



November 13, 2019

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STAFF

CAROLYN EMERY
EXECUTIVE OFFICER

TO: Local Agency Formation Commission

FROM: Executive Officer
Policy Analyst

SUBJECT: Proposed "City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)"

APPLICANT:
The City of Yorba Linda by resolution.

BACKGROUND:

During the past year, the Commission staff has worked collaboratively with representatives from the City of Yorba Linda, County of Orange, and the landowners on the potential annexation of an unincorporated area commonly referred to as the "Cielo Vista Development." The initial discussions began with multiple pre-filing meetings with the City and the landowners' representative to develop the annexation timeline and provide guidance on the annexation requirements. The City of Yorba Linda officially filed an annexation application with OC LAFCO on May 2, 2019. Additionally, multiple agreements that further outline the terms and conditions of the annexation have been approved by the respective agencies and parties.

STAFF ANALYSIS

The Cielo Vista Development includes approximately 84 acres of uninhabited County territory substantially surrounded by the City of Yorba Linda. It is generally located north of Via del Agua/Stonehaven Drive and the intersection of Dorinda Road and San Antonio Road, and south of Casino Ridge Road within the City's sphere of influence (SOI), as shown in Attachment A.

An analysis of municipal service provision within the subject territory is discussed in the next section of this report. Additionally, State law

requires the Commission to review and consider several factors for the proposed annexation. The details of those factors are presented in Attachment B.

Municipal Service Provision

The Commission is required to establish a sphere of influence for each Orange County city and special district. SOIs are used to identify probable and physical boundaries and service areas of local government agencies. The SOIs for the City of Yorba Linda and the Yorba Linda Water District (YLWD) were established in 1973 and 1978 respectively. During subsequent sphere updates and reviews, the City and District SOIs have been reaffirmed and have included the proposed development territory. Additionally, during the three municipal service review cycles conducted by the Commission in 2006, 2008, and 2013, it was furthered determined that the City of Yorba Linda and YLWD were the most logical providers of municipal services to the proposed development territory.

Since 2016, the County of Orange has completed environmental review and planning approvals for the Cielo Vista Development. The review and approvals have included potential environmental impacts and the build out of the development of a total of 80 single-family homes on approximately 42 acres and the remaining 42 acres preserved as open space. During discussions involving OC LAFCO, the County, and the developer, North County BRS Project, LLC, the developer expressed the desire to complete the planning approvals through the County rather than under the City's approval. To support this request, the City of Yorba Linda and the County of Orange entered into a cooperative agreement that allows the County to complete the planning approvals for the development after annexation. Additionally, a pre-annexation agreement that outlines the terms and conditions of the annexation was approved by the City of Yorba Linda and North County BRS Project, LLC. The agreement addresses zoning requirements and the legal authority and responsibilities of each party upon annexation. Copies of the pre-annexation agreement and cooperative agreement are attached to the resolution (Exhibits C and D).

Upon build-out of the Cielo Vista Development, the YLWD will provide retail water and local wastewater services. To effectuate the provision of these services and the required infrastructure, YLWD and North County BRS Project, LLC entered into a water and sewer agreement. The agreement outlines the terms, conditions and each party's responsibilities relative to water and wastewater service provision. A copy of the water and sewer agreement is attached to the resolution (Exhibit E).

Table A below depicts the existing and proposed service delivery to the subject territory upon annexation.

Table A – Current and Proposed Service Providers		
Service	Current Designated Provider	Proposed Designated Provider
Retail Water	Not currently provided as area is undeveloped	Yorba Linda Water District
Local Wastewater	Not currently provided as area is undeveloped	Yorba Linda Water District
Regional Wastewater	Not currently provided as area is undeveloped	Orange County Sanitation District
Police	Orange County Sheriff	Orange County Sheriff (through a contractual agreement with the City of Yorba Linda)
Fire	Orange County Fire Authority	Orange County Fire Authority
Public Works	County of Orange	City of Yorba Linda
Parks and Recreation	County of Orange	City of Yorba Linda
Planning	County of Orange	City of Yorba Linda
Library	County of Orange	City of Yorba Linda

LAND USE

On December 13, 2016, the Orange County Board of Supervisors approved a development plan for the subject area designating 42 acres as Suburban Residential and 42 acres as Open Space. On November 20, 2018, the City of Yorba Linda adopted a pre-zoning designation of Planned Development for the subject area.

PROPERTY TAX

California Revenue and Taxation Code Section 99 requires the City and County to adopt property tax exchange resolutions for proposed changes of organization and reorganization. On October 1st and October 24th, the City of Yorba Linda and the County of Orange, respectively, adopted property tax resolutions based on the Master Property Tax Exchange Agreement approved in 1985. The City shall receive 56.3741% and the County shall receive 43.6259% of the one percent basic levy of property tax generated within the subject territory.

ENVIRONMENTAL REVIEW

On December 13, 2016, the County of Orange, as the lead agency, approved the Cielo Vista Environmental Impact Report No. 615 (EIR). As a responsible agency, the City of Yorba Linda, on October 1, 2019, considered the County's CEQA findings and is of the

opinion that the City may rely on the County's findings for the annexation. The City subsequently approved a Notice of Determination (NOD).

The Commission, as a responsible agency, may consider the environmental documentation prepared for the subject territory in its consideration of the proposed annexation. A NOD is included for the Commission's consideration as Attachment C.

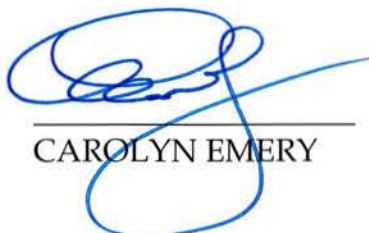
RECOMMENDATION

The "City of Yorba Linda Annexation of Cielo Vista Development" proposal addresses the factors and requirements of State law for an annexation and aligns with OC LAFCO policies and procedures on agency spheres of influence, MSR determinations and the Commission's proactive effort of annexing unincorporated areas to adjacent cities to support more logical boundaries and efficient delivery of services.

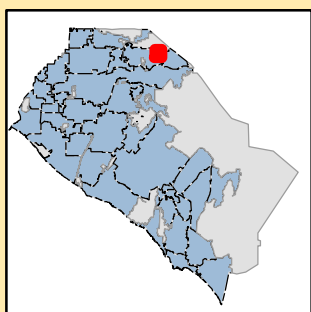
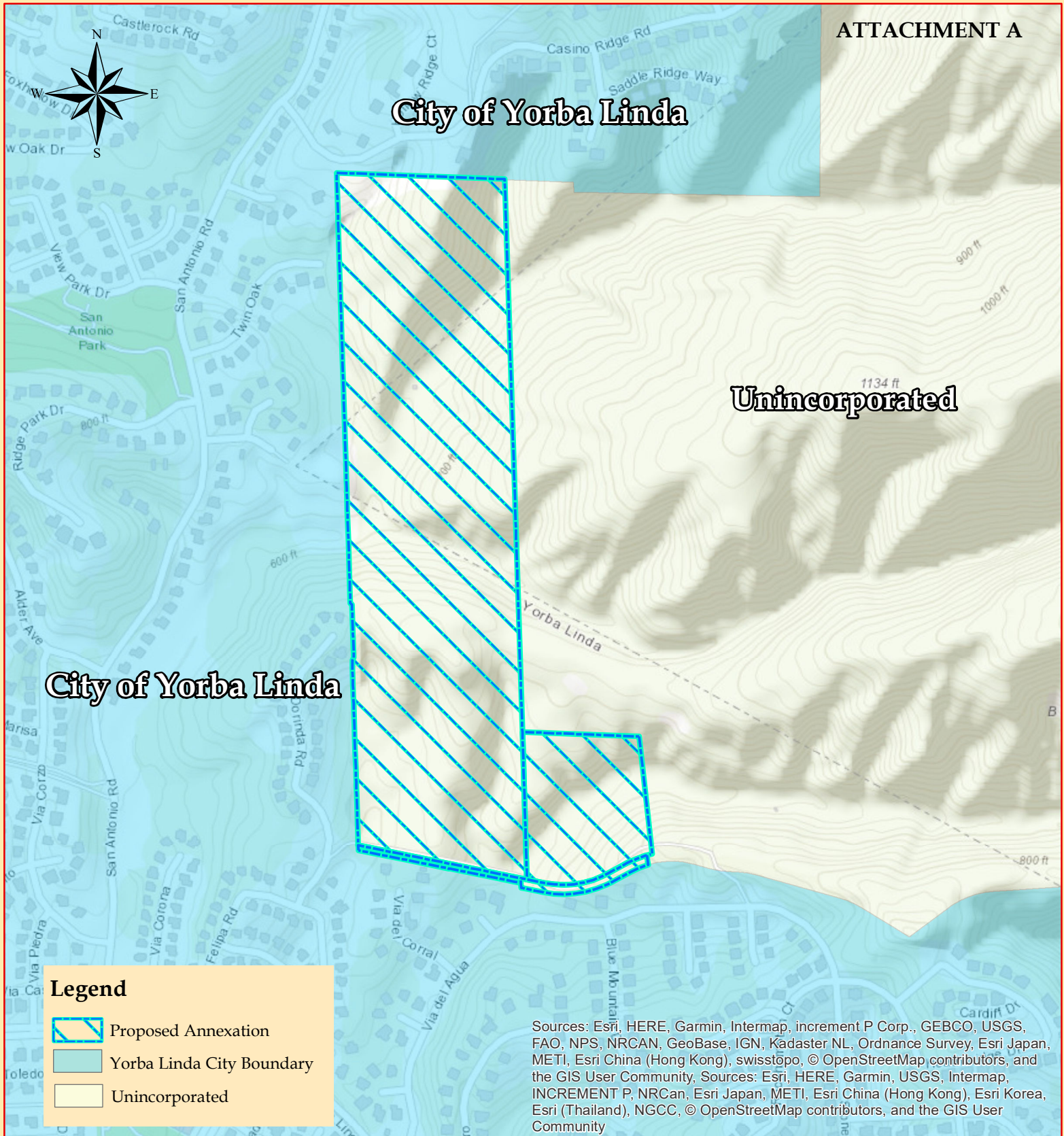
Staff, therefore, recommends the Commission:

1. Certify that the Commission has reviewed and considered the information contained within the CEQA documents prepared by the County of Orange.
2. As a responsible agency, approve the Notice of Determination for the "City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)" (Attachment C).
3. Adopt OC LAFCO Resolution No. CA 19-03 approving the "City of Yorba Linda Annexation of Cielo Vista Development (Attachment D).
4. Waive protest proceedings for the subject annexation in accordance with Government Code Section 56662.

Respectfully Submitted,


CAROLYN EMERY
LUIS TAPIA

Attachment A: Vicinity Map
Attachment B: Factors Considered by Commission
Attachment C: Notice of Determination
Attachment D: OC LAFCO Resolution No. CA 19-03



City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)

0 0.125 0.25 0.5 Miles



**FACTORS CONSIDERED IN REVIEW OF CITY OF YORBA LINDA
ANNEXATION OF CIELO VISTA DEVELOPMENT (CA 19-03)**

I. Population and population density, land area, land use, and assessed valuation

- The proposal includes approximately 84 acres of uninhabited territory located in unincorporated area of the County of Orange.
- The proposed annexation territory is currently designated by Orange County's General Plan as Suburban Residential and Open Space.
- The land use designations proposed by the City of Yorba Linda is Planned Development and is consistent with the Orange County's General Plan.
- The total assessed valuation for the property within the proposed annexation territory is \$589,395.

II. Organized community services, present cost and adequacy, and future needs of governmental services, and probable effect of the proposed annexation

- The subject territory is within an unincorporated area of the County of Orange, which is responsible for most of the municipal services. If the Commission approves the proposed annexation, the City of Yorba Linda and the Yorba Linda Water District will provide municipal services. The current and future service providers, should the area be annexed, are depicted in the table below. The providers have indicated the ability to adequately provide the respective municipal services.

TABLE A – Current and Proposed Service Providers		
Service	Current Designated Provider	Proposed Designated Provider
Retail Water	Not currently provided as area is undeveloped	Yorba Linda Water District
Local Wastewater	Not currently provided as area is undeveloped	Yorba Linda Water District
Regional Wastewater	Not currently provided as area is undeveloped	Orange County Sanitation District
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Parks and Recreation	County of Orange	City of Yorba Linda
Planning	County of Orange	City of Yorba Linda
Library	County of Orange	City of Yorba Linda

- If the Commission approves the annexation, development approvals of a proposed development within the subject territory will be processed by the County of Orange in accordance with a cooperative agreement executed by the County of Orange and the City of Yorba Linda. Additionally, the City of Yorba Linda and the North County BRS Project, LLC will execute a pre-annexation agreement that outlines the terms and conditions between the stakeholders which includes: City zoning requirements, City's legal authority upon annexation and the developer's responsibilities upon annexation.

III. Effect on adjacent areas, mutual social and economic interest, local governmental structure

- Approval of the proposed annexation will not have an effect on adjacent areas, mutual social and economic interests, and local government structure. The proposed annexation will result in more efficient delivery of services and clarify the long-term service providers.

IV. The conformity of both the proposal and its anticipated effect with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Government Code Section 56377

- The proposed annexation includes approximately 84 acres proposed for the development of 80 single-family homes and dedicated open space.
- The proposed annexation was processed in accordance with Commission policies and procedures and is consistent with the priorities set forth in Government Code Section 56377.

V. Effect on maintaining the physical and economic integrity of agricultural lands

- No agricultural lands are contained within proposed territory.

VI. The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries

- The proposed annexation boundary has been reviewed by staff and does not create any islands or corridors of unincorporated territory.

VII. Regional Transportation Plan (RTP) adopted and consistency with city or county general and specific plans.

- The subject territory is consistent with the City and County General Plans and will not impact the Regional Transportation Plan and Sustainable

Communities Strategy that has been adopted for the region by the Southern California Association of Governments.

VIII. Sphere of Influence of Local Agencies

- The subject territory is within the spheres of influence of the City of Yorba Linda, Yorba Linda Water District, Orange County Sanitation District, Orange County Mosquito and Vector Control District, Municipal Water District of Orange County, Orange County Water District and Orange County Cemetery District.

IX. Comments from affected agencies and/or other public agency

- All affected and other public agencies were notified of the proposal. No comments on the proposed annexation were received.

X. Ability of newly formed or receiving entity to provide services to proposal area and sufficiency of revenues for those services

- The City of Yorba Linda has sufficient revenues and can provide adequate municipal services to the proposed territory.

XI. Timely availability of water supplies adequate for projected needs as specified in Government Code Section 65352.5

- The proposed territory includes approximately 84 undeveloped acres. The Yorba Linda Water District has indicated in the “Cielo Vista Project Water and Sewer Facilities Agreement Between Yorba Linda Water District and North County BRS Project, LLC” its ability to provide water and wastewater services to the subject territory.

XII. Extent to which the proposal will affect the City of Yorba Linda and the County in achieving their respective fair shares of the regional housing needs

- There were no comments received from the City or County regarding the extent to which the proposal will affect their respective shares of the regional housing needs.

XIII. Information or comments from landowners, voters, or residents within affected territory

- OC LAFCO received consent forms from all of the landowners of the subject territory.
- The subject territory is uninhabited. Therefore, there are no registered voters within the affected territory.

XIV. The extent to which the proposal will promote environmental justice. As used in this subdivision, “environmental justice” means the fair treatment of people of all races, cultures, and income with respect to the location of public facilities and the provision of public services

- If annexed to the City of Yorba Linda, the subject territory will receive the same municipal services currently provided to all City residents.

XV. **Information contained in a local hazard mitigation plan, information contained in safety element of a general plan, and any maps that identify land as very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to 4102 of the Public Resource Code**

- Government Code Section 51178 requires the California Department of Forestry and Fire Protection (CAL FIRE) to identify "very high fire hazard severity zones" using consistent statewide criteria. The Cielo Vista Development is identified to be in a "very high fire hazard severity zone." A Fuel Modification Plan and Fire Master Plan have been approved by the Orange County's Board of Supervisors for the project pursuant to CEQA and approved by the Orange County Fire Authority (OCFA).

NOTICE OF DETERMINATION

TO:	<input type="checkbox"/> Clerk of the Board of Supervisors or <input checked="" type="checkbox"/> County Clerk County of: Orange Address: 12 Civic Center Plaza, Santa Ana, CA 92701	FROM:	Orange County Local Agency Formation Commission (Responsible Agency) Address: 2677 N. Main St., Suite 1050 Santa Ana, CA 92705 Contact: Luis Tapia Phone: 714-640-5100
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TO:	<input checked="" type="checkbox"/> Office of Planning and Research P. O. Box 3044 Sacramento, CA 95812-3044 <input type="checkbox"/> 1400 Tenth Street (overnight or hand delivery) Sacramento, CA 95814	Lead Agency: County of Orange Address: 300 North Flower Street Santa Ana, CA 92705 Contact: Kevin Shannon Phone: 714-667-1632

SUBJECT: Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the Public Resources Code.

Project Title: City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)		
State Clearinghouse Number (If submitted to SCH): 2012071013	Applicant: City of Yorba Linda Contact Person: Todd O Litfin 4845 Casa Loma Avenue Yorba Linda, CA 92886	Telephone Number: (714) 641-3454
Specific Project Location – Identify street address and cross street or attach a map showing project site (preferably a USGS 15' or 7 ½' topographical map identified by quadrangle name): See attached vicinity map.		
General Project Location (City and/or County): The proposed annexation territory is located in unincorporated Orange County, adjacent to the north quadrant of the City of Yorba Linda's jurisdictional boundary. The subject territory is within the City's sphere of influence, north of Via del Agua/Stonehaven Drive and the intersection of Dorinda Road and San Antonio Road, and south of Casino Ridge Road.		
Project Description: The proposed City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03) include the annexation of approximately 84 acres of uninhabited territory to the City of Yorba Linda.		
Identify the person or entity undertaking the project, including any private applicant, any other person undertaking an activity that receives financial assistance from the Public Agency as part of the project, and any person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the project. The Orange County Local Agency Formation Commission, as a responsible agency. 2677 N. Main Street, Suite 1050, Santa Ana, CA 92705		

This is to advise that the (☐ Lead Agency or ☒ Responsible Agency) has approved the above described project on November 13, 2019 and has made the following determinations regarding the above described project:

1.	<input type="checkbox"/>	The project will have a significant effect on the environment.
	<input checked="" type="checkbox"/>	The project will NOT have a significant effect on the environment
2.	<input checked="" type="checkbox"/>	An Environmental Impact Report was prepared and certified for this project pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.
	<input type="checkbox"/>	A Negative Declaration was prepared for this project pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.
	<input type="checkbox"/>	A Mitigated Negative Declaration was previously prepared and adopted for this project by the Lead Agency pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.
3.	<input checked="" type="checkbox"/>	Mitigation measures were made a condition of the Lead Agency's approval of the project.
	<input type="checkbox"/>	Mitigation measures were NOT made a condition of the approval of the project.
4.	<input checked="" type="checkbox"/>	A Mitigation Monitoring or Reporting Plan was adopted by the Lead Agency for this project.
	<input type="checkbox"/>	A Mitigation Monitoring or Reporting Plan was NOT adopted for this project.
5.	<input type="checkbox"/>	A Statement of Overriding Considerations was adopted for this project.
	<input checked="" type="checkbox"/>	A Statement of Overriding Considerations was NOT adopted for this project
6.	<input checked="" type="checkbox"/>	Findings were made pursuant to the provisions of CEQA.
	<input type="checkbox"/>	Findings were NOT made pursuant to the provisions of CEQA.
This certifies that the location and custodian of the documents which comprise the record of proceedings for the Final EIR (with comments and responses) or Negative Declaration are available to the general public at the following location(s):		
Custodian:		Location: County of Orange Development Services 601 North Ross Street Santa Ana, CA 92701 Orange County Local Agency Formation Commission 2677 N. Main Street Suite 1050 Santa Ana, CA 92705
Date: _____		Signature: _____
Date Received for Filing: _____		Executive Officer Title: _____

Authority cited: Sections 21083, Public Recourse Code.
 Reference Section 21000-21174, Public Resources Code.

CA 19-03

**RESOLUTION OF THE LOCAL AGENCY
FORMATION COMMISSION OF ORANGE COUNTY, CALIFORNIA
MAKING RESPONSIBLE AGENCY FINDINGS UNDER THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT AND APPROVING THE "CITY OF YORBA
LINDA ANNEXATION OF CIELO VISTA DEVELOPMENT (CA 19-03)"**

November 13, 2019

On motion of Commissioner _____, duly seconded and carried, the following resolution was adopted:

WHEREAS, the proposed annexation, designated as "City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)," was hereto filed with and accepted for filing on November --, 2019 by the Executive Officer of the Local Agency Formation Commission of Orange County ("OC LAFCO") pursuant to Title 5, Division 3, commencing with Section 56000 et seq. of the Government Code; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56658 set November 13, 2019 as the hearing date of this proposal; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665 has reviewed this proposal and prepared a report including her recommendations therein and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the proposed annexation, consists of the annexation of approximately 84 acres of uninhabited territory located in unincorporated Orange County identified as the "Cielo Vista Development" to the City of Yorba Linda (See Vicinity Map attached as "Exhibit A"); and

WHEREAS, the County of Orange served as the lead agency for the environmental review, analysis, and approval of the "Cielo Vista Development" and the proposed annexation pursuant to the requirements of the California Environmental

Quality Act (Public Resources Code section 21000 et seq.) and the State CEQA Guidelines (14 Cal. Code Regs., § 15000 et seq.) (“CEQA”); and

WHEREAS, pursuant to CEQA, on December 13, 2016 the County of Orange adopted the Environmental Impact Report No. 615 for the “Cielo Vista Development”; and

WHEREAS, OC LAFCO has been asked to approve the proposed “City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)”; and

WHEREAS, OC LAFCO has limited approval and implementing authority over the development site and, thus, is a “responsible agency” for the proposed annexation pursuant to the requirements of CEQA; and

WHEREAS, OC LAFCO, at its agendized public meeting on November 13, 2019, independently reviewed and considered the Environmental Impact Report No. 615, Cielo Vista Project Alternative 5 Area Plan and Vesting Tentative Tract Map 17341 prepared by the County of Orange and, as other related documents in the record before it; and

WHEREAS, all of the procedures of CEQA have been met, and the Environmental Impact Report No. 615, prepared in connection with the proposed annexation, is sufficiently detailed so that all of the potential effects of the proposal on the environment and measures necessary to avoid or substantially lessen such effects have been evaluated in accordance with CEQA;

WHEREAS, as contained herein, OC LAFCO has endeavored in good faith to set forth the basis for its decision on the proposal; and

WHEREAS, this Commission called for and held a public hearing on the proposal on November 13, 2019, this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, all of the findings and conclusions made by OC LAFCO pursuant to this Resolution are based upon the oral and written evidence presented to it as a whole and not based solely on the information provided in this Resolution; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, the Commission of OC LAFCO does hereby resolve as follows:

Section 1. OC LAFCO Findings.

The subject territory is found to be undeveloped, is currently within the City of Yorba Linda's Sphere of Influence and is assigned the following distinctive short-form designation, "City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)." The proposal consists of the annexation of approximately 84 acres located north of Vista del Agua/Stonehaven Driven and the intersection of Dorinda Road and San Antonio Road, and south of Casino Ridge Road within the City of Yorba Linda's sphere of influence.

Section 2. Compliance with the Environmental Quality Act.

As the decision-making body for OC LAFCO, and in OC LAFCO's limited role as a responsible agency under CEQA, the Commission has reviewed and considered the information contained in the Environmental Impact Report No. 615 prepared by the County of Orange as the lead agency and all supporting documentation, copies of which are on file at OC LAFCO's office and are incorporated by reference as though set forth fully herein. Based on this review, the Commission finds that, as to those potential environmental impacts within the Commission's powers and authorities as the responsible agency, that the Environmental Impact Report No. 615 and supporting environmental documentation contain a complete, objective, and accurate reporting of those

potential impacts, and that these findings reflect the independent judgement and analysis of the Commission.

Section 3. Findings on Environmental Impacts.

The Commission concurs with the County of Orange's environmental findings regarding the proposed annexation and adopts these findings, attached hereto as "Exhibit B," as though fully set forth herein. The Commission finds that there is no substantial evidence in the administrative record supporting a fair argument that the annexation proposal may result in significant environmental impacts.

Section 4. The "City of Yorba Linda Annexation of Cielo Vista Development"

Conditions of Approval:

- a) The annexation of the Cielo Vista Development, consisting of approximately 84 acres, to the City of Yorba Linda.
- b) Upon approval, the annexation is subject to the terms and conditions of the Pre-Annexation Agreement executed by the City of Yorba Linda and the North County BRS, LLC, representing all landowners within the subject territory ("Exhibit C").
- c) Upon approval, the annexation is subject to the terms and conditions of the Cooperative Agreement executed by the County of Orange Board of Supervisors and the City of Yorba Linda ("Exhibit D").
- d) Upon approval, the annexation is subject to the terms and conditions of the Water and Sewer Service Agreement executed by the North County BRS Project, LLC and the Yorba Linda Water District ("Exhibit E").
- e) Upon annexation of the territory to the City, all right, title, and interest of the County, including the underlying fee title where owned by the County in any and all sidewalks, trails, landscaped areas, street lights, open space, signals, shall vest in the City of Yorba Linda, except for those properties to be retained by the County and specifically listed by these conditions.

