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4/7/2020 10:32:15 AM

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FIRST AMENDMENT OF
AMENDED AND RESTATED DEVELOPMENT AGREEMENT
BY AND BETWEEN
THE CITY OF RANCHO CORDOVA AND ALTA VISTA, LLC
RELATIVE TO THE RIO DEL ORO PROJECT

**FIRST AMENDMENT OF AMENDED AND RESTATED
DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF RANCHO CORDOVA AND ALTA VISTA, LLC
RELATIVE TO THE RIO DEL ORO PROJECT**

This First Amendment of the Amended and Restated Development Agreement (“First Amendment”) is entered into as of this 4th day of December, 2019, by and between the CITY OF RANCHO CORDOVA, a municipal corporation (“City”), and ALTA VISTA, LLC, an Arizona limited liability company (“Landowner” or “Alta Vista”) pursuant to Sections 65864 through 65869.5 of the Government Code of California. City and Landowner are collectively referred to as the “Parties.”

RECITALS

A. City and Alta Vista entered into an Amended and Restated Development Agreement (the “ARDA”) which was approved by the City Council on November 4, 2019 and recorded on January 15, 2020, in the Official Records of Sacramento County as Document Number 202001150701. Except as otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed thereto in the ARDA.

B. City and Alta Vista entered into the ARDA relative to development within a 1,516-acre portion of the Rio Del Oro Specific Plan Area as such is more precisely defined in Exhibits “A-1” and “A-2” of the ARDA (the “Property”).

C. This First Amendment affects and applies to only a certain 169.7-acre portion of the Property identified as “Phase 1” on that certain large lot map approved by the City Council on August 29, 2016 by Resolution 107-2016 and described in Exhibit “A-1” and Exhibit “A-2” attached hereto (the “First Amendment Property”). Landowner owns the entire First Amendment Property in fee title. This First Amendment shall run with the First Amendment Property. This First Amendment is authorized by Section 14.1 of the ARDA.

D. This First Amendment is intended to reduce certain City fees and eliminate certain other City development incentives in exchange for specific commitments from Landowner to commence improvements for and construction of production homes on the First Amendment Property. This First Amendment is only being approved for the First Amendment Property, not for the entire Property or the entire RDO Specific Plan, because the First Amendment Property is the first project that implements the Specific Plan and it faces a combination of unique opportunities for immediate development and barriers to development, including but not limited to establishment of the Open Space Preserve, environmental cleanup and remediation, and onerous infrastructure requirements. City recognizes such barriers as well as the potential for development of the First Amendment Property to catalyze desired planned growth within the Rio Del Oro Specific Plan Area and City. In exchange for Landowner’s commitment to make diligent and commercially reasonable efforts and specific commitments to commence certain improvements earlier than would otherwise occur under current market conditions, City desires to provide certain development incentives to Landowner. City also desires to obligate Landowner to pay a Community Renovation Fee (as defined herein).

E. On October 21, 2019, the City Council held a public hearing and introduced City Council Ordinance No. 11-2019 approving this First Amendment. City adopted City Council Ordinance 11- 2019 on November 4, 2019. On November 4, 2019, by Ordinance No. 11-2019, the City Council found the adoption of this First Amendment exempt from CEQA under CEQA Guideline 15061(b)(3).

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Amendment of the ARDA.** The following sections and exhibits of the ARDA for the First Amendment Property are hereby amended as follows:

1.1. **Revised Section 3.** The Definitions set forth in Section 3 are revised as follows:

1.1.1. The term "Citywide Park Fees" as set forth and defined in Section 3 is hereby deleted.

1.1.2. The term "Community Places Fee" shall be added to read as follows: "Community Places Fee" means the Community Places Fee totaling One Thousand Three Hundred Sixty-Six Dollars and Seventy-Eight Cents (\$1,366.78) per EDU as set forth in Section 6.1.

1.1.3. The term "Community Renovation Fee" shall be added to read as follows: "Community Renovation Fee" means the Community Renovation Fee totaling Seven Hundred Fifty Dollars and No Cents (\$750.00) as set forth in Section 6.6.

1.1.4. The term "Fee Incentives" shall be added to read as follows: "Fee Incentives" shall mean the reduced amount of certain nexus-based fees applicable to the First Amendment Property as set forth in Section 5.7.1.

