limited liability company, as to an undivided 50% interest	Donna Miller 2250 Coronet Dr. San Jose, CA 95124 Joan Williams 2318 Starbright Dr. San Jose, CA 95124	23-200-041
9	PLACER 1 OWNERS' RECEIVERSHIP	5401 Longley Lane, Suite 42 Reno NV 89511 Attn: Elli M. A. Mills Court Appointed Receiver	23-200-010, 012, 013
10	FRANK STATHOS, individual	Frank Stathos 7700 College Town Drive, Ste 201 Sacramento, CA 95826	23-200-009
11	P.G.G. PROPERTIES, a General Partnership	Gus Galaxidas 7700 College Town Drive, Ste 201 Sacramento, CA 95826	23-200-011
12A	IL CENTRO, LLC, a California limited liability company	Robert or Michael Musolino 8775 Sierra College Blvd. Ste 400 Roseville, CA 95661	23-200-067
12B	PLACER 102, LLC, a California limited liability company	Gus Galaxidas 7700 College Town Drive, Ste 201 Sacramento, CA 95826	23-200-068
14	DF PROPERTIES, a California corporation	Ken Denio Jeff Ronten 2013 Opportunity Drive, #140 Roseville, CA 95678	23-010-026

Property ID	Current Vested Owner	Address	APN #
15	PALLADAY GREENS, LLC, a California limited liability company	Tony Gallas 11448 Skislope Way Truckee, CA 96161	23-010-004,029; 23-200-008
16	PLACER VINEYARDS DEVELOPMENT GROUP, LLC, a California limited liability company	c/o Lennar Communities 1420 Rocky Ridge Dr, Ste 320 Roseville, CA 95661 Attn: Bob Shattuck	23-010-006, 014
17	EZRA NILSON, TRUSTEE OF THE NILSON FAMILY TRUST	Nilson Family Revocable Trust 9508 Kings Gate Ct Las Vegas, NV 89145Attn: Attn: Ezra Nilson	23-010-013
19	LENNAR WINNCREST, LLC, a Delaware limited liability company, and BASELINE A&B HOLDING, LLC, a California limited liability company	Lennar Communities 1420 Rocky Ridge Dr, Ste 320 Roseville, CA 95661 Attn: Bob Shattuck Julie Hanson 1700 Eureka Road, Suite 150C Roseville, CA 95661	23-010-021, 022, 023; 23-150-026, 027; 23-180-005, 006, 007, 008
21	JOHN PETROS PANDELEON, and NICHOLAS PANDELEON, and CONTILO K. PANDELEON, as Joint Tenants	Gus Galaxidas 7700 College Town Drive, Ste 201 Sacramento, CA 95826	23-190-016
23	PMF5C, LLC	Candace Fong 3009 65th Street Sacramento, CA 95820	23-160-011
24	NICOLAS PANDELEON and CONTILO K. PANDELEON, TRUSTEES of the Pandeleon Family Trust dated May 18, 1999, as to an undivided 25% interest; NICK J. PANTIS, TRUSTEE of the Nick J. Pantis Revocable Trust dated July 1, 2003, as to an undivided 25% interest; NICK GALAXIDAS, a married man as his sole and separate property, as to an undivided 12.5% interest; CONSTANTINO GALAXIDAS and STELENE D. GALAXIDAS, TRUSTEES of The Galaxidas Family Trust dated May 21, 2007, as to an undivided 25% interest; and ANNA GALAXIDAS, TRUSTEE of the Anna Galaxidas Living Trust, UTA dated July 5, 2007, as to an undivided 12.5% interest.	Gus Galaxidas 7700 College Town Drive, Ste 201 Sacramento, CA 95826	23-160-004

Exhibit 1.4.1
List of PVSP Facilities

	Source & Details	Total Costs	Estimated CIP/ Fee Credits[2]	Total Net Costs
Backbone Infrastructure[1]				
Streetwork	MacKay & Somps	$165,559,465	$79,696,645	$85,862,820
Dry Utilities	MacKay & Somps	$24,621,590	$0	$24,621,590
Sanitary Sewer	MacKay & Somps	$32,346,020	$0	$32,346,020
Storm Drainage	MacKay & Somps	$21,414,078	$0	$21,414,078
Potable Water	MacKay & Somps	$63,893,270	$54,899,110	$8,994,160
Recycled Water	MacKay & Somps	$28,469,700	$0	$28,469,700
Open Space/Detention/Erosion Control	MacKay & Somps	$25,549,202	$0	$25,549,202
Subtotal Backbone Infrastructure		**$361,853,325**	**$134,595,755**	**$227,257,570**
PVSP Public Facilities				
Transit	Table 5 PVSP PFFP	$6,815,037	$0	$6,815,037
General Government Facilities	Table 5 PVSP PFFP	$27,471,136	$0	$27,471,136
Library	Table 5 PVSP PFFP	$6,365,572	$0	$6,365,572
Sheriff	Table 5 PVSP PFFP	$10,099,314	$0	$10,099,314
Subtotal PVSP Public Facilities		**$50,751,058**	**$0**	**$50,751,058**
Neighborhood Parks & Trail Facilities	Table 7 PVSP PFFP	**$43,912,050**	**$0**	**$43,912,050**
Community Parks & Recreation	Table 7 PVSP PFFP	**$37,482,270**	**$0**	**$37,482,270**
Total Project Improvements		**$493,998,703**	**$134,595,755**	**$359,402,948**

Source: MacKay & Somps, Placer County, and DPFG Placer Vineyards Specific Plan Public Facilities Financing Plan.

Footnotes:

[1]All costs include 20% contingency and 20% soft costs.

[2]PFFP provides additional detail on infrastructure reimbursements/credits from current fee programs.

Exhibit 2.5
Placer Vineyards Public Facilities Financing Plan
Development Impact Fee Summary

	Residential						Non-Residential	
	SPA	LDR - AA	LDR	MDR	HDR	CMU	Commercial	Office
Unit Sales Price/Per Acre	$525,000	$375,000	$525,000	$430,000	$315,000	$315,000	$2,984,176	$2,610,112
Assumptions								
Density/FAR	0.42	3.53	3.41	5.33	13.96	17.99	0.30	0.29
Unit Size/Sq.Ft. per Acre	3,000	2,400	2,400	2,000	1,800	1,800	13,263	12,732
Garage	400	400	400	400	-	-	-	-
Building Valuation (unit/acre)[1]	$434,198	$350,300	$350,300	$294,368	$214,452	$214,452	$919,259	$882,472
Existing City/County Impact Fees								
Building Permit	$1,520	$1,226	$1,226	$1,030	$751	$751	$2,599	$2,548
Plan ReviewFee	$1,520	$1,226	$1,226	$1,030	$751	$751	$2,599	$2,548
Energry Compliance Review	$153	$109	$109	$109	$109	$109	$201	$197
Accessibility Compliance Review	$153	$109	$109	$109	$109	$109	$197	$194
Strong Motion	$43	$35	$35	$29	$21	$21	$193	$185
Building Standards Commission SB1473	$17	$14	$14	$12	$9	$9	$37	$35
Electrical Inspection Fee	$434	$350	$350	$294	$214	$214	$743	$728
Mechanical Inspection Fee	$434	$350	$350	$294	$214	$214	$743	$728
Plumbing Inspection Fee	$434	$350	$350	$294	$214	$214	$743	$728
Grading Fee	$37	$37	$37	$37	$37	$37	$37	$37
Administration Fee	$109	$109	$109	$109	$109	$109	$109	$109
Fire-Safe (Driveway) Regulation Fee	$91	$91	$91	$91	$91	$91	$0	$0
Regional Sewer Connection Fee	$6,711	$6,711	$6,711	$6,711	$6,711	$6,711	$29,669	$28,482
Local District Sewer Connection Fee	$1,468	$1,468	$1,468	$1,468	$1,468	$1,468	$6,490	$6,230
PCWA Water Connection Charge[3]	$17,307	$17,307	$17,307	$17,307	$6,923	$6,923	$43,268	$43,268
PCWA Meter Set Fee	$326	$326	$326	$326	$326	$326	$383	$383
Placer County CIP - Dry Creek Zone	$3,010	$804	$3,010	$3,010	$1,848	$1,848	$53,375	$152,032
SPRTA - Dry Creek Zone	$667	$178	$667	$667	$410	$410	$11,828	$33,689
City/County Baseline Road Fee	$727	$194	$727	$727	$446	$446	$12,892	$36,720
Drainage - Dry Creek Watershed	$212	$212	$212	$212	$135	$135	$491	$471
Subtotal Existing City/County Impact Fees	**$35,373**	**$31,208**	**$34,436**	**$33,869**	**$20,897**	**$20,897**	**$166,598**	**$309,314**
Development Agreement/Plan Area Fees								
Enhancement of Agricultural Water Supply Fee[4]	$1,000	$1,000	$1,000	$1,000	$1,000	$1,000	-	-
Highways 99 / 70 Riego Road Interchange Fee[4]	$300	$300	$300	$300	$184	$184	$5,756	$5,526
Roseville Traffic Mitigation Fee[4]	$313	$313	$313	$313	$192	$192	-	-
Tier II Regional Traffic Fee	$6,180	$1,650	$6,180	$6,180	$3,794	$3,794	$109,582	$312,130
PVSP Fee - Infrastructure Fee (Net)	$16,188	$9,810	$16,188	$15,501	$10,901	$11,372	$151,175	$140,506
PVSP Fee - Capital Facilities Fee	$3,990	$2,620	$3,990	$3,990	$2,864	$2,864	$7,186	$11,064
PVSP Fee - Neighborhood Parks & Trails[6]	N/A	$2,494	$3,837	$3,300	$2,763	$2,763	-	-
PVSP Fee - Community Parks & Recreation	N/A	$2,129	$3,275	$2,817	$2,358	$2,358	-	-
Placer County Fire Impact Fee	$1,275	$1,020	$1,020	$850	$765	$765	$3,179	$3,052
Annexation To CSA 28 (Sewer Maint. District)[2]	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Subtotal Development Agreement/Plan Area Fees	**$29,245**	**$21,336**	**$36,102**	**$34,249**	**$24,821**	**$25,292**	**$276,879**	**$472,277**
School Fees								
Center USD; Twin Rivers USD/Elverta JESD[7]	$9,810	$1,128	$7,848	$6,540	$5,886	$5,886	$6,234	$5,984
Subtotal School Fees	**$9,810**	**$1,128**	**$7,848**	**$6,540**	**$5,886**	**$5,886**	**$6,234**	**$5,984**
Total Cost Burden (per Unit/Acre)	**$74,429**	**$53,672**	**$78,386**	**$74,658**	**$51,604**	**$52,075**	**$449,710**	**$787,575**
Proposed Fee Deferal[5]	($6,180)	($1,650)	($6,180)	($6,180)	($3,794)	($3,794)	($109,582)	($312,130)
Net Cost Burden (per Unit/Acre)	**$68,249**	**$52,022**	**$72,206**	**$68,478**	**$47,809**	**$48,281**	**$340,128**	**$475,446**
Cost Burden as a % of Unit Sales Price	**14.18%**	**14.31%**	**14.93%**	**17.36%**	**16.38%**	**16.53%**		

Source: Placer County, City of Roseville, PCWA, and School Districts.

Footnotes:

[1]Assumes V-B Wood Frame construction type.

[2]Estimate from MacKay & Somps, exact amount TBD.

[3]Assumes a 1" meter for non-residential.

[4]Assumes rates from Placer County PVSP Development Agreement, January 2007.

[5]Assumes deferal of a portion of Tier II and any other agreed upon fees.

[6]Assumes active adult will pay neighborhood park fee. Only 11 of the 22 acres is included in the fee program. Additional 11 acres is a cost burden born by the Developer. This fee also includes the Dedication In-Lieu for 18 acres of parkland and funding for potential joint use facilities (excluding potential shared pool and gym facilities, which are included in the Community Park Fee).

[7]Does not include any supplemental funding for Twin Rivers/Elverta. Subject to negotiations between the School District and the PVSP.

EXHIBIT 2.5.6

PLACER VINEYARDS SPECIFIC PLAN FEE PROGRAM
DRAFT SUMMARY AND GUIDELINES

These draft guidelines for development and implementation of the Participating Developer-sponsored Placer Vineyards Specific Plan Fee Program (the **"Fee Program**) are intended to assist the County in the development and adoption of the PVSP Fee Program referred to in Section 2.5.6 of the Second Amended and Restated Development Agreement to which this Exhibit is attached. This Fee Program is intended to be independent of and in addition to all other County fees required to be paid in connection with development of the Placer Vineyards Specific Plan Area ("**Plan Area**") and shall affect only those properties lying within the Plan Area. During the process of reviewing, finalizing and adopting the terms and conditions for this Fee Program, the County will consider, but is not bound by, the guidelines for the PVSP Fee Program outlined and summarized in this Exhibit. The County understands that, as to the components of the PVSP Fee Program to be applied to the Infrastructure Fee and the credits and reimbursements to be generated by the construction of the Infrastructure Improvements, the Participating Developers desire that the terms and provisions outlined herein be incorporated into the final PVSP Fee Program to the fullest extent feasible. The terms and provisions of the adopted Fee Program, including the extent to which any of the provisions or policies in these guidelines are incorporated therein, shall be subject to the approval of the County and, upon approval thereof, shall supersede and replace these guidelines and summary in its entirety.

References to a **"Participating Developer"** herein shall refer to each of those entities identified as a "Participating Developer" in the Development Agreements entered into in connection with the approval of the Second Restated Development Agreement to which this Exhibit is attached. References to a **"Participating Developer's Property"** or **"Property"** shall refer to the portion of the Plan Area owned or controlled (i.e., by way of option or other right to acquire the property) by the Participating Developer as of the date of recordation of the Second Restated Development Agreement for such Property.

1. Overview of Fee Program. The Fee Program will consist of four independent fees (each a "**Fee**", and collectively, the "**Fees**"). The Fees will be calculated by the County (or by a third party administrator that may be retained by the County, initially at the Development Group's expense) for imposition and collection by the County. Fee credits ("**Fee Credits**") will be awarded to Constructing Owner(s) (as defined and provided herein) to be applied towards the Infrastructure and Neighborhood Park Fees, and fee reimbursements ("**Fee Reimbursements**") may become payable paid to Constructing Owners from Infrastructure and Neighborhood Park Fees paid to the County, as more particularly provided herein.

A. Types of Fees. The Fees are comprised of the following:

(1) Infrastructure Fee: to fund and/or reimburse the fair share of the costs of the design and construction of the Infrastructure Improvements described in the Finance Plan and not otherwise payable from other County fees, to be constructed by Constructing Owners;

(2) County Facilities Fee: to fund the fair share contributions towards the design, construction and equipping of County Facilities planned for the Plan Area described in the Second Restated Development Agreement and the Finance Plan, to be constructed by the County;

(3) Neighborhood Park Fee: to fund and/or reimburse the fair share of the costs of the design and construction of the Neighborhood Park Improvements planned for the Plan Area described in the Second Restated Development Agreement and the Finance Plan, including without limitation, neighborhood parks, open space trails, bike trails, and the multi-purpose trail within the Plan Area (collectively, the **"Neighborhood Park Improvements"**), to be constructed by the Constructing Owners and/or by the Park Agency. The Neighborhood Park Fee shall also include fair share amounts for the in-lieu park land dedication fee to provide funding equivalent to 18 acres of developed parkland (which may be used for parkland acquisition and/or additional park improvements, at the Park Agency's discretion) and additional funding allocated under the Finance Plan for joint use facilities (which funding may be used by the Park Agency to finance the joint use facilities in collaboration with the School District or additional neighborhood park improvements); and

(4) Community Park Fee: to fund the fair share contributions towards the design and construction of Community Park Improvements to be constructed by the Park Agency and additional joint use funding that could provide, at the Park Agency's discretion, for either a joint use community/high school swimming pool in collaboration with the School District or a swimming pool within a Community Park and either a community/middle school gymnasium in collaboration with the School District or other Community Park Improvements.

Each of the foregoing fees will also include an administration fee component (each, an **"Administration Fee"**) to fund the fair share of the costs for the County to administer, oversee, implement and enforce the applicable Fees under the Fee Program.

The Fees are independent of each other and Fee Credits generated against one Fee (through construction or payments) shall not be creditable against the other Fees. In particular, and without limitation, Neighborhood Park Fee Credits associated with a Constructing Owner's construction of Neighborhood Park Improvements shall not be creditable against the Infrastructure Fee, County Facilities Fee or the Community Park Fee.

B. Fee Administrator. The Fee Program will be organized and monitored regularly by an administrator (the "**Administrator**"). The Development Group will be responsible for funding the costs of the County to retain the Administrator, unless and until the County decides, in its sole discretion, to assume the obligation to retain the Administrator. The Development Group will advance the costs of the Administrator until such time that the County determines, in consultation with the Administrator, that sufficient funds have been and will continue to be generated by the Administration Fees to fund all future costs of the Administrator, in addition to all other costs associated with the administration of the Fee Program. The Administrator will work with the County and

the Development Group to facilitate the administration and implementation of the Fee Program. To minimize the role of the County in administering this Fee Program, the County will rely, to the fullest extent legally possible, on the Administrator to obtain, maintain, process and prepare the information and reports required by this Program to calculate and re-calculate the Fees in accordance with the terms of this Fee Program. The Administrator's roles and responsibilities are more particularly described in Section 8.B below. The Development Group recognizes and agrees that the Administrator's reports may be subject to separate audit or review by the County.

C. Fee Credits; Fee Reimbursements.

(1) Infrastructure/Park Fee Credits and Fee Reimbursements.

a. Infrastructure Fee Credits. If a person or entity electing to develop a portion of property within the Specific Plan (a **"Constructing Owner"**) is required to install any Infrastructure Improvements in connection with its development of such portion of property (which portion shall be referred to as the **"Developing Property"**), such Constructing Owner will receive an amount (in dollars) of Fee Credits against the Infrastructure Fee for the Eligible Improvement Costs (as defined herein) related thereto paid by the Constructing Owner. The amount of such Fee Credits shall be up to, but not in excess of, the total amount of Infrastructure Fees anticipated to be generated by development of the Constructing Owner's Developing Property (a **"Developing Property's Infrastructure Fee Obligation"**). For example, if a Constructing Owner's tentative subdivision map for 100 tentative single family lots requires the construction of certain Infrastructure Improvements, then, for purposes of determining the maximum amount of Fee Credits that can be allocated to the Constructing Owner for its construction of the required Infrastructure Improvements, the Developing Property's Infrastructure Fee Obligation would be equal to 100 times the Infrastructure Fee payable by the Developing Property.

b. Infrastructure Fee Reimbursements. If the Eligible Improvement Costs paid by the Constructing Owner exceed the corresponding Developing Property's Infrastructure Fee Obligation related thereto, the Constructing Owner will receive Fee Reimbursements from Infrastructure Fees for the amount of such excess.

c. Neighborhood Park Fee Credits and Reimbursements. The foregoing provisions related to the generation of Fee Credits and Fee Reimbursements related to a Constructing Owner's construction of Infrastructure Improvements funding by the Infrastructure Fee shall generally apply in the same manner to the generation of fee credits against and fee reimbursements from the Neighborhood Park Fee from a Constructing Owner's construction of Neighborhood Park Improvements financed by the Neighborhood Park Fee.

(2) No County Facilities or Community Park Fee Credits. The parties anticipate that the County or Park Agency will be solely responsible for the construction of all County Facilities and Community Park Improvements and, accordingly, no Fee Credits or Fee Reimbursements are anticipated to become available to a Constructing Owner with respect to the County Facilities Fee or the

Community Parks Fee. Accordingly, all references in these guidelines to the generation of any Park Fee Credits or Park Fee Reimbursements through a Constructing Owner's construction of Park Improvements will mean and refer to credits against or reimbursements from the Neighborhood Park Fee.

(3) No Administrative Fee Credits. No credits or reimbursements shall be provided to the Participating Developers with respect to their advance funding through the Development Group of the costs of the Administrator and/or the County to develop, adopt, administer, monitor and enforce the Fee Program. By not allowing for credits against the Administration Fees, the Participating Developers intend to generate a reliable flow of Administration Fees during development to enable the County to pay the costs of the administration of the Fee Program and eliminate the Development Group's continuing obligation to advance the costs thereof. The costs advanced by the Development Group to implement the Fee Program shall be deemed to be additional planning costs that shall be subject to fair share reimbursement by Non-Participating Developers.

D. Annual Adjustments to Fees, Credits and Reimbursements. The Fees, and corresponding Fee Credit and Fee Reimbursement balances related thereto, shall be adjusted annually, effective as of July 1st of each year (the **"Annual Adjustment Date"**). If for some reason adjustments cannot be made on such date, the adjustments will be made as soon as possible thereafter. The annual adjustments for each Fee shall be made in accordance with the adjustment methods described below for each Fee.

2. Infrastructure/Park Fee, Fee Credits and Fee Reimbursements.

A. General. The Infrastructure Fee will fund the costs for design and construction of backbone public improvements required for the development of the Plan Area (the **"Project"**), as such public improvements are more particularly described in the Finance Plan (the "**Infrastructure Improvements**") and the Park Fee will fund the costs for design and construction of the Neighborhood Park Improvements described above. Except to the limited extent described in Section 2.C(2) below, the Infrastructure Improvements specifically include Frontage Improvements fronting Neighborhood and Community Parks and County Facilities, but exclude any required backbone public improvements that would typically be funded by Other Public Infrastructure Programs (as defined herein). All references herein to "Infrastructure/Park Fee" and "Infrastructure/Park Improvement" shall mean Infrastructure Fee and/or Park Fee, as applicable, and Infrastructure Improvement and/or Neighborhood Park Improvement, as applicable.

B. Calculation of Infrastructure and Park Fees. The Infrastructure Fee shall be determined for each type of land use category within the Plan Area and the Park Fee shall be determined for each type of residential land use category by allocating the aggregate costs of the Infrastructure Improvements (the "**Infrastructure Costs**") and of the Neighborhood Park Improvements (the **"Park Costs"**) based on the most recent "Improvement Cost Estimation" (as hereinafter defined) for the Plan Area among the various applicable land use categories in the Plan Area (including the SPA portion thereof).