- f) Upon annexation of the territory, the City of Yorba Linda shall be the owner of, and responsible for, all of the following property owned by the County at the time of annexation: public roads, adjacent slopes, street lights, traffic signals, mitigation sites that have not been accepted by regulatory agencies but exist or are located in public right-of-way and were constructed or installed as part of a road construction project within the annexed area and storm drains within street right-of-way and appurtenant slopes, medians and adjacent property. City of Yorba Linda shall also be responsible for regulatory oversight of the ongoing mitigation, but not the ownership of, mitigation sites that were installed on other County property, such as flood control property that were installed as a condition of road construction projects in or associated with the road projects in the annexed area and mitigation site that is annexed to the City of Yorba Linda.
- g) Upon the effective date of annexation, the City of Yorba Linda shall do the following: (1) assume ownership and maintenance responsibilities for all County Owned drainage devices, storm drains and culverts, appurtenant facilities (except regional OCFCD flood control facilities for which OCFCD has a recorded flood control easement or ownership interest), site drainage, and all master plan storm drain facilities that are within the annexation area and are currently operated and maintained by the County of Orange; and (2) administer flood zoning and Federal Emergency Management Agency floodplain regulations within the annexation area.
- h) Payment by the applicant of County Clerk-Recorder and State Board of Equalization fees is a condition of approval.
- i) As a condition of approval, the applicant agrees to defend, hold harmless and indemnify OC LAFCO and/or its agents, officers and employees from any claim, action or proceeding against OC LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of OC LAFCO concerning this proposal or any action relating to or arising out

of such approval.

- j) The effective date shall be the date of recordation.

Section 5. Notice of Determination.

The Commission directs staff to file a Notice of Determination with the Orange County Clerk's Office within five working days of adoption of this Resolution.

Section 6. Conducting Authority Proceedings.

The Commission authorizes the waiving of conducting authority proceedings in accordance with Government Code Section 56662.

Section 7. Mail Copy of Resolution.

The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code Section.

Section 8. Custodian of Records.

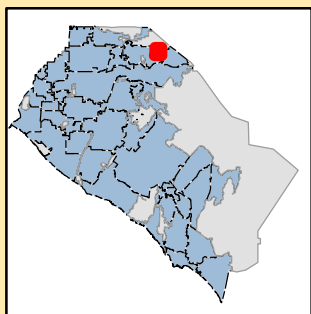
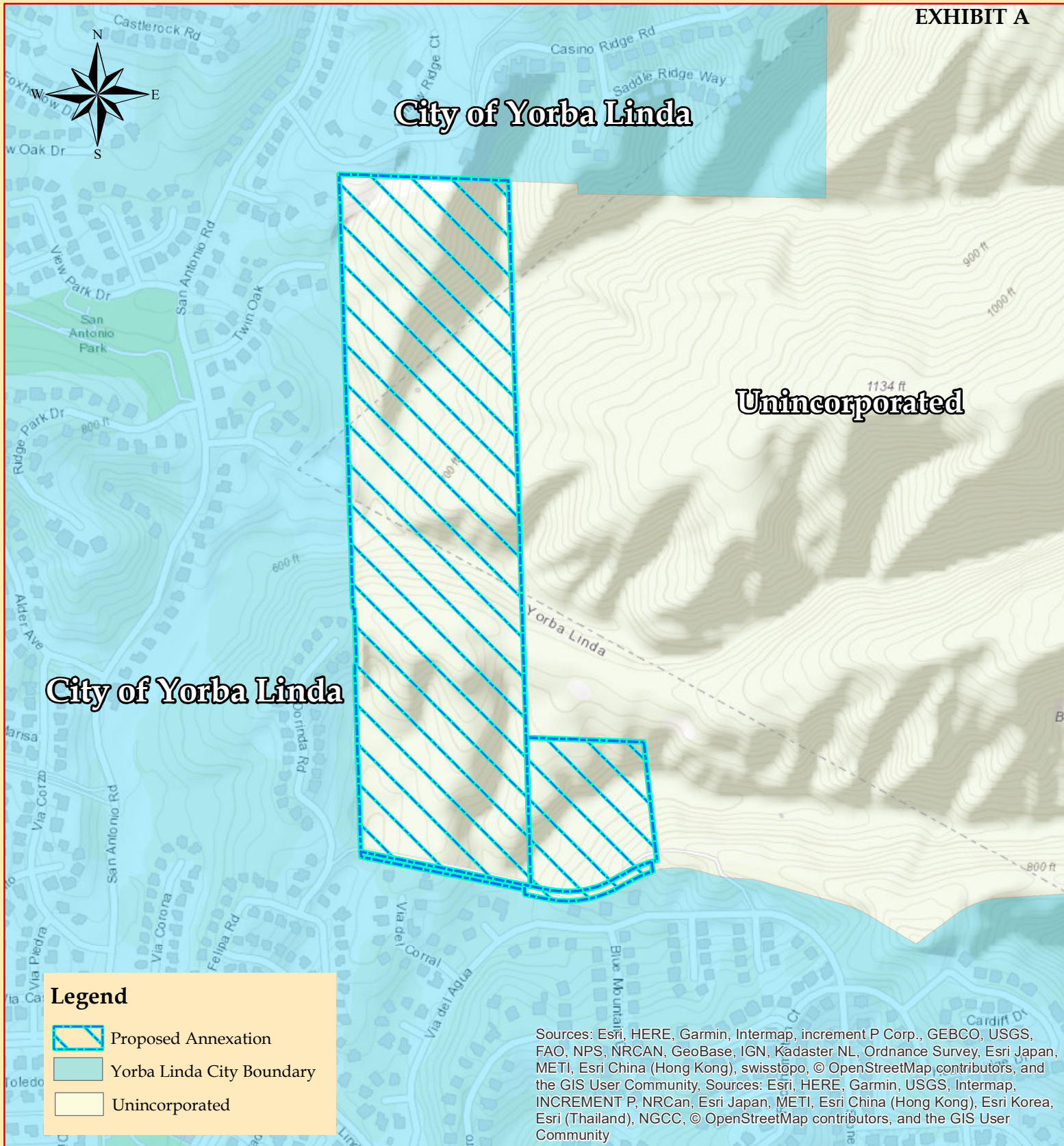
The documents and materials that constitute the record of proceedings on which this Resolution and the above findings have been based are located at the offices of OC LAFCO. The custodian for these records is OC LAFCO, and is located at 2677 North Main Street, Suite 1050, Santa Ana, California 92705.

PASSED, APPROVED AND ADOPTED, by the Commissioners of the Local Agency Formation Commission of Orange County this 13th day of November 2019.

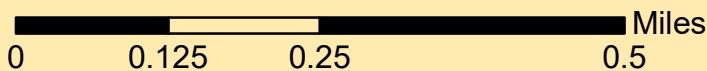
IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of November 2019.

Cheryl Brothers
Chair of the Orange County
Local Agency Formation Commission

By: _____
Cheryl Brothers



City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03)



NOTICE OF DETERMINATION

TO:	<input type="checkbox"/> Clerk of the Board of Supervisors or <input checked="" type="checkbox"/> County Clerk County of: Orange Address: 12 Civic Center Plaza, Santa Ana, CA 92701	FROM:	Orange County Local Agency Formation Commission (Responsible Agency) Address: 2677 N. Main St., Suite 1050 Santa Ana, CA 92705 Contact: Luis Tapia Phone: 714-640-5100
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TO:	<input checked="" type="checkbox"/> Office of Planning and Research P. O. Box 3044 Sacramento, CA 95812-3044 <input type="checkbox"/> 1400 Tenth Street (overnight or hand delivery) Sacramento, CA 95814	Lead Agency: County of Orange Address: 300 North Flower Street Santa Ana, CA 92705 Contact: Kevin Shannon Phone: 714-667-1632

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Specific Project Location – Identify street address and cross street or attach a map showing project site (preferably a USGS 15' or 7 ½' topographical map identified by quadrangle name): See attached vicinity map.		
General Project Location (City and/or County): The proposed annexation territory is located in unincorporated Orange County, adjacent to the north quadrant of the City of Yorba Linda's jurisdictional boundary. The subject territory is within the City's sphere of influence, north of Via del Agua/Stonehaven Drive and the intersection of Dorinda Road and San Antonio Road, and south of Casino Ridge Road.		
Project Description: The proposed annexation of approximately 84 acres of uninhabited territory to the City of Yorba Linda.		
Identify the person or entity undertaking the project, including any private applicant, any other person undertaking an activity that receives financial assistance from the Public Agency as part of the project, and any person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the project.		
The Orange County Local Agency Formation Commission, as a responsible agency.		

This is to advise that the (☐ Lead Agency or ☒ Responsible Agency) has approved the above described project on November 13, 2019 and has made the following determinations regarding the above described project:

1.	<input type="checkbox"/>	The project will have a significant effect on the environment.
	<input checked="" type="checkbox"/>	The project will NOT have a significant effect on the environment
2.	<input checked="" type="checkbox"/>	An Environmental Impact Report was prepared and certified for this project pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.
	<input type="checkbox"/>	A Negative Declaration was prepared for this project pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.
	<input type="checkbox"/>	A Mitigated Negative Declaration was previously prepared and adopted for this project by the Lead Agency pursuant to the provisions of CEQA and reflects the independent judgment of the Lead Agency.
3.	<input checked="" type="checkbox"/>	Mitigation measures were made a condition of the Lead Agency's approval of the project.
	<input type="checkbox"/>	Mitigation measures were NOT made a condition of the approval of the project.
4.	<input checked="" type="checkbox"/>	A Mitigation Monitoring or Reporting Plan was adopted by the Lead Agency for this project.
	<input type="checkbox"/>	A Mitigation Monitoring or Reporting Plan was NOT adopted for this project.
5.	<input type="checkbox"/>	A Statement of Overriding Considerations was adopted for this project.
	<input checked="" type="checkbox"/>	A Statement of Overriding Considerations was NOT adopted for this project
6.	<input checked="" type="checkbox"/>	Findings were made pursuant to the provisions of CEQA.
	<input type="checkbox"/>	Findings were NOT made pursuant to the provisions of CEQA.
This certifies that the location and custodian of the documents which comprise the record of proceedings for the Final EIR (with comments and responses) or Negative Declaration are available to the general public at the following location(s):		
Custodian:		Location: County of Orange Development Services 601 North Ross Street Santa Ana, CA 92701 Orange County Local Agency Formation Commission 2677 N. Main Street Suite 1050 Santa Ana, CA 92705
Date: _____		Signature: _____
Date Received for Filing: _____		Executive Officer Title: _____

Authority cited: Sections 21083, Public Recourse Code.
 Reference Section 21000-21174, Public Resources Code.

PRE-ANNEXATION AGREEMENT

by and among

THE CITY OF YORBA LINDA
a California Municipal Corporation,

and

NORTH COUNTY BRS PROJECT, LLC,
a Delaware Limited Liability Company

[Dated as of 10/24/19 for reference purposes only]

ARTICLE 1. PARTIES AND EFFECTIVE DATE

1.1 Parties. This Pre-Annexation Agreement ("Agreement") is entered into by and among (i) The City of Yorba Linda (the "City"), a California municipal corporation and North County BRS Project, LLC (the "Company"), a Delaware limited liability corporation. The City and the Company are sometimes referred to herein individually as a "Party" and collectively as the "Parties." This Agreement is dated as of 10/21/19, for reference purposes only and will not become effective until the "Effective Date" defined in Section 1.2 below.

1.2 Effective Date. This Agreement will not become effective until the date ("Effective Date") on which all the following have occurred: (i) this Agreement has been approved by the Company, executed by its legally authorized officers, and delivered to the City; (ii) this Agreement has been approved by the City Council and executed by the City; and (iii) all applicable statutes of limitation and appeal periods relating to the annexation of the Property have lapsed without a legal challenge.

1.3 Property Owner Consent. The property owners of the different properties constituting the Property irrevocably consent to the annexation of the Property into the City and authorize the Company to act on their behalf in connection with the annexation. The property owners include The Travis Ranch Trusts and the Virginia Richards Revocable Intervivos Trust dated May 1, 1986.

ARTICLE 2. RECITALS

2.1 The Company holds options to approximately 84 acres, the legal description of which is attached hereto as Exhibit "A" (the "Property"). The Property is shown on County of Orange Vesting Tentative Tract Map 17341. The Property is located in an unincorporated area of Orange County, California (the "County") within the City's sphere of influence. Policies of the Orange County Local Agency Formation commission favor the annexation of unincorporated areas so as to encourage the orderly and efficient provision of municipal services. (See,

e.g., OC LAFCO Legislative Policy Guidelines C and D from its 2019 Bylaws, Policies and Procedures).

2.2 The Company has obtained approvals from the County to develop the Property with an 80-unit residential subdivision (alternatively referred to herein as “Cielo Vista” or the “Project”).

2.3 The Project’s entitlements (including the Cielo Vista Project Alternative 5 Area Plan [“Cielo Vista Area Plan”]) and Environmental Impact Report (“EIR”) were approved by the Orange County Board of Supervisors on December 13, 2016 and were not judicially challenged. The Project’s Vesting Tentative Tract Map was approved by the Orange County Board of Supervisors on September 12, 2017 and was not judicially challenged.

2.4 On November 20, 2018, the City Council approved Zone Change 2018-02 to “pre-zone,” or establish a pre-annexation zoning designation, for the Property, as permitted by California Government Code § 65859. In Ordinance No. 2018-1055 the City pre-zoned the Property to “PD (Planned Development) – Cielo Vista” to allow for development of the Property at a density of up to 1 dwelling unit per acre and to establish development standards consistent with the density and character of the surrounding single-family residential neighborhoods. The “PD (Planned Development) – Cielo Vista” designation implements and is consistent with the Cielo Vista Area Plan.

2.5 The Cielo Vista Area Plan approved by the County of Orange constitutes the City’s “development plan” to guide physical development of the Property in compliance with Chapter 18.16, Article II of the City’s Zoning Code.

2.6 Annexation of the Property into the City (collectively, the “Annexation”) is contemplated by the Parties upon the terms and conditions set forth in this Agreement. Proceedings to implement the Annexation will be undertaken by the Orange County Local Agency Formation Commission (“OC LAFCO”). The City has submitted an application to OC LAFCO for the annexation

of the Property to the City referenced as City of Yorba Linda Annexation of Cielo Vista Development (CA 19-03) ("Annexation Application").

2.7 The Parties understand that the Annexation is essential to the plan for providing services required by OC LAFCO in its consideration of the annexation application.

2.8 The Company desires that the development and annexation of the Property occurs in a manner that preserves the vested rights and entitlements that the Company has received from the County.

2.9 The City desires any and all pre-annexation and post-annexation development to occur harmoniously and without disruption or discord to the City and its existing communities and inhabitants and without detriment to the City's infrastructure and/or City service providers. The City further desires to be assured that Company will continue to process its current application for annexation under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration for the promises and mutual covenants set forth herein, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 3. TERMS

3.1 City Obligations.

3.1.1 Processing Review. In accordance with applicable legal requirements and procedures, and to the extent that its authority has not been contracted to the County of Orange under a separate instrument, the City shall timely process encroachment permits, license agreements, discretionary and non-discretionary actions, and all other legally cognizable documents consistent with the Project's entitlements and the City's zoning and other legal requirements to the extent necessary to facilitate the Project's implementation, including its connection to Via del Agua. The City does not waive or otherwise limit its ability to exercise its legal authority in the City's review or approval process for City actions.

3.1.2 Processing Roads. In accordance with applicable legal requirements and procedures, and to the extent that its authority has not been contracted to the County of Orange under a separate instrument, the City shall timely process all applications for construction of the Project's roads and infrastructure within its jurisdiction (including Street "A" on Tract Map 17341) and attendant landscaping, signage, striping, and monumentation, substantially consistent with the Cielo Vista Area Plan. The City does not waive or otherwise limit its ability to exercise its legal authority in the City's review or approval process for City actions.

3.1.3 Consent To Annexation. The City hereby irrevocably consents to the annexation of the Property pursuant to the terms of this Agreement and shall cooperate in the annexation process for the Property.

3.1.4 Traffic Control Device. Consistent with Mitigation Measure 4.14-2 of the Project's EIR and to the extent consistent with legal requirements and within the City's legal authority, if the Company constructs the traffic control devices at Via Del Agua and Yorba Linda Boulevard then the City shall require the developer of the Esperanza Hills residential project (Yorba Linda Estates, LLC, or its successor or assign) to make a pro-rata reimbursement to the Company for all expenses associated with the construction of the traffic control devices at Via Del Agua and Yorba Linda Boulevard as part of the first City-issued discretionary or ministerial approval for the Esperanza Hills project where the City can legally impose such a condition. The amount of such reimbursement shall be in proportion to the number of County-approved residential units at the Cielo Vista and Esperanza Hills residential projects. For example, if the Esperanza Hills project is approved by the County at 340 units, then the Cielo Vista project shall be responsible for 80/420ths of the cost of the traffic control devices at Via Del Agua and Yorba Linda Boulevard. Using the figures in that example for reference only, the City would condition the developer of the Esperanza Hills residential project to reimburse the Company for 340/420ths of said cost as part of the first City-issued approval for the Esperanza Hills project.

3.2 Company Obligations.

3.2.1 Pursue Annexation. The Company shall continue to diligently pursue the approval of the Annexation Application the City filed with OC LAFCO for the annexation of the Property into the City.

3.2.2 Notice Of Grading. The Company shall provide no less than sixty (60) days' notice to the City prior to commencement of mass grading for the Project.

3.2.3 Consent To Annexation. The Company hereby irrevocably consents to the annexation of the Property pursuant to the terms of this Agreement and the Annexation Application submitted pursuant to Section 3.2.1. The Company covenants for itself, the Property owners, its agents, employees, contractors, heirs, successors and assigns who obtain title to the Property or portions or parcels thereof ("Successors"), to diligently pursue annexation of the Property to the City consistent with the terms of this Agreement. The Company and its Successors shall cooperate in every reasonable way with the requests of the City, OC LAFCO or any other public agency in any proceeding to annex the Property to the City. Said cooperation shall include, but not be limited to, the filing of all necessary applications, petitions, plans, drawings, and any other documentation or information required by the City, OC LAFCO or any public agency at Company's sole cost and expense.

3.2.4 Internal Project Roads. The Company shall design and construct its internal roads to City standards at its sole expense.

3.2.5 Library. Prior to the issuance of building permits, to satisfy the requirement that the Company shall comply with the development fee program for Orange County Public Libraries as provided in Sections 7-9-700 through 7-9-713 of the Codified Ordinances of the County of Orange or the development fee program for the City of Yorba Linda Library system, Company shall pay Two Hundred Fifty Dollars (\$250.00) per residential unit within the Project to the City of Yorba Linda for a total, if 80 units, of \$20,000.00. The fee shall be paid to the City

on a per-unit basis upon the County's issuance of a building permit for each unit – and not as a single lump sum. In no event shall the total number of residential units used for the calculation of the fee be less than 69 units, and if there are less than 69 units developed on the Property then the total remaining fee shall be paid upon the issuance of the building permit for the last residential unit.

3.2.6 Bonds. The Company shall post subdivision completion bonds (the "Bonds") as required by the County prior to issuance of a grading permit, and shall agree that the City may either be named as a beneficiary under the Bonds, or may be named as a party who could make demand on the County to enforce the Bonds in the event of default by the Company. Furthermore, the Company shall post separate bonds for all work performed by Company and its agents on any City property or easements to the extent that such bonds are customarily required by the City in connection with such work.

3.2.7 Public Benefit Contribution. Upon the approval of annexation by OC LAFCO as provided herein, the Company agrees to pay the sum of Sixteen Thousand Seven Hundred Sixteen dollars (\$16,716.00) per dwelling unit (the "Public Benefit Contribution") to the City as agreed reimbursement for annexation into the City of the Property and subject to the timing provisions of this paragraph. Subject to the satisfaction of the contingencies set forth in this paragraph, the Public Benefit Contribution shall be paid to the City on a per-residential unit basis upon the County's issuance of a Certificate of Occupancy for each unit—and not as a single lump sum. In no event shall the total number of residential units used for the calculation of the Public Benefit Contribution be less than 69 units, resulting in a total Public Benefit Contribution at the \$16,716 per unit rate of One Million One Hundred Fifty Three Thousand Four Hundred and Four dollars (\$1,153,404.00), and if there are less than 69 units developed on the Property then the total remaining Public Benefit Contribution shall be paid upon the issuance of the certificate of occupancy for the last residential unit. In the event that the City approves a Public Benefit Contribution of less than \$16,716 per dwelling unit as part of a pre-annexation agreement for the Esperanza Hills project (the "Esperanza Contribution"), it shall reduce the

Company's per-unit Public Benefit Contribution to equal the Esperanza Contribution for any unpaid Public Benefit Contribution made after the date that the City approves the Esperanza Contribution.

3.2.8 Payment of City Fees and Costs. Company shall pay City all of City's costs and expenses pertaining to the annexation of the Property, including but not limited to costs associated with the Project's encroachment permit, grading, traffic signal design review, or other engineering plan check services related to the Project's entrance roadway. Company shall pay all City processing, permitting and other fees for work that is performed by the City pertaining to any aspect of the Project including but not limited to work performed on City Property. Company shall pay all of City's attorney's fees, consultant costs (including but not limited to environmental consultants and CEQA consultants) and other reasonable costs related to the City's actions pertaining to the annexation of the Property from the Effective Date of this Agreement. Company shall bear all City costs of the processing of the annexation proceedings to be conducted by OC LAFCO including the recordation fees for required by the State Board of Equalization. Company further agrees to pay the cost of any other regulatory activities pertaining to the annexation of the Property. The Parties agree that that the City's Master Plan of Drainage fee of Fourteen Thousand Dollars (\$14,000.00) per acre shall apply to the Project but that Company shall receive a credit for drainage facilities constructed off the Property resulting in a City Master Plan of Drainage fee of Two Hundred Thirty-One Thousand and Four Hundred and Twenty Six Dollars (\$231,426.00) owed by the Company. The City's Master Plan of Drainage fee shall be paid prior to tract map recordation.

3.2.9 Indemnity. Company agrees to indemnify, defend, and hold harmless City and its elected and appointed boards, commissions, officers, agents, and employees from and against any and all actions, suits, claims, liabilities, losses, damages, penalties, obligations, and expenses (including but not limited to attorney's fees and costs) which: 1) may arise, directly or indirectly, from the acts, omissions, or operations of Company's or Company's agents, contractors, subcontractors, agents, or employees pursuant to this Agreement; 2) pertain to the

City's approval of this Agreement or related agreements and permits pertaining or related to the Project or the Property; 3) pertain to the location of the access road and bridge generally referenced as Street A on Tract Map 17341 that connects to Via Del Agua; or 4) pertain to any alleged interference with any alleged third party property rights pertaining to the access road and bridge generally referenced as Street A on Tract Map 17341 that connect to Tract Map 17341. City shall provide Company with notice of the pendency of any such action and request that Company defend such action. If Company fails to do so, City may defend the action and Company shall pay the cost thereof.

3.2.10 Traffic Control Device. Company shall design and construct a traffic control device as set forth in Mitigation Measure 4.14-2 of the Project's EIR. The traffic signal shall be installed by Company prior to issuance of the Project's first Certificate of Occupancy for a production (*i.e.*, not a model) home. A pro-rata share of Company's traffic signal expenses shall be subject to reimbursement from the Esperanza Hills developer, consistent with Section 3.1.4 of this Agreement. If a Certificate of Occupancy is issued for a production home within the Esperanza Hills development prior to the issuance of the Project's first production home Certificate of Occupancy, then Company shall pay the City of Yorba Linda its pro-rata share cost toward installation of a traffic signal in lieu of installing said signal, consistent with Section 3.1.4 of this Agreement.

3.2.11 LMAD. Company agrees to annex the Property into the City's Street Lighting and Landscaping Maintenance District ("LMAD") in accordance with the procedural legal requirements (including but not limited to the requirements of Article XIII D of the California Constitution and the Landscaping and Lighting Act of 1972) for the annexation of the Property into the LMAD. The annexation of the Property into the LMAD shall include annexation into the LMAD's applicable Arterial Landscaping Zone, Local Landscaping Zone, Arterial Lighting Zone, Local Lighting Zone, and Traffic Signal Zone. The annexation shall include approval of assessments up to the maximum amount of the allowable assessment, including a yearly increase based on CPI, on property within the City LMAD that neighbors the Property in City LMAD Local Landscaping Zone L-2K.

3.2.12 Trails. Consistent with Mitigation Measure 4-13.2 and Tract Map Condition No. 33, Company shall coordinate with the City trail alignments through the Project. The Parties have agreed on the location of the trail alignments as shown on Exhibit B and said trail alignments shall be dedicated to the City in a location and in a manner acceptable to the City.