1.1.5. The term "Incentive Period" as set forth and defined in Section 3 is hereby deleted.

1.1.6. The term "Interim Community Places Fee" as set forth and defined in Section 3 is hereby deleted.

1.1.7. The term "Interim Park Development Fee" as set forth and defined in Section 3 is hereby deleted.

1.1.8. The term "Park Development Fee" shall be added to read as follows: "Park Development Fee" means the Park Development Fee totaling Nine Thousand Seven Hundred Eighty-One Dollars and Thirty-Six Cents (\$9,781.36) per EDU as set forth in Section 6.1.

1.1.9. The term "White Rock Road Construction Project" shall be added to read as follows: "White Rock Road Construction Project" shall mean City's construction of the section of White Rock Road depicted on Exhibit B attached hereto between Fitzgerald Road and the White Rock Road/Rancho Cordova Parkway intersection pursuant to plans to be approved by City.

1.1.10. The term "White Rock Road Contribution" as set forth and defined in Section 3 is hereby deleted.

follows: 1.2. **Revised Section 4.1.** Section 4.1 is revised in its entirety to read as

4.1 **Effective Date.** The Effective Date of this First Amendment is December 4, 2019 which is the effective date of City Ordinance No. 11-2019, adopting this First Amendment.

follows: 1.3. **Revised Section 4.2.** Section 4.2 is revised in its entirety to read as

4.2. **Term.** The term of this First Amendment commences on the Effective Date and extends for a period of fifteen (15) years from the Effective Date, unless said term is terminated, modified or extended consistent with the terms of the ARDA. This First Amendment automatically terminates upon expiration of the applicable term unless otherwise extended by the Parties, and shall then be of no further force and effect. If and when this First Amendment expires, Landowner shall thereafter retain the right to develop under the remaining term of the ARDA.

follows: 1.4. **Revised Section 5.7.1.** Section 5.7.1 is revised in its entirety to read as

5.7.1 **Fee Incentives.** Notwithstanding anything to the contrary in Section 5, in order to incentivize development of the First Amendment Property earlier than would otherwise occur under current market conditions, City hereby agrees to reduce the amount of certain nexus-based fee program fees applicable to the First Amendment Property as set forth in this Section 5.7.1. Landowner shall pay the following fees in the following amounts): (i) the Transportation Development Impact Fee shall total Sixteen Thousand Nine Hundred and Nine Dollars and Sixty-Seven Cents (\$16,909.67) per EDU; (ii) the CFF Community Facilities Fee shall total Three Thousand Three Hundred Sixteen Dollars and Sixty-Two Cents (\$3,316.62) per EDU; and (iii) the CFF Library Fee shall total Five Hundred Eighty-Nine Dollars and Fifty-Five Cents (\$589.55) per EDU (together, the "Fee Incentives"). The timing of payment of such fees by Landowner shall be as set forth in the applicable fee program. The Fee Incentives will be adjusted on January 1, 2022 and annually thereafter no later than January 15 pursuant to the method described in the relevant fee program nexus study.

follows: 1.5. **Revised Section 6.1.** Section 6.1 is revised in its entirety to read as

6.1 **Park Development and Community Places Dedication and Fee Obligations.** Landowner's obligation to dedicate land for Parks and Community Places shall be satisfied by Landowner's dedication of the

lands identified in Exhibit 7-1 of the Amended Specific Plan. City agrees and acknowledges that Landowner's dedication of the lands identified in Exhibit 7-1 of the Amended Specific Plan will satisfy Landowner's dedication requirements pursuant to Ordinance No. 9-2016. Landowner shall pay the Park Development Fee and Community Places Fee when each building permit for residential development is issued within the First Amendment Property. The Park Development Fee and the Community Places Fee will be adjusted on January 1, 2022 and annually thereafter no later than January 15 as follows:

- (a) A "mean" index will be computed by averaging the index for 20 U.S. cities with the index for San Francisco by resort to the October issue of the Engineering News Record magazine Construction Cost Index.
- (b) An adjustment factor shall be computed by dividing the "mean" index as calculated in subsection (a) of this section by the "mean" index for the previous October.
- (c) The adjusted Park Development Fee and Community Places Fee shall be calculated by multiplying the adjustment factor, as calculated in subsection (b) of this Section 6.1, by the Park Development Fee and the Community Places Fee, as applicable, in place prior to the annual adjustment."