(1) Determination of Fair Share Per EDU. First, each land use in the Plan Area will receive a "fair share" allocation of the costs of the Infrastructure Improvement in accordance with this Section 2.B(1), which reflects the cost-spreading methodologies contained in the Finance Plan (which are, in turn, based on generally accepted engineering principles). The initial "fair share" allocation shall be determined by:

a. Designating separate categories of Infrastructure Improvements and Neighborhood Park Improvements (each, an "**Improvement Category**") for those Infrastructure/Park Improvements whose Improvement Costs are allocated to the Plan Area land uses on the same EDU basis (including, by way of example rather than limitation, a category for traffic improvements, the costs of which are allocated to land uses on a traffic EDU basis, and a category for storm drain improvements, the costs of which are allocated to land uses on a storm drainage EDU basis). Each Improvement Category may involve a different set of underlying Plan Area EDUs;

b. Determining the total estimated costs of the Infrastructure/Park Improvements within each Improvement Category based on the most recent Improvement Cost Estimation; and

c. Dividing the total estimated costs of the Infrastructure/Park Improvements within each Improvement Category by the total number of EDUs participating in such Improvement Category to determine the cost-per-EDU within such Improvement Category.

(2) Determination of Fair Share Per Land Use. The total "fair share" of Infrastructure/Park Improvement Costs for each land use category shall be determined by:

a. Multiplying the cost-per-EDU for each Improvement Category established above by the equivalent number of EDUs assigned by land use for such Improvement Category (which may vary by Improvement Category) to determine a cost-per-land-use for each Improvement Category; and

b. Totaling the costs-per-land-use for each Improvement Category to arrive at a total "fair share" cost per land use category within the Plan Area for the Infrastructure Improvements and the Neighborhood Park Improvements, respectively.

C. Improvement Cost Estimations. As set forth above, the Infrastructure Fee and Park Fee are based, in part, upon the Infrastructure/Park Costs as shown on the applicable Improvement Cost Estimation. As used in this Fee Program, "**Improvement Cost Estimation**" refers to the total estimated costs for all Infrastructure Improvements and Neighborhood Park Improvements, as applicable, including all estimated Hard Costs (including a 20% contingency thereon) and an estimated Soft Costs allowance equal to 20% of such estimated Hard Costs. The initial Improvement Cost Estimation is based on the cost estimates for the Infrastructure Improvements and Neighborhood Park Improvements set forth in the Finance Plan.

(1) Infrastructure Improvements Included in Fee Program. As noted above, the Infrastructure Improvements are limited to those described herein and in the Finance Plan for financing by the Infrastructure Fee and unless and until the same are specifically added to the list of Infrastructure Improvements by super-majority approval of the Participating Developers in good standing with the Development Group and approval by the County, the components of any other required public infrastructure are specifically excluded from the Infrastructure Fee. To the extent that other required public infrastructure is subject to a separate public funding program or mechanism (each, an "**Other Public Infrastructure Program**") with the County or other agency (e.g., other backbone road improvements funded by a County transportation impact fee program or other public utilities funded by a public utility fee program), those other public infrastructure improvements are specifically not a part of the Infrastructure Improvements. To the extent permitted by the applicable agency, such other backbone infrastructure may be eligible for financing under the terms of the Other Public Infrastructure Program.

(2) Backbone Utility Improvements. The Infrastructure Improvements to be funded by the Infrastructure Fee shall include any required electric and/or gas utility backbone infrastructure that may be reimbursable by private utilities; and potential reimbursements from private electric/gas utilities (such as PG&E) shall be treated the same as potential Third Party Reimbursements (as defined herein) for purposes of this Fee Program. To minimize the potential administration of such reimbursements and necessary adjustments to the Fee Program, to the extent a public utility includes an option for sharing in construction costs that does not include reimbursement, the Constructing Owner shall elect the option that does not involve reimbursement. For example, PG&E currently allows a contractor to elect to receive either a 50% contribution for the cost of a facility upon construction or a 100% reimbursement of the cost paid over time by subsequent development; in such case, the Constructing Owner shall select the contribution option and the other half of the cost of the facility shall be included in the Infrastructure Costs.

(3) Park Improvements Included in Fee Program. The Participating Developers acknowledge that the Neighborhood Park Improvements include and shall be consistent with the list of park facilities to be distributed throughout all neighborhood parks that is included in the Finance Plan, together with the planned pedestrian, bike and multi-purpose trail improvements to be located within and serve the Specific Plan. The proposed number and type of park facilities to be included in any neighborhood park and/or the trail improvements to be constructed by a Constructing Developer shall be submitted by the Constructing Developer and approved by the County in conjunction with each Phasing Plan. As noted in the Development Agreement, the County will review the Phasing Plan and neighborhood park/trail improvement plans to insure general proportionality in the distribution of park facilities throughout all neighborhood park sites and satisfaction of trail improvement requirements.

D. Infrastructure/Park Fee Adjustments. The Infrastructure and Park Fees shall be adjusted annually on the Annual Adjustment Date for each land use by

updating and summing the updated Infrastructure/Park Improvements costs for the applicable Improvement and Land Categories related thereto as described below. The Administrator may also elect, at any other time if deemed warranted by the Administrator due to changes in actual costs and/or eligible Infrastructure/Park Improvements and/or receipt of any third party reimbursements or alternative funding and/or any third-party construction of any Infrastructure/Park Improvements that reduces or eliminates the need for funding therefor from the Plan Area, to adjust the Infrastructure Fee and Park Fee in the manner provided below.

(1) Improvement Cost Estimation. The Improvement Cost Estimation for Infrastructure/Park Improvements shall be updated and adjusted annually in accordance with the methodology of the Finance Plan used to establish the corresponding Infrastructure and Park Fees, based, in part and without limitation, on: (a) the estimated cost of remaining Infrastructure/Park Improvements within each Improvement Category for which a Credit/Reimbursement Agreement is not yet fully executed and effective; (b) the amount of any outstanding Credit/Reimbursement balances allocable to each Improvement Category, and (c) the number of undeveloped or unpermitted EDU's for each Improvement Category with respect to which the Infrastructure Fee or Park Fee, as applicable, has not then been paid.

a. Infrastructure/Park Improvements Not Yet Subject to Contract. Adjustments to the estimated Costs of remaining Infrastructure/Park Improvements not yet the subject of a fully executed and effective Credit/Reimbursement Agreement will be made annually based, at the recommendation of the Administrator, in consultation with the Development Group and the County, either upon updated actual Hard Costs or by the change in the Engineering News Record Construction Cost Index or comparable index (the "**CCI**") and/or based on actual and estimated cost adjustments as provided herein. Any adjustment to the Infrastructure Fee and/or Park Fee based on updated Hard Costs will be based upon information available to the Administrator in the form of actual Hard Costs for recently constructed Infrastructure/Park Improvements in the same Improvement Category and/or bids accepted for any Infrastructure/Park Improvements or similar improvements or facilities within the greater Sacramento region.

b. Completed Infrastructure/Park Improvements. Subject to the above limitation, the Administrator will be required to include in the calculation of the update to the Infrastructure Fee or Park Fee, as applicable, any "actual" costs of Infrastructure/Park Improvements (based on the Hard Costs for contracted work and the corresponding Soft Costs allowance) based either on the executed contracts for such Infrastructure/Park Improvements and/or on the "true up" of the "actual" costs after Completion thereof.

E. Timing and Amount of Payment of PVSP Fees. The PVSP Fees payable with respect to development of property within the Specific Plan shall be due and payable upon issuance of building permits. Provided, however, the Infrastructure Fee payable with respect to single family development shall be due and payable upon recordation of a Final Small Lot Map, if at the time of recordation thereof, any

Constructing Owner is either (i) eligible to receive payment of a Fee Reimbursement pursuant to an executed Credit/Reimbursement Agreements and has not yet received full payment thereof, or (ii) will become eligible, upon Completion of certain Infrastructure Improvement(s), to receive payment of a Fee Reimbursement pursuant to an executed Credit/Reimbursement Agreement and sufficient funds have not then been collected to fund such Fee Reimbursement on Completion (an **"Outstanding Fee Reimbursement"**).

3. **County Facilities and Community Park Fees**.

A. General. The County Facilities Fee will fund the costs for design, construction and equipping of the County Facilities designated and more particularly described in the Specific Plan and Finance Plan for uses consisting of a Corporation Yard, Sheriff's Substation, Government Center, Library, and Transit Center, including changes or modifications thereto as may be required by changes in building codes, state or federal requirements, and other changes thereto as may be made from time to time by the County that would not cause a material increase to the cost of design, construction and equipping of such County Facilities above the costs anticipated therefor in the Finance Plan (as updated based on applicable annual cost of construction inflation factors or changes in actual construction costs). The Community Park Fee will fund the costs for design and construction of the Community Park Improvements described in the Specific Plan and Finance Plan, including changes or modifications thereto as may be required by changes in building codes, state or federal requirements, and other changes thereto as may be made from time to time by the County that would not cause a material increase to the anticipated cost of such design and construction under the Finance Plan.

B. Calculation of Fees and Annual Adjustments. The County Facilities and Community Park Fees shall be calculated and subject to annual adjustment on the Annual Adjustment Date in generally the same manner as described above for the calculation and adjustment of the Infrastructure/Park Fees. The Fees shall be allocated to the different planned land uses within the Specific Plan consistent with the cost-spreading methodologies contained in the Finance Plan related to such Fees. Similarly, the costs of the County Facilities and Community Park Improvements to be funded by the Fees and the corresponding Fees shall be updated and adjusted based either on annual CCI adjustments and/or actual cost experience associated with development of comparable facilities and improvements within the Plan Area or the region, as deemed appropriate by the County.

C. No Anticipated Credits/Reimbursements. The costs of Frontage Improvements adjacent to County Facilities and Community Parks will be included for funding in the Infrastructure Fee. Therefore, a Constructing Owner shall not receive any Fee Credits or Reimbursements from the County Facilities Fee or the Community Park Fee in connection with the construction of such Frontage Improvements adjacent to the County Facilities or Community Parks. Except for the foregoing Frontage Improvements which are the responsibility of Developer, the County and the Park Agency, respectively, are anticipated to be solely responsible for all other costs associated with the development and installation of the County Facilities and Community Parks. Accordingly, except as may otherwise be agreed to by the County or

the Park Agency, in its sole discretion, to have a Constructing Owner install any other improvements to a County Facility or Community Park site (such as finished grading of a site and/or installation of permanent landscape improvements), no other Fee Credits or Reimbursements are anticipated to be generated in connection with the development of the County Facilities and Community Park sites.

D. Timing of Payment. The County Facilities and Community Park Fees payable with respect to development of property within the Specific Plan shall be due upon issuance of a building permit for each building, based on the land use and number of EDUs covered by the particular building permit.

4. Administration Fee.

A. General. The Administration Fee, which will be included as an element of each Fee, will fund the anticipated and actual costs to organize, monitor, administer and enforce the Fee components of the Fee Program, including without limitation, the costs to retain the Administrator, the costs to retain any engineering and/or fee consultants to assist with Fee updates and construction monitoring, and the costs of the County to implement and enforce the Fee Program during buildout of the Project. Except as otherwise expressly provided herein, the Administration Fee shall fund all costs associated with the administration of the Fee Program, including annual Fee updates, calculation and collection of any Shortfall payments, and preparation and maintenance of credit/reimbursement agreements. The costs to establish the Fee Program and the costs to fund the Administrator prior to assumption thereof by the County shall be advanced by the Development Group.

B. Calculation of Administration Fee. The Administration Fee shall be the amount necessary to pay the actual and estimated costs to develop, implement, monitor and enforce the Fee Program from County approval of the Specific Plan and Development Agreements through the buildout of the Project, excluding only the costs thereof to be advanced by the Development Group.

C. Annual Adjustment. The Administration Fee shall be updated and adjusted annually at the same time as the other Fees, based on the actual and estimated costs associated with administering the Fee Program throughout the buildout of the Project, including changes in administration costs associated with the County's assumption, to be funded solely by the Administration Fee, of the obligation to retain and fund the Administrator's responsibilities and to fund any changes in the estimated time to complete buildout of the Project. Subject to super-majority approval by the Participating Developers in good standing with the Development Group, such estimated costs may include an amount to build a reserve that will supplement the cash flow provided by the Administration Fee for the County's assumption of the funding for the Administrator after the Development Group ceases to advance the funds thereof.

D. Timing of Payment of Administration Fee.

(1) Development Group Advances. From and after approval of the Second Restated Development Agreements, the Development Group shall fund directly the costs to develop, implement, monitor and enforce the Fee Program to

the extent the amount of Administration Fees being collected is insufficient to cover all of the then current costs associated with administering the Fee Program. All such advances shall be included within the calculation of the Administration Fee.

(2) Payment of Establishment of Fee Program. The Development Group shall fund all costs of establishment of the Fee Program, including any pre-funding that may be necessary to initiate the Fee Program, including the initial cost of retention of the Administrator.

(3) Other Payments. The Administration Fee for each component of the Fee shall be due at the same time as the corresponding Fee.

E. Limited Fee Reimbursements. Since all Participating Developers will be sharing through their participation in the Development Group in any and all required advances to cover the costs associated with establishing and administering the Fee Program, including without limitation, the costs of the Administrator, in excess of the amount covered by the Administration Fees, no Administration Fee Reimbursements will be due and payable to any Participating Developer in connection with development within the Plan Area by the Participating Developers. Similarly, to provide a secure cash flow of Administration Fees from development of the Specific Plan that can be relied on by the County if and when it assumes full administration of the Fee Program, the Participating Developers will not receive any Fee Credits with respect to the funds advanced thereby to establish and administer the Fee Program. Any failure of a Participating Developer to advance its fair share of the costs to administer the Fee Program shall be addressed by the Participating Developer's separate agreement for the Development Group and not by the Fee Program, provided such remedies may include forfeiture and/or assignment of Infrastructure Fee Credits by any defaulting Participating Developer. Notwithstanding the lack of any Fee Credits or Reimbursements from the Administrative Fee as and between Participating Developers, the fair share of any such costs advanced by the Development Group to establish and to implement the Fee Program until the Development Group is no longer required to separately fund the costs thereof shall be treated as and included within the planning costs to be reimbursed by Non-Participating Developers if and when such Non-Participating Developers seek to develop their properties within the Specific Plan.

F. Costs Excluded From Administration Fee. The Administration Fee shall not fund, and each Participating Developer or Constructing Owner shall be separately responsible for paying, any and all costs associated with a request to assign or transfer Fee Credits or Fee Reimbursements within the Plan Area, as well as those costs associated with any change thereby in land use or EDU capacity utilization for any property as set forth in the Specific Plan.

5. Infrastructure/Park Fee Credits for Constructing Owners. Any Constructing Owner that constructs any Infrastructure/Park Improvements will receive Fee Credits in accordance with this Section 5 and may receive Fee Reimbursements in accordance with Section 6. The value of the Fee Credits given to Constructing Owners shall be subject to annual adjustment as provided for herein. References in this Fee

Program to "**Credit/Reimbursement**" shall refer to Fee Credits or Fee Reimbursements, as applicable.

A. Calculation of Amount of Infrastructure/Park Fee Credits. Subject to the limitations of and any adjustments pursuant to this Section 5, the Fee Credits available to a Constructing Owner for application to the Infrastructure Fee or Park Fee, as applicable, shall be based upon the Eligible Hard Costs and Soft Costs for the particular Infrastructure/Park Improvements being constructed.

(1) Hard Costs; Eligible Hard Costs. The "**Hard Costs**" of Infrastructure/Park Improvements eligible for Credit/Reimbursement under the Infrastructure Fee or Park Fee, as applicable, shall mean and refer to the actual costs of construction of a Infrastructure/Park Improvement that are incurred by a Constructing Owner pursuant to a properly bid construction contract with a duly licensed, qualified general contractor for the Infrastructure/Park Improvements. Such Hard Costs shall include the costs of (i) construction of the Infrastructure/Park Improvement(s), based on the price included in the contract (the "**Construction Contract**") with a contractor entered into in accordance with the provisions of Section 5.A(3) below for the construction of such Improvement(s), and (ii) traffic control, staging and storm water pollution prevention implementation measures related to such construction. The Hard Costs shall include the costs of any changes in scope or standards required by the County during the course of construction thereof that are added to the Construction Contract. Hard Costs shall also include the cost for any materials that exceeded the minimum specifications required by the County, so long as the bid for the contract clearly describes the allowed minimum specification. (An example might be a contractor choosing to substitute a higher grade of pipe because the lower specified and acceptable grade is either unavailable or more expensive due to shortages or other reasons.) The Administrator shall recommend to the County the amount of the Hard Costs for each Infrastructure/Park Improvement eligible for Credit/Reimbursement under the Infrastructure/Park Fee. "**Eligible Hard Costs**" means all of the Hard Costs incurred by the Contracting Owner except to the extent the Administrator excludes costs that the Administrator finds to be commercially unreasonable.

(2) Soft Costs. "**Soft Costs**" means the costs of storm water pollution prevention monitoring & management, engineering, inspection, testing, surveying and bonding related to the construction of the Infrastructure/Park Improvement(s). Each Constructing Owner entering into a bonded contract to construct an Infrastructure/Park Improvement shall receive an allowance for Soft Costs equal to 20% of the Eligible Hard Costs for such Infrastructure/Park Improvement, without the need for a proposal, contract, invoices or any other form of documentation to substantiate the actual amount of Soft Costs incurred. In consideration of this fixed percentage for Soft Costs, a Constructing Owner shall have no right to request a greater amount of Credits/Reimbursements due to actual Soft Costs exceeding this fixed-percentage allowance.

(3) Bidding/Contracting of Construction. All bidding and contracting shall be done so as to allow the Infrastructure/Park Improvements to be eligible

for acquisition or construction by a CFD and/or to enable the Infrastructure/Park Fees to be financed by a CFD. Such public bidding requirements shall include, but not be limited to, competitive bidding, prevailing wage (if then required), and award of contract to the lowest responsible bidder. Prior to approving improvement plans for construction of a Infrastructure/Park Improvement, the County and Administrator shall cooperate with each other to develop and implement a bidding and contracting monitoring program to ensure compliance with the public bidding, prevailing wage (if required) and contracting requirements prior to execution of each contract for construction of an Infrastructure/Park Improvement by a Constructing Owner.

If a Constructing Owner fails to comply with the public bidding, prevailing wage (if required) and contracting requirements for an Infrastructure/Park Improvement, the Constructing Owner will assume the risk that such Infrastructure/Park Improvement may be required to be removed from the Fee Program in order to preserve the ability to fund the Infrastructure/Park Improvements and/or the Infrastructure/Park Fees with CFD financing. If an Infrastructure/Park Improvement is removed from the Fee Program, the Constructing Owner thereof shall not receive and shall forfeit any Fee Credits or Fee Reimbursements with respect to such Infrastructure/Park Improvement. Any such removal of an Infrastructure/Park Improvement shall be treated in the same manner as if the Infrastructure/Park Improvement had been constructed by a third party and/or removed from the list of Infrastructure/Park Improvements required for development of the Plan Area, as more particularly described in Section 2.D above (i.e., the corresponding Infrastructure/Park Fee may be adjusted accordingly and any outstanding Fee Credits in excess of a Constructing Owner's Developing Property's remaining Fee Obligation shall be converted to Fee Reimbursements).

B. Provision of Fee Credits for Infrastructure/Park Improvements.

(1) Credit/Reimbursement Agreement. A sample form of credit and reimbursement agreement (a **"Credit/Reimbursement Agreement"**) to be used for each Constructing Owner will be developed in connection with approval of the Fee Program. This form of Credit/Reimbursement Agreement shall be used, and modified to the extent necessary, in connection with the construction of Infrastructure/Park Improvements by a Constructing Owner for its applicable Developing Property.

a. No earlier than the approval by the County of the improvement plans for the Infrastructure/Park Improvement(s) required for the Developing Property, the Administrator shall provide the County with the amount of the Credit/Reimbursement to be available under such Credit/Reimbursement Agreement, which shall be equal to 100% of the contracted Eligible Hard Costs of the Infrastructure/Park Improvement(s), based on an accepted competitive bid in compliance with all public contracting requirements, plus the corresponding Soft Cost allowance related thereto (collectively, the **"Eligible Improvement Costs"**).

b. The Credit/Reimbursement amount shall be inserted in the Credit/Reimbursement Agreement and the same shall be signed when a contract for the work has been entered into, performance and payment bonds in the form and amount required by the County have been posted therewith, and a notice to proceed with such construction (a **"Notice to Proceed")** has been given to the contractor. The County may require the amount of such bonds to be greater than the corresponding Credit/Reimbursement amount to address contingency costs and/or the costs to the County to cause the Completion of the applicable Infrastructure/Park Improvements in the event of default by the Constructing Owner. Unless the amount of Fee Credits under the Credit/Reimbursement Agreement exceeds the amount of the corresponding Developing Property's Infrastructure/Park Fee Obligation, no amount of Fee Reimbursements shall be included in the Credit/Reimbursement Agreement. The date of full execution of a Credit/Reimbursement Agreement shall be referred to as the **"Effective Date"** of the Credit/Reimbursement Agreement.

(2) Availability of Fee Credits. Fee Credits shall become available upon the Effective Date of the applicable Credit/Reimbursement Agreement. The Fee Credits for the contracted work under a Credit/Reimbursement Agreement shall continue to be available for application against the Infrastructure/Park Fee so long as: (a) the Constructing Owner is not in material breach of the Credit/Reimbursement Agreement, and (b) the Constructing Owner continues to use commercially reasonable diligence to prosecute to Completion (as defined herein) the construction of the Infrastructure/Park Improvement(s) that are the subject of the particular Credit/Reimbursement Agreement.