3.2.13 Entry Way Into Project. Company shall be responsible for all costs pertaining to construction, operation, and future maintenance of the entry road and bridge into the Property and Project, and any retaining walls related thereto, and its connection to Via Del Aqua in the City (Street A as referenced on Tract Map 17341). Company shall be responsible for all future maintenance, repairs, and other matters pertaining to the entry road and bridge into the Property and any retaining walls related thereto. This obligation shall remain in full force and effect indefinitely in perpetuity unless and until this obligation is terminated by mutual written agreement of the Parties.

Company may assign this obligation to a potential future homeowner's association covering the Property or a portion of the Property or a future owner of the Property. The assignment requires the consent of the City, which consent shall not be unreasonably withheld. Upon the assignment of Company of its obligations under this section, the assignee shall enter into an agreement with the City agreeing to the terms and conditions of this section of the Agreement.

3.3 Agreement Not to Challenge or Support Challenge. The Parties shall not file lawsuits or directly or indirectly support litigation filed by others, either as a party, through financial contributions, providing staff support, or by failing to aggressively defend such litigation, that challenges the adequacy of the Cielo Vista Final EIR or any addenda to that EIR, the approval by the County of the Vesting Tentative Tract Map or the Final Map for the Project, the City's approval of the Pre-zone of the Property, or any other permits, entitlements, or approvals received in connection with the Project through the County or the City. The section only

pertains to the Project as entitled and any substantial changes to the Project or new projects are not covered by this Section.

ARTICLE 4. ANNEXATION

4.1 Timing. Upon recordation of the Final Map and approval of the annexation by OC LAFCO, the Property shall be automatically annexed into the City. Notwithstanding anything in this agreement, or any other Agreement, in no event shall a Certificate of Occupancy for any structure on the Property be issued prior to the recordation by OC LAFCO of a Certificate of Completion for the annexation.

ARTICLE 5. DAMAGES

5.1 Remedies. Subject to the limitations herein, in the event of a breach of the Agreement, the non-breaching party may at its option institute legal action to cure, correct, or remedy such breach, enjoin any threatened or attempted violation, or enforce the terms of this Agreement by specific performance. In the event of any breach of this Agreement, the non-breaching party shall have the right to pursue against the breaching party any and all remedies that are available at law or at equity for breach of a contractual obligation, provided however, that in no event shall Company have the right to sue City or any City officials, employees, contractors or agents for damages or monetary relief arising out of City's default of its obligations set forth in this Agreement, the Parties agreeing that declaratory and injunctive relief, mandate, and specific performance shall be Company's sole and exclusive judicial remedy. The prevailing party in any such litigation shall be entitled to its attorney's fees and costs.

ARTICLE 6. GENERAL PROVISIONS

6.1 Duration. This Agreement shall be effective on the date it is executed by both Parties and shall remain in effect until the later of (a) all of the obligations of the Parties contained herein are satisfied, or (b) the tenth (10th) anniversary of the Effective Date ("Anniversary"). If the Annexation is not recorded by the Anniversary, OC LAFCO may record the Annexation. Obligations that will

continue until satisfied or in perpetuity include but are not limited to the obligation of Company to pay the Public Benefit Contribution in Section 3.2.7, the obligation to maintain the Entry Way into the Project in Section 3.2.13, and the indemnity obligation in Section 3.2.9.

6.2 Attorney's Fees. In the event that any Party brings any legal action to interpret or enforce any provision of this Agreement, the prevailing Party in that action shall be entitled to receive, in addition to all other available relief, costs of litigation and reasonable attorneys' fees, including expert witness fees, costs and fees incurred on appeal and in enforcing any judgment which may be rendered on the underlying action.

6.3 No Third Party Beneficiaries. Except as provided by Section 6.11, the City and the Company expressly acknowledge that they do not intend, by their execution of this Agreement, to benefit any person or entities not signatory to this Agreement. Except as provided by Section 6.11, no person or entity not a signatory to this Agreement will have any rights or causes of action against the City or the Company, or any combination thereof, arising out of or due to the City's or the Company's entry into this Agreement.

6.4 Governing Law. This Agreement shall be interpreted and enforced in accordance with the provisions of California law, without regard to conflicts of laws. Any litigation shall be held in a court of competent jurisdiction located in Orange County, California.

6.5 Notice. Unless otherwise permitted by this Agreement, all notices to be given shall be in writing and may be made by personal delivery, certified mail, postage prepaid and return receipt requested. Mailed notices shall be addressed to the Parties at the addresses listed below, but each party may change the address by written notice in accordance with this paragraph. Receipt will be deemed made as follows: notices delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated on receipt or rejection.

If to the City:

City of Yorba Linda
c/o City Manager
4845 Casa Loma Ave.
Yorba Linda, CA 92886

With a Copy to:

Todd Litfin
Rutan & Tucker, LLP
611 Anton Blvd., 14th Floor
Costa Mesa, CA 92661

If to the Company:

Rory Ingels
North County BRS Project, LLC
c/o BlackRock
4400 MacArthur Blvd #700
Newport Beach, CA 92660

With a Copy to:

Sean Matsler
Cox, Castle & Nicholson LLP
3121 Michelson Drive, Suite 200
Irvine, CA 92612

6.6 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original.

6.7 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements, either written or oral, express or implied.

6.8 Further Acts. The parties agree to execute such additional documents and to take such further actions as are reasonably necessary to accomplish the objectives and intent of this Agreement.

6.9 Waiver. The failure of any Party to insist upon strict compliance with any provision of this Agreement or to exercise any right or privilege provided herein, or any Party's waiver of any breach hereunder unless in writing, shall not

relieve any other Party of any of obligations hereunder, whether of the same or similar type. The foregoing shall be true whether the waiving Party's actions are intentional or unintentional.

6.10 Authorization to Execute. The signatories to this Agreement warrant that they have been lawfully authorized by their respective Parties to execute this Agreement on their behalf. Upon request, the Company shall deliver to the City copies of all applicable bylaws, resolutions or other documents evidencing the signatories' legal authority to execute this Agreement on behalf of the respective Parties.

6.11 Binding On Heirs, Successors and Assigns. The benefits and obligations described herein will inure to the benefit of and be binding upon the Company and any assignee or successor in interest of the Company to the Property, the City and its respective heirs, successors, grantees, transferees and permissible assigns.

6.12 Recordation. A memorandum of this Agreement shall be recorded as an encumbrance against the Property within ten days of the last signature required by this Agreement.

6.13 Warranties and Representations. The Company represents and warrants to the City that the Company has a valid and enforceable option to acquire the Property, and has due authority to enter into this Agreement. Furthermore, the individuals signing this Agreement on behalf of Company are authorized to sign on Company's behalf.

6.14 Severability. If any provision or clause of this Agreement or any application of it to any person, firm, organization, partnership or corporation is held invalid, such invalidity shall not affect other provisions of this Agreement which can be given effect without the invalid provision or application. To this end, the provisions of this Agreement are declared to be severable.

6.15 Compliance with other Rules and Regulations. The Company and its Successors shall comply with all other applicable rules and regulations of the City, the County and all other public agencies having jurisdiction over the Property. This Agreement does not abrogate, limit or modify any other of the City's rights which are provided by common law, statute, ordinance or regulation.

6.16 Non-liability of City Officials. No officer, official, employee, agent, attorney or representative of the City shall be personally liable to the Company or any successor in interest to the Company, in the event of any default or breach by the City.

6.17 Covenants Running with the Land. The terms and conditions of this Agreement shall constitute covenants running with the Property and binding on the Company and Company's successors and assigns to the Property and burdening the Property and benefiting the City and adjacent City streets.

6.18 Lack Of Annexation. In the event that the Property is not annexed into the City, the Parties are not bound by the obligations of this Agreement and the Parties retain any of their respective pre-existing rights pertaining to the Project, the Property and the City Property. In the event that the Property is not annexed into the City but the Parties desire for the City to provide public services to the Property, OC LAFCO's approval must be obtained prior to the date City services are provided to the Property. If OC LAFCO approval is not secured, the County shall be the service provider.

6.19 Assignment. Company may not assign this Agreement or any interest in it without the prior written consent of the City, which consent shall not be unreasonably withheld.

6.20 Development And Other Fees. The City may enter into an agreement, formally or informally, with the County whereby County imposed fees, otherwise potentially payable to the County as a condition of the issuance of development approvals for the Project, would be paid to the City by Company or

County, as the case may be, upon annexation of the Property to the City. Annexation shall not be contingent upon such an agreement.

THE CITY OF YORBA LINDA, a
California municipal corporation

By: Beth Haney
Beth Haney, Mayor Pro Tem

Attest:

Marcia Brown
Marcia Brown, City Clerk

Approved as to Legal Form:

Todd Litfin
Todd Litfin, City Attorney

North County BRS Project, LLC,
a Delaware limited liability corporation

By: _____

Consent:

The Travis Ranch Trusts

**The Travis Ranch Trusts for the
benefit of Amos A. Travis**

By: _____
AMOS A. TRAVIS, as Trustee of The
Travis Ranch Trusts for the benefit of
Amos A. Travis created under an
Agreement of Trust dated May 8,
1995, by Amos Travis, as Trustor, as
to an undivided one fourth(1/4th)
interest

THE CITY OF YORBA LINDA, a
California municipal corporation

By: _____

Attest:

Marcia Brown, City Clerk

Approved as to Legal Form:

Todd Litfin, City Attorney

North County BRS Project, LLC,
a Delaware limited liability corporation

By: Ray S. Miller
Ray S. Miller
Authorized Signatory

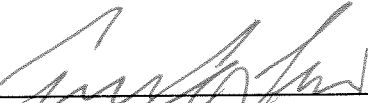
Consent:

The Travis Ranch Trusts


The Travis Ranch Trusts for the
benefit of Amos A. Travis

By: Amos A. Travis
AMOS A. TRAVIS, as Trustee of The
Travis Ranch Trusts for the benefit of
Amos A. Travis created under an
Agreement of Trust dated May 8,
1995, by Amos Travis, as Trustor, as
to an undivided one fourth(1/4th)
interest


**The Travis Ranch Trusts for the
benefit of J. Coleman Travis**

By: 
AMOS A. TRAVIS, as Trustee of The
 Travis Ranch Trusts for the benefit of
 J. Coleman Travis created under an
 Agreement of Trust dated May 8,
 1995, by Amos Travis, as Trustor, as
 to an undivided one fourth (1/4th)
 interest

**The Travis Ranch Trusts for the
benefit of William H. Travis**

By: 
AMOS A. TRAVIS, as Trustee of The
 Travis Ranch Trusts for the benefit of
 William H. Travis created under an
 Agreement of Trust dated May 8,
 1995, by Amos Travis, as Trustor, as
 to an undivided one fourth (1/4th)
 interest

**The Travis Ranch Trusts for the
benefit of Ann Travis**

By: 
AMOS A. TRAVIS, as Trustee of The
 Travis Ranch Trusts for the benefit of
 Ann Travis created under an
 Agreement of Trust dated May 8,
 1995, by Amos Travis, as Trustor, as
 to an undivided one-fourth (1/4th)
 interest

All as tenants-in-common

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

State of California)
County of Orange)

On 10/21/19, before me, Sherry Gentile,
(insert name and title of the officer)

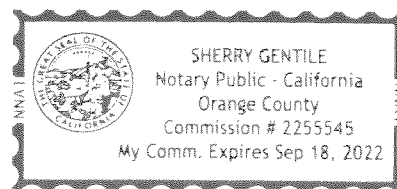
Notary Public, personally appeared Amos A. Travis, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their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

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

WITNESS my hand and official seal.

Signature

Sherry Gentile



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)

County of Orange)On October 30, 2019 before me, Barbara Hinshaw, Notary Public,

Date

Here Insert Name and Title of the Officer

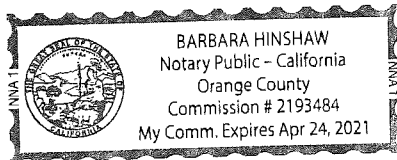
personally appeared Rory G. Ingels

Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature

Barbara Hinshaw, Notary Public
Signature of Notary Public

Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one fourth(1/4th) interest

EXHIBIT C

The Travis Ranch Trusts for the benefit of J. Coleman Travis

By:

AMOS A. TRAVIS, as Trustee of The Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one fourth (1/4th) interest

The Travis Ranch Trusts for the benefit of William H. Travis

By:

AMOS A. TRAVIS, as Trustee of The Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one fourth (1/4th) interest

The Travis Ranch Trusts for the benefit of Ann Travis

By:

AMOS A. TRAVIS, as Trustee of The Travis Ranch Trusts for the benefit of Ann Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4th) interest

All as tenants-in-common

Virginia Richards Revocable Intervivos Trust dated May 1, 1986

By:

Linda M. Rodger, Co-Trustee
LINDA M. RODGER, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

By:

Nancy Ann Maggio, Co-Trustee
NANCY ANN MAGGIO, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

NOTARY ACKNOWLEDGMENT

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

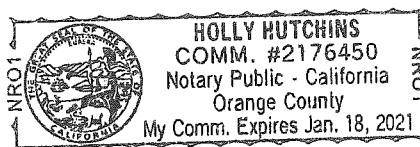
State of California)
County of Orange)

On 10/28, 2019, before me, Holly Hutchins, a Notary Public, personally appeared **LINDA M. RODGER**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Holly Hutchins
Holly Hutchins



NOTARY ACKNOWLEDGMENT

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

State of California)
County of Orange)

On 10/28, 2019, before me, Holly Hutchins, a Notary Public, personally appeared **NANCY ANN MAGGIO**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Holly Hutchins
Holly Hutchins

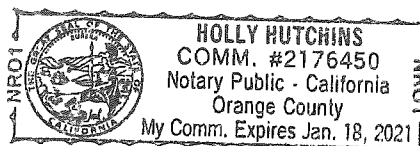


EXHIBIT A

LEGAL DESCRIPTION
CITY OF YORBA LINDA ANNEXATION OF CIELO VISTA DEVELOPMENT
(CA 19-03)

1 THAT CERTAIN PARCEL OF LAND SITUATED IN THE UNINCORPORATED
2 TERRITORY OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING A
3 PORTION OF THE RANCHO CANON DE SANTA ANA, AS SHOWN ON A MAP
4 ATTACHED TO THE FINAL DECREE OF PARTITION RECORDED FEBRUARY 8,
5 1874 IN BOOK 28, PAGE 158 OF DEEDS, RECORDS OF LOS ANGELES
6 COUNTY, CALIFORNIA, AND BEING A PORTION OF THE CARRILLO RANCH
7 PROPERTY AS SHOWN ON A MAP FILED IN BOOK 37, PAGE 33 OF RECORDS
8 OF SURVEY, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE
9 COUNTY, ALL LYING WITHIN SECTION 18 AND 19, TOWNSHIP 3 SOUTH,
10 RANGE 8 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE
11 OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE,
12 DESCRIBED AS FOLLOWS:

13
14 BEGINNING AT THE INTERSECTION IN THE EXISTING BOUNDARY OF THE
15 CITY OF YORBA LINDA ANNEXATION NO. 78-02 BRYANT RANCH TO THE CITY
16 OF YORBA LINDA PER DOCUMENT RECORDED IN BOOK 12810 PAGE 369
17 WITH CITY OF YORBA LINDA ANNEXATION NO. 75-2 PER DOCUMENT
18 RECORDED IN BOOK 11535 PAGE 462, BOTH OF OFFICIAL RECORDS OF SAID
19 COUNTY, SAID INTERSECTION ALSO BEING THE WESTERLY TERMINUS OF
20 THAT CERTAIN COURSE SHOWN IN SAID ANNEXATION NO. 78-02 AS "SOUTH
21 77°50'17" EAST 880.17";

22
23 THENCE ALONG THE EXISTING EASTERLY BOUNDARY LINE OF THE CITY OF
24 YORBA LINDA ANNEXATION NO. 75-2, NORTH 01°01'24" WEST 3578.27 FEET
25 TO A POINT ON THE SOUTHERLY BOUNDARY LINE OF THE EXISTING CITY
26 OF YORBA LINDA ANNEXATION NO. 80-01 PER DOCUMENT RECORDED IN
27 BOOK 14294 PAGE 1505 AND RECORDED IN BOOK 14294 PAGE 1510, BOTH
28 OF OFFICAL RECORDS OF SAID COUNTY, SAID POINT ALSO BEING THE
29 NORTHEAST CORNER OF SAID ANNEXATION NO. 75-2;

30
31 THENCE ALONG THE SAID EXISTING SOUTHERLY BOUNDARY LINE OF THE
32 CITY OF YORBA LINDA ANNEXATION NO. 80-01, SOUTH 87°06'05" EAST 583.21
33 FEET AND SOUTH 86°47'07" EAST 281.78 FEET TO THE NORTHEAST
34 BOUNDARY CORNER OF PARCEL MAP NO. 2016-156 AS PER MAP FILED IN
35 BOOK 400, PAGES 23 THROUGH 30 OF PARCEL MAPS, IN THE OFFICE OF
36 THE COUNTY RECORDER OF SAID ORANGE COUNTY;

37
38 THENCE LEAVING SAID EASTING SOUTHERLY BOUNDARY LINE ALONG THE
39 GENERALLY EASTERLY BOUNDARY LINES OF SAID PARCEL MAP NO. 2016-
40 156 THROUGH THE FOLLOWING THREE COURSES;

41 SOUTH 00°56'08" EAST 2863.76 FEET;

42 SOUTH 86°40'40" EAST 619.50 FEET;

1 OF 2

M:\Mapping\1296\001\LAFCO\1296-001 LAFCO .docx

EXHIBIT A

LEGAL DESCRIPTION
CITY OF YORBA LINDA ANNEXATION OF CIELO VISTA DEVELOPMENT
(CA 19-03)

SOUTH 05°32'21" EAST 735.23 FEET TO A POINT ON THE NORTHERLY
BOUNDARY LINE OF SAID CITY OF YORBA LINDA PER ANNEXATION NO. 78-
02, SAID POINT BEING ON A CURVE CONCAVE SOUTHEASTERLY HAVING A
RADIUS OF 450.00 FEET AND TO WHICH POINT A RADIAL LINE BEARS,
NORTH 15°20'27" WEST;

THENCE LEAVING SAID GENERALLY EASTERLY BOUNDARY LINE AND
ALONG SAID NORTHERLY BOUNDARY LINE THROUGH THE FOLLOWING:

SOUTHWESTERLY ALONG SAID CURVE 95.19 FEET THROUGH A CENTRAL
ANGLE OF 12°07'13";

SOUTH 62°32'20" WEST 113.62 FEET TO THE BEGINNING OF A CURVE
CONCAVE NORTHERLY HAVING A RADIUS OF 550.00 FEET;

WESTERLY 380.00 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE
OF 39°35'11";

NORTH 77°52'29" WEST 119.29 FEET;

NORTH 00°56'08" 25.66 FEET;

NORTH 77°52'29" WEST 880.23 FEET TO THE POINT OF BEGINNING.

CONTAINING: 84.812 ACRES MORE OR LESS.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE
MADE A PART HEREOF.

PREPARED BY ME OR UNDER MY DIRECT SUPERVISION.

DATED THIS 10TH DAY OF JULY, 2019

Kurt R. Troxell

KURT R. TROXELL, L.S. 7854
FUSCOE ENGINEERING

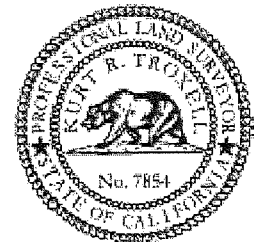
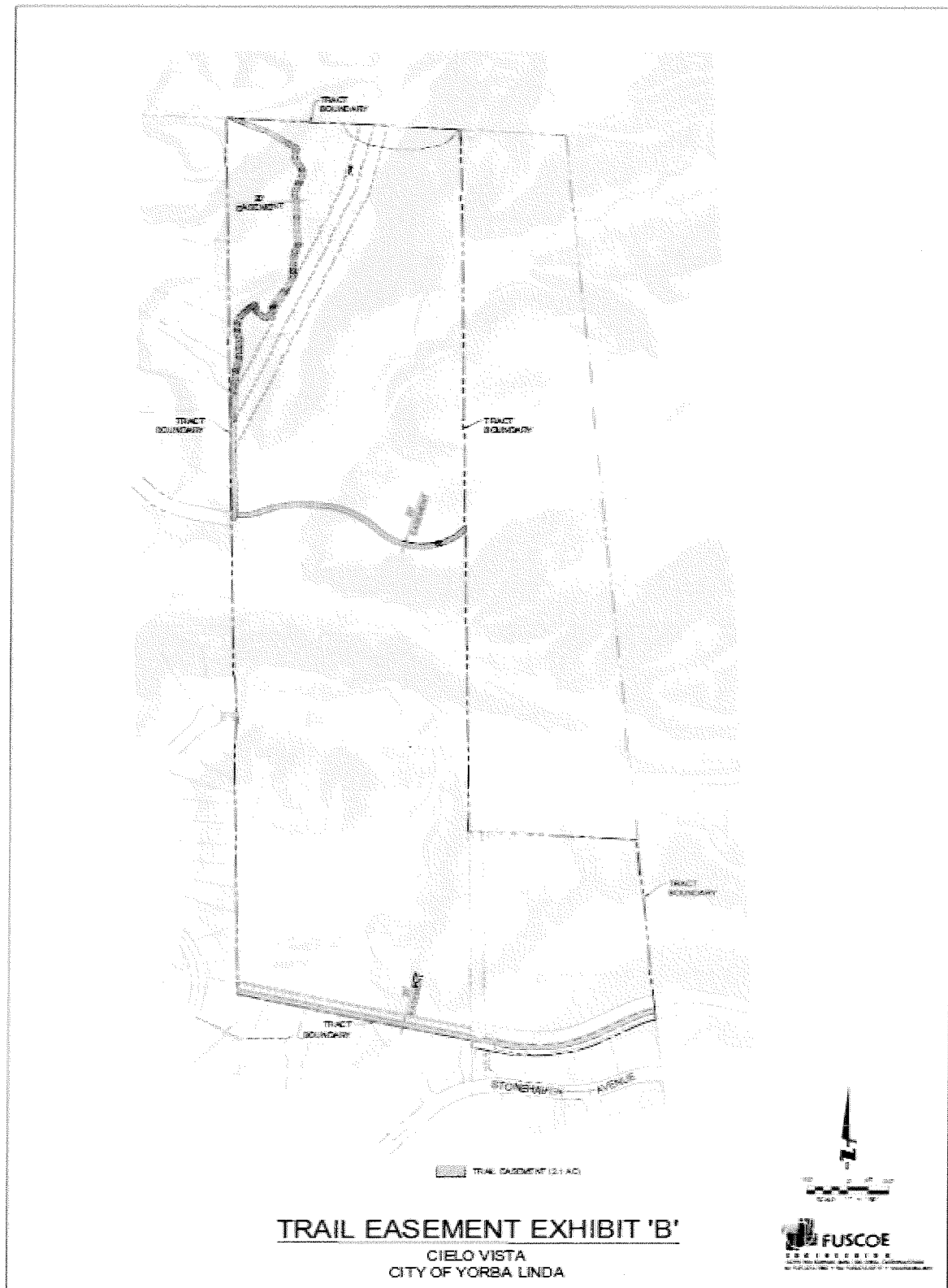


EXHIBIT "B" TRAIL ALIGNMENTS



COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT ("**Agreement**"), dated October 22, 2019 for purposes of identification, between the COUNTY OF ORANGE ("**County**") and the CITY OF YORBA LINDA ("**City**") (collectively referred to as the "**Parties**" herein) is based on the following:

RECITALS

WHEREAS, the City is in the process of annexing approximately 84 acres of property commonly known as Cielo Vista ("**Property**"). The Property, which is described in Exhibit A and depicted in Exhibit B, is currently in the unincorporated area of County. North County BRS Project, LLC, a Delaware limited liability company has an option to purchase the Property.

WHEREAS, the County has, for several years, planned for the development and use of the Property and related infrastructure on the Property.

WHEREAS, the North County BRS Project, LLC has obtained approvals from the County to develop the Property with an 80-unit residential subdivision called "Cielo Vista" ("**Project**").

WHEREAS, the Property is subject to that certain Cielo Vista Project Alternative 5 Area Plan with 80 units ("**Cielo Vista Alternative 5 Area Plan**") and Environmental Impact Report No. 615 ("**EIR**"), which were approved by the Orange County Board of Supervisors on December 13, 2016 and were not judicially challenged. The Property is also subject to the Vesting Tentative Tract Map No. 17341 approved by the Orange County Board of Supervisors on September 12, 2017, which was not judicially challenged, thereby conferring vested rights to the Project. Finally, the Property is subject to the Pre-Annexation Agreement between the City and North County BRS Project, LLC ("**Pre-Annexation Agreement**").

WHEREAS, City and County are public entities possessing the common power to review and approve applications for administrative and ministerial permits for development, including, but not necessarily limited to, subdivision maps, conditional use permits, grading permits, building permits, street improvement permits, storm drain improvement permits, retaining wall permits, WQMP reports, drainage reports, as-built plan processing, and bond exoneration processing and approvals related to the implementation, planning, and development of, real property ("**Implementing Approvals**" as defined herein).