1.6. New Section 6.6. Section 6.6 is added to read as follows:

"6.6 Community Renovation Fee. Landowner shall pay the Community Renovation Fee for each EDU, provided that the Community Renovation Fee shall not be paid for any unit constructed on any parcel dedicated to City for affordable housing. Said Community Renovation Fee shall be paid to City when each building permit for residential development is issued within the First Amendment Property. The Community Renovation Fee will be adjusted on January 1, 2022 and annually thereafter no later than January 15 using the same method as described in Section 6.1. It shall be used by City, at its sole discretion, to acquire, renovate, repair, improve, or maintain community facilities, parks, neighborhood greens, or other open space in City. This agreement to pay the Community Renovation Fee is made voluntarily by Landowner. It is in addition to and not creditable against any other fees and/or construction and dedication obligations as set forth herein.

1.7. Revised Section 9. Section 9 is revised in its entirety to read as follows:

"9. Affordable Housing. Landowner shall comply with all terms, conditions and requirements under the Affordable Housing Plan Agreement between City and Landowner attached hereto as Exhibit C, except as follows: (i) the "Affordable Housing In Lieu

Fee” required to be paid for the Project pursuant to Section 2 thereof shall be reduced to Three Thousand Seven Hundred Dollars and No Cents (\$3,700.00) per MRU (as defined therein); and (ii) for purposes of Section 2.2 thereof, all references to the “Incentive Period” are null and void and said fee of Three Thousand Seven Hundred Dollars and No Cents (\$3,700.00) per MRU will be adjusted on January 1, 2022 and annually thereafter no later than January 15 as provided in Section 2.2. Any failure by Landowner to perform any term, condition, or requirement of the Affordable Housing Plan applicable to the First Amendment Property is a violation of this First Amendment, subject to default under Section 17. City acknowledges that Landowner’s compliance with all the terms, conditions, and requirements of the Affordable Housing Plan applicable to the First Amendment Property shall fully satisfy Landowner’s obligations to provide affordable housing or inclusionary housing or other such fee or Exaction related thereto associated with development of the First Amendment Property. In the event Landowner receives any credits pursuant to the Affordable Housing Plan as a result of exceeding its obligations thereunder, including but not limited to credits for exceeding dedication requirements, City hereby agrees to allow Landowner to apply any such credits to any of Landowner’s other affordable housing obligations on other projects within City.”

1.8. **Revised Section 13.1.** Section 13.1 is revised in its entirety to read as follows:

“13.1 White Rock Road Improvements. Landowner and City agree to complete improvements as summarized in this Section 13.1.

A. Landowner shall make diligent and commercially reasonable efforts as follows with respect to the First Amendment Property:

- i. Commence mass grading for that certain portion of the First Amendment Property identified as “Parcel 67” on that certain large lot map approved by the City Council on August 29, 2016 by Resolution 107-2016 by August 1, 2020.
- ii. Commence any below ground improvements in or under White Rock Road between Fitzgerald Road and the White Rock Road/Rancho Cordova Parkway intersection, including but not limited to, sewer, gas, electric, data, and telephone prior to the later of (i) June 1, 2020 or (ii) City’s approval of the construction contract for the White Rock Road Construction Project.

- iii. Provided City has commenced the White Rock Road Construction Project, commence in tract subdivision improvements for that certain portion of the First Amendment Property identified as "Parcel 67 Sub-Phase A" on that certain small lot map approved by the City Council on June 19, 2017 by Resolution 90-2017 by May 1, 2021.
- iv. Provided City has commenced the White Rock Road Construction Project, obtain the first model home construction permit from City by November 1, 2021.

B. Provided City has substantially completed the White Rock Road Construction Project, Landowner must complete all of the above-described improvements and commence construction of production homes on the First Amendment Property by November 1, 2023.