(3) Failure to Diligently Proceed Towards Completion. If a Constructing Owner ceases to diligently prosecute construction of a Infrastructure/Park Improvement, or otherwise breaches any material provisions of the Credit/Reimbursement Agreement, and if the Constructing Owner fails to cure such breach within thirty (30) days of receipt of written notice from the Administrator, the Administrator may recommend to the County that the County exercise any and all remedies then available under the Credit/Reimbursement Agreement, including cessation of approval of tentative or final subdivision maps, issuance of building permits and/or issuance of occupancy permits for development of the Constructing Owner's Developing Property, suspension of the right to apply Fee Credits against the Infrastructure/Park Fee and/or repayment by the Constructing Owner of all or any portion of the Fee Credits generated by the particular Credit/Reimbursement Agreement which have previously been applied against the Infrastructure/Park Fees.

C. Adjustments to Value of Fee Credits.

(1) CCI Adjustment. All Fee Credits provided pursuant to Credit/Reimbursement Agreements with an Effective Date not later than May 31 preceding the Annual Adjustment Date (i.e., for Fee Credits in effect at least one month prior to the Annual Adjustment Date) shall be subject to adjustment based on the increase or decrease in the CCI, so long as the Constructing Owner is in good standing under its applicable Credit/Reimbursement Agreement. In no

event, however, shall a decrease in the CCI result in a decrease of the Constructing Owner's Fee Credit amount below the actual amount expended of Eligible Improvement Costs which created the right to such Fee Credits. The purpose of this adjustment is to assure that Fee Credits received by a Constructing Owner offset a corresponding amount of Infrastructure/Park Fee, on a dollar for dollar basis, up or down, as and when the Infrastructure/Park Fee is adjusted, but without bearing a disproportionately large share of the actual Improvement Costs as a result of any decline in construction costs.

(2) Adjustment Based on Actual Eligible Hard Costs. After the Infrastructure/Park Improvement(s) are Completed (as defined herein), there will be a "true-up" of the costs of the Infrastructure/Park Improvements eligible for Fee Credits against and Fee Reimbursements from the Infrastructure/Park Fee.

a. The "true up" shall be based on the actual Eligible Hard Costs incurred by the Constructing Owner to Complete the construction of the Infrastructure/Park Improvement, which costs shall be documented to the Administrator's reasonable satisfaction. As a part of this "true up," the Soft Cost allowance will be adjusted to equal 20% of the actual Eligible Hard Costs.

b. If the total actual Eligible Hard Costs and corresponding Soft Costs of the Infrastructure/Park Improvement(s) are greater than the amount of Fee Credits/Reimbursements initially provided by the Credit/Reimbursement Agreement, the Administrator shall notify the County that the Constructing Owner is to be awarded additional Credits/Reimbursements in the amount of the difference. The Administrator may also notify the County of any proposed adjustment to the Infrastructure/Park Fee to account for such increased Estimated Improvement Costs, if deemed appropriate to be incorporated into the Infrastructure/Park Fee prior to the next Annual Adjustment Date.

c. If the total eligible costs of the Infrastructure/Park Improvement(s) is less than the amount of Fee Credits/Reimbursements initially provided by the Credit/Reimbursement Agreement, the Administrator shall notify the County that the Constructing Owner is required to first reduce the amount of any Fee Reimbursement and then relinquish the amount of the unused Fee Credits comprising any remaining difference, and, to the extent Fee Credits resulting from that Credit/Reimbursement Agreement have been used in an amount which exceeds the actual total Eligible Hard Costs and Soft Costs of the applicable Improvement(s), to repay such excess in cash. Any such repayment shall be due within thirty (30) days of receipt of notice from the County of the amount to be repaid.

(3) Definition of "Completed." An Infrastructure/Park Improvement shall be deemed "**Completed**" upon the earlier of acceptance of that Infrastructure/Park Improvement by the County or acceptance by the County for purposes of commencing a 1-year warranty or maintenance period. Once an Infrastructure/Park Improvement is Completed, any performance and payment bonds related to the issuance of Fee Credits may be approved for release by the County, and the "true-up" can take place.

D. Fee Credits are Personal in Nature. Infrastructure/Park Fee Credits shall be personal to the Constructing Owners constructing Infrastructure/Park Improvements and do not run with the land, provided the Infrastructure/Park Fee Credits may only be applied within the Constructing Owner's Developing Property and any other property subject to the Development Agreement that includes the Developing Property (collectively, the **"Constructing Owner's Property"**), but may not be assigned for use within any other portion of the Plan Area.

(1) Timing of Application. Subject to the limitations set forth in this Section 5, Infrastructure/Park Fee Credits may be applied to Infrastructure/Park Fees as desired by the Constructing Owner, or transferee thereof, at the time such Infrastructure/Park Fees would otherwise be due and payable for development within the Constructing Owner's Property.

(2) Notice Required. Infrastructure Fee Credits may be applied to the Infrastructure/Park Fee by the Constructing Owner, or transferee thereof, only by providing written notification to the Administrator, stating which Fee Credits are desired to be applied to the Infrastructure/Park Fee, and the amount thereof to be applied. In the absence of written direction from a Constructing Owner or transferee thereof to apply any Fee Credits, no Fee Credits shall be deemed applied against the Infrastructure/Park Fees. A sample form for the application of Fee Credits will be included in the form Credit/Reimbursement Agreement.

(3) No Obligation to Use Fee Credits. A Constructing Owner shall not be obligated to apply any available Fee Credits against the Infrastructure/Park Fee associated with development of its Developing Property.

(4) Collection and Payment of Unused Fee Credits. If a Constructing Owner elects not to apply any available Fee Credits at the time of development of its Developing Property, the County shall collect the full Infrastructure/Park Fee then required to be paid at the time of such development and shall use the proceeds thereof (i) first, to pay and/or fund a reserve for payment upon Completion any Outstanding Fee Reimbursement, on a FIFO basis; and (ii) second, to pay to any Constructing Owner(s), on a pro rata basis, the amount by which their available Fee Credits exceed the amount of Infrastructure/Park Fees to be collected from the remaining development of such Constructing Owner(s)' Developing Properties.

E. Transferability. A Constructing Owner shall have the absolute right to transfer all or any portion of such Constructing Owner's Fee Credits for application within the Constructing Owner's Property for such consideration as the Constructing Owner may determine. In the event that a Constructing Owner transfers Fee Credits, the transferor shall notify the Administrator of the transfer in writing, providing the Administrator with the name, address and other contact information for the transferee, the dollar amount of the Fee Credits being transferred, and the Credit/Reimbursement Agreement from which the credits are being transferred. The transferring Constructing Owner shall also pay the administrative costs associated with the transfer as a condition of the same being effective. A sample form for the transfer of Fee Credits will be included as part of the Credit/Reimbursement Agreement form.

6. **Fee Reimbursements**. Fee Reimbursements will be paid directly from the County to the applicable Constructing Owner(s) and/or Development Group on a regular basis, but no less than quarterly, from the Infrastructure/Park Fees received by the County.

A. Procedure. The Administrator shall work with the County to obtain quarterly reports from the County of the types and amounts of the Fees the County has collected and to confirm with the County the proposed distributions to the Constructing Owner(s) and/or Development Group of any Outstanding Fee Reimbursements. The Administrator shall notify all Constructing Owners and/or Development Group with Outstanding Fee Reimbursements of the intended distribution by the County and the Administrator's proposed allocation between such Owners and Group. If the Administrator receives a written objection from any Constructing Owner or the Development Group to a proposed distribution within five (5) business days of the date of the Administrator's notice, the Administrator shall ask the County to: (i) distribute the undisputed amounts directly to the Constructing Owner(s) and/or Development Group in accordance with the furnished schedule; and (ii) retain the amount of any disputed distribution until the issue can be resolved between the Constructing Owner(s) and/or Development Group and/or by arbitration.

B. Impact of Adjustment Date. So long as the County does not unduly delay in making Fee Reimbursement payments, Fee payments collected by the County in the calendar quarter prior to the County's annual adjustment to Fee Credit and/or Fee Reimbursement balances, but not distributed until the calendar quarter after such adjustment date, shall not be increased as a result of the adjustment date occurring between the Fee payment date and the date the Fee Reimbursement is paid. The Administrator shall determine whether or not payment by the County was "unduly" delayed for purposes of this Section 6.B.

C. Infrastructure/Park Fee Reimbursements. As provided by and pursuant to a Credit/Reimbursement Agreement, an Infrastructure/Park Fee Reimbursement shall be available to a Constructing Owner from the date the particular Infrastructure/Park Improvement was Completed to the date the Constructing Owner has been repaid in full for the amount of its Fee Reimbursements.

(1) Fee Reimbursements In Excess of Fee Obligation. For Fee Reimbursements to Constructing Owners, the Credit/Reimbursement Agreement shall include an amount for Fee Reimbursements if and only to the extent the Eligible Improvement Costs for the Infrastructure/Park Improvement(s) to be constructed by the Constructing Owner thereunder exceed the Infrastructure/Park Fee Obligation for the Developing Property that requires the construction of these Infrastructure/Park Improvement(s).

(2) Annual Adjustment. Any Outstanding Fee Reimbursement, including any such amounts not yet payable until the corresponding Infrastructure/Park Improvement(s) are Completed, shall be increased on the Annual Adjustment Date by four percent (4%) per annum.

(3) Infrastructure/Park Fee Reimbursements Distributed on FIFO Basis. Any available funds within the Infrastructure/Park Fee accounts shall be used to reimburse Constructing Owners and/or the Development Group for the amount of any Fee Reimbursements on a "first in, first out" ("**FIFO**") basis.

(4) FIFO Determination. The event for determining FIFO priority for a Fee Reimbursement generated by an Infrastructure/Park Improvement shall be the calendar year of the Effective Date of the Credit/Reimbursement Agreement for such Infrastructure/Park Improvement. In the event that the Effective Date for any two or more Credit/Reimbursement Agreements that include Fee Reimbursements occur within the same calendar year, the Fee Reimbursements associated with the Infrastructure/Park Improvements on each such Credit/Reimbursement Agreement will have equal priority and will be distributed pro rata, based upon the unreimbursed balance of the Fee Reimbursements generated by their respective Credit/Reimbursement Agreements.

(5) Delivery to Administrator. Each Constructing Owner will be responsible for forwarding a copy of the fully executed contract, the countersigned Notice to Proceed and the executed Credit/Reimbursement Agreement for any eligible Infrastructure/Park Improvements to the Administrator, with the calendar year of the Effective Date of the Credit/Reimbursement Agreement becoming the prioritizing year ("**Priority Year**"). If the work does not actually commence on a Infrastructure/Park Improvement within a commercially reasonable period following the Effective Date, or once commenced, the Constructing Owner does not diligently prosecute the same through Completion, the Administrator shall have the authority to modify the relative Priority Years among competing Constructing Owners to more appropriately reflect the timing of the expenditure of Eligible Hard Costs by such Constructing Owners.

(6) No Disbursement Prior to Completion. Although Fee Credits against the Infrastructure/Park Fee will be available upon execution of a Credit/Reimbursement Agreement, no Fee Reimbursements related to an Infrastructure/Park Improvement shall be paid by the County to a Constructing Owner from the Infrastructure/Park Fee account prior to Completion of such Infrastructure/Park Improvement. Accordingly, if a Completed Infrastructure/Park Improvement supports a Fee Reimbursement with a later FIFO Priority Year than Fee Reimbursement(s) with earlier FIFO Priority Year(s) related to as yet uncompleted Infrastructure/Park Improvement(s), no Fee Reimbursement shall be paid towards such Completed Infrastructure/Park Improvement unless and until sufficient Infrastructure/Park Fees have been received and reserved to fund full payment of the Fee Reimbursement(s) with the earlier FIFO Priority Year(s) for the as yet to be completed Infrastructure/Park Improvement(s).

(7) Not Convertible to Credits. To preserve the FIFO priority of Fee Reimbursements, Fee Reimbursements cannot be applied as Fee Credits, except to the extent the Fee Reimbursements proposed to be applied as Fee Credits are then in first FIFO priority for reimbursement and the Credit/Reimbursement Agreement related thereto is not in default.

D. Transferability. Each Constructing Owner or Development Group with a right to Fee Reimbursements (a **"Transferring Owner"**) shall have the absolute right to transfer all or any portion of such Transferring Owner's Fee Reimbursements for such consideration as the Transferring Owner may determine. The transfer shall not affect the Priority Year of the Fee Reimbursements or the amount thereof; provided however, that the Transferring Owner shall have the right to allocate the existing priority of the particular Fee Reimbursements between itself and transferees. In the event that a Transferring Owner (or its successors) transfers Fee Reimbursements, the transferor shall notify the Administrator of the transfer in writing, providing the Administrator with the name, address and other contact information for the transferee, the dollar amount and Priority Year of the Fee Reimbursements being transferred (along with any priority allocation as between the Transferring Owner and the transferee), and the Credit/Reimbursement Agreement from which the Fee Reimbursements are being transferred. The Transferring Owner shall also pay the administrative costs associated with the transfer as a condition of the same being effective. The form for the transfer of Fee Reimbursements shall be similar to the sample form for the transfer of Fee Credits to be included in the Credit/Reimbursement Agreement.

7. Capacity Utilization, Shortfall Payments and Reimbursements.

A. Land Use Capacity and Fee Obligations. Each Participating Developer's Property within the Specific Plan will be allocated a certain amount of land use capacity and corresponding Fee Obligation, based upon the initial approved land uses set forth in the Specific Plan and the Fees allocable to such Property. Except to the extent of involuntary land use changes as described in Section 7.B below or offset by a transfer of utilization pursuant to the terms of the Specific Plan as described in Section 7.F below, each Property will continue to be responsible for paying the Fees for its allocated share of capacity at the time of development, regardless of whether or not it actually utilizes all of the capacity initially allocated thereto by the Specific Plan. This is done to ensure that an underutilization of capacity by development of one Property does not result in increased Fees for other Properties within the Plan Area.

B. Adjustments Due to Land Use Changes. The Plan Area-wide fair share allocations reflected by the Fees shall be subject to adjustment by the County if and when the amount or location of land uses within the Specific Plan upon which these allocations are based are changed during the planning and development of the Project due to factors beyond the reasonable control of the Participating Developments. Such changes may occur as a result of the approval of the Fill Permit described in Section 2.7 of this Agreement or individual, property-specific fill permits, or the processing of any amendments to the Specific Plan in connection with the settlement of legal challenges filed against the County's approval of the Specific Plan, or the relocation of land dedications within the Specific Plan. Provided, however, land use changes voluntarily proposed by Developer and not required by the Specific Plan or by the County or by factors beyond the reasonable control of Developer shall not require adjustments to the Fees but shall instead be addressed by the Shortfall Payment provisions of this Section 7.

C. Shortfalls/Reimbursements Due to Reductions in Utilization. Payment of any shortfall, as measured by the difference between the actual capacity

used by an owner (a **"Shortfall Owner"**) by its development of any property within the Specific Plan at less than its allocated capacity (a **"Shortfall Property"**) and the capacity allocated for such Shortfall Property by the Specific Plan times the applicable Fees (collectively, the **"Shortfall"**), shall be due prior to the recordation of a final small-lot residential subdivision map, or phase thereof, in the case of detached single family residential development, or prior to issuance of a building permit for multifamily residential or non-residential development that reflects an underutilization of capacity. The amount of any Shortfall shall be determined by the Administrator and allocated to the applicable Fees. The payment of any Shortfall allocable to the Infrastructure/Park Fees shall be used first, to reimburse and/or fund a reserve for reimbursement of any Outstanding Fee Reimbursements, on a FIFO basis, and second, any remaining balances thereof shall be retained to fund future Infrastructure/Park Fee obligations, as determined by the County in consultation with the Administrator.

(1) The "payment" of any Shortfall may be made in cash as to the County Facilities and Community Park Fees and either in cash and/or through an equivalent reduction in any Unused Fee Credits and/or Fee Reimbursement available to the Shortfall Owner applicable to the Infrastructure/Park Fee. For purposes hereof, **"Unused Fee Credits"** refers to the amount of Infrastructure/Park Fee Credits held by a Shortfall Owner in excess of the total amount of the Infrastructure/Park Fee anticipated to be paid by development of the Shortfall Property subject to the Shortfall payment, as such total Fee obligation is revised based on the actual capacity to be developed thereby. For example, if a subdivision originally planned for 100 units was being developed for 90 units, if the Infrastructure Fee per single family EDU within the Shortfall Property was $10,000, and if the Shortfall Owner thereof had enough Infrastructure Fee Credits under its Fee/Credit Agreement(s) to satisfy the Infrastructure Fee for 95 units within such subdivision, then the Shortfall Owner could elect to apply the Unused Fee Credits associated with the extra 5 units of Fee Credits to reduce its Shortfall obligation allocable to the Infrastructure Fee from $100,000 to $50,000.

(2) If the Shortfall Property subject to a Shortfall payment is developed in phases, the Administrator and the County shall develop an equitable method for phasing the payment of the Shortfall in proportion to the phasing of such development. For example, if a multifamily development originally planned for 100 units was being developed for 90 units, if the combined PVSP Fees per multifamily EDU for the Shortfall Property was $18,000, and if the first phase of construction included 30 units, then the Administrator and the County could elect to require such Shortfall Owner to pay $60,000 ($180,000 [representing the Shortfall of 10 units times $18,000] times 1/3rd) as the proportional share of the Shortfall payment related to the combined PVSP Fees for such first phase of development. If and to the extent subsequent phasing of such development was revised, the remaining Shortfall and corresponding phased payment thereof over the remaining development would be subject to recalculation by the Administrator and the County.

D. Retention/Assignment of Land Use Capacity. The Shortfall Owner paying any Shortfall shall continue to own the land use development capacity related

thereto, which could either be assigned to another owner of property within the Specific Plan (on such terms as may be agreed to between the assigning and assuming parties) and/or be subject to reimbursement from any increase in land utilization elsewhere within the Specific Plan.

E. Reimbursement Due to Overutilization. To the extent that any increase in land utilization occurs that is not linked to an offsetting underutilization (or linked to a transfer or purchase of land use capacity from a Shortfall Owner who previously paid a Shortfall), the additional "fee revenue" to be realized by such increased utilization (as and when paid in excess of the capacity originally allocated to such property) shall be used to reimburse any Shortfall Owners that previously paid Shortfalls for previously underutilizing their Shortfall Property, on a FIFO basis. Any such reimbursement shall include the amount of any intervening CCI adjustments to the Fees between payment of the Shortfall and payment of the reimbursement.

F. Transfer of Density/Capacity. Participating Developers or successors thereto will be allowed to transfer density or land utilization within their own properties (pursuant to and in accordance with the Specific Plan). Any Fees related to a transfer of land use capacity shall not be due upon transfer, but rather at the point when they are triggered by development of the property affected by such transferred capacity. The Administrator shall be responsible for tracking such density transfers and the effect thereof on the Fees to be paid by development of the transferee's property and reporting the same to the County on a regular basis. The administrative costs associated with approving and tracking such density transfers shall be funded by the party requesting such transfer.

G. Maintenance of Records by Administrator. The Administrator shall maintain any and all shortfall and density transfer records and coordinate with the County to monitor and maintain a public record of any and all transfers of land use capacity within the Specific Plan to put subsequent developers on notice of the land use capacity and corresponding Fee obligations associated with development of the properties within the Specific Plan, including any Shortfall obligation that may be associated therewith.

8. Administration.

A. County Implementation/Waiver of Nexus Requirement. The Fees are being voluntarily proposed by the Participating Developers for adoption by the County, based on the Participating Developers' agreement between themselves and as part of their Development Agreements with the County. The Participating Developers acknowledge and agree that the allocations of benefit and costs under the Finance Plan and this Fee Program to the Participating Developers' Properties proposed by the construction of the Infrastructure/Park Improvements, and by the implementation and administration of this Fee Program, are fair and reasonable. The Participating Developers have requested that the County implement and enforce this Fee Program as an element of the Development Agreements to assure full participation by all Participating Developers' Properties, in addition to all other properties within the Plan Area that seek approvals for development consistent with the Specific Plan.

As a voluntary Fee Program requested and agreed to by the Participating Developers, the Participating Developers expect this Fee Program to be enforced by the County in accordance with the provisions of this Fee Program, without requiring the County to perform any separate or independent nexus study with respect thereto. Each Participating Developer hereby waives any right, defense or claim that the County must perform any such nexus study to implement, update or enforce the Fee Program, including without limitation, any right to require the County to comply with the provisions of Government Code Sections 66000 et. seq. (the **"Mitigation Fee Act"**) regarding the general requirements for adopting development impact fees. Notwithstanding the foregoing, the Participating Developers believe that the Fee Program herein does comply in all respects with the provisions of the Mitigation Fee Act and the County and Participating Developers agree to take all steps reasonably necessary to adopt such ordinances and measures to implement the Fee Program pursuant to the Mitigation Fee Act and any other applicable law.

B. Fee Administrator. The Administrator shall be authorized to collect, manage and analyze the data necessary for the calculation and annual updates of the Fees and to coordinate and manage the administration of the Fee Program with the County on behalf of the Participating Developers. Such activities shall include, but not be limited to: (i) updates to the Improvement Cost Estimations and Fees and assistance with calculations under and administration of the Fee Program; (ii) providing recommendations of such amounts to the County (including all documentation supporting such calculations); (iii) recommending to the County the amount and timing of when the Fees are due; (iv) instructing the County to disburse the Fees collected by the County to the Development Group and/or Constructing Owners who are entitled to Fee Reimbursements due to the construction of eligible Infrastructure/Park Improvements in accordance with applicable Credit/Reimbursement Agreements; (v) assisting the County with any update of the Fees; (vi) preparing draft Credit/Reimbursement Agreements for County's review and approval; (vii) tracking all payments and balances of and assignments of Fee Credits and/or Fee Reimbursements; and (viii) tracking the existence and progress of all construction contracts for Infrastructure/Park Improvements and compliance with all provisions of the applicable Credit/Reimbursement Agreements. The Administrator shall have the authority to retain consultants to assist in the above described tasks, including but not limited to, civil engineers and economic consultants.

Unless and until the County is collecting sufficient Administration Fees from development of the Project to fund the costs of the Administrator, the Participating Developers acknowledge and agree that they will cause the Development Group to advance the costs required to fund the administration of the Fee Program, including the costs of the Administrator and the County.