WHEREAS, Government Code Sections 51300 *et seq.* authorize a county to contract with a city for a term of up to five (5) years, and renewable thereafter for additional five-year periods upon mutual consent of the city and county, for the performance of municipal functions common to both agencies. This Agreement fully complies with all State statutory and constitutional provisions related to the transfer of municipal functions from a city to a county.

WHEREAS, the Development Approvals (as defined below) for the Property prepared by or on behalf of the County represent an extremely complex and integrated plan for the preservation and development of the Property.

WHEREAS, City and North County BRS Project, LLC have entered into that certain Pre-Annexation Agreement, to ensure that annexation of the Property does not prevent or delay development of the Property to the full extent permitted by the Development Plan and Development Approvals.

WHEREAS, the City intends, by way of this Agreement and pursuant to California Government Code section 53100 *et seq.*, to contract with the County for the performance of certain City functions, as more specifically described herein, upon annexation of the Property, for the term set forth herein and not to exceed the limitations set forth in California Government Code section 53102. Subject to this Agreement, the County will assume the authority for Implementing Approvals, as defined herein, including but not limited to land use services until the point in time when the Property is Fully Improved, as defined herein. Implementing Approvals do not include actions on Units, Common Areas, Conservation Area, and Public Improvements on the Property once such area of the Property is Fully Improved.

WHEREAS, this Agreement achieves the objectives of the Parties, such as the efficient implementation and administration of the Development Approvals and Development Plan, by authorizing the County to exercise permit and approval processing functions of the City necessary to facilitate development consistent with the Development Plan and Development Approvals relative to each Unit, Common Areas, Conservation Area, and Public Improvements, upon annexation and until such Units, Common Areas, and Public Improvements are Fully Improved, as defined herein.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. DEFINITIONS AND EXHIBITS

1.1 Definitions. This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, or all letters capitalized, when used in the Agreement. The defined terms include the following:

1.1.1 **“Agreement”** means this Cooperative Agreement.

1.1.2 **“Annexation”** means annexation of the Property to the City of Yorba Linda pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §§ 56000 *et seq.*).

1.1.3 **“Area Plan”** means the Cielo Vista Project Alternative 5 Area Plan.

1.1.4 **“City”** means the City of Yorba Linda.

1.1.5 **“Common Area(s)”** means any real property owned in fee simple by any homeowner association, or under the control of any such homeowner

association by way of easement, lease, encroachment, permit or license or other agreement, as defined in Section 1351(b) of the California Civil Code, including but not limited to private streets, private parks, and other areas.

- 1.1.6 **“Conservation Area”** means the northern portion of the Property which North County BRS Project, LLC is required to preserve as open space pursuant to the Cielo Vista Alternate 5 Area Plan and related approvals.
- 1.1.7 **“County”** means the County of Orange, a political subdivision of the State of California.
- 1.1.8 **“Development”** whether or not capitalized means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project. The term development includes grading, the construction of infrastructure and public facilities related to the Project located on the Property, the construction of buildings and structures and the installation of landscaping and park facilities and improvements. The term “Development” does not include any Project-related building or grading activity after the Property is Fully Improved, as defined herein, and annexed to the City.
- 1.1.9 **“Development Approvals”** means all permits, licenses, consents, inspections rights, privileges, agreements and other actions that:
 - (i) are approved by County; or
 - (ii) are subject to approval or issuance by County.

The term “Development Approvals” includes (including any modifications or amendments as described above), but is not limited to, the following Development Approvals in furtherance of the Project:

- (a) Tentative and final subdivision and parcel maps, including, without limit, Vesting Tentative Tract Map No 17341;
- (b) Cielo Vista Alternative 5 Area Plan (PA 10004) approved by the County on December 13, 2016;
- (c) Environmental Impact Report No. 615 for the Cielo Vista Project Alternative 5 Area Plan approved by the County on December 13, 2016;
- (d) Grading and building permits; and
- (e) Habitat Management Plan

Development Approvals do not include actions on Units, Common Areas, Conservation Area, or Public Improvements once such respective properties are Fully Improved.

- 1.1.10 **“Development Plan”** means the plan for Development of the Property, including the planning and zoning standards, regulations, and criteria for the Development of the Property contained in and consistent with the Development Approvals.
- 1.1.11 **“Fully Improved”** means, in relation to Units, that the County has issued certificates of occupancy (or similar evidence that all structures have received all inspections and fully comply with all laws such that there is no further unmet condition to occupancy) for any Unit pursuant to the Development Approvals and Development Plan. “Fully Improved” with respect to Common Areas shall mean the issuance of a certificate of use or similar evidence that all structures and improvements have received all inspections and fully comply with all laws such that there is no further unmet condition to the use of such structures and improvements. Fully Improved with respect to the Conservation Area shall mean that the Conservation Area is in compliance with the requirements of the Development Plan, the Development Approvals, all conditions of approval and any regulatory requirements. With respect to all Public Improvements within the Property, “Fully Improved” means a notice of completion or like certificate has been issued and the improvements accepted by a governmental entity and signed off as complete by that entity.
- 1.1.12 **“Implementing Approvals”** means the common law power to review and approve applications for administrative, discretionary and ministerial permits for development, including, but not necessarily limited to, subdivision maps, conditional use permits, grading permits, building permits, street improvement permits, storm drain improvement permits, retaining wall permits, WQMP reports, drainage reports, as-built plan processing, and bond exoneration processing and approvals related to the implementation, planning, and development of, real property and the power to review, inspect, approve and issue certificates of completion for improvements constructed pursuant to any and all such permits for areas of the Project within the Property. All areas within the current territorial limits of the City outside the Property shall be processed in accordance with City requirements. For example, portions of any roadways constructed in the City not within the Property shall be processed in accordance with City requirements.
- 1.1.13 **“Land Use Regulations”** means all ordinances, resolutions, codes, rules, regulations and official policies governing Development and use of land applicable to the Property pursuant to the Development Approvals, the Development Plan, and this Agreement. The term “Land Use Regulations” also includes ordinances, resolutions, rules, regulations and official policies related to permitted use of land, development fees, exactions, impositions, the density or intensity of use, subdivision requirements and the maximum height and size of proposed buildings. The term “Land Use Regulations” also includes ordinances, resolutions, rules, regulations and official policies

governing the reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable on the effective date of this agreement, to the Development of the Property, which are not in conflict with the Development Approvals.

1.1.14 **“Project”** means the Development of the Property consistent with the Area Plan, Development Approvals, Land Use Regulations and/or Development Plan.

1.1.15 **“Property”** means the real property described in Exhibit A and shown on Exhibit B to this Agreement.

1.1.16 **“Public Improvements”** means all public streets, storm drains, street lighting, public parks and other improvements required and/or constructed pursuant to the Area Plan and Development Approvals located on the Property.

1.1.17 **“Unit”** means with respect to a single family residence, the legal lot or parcel and the residential housing unit located thereon but shall not include any exterior landscaping.

1.2 Exhibits: The following documents are attached to, and by this reference made a part of, this Agreement:

Exhibit A - Legal Description of the Property

Exhibit B - Map of the Property.

Exhibit C – Fees and Obligations

1.3 Construction. The word “include” or any form of the word “include” shall be construed and interpreted to add the phrase “without limitation “

2. OBJECTIVES AND INTENT

2.1 Objectives. The objectives of this Agreement are to:

2.2 Ensure that, following annexation of the Property to City, the Property is timely developed in substantial compliance with, and to the full extent permitted by, the Development Approvals and the Development Plan, and that Development Approvals are timely issued so as to avoid any unnecessary delays in the planning and permitting process for the Project while continuing to meet all public safety requirements.

2.2.1 Ensure that development of the Property proceeds in a manner that preserves the public benefits associated with the Development Approvals and Development Plan.

- 2.2.2 Effect a contract temporarily conveying responsibility for certain municipal functions as specified in section 3 1.1 below from the City to the County upon annexation and within the term authorized by Government Code Sections 51301 and 51302.
- 2.2.3 To provide a process for the transfer of documents necessary to County's assumption of City functions and a mechanism for facilitating County's right to monitor development as provided in this Agreement.
- 2.3 Intent. The Parties, through this Agreement, intend that the County shall have and exercise after annexation the same power, right and control over the administration, approval and implementation of the Development Approvals, Development Plan, and Implementing Approvals over the Property during the development of the Property as the County exercised before annexation. The Parties intend that the County will assume City functions regarding the Development Approvals, Development Plan, and Implementing Approvals over any Unit, Common Areas, Conservation Area, and Public Improvements, until the date that the Unit, Common Areas, Conservation Area and/or Public Improvements become Fully Improved. This Agreement shall be administered, implemented, construed and interpreted in a manner that is consistent with the Development Approvals, the Development Plan and the "intent" and "purpose" provisions of this Agreement.
- 3. AUTHORITY TRANSFERRED TO THE COUNTY
 - 3.1 Performance of Municipal Functions.
 - 3.1.1 Responsibility for Certain Municipal Functions. Pursuant to Government Code section 51300, et seq., the City hereby conveys to the County, upon annexation, and for the five (5) year period allowed under Government Code section 51302, the responsibility for the Implementing Approvals as defined in section 1.1.12 herein ("**Implementing Approval Authority**") over the Property on the terms within this Agreement. The term of this Agreement shall automatically be extended for one additional five (5) year period as provided in Government Code section 51302 unless any of the Parties, upon sixty (60) days notice to the other Party, elects to terminate this Agreement as of the end of the initial five (5) year period. Such election shall be based on "good cause" for such termination, and the notice of termination shall specify the facts and circumstances upon which the alleged "good cause" is predicated.
 - 3.1.2 Conditions. The County shall exercise Implementing Approval Authority in substantial compliance with: (i) the provisions of the Development Approvals and Development Plan; (ii) conditions imposed by any State or local agency; and (iii) legally enforceable restrictions and limitations on development of the Property.

- 3.1.3 City Authority Following Areas Fully Improved. Once a Unit, a Common Area, the Conservation Area, or a Public Improvement is Fully Improved, the County's authority over the respective Unit, Common Area, Conservation Area or Public Improvement shall cease in its entirety. For example, once a certificate of occupancy has been issued for a Unit, the next permit issued for the Unit (for example, without limitation, a permit for a patio cover) shall be processed and issued by the City.
- 3.2 Term. Following annexation, County shall retain Implementing Approval Authority for the term set forth in Section 3 1.1 herein. However, the County only retains Implementing Approval Authority on a particular Unit, Common Area, Conservation Area or Public Improvement until such time the particular Unit, Common Area, Conservation Area or Public Improvement is Fully Improved. Once the entirety of the Property is Fully Improved, the County no longer has Implementing Approval Authority on the Property. The maximum term of this Agreement is 5 years, unless extended for up to an additional 5 years for a maximum term of 10 years as outlined in Section 3.1.1.
- 3.3 Fees. City and County shall be entitled to collect and keep those fees as indicated on Exhibit C attached hereto. It is understood that once a Unit, Common Area, Conservation Easement, or Public Improvement is Fully Improved, the City is entitled to receive all fees related to the respective Fully Improved Property.
- 3.4 Exoneration of Bonds. County shall be solely responsible for the inspection of any subdivision improvements installed within or outside the Project boundaries if the permits for which were issued by County. County shall be solely responsible for determining the extent to which any and all such improvements have been completed in accordance with all subdivision improvement agreements executed with the County and whether applicable subdivision bonds should be released. County has no authority over improvements constructed within the City and such improvements are subject to the processing, review, and approval of the City. Bonds for improvements within the City outside the Property shall be subject to the requirements of the City. Improvements for the purpose of this section shall include streets, storm drains, and other improvements constructed in the City but not on the Property. For example, roads constructed within the City outside the Property shall be bonded in a manner satisfactory to the City consistent with applicable City regulations and requirements.
- 3.5 Law Enforcement and Fire Protection Services. The City shall provide law enforcement, fire and emergency protection services to a Unit, Common Area, Conservation Area or Public Improvement once such area is Fully Improved or the County's authority over such Unit, Common Area, Conservation Area or Public Improvement ceases pursuant to the terms of this Agreement.

4. SPECIAL PROVISIONS

- 4.1 City Ordinance. City has, prior to the Effective Date of this Agreement, adopted Ordinance No. 2018-1055 regarding the City's rezoning for the Property consistent with the Development Approvals and Development Plan. The City Council has also authorized the execution of this Agreement by the City Manager and determined that this Agreement is fully consistent with the authority of the City and City Council pursuant to law.
- 4.2 City Commitments. Other than has outlined in this Agreement, the City does not waive any authority as to actions that occur within the jurisdictional boundaries of the City outside the Property or as to an Unit, Common Area, Conservation Area or Public Improvement once Fully Improved. Specifically, the City retains all authority over any roadway or other improvements within the jurisdiction of the City outside the Property.
- 4.3 County Consideration. County shall be entitled to charge, receive, and retain all fees for processing the Development Approvals.
- 4.4 County Officers. The County Executive Officer (CEO) shall designate the County officers and employees that are to perform the services contemplated by, and exercise the authority transferred pursuant to, this Agreement. The Parties contemplate that the CEO will designate the same officers and employees that have, prior to the effective date of this Agreement, been performing services or exercising powers related to the County's Implementing Approval Authority.
- 4.5 Transfer of Park Fees. The County shall collect park fees pursuant to the Quimby Act for the development based on Orange County Codified Ordinance section 7-9-520, *et seq.* and shall transfer to the City one hundred percent (100%) of such park fees.

5. COOPERATION

- 5.1 Cooperation. City and County shall mutually provide any assistance reasonably requested by the other Party with respect to the implementation and administration of the Development Approvals, the Development Plan and this Agreement. City and County shall cooperate with one another relative to any action necessary to ensure that County retains the authority to perform the functions required by, or to achieve the objectives of this Agreement.
- 5.2 Records. County shall provide the City the County records that would facilitate the City's assumption of City functions being performed by County, including Implementing Approval Authority, after any Unit, Common Area(s), Conservation Area, or Public Improvement is Fully Improved.

6. MISCELLANEOUS PROVISIONS

- 6.1 Term of Agreement. Subject to the extension provisions of Article 3, this Agreement shall continue in full force and effect with respect to the Property for a period of five (5) years following the date of the annexation of the Property to the City unless continued for an additional five (5) years pursuant to Section 3.1.1. However, the County only retains Implementing Approval Authority on a particular Unit, Common Area, Conservation Area or Public Improvement until such time the particular Unit, Common Area, Conservation Area or Public Improvement is Fully Improved. Once the entirety of the Property is Fully Improved, the County no longer has Implementing Approval Authority on the Property.
- 6.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the Parties, and all oral or written representations, understandings or agreements are expressly stated in this Agreement. No testimony or evidence of any such representations, understandings, or covenants outside the contents of this Agreement shall be admissible in any proceeding or any kind or nature to interpret or determine the terms or conditions of this Agreement.
- 6.3 Severability. If any term, provision, covenant, or condition of this Agreement is ruled invalid, void, or unenforceable by a court of competent jurisdiction, this Agreement shall nonetheless remain in full force and effect as to all remaining terms, provisions, covenants, and conditions.
- 6.4 Interpretation and Governing Law. This Agreement and any related dispute shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed according to its plain language and fair and common meaning to achieve the objectives and purposes of the Parties. The rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be employed in interpreting this Agreement since all Parties have been represented by counsel.
- 6.5 Indemnification. City shall defend, indemnify with counsel approved in writing by County pursuant to Government Code section 25203, and hold harmless the County, and its respective members, officers, employees and agents with respect to any claim, damage, loss, cause of action, lawsuit or proceeding that arises out of or is in any way related to any act or omission by City or its officers, employees or agents in the performance or non-performance of any duty or obligation pursuant to this Agreement. County shall defend, indemnify, and hold harmless the City, and its respective officers, employees and agents with respect to any claim, damage, loss, cause of action, lawsuit or proceeding that arises out of or is in any way related to any act or omission by County or its officers, employees, or agents in the performance or non-performance of any duty or obligation pursuant to this Agreement.
- 6.6 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

- 6.7 Singular and Plural. As used herein, the singular of any word includes the plural.
- 6.8 Waiver. The failure of a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party, or the failure of a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of that Party's right to demand and require, at any time, any other Party's strict compliance with the terms of this Agreement.
- 6.9 Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit for the Parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.
- 6.10 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement.
- 6.11 Specific Performance. The Parties acknowledge that monetary damages may be inadequate to remedy any breach of this Agreement by any other Party. Accordingly, the Parties agree that any breach of this Agreement shall also entitle any non-breaching Party to file an action for specific performance in a court of competent jurisdiction.
- 6.12 Counterparts. This Agreement may be executed by the parties and counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.
- 6.13 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by any Party for the purpose of enforcing, construing, or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Orange, State of California. The Parties waive all provisions of law providing for the filing, removal or change of venue to any other court.
- 6.14 Further Actions and Instruments. All of the Parties shall cooperate with and provide reasonable assistance to the other Parties to the extent contemplated by this Agreement to achieve the objectives of this Agreement. Upon the request of any party at any time, the other Parties shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record instruments and writing. The Parties shall also take any action that may be reasonably necessary under the terms of this Agreement to carry out the intent and to achieve the objectives of this Agreement.
- 6.15 Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of the Parties specifically approving the amendment and in accordance with the Government Code provisions for the amendment of Development Agreements. The Parties shall cooperate in good faith with respect to any amendment proposed in order to clarify that intent and application of this

Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters.

- 6.16 Authority to Execute. Any person or persons executing this Agreement on behalf of the City and County warrants and represents that he/she has the authority to execute this Agreement on behalf of his/her agency/entity and to bind that agency/entity to the performance of its obligations pursuant to this Agreement.
- 6.17 Notice. All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and shall be deemed served when delivered personally or on the third business day after deposit in the United States mail, postage prepaid, first class mail, addressed as follows.

All notices, demands, requests or approvals to CITY shall be addressed to:

City of Yorba Linda
4845 Casa Loma Avenue
City Manager's Office
Yorba Linda, CA 92886

All notices, demands, requests or approvals to COUNTY shall be addressed to:

Director of Planning and Development Services
County of Orange
601 N. Ross St.
Santa Ana, California 92701

- 6.18 Effective Date. This Agreement shall become effective upon authorized execution by all necessary parties.

WITNESS THEREOF, the parties hereto have executed this Agreement on the date set forth above

COUNTY OF ORANGE,
a political subdivision of the State of California

By: _____

[Signature]
Chairwoman of the Board of Supervisors
County of Orange, California



SIGNED AND CERTIFIED THAT A COPY
OF THIS DOCUMENT HAS BEEN DELIVERED
TO THE CHAIR OF THE BOARD PER G.C. SECTION
25103, RESOLUTION 79-1535

Attest:

By: _____

[Signature]
Robin Stieler, Clerk of the Board
of Supervisors

APPROVED AS TO FORM:

[Signature]
County Counsel

THE CITY OF YORBA LINDA,
a California municipal corporation

By: _____

[Signature]
Beth Haney, Mayor Pro Tem

Attest:

By: _____

[Signature]
Marcia Brown, City Clerk

APPROVED AS TO LEGAL FORM:

[Signature]
Todd O. Litfin, City Attorney

EXHIBIT A

**LEGAL DESCRIPTION
CITY OF YORBA LINDA ANNEXATION OF CIELO VISTA DEVELOPMENT
(CA 19-03)**

1 THAT CERTAIN PARCEL OF LAND SITUATED IN THE UNINCORPORATED
2 TERRITORY OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING A
3 PORTION OF THE RANCHO CANON DE SANTA ANA, AS SHOWN ON A MAP
4 ATTACHED TO THE FINAL DECREE OF PARTITION RECORDED FEBRUARY 8,
5 1874 IN BOOK 28, PAGE 158 OF DEEDS, RECORDS OF LOS ANGELES
6 COUNTY, CALIFORNIA, AND BEING A PORTION OF THE CARRILLO RANCH
7 PROPERTY AS SHOWN ON A MAP FILED IN BOOK 37, PAGE 33 OF RECORDS
8 OF SURVEY, BOTH IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE
9 COUNTY, ALL LYING WITHIN SECTION 18 AND 19, TOWNSHIP 3 SOUTH,
10 RANGE 8 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE
11 OFFICIAL PLAT OF SAID LAND FILED IN THE DISTRICT LAND OFFICE,
12 DESCRIBED AS FOLLOWS:

13
14 BEGINNING AT THE INTERSECTION IN THE EXISTING BOUNDARY OF THE
15 CITY OF YORBA LINDA ANNEXATION NO. 78-02 BRYANT RANCH TO THE CITY
16 OF YORBA LINDA PER DOCUMENT RECORDED IN BOOK 12810 PAGE 369
17 WITH CITY OF YORBA LINDA ANNEXATION NO. 75-2 PER DOCUMENT
18 RECORDED IN BOOK 11535 PAGE 462, BOTH OF OFFICIAL RECORDS OF SAID
19 COUNTY, SAID INTERSECTION ALSO BEING THE WESTERLY TERMINUS OF
20 THAT CERTAIN COURSE SHOWN IN SAID ANNEXATION NO. 78-02 AS "SOUTH
21 77°50'17" EAST 880.17";

22
23 THENCE ALONG THE EXISTING EASTERLY BOUNDARY LINE OF THE CITY OF
24 YORBA LINDA ANNEXATION NO. 75-2, NORTH 01°01'24" WEST 3578.27 FEET
25 TO A POINT ON THE SOUTHERLY BOUNDARY LINE OF THE EXISTING CITY
26 OF YORBA LINDA ANNEXATION NO. 80-01 PER DOCUMENT RECORDED IN
27 BOOK 14294 PAGE 1505 AND RECORDED IN BOOK 14294 PAGE 1510, BOTH
28 OF OFFICAL RECORDS OF SAID COUNTY, SAID POINT ALSO BEING THE
29 NORTHEAST CORNER OF SAID ANNEXATION NO. 75-2;

30
31 THENCE ALONG THE SAID EXISTING SOUTHERLY BOUNDARY LINE OF THE
32 CITY OF YORBA LINDA ANNEXATION NO. 80-01, SOUTH 87°05'05" EAST 583.21
33 FEET AND SOUTH 86°47'07" EAST 281.78 FEET TO THE NORTHEAST
34 BOUNDARY CORNER OF PARCEL MAP NO. 2016-156 AS PER MAP FILED IN
35 BOOK 400, PAGES 23 THROUGH 30 OF PARCEL MAPS, IN THE OFFICE OF
36 THE COUNTY RECORDER OF SAID ORANGE COUNTY;

37
38 THENCE LEAVING SAID EASTING SOUTHERLY BOUNDARY LINE ALONG THE
39 GENERALLY EASTERLY BOUNDARY LINES OF SAID PARCEL MAP NO. 2016-
40 156 THROUGH THE FOLLOWING THREE COURSES;

41
42 SOUTH 00°56'08" EAST 2863.76 FEET;

43
44 SOUTH 86°40'40" EAST 619.50 FEET;

EXHIBIT A

LEGAL DESCRIPTION
CITY OF YORBA LINDA ANNEXATION OF CIELO VISTA DEVELOPMENT
(CA 19-03)

45
46 SOUTH 05°32'21" EAST 735.23 FEET TO A POINT ON THE NORTHERLY
47 BOUNDARY LINE OF SAID CITY OF YORBA LINDA PER ANNEXATION NO. 78-
48 02, SAID POINT BEING ON A CURVE CONCAVE SOUTHEASTERLY HAVING A
49 RADIUS OF 450.00 FEET AND TO WHICH POINT A RADIAL LINE BEARS,
50 NORTH 15°20'27" WEST;

51
52 THENCE LEAVING SAID GENERALLY EASTERLY BOUNDARY LINE AND
53 ALONG SAID NORTHERLY BOUNDARY LINE THROUGH THE FOLLOWING:

54
55 SOUTHWESTERLY ALONG SAID CURVE 95.19 FEET THROUGH A CENTRAL
56 ANGLE OF 12°07'13";

57
58 SOUTH 62°32'20" WEST 113.62 FEET TO THE BEGINNING OF A CURVE
59 CONCAVE NORTHERLY HAVING A RADIUS OF 550.00 FEET;

60
61 WESTERLY 380.00 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE
62 OF 39°35'11";

63
64 NORTH 77°52'29" WEST 119.29 FEET;

65
66 NORTH 00°56'08" 25.66 FEET;

67
68 NORTH 77°52'29" WEST 880.23 FEET TO THE POINT OF BEGINNING.

69
70 CONTAINING: 84.812 ACRES MORE OR LESS.

71
72
73
74 AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE
75 MADE A PART HEREOF.

76
77
78 PREPARED BY ME OR UNDER MY DIRECT SUPERVISION.