C. In order to incentivize development of the First Amendment Property earlier than would otherwise occur under current market conditions, City hereby agrees to fund, permit, design, construct, and/or otherwise facilitate certain improvements associated with White Rock Road as described in this Section 13.1. City shall make diligent and reasonable efforts to commence the improvements described in this Section 13.1 by November 1, 2020. City acknowledges that the improvements described in this Section 13.1 substantially comply with and satisfy large lot map condition of approval 47 and small lot map condition of approval 54. In the event of any conflict between this Section 13.1 and any of the other Entitlements, this Section 13.1 shall control.

i. Road/Signal Improvements

- a. City shall fund, permit, design, and construct the White Rock Road Construction Project, including but not limited to all surface improvements, grading, aggregate base, asphalt concrete, signal interconnect, striping, median and landscaping improvements north of the southern back of curb. Landowner shall reimburse City for City's construction of the southern curb and gutter, and associated grading and aggregate base under the southern curb and gutter within the limits of the White Rock Road Construction Project as depicted in Exhibit B in the amount of one-hundred and ten percent (110%) of the reasonable hard construction costs of such improvements as determined by the construction contract

within thirty (30) days of Landowner's receipt of an invoice from City.

- b. City shall fund, permit, design, and construct surface and interim signal improvements associated with the White Rock Road/Rancho Cordova Parkway Intersection.
- c. City shall fund, permit, design, and install conduit necessary for the future installation of a signal at the intersection of White Rock Road and Arenal Drive at the main entrance to the subdivision.
- d. If necessary, City shall coordinate with SMUD to relocate utility poles on the north side of White Rock Road within the limits of the White Rock Road Construction Project. In the event such relocation is necessary, City shall fund the same.

ii. Waterline Improvements

- a. City shall permit, design, and construct all improvements associated with the three (3) fire hydrants located between Luyung Drive and Rancho Cordova Parkway. Landowner shall reimburse City for City's construction of such improvements in the amount of one-hundred and ten percent (110%) of the reasonable hard construction costs of such improvements, plus any permitting, connection, or other fees paid to the water company within thirty (30) days of Landowner's receipt of an invoice from City.

iii. Drainage Improvements

- a. City shall permit, design, and construct (i) the storm drain line within White Rock Road, (ii) the drainage outfall flowing to the south within the White Rock Road right-of-way, (iii) the drainage inlets and laterals on the south side of White Rock Road, and (iv) associated improvements within the White Rock Road Construction Project. City shall fund the reasonable hard construction costs of such improvements using funding available for the same from City's road fee program and the

County's Zone 11-A drainage fee program. In the event the reasonable hard construction costs of such improvements exceed the funding available for the same from City's road fee program and the County's Zone 11-A drainage fee program combined, Landowner shall reimburse City in the amount of one-hundred and ten percent (110%) of such excess reasonable hard construction costs per the construction contract within thirty (30) days of Landowner's receipt of an invoice from City.

- b. City shall fund, permit, design and build drainage improvements to the north side of White Rock Road as necessary within the limits of the City's White Rock Road Construction Project.

1.9. Revised Exhibits. Exhibit "E" to the ARDA is deleted. Exhibit "H" to the ARDA shall be replaced in its entirety with Exhibit B ("White Rock Road Section at RDO") attached to this First Amendment.

2. Consistency with General Plan. The City Council has found and determined that this First Amendment is consistent with the General Plan and the Rio Del Oro Specific Plan.

3. Amendment Limited to First Amendment Property. This First Amendment is limited to and applies only to development of the First Amendment Property and does not affect or apply in any manner with respect to the development of any other property within the Rio Del Oro Specific Plan Area, including without limitation, any other portion of the Property.

4. Amendment. This First Amendment amends, but does not replace or supersede, the ARDA, except as specified herein. As amended hereby with respect to the First Amendment Property, the ARDA remains in full force and effect.

5. Incorporation of Recitals. The Preamble, Recitals, and all exhibits attached hereto are incorporated into this First Amendment as if set forth herein in full.


6. Effective Date and Term of First Amendment. The Effective Date of this First Amendment is December 4, 2019 which is the effective date of City Ordinance No. 11-2019, adopting this First Amendment.

7. City Manager Authorization. City, a municipal corporation, has authorized this First Amendment to be executed in two duplicate originals, each of which is deemed to be an original, by its City Manager and attested to by its City Clerk under the authority of Ordinance No. 11-2019 adopted by the City Council on the 4th day of November, 2019, and has caused this First Amendment to be executed.