Some of the Administrator's tasks, and the timing thereof, for purposes of coordinating and advising and/or recommending the appropriate actions to the County for purposes of the County's administration of the Fee Program are as follows:

(1) Improvement Plan Approval (Infrastructure/Park Improvements)

(a) Calculate Eligible Amount of Credits/Reimbursements for

Infrastructure/Park Improvements required to be constructed as part of approval of Development Phase or subdivision, based upon bid, and provide to County.

(b) Prepare Credit/Reimbursement Agreements for each set of Infrastructure/Park Improvements bid and contracted for consideration and action by County.

(c) Track bidding and letting of construction contracts for Infrastructure/Park Improvements consistent with required standards.

(d) Track issuance of Notice to Proceed and effective date of Credit/Reimbursement Agreement.

(e) Track and coordinate Completion of Improvement with County.

(2) Final Small-Lot Map Approval for Single Family Development

(a) Verify No Reduction in Density or Calculate Shortfall Payment Amount and/or phase thereof, as applicable.

(b) Calculate amount of Infrastructure Fee to be paid upon recordation of Final Map, if any Outstanding Fee Reimbursements.

(c) Transfer Fee Credits, as available and as directed by a Constructing Owner, to reduce the amount of Infrastructure Fee payable.

(3) Building Permit Approval for Single Family Development

(a) Calculate amount of Fees to be paid upon issuance of building permit.

(b) If applicable, calculate amount of Infrastructure Fee to be paid upon issuance of building permit, if not paid upon recordation of small lot final subdivision map.

(c) Transfer Fee Credits, as available and as directed by a Constructing Owner, to reduce the amount of Infrastructure/Park Fees payable.

(4) Building Permit Approval for Non-Single Family Development

(a) Verify No Reduction in Density or Calculate Shortfall Payment Amount and/or phase thereof, as applicable.

(b) Calculate amount of Fees to be paid upon issuance of

building permit.

(c) Transfer Fee Credits, as available and as directed by a Constructing Owner, to reduce the amount of Infrastructure/Park Fees payable

(5) Annual Fee Program Update

(a) Update cost of Infrastructure/Park Improvements not then subject to Fee/Credit Agreement and cost of County Facilities and Community Park Improvements not yet constructed, or increase based on annual CCI adjustment.

(b) Re-Calculate outstanding Fee Credits, based on annual CCI adjustment.

(c) Re-Calculate Outstanding Fee Reimbursements, based on annual 4% adjustment.

(d) Re-Calculate Fees by Land Use.

(e) Prepare Updated Improvement Cost Estimations for review and super-majority approval by Participating Developers in good standing with Development Group.

(f) Prepare Annual Report for review and super-majority approval by Participating Developers in good standing with Development Group, incorporating updated Improvement Cost Estimations and annual fee program updates, showing calculation of Fees, as well as summary of significant events, including most if not all items listed above that triggered any sort of transaction.

(g) Deliver approved Annual Report to County and assist County in updating the Fees and Monitor/Direct Payment of Credits/Reimbursements.

(6) Third Party Reimbursement or Construction

(a) Monitor receipt of third party funding/reimbursements and/or third party construction of any Improvements otherwise funded by Fees

(b) Propose adjustments to Fees, as deemed necessary or appropriate, based on any such third party funding/reimbursements or construction

(7) Monitor/Direct Payment of Credits/Reimbursements

(a) Monitor Application of Fee Credits and/or Payment of Fee

Reimbursements

(b) Administer and track all Fee Credit and Fee Reimbursement transfers.

(c) Direct Fee payments/reimbursements by County to applicable Constructing Owners, or transferees.

EXHIBIT 2.5.7

SUMMARY OF DEVELOPER LAND EQUALIZATION PROGRAM

2.5.7.1 Land Dedications. The land dedications to be addressed by the Land Equalization Fee consist of the public land dedications for park sites, County Facilities, on-site infrastructure components (e.g., water tanks and lift stations, but not roadways), and parallel drainage areas (collectively, the **"Public Land Dedications"**) that are planned for the Participating Developers' Properties listed on **Exhibit B** of this Agreement (the **"Participating Properties"**) pursuant to the approved Specific Plan. A map showing the general locations of these Public Land Dedications within the Participating Properties is attached hereto as **Exhibit 2.5.7.A**. Public Land Dedications do not include open space, school sites, or religious use properties, provided, however, that any portion of a religious use property dedicated for an on-site infrastructure component would be included as a Public Land Dedication.

2.5.7.2 Fair Share Allocations. Subject to adjustments as provided herein due to changes in the amount or location of Public Land Dedications and/or the approved land uses used to establish these fair share allocations, based on the approved land uses and Public Land Dedications within the Specific Plan, the table attached hereto as **Exhibit 2.5.7.B** (the **"Fair Share Land Dedication Table"**) lists (i) those Participating Developers (the **"Over-Dedicating Developers"**) whose shares of Public Land Dedications for their Participating Properties are in excess of their fair share allocations of the aggregate Public Land Dedications within the Participating Properties and (ii) those Participating Properties (the **"Under-Dedicating Properties"**) whose shares of Public Land Dedications are less than their fair share allocations of the aggregate Public Land Dedications within the Participating Properties. For each Over-Dedicating Developer, the amount of area by which its Public Land Dedication exceeds its fair share thereof shall be referred to as its **"Excess Land Dedication"** and, for each Under-Dedicating Property, the amount of area by which its Public Land Dedication is less than its fair share thereof shall be referred to as its **"Land Dedication Shortfall."**

These fair share allocations are based on the following factors related to the types of approved land uses and types of Public Land Dedications within the Specific Plan: (i) allocating fair shares of parkland dedications only to residential land uses, based on anticipated population of 2.5 persons per low density and medium density unit, 2.0 persons per high density or mixed use unit, and 1.8 persons per low density, age restricted, active adult use; (ii) counting and allowing a partial credit for private parkland dedications to the extent such parkland credit is allowed by the Specific Plan (for example, the Fair Share Land Dedication Table reflects a 50% credit for the private parkland planned within the age-restricted development of Property 1A, based on the Specific Plan's allowance for such partial credit therefor); (iii) counting and allowing a 50% credit for land dedications under power lines; (iv) allocating the dedications for County Facilities, water tanks and lift stations, based on relative EDUs within each

Participating Property (based on the EDU Table described in Subsection 2.5.7.5 below); and (v) allocating parallel drainage channel land dedications, excluding recovered flood plain areas, on relative developable acreage.

2.5.7.3 Adjustments Due to Land Use and Dedication Changes. These fair share allocations shall be subject to adjustment by the Development Group if and when the amount or location of Public Land Dedications and/or the amount or location of land uses within the Participating Properties upon which these allocations are based are changed during the planning and development of the Project. Such changes may occur as a result of the approval of the Fill Permit described in Section 2.7 of this Agreement, or the processing of any amendments to the Specific Plan in connection with the settlement of legal challenges filed against the County's approval of the Specific Plan, or the relocation of Public Land Dedications within the Specific Plan, or any other amendments to the Public Land Dedications and/or land uses within any one or more of the Participating Properties that are not otherwise addressed by the Shortfall Payment provisions of the PVSP Fee Program. Provided, however, increases to the amount of any Public Land Dedications and/or additional Public Land Dedications voluntarily proposed by Developer and not required by the Specific Plan or by the County in connection with the approval of facilities or improvements to or within the Public Land Dedication areas, and not otherwise associated with a transfer of Public Land Dedications from another Participating Property, shall not be included within the Public Land Dedications and shall be excluded from the Fair Share Land Dedication Table and any adjustments thereto. The purpose of these adjustments is to continue to fairly balance the dedications between Participating Developers (and compensate the Over-Dedicating Owners for their Excess Land Dedications) based on their relative shares of required Public Land Dedications as such requirements evolve during the planning and development of the Project, but not to enable a Participating Developer, or any successor thereto, to either satisfy its Fee Obligation or inflate its Fee Reimbursement by voluntarily agreeing to dedicate more than its share of Public Land Dedications required by the Specific Plan.

From time to time, as and when Public Land Dedications and/or land uses within the Participating Properties are amended, the Development Group, on its own initiative or at the request of the County, shall review and approve any appropriate revisions to the Fair Share Land Dedication Table. Also, as part of the Annual Fee Update described in Subparagraph 2.5.7.5 below, the Development Group shall review and incorporate any appropriate revisions to the Fair Share Land Dedication Table based on any intervening changes in the Public Land Dedications and/or approved land uses that support such adjustments. Developer shall be obligated to notify the Development Group in writing of any changes in the Public Land Dedications and/or approved land uses for the Property within ten (10) days of the County's approval of such changes.

At least ten (10) days prior to approving any such adjustments to the Fair Share Land Dedication Table, the Development Group shall provide written notice of its

proposed adjustments to the County and to all Participating Developers who have then filed a request for notice of any such adjustments with the Development Group. The Development Group shall address and/or incorporate any comments to the proposed adjustments received from the County or Participating Developers, and provide copies of the final adjustments to the Fair Share Land Dedication Table to the County and such Participating Developers. Any such adjustments to the Fair Share Land Dedication Table, and the Excess Land Dedications and Land Dedication Shortfalls related thereto, shall only apply prospectively (i.e., shall not apply to any portion of the Property for which a Land Equalization Fee has already been paid and/or deemed paid), and, unless otherwise agreed to by the Development Group, shall apply to each Participating Property notwithstanding any subsequent division of ownership within a Participating Property. Such adjustments shall be processed, approved and maintained by the Development Group and provided to the County and Participating Developers as implementing the provisions of this Land Equalization Fee program and shall not require any amendment to this Agreement to be effective. Accordingly, no amendment, notice or other such document to revise the Fair Share Land Dedication Table attached as **Exhibit 2.5.7.B** shall be required to be recorded for these adjustments to be effective and binding on Developer and the Property. The Fair Share Land Dedication Table, as adjusted from time to time and maintained by the Development Group pursuant to this Subparagraph 2.5.7.3, shall be binding on Developer and the Property notwithstanding any inconsistencies with the recorded version of **Exhibit 2.5.7.B** attached hereto.

2.5.7.4 Valuation Based on Appraisal. Instead of assigning a fixed, unchanging value to the Public Land Dedications, the value for an acre of Public Land Dedication (as reflected by the Fair Share Land Dedication Table), and the corresponding Land Equalization Fees for Under-Dedicating Properties and Fee Reimbursements for Over-Dedicating Developers to be determined thereby, shall be based on the appraised value, updated annually, of developable low density residential (LDR) property within the Specific Plan (the **"Equivalent LDR Value"**), similar to the valuation assumption used to value school sites for acquisition and for establishment of a Quimby Act park dedication in-lieu fee. Such valuation shall be based on the value of LDR property that is rough graded and developable, but which requires Frontage Improvements and utilities to be installed and stubbed thereto (the costs of which Frontage Improvements being excluded from such valuation due to the inclusion of such costs for reimbursement in the Infrastructure Fee). In the event of any inconsistency between the valuation and appraisal process used for school site acquisitions or park dedication in-lieu fees and the valuation and appraisal process described herein, the provisions of this Section 2.5.7.4 shall control.

The initial Equivalent LDR Value shall be determined within, but not more than, six (6) months prior to the time of payment of the first Land Equalization Fee (i.e., within six (6) months of recordation of the first final small lot map for single family residential use or approval of the first set of improvement plans to improve a site for multifamily or non-residential use in the Specific Plan). This first appraisal of the Equivalent LDR

Value shall be performed and completed for purposes of determining the value of an acre of Public Land Dedication (as reflected by the Fair Share Land Dedication Table) and the corresponding Land Equalization Fees and Fee Reimbursements allocable to each Participating Developer described below. Subject to any additional qualifications or specifications for an appraiser that may be required by the Development Group, the appraisal shall be provided by a certified MAI appraiser with at least five (5) years' experience of valuing similarly situated and entitled real property. If the first appraisal is completed more than six (6) months prior to the time for the first payment of the Land Equalization Fee, the Development Group shall obtain an update or re-appraisal of such appraisal, in the Development Group's discretion, in order to establish the Equivalent LDR Value within said six (6) months of such first payment. Any dispute regarding the Equivalent LDR Value determined by this first appraisal, or any required update or reappraisal thereof, shall be resolved in accordance with the dispute resolution process described in Subparagraph 2.5.7.7 below.

2.5.7.5 Calculation of Initial Land Equalization Fees. Based on the Fair Share Land Dedication Table, as may be adjusted pursuant to the provisions of Subparagraph 2.5.7.3 above, the initial Equivalent LDR Value determined pursuant to Subparagraph 2.5.7.4 above shall be used to determine (i) for each Under-Dedicating Property, the amount, in dollars, of its **"Total Fee Obligation"** determined by multiplying its Land Dedication Shortfall times the Equivalent LDR Value, and (ii) for each Over-Dedicating Developer, the amount, in dollars, of its **"Fee Reimbursement Amount"** determined by multiplying its Excess Land Dedication times the Equivalent LDR Value.

For each Under-Dedicating Property, the Land Equalization Fee shall be determined, on a per EDU basis, by dividing the Under-Dedicating Property's Total Fee Obligation by the total number of EDUs within the Under-Dedicated Property, based on the following EDU table:

Single Family (LDR)	1 EDU per planned unit
Single Family (MDR)	1 EDU per planned unit
Multi Family (HDR/CMU)	0.66 EDU per planned unit
Office	4 EDU per acre
Commercial	5.6 EDU per acre
County Facilities, Schools, Public Facilities	0 EDU

2.5.7.6 Annual Fee Update. Until all Land Equalization Fees have been paid, the appraised Equivalent LDR Value shall be annually updated and/or re-evaluated, the Fair Share Land Dedication Table shall be reviewed for any applicable adjustments pursuant to Subparagraph 2.5.7.3 above, and the corresponding Land Equalization Fees payable by the Under-Dedicating Properties and Fee Reimbursement Amounts payable to the Over-Dedicating Developers shall be adjusted, up or down, based on the updated valuation and the following methodology:

(1) As noted in Subparagraph 2.5.7.4 above, the first appraisal to be used to calculate the initial Land Equalization Fees and Fee Reimbursement Amounts shall be completed within, but not more than, six (6) months prior to the date of the first payment of any Land Equalization Fee;

(2) On an annual basis thereafter, either on the anniversary of the first appraisal or otherwise consistent with the timing of the County's annual update of the New Development Mitigation Fees (the **"Fee Update"**), the Equivalent LDR Value shall be re-appraised by the Development Group, either through an update of the prior appraisal or through a new appraisal for LDR property, as deemed appropriate by MAI appraisal standards to fairly and efficiently establish the updated value of such dedicated property for the Fee Update. Any dispute regarding the land value determined by this appraisal update or new appraisal shall be resolved in accordance with the dispute resolution process described in Subparagraph 2.5.7.7 below;

(3) For the first annual Fee Update, the average of the initial appraisal and the updated appraisal (i.e., the sum of the two values, divided by two) shall be used to establish the new Land Equalization Fees for each Under-Dedicating Property, subject to any intervening adjustments to the Fair Share Land Dedication Table. If no adjustments are made to the Fair Share Land Dedication Table between the initial calculation of the Land Equalization Fees and this first annual Fee Update, then the percentage change between the initial appraisal and such average of the two appraisals can be applied to the initial Land Equalization Fees determined for each Under-Dedicating Property to update the Land Equalization Fees applicable thereto for the following year;

(4) Thereafter, for all subsequent annual Fee Updates, the average of the two prior land valuations and the then-updated or re-appraised land valuation (i.e. the sum of the two preceding valuations and the new valuation, divided by three) shall be used to establish the new Land Equalization Fees, subject to any intervening adjustments to the Fair Share Land Dedication Table. If no adjustments are made to the Fair Share Land Dedication Table between the preceding calculation of the Land Equalization Fees and an annual Fee Update, then the percentage change between the prior year's average valuation and such updated average valuation shall be applied to the then-existing Land Equalization Fees for each Under-Dedicating Property (as previously updated) to update the Land Equalization Fees for the following year;

(5) The foregoing annual land valuation adjustments determined for each Fee Update to update the outstanding Land Equalization Fees for each Under-Dedicating Property shall similarly be applied to adjust the outstanding Fee Reimbursement Amounts payable to the Over-Dedicating Developers,

subject also to any intervening adjustments to the Fair Share Land Dedication Table; and

(6) As and when Land Equalization Fees are paid to the Development Group within an Under-Dedicating Property, such Under-Dedicating Property shall be deemed to have provided an equivalent amount of dedicated acreage towards its fair share obligation, based on the then-appraised average Equivalent LDR Value being used to establish such Fees. Similarly, as and when a fee reimbursement is paid by the Development Group to an Over-Dedicating Developer, such Developer shall be deemed to have received an equivalent amount of dedicated acreage towards its excess fair share, based on the then-appraised average Equivalent LDR Value being used to establish the Fees generating such reimbursement.

2.5.7.7 Appraisal Dispute Resolution. Upon completion of each appraisal or updated appraisal by the Development Group, the Development Group will notify all Current Developers that the appraisal has been completed and include the Equivalent LDR Value determined thereby. Any Current Developer, including any Over-Dedicating Developer, and any Participating Developer of Property 1B, 2, 6 or 8 identified by the Development Group as a "Farmer Member" who is not in breach of any obligations with the Development Group (a "Participating Farmer Developer"), shall have thirty (30) days after delivery of such notice to notify the Development Group of its intent to challenge such valuation, otherwise the appraised value shall be deemed approved by all Participating Developers.

If any Current Developer or Participating Farmer Developer timely delivers a notice of intent to challenge such valuation, the challenging Developer(s) shall meet and confer with representatives of the Development Group to try to reach agreement on such valuation. If the parties are unable to agree on the valuation within 30 days after delivery of the notice of intent to challenge the valuation, the challenging Developer(s) shall retain an independent appraiser and seek to complete its/their appraisal of the Equivalent LDR Value within 60 days after the 30-day meet-and-confer period. Any such appraisal shall be provided by a certified MAI appraiser with at least five (5) years' experience of valuing similarly situated and entitled real property. If the challenging Developer(s)' appraisal is within twenty percent (20%) of the Development Group's appraisal, then the Equivalent LDR Value shall be deemed to be the average of the two appraisals.

If the difference between the two appraisals is greater than 20% of the lower value, then the two appraisers shall, within a period of ten (10) business days after completion of the second appraisal, agree on and appoint a third appraiser with similar experience in valuing such real property; if the two appraisers are unable to timely agree on a third appraiser, the challenging Member(s) may petition the presiding judge of Placer County to select a third appraiser. Within 60 days after the appointment of the

third appraiser, the third appraiser shall complete his or her appraisal of the Equivalent LDR Value and submit his/her report to all the parties. The Equivalent LDR Value for the Fee Update affected by such appraisal shall be determined by either (i) using the third appraiser's valuation, if such appraisal is equal to either of the two preceding appraisals, or (ii) using the average of the two appraisals that are closest in value to each other.

During any initiation of this dispute resolution, until completed and resolved, the Development Group's initial appraisal shall be used in the interim for the applicable Fee Update. Any readjustment based on this dispute resolution process and a corresponding change in the then appraised value for LDR property shall not be applied retroactively with respect to any Land Equalization Fees paid in the interim, but shall be applied to revise the Land Equalization Fees and Fee Reimbursement Amounts only when the dispute resolution process is completed.

2.5.7.8 Timing of Payment of Fee. The Land Equalization Fee shall be paid to the Development Group prior to County approval for recordation of each final small-lot map for single-family residential development or approval of improvement plans for each multi-family or commercial development. Upon receipt of such payment, the Development Group shall provide written confirmation to the Developer and the County that the Land Equalization Fee corresponding to such proposed development has been received from Developer. Developer acknowledges that, if Developer fails to pay a Land Equalization Fee otherwise payable by Developer when due under this fee program, then the Development Group will have the right to revoke the Developer's Good Standing Certificate until such payment is made. The Development Group will notify the County immediately of the revocation. Developer acknowledges and agrees that upon such notification, the County will be authorized to cease processing any Final Development Entitlements, including without limitation, any final small-lot subdivision map or improvement plans submitted by the Developer or requested by Developer whose Good Standing Certificate has been revoked and will only recommence processing any such entitlements upon written notification from the Development Group that the certificate has been reinstated.

Developer hereby waives and releases the County from any and all rights, claims, actions or liabilities for damages, specific performance or any other relief or remedy otherwise available hereunder or in law or in equity if the County refuses to approve for recordation a final small lot map, or issue a building permit for single family or multifamily development or approve improvement plans for office or commercial development on the basis of Developer's failure to provide a Good Standing Certificate.

2.5.7.9 Administration Costs Included in Fee. In addition to the amounts to be included in the Land Equalization Fee to fund the Fee Reimbursement Amounts, the Development Group may include for recovery from the Fee program the costs to administer this Fee, including all costs to obtain and/or update appraisals of the

Equivalent LDR Value, to review, adjust and maintain the Fair Share Land Dedication Table, and calculate, track, collect and distribute the applicable Land Equalization Fees and Fee Reimbursement Amounts.

2.5.7.10 Coordination with Shortfall Payment Obligations. Since the Total Fee Obligation for each Under-Dedicating Property will be allocated within such Property on an EDU basis to determine the Land Equalization Fee payable within such Property, the payment of the corresponding Land Equalization Fee upon recordation of each final small-lot map for single-family development or approval of improvement plans for multi-family or non-residential development will result in a pro-rata share of the Total Fee Obligation being paid as development of an Under-Dedicating Property occurs. Provided, however, where actual development of an Under-Dedicating Property is less than the planned density approved therefor, the Shortfall Payment provisions of the PVSP Fee Program shall apply to the amount of the Land Equalization Fee to be paid by such development to the Development Group in the same manner as a Shortfall Payment would be required in connection with the payment of the PVSP Fees to the County by such development.

2.5.7.11 Timing of Payment of Fee Reimbursements. The Development Group shall pay to the Over-Dedicating Developers, on a regularly scheduled basis as determined by the Development Group, but not less than quarterly, a pro rata share of all Land Equalization Fees received by the Development Group in the prior quarter, or other such regularly scheduled period for collection and payment. Such pro-rata payments shall be based on the Over-Dedicating Developers' relative shares of outstanding Fee Reimbursement Amounts, as revised from time to time based the annual Fee Update and any adjustments to the Fair Share Land Dedication Table. The Development Group's liability for such payments shall be limited to the Land Equalization Fees received thereby.