79
80 DATED THIS 10TH DAY OF JULY, 2019

81
82
83
84
85
86
87
88

KURT R. TROXELL, L.S. 7854
FUSCOE ENGINEERING

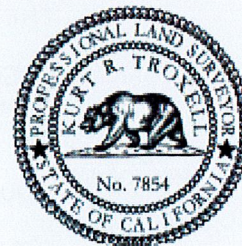


EXHIBIT B

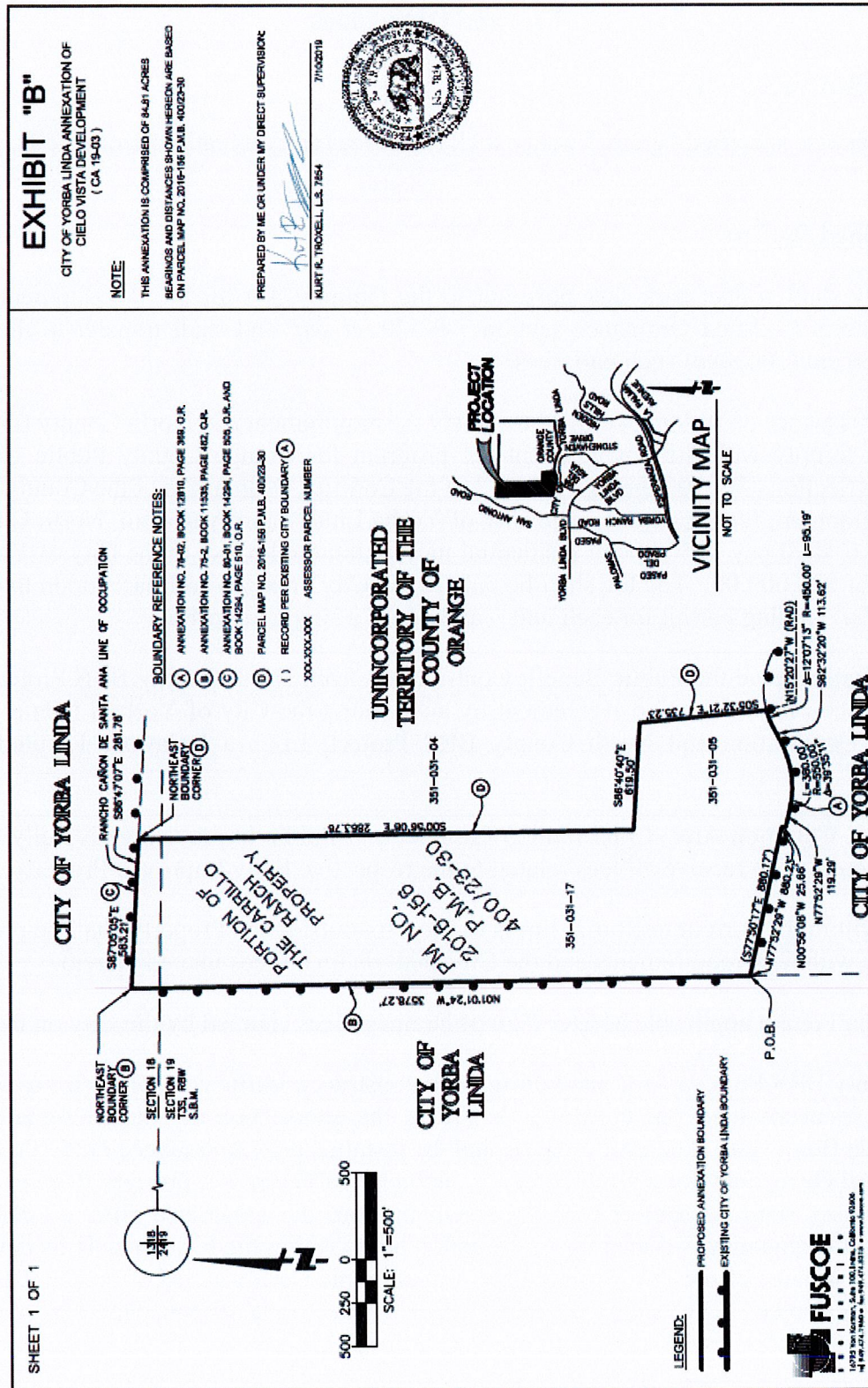


EXHIBIT C**Fees and Obligations****Fees Retained By County**

Unless otherwise specified herein, County shall retain fees and obligations from the Development Approvals.

Fees Retained By City

The County shall collect park fees pursuant to the Quimby Act for the development based on Orange County Codified Ordinance section 7-9-520, *et seq.* and shall transfer to the City one hundred percent (100%) of such park fees.

Prior to the issuance of building permits, to satisfy the requirement that North County BRS Project, LLC shall comply with the development fee program for Orange County Public Libraries as provided in Sections 7-9-700 through 7-9-713 of the Codified Ordinances of the County of Orange or the development fee program for the City of Yorba Linda Library system, North County BRS Project, LLC shall pay \$250.00 per residential unit within the Project to the City of Yorba Linda for a total of \$20,000.00. The fee shall be paid to the City on a per-unit basis upon the County's issuance of a building permit for each unit – and not as a single lump sum.

The City shall receive the Public Benefit Contribution from North County BRS Project, LLC as outlined in the Pre-Annexation Agreement by and among the City of Yorba Linda a California Municipal Corporation and North County BRS Project, LLC, a Delaware Limited Liability Company.

Once a Unit, Common Area, Conservation Easement, or Public Improvement is Fully Improved, the City is entitled to receive all fees related to the respective Fully Improved Property.

All areas within the current territorial limits of the City outside the Property shall be processed in accordance with City requirements and the City shall retain all fees related thereto.

The City shall retain applicable Master Plan of Drainage fees charged by the City on the Project.

North County BRS Project, LLC shall design and construct a traffic control device as set forth in Mitigation Measure 4.14-2 of the Project's EIR at the intersection of Via del Agua Street and Yorba Linda Boulevard. The traffic signal shall be installed prior to issuance of the Project's first Certificate of Occupancy for a production (*i.e.*, not a model) home. A pro-rata share of the traffic signal expenses shall be subject to reimbursement from the Esperanza Hills developer. If a Certificate of Occupancy is issued for a production home within the Esperanza Hills development prior to the issuance of the Project's first production home Certificate of Occupancy, then North County BRS Project, LLC shall pay the City of Yorba Linda its pro-rata share cost toward installation of a traffic signal in lieu of installing said signal.

**FIRST AMENDMENT TO
CIELO VISTA PROJECT WATER AND SEWER FACILITIES AGREEMENT
BETWEEN
YORBA LINDA WATER DISTRICT
AND
NORTH COUNTY BRS PROJECT, LLC**

This FIRST AMENDMENT to Cielo Vista Project Water and Sewer Facilities Agreement ("First Amendment") is made and entered into, effective this 27th day of August 2019, by and between the Parties.

RECITALS

A. The Parties previously entered into the Agreement titled Cielo Vista Project Water and Sewer Facilities Agreement, which has an Agreement Date of August 1, 2018 ("Agreement"), a copy of which is attached hereto. Capitalized terms used in this First Amendment, without being separately defined herein, shall have the same meaning as defined in the Agreement.

B. Pursuant to Section 17, all amendments to the Agreement must be in writing and signed by the Parties.

C. Certain water facility improvements that will benefit both Developer and Yorba Linda Estates, LLC, who is the developer of the Esperanza Hills Estates ("EHE") project, will be connected to the water main in Stonehaven Drive and other Existing Offsite Facilities and will be designed and constructed as listed in **Exhibit "M"** and illustrated on **Exhibit "N"**, which are attached to this First Amendment ("Shared Facility Improvements"). The Parties intend for the rights and obligations as to the Subdivision Facilities in Subsections A(i), (iii), and D through F in Section 3 of the Agreement to apply to the Shared Facility Improvements.

D. The Shared Facility Improvements (1) were originally part of the EHE project memorialized in a separate agreement between YLWD and Yorba Linda Estates, LLC, dated October 13, 2016, (2) are subject to cost sharing between Developer and Yorba Linda Estates, LLC, as documented in a separate agreement between those parties, and (3) caused significant changes to the Cielo Vista Project Subdivision Facilities Plans. YLWD incurred significant time to review these design concept and improvement plans along with legal fees for the EHE project and previously invoiced Yorba Linda Estates, LLC for this time in YLWD invoice no. 2012-06 dated March 7, 2019 in the amount of \$14,324.19. The invoice amount of \$14,324.19 has been fully paid by Developer. The expenses incurred by YLWD associated with revisions to the Subdivision Facilities Plans have greatly exceeded the fees previously paid by Developer on May 22, 2018. Reimbursement for all outstanding and future YLWD Administrative Costs as defined in both the Agreement and herein shall be paid by Developer to YLWD out of the Administrative Costs Account.

E. Pursuant to Section 2 of the Agreement, the Effective Date term for Developer to provide proof and notice of transfer of ownership from Property Owner to Developer and recordation of the Project's final map was August 1, 2019, and the Parties desire to extend the Effective Date term for an additional three hundred sixty-five (365) day period to August 1, 2020. The extension of the Effective Date term will cause the Project milestones in **Exhibit "J"** and the schedule in **Exhibit "K"** to be modified.

F. Pursuant to Section 5.D. of the Agreement, Developer shall reimburse all YLWD Administrative Costs related to the Project. The Parties desire to amend this Section to (1) amend the use of the term "Administrative Costs" in Section 5.D to mean YLWD staff and attorney time and costs related to the Project, the Agreement as amended from time to time, and "Developer Improvements" defined collectively as: (i) the Subdivision Facilities, (ii) the Existing Offsite Facility Improvements and (iii) the Shared Facility Improvements; and (2) require Developer to reimburse YLWD for all fees and costs associated with consultant(s) and/or contractor(s) hired by YLWD for the Developer Improvements.

G. Since the Agreement Date, Subdivision Facilities Plans have been modified and the scope of Developer's design/work has been amended to include the Shared Facility Improvements.

H. Pursuant to Section 5.F of the Agreement, YLWD will construct off-site facilities to support Advanced Metering Infrastructure ("AMI") for the Subdivision Facilities. Developer agreed to pay \$40,000 to YLWD for the tower and signal collection equipment as part of the AMI. So YLWD does not have to wait another year for payment, the Parties agreed to amend Section 5.F so the \$40,000 is not to be deposited into the Existing Offsite Facility Improvements Escrow and instead Developer will pay the \$40,000 to YLWD by check within 30 calendar days of Developer signing this First Amendment.

I. The Parties acknowledge that it is industry standard for a developer and a public agency to procure a surety bond for the facilities to be constructed by Developer and dedicated to the public agency. Moreover, the Parties acknowledge that it is industry standard for a developer to provide closing forms listed in Subsection 1.D below for, and access to, such facilities to the public agency, and to indemnify YLWD for damages and charges to Existing Offsite Facilities caused by Developer. Lastly, the Parties acknowledge that it is industry standard for Developer to comply with public agency rules and regulations for water and sewer service when constructing water and sewer facilities. These industry standards were not memorialized in the Agreement so the Parties desire to obligate Developer to these industry standards.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged and accepted, the Parties agree as follows:

1. The Agreement is amended as follows:

A. To reflect the addition of the Shared Facility Improvements, **Exhibits "M"** and **"N"** attached hereto are added and made a part of the Agreement.

B. Section 2 of the Agreement is hereby amended and replaced in its entirety with the following language:

“Except for Sections 5.D. and 5.F., which the Parties’ rights and obligations are already in effect and will stay in effect for the term of this Agreement, the Parties’ rights and obligations under this Agreement shall not take effect until (a) 10 days after Developer provides written proof and notice to YLWD of the Property Owner’s transfer of ownership of the Property to Developer and (b) recordation of the Project’s final map (“Effective Date”). If YLWD is not provided written proof and notice of both transfer of ownership from Property Owner to Developer and recordation of the Project’s final map by August 1, 2020, then YLWD may provide written notice to Developer that the Agreement, as amended from time to time, is null and void; at which time the Agreement and any amendments will be null and void.”

C. Subsections A(i), (iii), and D through F of Section 3 is amended to include the Shared Facility Improvements wherever “Subdivision Facilities” are mentioned.

D. The following language is added as a new Subsection H within Section 3 of the Agreement:

“H. Developer’s Bond and Warranty Period Obligations. At Developer’s sole expense, Developer shall furnish surety bond(s) to YLWD for the Subdivision Facilities and Shared Facility Improvements before commencing work on the Subdivision Facilities and Shared Facility Improvements. Developer shall not commence work on the Subdivision Facilities and Shared Facility Improvements until it has procured, and YLWD has approved, the surety bond(s), which shall continue in force from the date of YLWD’s Final Acceptance of the Subdivision Facilities and Shared Facility Improvements for a warranty period of one (1) year. The surety bond(s) shall be in an amount equal to one hundred (100) percent of the Engineer’s Estimate of the cost of construction of the Subdivision Facilities and Shared Facility Improvements. YLWD shall review the Engineer’s Estimate and determine the amount of the surety bond(s). At the end of the one-year warranty period for the Subdivision Facilities and Shared Facility Improvements, YLWD will release the surety bond(s) to Developer.

When defects in Subdivision Facilities and Shared Facility Improvements are discovered within the warranty period, Developer shall start work to remedy any such defects within five (5) calendar days of written or electronic notice by YLWD and shall promptly complete such work. In emergencies, where damages may result from delay and where loss of service may result, corrections may be made by YLWD upon discovery, in which case the cost thereof shall be borne by Developer. In the event Developer does not commence and/or accomplish corrections within the time specified, the work may be accomplished by YLWD at its option, and the cost thereof shall be paid by Developer within thirty (30) days of receipt by Developer of an itemized invoice for such cost.

Pursuant to Section 8 of the Agreement, Developer shall indemnify YLWD for any expenses incurred by YLWD resulting from defects in Developer's work, including actual damages, costs of materials and labor expended by YLWD in making repairs and the cost of engineering, inspection and supervision by YLWD."

E. The following language is added as a new Subsection I within Section 3 of the Agreement:

"I. Closing Forms:

- i. Notice(s) of Completion: Developer agrees that the Notice(s) of Completion prepared by YLWD and signed by the Developer for the Subdivision Facilities and Shared Facility Improvements shall be recorded by YLWD with the County Recorder's office of Orange County, California, at Developer's expense.
- ii. Statement of Cost of Construction: Developer agrees to provide YLWD with a report of the actual costs of the Subdivision Facilities and Shared Facility Improvements on the standard reporting form of YLWD and to substantiate such report with invoices and receipts acceptable to YLWD.
- iii. Certification and Waiver of Lien Rights: Developer agrees that upon final payment of the contractor constructing or installing the Subdivision Facilities and Shared Facility Improvements, 35 or more days after date of recording of the Notice(s) of Completion with the County Recorder, Developer will obtain from the contractor(s) a Certification and Waiver of Lien Rights in favor of the Developer and YLWD, and that the original of said Certification and Waiver of Lien Rights shall be delivered to YLWD.
- iv. Bill of Sale: Developer agrees that upon expiration of said 35 days, Developer will execute and deliver a proper Bill of Sale, on the standard form of YLWD, for the Subdivision Facilities and Shared Facility Improvements to YLWD."

F. The following language is added as a new Subsection J within Section 3 of the Agreement:

"J. Inspections. During construction, YLWD shall have the right to inspect the Subdivision Facilities and Shared Facility Improvements during normal business hours and upon reasonable advanced written or electronic notice to Developer."

G. The following language is added as a new Subsection K within Section 3 of the Agreement:

"K. Damage to YLWD Facilities. Developer hereby agrees that, pursuant to Section 8 of the Agreement, it will indemnify YLWD for damages and charges to Existing Offsite

Facilities caused by Developer's construction of the Subdivision Facilities and Shared Facility Improvements, and any person, firm or corporation working for, on behalf of, or by direction of Developer."

H. The following language is added as a new Subsection L within Section 3 of the Agreement:

"L. YLWD's Acceptance of Shared Facilities Improvements. Completion of the Shared Facilities Improvements described in Exhibits M and N may pre-date the EHE Project's readiness to hook up. YLWD's acceptance of the Shared Facility Improvement shall not be conditioned or otherwise dependent on the EHE Project readiness to hook up; however, YLWD is not obligated to accept the Shared Facility Improvements either for any reason stated in Sections 3.D through 3.F of the Agreement or until both the Shared Facility Improvements and Subdivision Facilities are operational.

I. Section 5.D. of the Agreement is hereby amended as to the first sentence, only, to read:

"Both before and after the Agreement Date until issuance of the last building permit, Developer shall reimburse all YLWD staff and attorney time and costs, and all fees and costs associated with consultants and contractors hired by YLWD, related to either the Agreement, as amended from time to time, or the Project, including the Developer Improvements ("YLWD Administrative Costs").

The remainder of Section 5.D of the Agreement is unchanged.

J. Subsection F within Section 5 of the Agreement is hereby amended and replaced in its entirety with the following language:

"F. YLWD shall construct off-site facilities to support Advanced Metering Infrastructure ("AMI") for the Subdivision Facilities, with signal from each meter transmitted to a tower and retransmitted to the YLWD Headquarters located at 1717 E. Miraloma Avenue, Placentia, CA. Developer agreed to pay \$40,000 to YLWD for its share of the AMI."

K. To reflect the omission of Developer's \$40,000 deposit into the Existing Offsite Facility Improvements Escrow, **Exhibit "G"** to the Agreement is hereby amended and replaced by **Exhibit "G.1"** attached hereto.

L. Pursuant to Section 5.B.iii of the Agreement and in order to reflect a change in the Project milestones, **Exhibit "J"** to the Agreement is hereby amended and replaced by **Exhibit "J.1"** attached hereto.

M. Pursuant to Section 5.B.iii of the Agreement and in order to reflect a change in the Project schedule, Exhibit "K" to the Agreement is hereby amended and replaced by Exhibit "K.1" attached hereto.

N. Section 15 is hereby amended and replaced in its entirety with the following language:

"15. Further Cooperation. The Parties agree to execute, acknowledge if appropriate, and deliver any and all documents and cooperate in performing any and all acts both consistent with the District's Rules and Regulations For Water Service and Sewer Service and in any commercially reasonable manner as may be necessary to implement the intent of this Agreement, as set forth in the Recitals, and the terms of the Agreement as amended from time to time."

O. The following language is added as new Section 27:

"27. Relationship of Parties. Nothing in this Agreement shall be deemed to create any form of business organization between the Parties, without limitation, a joint venture or partnership. Developer, in constructing and installing the Subdivision Facilities and Shared Facility Improvements, is not acting as an agent or employee of YLWD."

2. Pursuant to Section 5.D., as amended, YLWD Administrative Costs include (1) YLWD outstanding and future expenses associated with the Developer Improvements, and (2) the YLWD invoice no. 2012-06 dated March 7, 2019 in the amount of \$14,324.19 owed by Yorba Linda Estates, LLC. On August 6, 2019, YLWD received and deposited a check from Developer dated July 31, 2019 in the amount of \$14,324.19 so Developer's payment obligation for invoice no. 2012-06 is satisfied. Developer's payment of YLWD's outstanding expenses related to the Developers Improvements will be deducted from Developer's Administrative Costs Account after this First Amendment is signed by YLWD.

3. Pursuant to Section 5.F. of the Agreement as amended, Developer agrees to pay \$40,000 to YLWD by check within 30 calendar days of Developer signing this First Amendment. Developer's failure to deliver this check in the amount of \$40,000 to YLWD within 30 calendar days will nullify this First Amendment.

5. This First Amendment and the attached Agreement shall be recorded with the Orange County Recorder's Office.

6. The Agreement shall remain in full force and effect in accordance with its terms and provisions except as amended by this First Amendment. The Parties hereby confirm and ratify each of the provisions of the Agreement as amended by this First Amendment. This First Amendment may be executed in one or more counterparts, all counterparts shall be valid and binding on the Party executing them and all counterparts shall together constitute one and the same document for all purposes.

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment on the day and year first written above. Parties have caused this First Amendment to be executed on their behalf and the signatories represent that they have been duly authorized to enter into this First Amendment on behalf of their respective Parties.

Yorba Linda Water District,
a public agency
("YLWD")

North County BRS Project, LLC
a Delaware limited liability company
("Developer")

By: Marc Marcantonio

By: Sign in Counter part

Print: Marc Marcantonio

Print: _____

Title: General Manager

Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

Jackson Tidus, A Law Corp.

By: Andrew B. Gagen

By: _____

Andrew B. Gagen, General Counsel

Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties agree to Section 5.D of the Agreement as modified by this First Amendment and consent to recordation of this First Amendment and attached Agreement:

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment on the day and year first written above. Parties have caused this First Amendment to be executed on their behalf and the signatories represent that they have been duly authorized to enter into this First Amendment on behalf of their respective Parties.

Yorba Linda Water District,
a public agency
("YLWD")

By: sign in counterpart

Print: _____

Title: _____

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

By: _____

Andrew B. Gagen, General Counsel

North County BRS Project, LLC
a Delaware limited liability company
("Developer")

By: Philip Mader

Print: Philip Mader

Title: Managing Director

APPROVED AS TO FORM:

Jackson Tidus, A Law Corp.

By: _____

Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties agree to Section 5.D of the Agreement as modified by this First Amendment and consent to recordation of this First Amendment and attached Agreement:

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Signature Barbara Hinzman, Notary Public
Signature of Notary Public

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment on the day and year first written above. Parties have caused this First Amendment to be executed on their behalf and the signatories represent that they have been duly authorized to enter into this First Amendment on behalf of their respective Parties.

Yorba Linda Water District,
a public agency
("YLWD")

By: sign in counterpart

Print: _____

Title: _____

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

By: _____

Andrew B. Gagen, General Counsel

North County BRS Project, LLC
a Delaware limited liability company
("Developer")

By: sign in counterpart

Print: _____

Title: _____

APPROVED AS TO FORM:

Jackson Tidus, A Law Corp.

By: Michele A. Staples

Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties agree to Section 5.D of the Agreement as modified by this First Amendment and consent to recordation of this First Amendment and attached Agreement:

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment on the day and year first written above. Parties have caused this First Amendment to be executed on their behalf and the signatories represent that they have been duly authorized to enter into this First Amendment on behalf of their respective Parties.

Yorba Linda Water District,
a public agency
("YLWD")

North County BRS Project, LLC
a Delaware limited liability company
("Developer")

By: _____

By: _____

Print: _____

Print: _____

Title: _____

Title: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

Jackson Tidus, A Law Corp.

By: _____

By: _____

Andrew B. Gagen, General Counsel

Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties agree to Section 5.D of the Agreement as modified by this First Amendment and consent to recordation of this First Amendment and attached Agreement:



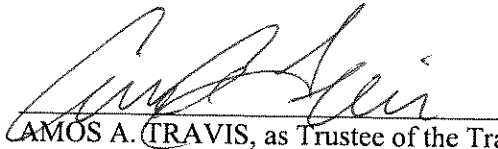
AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest



AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest



AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest



AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Ann Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

LINDA M. RODGER, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

NANCY ANN MAGIO, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Ann Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Linda M. Rodger Trustee

LINDA M. RODGER, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

Nancy Ann Maggio Trustee

NANCY ANN MAGGIO, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

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

STATE OF CALIFORNIA

COUNTY OF Orange

On 23rd September 2019 before me, MARYANNE SCARPONI, NOTARY PUBLIC personally
(insert name and title of the officer),

Appeared Amos A. Travis

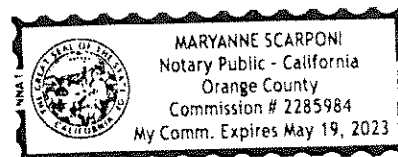
_____, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are
subscribed to the within instrument and acknowledged to me that ~~he~~ she/they executed the same
in ~~his~~ her/their authorized capacity(ies), and that by ~~his~~ her/their signature(s) on the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

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

WITNESS my hand and official seal.

Maryanne Scarponi
Signature

(Seal)



NOTARY ACKNOWLEDGMENT

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

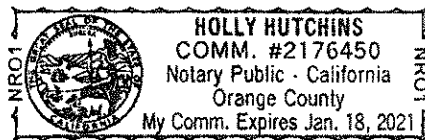
State of California)
County of Orange)

On Sept 13, before me, Holly Hutchins, a Notary Public, personally appeared **LINDA M. RODGER** and **NANCY ANN MAGGIO**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Holly Hutchins
Holly Hutchins



The Parties hereto have executed this First Amendment for Re-Recording on the day and year written below.

Yorba Linda Water District,
a public agency
("YLWD")

North County BRS Project, LLC
a Delaware limited liability company

By: Marc Marcantonio

By: _____

Print: Marc Marcantonio

Print: _____

Title: General Manager

Title: _____

Date: 10/30/19

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

Jackson Tidus, a Law Corp.

By: Andrew B. Gagen
Andrew B. Gagen, General Counsel

By: Michele Staples
Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties have executed this First Amendment for Re-Recording on the day and year written below, and hereby consent to said re-recording.