(Signatures appear on next page.)

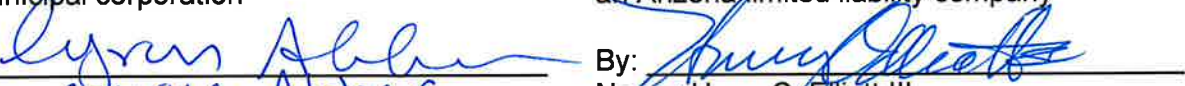
"CITY"

CITY OF RANCHO CORDOVA,
a municipal corporation

By: 
Name: Cyrus Abhar
Its: City Manager
Date: 4-3-2020

"LANDOWNER"


ALTA VISTA, LLC
an Arizona limited liability company

By: 
Name: Harry C. Elliott III
Its: President
Date: 3.18.2020

ATTEST:


City Clerk

APPROVED AS TO FORM:


Adam U. Lindgren
City Attorney

Date: 4/1/20

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 Sacramento)

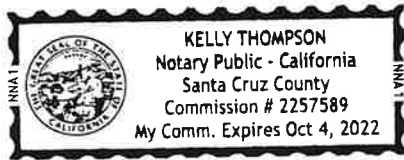
On April 3, 2020 before me, Kelly Thompson, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Cyrus Abhar
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 Kelly Thompson
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

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

EXHIBIT LIST

- Exhibit A-1: Legal Description of First Amendment Property
- Exhibit A-2: Map of First Amendment Property
- Exhibit B: White Rock Road Cross Section
- Exhibit C: Affordable Housing Plan

EXHIBIT "A-1"

LEGAL DESCRIPTION FIRST AMENDMENT PROPERTY

A portion of Lot 'A' of that certain Lot Line Adjustment Resolution No. 97-BLS-0637 recorded in Book 971119, Page 807, Official Records of Sacramento County, also being a portion of Parcel 15 as shown on the Revised Parcel Map, filed in Book 55 of Parcel Maps, at Page 29, in said County, located in the City of Rancho Cordova, County of Sacramento, State of California, described as follows:

BEGINNING at a point being the northwest corner of said Lot 'A'; thence from said **POINT OF BEGINNING**, along the north line of said Lot 'A', the following five (5) arcs, courses, and distances:

- 1) North 80°31'07" East, a distance of 2579.34 feet;
- 2) from a radial line which bears North 09°27'47" West, along a non-tangent curve concave to the south, having a radius of 1500.00 feet, easterly 314.43 feet along said curve through a central angle of 12°00'37";
- 3) South 87°27'10" East, a distance of 389.84 feet;
- 4) along a tangent curve concave to the north, having a radius of 3000.00 feet, easterly 435.69 feet along said curve through a central angle of 08°19'16";
- 5) North 84°13'34" East, a distance of 718.52 feet;

Thence leaving said north line, through said Lot 'A' the following five (5) courses and distances:

- 1) South 00°28'57" East, a distance of 317.24 feet;
- 2) South 52°47'18" West, a distance of 4390.95 feet;
- 3) South 03°12'51" East, a distance of 572.94 feet;
- 4) South 52°47'18" West, a distance of 177.92 feet;
- 5) South 82°56'01" West, a distance of 398.53 feet to the west line of said Lot 'A';

Thence along said west line, North 07°05'25" West, a distance of 3184.57 feet; thence continuing along said west line, North 08°15'52" West, a distance of 30.44 feet to the **POINT OF BEGINNING**.

Containing 173.871 Acres, more or less.