2.5.7.12 Fee Reimbursements Personal to Developers and Assignable as Credits. The right to receive Fee Reimbursement Amounts shall be personal to each Over-Dedicating Developer and shall not run with the Over-Dedicating Property. The Fee Reimbursement Amounts, or any portion thereof, may be assigned, in whole or in part, by any Over-Dedicating Developer to any other Participating Developer, or successor thereto, upon notice to the Development Group. The terms for any such assignment shall be private as between the assigning and receiving parties. Any such assigned Fee Reimbursement Amount may then be used by the assignee as credits against the obligation to pay the Land Equalization Fee with respect to any development within the Specific Plan. Until applied as credits, the assigned share of a Fee Reimbursement Amount shall be subject to annual adjustments and the assignee thereof shall be entitled to receive its applicable share of any subsequent Fee Reimbursement payments from the Development Group. Once applied as credits or paid in reimbursement, the amount of such applied or reimbursed Fee Reimbursement

Amount will no longer be included in any subsequent distribution calculations or payments.

2.5.7.13 Term and Survival of Land Equalization Fee Program. The Land Equalization Fee Program to be administered pursuant to this Exhibit 2.5.7 shall continue until full buildout of the Specific Plan and the collection of all Land Equalization Fees and distribution of all Fee Reimbursement Amounts, and shall survive the termination of this Agreement.

2.5.7.14 Support for Final Payment of Fee Reimbursements After 25 Years. The parties acknowledge that Fee Reimbursement Amounts may remain outstanding for 25 years or more after the first payment of the Land Equalization Fee. Accordingly, the Participating Developers and the Development Group shall use good faith efforts to explore the feasibility of funding the balance of any Fee Reimbursement Amounts outstanding beyond 25 years from the first payment of the Land Equalization Fee through alternative funding sources supported by development of the Plan Area, including seeking support from the County to allow funding of payments from any bonding and/or pay-as-you-go tax proceeds from any Plan Area community facilities district. Any such advance funding of the outstanding Fee Reimbursement Amounts from a financing district or alternative funding source shall not terminate the continuing obligation of an Under-Dedicating Property to pay its Land Equalization Fees, unless the advance funding is provided, in whole or in part, by the Under-Dedicating Property through its participation in the alternative funding source such that a credit against such obligation may be appropriate.

2.5.7.15 Application to Non-Participating Owners. With regards to a landowner within the Specific Plan who is not a Participating Developer, excluding owners within the SPA (a **"Non-Participating Owner"**), in consideration of the benefits derived by the Non-Participating Owner's property by the land dedications made by the Participating Developers, County shall require payment, to the fullest extent permitted by law, to the Development Group (or to the County for payment to the Development Group) from each Non-Participating Owner of a similar Land Equalization Fee and/or land equalization payment, payable at the time of development described above for payments of the Land Equalization Fee by Participating Developers. The Land Equalization Fee or equivalent land equalization payment for each Non-Participating Owners property shall be based on such property's fair share shortfall allocation, assuming all landowners within the Specific Plan were sharing in the Public Land Dedications and the fair shares were allocated in the same manner used to establish the Land Equalization Fees to be paid by and between the Participating Developers. Based on the land uses set forth in the approved Specific Plan, and subject to adjustments based on changes in the approved land uses and in the Public Land Dedications within the Specific Plan, the fair share Public Land Dedication shortfall allocations for the Non-Participating Owners, assuming all landowners within the Specific Plan were participating in such dedications, are set forth in **Exhibit 2.5.7.C**

attached hereto (the **"Plan-wide Fair Share Dedication Table"**). Subject to review and approval by the County in the County's discretion, the Plan-wide Fair Share Dedication Table shall be subject to adjustment and shall be maintained by the Development Group in the same manner as the Fair Share Land Dedication Table pursuant to Subparagraph 2.5.7.3 and, therefore, may differ from the recorded version thereof.

Upon receipt of any such Land Equalization Fees or equivalent land equalization payments from a Non-Participating Owner, the Development Group shall confirm receipt of such payment. The Development Group shall be solely responsible for allocating such payment to the Participating Developers. The Development Group shall allocate any such payments to the Participating Developers as members of the Development Group, based on the portions of the payment allocable to shortfall(s) within the Public Land Dedication categories (i.e., to shortfalls in parks, other public lands, or parallel drainage channel dedications by such property) and the relative sharing thereof between the Participating Developers set forth in the Fair Share Land Dedication Table for the Participating Developers (as adjusted as of the time of such payment) and subject to the terms of the operating agreement for the Development Group. The receipt of any such payment from a Non-Participating Owner shall not be credited against or affect or reduce the Land Equalization Fees to be paid by the Under-Dedicating Properties, unless otherwise consented to by the Over-Dedicating Developers. With respect to any such land equalization payments from Non-Participating Owners, County shall fully satisfy any obligation to Developer and the other Participating Developers by causing such payment to be made to the Development Group (or paying any such payments received by the County to the Development Group) and shall have no obligation or liability to Developer for any claim that Developer is entitled to any share of such land equalization payments paid by the Non-Participating Owners or for any excess land dedications by Developer, and Developer expressly hereby waives any right to such claim against County.

2.5.7.16 Optional Assumption of Program by County. County may at any time, at its sole discretion and option, and without any obligation to do so, elect to assume the administration of this Land Equalization Fee Program from the Development Group. Any such assumption shall be deemed effective upon delivery of written notice from the County to the Development Group and the Participating Developers of such assumption and shall not require an amendment to this Agreement to be effective. Upon any such County assumption of administration of this Land Equalization Fee Program, all references to the Development Group performing any administrative duties hereunder shall be deemed assumed by the County and where the Development Group is required under this Section to give any notice to Developer in connection with the administration of the Fee Program, the County shall also provide a copy of such notice to the Development Group.

EXHIBIT 2.5.5.5-A

Map of Public Land Dedications within Participating Properties

[Attached]*

* The public land dedications on the maps attached hereto are based on the approved land uses within the Specific Plan as of the Effective Date hereof and are subject to revision based on changes to land uses and/or public land dedications.

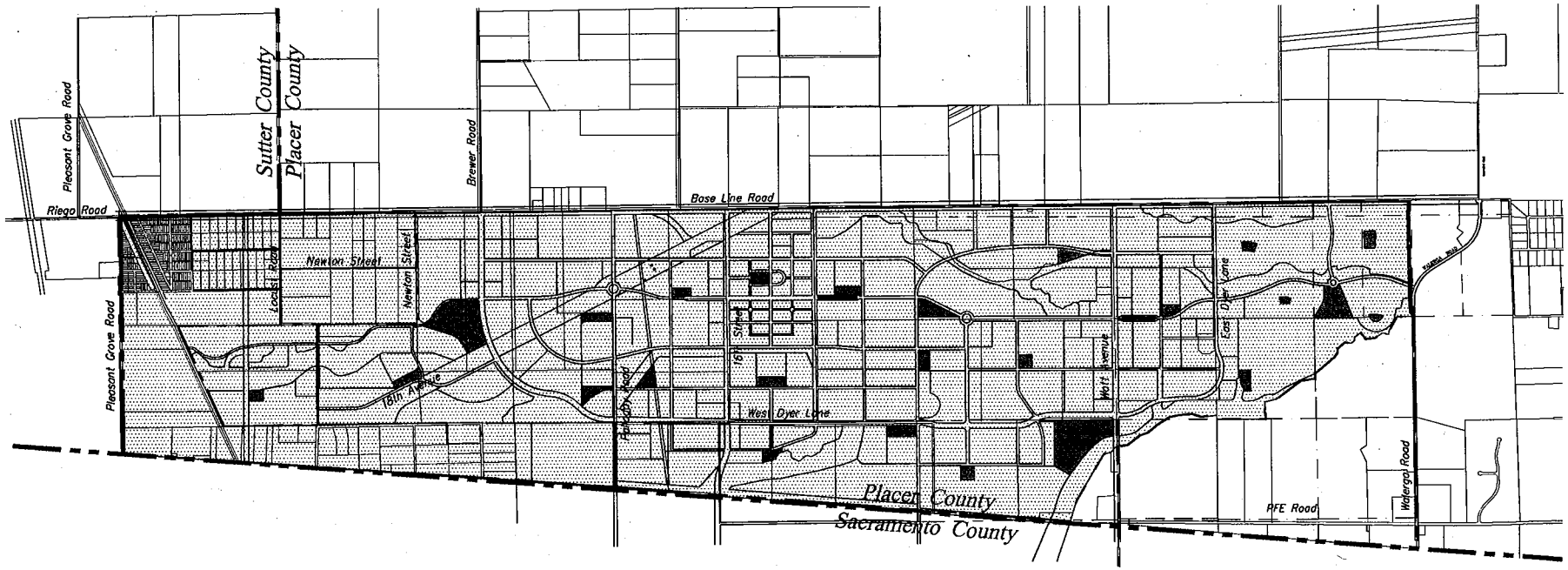
EXHIBIT 2.5.7.A
PUBLIC LAND DEDICATIONS
PLACER VINEYARDS SPECIFIC PLAN

Placer County, California

October, 2014

LEGEND:

- Park Sites
- Specific Plan Area
- SPA Boundary



MACKAY & SOMPS
CIVIL ENGINEERS, INC.
CIVIL ENGINEERING • LAND PLANNING • LAND SURVEYING
ROSEVILLE, CALIFORNIA

0 2000 4000 8000

SCALE: 1" = 4000'

PARKS

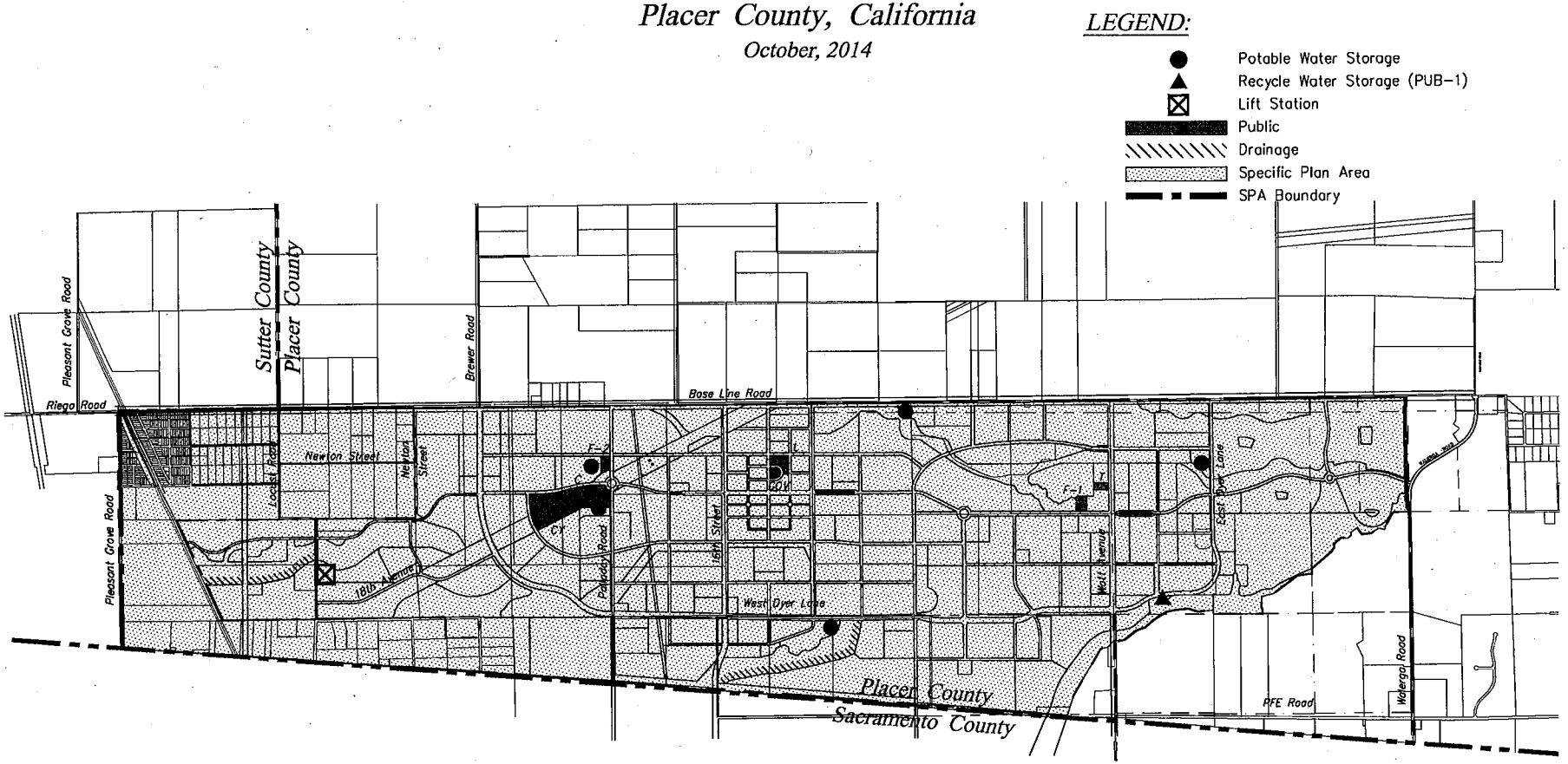
SHEET 1 OF 2

10-01-2014 08:26:57 a.jones P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Public Land Dedication\PVFP-park_sites.dwg
(1) P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Blueprint-pv-base-Oct-12.dwg (2) P:\18156_Overall\MstrPln\Bases\MS_EDAV-baseplan-JUNE-14-MODIFIED.dwg

EXHIBIT 2.5.7.A
PUBLIC LAND DEDICATIONS
PLACER VINEYARDS SPECIFIC PLAN

Placer County, California

October, 2014



MACKAY & SOMPS
CIVIL ENGINEERS, INC.
CIVIL ENGINEERING • LAND PLANNING • LAND SURVEYING
ROSEVILLE, CALIFORNIA

0 2000 4000 8000

SCALE: 1"=4000'

PUBLIC / INFRASTRUCTURE / DRAINAGE

SHEET 2 OF 2

10-01-2014 08:24:38 a.jones P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Public Land Dedication\PVFP-infrastructure_drainage.dwg
[1] P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Blueprint-pv-base-Oct-12.dwg [2] P:\18156_Overall\MstrPln\Bases\MS_EDAW-baseplan-JUNE-14-MODIFIED.dwg

EXHIBIT 2.5.7.B

Fair Share Land Dedication Table
(All Participating Properties)

[Attached]

CAUTION*

THE ATTACHED TABLES ARE ILLUSTRATIVE ONLY, SUBJECT TO REVISION BY THE DEVELOPMENT GROUP BASED ON CHANGES IN LAND USES AND/OR LAND DEDICATIONS, AND CANNOT BE RELIED UPON AS DEFINITIVE WITH RESPECT TO THE PROPERTY'S LAND EQUALIZATION FEE OBLIGATIONS

* The fair share public land dedication allocations between Participating Developers' Properties on the tables attached hereto are based on the approved land uses within the Specific Plan as of the Effective Date hereof and are subject to revision based on changes to land uses and/or public land dedications. As more particularly provided in Section 2.5.7.3 of the Agreement, any such revisions shall be processed and maintained by the Development Group as part of its administration of the Land Equalization Fee program, without having to record an amendment, notice or other such document to this Development Agreement to be effective.

Developer and successors thereto are advised to review and/or confirm with the Development Group the status of the Table as applied to the Property for any and all adjustments that may be made from time to time by the Development Group.

EXHIBIT 2.5.7.B
PLACER VINEYARDS SPECIFIC PLAN
LAND COST ALLOCATION BY OWNER - SUMMARY
(CALCULATION EXCLUDING NON-PARTICIPANTS)

Property ID#	Property Owner	Parks			Public And Infrastructure			Drainage Parallel Channel			TOTAL AREA DIFFERENTIAL	Property ID#
		Park Area Provided	Park Area Allocation	Park Area Differential	Public / Infrastructure Area Provided	Public / Infrastructure Area Allocation	Public/ Infrastructure Area Differential	Net Impact Area Provided	Net Impact Area Allocation	Net Impact Area Differential		
1A	Placer 400 Investors, LLC	22.0	8.1	2.9	0.0	4.1	-4.1	0.0	1.4	-1.4	-2.6	1A
1B	Hodel	0.0	2.9	-2.9	2.2	1.0	1.2	0.0	0.2	-0.2	-1.9	1B
2	Mourier	3.0	4.9	-1.9	0.0	1.7	-1.7	0.0	0.5	-0.5	-4.1	2
3	Baseline & Watt, LLC	0.0	2.9	-2.9	1.1	1.6	-0.5	0.0	0.3	-0.3	-3.7	3
4A	B & W 60, L.P.	0.0	0.0	0.0	0.0	1.4	-1.4	0.0	0.3	-0.3	-1.7	4A
4B	LDK-AREP III Placer Owner, LLC	3.5	3.6	-0.1	0.7	2.0	-1.3	0.0	0.4	-0.4	-1.8	4B
6	Shadwick	0.0	1.2	-1.2	1.5	0.5	1.0	0.0	0.1	-0.1	-0.3	6
7	BHT II Northern Cal 1	10.0	18.7	-8.7	7.0	6.4	0.6	0.0	1.3	-1.3	-9.3	7
8	Millspin Investments L.P.	30.0	2.8	27.2	0.0	1.0	-1.0	0.0	0.4	-0.4	25.8	8
9	Placer 1 Owners Receivership	9.0	11.8	-2.8	2.7	4.2	-1.5	5.8	1.2	4.6	0.3	9
10	Frank Stathos	4.0	11.5	-7.5	0.0	4.1	-4.1	0.0	0.9	-0.9	-12.5	10
11	PGG Properties	1.5	2.6	-1.1	0.0	1.0	-1.0	3.6	0.2	3.3	1.3	11
12A	IL Centro, LLC	3.5	9.9	-6.4	7.0	4.1	2.9	0.0	0.8	-0.8	-4.2	12A
12B	Placer 102, LLC	4.0	4.5	-0.5	0.0	1.6	-1.6	0.0	0.4	-0.4	-2.6	12B
14	D.F. Properties, Inc.	0.0	0.7	-0.7	0.0	1.1	-1.1	0.0	0.3	-0.3	-2.0	14
15	Palladay Greens, LLC	3.5	10.4	-6.9	0.0	3.7	-3.7	0.0	0.8	-0.8	-11.4	15
16	Placer Vineyards Dev. Group, LLC	0.0	3.4	-3.4	0.0	1.2	-1.2	0.0	0.3	-0.3	-4.9	16
17	Sioukas Family Partners L.P.	0.0	1.0	-1.0	0.0	0.4	-0.4	0.0	0.1	-0.1	-1.4	17
19	Lennar Winncrest, Baseline A&B	45.0	23.3	21.7	30.2	9.1	21.1	0.0	2.9	-2.9	39.9	19
21	Pandeleon	0.0	0.5	-0.5	0.0	0.2	-0.2	0.0	0.0	0.0	-0.7	21
23	PMF5C	0.0	2.6	-2.6	0.0	0.9	-0.9	0.0	0.3	-0.3	-3.8	23
24	Pandeleon, et al	2.0	2.8	-0.8	0.0	1.0	-1.0	4.0	0.3	3.7	1.8	24
		141.0	130.0	0.0	52.4	52.4	0.0	13.4	13.4	0.0	0.0	

NOTES
1) 22 acres of parks in the active adult community (Property #1A) are private. (11 acres are credited towards the parks requirement).
2) 21.7 Acres of Public Land in ownership 19 is located under power lines in tower corridor.
3) Land beneath power lines valued at 0.5 Acre Per 1.0 Acre.
4) Public and Infrastructure land obligations have been allocated to property owners based on an EDU basis.
5) Drainage Parallel Channel land obligations have been allocated to property owners based on a net acreage (Gross Area - Open Space) basis.
6) Numbers may not add due to round-off.