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

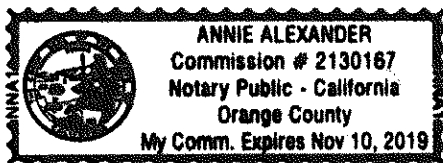
State of California)
County of Orange)

On October 30, 2019 before me, Annie Alexander, Notary Public
Date Here Insert Name and Title of the Officer
 personally appeared Marc Marcantonio
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Annie Alexander
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document 1st Amendment to Cielo

Title or Type of Document: Vista Water and Sewer Agreement Document Date: August 27, 2019
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Marc Marcantonio

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☒ Other: General Manager

Signer Is Representing: Yorba Linda Water District

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing:

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment on the day and year first written above. Parties have caused this First Amendment to be executed on their behalf and the signatories represent that they have been duly authorized to enter into this First Amendment on behalf of their respective Parties.

Yorba Linda Water District,
a public agency
("YLWD")

North County BRS Project, LLC
a Delaware limited liability company

By: _____

By: Rory G Ingels

Print: _____

Print: Rory G Ingels

Title: _____

Title: Director + Authorized Signatory

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

Jackson Tidus, a Law Corp.

By: _____

Andrew B. Gagen, General Counsel

By: _____

Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties agree to Section 5.D of the Agreement as modified by this First Amendment and consent to recordation of this First Amendment and attached Agreement:

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

[Signature]

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

[Signature]

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

[Signature]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California

County of

Orange

On October 30, 2019 before me, Barbara Hinshaw, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared

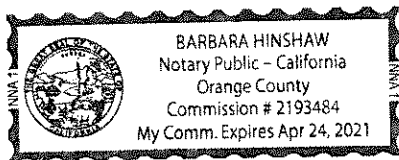
Rory G. Ingels

Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



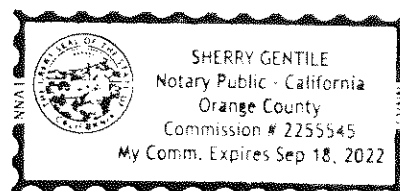
Signature

Barbara Hinshaw, Notary Public
Signature of Notary Public

On October 29, 2019, before me, **SHERRY GENTILE**, Notary Public, personally appeared **AMOS A. TRAVIS**, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

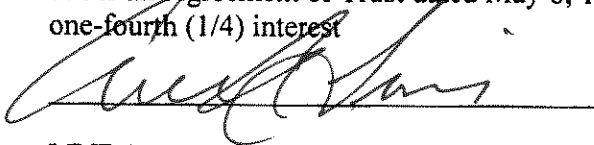
WITNESS my hand and official seal.

Signature: Therese Senti

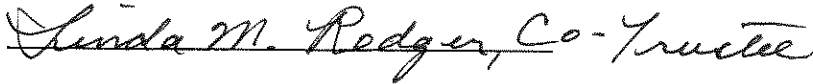


(Seal)

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Ann Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

A handwritten signature in cursive script, appearing to read "Amos A. Travis", written over a horizontal line.

LINDA M. RODGER, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

A handwritten signature in cursive script, appearing to read "Linda M. Rodger, Co-Trustee", written over a horizontal line.

NANCY ANN MAGGIO, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986

A handwritten signature in cursive script, appearing to read "Nancy Ann Maggio - Co-Trustee", written over a horizontal line.

[Notary Acknowledgments on next pages]

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

STATE OF CALIFORNIA

COUNTY OF ORANGE

On 10/30 2019, before me, HOLLY HUTCHINS
(here insert name and title of the officer)

personally appeared Linda M. Rodger

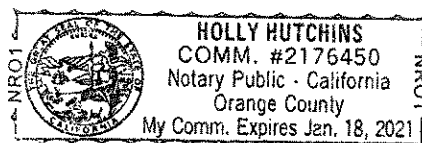
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

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

WITNESS my hand and official seal.

Holly Hutchins
Signature

(Seal)



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STATE OF CALIFORNIA

COUNTY OF ORANGE

On 10/30 2019, before me, HOLLY HUTCHINS
(here insert name and title of the officer)

personally appeared NANCY ANN MAGGIO

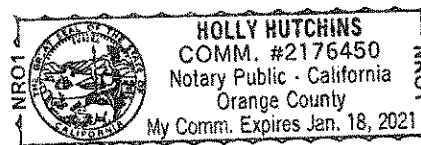
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

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

WITNESS my hand and official seal.

Holly Hutchins
Signature

(Seal)



The Parties hereto have executed this First Amendment for Re-Recording on the day and year written below.

Yorba Linda Water District,
a public agency
("YLWD")

North County BRS Project, LLC
a Delaware limited liability company

By: _____ By: _____

Print: _____ Print: _____

Title: _____ Title: _____

Date: _____ Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

Jackson Tidus, a Law Corp.

By: Andrew B. Gagen
Andrew B. Gagen, General Counsel

By: Michele Staples
Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties have executed this First Amendment for Re-Recording on the day and year written below, and hereby consent to said re-recording.

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

The Parties hereto have executed this First Amendment for Re-Recording on the day and year written below.

Yorba Linda Water District,
a public agency
("YLWD")

North County BRS Project, LLC
a Delaware limited liability company

By: _____ By: _____

Print: _____ Print: _____

Title: _____ Title: _____

Date: _____ Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Kidman Gagen Law, LLP

Jackson Tidus, a Law Corp.

By: _____
Andrew B. Gagen, General Counsel

By: Michele Staples
Michele Staples, Attorneys for Developer

The undersigned Property Owner Parties have executed this First Amendment for Re-Recording on the day and year written below, and hereby consent to said re-recording.

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest

Date: _____

CIELO VISTA PROJECT WATER AND SEWER FACILITIES AGREEMENT

(attached)

**CIELO VISTA PROJECT WATER AND SEWER FACILITIES AGREEMENT
BETWEEN
YORBA LINDA WATER DISTRICT
AND
NORTH COUNTY BRS PROJECT, LLC**

This WATER AND SEWER FACILITIES AGREEMENT ("Agreement") is entered into on August 1, 2018 ("Agreement Date"), by and between YORBA LINDA WATER DISTRICT, a public agency, created and operating under authority of Division 12 of the California Water Code ("YLWD"), and NORTH COUNTY BRS PROJECT, LLC, a Delaware limited liability company ("Developer"); LINDA M. RODGER, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986; NANCY ANN MAGGIO, as Successor Co-Trustee of the Virginia Richards Revocable Intervivos Trust dated May 1, 1986; AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Amos A. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest; AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of J. Coleman Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest; AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of William H. Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest; and AMOS A. TRAVIS, as Trustee of the Travis Ranch Trusts for the benefit of Ann Travis created under an Agreement of Trust dated May 8, 1995, by Amos Travis, as Trustor, as to an undivided one-fourth (1/4) interest (collectively referred to as "Property Owner"). For purposes of this Agreement, YLWD, Property Owner, and Developer may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. As of the Agreement Date, Developer is the master developer of, and controls, approximately 84.8 acres of real property ("Property"), located within the unincorporated area of the County of Orange ("County"). As of the Agreement Date, Property Owner owns the Property. The vicinity location of the Property is shown in the diagram attached hereto and marked **Exhibit "A"**, which is incorporated herein by this reference. The Property is described in the legal description attached hereto and marked **Exhibit "B"**, which is incorporated herein by this reference.

B. Approximately 40.1 acres of the Property are to be developed with no more than 80 single-family residential dwellings, along with associated common areas, and onsite infrastructure improvements (the "Project") pursuant to the approved Vesting Tentative Tract Map 17341 for the Project ("Map"). The Project is commonly referred to as the Cielo Vista subdivision.

C. The County certified the Project's Final Environmental Impact Report No. 615 and approved the Map on September 12, 2017.

D. YLWD provides retail municipal water and sewer service to land within its boundaries. The Property has been annexed into the YLWD jurisdictional boundaries and YLWD's water and sewer service area boundaries approved by the Orange County Local

Agency Formation Commission. However, the annexation fee payment to YLWD discussed in Section 4(A) below is outstanding.

E. YLWD currently owns and operates existing offsite water and sewer facilities (collectively, the “Existing Offsite Facilities”). The onsite water and sewer facilities to be constructed by Developer as part of the Project and conveyed to YLWD according to this Agreement (collectively referred to herein as the “Subdivision Facilities”) are shown on Developer’s improvement plans incorporated herein by reference, titled “Water and Sewer Improvement Plans for Cielo Vista Tract No. 17341”, to be approved by YLWD and maintained on file with YLWD (“Subdivision Facilities Plans”). Collectively, the Existing Offsite Facilities with proposed improvements, and Subdivision Facilities will have the capability to serve the Property via gravity-feed from a reservoir in the 1000 Zone or higher.

F. The Parties intend, by this Agreement, to provide access to water and sewer service through YLWD for the benefit of the Project and the future occupants thereof, including access to water for Project grading and all phases of Project construction, water service to enable the lumber drop for Project framing, and water and sewer service for model homes and for issuance of certificates of occupancy for all of the Project’s 80 single-family residential dwellings. However, the Parties acknowledge that protection of health, safety, and property require that framing and occupancy of residential structures cannot proceed prior to the availability of water service and that the Subdivision Facilities must be developed in a logical order.

G. As part of YLWD’s approved Water Facilities Master Plan, YLWD identified certain operational improvements to the Existing Offsite Facilities that will preserve or enhance water quality, provide additional redundancy, and provide more reliable water service to the YLWD service area in the vicinity of the Project, which include installing a water main in Stonehaven listed in **Exhibit “G”** and illustrated on **Exhibit “H”**, and upgrading and expanding the pumping capacity of the existing Hidden Hills Pump Station listed in **Exhibit “G”** and illustrated on **Exhibit “I”** (collectively referred to herein as the “Existing Offsite Facility Improvements”). The Hidden Hills Pump Station is existing equipment within public right-of-way attached to a pipeline, and the water pipeline extension in Stonehaven is less than one mile in length within public right-of-way. The Existing Offsite Facility Improvements are exempt from the California Environmental Quality Act (“CEQA”, Public Resources Code sections 21000-21189.57) under CEQA sections 21080.21 and 21080.23 and under the CEQA Guidelines (Title 14, California Code of Regulations sections 15000-15387) sections 15062, subd. (b)(1), (2) and (3), and 15282, subd. (k).

H. Under the terms of this Agreement, Developer intends to install the Subdivision Facilities at its sole expense, pay its fair share of the Existing Offsite Facilities, and pay for the Existing Offsite Facility Improvements; and YLWD intends to timely complete the Existing Offsite Facility Improvements, provide access to water for Project development according to the schedule set forth herein, and provide access to water and sewer service to the Property and the future occupants thereof.

I. The Parties acknowledge that the Subdivision Facilities have been planned at certain sizes in order to serve the number of residential dwelling units, or equivalent dwelling units identified in the Map, and that changes in land use, especially increased density of dwelling

units per land area, may change water and sewer system planning and facilities sizing. The total number of residential dwelling units shall not exceed 80. The Parties acknowledge further that once the Subdivision Facilities are installed, it may not be possible to increase land use density without providing additional water and/or sewer infrastructure at additional cost to the Developer.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged and accepted, the Parties agree as follows:

1. Incorporation of Recitals. The Recitals set forth above are true and correct and incorporated into this Agreement.

2. Effective Date of Parties' Rights and Obligations. Except for Section 5.D., which the Parties' rights and obligations are already in effect and will stay in effect for the term of this Agreement, the Parties' rights and obligations under this Agreement shall not take effect until (a) 10 days after Developer provides written proof and notice to YLWD of the Property Owner's transfer of ownership of the Property to Developer and (b) recordation of the Project's final map ("Effective Date"). If YLWD is not provided proof and notice of transfer of ownership from Property Owner to Developer and recordation of the Project's final map within one year of the Agreement Date, then YLWD may provide written notice to Developer that this Agreement is null and void; at which time this Agreement will be null and void.

3. Parties' Obligations for Subdivision Facilities.

A. Developer shall cause Subdivision Facilities to be constructed as necessary and transferred to YLWD. All Subdivision Facilities shall be constructed:

- (i) at no expense to YLWD;
- (ii) within the easement areas dedicated to YLWD on the face of the Map ("Easements") as such Easements may be amended by Developer from time to time; and
- (iii) in substantial conformance with the Subdivision Facilities Plans to be approved by YLWD and in substantial conformance with any variances, exceptions, or modifications approved in writing by the Parties.

B. The Subdivision Facilities Plans may be subject to modifications by the mutual written consent of the Parties due to engineering, site development, or marketing considerations that may arise in the future. The Parties wish to provide a mechanism for future amendments of the Subdivision Facilities Plans without the necessity of a formal amendment to the entirety of this Agreement. Therefore, the Parties agree to discuss in good faith adjustments or modifications to facilities identified in the Subdivision Facilities Plans, and if such modifications are approved in writing by both Parties, the revised Subdivision Facilities Plans may be substituted in this Agreement and will be effective for subsequent development.

C. Developer shall provide an easement grant deed in favor of YLWD, conveying to YLWD rights to access, operate, and maintain the Subdivision Facilities within the Easements. Developer shall defend and indemnify YLWD against any claim or challenge to YLWD's easement rights under the Easements from persons disputing said rights.

D. Written notice shall be provided to YLWD upon completion of the Subdivision Facilities ("Notice of Completion"). Within twenty (20) working days following receipt of the Notice of Completion, YLWD shall inspect the Subdivision Facilities and review all work and services performed with respect thereto, and shall either: (i) provide written notification affirming that the Subdivision Facilities are acceptable as constructed, certifying that the construction tasks have been fully satisfied for the Subdivision Facilities, and accepting the Subdivision Facilities and Easements; or (ii) if reasonable cause exists for doing so, provide written notification that the Subdivision Facilities are not acceptable as constructed, and stating in detail the reasons therefor and the list of items required to be completed in order for YLWD to accept the Subdivision Facilities and Easements. YLWD shall not unreasonably delay the inspection of Subdivision Facilities subject to the Notice of Completion. If necessary, YLWD will contract for inspection services at Developer's expense.

E. In the event YLWD determines the Subdivision Facilities are not acceptable as constructed, and Developer has not disputed YLWD's determination, Developer shall promptly take corrective action or perform additional work or other services that will achieve acceptability of the Subdivision Facilities as constructed, and shall issue to YLWD another Notice of Completion. Such procedure shall be repeated until YLWD Board of Directors has accepted both the Subdivision Facilities, as constructed, and Easements ("Final Acceptance"). YLWD's Final Acceptance shall not be unreasonably withheld, provided that YLWD Board of Directors shall be under no obligation to adopt Final Acceptance until the payments set forth in Section 4 below are received.

F. It is understood and agreed that upon YLWD's Final Acceptance, Developer disclaims in favor of YLWD all right, title and interest in and to the Subdivision Facilities and Easements, and that Developer hereby covenants and agrees to execute and deliver to YLWD any documents required to complete the transfer of the Subdivision Facilities concurrently with YLWD's Final Acceptance. Developer shall no longer own, operate, maintain, repair or replace the Subdivision Facilities following YLWD's Final Acceptance. Developer shall warranty all Subdivision Facilities for one year following Final Acceptance by the YLWD Board of Directors.

G. The Parties shall coordinate their respective activities in order to provide for orderly, efficient and timely completion and acceptance of the Subdivision Facilities and their connection to YLWD's Offsite Existing Facilities and Existing Offsite Facility Improvements required to provide water and sewer service to the Property.

4. Parties' Obligations for Existing Offsite Facilities.

A. YLWD studies recommended, and YLWD has determined, that pro-rata buy-in is required by Developer for the Existing Offsite Facilities. Subject to YLWD's completion of the Existing Offsite Facility Improvements, Developer agrees to pay YLWD the

Project's fair share of the Existing Offsite Facilities as follows: (1) \$290,217.00 for the fair share cost of existing water infrastructure as detailed on **Exhibit "C"** and shown graphically on **Exhibit "D"**; (2) \$109,242.00 for the fair share cost of existing sewer infrastructure as detailed on **Exhibit "E"** and shown graphically on **Exhibit "F"**; and (3) \$15,644.00 for annexation fees as detailed on **Exhibit "G"**.

- i. The fair share cost component of Developer's payment obligation for Existing Offsite Facilities shall be analyzed by Developer's engineer, which may cause the estimated payment obligation to change, up or down. Developer's analysis and revised payment obligation must be presented to YLWD in writing and approved, in writing, by YLWD. YLWD's approval of Developer's fair share cost component shall not be unreasonably withheld.
- ii. Developer's approved fair share payment obligation for the Existing Offsite Facilities shall be paid on a pro-rata basis upon issuance of each building permit for the Project's single-family residential dwellings. The Developer shall be obligated to make final payment to YLWD for the remaining approved payment obligation for 80 homes either upon issuance of the last building permit, or within two years of the first building permit, being issued for the Project, whichever occurs first and even if fewer than 80 homes are constructed.

5. Parties' Obligations for Existing Offsite Facility Improvements.

A. YLWD shall be solely responsible for the construction of the Existing Offsite Facility Improvements, including but not limited to any YLWD amendments to the scope of design or scope of work for the Existing Offsite Facility Improvements attached as **Exhibit "L"** ("Scope of Work"), compliance with all federal, state and local laws applicable to the Existing Offsite Facility Improvements, and obtaining all rights of way, permits and approvals required for the Existing Offsite Facility Improvements. Developer assumes no liability and shall have no responsibility for the construction of the Existing Offsite Facility Improvements, except to make the payments provided in this Section 5.

B. Developer shall pay its engineering consultant, Psomas, to prepare a proposed preliminary design report, 60%, 90% and final design plans and specifications, bid support services, and construction support services for the Existing Offsite Facility Improvements (collectively, the "Existing Offsite Facility Improvements Documents"), to be submitted for YLWD's consideration consistent with YLWD's existing approvals, mitigation measures, standards and procedures for YLWD facility improvement projects. The Existing Offsite Facility Improvements Documents shall include engineer's opinions of probable construction costs in the preliminary design report, 60%, 90% and 100% submittals.

- i. Psomas shall prepare a proposed scope of work and schedule for preparation of the Existing Offsite Facility Improvements Documents. YLWD shall promptly consider and provide Psomas with YLWD's final approved scope of work and schedule for the preparation of the Existing Offsite Facility Improvements Documents.

ii. Psomas shall prepare each of the Existing Offsite Facility Improvements Documents under YLWD's direction, in accordance with YLWD's standards and in the form and content required by YLWD. YLWD's General Manager or designee is authorized to approve the preliminary design report and final design plans and specifications for the Existing Offsite Facility Improvements.

iii. YLWD shall issue written Notices to Proceed to Developer upon completion of the Subdivision Facilities up to the hydrant(s) serving the model homes and/or completion of the Stonehaven Improvements and/or commencement of construction of the Hidden Hills Pump Station Improvements. The schedule for YLWD to provide access to water for the Project is described in **Exhibit "K"**. This schedule is based on (a) a projected Effective Date of August 1, 2018, and (b) the Project milestone dates provided by Psomas attached as **Exhibit "J"**. If the actual Effective Date is later than August 1, 2018, then the dates in **Exhibits "J" and "K"** shall be extended by the same time period as such delay in the Effective Date or to any earlier dates mutually agreeable to YLWD and Developer. The Parties wish to provide a mechanism for future amendments to **Exhibits "J" and "K"** without the necessity of a formal amendment to the entirety of this Agreement. Therefore, the Parties agree that if such amendments are approved in writing by the Parties, the amended **Exhibits "J" and "K"** may be substituted in this Agreement and will be effective for subsequent development.

C. Within 10 days of the Effective Date, Developer shall deposit into an interest-bearing escrow account \$1,270,000.00 for Developer's costs of installing the Existing Offsite Facility Improvements as listed in **Exhibit "G"** ("Existing Offsite Facility Improvements Escrow").

- i. The \$1,270,000.00 is a preliminary estimate and the final costs may change up or down after construction completion of the Existing Offsite Facility Improvements. Developer shall pay 100% of the final costs of installing the Existing Offsite Facility Improvements, except that YLWD shall be solely responsible to pay all costs related to any change(s) in the Scope of Work by YLWD.

D. Both before and after the Agreement Date, Developer shall reimburse all YLWD staff and attorney time and costs related to the Project, including this Agreement ("YLWD Administrative Costs"). Developer has been and shall continue to submit to YLWD a deposit in the amount of \$20,000 to be managed by the YLWD Finance Manager in a restricted deposit account ("Administrative Costs Account"), which Developer shall replenish to \$20,000 within 5 days of YLWD's written notice to Developer that the Administrative Costs Account has fallen below \$5,000. All YLWD Administrative Costs shall be deducted from the Administrative Costs Account. Concurrent with its above written notice to Developer, YLWD shall provide Developer with an itemized invoice of YLWD Administrative Costs incurred since YLWD's last invoice to Developer for YLWD Administrative Costs.

E. YLWD shall provide written notice to Psomas of each request for disbursement from the Existing Offsite Facility Improvements Escrow for Psomas' review and comment ("YLWD Disbursement Request"). The YLWD Disbursement Request shall set forth in reasonable detail the costs to be paid from the Existing Offsite Facility Improvements Escrow and shall be accompanied by invoices or other supporting documentation evidencing such costs. Psomas shall have fifteen (15) days to deliver written comments and supporting documentation to YLWD, and the Parties shall engage in good faith efforts to reach a mutually-agreeable resolution of Psomas' comments. Any funds remaining in the Existing Offsite Facility Improvements Escrow upon completion of construction of the Existing Offsite Facility Improvements shall be refunded to Developer.

F. YLWD shall construct off-site facilities to support Advanced Metering Infrastructure ("AMI") for the Subdivision Facilities, with signal from each meter transmitted to a tower and retransmitted to the YLWD Headquarters located at 1717 E. Miraloma Avenue, Placentia, CA. Developer shall be responsible for the costs, up to \$40,000, of the tower and signal collection equipment, which shall be specified by YLWD. The \$40,000 is to be deposited by Developer into the Existing Offsite Facility Improvements Escrow (**Exhibit "G"**) within ten (10) days after the Effective Date and is listed as a separate line item in **Exhibit "G"**.

6. Environmental Impact Analysis and Indemnity Therefor. County certified the Final EIR for the Project. To the extent there are any discretionary Project approvals remaining to be obtained, Developer shall be responsible to obtain environmental approvals for the Project. The obligations of the Parties hereto are expressly contingent upon Developer receiving all environmental approvals and all entitlements necessary to proceed with subdivision and development of the Project. To the extent there are any discretionary Project approvals remaining to be obtained, Developer shall obtain such approvals at its sole cost and expense and it shall be responsible to comply with any requirements of the California Environmental Quality Act and/or the County of Orange in connection with the construction of the Subdivision Facilities.

7. Notice. Any and all notices submitted by any Party to another Party pursuant to or as required by this Agreement shall be proper if in writing and dispatched by messenger for immediate personal delivery, nationally recognized overnight (one business day) courier (i.e., United Parcel Service, Federal Express, etc.) or by registered or certified United States mail, postage prepaid, return receipt requested, to the address of the recipient Party, as designated in this Section. Notices may be sent in the same manner to such other addresses as the Parties may from time to time designate by notice in accordance with this Section. Notice shall be deemed received by the addressee, regardless of whether or when any return receipt is received by the sender or the date set forth on such return receipt, on the day that it is dispatched by messenger for immediate personal delivery, one business day after delivery to a nationally recognized overnight carrier or two (2) calendar days after it is placed in the United States mail in accordance with this Section. Any attorney representing a Party may give any notice on behalf of such Party. The notice addresses for the Parties are as follows:

If to Developer:

North County BRS Project, LLC
3 Corporate Plaza, Suite 102

Newport Beach, CA 92660
 Attention: Laurence M. Netherton, Project Manager

If to YLWD:

Yorba Linda Water District
 P.O. Box 309
 Yorba Linda, CA 92885-0309
 Attention: General Manager

If to Psomas:

PSOMAS
 3 Hutton Centre Drive, Suite 200
 Santa Ana, CA 92707 | 714.481.7979
 Attention: Michael D. Swan

8. Indemnity. Developer shall indemnify, hold harmless, and defend YLWD (including its elected officials, officers, volunteers, agents, attorneys, and employees) and its affiliates, the Yorba Linda Water District Financing Authority and the Yorba Linda Water District Public Financing Corporation ("Affiliates"), from and against any and all claims (including all litigation, demands, damages, liabilities, costs, and expenses, and including court costs and attorney's fees) resulting or arising from Developer's performance or non-performance (actual or alleged) of this Agreement (with the exception of the sole negligence, willful misconduct, or breach of this Agreement by YLWD, or its elected officials, officers, volunteers, agents and employees).

Without limiting the generality of the forgoing, Developer's duty to defend and indemnify YLWD under this Agreement expressly includes, but is not limited to, defense and indemnity against claims and liability arising from (i) disputes as to environmental compliance in connection with development of the Project; (ii) disputes as to ownership rights to the Easements, and rights of way and land (if any) conveyed to YLWD under this Agreement; and (iii) disputes as to the payment of prevailing wages related to construction of the Subdivision Facilities that will be dedicated to public use.