September 27, 2019

END OF DESCRIPTION

PREPARED BY WOOD RODGERS, INC.
SACRAMENTO, CALIFORNIA



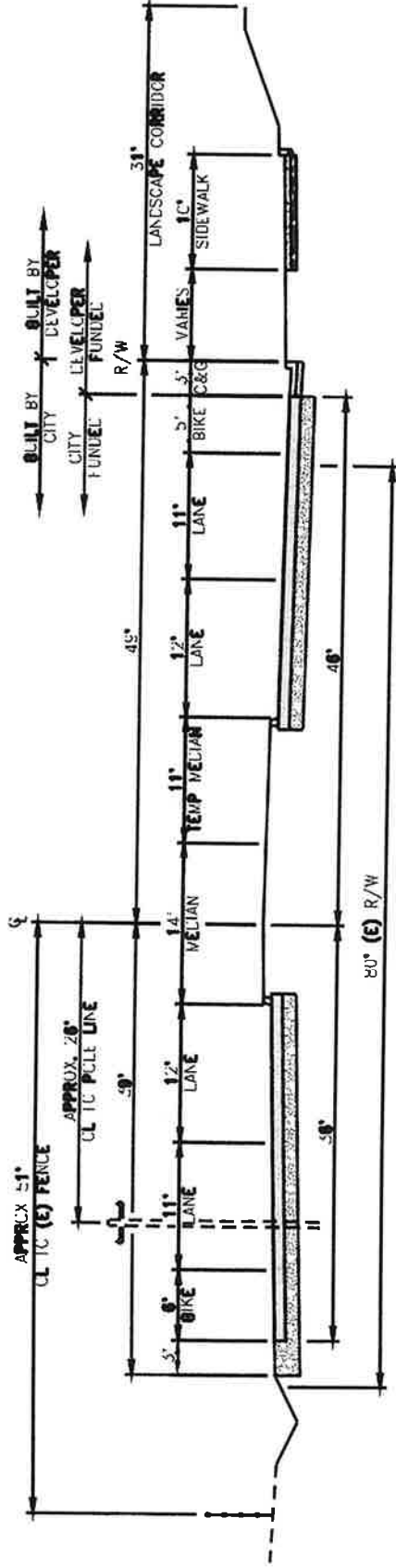
RIO DEL ORO

WHITE ROCK ROAD - PROPOSED SECTION AT RDO

ELLIOTT HOMES

RANCHO CORDOVA CALIFORNIA

SEPTEMBER 23, 2019



FOUR LANE ALTERNATIVE



WOOD RODGERS
 BUILDING RELIABLE INFRASTRUCTURE PROJECTS
 3301 C St, Bldg. 100-B Tel 916.341.7760
 Sacramento, CA 95816 Fax 916.341.7767



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Sacramento County
Donna Allred, Clerk/Recorder

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Titles 1
Pages 20

Fees	\$0.00
Taxes	\$0.00
PCOR	\$0.00
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RECORDING REQUESTED BY AND
 WHEN RECORDED, MAIL TO:

City of Rancho Cordova
 2729 Prospect Park Drive
 Rancho Cordova, CA 95670
 Attention: City Clerk

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

**AFFORDABLE HOUSING PLAN AGREEMENT
 FOR THE RIO DEL ORO SPECIFIC PLAN
 BY AND BETWEEN
 THE CITY OF RANCHO CORDOVA, AND
 ALTA VISTA, LLC**

THIS AFFORDABLE HOUSING PLAN AGREEMENT ("AHP" or "Agreement"), and the requirements herein, are agreed upon by and between the CITY OF RANCHO CORDOVA ("City") and ALTA VISTA, LLC, an Arizona limited liability company ("Landowner"), as of December 16, 2019. City and Landowner are hereinafter sometimes collectively referred to as the Parties. This AHP shall be binding on Landowner and on any and all of Landowner's successors and assigns developing the real property described in Exhibit 1 and depicted in Exhibit 2 hereto and incorporated herein (the "Property") within the Rio Del Oro Specific Plan ("RDOSP").

RECITALS

WHEREAS, pursuant to California Government Code section 65580, the Legislature has established the following policies related to the provision of affordable housing: 1) the availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order; 2) the early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels; 3) the provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of government; 4) local and State governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community; and 5) the Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the State in addressing regional housing needs; and

WHEREAS, the City of Rancho Cordova Housing Element, adopted December 16, 2013 by City Council Resolution No. 119-2013 ("Housing Element") states that all large-scale development in the City's undeveloped areas, generally located south of Highway 50, is required to provide a range of housing opportunities responding to the housing needs associated with the proposed development; and

WHEREAS, Policy H.1.5 of the Housing Element states that “[d]evelopers of new residential projects within the newly developing areas of the City (generally in the large, vacant areas south of Highway 50) shall prepare an Affordable Housing Plan (Plan) for the project for City review and approval that identifies the project’s plan for providing affordable housing;” and