EXHIBIT 2.5.7.B
PLACER VINEYARDS SPECIFIC PLAN
LAND COST ALLOCATION BY OWNER
(CALCULATION EXCLUDING NON-PARTICIPANTS)

Property ID#	Property Owner	LDR	MDR	HDR	CMU	TOTAL	Number of Residents	Parks			EDU's		Public and Infrastructure			
								Park Area Provided (AC)	Park Area Allocation (AC)	Park Area Differential (AC)	EDU's	Percentage	Public Area Provided		Infrastructure Area Provided	
													Area (AC)	Parcel ID	Area (AC)	Infrastructure Use
1A	Placer 400 Investors, LLC	931				931	1676	22.0	8.1	2.9	931	7.9%				
1B	Hodel	35	128	90		253	588	0.0	2.9	-2.9	222	1.9%			2.2	Water Storage Tank
2	Mourier	289	115			404	1010	3.0	4.9	-1.9	383	3.2%				
3	Baseline & Watt, LLC		153	105		258	593	0.0	2.9	-2.9	362	3.1%			1.1	Water Storage Tank
4A	B & W 60; L.P.					0	0	0.0	0.0	0.0	315	2.7%				
4B	LDK-AREP III Placer Owner, LLC		225		88	313	739	3.5	3.6	-0.1	457	3.9%			0.7	Water Storage Tank
6	Shadwick		102			102	255	0.0	1.2	-1.2	102	0.9%			1.5	PUB-1
7	BHT II Northern Cal 1		912	698	82	1692	3840	10.0	18.7	-8.7	1436	12.2%	4.5	T, F1	2.5	Water Storage Tank
8	Millspin Investments L.P.	112	117			229	573	30.0	2.8	27.2	229	1.9%				
9	Placer 1 Owners Receivership	515	359	120		994	2425	9.0	11.8	-2.8	954	8.1%			2.7	Water Storage Tank
10	Frank Stathos		819	158		977	2364	4.0	11.5	-7.5	923	7.8%				
11	PGG Properties	81	134			215	538	1.5	2.6	-1.1	215	1.8%				
12A	IL Centro, LLC			871	144	1015	2030	3.5	9.9	-6.4	924	7.8%	7.0	L, GOV		
12B	Placer 102, LLC		342		38	380	931	4.0	4.5	-0.5	371	3.1%				
14	D.F. Properties, Inc.		58			58	145	0.0	0.7	-0.7	243	2.1%				
15	Palladay Greens, LLC	70	639	150	38	897	2149	3.5	10.4	-6.9	837	7.1%				
16	Placer Vineyards Dev. Group, LLC	151	126			277	693	0.0	3.4	-3.4	277	2.3%				
17	Sioukas Family Partners L.P.	42	38			80	200	0.0	1.0	-1.0	80	0.7%				
19	Lennar Winncrest, Baseline A&B	343	1148	345	189	2025	4796	45.0	23.3	21.7	2049	17.4%	33.0	F2, C, CY	8.0	Water Storage Tanks,
21	Pandeleon	37				37	93	0.0	0.5	-0.5	37	0.3%				
23	PMF5C	173	41			214	535	0.0	2.6	-2.6	214	1.8%				
24	Pandeleon, et al	182	52			234	585	2.0	2.8	-0.8	234	2.0%				
		2961	5508	2537	579	11585	26758	141.0	130.0	0.0	11795	100.0%	44.5		18.7	

NOTES
1) Land use acreages for Public and Parks are from the Placer Vineyards Land Use Ownership/Base Plan - Revision 10 - table dated July 2007 prepared by EDAW.
2) Land use acreages are preliminary and subject to change during final design and mapping.
3) New Residents: LDR (Property 1A) = 1.8 / Unit, LDR = 2.5 / Unit, MDR = 2.5 / Unit, HDR = 2.0 / Unit, CMU = 2.0 / Unit
4) Average park area per 1000 residents = 141.0 / (26758 / 1000) = 5.27 Acres
5) 22 acres of parks in the active adult community (Property #1A) are private. (11 acres are credited towards the parks requirement).
6) Average required park area per 1000 residents = 130.0 / (26758 / 1000) = 4.858 Acres (Rate used to calculate Park Area Differential)
7) 21.7 Acres of Public Land in ownership 19 is located under power lines in tower corridor.
8) Land beneath power lines valued at 0.5 Acre Per 1.0 Acre.
9) Public land values does not include Religious parcels.
10) Public and Infrastructure land costs have been allocated to property owners based on an EDU basis.
11) Developable Acreage = Gross Acreage less Open Space Acreage
12) Numbers may not add due to round-off.

EXHIBIT 2.5.5.5-B
PLACER VINEYARDS SPECIFIC PLAN
LAND COST ALLOCATION BY OWNER
(CALCULATION EXCLUDING NON-PARTICIPANTS)

Public and Infrastructure			Developable Acreage		Drainage Parallel Channel					TOTAL AREA DIFFERENTIAL (AC)	Property ID#
Total Public/ Infrastructure Area Provided (AC)	Public/ Infrastructure Area Allocation (AC)	Public/ Infrastructure Area Differential (AC)	Area (AC)	Percentage	Total Impact Area Provided (AC)	Recovered Flood Plain Area (AC)	Net Impact Area Provided (AC)	Net Impact Area Allocation (AC)	Net Impact Area Differential (AC)		
	4.1	-4.1	314.0	10.21%				1.4	-1.4	-2.6	1A
2.2	1.0	1.2	52.0	1.69%				0.2	-0.2	-1.9	1B
	1.7	-1.7	119.0	3.87%				0.5	-0.5	-4.1	2
1.1	1.6	-0.5	74.5	2.42%				0.3	-0.3	-3.7	3
	1.4	-1.4	65.0	2.11%				0.3	-0.3	-1.7	4A
0.7	2.0	-1.3	94.2	3.06%				0.4	-0.4	-1.8	4B
1.5	0.5	1.0	21.0	0.68%				0.1	-0.1	-0.3	6
7.0	6.4	0.6	295.0	9.59%				1.3	-1.3	-9.3	7
	1.0	-1.0	95.5	3.10%				0.4	-0.4	25.8	8
2.7	4.2	-1.5	269.7	8.77%	7.4	1.6	5.8	1.2	4.6	0.3	9
	4.1	-4.1	215.0	6.99%				0.9	-0.9	-12.5	10
	1.0	-1.0	51.5	1.67%	3.6		3.6	0.2	3.3	1.3	11
7.0	4.1	2.9	176.0	5.72%				0.8	-0.8	-4.2	12A
	1.6	-1.6	95.5	3.10%				0.4	-0.4	-2.6	12B
	1.1	-1.1	60.0	1.95%				0.3	-0.3	-2.0	14
	3.7	-3.7	179.0	5.82%				0.8	-0.8	-11.4	15
	1.2	-1.2	78.0	2.54%				0.3	-0.3	-4.9	16
	0.4	-0.4	19.5	0.63%				0.1	-0.1	-1.4	17
30.2	9.1	21.1	657.0	21.35%				2.9	-2.9	39.9	19
	0.2	-0.2	10.5	0.34%				0.0	0.0	-0.7	21
	0.9	-0.9	67.5	2.19%				0.3	-0.3	-3.8	23
	1.0	-1.0	67.5	2.19%	8.2	4.2	4.0	0.3	3.7	1.8	24
52.4	52.4	0.0	3076.9	100.00%	19.2	5.8	13.4	13.4	0.0	0.0	

EXHIBIT 2.5.7.C

Plan-wide Fair Share Dedication Table
(All Specific Plan Properties, Excluding SPA)

[Attached]

CAUTION*

THE ATTACHED TABLES ARE ILLUSTRATIVE ONLY, SUBJECT TO REVISION BY THE DEVELOPMENT GROUP BASED ON CHANGES IN LAND USES AND/OR LAND DEDICATIONS, AND CANNOT BE RELIED UPON AS DEFINITIVE WITH RESPECT TO THE PROPERTY'S LAND EQUALIZATION FEE OBLIGATIONS

* The fair share public land dedication allocations between Participating Developers' Properties on the tables attached hereto are based on the approved land uses within the Specific Plan as of the Effective Date hereof and are subject to revision based on changes to land uses and/or public land dedications. As more particularly provided in Sections 2.5.7.3 and 2.5.7.15 of the Agreement, any such revisions shall be processed and maintained by the Development Group as part of its administration of the Land Equalization Fee program, without having to record an amendment, notice or other such document to this Development Agreement to be effective.

EXHIBIT 2.5.7.C
PLACER VINEYARDS SPECIFIC PLAN
LAND COST ALLOCATION BY OWNER - SUMMARY
CALCULATION INCLUDING NON-PARTICIPANTS

Property ID#	Property Owner	Parks			Public And Infrastructure			Drainage Parallel Channel			TOTAL AREA DIFFERENTIAL	Property ID#
		Park Area Provided	Park Area Allocation	Park Area Differential	Public / Infrastructure Area Provided	Public / Infrastructure Area Allocation	Public/ Infrastructure Area Differential	Net Impact Area Provided	Net Impact Area Allocation	Net Impact Area Differential		
1A	Placer 400 Investors, LLC	22.0	7.3	3.7	0.0	3.5	-3.5	0.0	1.2	-1.2	-1.0	1A
1B	Hodel	0.0	2.6	-2.6	2.2	0.8	1.4	0.0	0.2	-0.2	-1.4	1B
2	Mourier	3.0	4.4	-1.4	0.0	1.4	-1.4	0.0	0.4	-0.4	-3.3	2
3	Baseline & Watt, LLC	0.0	2.6	-2.6	1.1	1.4	-0.3	0.0	0.3	-0.3	-3.1	3
4A	B & W 60, L.P.	0.0	0.0	0.0	0.0	1.2	-1.2	0.0	0.2	-0.2	-1.4	4A
4B	LDK-AREP III Placer Owner, LLC	3.5	3.2	0.3	0.7	1.7	-1.0	0.0	0.4	-0.4	-1.1	4B
5A	Richard Riolo (Non-Participant)	3.0	4.3	-1.3	0.0	1.5	-1.5	0.0	0.4	-0.4	-3.2	5A
5B	Riolo (Non-Participant)	0.0	1.9	-1.9	0.0	0.7	-0.7	0.0	0.2	-0.2	-2.8	5B
5C	Riolo, LP (Non-Participant)	3.0	12.7	-9.7	0.0	4.4	-4.4	0.0	0.9	-0.9	-14.9	5C
6	Shadwick	0.0	1.1	-1.1	1.5	0.4	1.1	0.0	0.1	-0.1	-0.1	6
7	BHT II Northern Cal 1	10.0	16.8	-6.8	7.0	5.4	1.6	0.0	1.1	-1.1	-6.3	7
8	Millspin Investments L.P.	30.0	2.5	27.5	0.0	0.9	-0.9	0.0	0.4	-0.4	26.3	8
9	Placer 1 Owners Receivership	9.0	10.6	-1.6	2.7	3.6	-0.9	5.8	1.0	4.8	2.3	9
10	Frank Stathos	4.0	10.3	-6.3	0.0	3.5	-3.5	0.0	0.8	-0.8	-10.6	10
11	PGG Properties	1.5	2.4	-0.9	0.0	0.8	-0.8	3.6	0.2	3.4	1.7	11
12A	IL Centro, LLC	3.5	8.9	-5.4	7.0	3.5	3.5	0.0	0.7	-0.7	-2.5	12A
12B	Placer 102, LLC	4.0	4.1	-0.1	0.0	1.4	-1.4	0.0	0.4	-0.4	-1.8	12B
13	Cabral, et al (Non-Participant)	3.0	2.3	0.8	0.0	1.0	-1.0	0.0	0.3	-0.3	-0.5	13
14	D.F. Properties, Inc.	0.0	0.6	-0.6	0.0	0.9	-0.9	0.0	0.2	-0.2	-1.8	14
15	Palladay Greens, LLC	3.5	9.4	-5.9	0.0	3.2	-3.2	0.0	0.7	-0.7	-9.7	15
16	Placer Vineyards Dev. Group, LLC	0.0	3.0	-3.0	0.0	1.0	-1.0	0.0	0.3	-0.3	-4.4	16
17	Sioukas Family Partners L.P.	0.0	0.9	-0.9	0.0	0.3	-0.3	0.0	0.1	-0.1	-1.2	17
18	Mamood Nasseri (Non Participant)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	18
19	Lennar Winncrest, Baseline A&B	45.0	21.0	24.0	30.2	7.7	22.4	0.0	2.5	-2.5	44.0	19
20	Jack Garfield (Non-Participant)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20
21	Pandeleon	0.0	0.4	-0.4	0.0	0.1	-0.1	0.0	0.0	0.0	-0.6	21
22	Slight (Non-Participant)	0.0	0.8	-0.8	0.0	0.3	-0.3	0.0	0.1	-0.1	-1.1	22
23	PMF5C	0.0	2.3	-2.3	0.0	0.8	-0.8	0.0	0.3	-0.3	-3.4	23
24	Pandeleon, et al	2.0	2.6	-0.6	0.0	0.9	-0.9	4.0	0.3	3.7	2.3	24
		150.0	139.0	0.0	52.4	52.4	0.0	13.4	13.4	0.0	0.0	

NOTES
1) 22 acres of parks in the active adult community (Property #1A) are private. (11 acres are credited towards the parks requirement).
2) 21.7 Acres of Public Land in ownership 19 is located under power lines in tower corridor.
3) Land beneath power lines valued at 0.5 Acre Per 1.0 Acre.
4) Public And Infrastructure land obligations have been allocated to property owners based on EDU basis.
5) Drainage Parallel Channel land obligations have been allocated to property owners based on a net acreage (Gross Area - Open Space) basis.
6) Numbers may not add due to round-off.

EXHIBIT 2.5.5.5-C
PLACER VINEYARDS SPECIFIC PLAN
LAND COST ALLOCATION BY OWNER
(CALCULATION INCLUDING NON-PARTICIPANTS)

Property ID#	Property Owner	LDR	MDR	HDR	CMU	TOTAL	Number of Residents	Parks			EDU's		Public and Infrastructure			
								Park Area Provided (AC)	Park Area Allocation (AC)	Park Area Differential (AC)			Public Area Provided		Infrastructure Area Provided	
											EDU's	Percentage	Area (AC)	Parcel ID	Area (AC)	Infrastructure Use
1A	Placer 400 Investors, LLC	931				931	1676	22.0	7.3	3.7	931	6.7%				
1B	Hodel	35	128	90		253	588	0.0	2.6	-2.6	222	1.6%			2.2	Water Storage Tank
2	Mourier	289	115			404	1010	3.0	4.4	-1.4	383	2.8%				
3	Baseline & Watt, LLC		153	105		258	593	0.0	2.6	-2.6	362	2.6%			1.1	Water Storage Tank
4A	B & W 60, L.P.					0	0	0.0	0.0	0.0	315	2.3%				
4B	LDK-AREP III Placer Owner, LLC		225		88	313	739	3.5	3.2	0.3	457	3.3%			0.7	Water Storage Tank
5A	Richard Riolo (Non-Participant)	230	106	75		411	990	3.0	4.3	-1.3	385	2.8%				
5B	Riolo (Non-Participant)	74	103			177	443	0.0	1.9	-1.9	177	1.3%				
5C	Riolo, LP (Non-Participant)	250	562	375	57	1244	2894	3.0	12.7	-9.7	1154	8.3%				
6	Shadwick		102			102	255	0.0	1.1	-1.1	102	0.7%			1.5	PUB-1
7	BHT II Northern Cal 1		912	698	82	1692	3840	10.0	16.8	-6.8	1436	10.4%	4.5	T, F1	2.5	Water Storage Tank
8	Millspin Investments L.P.	112	117			229	573	30.0	2.5	27.5	229	1.7%				
9	Placer 1 Owners Receivership	515	359	120		994	2425	9.0	10.6	-1.6	954	6.9%			2.7	Water Storage Tank
10	Frank Stathos		819	158		977	2364	4.0	10.3	-6.3	923	6.7%				
11	PGG Properties	81	134			215	538	1.5	2.4	-0.9	215	1.6%				
12A	IL Centro, LLC			871	144	1015	2030	3.5	8.9	-5.4	924	6.7%	7.0	L, GOV		
12B	Placer 102, LLC		342		38	380	931	4.0	4.1	-0.1	371	2.7%				
13	Cabral, et al (Non-Participant)		122	105		227	515	3.0	2.3	0.8	261	1.9%				
14	D.F. Properties, Inc.		58			58	145	0.0	0.6	-0.6	243	1.8%				
15	Palladay Greens, LLC	70	639	150	38	897	2149	3.5	9.4	-5.9	837	6.0%				
16	Placer Vineyards Dev. Group, LLC	151	126			277	693	0.0	3.0	-3.0	277	2.0%				
17	Sioukas Family Partners L.P.	42	38			80	200	0.0	0.9	-0.9	80	0.6%				
18	Mamood Nasseri (Non-Participant)	4				4	10	0.0	0.0	0.0	4	0.0%				
19	Lennar Winncrest, Baseline A&B	343	1148	345	189	2025	4798	45.0	21.0	24.0	2049	14.8%	33.0	F2, C, CY	8.0	Water Storage Tanks,
20	Jack Garfield (Non-Participant)					0	0	0.0	0.0	0.0	0	0.0%				
21	Pandeleon	37				37	93	0.0	0.4	-0.4	37	0.3%				
22	Slight (Non-Participant)		73			73	183	0.0	0.8	-0.8	73	0.5%				
23	PMF5C	173	41			214	535	0.0	2.3	-2.3	214	1.5%				
24	Pandeleon, et al	182	52			234	585	2.0	2.6	-0.6	234	1.7%				
		3519	6474	3092	636	13721	31793	150.0	139.0	0.0	13849	100.0%	44.5		18.7	

NOTES

1) Land use acreages for Public and Parks are from the Placer Vineyards Land Use Ownership/Base Plan - Revision 10 - table dated July 2007 prepared by EDAW.
2) Land use acreages are preliminary and subject to change during final design and mapping.
3) New Residents: LDR (Property 1A) = 1.8 / Unit, LDR = 2.5 / Unit, MDR = 2.5 / Unit, HDR = 2.0 / Unit, CMU = 2.0 / Unit
4) Average park area per 1000 residents = 150.0 / (31793 / 1000) = 4.72 Acres
5) 22 acres of parks in the active adult community (Property #1A) are private. (11 acres are credited towards the parks requirement).
6) Average required park area per 1000 residents = 139.0 / (31793 / 1000) = 4.372 Acres (Rate used to calculate Park Area Differential)
7) 21.7 Acres of Public Land in ownership 19 is located under power lines in tower corridor.
8) Land beneath power lines valued at 0.5 Acre Per 1.0 Acre.
9) Public land values does not include Religious parcels.
10) Public and Infrastructure land costs have been allocated to property owners based on an EDU basis.
11) Developable Acreage = Gross Acreage less Open Space Acreage
12) Numbers may not add due to round-off.

EXHIBIT 2.5.7.C
PLACER VINEYARDS SPECIFIC PLAN
LAND COST ALLOCATION BY OWNER
(CALCULATION INCLUDING NON-PARTICIPANTS)

Public and Infrastructure			Developable Acreage		Drainage Parallel Channel					TOTAL AREA DIFFERENTIAL (AC)	Property ID#
Total Public/ Infrastructure Area Provided (AC)	Public/ Infrastructure Area Allocation (AC)	Public/ Infrastructure Area Differential (AC)	Area (AC)	Percentage	Total Impact Area Provided (AC)	Recovered Flood Plain Area (AC)	Net Impact Area Provided (AC)	Net Impact Area Allocation (AC)	Net Impact Area Differential (AC)		
	3.5	-3.5	314.0	8.82%				1.2	-1.2	-1.0	1A
2.2	0.8	1.4	52.0	1.46%				0.2	-0.2	-1.4	1B
	1.4	-1.4	119.0	3.34%				0.4	-0.4	-3.3	2
1.1	1.4	-0.3	74.5	2.09%				0.3	-0.3	-3.1	3
	1.2	-1.2	65.0	1.83%				0.2	-0.2	-1.4	4A
0.7	1.7	-1.0	94.2	2.65%				0.4	-0.4	-1.1	4B
	1.5	-1.5	106.5	2.99%				0.4	-0.4	-3.2	5A
	0.7	-0.7	51.0	1.43%				0.2	-0.2	-2.8	5B
	4.4	-4.4	239.5	6.73%				0.9	-0.9	-14.9	5C
1.5	0.4	1.1	21.0	0.59%				0.1	-0.1	-0.1	6
7.0	5.4	1.6	295.0	8.29%				1.1	-1.1	-6.3	7
	0.9	-0.9	95.5	2.68%				0.4	-0.4	26.3	8
2.7	3.6	-0.9	269.7	7.58%	7.4	1.6	5.8	1.0	4.8	2.3	9
	3.5	-3.5	215.0	6.04%				0.8	-0.8	-10.6	10
	0.8	-0.8	51.5	1.45%	3.6		3.6	0.2	3.4	1.7	11
7.0	3.5	3.5	176.0	4.95%				0.7	-0.7	-2.5	12A
	1.4	-1.4	95.5	2.68%				0.4	-0.4	-1.8	12B
	1.0	-1.0	67.0	1.88%				0.3	-0.3	-0.5	13
	0.9	-0.9	60.0	1.69%				0.2	-0.2	-1.8	14
	3.2	-3.2	179.0	5.03%				0.7	-0.7	-9.7	15
	1.0	-1.0	78.0	2.19%				0.3	-0.3	-4.4	16
	0.3	-0.3	19.5	0.55%				0.1	-0.1	-1.2	17
	0.0	0.0	1.0	0.03%				0.0	0.0	-0.1	18
30.2	7.7	22.4	657.0	18.46%				2.5	-2.5	44.0	19
	0.0	0.0	0.3	0.01%				0.0	0.0	0.0	20
	0.1	-0.1	10.5	0.30%				0.0	0.0	-0.6	21
	0.3	-0.3	16.0	0.45%				0.1	-0.1	-1.1	22
	0.8	-0.8	67.5	1.90%				0.3	-0.3	-3.4	23
	0.9	-0.9	67.5	1.90%	8.2	4.2	4.0	0.3	3.7	2.3	24
52.4	52.4	0.0	3558.2	100.00%	19.2	5.8	13.4	13.4	0.0	0.0	

EXHIBIT 3.3.6

FORM OF TEMPORARY CONSTRUCTION LICENSE

Recording Requested By and
When Recorded Mail To:

_____
_____
_____
Attn: _____

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

GRANT OF
TEMPORARY CONSTRUCTION LICENSE
(Placer Vineyards Specific Plan)

This Grant of Temporary Construction License (**"License"**) is made as of this _____ day of _____, 200__, by [NAME OF DEVELOPER], a _____ (**"Developer"**) to the COUNTY OF PLACER, a municipal corporation (**"County"**), with respect to the following facts:

Recitals

A. Developer is the owner of certain real property situated in unincorporated Placer County, California, within the development commonly referred to as Placer Vineyards Specific Plan, which property is more particularly described in Exhibit A attached hereto and incorporated hereby (hereafter referred to as the **"Property"**).

B. Developer and County have previously entered into that certain agreement entitled "Development Agreement By and Between The County of Placer and _____, Relative to the Placer Vineyards Specific Plan" (hereinafter the **"Development Agreement"**), which Development Agreement was recorded against the Property on _____, 200__, as Document No. _____. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Development Agreement.

C. Pursuant to Section 3.3.6 of the Development Agreement, Developer agreed to grant to the County, with the right to assign to other Participating Developers or the Development Group, a temporary construction license to permit the construction, by other Participating Developers or the Development Group, of certain Core Backbone Infrastructure, Remaining Backbone Infrastructure, County Facilities, Permanent Drainage Facilities, community and neighborhood parks, and Trail Improvements within the Property, which improvements are more particularly described in the Development Agreement (collectively, the **"Improvements"**). The areas within which these Improvements may be installed have been or will be irrevocably offered for dedication to the County pursuant to Section 3.3.1 of the Development Agreement and are also more particularly described in Exhibit B attached

hereto (collectively, the **"Public Areas"**). The description of the Public Areas in Exhibit B is divided by reference to the specific Improvements that may be installed pursuant to this License within such portions of the Public Areas.