9. Insurance Prior To Performance. The Developer shall not commence work on the Subdivision Facilities pursuant to this Agreement until it has obtained, and the YLWD has approved, all insurance required hereunder. YLWD's approval of Developer's insurance shall not be unreasonably withheld. In addition, Developer shall not allow any contractor to commence work on the Subdivision Facilities under this Agreement until such contractor has obtained all required insurance, as provided herein. Developer shall procure and maintain, for one year following YLWD's Final Acceptance, insurance against claims for injuries to persons or damage to property which may arise from or in connection with Developer's performance or non-performance (actual or alleged) of this Agreement, as set forth below. The cost of such insurance shall be borne by Developer.

A. Scope of Insurance. Coverage shall at least be as broad as:

(i) Commercial General Liability: Insurance Services Office (ISO) Occurrence Form No. CG 0001, or equivalent), including completed operations coverage, with no explosion, collapse or underground damage exclusions (XCU)

(ii) Automobile Liability: ISO Form No. CA 0001, or equivalent Code I (any auto) or in the alternative, owned or scheduled autos plus non-owned and hired autos.

(iii) Workers' Compensation: As required by the Labor Code of the State of California, including an "all states" endorsement and employer's liability coverage.

B. Minimum Limits of Insurance.

(i) Liability insurance: Total liability limits shall be no less than four million dollars (\$4,000,000) per occurrence/claim/or accident, through any combination of primary and excess or umbrella insurance policies and shall apply above the other liability policies, providing coverage at least as broad as coverage provided in the underlying policies.

(ii) General liability: \$2,000,000 per occurrence, \$4,000,000 general aggregate, \$4,000,000 completed operations aggregate.

(iii) Automobile liability: \$1,000,000 per accident combined single limit.

(iv) Workers' Compensation limits shall be statutory as required by the Labor Code of the State of California.

C. Other Developer Insurance Provisions. The policies specified herein are to contain, or be endorsed to contain, the following provisions:

(i) Additional Insureds - YLWD and its Affiliates shall be named as additional insureds on all third party liability policies, including, general liability and excess or umbrella policies. The coverage shall contain no special limitations on the scope of protection afforded to YLWD and its Affiliates.

(ii) Primary Insurance - Developer's insurance coverage, including any excess liability coverage, shall be primary insurance as respects YLWD and its affiliates for all Claims arising out of Developer's performance under this Agreement. Any insurance, pool coverage, or self-insurance maintained by YLWD or its Affiliates shall be excess of Developer's insurance and shall not contribute with it.

(iii) Waiver of Subrogation – All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against YLWD and its Affiliates. Developer waives its right of recovery against YLWD and its affiliates for damages covered by insurance required by this

Agreement. Developer shall require similar written express waivers and insurance clauses from each of its contractors.

(iv) The insurer issuing the Workers' Compensation insurance shall amend its policy to waive all rights of subrogation against YLWD and its Affiliates.

D. No Waiver. Developer acknowledges and agrees that any actual or alleged failure on the part of YLWD to inform Developer of Developer's non-compliance with any requirement imposes no additional obligations on YLWD nor does it waive any rights hereunder.

E. Requirements not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

F. Notice of Cancellation. Developer agrees to obligate its insurance broker and insurers to provide YLWD with 30 day notice of cancellation (except for nonpayment for which 10 day notice is required) or nonrenewal for each required coverage.

G. Proof of Insurance. Developer shall, at the time of the execution of this Agreement, present the original policies of insurance required by this Section, or present signed certificates of insurance with original additional insured endorsements for general liability insurance effecting coverage required by this Contract, and a workers' compensation waiver of subrogation, showing the issuance of such insurance and the addition of policy insureds and other provisions required herein. Developer shall provide certified copies of all insurance policies required above within 10 days of YLWD's written request for said copies.

H. Policy Expiration. The Developer shall, at the expiration of any insurance policy required by the Contract Documents, file a signed and completed renewal "Certificate of Insurance" and endorsements as required by this Agreement.

I. Maintenance of Insurance. Should the Developer neglect to obtain or maintain in force any such insurance for one year following YLWD's Final Acceptance, then it shall be lawful for YLWD to obtain and maintain such insurance, and the Developer hereby appoints YLWD as its true and lawful attorney-in-fact to do all things necessary for this purpose. All money paid by YLWD for insurance premiums under the provisions of this Section shall be charged to Developer.

J. Acceptability of Insurers. Insurance is to be placed with insurers with a Best's rating of no less than A-: VII or equivalent as determined by YLWD.

K. Developer's Contractors. Developer's contract with each contractor shall include (1) an agreement by the contractor to indemnify YLWD and its Affiliates from claims that may be asserted by any person or entity arising out of or in any manner directly or indirectly

related to the contractor's performance of activities under this Agreement, including defense costs and attorney's fees; (2) insurance requirements for the contractor that are the same as the requirements imposed on the Developer by this Section except as to limits, but limits shall be no less than (a) \$1 million per occurrence for General Liability, (b) \$1 million per accident for automotive, and (c) statutory limits for Worker's compensation, and; (3) a requirement that the contractor name YLWD as an additional insured on the contractors General Liability policy. Developer shall be responsible to enforce compliance with these requirements, and all documentation establishing compliance shall be made available to YLWD upon request.

L. Compliance with Insurance Requirements. Developer's obligation to obtain insurance coverage as set forth in this Section is separate and distinct from Developer's obligation to indemnify, hold harmless, and defend YLWD.

10. Equitable Remedies. The Parties agree that irreparable damage would occur and that the Parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. The Parties shall be entitled to all forms of equitable relief, including restraining orders, injunctions and specific performance to prevent breaches and to enforce specifically the terms and provisions of this Agreement in addition to any other remedy to which they are entitled at law or in equity. The Parties waive any requirement for the securing or posting of any bond in connection with the obtaining of any equitable relief.

11. Governing Law. The Parties hereby agree that this Agreement is to be governed under the laws of the State of California and construed according to its plain meaning as if drafted by both Developer and YLWD. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of Orange. In any action or proceeding, any photographic or other copy of this Agreement may be introduced into evidence.

12. Resolution of Disputes. If any dispute shall arise with respect to this Agreement and is not otherwise resolved by the parties hereto, then such dispute shall be determined by a general judicial reference pursuant to California Code of Civil Procedure Sections 638 et seq. in the County of Orange, before one general referee. This is a waiver of any right that may exist to a jury trial.

The Parties shall meet to select the referee no later than thirty (30) days after service of the initial complaint on all defendants named in the complaint. The referee shall be a retired judge who has served in either the California Superior Court or Federal Court in Orange County, California with substantial experience in the type of matter in dispute and without any relationship to either Party, unless the Parties agree otherwise.

Each Party shall bear its own attorneys' fees and costs incurred in connection with the judicial reference proceeding. All other fees and costs incurred in connection with the judicial reference proceeding, including the cost of the stenographic record, shall be advanced equally by the Parties. However, the referee shall have the power to reallocate such fees and costs among the Parties in the referee's final ruling.

13. Severability. If any provision, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the voided provision, condition or covenant shall be deemed severed from the remaining provisions of this Agreement, which shall remain valid and enforceable to the full extent permitted by law, and the Parties shall negotiate in good faith to replace the unenforceable provision(s) in accordance with the original purpose and intent of this Agreement as set forth in the Recitals.

14. Counterparts. This Agreement may be executed in counterparts (signatures may be by facsimile or electronic mail), each of which is hereby declared to be an original. All, however, shall constitute but one and the same Agreement.

15. Further Cooperation. The Parties agree to execute, acknowledge if appropriate, and deliver any and all documents and cooperate in performing any and all acts in any commercially reasonable manner as may be necessary to carry out the intent of this Agreement as set forth in the Recitals and implement the terms and conditions of this Agreement.

16. Complete Agreement. This Agreement contains the entire agreement between the Parties, and supersedes and replaces any and all prior negotiations and agreements between the Parties, whether written or oral. Each Party acknowledges that no agent or attorney of any Party hereto has made any promise, representation, or warranty, express or implied, not contained herein, to induce the other Party hereto to execute this Agreement, and each Party hereto acknowledges that it has not executed this Agreement in reliance on any such promise or representation or warranty not contained in this Agreement.

17. Waiver and Amendment. All waivers of the provisions of this Agreement and all amendments to this Agreement must be in writing and signed by the appropriate authorities of the Parties.

18. Attorneys' Fees and Costs. In the event that a Party brings an action relating to or arising from this Agreement, the prevailing Party in such action shall be entitled to recover from the other Party its reasonable legal costs (which shall include all reasonable costs and expenses such Party incurs in any legal proceeding, or other matter for which such Party is entitled to be reimbursed for its legal costs, including reasonable attorneys' fees, court costs and expenses and consultant and expert witness fees and expenses) which may be determined by the court in the same action or in a separate action brought for that purpose.

19. Successors and Assigns. The terms, conditions and provisions of this Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and assigns. Should either Property Owner or Developer sell all or substantially all of its right, title and interest in the Property to another, then upon execution of an assignment and assumption agreement by such successor, Property Owner or Developer shall deliver to YLWD and, as of the date of delivery of such agreement to YLWD, be released from further obligations and responsibilities under this Agreement, including but not limited to Section 8 (Indemnity). Property Owner and Developer shall defend and indemnify YLWD against claim or challenge to YLWD's rights to enforce this Agreement against Property Owner and Developer's successors and assigns.

20. No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person or entity other than the Parties and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any Party or give any third person any right of subrogation or action over or against any Party.

21. Authorization. Each Party hereby warrants that it has the authority and is duly authorized to execute this Agreement.

22. Time is of the Essence. Time is of the essence in all aspects of the performance of the obligations under this Agreement.

23. Determination of Time. If the last day for the performance of any act provided or required by this Agreement is a holiday, Friday, Saturday, or Sunday, then that period is hereby extended to and including the next day that is not a holiday, Friday, Saturday, or Sunday.

24. Force Majeure. Upon written notice by a Party, the respective duties and obligations of the Parties hereunder (except for the Parties' rights and obligations under Section 5.D.) shall be suspended for the time period that performance of the Parties is prevented or impeded by work force strikes, riots, fire, flood, state or county regulatory action, war, or terrorism.

25. Term. This Agreement shall be operable for ten (10) years from the Agreement Date. YLWD and Developer will negotiate in good faith thereafter to make necessary changes to conform this Agreement to then existing YLWD standards, practices, and policies.

26. Recordation. This Agreement shall be recorded with the Orange County Recorder's Office.


(signatures on the following page)

SIGNATURE PAGE TO:

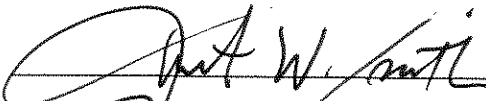
CIELO VISTA PROJECT
WATER AND SEWER FACILITIES
AGREEMENT

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first written above.

Yorba Linda Water District,
a public agency
("YLWD")

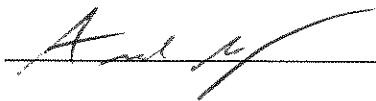
By: 
Print: Marc Marcantonio
Title: General Manager

North County BRS Project, LLC,
a Delaware limited liability company
("Developer")

By: 
Print: Robert W. Smith
Title: Managing Member


APPROVED AS TO FORM:

Kidman Gagen Law, LLP

By: 
Andrew B. Gagen, General Counsel

APPROVED AS TO FORM:

Jackson Tidus, A Law Corp.

By: 
Michele Staples, Attorneys for Developer

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California

County of Orange

On August 1, 2018 before me, Annie Alexander, Notary Public

Date _____

Here Insert Name and Title of the Officer

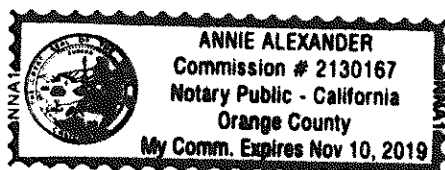
personally appeared _____ Marc Marcantonio

Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Annie Alexander
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document Cielo Vista Project Water

Title or Type of Document: and Sewer Facilities Agreement Document Date: August 1, 2018

Number of Pages: 26 Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Marc Marcantonio

☐ Corporate Officer — Title(s): _____

☐ Partner — ☐ Limited ☐ General

☐ Individual ☐ Attorney in Fact

☐ Trustee ☐ Guardian or Conservator

☒ Other: General Manager

Signer Is Representing: Yorba Linda Water District

Signer's Name:

☐ Corporate Officer — Title(s):☐ Partner — ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian or Conservator☐ Other:

Signer Is Representing:

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

STATE OF CALIFORNIA)

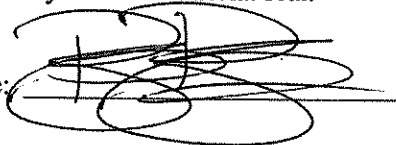
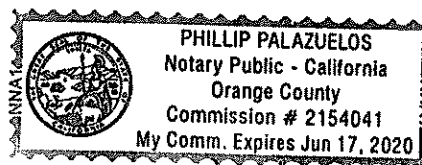
COUNTY OF Orange)

On July 19, 2018, before me, Phillip Palazuelos, a Notary Public, personally appeared Robert W. Smith who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature(s) on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

STATE OF CALIFORNIA)

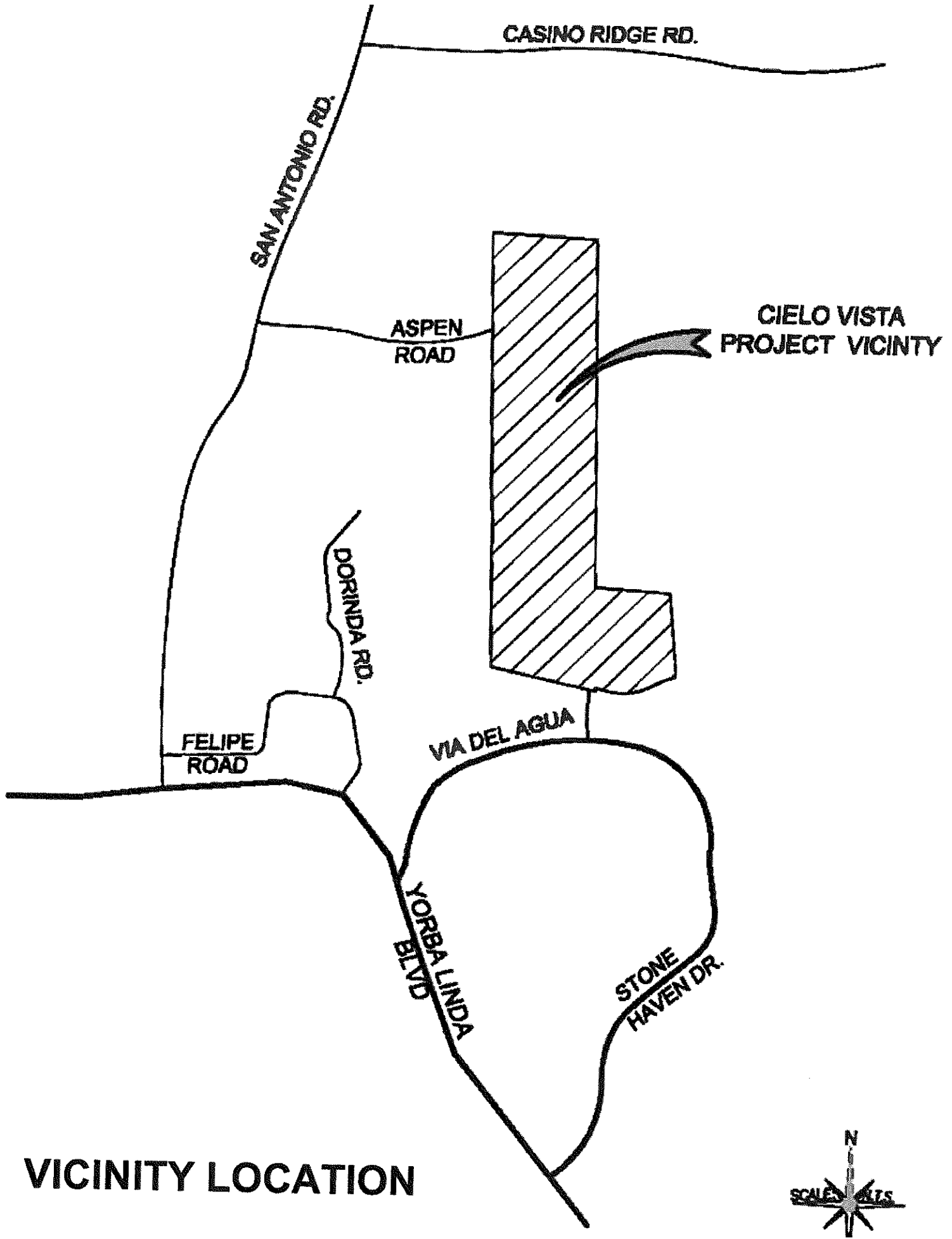
COUNTY OF _____)

On _____, 20____, before me, _____, a Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature(s) on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____



VICINITY LOCATION

EXHIBIT "B"
LEGAL DESCRIPTION

EXHIBIT E

PARCEL 1:

Real property in the unincorporated area of the County of Orange, State of California, described as follows:

THAT PORTION OF THE RANCHO CANON DE SANTA ANA, AS SHOWN ON A MAP ATTACHED TO THE FINAL DECREE OF PARTITION RECORDED FEBRUARY 8, 1874 IN BOOK 28, PAGE 158 OF DEEDS, RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, ALSO BEING A PORTION OF THE CARRILLO RANCH PROPERTY AS SHOWN ON A MAP FILED IN BOOK 37, PAGE 33 OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WESTERLY LINE OF SAID CARRILLO RANCH PROPERTY, DISTANT NORTH 2° 02' 20" WEST 5363.01 FEET FROM THE NORTHERLY LINE OF THE ATCHISON TOPEKA AND SANTA FE RAILWAY COMPANY'S 100.00 FOOT STRIP OF LAND, AS SHOWN ON SAID RECORD OF SURVEYS MAP; THENCE SOUTH 87° 54' 37" EAST 787.19 FEET TO A POINT IN THE EASTERLY LINE OF SAID CARRILLO RANCH PROPERTY, DISTANT NORTH 6° 40' 31.3" WEST 4579.01 FEET FROM THE INTERSECTION OF SAID EASTERLY LINE WITH THE CENTERLINE OF THE CAJON CANAL OF THE ANAHEIM UNION WATER COMPANY, AS SHOWN ON SAID RECORD OF SURVEYS MAP; THENCE NORTH 6° 40' 31.3" WEST ALONG SAID EASTERLY LINE, 2065.93 FEET; THENCE NORTH 87° 54' 37" WEST 619.76 FEET TO A POINT IN SAID WESTERLY LINE, DISTANT NORTH 2° 02' 20" WEST 2047.12 FEET FROM THE POINT OF BEGINNING; THENCE SOUTH 2° 02' 20" EAST ALONG SAID WESTERLY LINE, 2047.12 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM, THAT PORTION LYING SOUTHERLY OF THE CENTERLINE OF THE 100.00 FOOT WIDE STRIP OF LAND AS DESCRIBED IN THE PERMANENT EASEMENT TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, RECORDED JANUARY 12, 1960 IN BOOK 5049, PAGE 316 OF OFFICIAL RECORDS OF SAID ORANGE COUNTY.

ALSO EXCEPTING THEREFROM, THE INTEREST IN AND TO ALL OIL AND OIL RIGHTS, IN, ON AND APPURTENANT TO SAID LAND, AS EXCEPTED IN THE JUDGMENT IN PARTITION RECORDED MAY 26, 1958 IN BOOK 4297, PAGE 93 OF SAID OFFICIAL RECORDS.

THE SURFACE RIGHTS TO A DEPTH OF 500 FEET WERE QUITCLAIMED BY INSTRUMENTS OF RECORD.

APN: 351-031-05

PARCEL 2:

Real property in the unincorporated area of the County of Orange, State of California, described as follows:

PARCEL 2, AS SHOWN ON EXHIBIT "B" ATTACHED TO THAT CERTAIN APPLICATION FOR LOT LINE ADJUSTMENT NO. 87-10" RECORDED JULY 25, 1988 AS INSTRUMENT NO. 88-358348 OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA.

APN: 351-031-17

EXHIBIT "C"

CIELO VISTA (SAGE) DEVELOPMENT
EXISTING WATER FACILITIES COST ALLOCATIONS

04/03/18

J2009-24

Development	MDD ¹	Unit	No. of Lots ²		
Cielo Vista	53.5	GPM	80		

No./Component	Facility	Capacity (GPM)	Capital Cost Estimate ³	Proportional Capacity	Proportional Cost
1) Well	Well 20	3,000	\$ 2,400,000	1.8%	\$ 42,800
2) RR W20 TM	20 - 36" TM	16,000	\$ 6,505,800	0.3%	\$ 21,754
3) Z1-2 BPS	High BPS	18,000	\$ 6,000,000	0.3%	\$ 17,833
4) Z2 TM	30" TM	11,000	\$ 2,995,200	0.5%	\$ 14,568
5) Z2 TM	2-16" TMs	5,000	\$ 3,196,800	1.1%	\$ 34,206
6) Z2-3 BPS	YLB BPS	5,000	\$ 2,760,000	1.1%	\$ 29,532
7) Z3 TM	YLB 20" TM	5,000	\$ 2,040,000	1.1%	\$ 21,828
8) YLB TM-FR 1	16" TM	3,200	\$ 738,000	1.7%	\$ 12,338
9) YLB TM-FR 2	27" TM	9,000	\$ 921,600	0.6%	\$ 5,478
10) Z3-4 BPS	Fairmont BPS	5,000	\$ 8,400,000	1.1%	\$ 89,880
Water Total.....					\$ 290,217

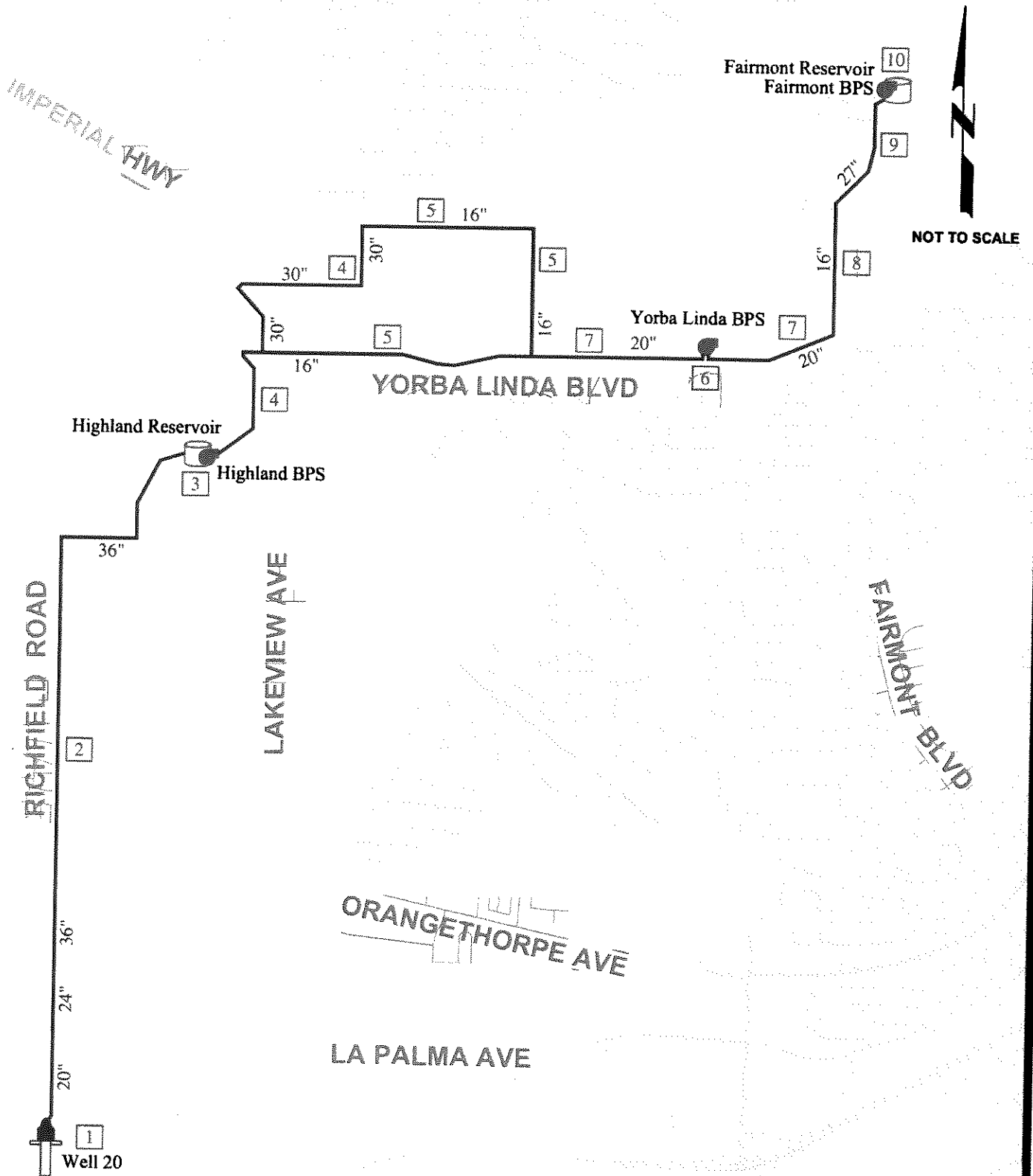
Footnotes:

1) ADD = 58 AFY (651 GPD x 80 units) = 36.2 GPM; MDD = 36.2 GPM X 1.48 = 53.5 GPM (provided by Developer's Consultant & confirmed by YLWD)

2) No. of lots confirmed by Developer.