D. In satisfaction of its obligations under Section 3.3.6 of the Development Agreement, Developer desires to grant this License to the County, and the County is willing to accept this License, subject to the terms and conditions hereof.

Grant of Temporary Construction License

1. In consideration of the Development Agreement, Developer hereby grants to County a temporary right of entry on and over the Public Areas, together with the portion(s) of the Property within twenty-five feet (25') of such Public Areas, excluding however, any portions of such additional 25-foot area that would otherwise extend into any graded pads or improvements then constructed within the Property pursuant to the Development Agreement (collectively, the **"Temporary Entry Area"**). The purpose of this grant is to permit the construction and installation of the Improvements designated for the corresponding portions of the Public Areas described in Exhibit B.

2. This grant also includes a temporary right of entry over the Public Areas to maintain and repair each constructed Improvement until such Improvement is accepted for ownership and maintenance by the County.

Character of License

3. The License granted hereby is personal to the County, provided County shall have the right, pursuant to Paragraph 8 below, to assign this License to a Participating Developer(s) or the Development Group.

Description of License

4. The License granted hereby is a temporary right to enter upon the Temporary Entry Area, to store construction equipment and materials within the Temporary Entry Area, to cross over the Temporary Entry Area in connection with the construction of the applicable Improvements within the Public Areas, to perform construction and installation of the Improvements within the applicable Public Areas, and to access the Public Areas after completion of the Improvements to maintain such Improvements until acceptance by the County.

Compliance with All Laws

5. The construction of the Improvements shall comply with all applicable laws, rules and requirements of the County, and any other public entity with jurisdiction thereover, and with any applicable requirements of the Development Agreement.

Term

6. This License shall commence upon the recordation of this License in the Official Records of Placer County. This License shall terminate on the earlier of (i) completion of all Improvements designated in Exhibit B for construction within the Public Areas or (ii) twenty (20) years from the date of recordation of the Development Agreement

(the **"Term"**). The Term of this License may be extended unilaterally by the County upon recordation by the County of a written notice of extension of this License, which notice shall certify that at the time of such extension, the Development Agreement or any other Development Agreement for another Participating Developer, is then in force and effect and an Improvement described in Exhibit B has not then been constructed within the applicable portion of the Public Areas.

Nonexclusive License

7. The right of entry granted in this License is nonexclusive. Developer retains the right to make any use of the Property that does not or will not interfere with the construction or maintenance of the Improvements.

Assignment of Agreement

8. Developer and County acknowledge that County does not intend to construct any of the Improvements pursuant to this License, but instead intends that the Improvements be constructed by the Developer, other Participating Developer(s), or the Development Group. To facilitate such construction by other Participating Developer(s) or the Development Group, after thirty (30) days written notice to Developer (which notice shall describe the Improvement(s) that are the subject of such notice), unless Developer has then commenced or responds that it will be commencing construction of the applicable Improvement(s) within 60 days of such notice, the County shall have the right under the Temporary Construction License to assign the license to any other Participating Developer(s) or the Development Group (the **"County Assignee"**) to construct the Improvement(s) described in such notice.

Indemnity

9. The County shall have no indemnity obligations hereunder to Developer with respect to Improvements that are constructed by County Assignees. Furthermore, Developer acknowledges that the County may accept an IOD previously granted by Developer pursuant to the Development Agreement for purposes of constructing an Improvement, in which case such construction would not be pursuant to this License and the provisions of this License would not apply hereto. Only if County elects to construct an Improvement itself pursuant to this License, without first accepting the IOD related thereto, will County have any indemnity obligations hereunder to Developer.

If the County assigns this license to a County Assignee pursuant to Paragraph 8 above, then the County Assignee shall indemnify, protect, defend and hold harmless Developer for any loss, damage, claim or liability or costs (including reasonable attorneys fees) arising out of the County Assignee's, or the County Assignee's contractors, subcontractors, agents or employees (collectively, the **"County Assignee Parties"**), use of this License, including without limitation, any entry on the Property, construction of the Improvements, or maintenance of the Improvements pursuant to this License, unless such loss, damage, claim, liability or cost arises from the misconduct or negligence of Developer. In particular, and without limitation thereof, the County Assignee shall keep the Property free and clear of any and all mechanics', suppliers' and other similar liens arising out of or in connection with the construction of the Improvements by the County Assignee Parties, and shall pay and discharge when due any and all lawful claims upon which any lien may or could be based. In the event any such liens do attach to the Property, then the County

Assignee shall, immediately upon written notice from Developer, post an appropriate bond or take such other actions as may be necessary to remove the effect of the lien(s). If any such lien(s) is not removed within thirty (30) days of Developer's written notice to do so, then notwithstanding the scheduled term hereof, this License shall be deemed terminated. The County Assignee's duties and obligations under this Paragraph 9 shall survive the expiration or sooner termination of this License.

Insurance

10. Prior to any entry pursuant to this License, the County Assignee shall obtain and maintain liability insurance (in the form of a Commercial General Liability Insurance policy), with a combined single limit of liability not less than ONE MILLION AND NO/100 DOLLARS ($1,000,000.00). Developer shall be named as an additional insured upon such insurance. Upon request of Developer, the County Assignee shall provide adequate proof of such insurance. Such insurance shall be provided by an insurer licensed to do business within the State of California and rated no less than B+ X by A.M. Best.

Miscellaneous

11. This License shall be governed by the laws of the State of California, without regard to conflicts of laws principles. Any action for breach of this License, or to enforce this License, shall be venued in Placer County Superior Court.

12. Should any legal action be brought by either party for breach of this License, 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.

13. Any notice to be given by or to either party hereunder shall be given in the same manner as notice is required to be given in the Development Agreement.

14. The undersigned certify that they are fully authorized by the party whom they represent to enter into this License and able to legally bind such party hereto.

COUNTY:

COUNTY OF PLACER,
a political subdivision

By: _____
_____
Chair, Board of Supervisors

ATTEST:

By: _____
Board Clerk

APPROVED AS TO FORM:

By:_____
County Counsel

DEVELOPER:

[NAME OF LEGAL OWNER OF PROPERTY]
a _____

By:_____
Name:_____
Title:_____

List of Exhibits

Exhibit A	Legal Description of Property
Exhibit B	Description of Public Areas for Designated Improvements

EXHIBIT 3.6.1

PLACER VINEYARDS SPECIFIC PLAN
BACKBONE INFRASTRUCTURE

Road / Traffic Signal Improvements

Road Segment / Location	Improvement
Base Line Road – Pleasant Grove Road (E) to Walerga Road	Widen / reconstruct existing road to six-lane Throughfare per Section A as depicted in Figure 5.3 of the Specific Plan document, including applicable intersection widening, with bike lanes and curb and gutter on both sides of street, and raised median with landscaping. Construct 8-foot Class 1 trail on south side of street between Newton Street and Walerga Road only.
Watt Avenue – Placer County / Sacramento County Line to Base Line Road	Widen / reconstruct existing road to six-lane Throughfare per Section B as depicted in Figure 5.3 of the Specific Plan document, including applicable intersection widening, with bike lanes and curb and gutter on both sides of street, and raised median with landscaping. Construct 8-foot Class 1 trail on west side of street between West Dyer Lane and Base Line Road only.
Watt Avenue Bridge	Remove existing bridge and construct new bridge over Dry Creek. The new bridge shall be constructed to accommodate a six-lane "Thoroughfare" road section.
Watt Avenue – Tolman Lane to Placer County / Sacramento County Line	Widen road to six-lane Thoroughfare per Section B as depicted in Figure 5.3 of the Specific Plan document, including applicable intersection widening, with bike lanes and curb, gutter, and sidewalk on both sides of street.
West Dyer Lane – Base Line Road to Watt Avenue	Construct 4-lane Major Arterial Street per Sections D1 and D2 as depicted in Figure 5.3 of the Specific Plan document, with bike lanes and curb and gutter on both sides of street, 8-foot Class 1 Trail on north side of street only, and raised median with landscaping.
East Dyer Lane – Watt Avenue to Base Line Road	Construct 4-lane Major Arterial Street per Section D2 as depicted in Figure 5.3 of the Specific Plan document, with bike lanes and curb and gutter on both sides of street, 8-foot Class 1 Trail on west side of street only, and raised median with landscaping.
16TH Street – Base Line Road to Town Center Drive	Construct 4-lane Major Arterial Street per Section E2 as depicted in Figure 5.3 of the Specific Plan document, including applicable intersection widening,

	with bike lanes and curb and gutter on both sides of street, 8-foot Class 1 Trail on east side of street only, and raised median with landscaping.
16TH Street - Town Center Drive to West Dyer Lane	Construct 4-lane Major Arterial Street per Section E1 as depicted in Figure 5.3 of the Specific Plan document, including applicable intersection widening, with bike lanes, parallel parking spaces, and curb and gutter on both sides of street, and raised median with landscaping. Construct 8-foot Class 1 Bike Trail between Town Center Drive and South Town Center Drive and 6-foot sidewalk between South Town Center Drive and West Dyer Lane on east side of street only
16TH Street – from West Dyer Lane to Sacramento County	Construct 4-lane Major Arterial Street per Section E1 as depicted in Figure 5.3 of the Specific Plan document, with bike lanes, parallel parking spaces, and curb and gutter on both sides of street, 6-foot sidewalk on west side of street only, and raised median with landscaping.
18TH Street – Locust Road to West Dyer Lane	Construct 2-lane Collector Street per Section G as depicted in Figure 5.3 of the Specific Plan document, with bike lanes, parallel parking spaces, and curb, gutter, and sidewalk on both sides of street.
Palladay Road / A Street – Fire Station Access	Construct 2 – 12 foot lanes with 4-foot AC shoulders.
Palladay Road – from West Dyer Lane to Sacramento County	Construct 4 lane Major Arterial Street per Section E1 as depicted in Figure 5.3 of the Specific Plan document with bike lanes, parallel parking spaces, and curb and gutter on both sides of street, and raised median with landscaping. Construct 8-foot Class 1 Trail on east side of street and 6-foot sidewalk on west side of street.
Locust Road – from 18th Avenue to Placer County / Sacramento County Line.	Construct 4 lane Major Arterial Street per Section E1 as depicted in Figure 5.3 of the Specific Plan document with bike lanes, parallel parking spaces, and curb, gutter and sidewalk on both sides of street, and raised median with landscaping.
Base Line Road / Walerga Road Intersection	Modify / reconstruct existing traffic signal
Base Line Road / Park Street (9TH Street) Intersection	Construct traffic signal
Base Line Road / East Dyer Lane Intersection	Construct traffic signal

Base Line Road / Watt Avenue Intersection	Modify / reconstruct existing traffic signal
Base Line Road / 11TH Street Intersection	Construct traffic signal
Base Line Road / 12TH Street Intersection	Construct traffic signal
Base Line Road / 14TH Street Intersection	Construct traffic signal
Base Line Road / 16TH Street Intersection	Construct traffic signal
Base Line Road / Palladay Road Intersection	Construct traffic signal
Base Line Road / West Dyer Lane Intersection	Construct traffic signal
Base Line Road / Locust Road Intersection	Construct traffic signal
Base Line Road / Riego Road / Pleasant Grove Road Intersection	Construct traffic signal
Riego Road / Pleasant Grove Road Intersection (Sutter County)	Construct traffic signal including applicable intersection widening.
Riego Road / Natomas Road Intersection (Sutter County)	Construct traffic signal including applicable intersection widening
Watt Avenue / A Street Intersection	Construct traffic signal
Watt Avenue / East Town Center Drive Intersection	Construct traffic signal
Watt Avenue / Oak Street Intersection	Construct traffic signal
Watt Avenue / West Dyer Lane Intersection	Construct traffic signal
Watt Avenue / PFE Road Intersection	Construct traffic signal
West Dyer Lane / A Street Intersection	Construct traffic signal
West Dyer Lane / West Town Center Drive	Construct traffic signal

West Dyer Lane / 18TH Street Intersection	Construct traffic signal
West Dyer Lane / Palladay Road Intersection	Construct traffic signal
West Dyer Lane / 16TH Street Intersection	Construct traffic signal
West Dyer Lane / Tanwood Avenue Intersection	Construct traffic signal
West Dyer Lane / 11TH Street Intersection	Construct traffic signal
East Dyer Lane / A Street Intersection	Construct traffic signal
East Dyer Lane / East Town Center Drive Intersection	Construct traffic signal
Palladay Road / A Street Intersection	Construct traffic signal
16Th Street / A Street Intersection	Construct traffic signal
14TH Street / A Street Intersection	Construct traffic signal
12TH Street / A Street Intersection	Construct traffic signal
Walerga Road / West Town Center Drive Intersection	Construct traffic signal
Major Onsite Improvement	Construct Advanced Traffic Signal Operation System

Sanitary Sewer Improvements

Road Segment / Location	Improvement
Watt Avenue – West Dyer Lane to PFE Road	Construct 16" sanitary sewer force main and appurtenances.
West Dyer Lane – Base Line Road to Watt Avenue	Construct gravity trunk sewer system (w/ pipe sizes from 8" to 36") and appurtenances. Construct 16" sanitary sewer force main and appurtenances.
16TH Street – West Dyer Lane to Base Line Road	Construct gravity trunk sewer system (w/ pipe sizes from 8" to 15") and appurtenances.
18TH Street – Locust Road to West Dyer Lane	Construct gravity trunk sewer system (w/ pipe sizes from 8" to 10") and appurtenances.

Locust Road	Construct gravity trunk sewer system (w/ pipe sizes from 12" to 42") and appurtenances. Construct 16" sanitary sewer force main and appurtenances.
Outside Road Right-of-Way – Between West Dyer Lane and Locust Road	Construct gravity trunk sewer system (w/ pipe sizes from 8" to 42") and appurtenances. Construct 16" sanitary sewer force main and appurtenances.
Outside Road Right-of-Way – Adjacent to east side of Locust Road, north of 18TH Street	Construct 5.03 MGD sanitary sewer lift station, appurtenances, including emergency storage facility.
PFE Road – Watt Avenue to Dry Creek Wastewater Treatment Plant	Construct 16" sanitary sewer force main and appurtenances including connection at the Dry Creek Wastewater Treatment Plant.
East Dyer Lane – Base Line Road to Watt Avenue	Construct gravity trunk sewer system (w/ pipe sizes from 8" to 18") and appurtenances.
Outside Road Right-Of-Way – Between East Dyer Lane and Lift Station on adjoining project south of Dry Creek (Riolo Vineyards – proposed)	Construct 18" gravity trunk sewer pipe and appurtenances, including bore and jack crossing beneath Dry Creek.
Outside Road Right-of-Way – On adjoining project south of Dry Creek (Riolo Vineyards – proposed).	Construct 2.37 MGD sanitary sewer lift station, appurtenances, including emergency storage facility.
Outside Road Right-of-Way – Adjacent to southerly side of Dry Creek - Between Lift Station and connection point east of Walerga Road	Construct 12" sanitary sewer force main and appurtenances, including connection to existing force main stub located east of Walerga Road, south of Dry Creek.

Water Improvements

Road Segment / Location	Improvement
Base Line Road – Watt Avenue to Walerga Road	Construct 24" water pipeline with service stubs and appurtenances.
Base Line Road – Newton Street to Watt Avenue	Construct 36" water pipeline with service stubs and appurtenances.
Watt Avenue – PFE Road to Base Line Road	Construct 24" water pipeline with service stubs and appurtenances.
West Dyer Lane – Base Line Road to Watt Avenue	Construct 16" water pipeline with service stubs and appurtenances.

16TH Street – West Dyer Lane to Base Line Road	Construct 12" water pipeline with service stubs and appurtenances.
18TH Street – Locust Road to West Dyer Lane	Construct 12" water pipeline with service stubs and appurtenances.
Palladay Road / A Street – Fire Station Access	Construct 16" water pipeline with service stubs and appurtenances.
5 Locations – A) Adjacent to south side of Base Line Road 5300 feet west of Watt Avenue, B) Adjacent to west side of Palladay Road 2500 feet south of Base Line Road, C) Adjacent to south side of West Dyer Lane 2900 feet east of 16TH Street. D) Adjacent to west side of East Dyer Lane 1800 feet south of A Street, E) Adjacent to west side of Palladay 1800 feet south of A Street	Construct 3.0 MG water storage tank and backup drought reliability system. (Total – 5 storage tanks)
PFE Road – Watt Avenue to Cook Riolo Road	Construct 16" water pipeline with service stubs and appurtenances.
East Dyer Lane – Watt Avenue to Base Line Road	Construct 12" water pipeline with service stubs and appurtenances.

Drainage Improvements

Road Segment / Location	Improvement
Base Line Road – Newton Street to Walerga Road	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 54") including drop inlets, manholes, cross culverts, inlet structures, outlet structures, water quality facilities, and appurtenances.
Base Line Road – Pleasant Grove Road (E) to Newton Street	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 54") including drop inlets, manholes, cross culverts, inlet structures, outlet structures, water quality facilities, and appurtenances.
Watt Avenue – Placer County / Sacramento County Line to Base Line Road	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 60") including drop inlets, manholes, cross culverts, inlet structures, outlet structures, water quality facilities, and appurtenances.
Watt Avenue – Tolman Lane to Placer County / Sacramento County Line	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 48") including drop inlets, manholes, cross culverts, inlet structures, outlet

	structures, water quality facilities, and appurtenances.
West Dyer Lane – Base Line Road to Watt Avenue	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 72") including drop inlets, manholes, cross culverts, inlet structures, outlet structures, water quality facilities, and appurtenances.
16TH Street – West Dyer Lane to Base Line Road	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 54") including drop inlets, manholes, cross culverts, inlet structures, outlet structures, water quality facilities, and appurtenances.
18TH Street – Locust Road to West Dyer Lane	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 54") including drop inlets, manholes, cross culverts, inlet structures, outlet structures, water quality facilities, and appurtenances.
East Dyer Lane – Watt Avenue to Base Line Road	Construct gravity trunk storm drain collection system (w/ pipe sizes from 18" to 54") including drop inlets, manholes, cross culverts, inlet structures, outlet structures, water quality facilities, and appurtenances.
Open Space Corridors - Properties 1A, 1B, 3, 4B, 7, 9, 11, 12A, 12B, 13, 15, 16, 19, 23, and 24	Construct drainway excavation and embankment, fine grading, and revegetation to create drainage conveyances, detention features, and retention features per Placer Vineyards Storm Drain Master Plan.

Recycled Water Improvements

Road Segment / Location	Improvement
Walerga Road – Adjacent to east side of road south of Dry Creek	Construct recycled water booster pump facility.
Walerga Road – South side of Dry Creek to Base Line Road	Construct 24" recycled water pipeline and appurtenances.
Base Line Road – Newton Street to Walerga Road	Construct 24" recycled water pipeline and appurtenances.
Watt Avenue – West Dyer Lane to Base Line Road	Construct 24" recycled water pipeline and appurtenances.
West Dyer Lane – Base Line Road to Watt Avenue	Construct 24" recycled water pipeline and appurtenances.
16TH Street – West Dyer Lane to Base Line Road	Construct 24" recycled water pipeline and appurtenances.
18TH Street – Locust Road to West Dyer Lane	Construct 12" recycled water pipeline and appurtenances.

Southwest corner of the West Dyer Lane / 16TH Street intersection.	Construct recycled water storage tank and appurtenances. Construct recycled water booster pump station.

Dry Utility Improvements

Road Segment / Location	Improvement
Base Line Road – Newton Street to Walerga Road	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.
Base Line Road – Placer County / Sutter County Line to Newton Street	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.
Base Line Road – Sutter County Intersection Improvements	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.
Watt Avenue – Placer County / Sacramento County Line to Base Line Road	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.
West Dyer Lane – Base Line Road to Watt Avenue	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.
16TH Street – West Dyer Lane to Base Line Road	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.
18TH Street – Locust Road to West Dyer Lane	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.

East Dyer Lane – Watt Avenue to Base Line Road	Construct underground dry utility system including conduit, piping, substructures, and appurtenances for electric, telephone, gas, cable television, and streetlight systems, including removal and relocation of existing facilities.

Miscellaneous Improvements

Road Segment / Location	Improvement
All areas of new construction.	Erosion control features including straw wattles, gravel bag inlet protection and hydroseeding.
Open space corridors.	Multi-purpose trail system.