3) Includes 20% for Engineering, Construction Management, Administrative and Overhead expenses.

EXHIBIT "D"



YORBA LINDA WATER DISTRICT

**EXISTING WATER
FACILITIES EXHIBIT**

EXHIBIT "E"

**ESPERANZA HILLS ESTATES (EHE) AND CIELO VISTA (SAGE) DEVELOPMENTS
EXISTING SEWER FACILITIES COST ALLOCATIONS**

01/31/18
J2009-245

Table 1: Projected Sewer Flowrates¹

Development	Flowrate ¹	Unit	No. of Lots ²	% of Lots
Total	0.3100	CFS	420	
Cielo Vista	0.0590	CFS	80	19.05
EHE	0.2509	CFS	340	80.95

Table 2: Proportional Costs

Component	Pipe Size (inches)	Capacity ³ (CFS)	Capital Cost Estimate ⁴	Proportional Capacity	Proportional Cost
Sewermain	10	1.88	\$ 1,058,198	16.5%	\$ 174,100
Sewermain	12	0.95	\$ 586,874	32.8%	\$ 192,407
Sewermain	15	4.51	\$ 1,901,088	6.9%	\$ 130,589
Sewermain	18	6.56	\$ 1,618,200	4.7%	\$ 76,426
Total.....					\$ 573,521
CV (19.05% Share)					\$ 109,242
EHE (80.95% Share)					\$ 464,279

Table 3: Sewer Pipe Capacity

Pipe Size (inches)	Minimum Slope	Cental Angle (radians)	Flow Area (square feet)	Wetted Perimeter (feet)	Hydraulic Radius (feet)	Capacity (CFS)
10	0.0252	3.1416	0.2727	1.3090	0.2083	1.88
12	0.0024	3.1416	0.3927	1.5708	0.2500	0.95
15	0.005	4.1888	0.9873	2.6180	0.3771	4.51
18	0.004	4.1888	1.4217	3.1416	0.4525	6.56

Table 4: Existing Sewermain Quantity and Costs

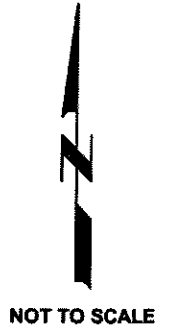
Pipe Size (inches)	Total Linear Feet (ft)	Unit (\$/ft.)	Total (\$)
10	2436	362	\$ 881,832
12	1267	386	\$ 489,062
15	3864	410	\$ 1,584,240
18	3100	435	\$ 1,348,500

Footnotes:

- 1) Flowrate=pk. flow from KWC Engineering sewer study, Table 4-1 note of 0.000369CFS/Lot X 2, modified for April 2015 estimated lots.
- 2) No. of lots confirmed by EHE on 06-24-15 and CV on 01/31/18.
- 3) Sewer pipe capacity is calculated based on Manning's formula for circular pipe as shown in Table 3.
- 4) Includes 20% for Engineering, Construction Management, Administrative and Overhead expenses.

EXHIBIT "F"

STONEHAVEN DR



YORBA LINDA BLVD

YORBA RANCH RD

DOMINGUEZ RANCH RD

LA PALMA AVE

51" OCSD SEWER

EXISTING SEWER
FACILITIES EXHIBIT

EXHIBIT "G"

**EXISTING OFFSITE FACILITIES FEE SUMMARY
AND EXISTING OFFSITE FACILITY IMPROVEMENTS**

07/18/18

J2009-24

Existing Offsite Facilities Fee Summary	
Existing Water Allocation Fees.....	\$ 290,217
Existing Sewer Allocation Fees.....	\$ 109,242
Water & Sewer Total.....	\$ 399,459
Annexation Fees ¹	\$ 15,644
Total All Fees.....	\$ 415,103
Fee per Dwelling Unit (80 DUs).....	\$ 5,188.79

AMI Facilities⁴.....	\$ 40,000
--	------------------

Existing Offsite Facility Improvements			
Description	Length (LF)	Cost per LF (\$)	Cost
12" Stonehaven Drive Watermain ²	2,200	350	\$ 770,000
Hidden Hills Pump Station Upgrades ³			\$ 500,000
Subtotal.....			\$ 1,270,000

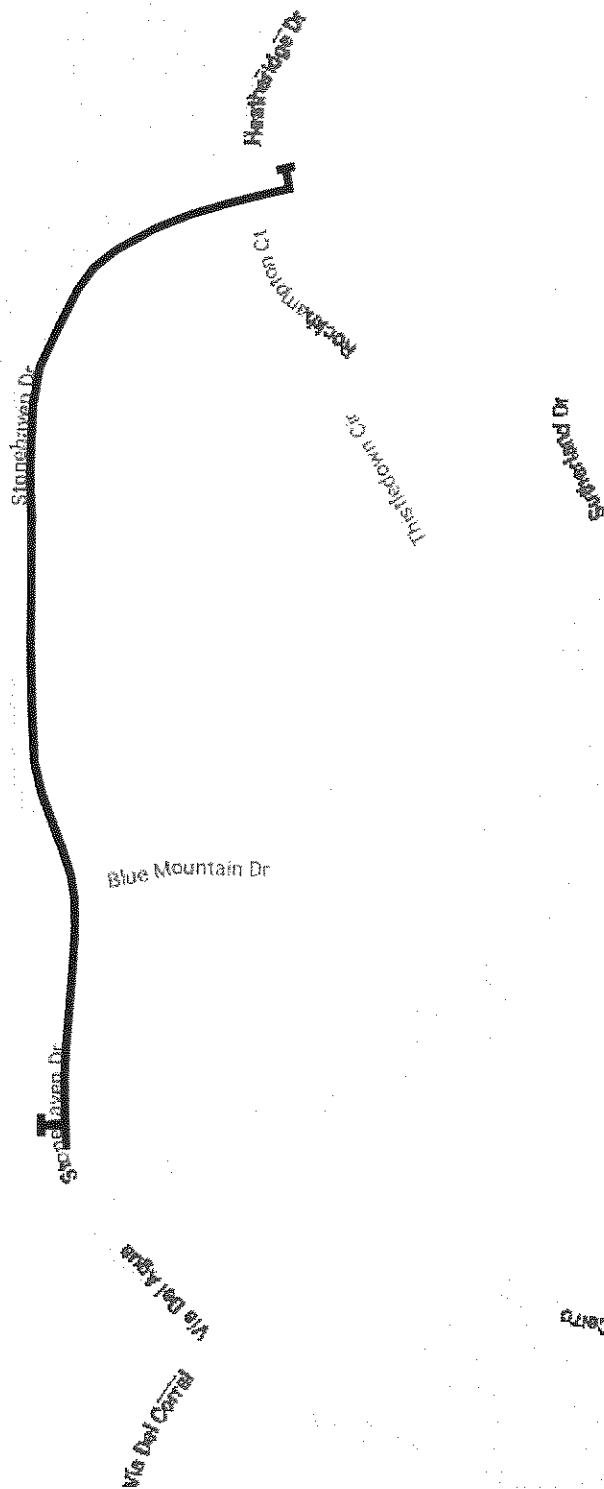
Total Fees + Offsite Costs \$ 1,725,103

Footnotes:

- 1) Annexation Fees per October 24, 2017 memorandum from Brett R. Barbre to John Lewis.
- 2) Stonehaven Watermain alignment from Stonehaven & Heatheridge Drive intersection to Project entrance assumed to be in Stonehaven Drive.
- 3) Hidden Hills Pump Station upgrade costs be analyzed and confirmed by the Developer's engineer.
- 4) Fee for AMI Facilities to be paid within ten (10) days after the Effective Date and not included in Fee per Dwelling Unit.

EXHIBIT "H"

CIELO VISTA
TRACT NO. 17341



STONEHAVEN PIPELINE EXHIBIT

YORBA LINDA WATER DISTRICT

EXHIBIT "I"

Rolling Hills Ln

Avalonmore Dr

Hidden Hills Rd

Mission Hills Ln
Skyline Dr

Hidden Hills Rd

Hidden Hills PS

Starwood Dr

Avalonmore Dr

in Cove

Starlight Dr

Mission Hills Ln

Crescent Dr

Mission Hills Ln

Brentwood Pl

Hidden Hills Rd

Eastside
Community
Park

HIDDEN HILLS PUMP STATION
LOCATION EXHIBIT

YORBA LINDA WATER DISTRICT

EXHIBIT "J"
CIELO VISTA EXISTING OFFSITE FACILITY IMPROVEMENTS SCHEDULE

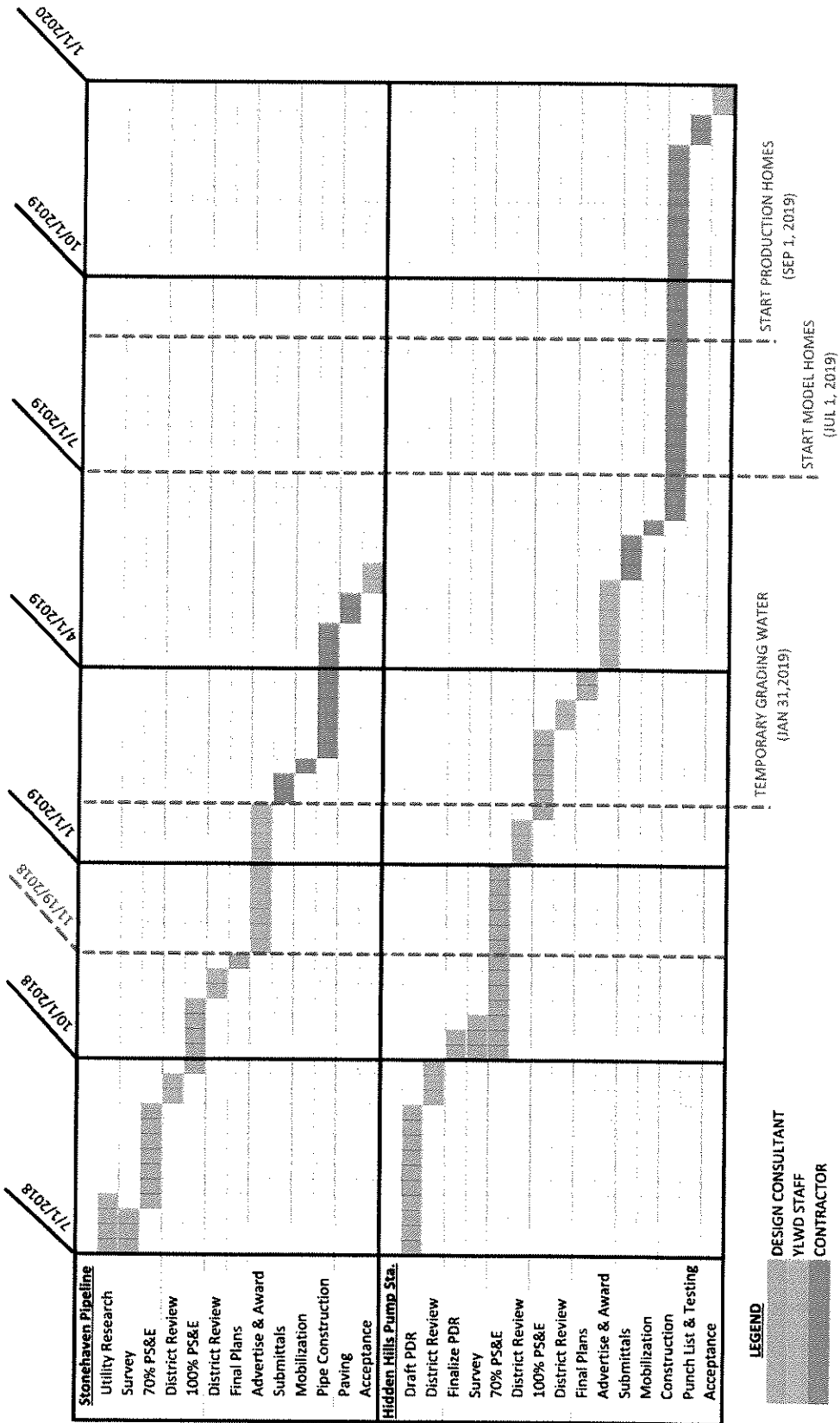


EXHIBIT "K"

Schedule for YLWD to Provide Access to Water

1. Project Rough Grading: YLWD shall provide temporary access to water for the Property through existing hydrants as necessary for Developer to commence Project rough grading, which is projected to commence January 31, 2019. YLWD shall provide temporary access to water for the Property through existing hydrants for dropping lumber, residential framing and construction of the remainder of project homes, subject to the water conveyance system's ability to meet the Orange County Fire Authority's fire flow requirements for all existing and proposed onsite residential construction.
2. Drop Lumber and Residential Framing for Model Homes: Before any lumber drop for project framing and construction of the model homes, the Stonehaven water main (illustrated on **Exhibit "H"**) and the Subdivision Facilities up to the hydrant(s) serving the model homes shall be constructed, complete and operational, tested and approved by YLWD. The Parties shall use all commercially reasonable efforts as necessary for YLWD to complete the Stonehaven water main in time to provide access to construction water for lumber drop and residential framing of the model homes by July 1, 2019. In addition to the scheduling contingencies in Section 5.B.iii. above, this schedule is also contingent upon Psomas completing the Stonehaven water main final design plans and specifications, and receiving YLWD acceptance by November 19, 2018. Subject to the Effective Date described in Section 2 and the scheduling contingencies in Section 5.B.iii. above, if YLWD's acceptance occurs later than November 19, 2018, the date for YLWD to provide construction water for lumber drop and residential framing of the model homes shall be extended by the same time period as such delay in YLWD's acceptance date or to any earlier date mutually agreeable to YLWD and Developer.
3. Drop Lumber, Residential Framing and Construction of Remainder of Project homes: The Developer may construct the Project's residential homes in phases. Before any lumber drop for framing and construction of the residential homes in each Project phase, the segment of the Subdivision Facilities serving such phase of residential homes shall be constructed, complete and operational, tested and approved by YLWD, and the Hidden Hills Pump Station improvements (illustrated on **Exhibit "I"**) shall be under construction. The Parties shall use all commercially reasonable efforts as necessary for YLWD to commence construction of the Hidden Hills Pump Station improvements in time to be under construction prior to lumber drop and residential framing of the first phase of Project homes by September 1, 2019. In addition to the scheduling contingencies in Section 5.B.iii. above, this schedule is also contingent upon Psomas completing the Hidden Hills Pump Station final design plans and specifications, and receiving YLWD acceptance by April 1, 2019. Subject to the Effective Date described in Section 2 and the scheduling contingencies in Section 5.B.iii. above, if YLWD's acceptance occurs later than April 1, 2019, the date for YLWD to commence construction of the Hidden Hills Pump Station improvements in time to be under construction prior to lumber drop and residential framing of the first phase of Project homes shall be extended by the same time period as such delay in YLWD's acceptance date or to any earlier date mutually agreeable to YLWD and Developer.

EXHIBIT "L"**Scope of Work****for****Existing Off-Site Facility Improvements**

Stonehaven Pipeline – Construct approximately 2,200 linear feet of 12-inch diameter pipeline from Heatheridge Drive to proposed Cielo Vista entrance just east of Via de la Roca including connection to existing Santiago Reservoir 1000 Zone pipeline at Heatheridge Drive and connection to on-site subdivision pipeline at Cielo Vista entrance and ancillary valving and appurtenances.

Hidden Hills Pump Station Improvements – Replace existing 250 GPM jockey pump, motor and appurtenances with an 1,800 GPM pump and motor equipped with a variable frequency drive (VFD). Improvements will also include replacing portions of existing suction and discharge pipelines to maintain appropriate maximum hydraulic velocities through the station and may also include enlarging the building to provide adequate room for the new electrical equipment and VFD. A new, larger SCE transformer will also likely be required. A preliminary design report will be prepared, submitted to YLWD staff and reviewed and approved to confirm the exact scope but these are the minimum requirements. If YLWD decides to include additional improvements such as an emergency generator set and new automatic transfer switching gear, those additional improvements will be financed by YLWD.

EXHIBIT "G.1"

**EXISTING OFFSITE FACILITIES FEE SUMMARY
AND EXISTING OFFSITE FACILITY IMPROVEMENTS**

Existing Offsite Facilities Fee Summary	
Existing Water Allocation Fees.....	\$ 290,217
Existing Sewer Allocation Fees.....	\$ 109,242
Water & Sewer Total.....	\$ 399,459
Annexation Fees ¹	\$ 15,644
Total All Fees.....	\$ 415,103
Fee per Dwelling Unit (80 DUs).....	\$ 5,188.79

Existing Offsite Facility Improvements			
Description	Length (LF)	Cost per LF (\$)	Cost
12" Stonehaven Drive Watermain ²	2,200	350	\$ 770,000
Hidden Hills Pump Station Upgrades ³			\$ 500,000
Subtotal.....			\$ 1,270,000

Total Fees + Offsite Costs \$ 1,685,103

Footnotes:

- 1) Annexation Fees per October 24, 2017 memorandum from Brett R. Barbre to John Lewis.
- 2) Stonehaven Watermain alignment from Stonehaven & Heatheridge Drive intersection to Project entrance assumed to be in Stonehaven Drive.
- 3) Hidden Hills Pump Station upgrade costs be analyzed and confirmed by the Developer's engineer.

EXHIBIT "J.1"

CIELO VISTA OFF-SITE WATER IMPROVEMENTS SCHEDULE

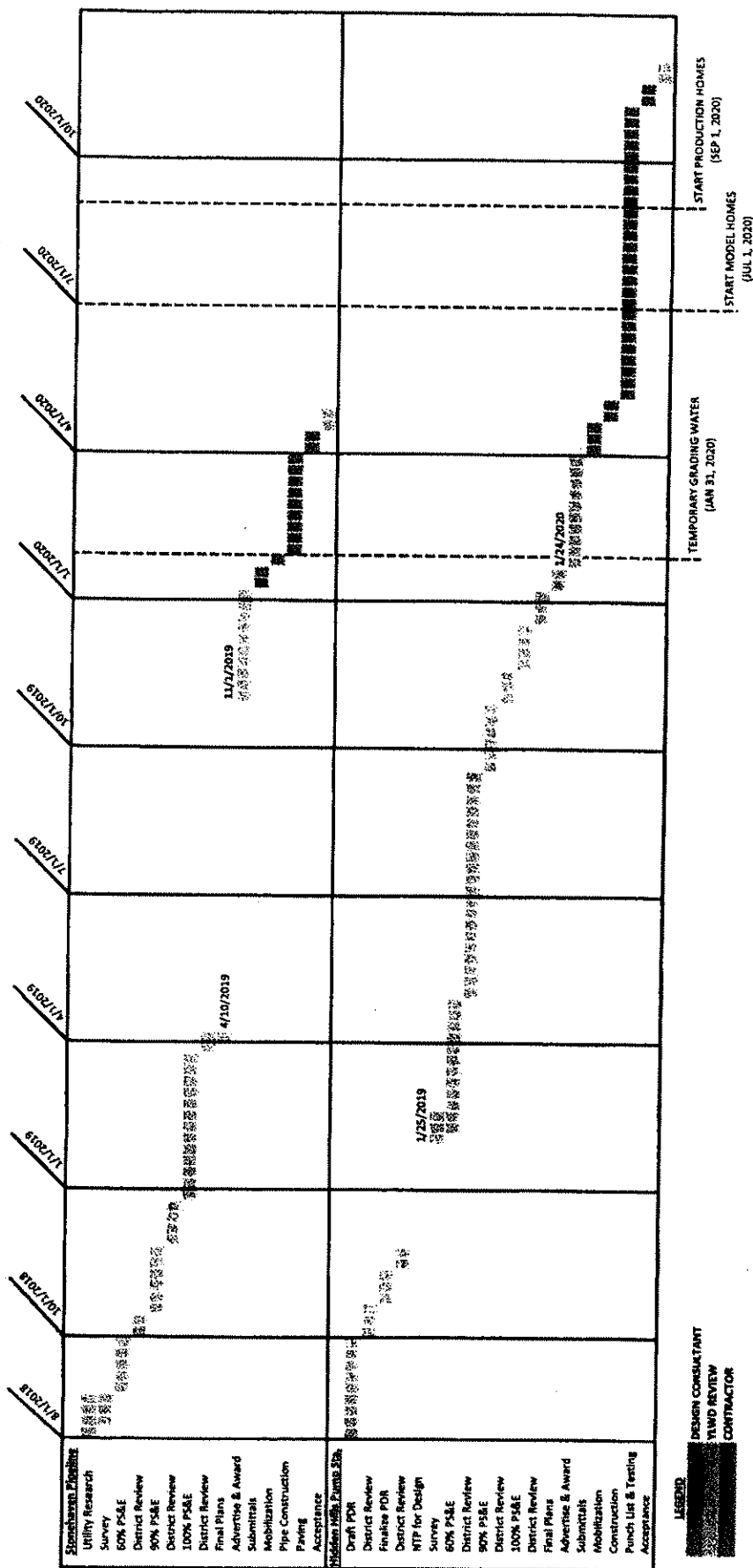


EXHIBIT "K.1"**Schedule for YLWD to Provide Access to Water**

1. **Project Rough Grading:** YLWD shall provide temporary access to water for the Property through existing hydrants as necessary for Developer to commence Project rough grading, which is projected to commence January 31, 2020. YLWD shall provide temporary access to water for the Property through existing hydrants for dropping lumber, residential framing and construction of the remainder of Project homes, subject to the water conveyance system's ability to meet the Orange County Fire Authority's fire flow requirements for all existing and proposed onsite residential construction.
2. **Drop Lumber and Residential Framing for Model Homes:** Before any lumber drop for Project framing and construction of the model homes, the Stonehaven water main (illustrated on **Exhibit "H"**) and the Subdivision Facilities up to the hydrant(s) serving the model homes shall be constructed, complete and operational, tested and approved by YLWD. The Parties shall use all commercially reasonable efforts as necessary for YLWD to complete the Stonehaven water main in time to provide access to construction water for lumber drop and residential framing of the model homes by July 1, 2020. In addition to the scheduling contingencies in Section 5.B.iii in the original agreement, this schedule was also contingent upon Psomas completing the Stonehaven water main final design plans and specifications and receiving YLWD acceptance, which was completed and YLWD did provide such acceptance in April 2019. Based on typical construction practices and since it is ready to go to bid when necessary, the Stonehaven water main can be constructed in the same timeframe as the onsite water improvements for the Project and YLWD will make all efforts to coordinate the construction schedule of the Stonehaven water main with the Project onsite improvements such that it is operational by or before July 1, 2020.
3. **Drop Lumber, Residential Framing and Construction of Remainder of Project Homes:** The Developer may construct the Project's residential homes in phases. Before any lumber drop for framing and construction of the residential homes in each Project phase, the segment of the Subdivision Facilities serving such phase of residential homes shall be constructed, complete and operational, tested and approved by YLWD, and the Hidden Hills Pump Station improvements (illustrated on **Exhibit "I"**) shall be under construction. The Parties shall use all commercially reasonable efforts as necessary for YLWD to commence construction prior to lumber drop and residential framing of the first phase of Project homes by September 1, 2020. In addition to the scheduling contingencies in Section 5.B.iii in the original agreement, this schedule is also contingent upon Psomas completing the Hidden Hills Pump Station final design plans and specifications, and receiving YLWD acceptance by April 1, 2020. Subject to the Effective Date described in Section 2 and scheduling contingencies in Section 5.B.iii of the original agreement, if YLWD's acceptance occurs later than April 1, 2020, the date for YLWD to begin advertising the Hidden Hills Pump Station for bids in time to be under construction prior to lumber drop and residential framing of the first phase of Project homes shall be extended by the same time period as such delay in YLWD's acceptance date or to any earlier date mutually agreeable to YLWD and Developer.

EXHIBIT "M"

**WATER FACILITIES TO BE CONSTRUCTED BY CIELO VISTA BENEFITING EHE
"SHARED FACILITY IMPROVEMENTS"**

Item	Facility Description	Approx. Length (lf)
1	16" 780 Zone Pipeline in YLWD/MWD Easement, Palo Verde, and Easement - Cielo Vista Boundary to Mar Vista	1,600
2	16" 780 Zone Pipeline in Easement - Mar Vista north to EHE Boundary	180
3	12" 1000-2 Zone Pipeline in Easement - Rideline Road north to EHE Boundary	560
4	Oversizing Cost of 8" to 12" 1000-2 Zone Pipeline in Palo Verde and Easement - Stonehaven Drive to Rideline Road	470
5	Pressure Reducing Station at Mar Vista (1 of 3 PRVs in Station is for 780 Zone emergency supply)	NA

STATED TO BE THE MOST EFFICIENT IMPROVEMENTS
(AS DESCRIBED ON EXHIBIT "M")