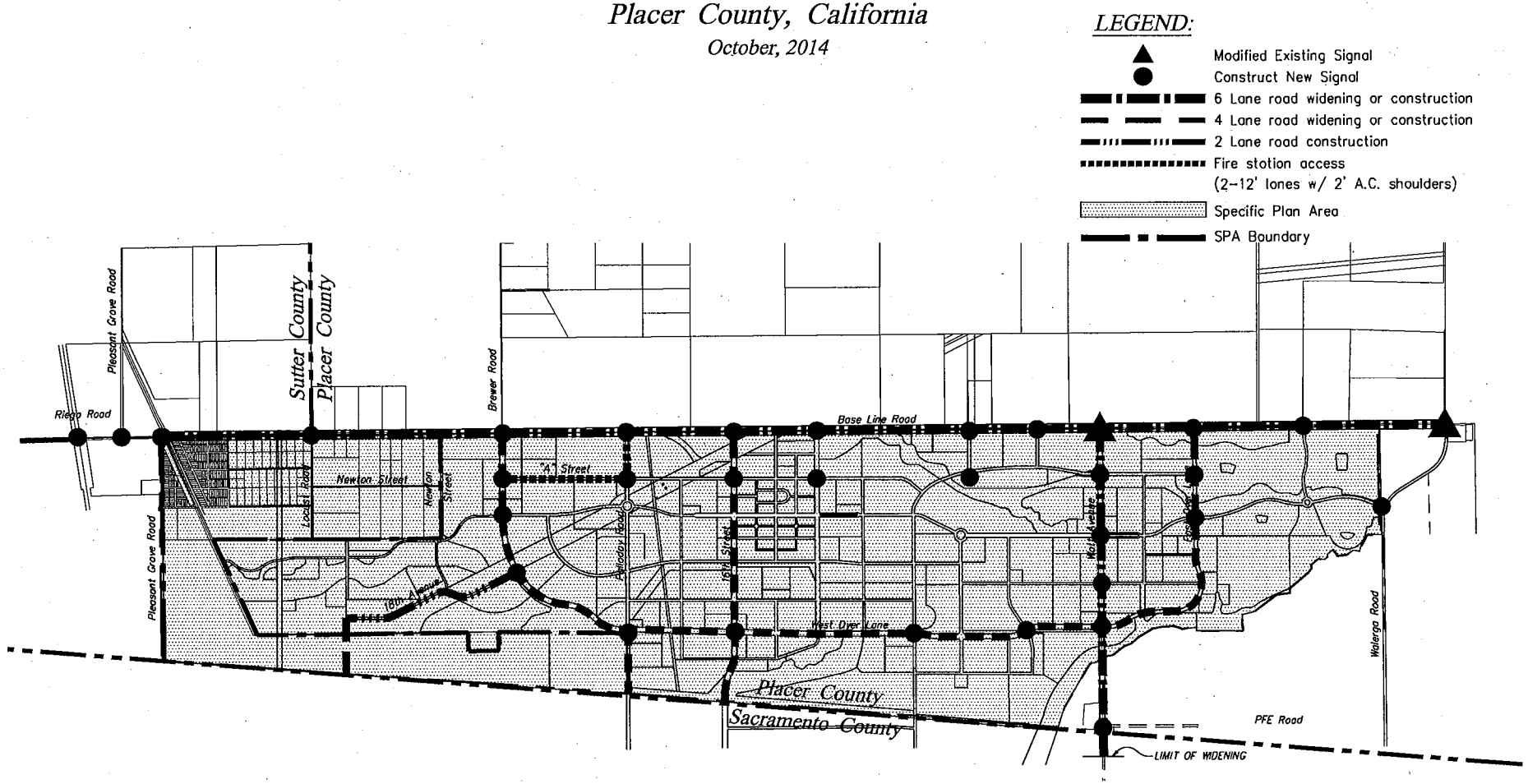
Notes:

- All utility pipe, storage tank, and lift station sizes are based on preliminary conceptual designs and subject to change during final design and public agency approval process.

EXHIBIT 3.6.1
BACKBONE INFRASTRUCTURE
PLACER VINEYARDS SPECIFIC PLAN

Placer County, California

October, 2014



MACKAY & SOMPS
CIVIL ENGINEERS, INC.
CIVIL ENGINEERING • LAND PLANNING • LAND SURVEYING
ROSEVILLE, CALIFORNIA

0 2000 4000 8000

SCALE: 1"=4000'

BACKBONE ROADWAY IMPROVEMENTS

11-10-2014 15:35:32 a.jones P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Infrastrucutre Exhibit 3.6.1\PVFP-Init_Rdway_Imprv_Amended_Agreement.dwg
(1) P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Blueprint-pv-base-Oct-12.dwg (2) P:\18156_Overall\MstrPln\Bases\MS_EDAW-baseplan-JUNE-14-MODIFIED.dwg

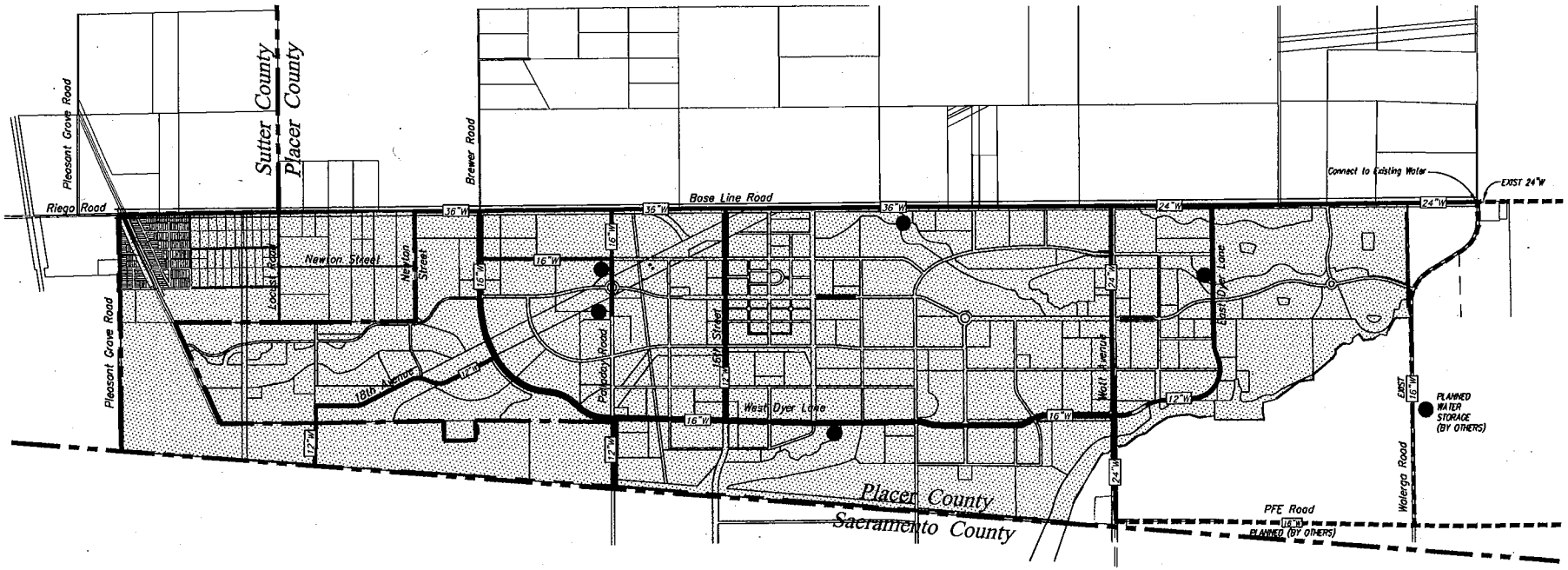
EXHIBIT 3.6.1
BACKBONE INFRASTRUCTURE
PLACER VINEYARDS SPECIFIC PLAN

Placer County, California

October, 2014

LEGEND:

- 24"W — Potoble Water Line
- 16"W — Water Line By Others (or Existing)
- Water Storage
- Specific Plan Area
- SPA Boundary



MACKAY & SOMPS
CIVIL ENGINEERS, INC.
CIVIL ENGINEERING•LAND PLANNING•LAND SURVEYING
ROSEVILLE, CALIFORNIA

0 2000 4000 8000

SCALE: 1"=4000'

BACKBONE WATER IMPROVEMENTS

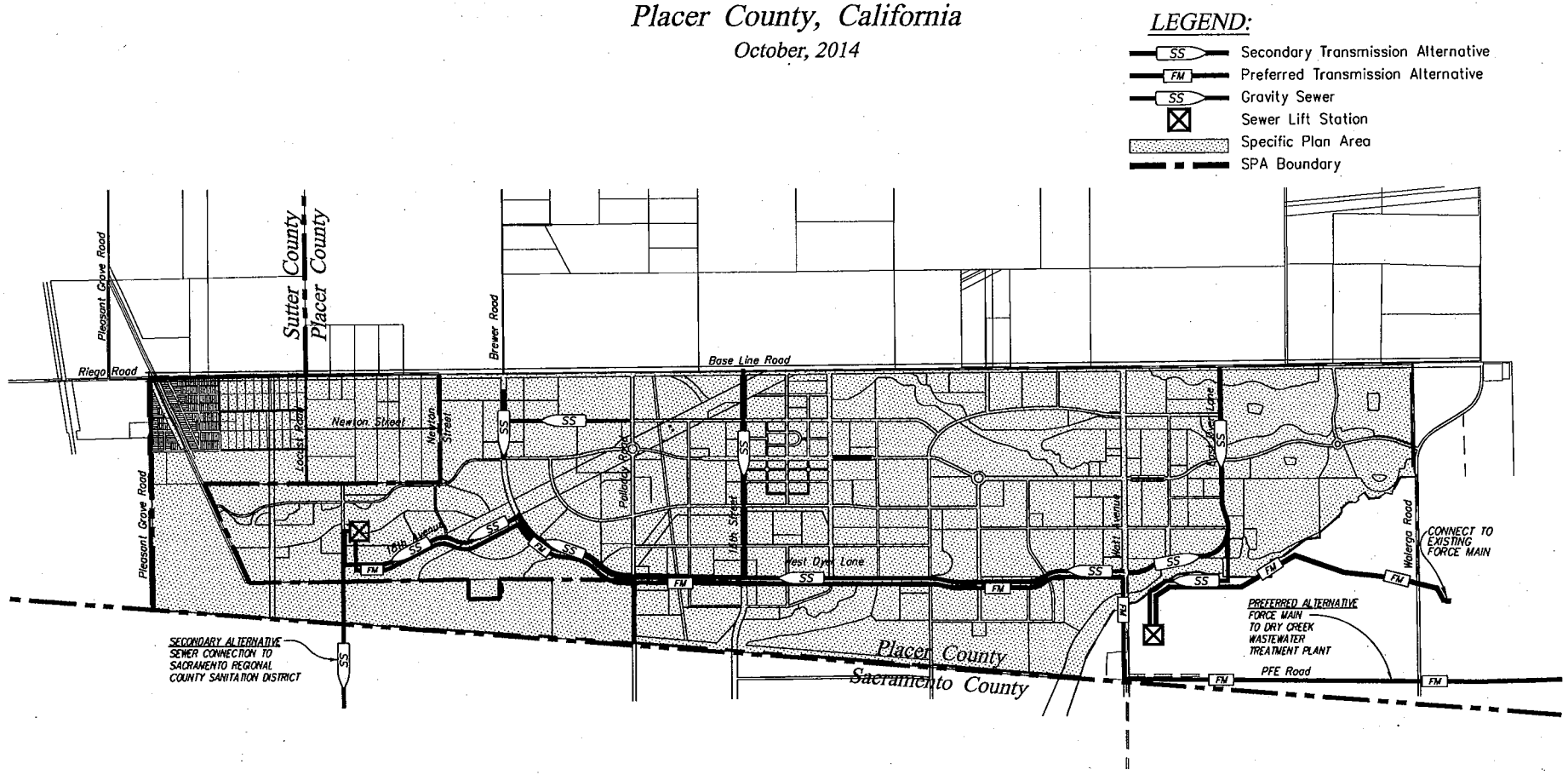
SHEET 2 OF 5

9-30-2014 09:32:45 ajones P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Infrastrucutre Exhibit 3.6.1\PVFP-Init_Wat_Inprv_Amended_Agreement.dwg
(1) P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Blueprint-pv-base-Oct-12.dwg (2) P:\18156_Overall\MstrPln\Bases\MS_EDAW-baseplan-JUNE-14-MODIFIED.dwg

EXHIBIT 3.6.1
BACKBONE INFRASTRUCTURE
PLACER VINEYARDS SPECIFIC PLAN

Placer County, California

October, 2014



MACKAY & SOMPS
CIVIL ENGINEERS, INC.
CIVIL ENGINEERING • LAND PLANNING • LAND SURVEYING
ROSEVILLE, CALIFORNIA

0 2000 4000 8000

SCALE: 1"=4000'

BACKBONE SEWER IMPROVEMENTS

SHEET 3 OF 5

11-10-2014 15:36:34 a.jones P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Infrastrucutre Exhibit 3.6.1\PVFP-Init_Sewer_Imprv_Amended_Agreement.dwg
(1) P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Blueprint-pv-base-Oct-12.dwg (2) P:\18156_Overall\MstrPln\Bases\MS_EDAW-baseplan-JUNE-14-MODIFIED.dwg

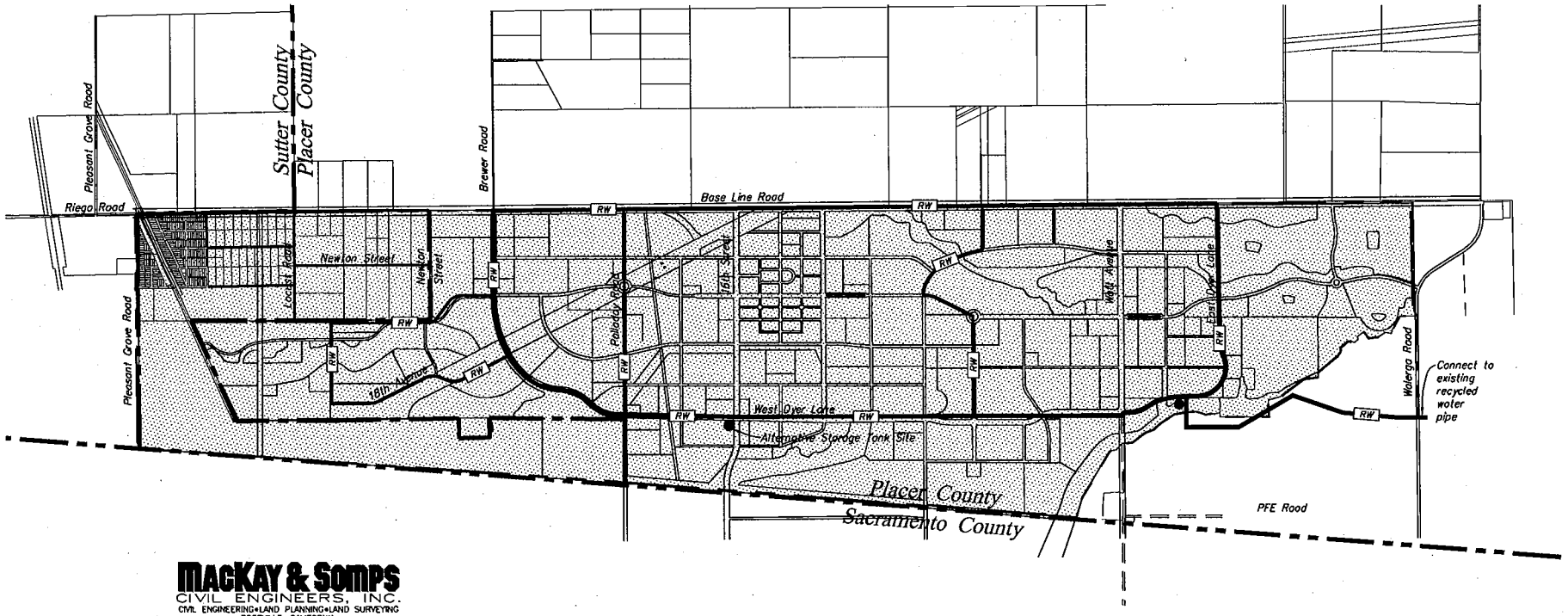
EXHIBIT 3.6.1
BACKBONE INFRASTRUCTURE
PLACER VINEYARDS SPECIFIC PLAN

Placer County, California

October, 2014

LEGEND:

- RW — Recycled Water Line
- Recycled Water Storage And Booster Pump
- Specific Plan Area
- SPA Boundary



MACKAY & SOMPS
CIVIL ENGINEERS, INC.
CIVIL ENGINEERING • LAND PLANNING • LAND SURVEYING
ROSEVILLE, CALIFORNIA

0 2000 4000 8000

SCALE: 1" = 4000'

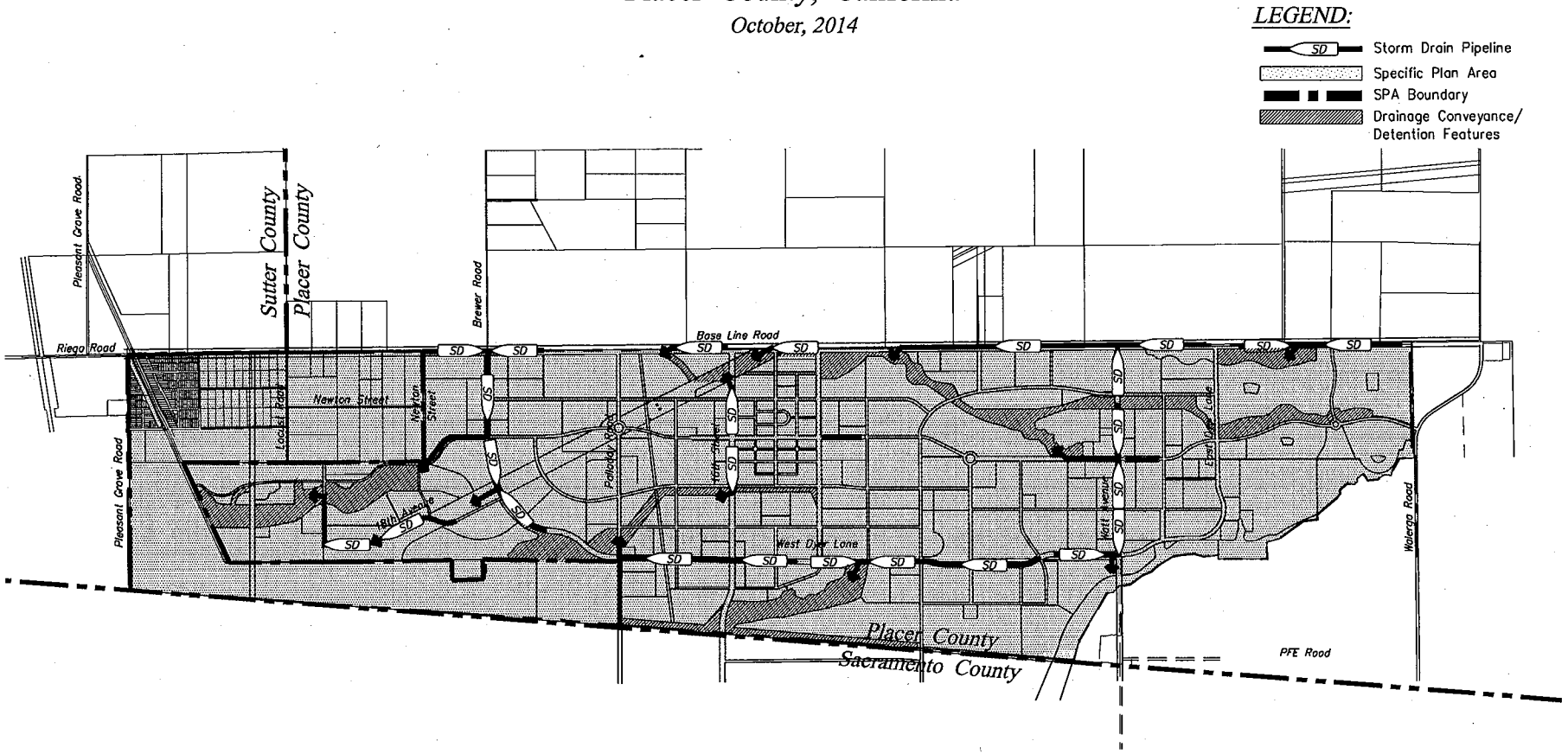
BACKBONE RECYCLED WATER IMPROVEMENTS

9-30-2014 09:40:42 ajones P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Infrastrucutre Exhibit 3.6.1\PVFP-Init_Reclain_Wat_Amended_Agreement.dwg
[1] P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Blueprint-pv-base-Oct-12.dwg [2] P:\18156_Overall\MstrPln\Bases\MS_EDAW-baseplan-JUNE-14-MODIFIED.dwg

EXHIBIT 3.6.1
BACKBONE INFRASTRUCTURE
PLACER VINEYARDS SPECIFIC PLAN

Placer County, California

October, 2014



MACKAY & SOMPS
CIVIL ENGINEERS, INC.
CIVIL ENGINEERING • LAND PLANNING • LAND SURVEYING
ROSEVILLE, CALIFORNIA

0 2000 4000 8000

SCALE: 1"=4000'

BACKBONE STORM DRAINAGE IMPROVEMENTS

SHEET 5 OF 5

11-11-2014 07:48:16 a.jones P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Infrastrucutre Exhibit 3.6.1\PVFP-Init_Drainage_Amended_Agreement.dwg
(1) P:\18156_Overall\Admin\Misc\Development Agreement Exhibits\Blueprint-pv-base-Oct-12.dwg (2) P:\18156_Overall\MstrPln\Bases\MS_EDAW-baseplan-JUNE-14-MODIFIED.dwg

EXHIBIT 3.20.3

TABLE OF MAXIMUM SPECIAL TAXES, BY LAND USE CATEGORY, FOR COUNTY SERVICES CFD

[To Be Attached]

EXHIBIT 7.11
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 PLACER VINEYARDS DEVELOPMENT AGREEMENT (Property ___)

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (hereinafter, the **"Agreement"**) is entered into this _____ day of _____, 20__, by and between [NAME OF DEVELOPER], a _____(hereinafter **"Developer"**), and [NAME OF PURCHASER], a _____ (hereinafter **"Assignee"**), with respect to the following facts:

RECITALS

A. On _____, 2006, the County of Placer and Developer entered into that certain agreement entitled "Development Agreement By and Between The County of Placer and _____, Relative to the Placer Vineyards 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 _____, 200__, as **Document No. _____.**

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

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

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 Parcel(s) to Assignee, all of the rights, title, interests, burdens and obligations of Developer under the Development Agreement with respect to the Assigned Parcel(s). Developer retains all the rights, title, interests, burdens and obligations of Developer under the Development Agreement with respect to all other property within the Property 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 Parcel(s), and agrees to observe and fully perform all of the duties and obligations of Developer under the Development Agreement with respect to the Assigned Parcel(s), and to be subject to all the terms and conditions thereof with respect to the Assigned Parcel(s).

3. Release and Substitution. The parties intend hereby that, upon the execution of this Agreement and conveyance of the Assigned Parcel(s) 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 Parcel(s) and that Assignee shall become substituted for Developer as the "Developer" under the Development Agreement with respect to the Assigned Parcels.

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 Exhibit "B" list of Participating Developers for Developer with respect to the Assigned Parcel(s) 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:

[NAME OF ASSIGNOR],
a _____

By:_____
Name:_____
Title:_____

ASSIGNEE:

[NAME OF ASSIGNEE],
a _____

By:_____
Name:_____
Title:_____