WHEREAS, Housing Element Action H.1.5.1 provides that the Affordable Housing Plan “shall be approved in conjunction with the earliest stage of project entitlement, typically with the City Council approval of the Specific Plan, Development Agreement, or other primary land use entitlement,” and “[i]n order to ensure the production and preservation of housing affordable to the City’s workforce, no productive, reasonable program or incentive option will be excluded from consideration within project-specific Affordable Housing Plans...;” and

WHEREAS, on September 20, 2012, the Sacramento Area Council of Governments’ (“SACOG”) Board of Directors unanimously approved the 2013-21 Regional Housing Needs Plan (“RHNP”). This action was the final stage in the adoption of an eight-year plan for the Regional Housing Needs Allocation (“RHNA”). RHNA is a State requirement to determine the number of housing units that cities and counties must plan for in their housing element updates. Pursuant to California Government Code section 65583, local governments are required to update their housing elements to plan to accommodate their entire RHNA share by income category; and

WHEREAS, the City has received an allocation from SACOG of the projected share of the Region’s total growth within the City, including both a projected allocation of total housing units and a distribution of this projected growth by family income categories; and

WHEREAS, the City intends to meet Housing Element Policies H.1.5, H.1.5.1 and the requirements of state law by demonstrating that it is providing sufficient zoning capacity to accommodate a portion of the RHNA for housing available to a variety of income categories within the RDOSP area (“RDOSP Area”); and

WHEREAS, based on the foregoing requirements, this AHP is comprised of two major components: the Property’s fair share of the RHNA allocation and affordable housing performance; and

WHEREAS, the City Council supports and has determined that an Affordable Housing In Lieu Fee of Four Thousand Five Hundred Fifty Seven Dollars (\$4,557.00) per MRU in the RDOSP Area will, when combined with the City’s non-residential linkage fees as set forth in Rancho Cordova Municipal Code Chapter 16.89 and Sacramento County Code Chapter 16.89, state and federal tax credits, and other state, federal and local grant and loan program funds, result in sufficient funds for City, or another third party, to develop within the City approximately six percent (6%) of new residential development as affordable rental units and one percent (1%) as affordable for-sale units; and

WHEREAS, in preparing this AHP, the City and Landowner considered economic, environmental, and fiscal factors and community goals set forth in the general plan; and

WHEREAS, Landowner has agreed to meet the affordable housing obligations as identified in this AHP. This AHP fully satisfies Landowner’s obligations pursuant to Housing Element Policy H.1.5 and all action items related thereto; and

WHEREAS, pursuant to the City's Housing Element, the requirement to enter into this AHP is a condition of approval for projects within the RDOSP Area. Any violation by Landowner of the terms of this AHP shall be considered a violation of the conditions of approval and shall permit the City to proceed with enforcement action as further set forth in this Agreement.

THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the Parties hereby agree to the following AHP:

DEFINITIONS

All capitalized terms used in this Agreement shall have the meaning set forth in this Section. Any capitalized terms not defined herein shall have the meaning set forth in the Amended and Restated Development ("ARDA") by and between Alta Vista, LLC and the City, adopted by the City by Ordinance No. 11-2019, on November 4, 2019;

"AHP" shall mean the Affordable Housing Plan Agreement, approved by Resolution No. 107-2016, on September 19, 2016, and reapproved and amended by and between the City and Landowner by Ordinance No. 11-2019;

"Affordable Housing In Lieu Fee" is the fee payable pursuant to this AHP, in the amount of Four Thousand Five Hundred Fifty Seven Dollars (\$4,557.00) per MRU, and as may be adjusted as allowed by Section 2.2 of this AHP.

"Affordable Units" shall mean those units (whether single family or multi-family, and regardless of density) designated by the City to be affordable under the provisions of Section 4 of this AHP (and which are subject to a regulatory agreement as specified in that Section), with income levels calculated pursuant to regulations issued by the California Department of Housing and Community Development ("HCD") (with specific application to Sacramento County), and as may be adjusted from time to time by HCD based upon size of household, regional cost of living and other relevant factors. Subject to the regulations issued by HCD, City may designate Affordable Units as those units available to families with incomes ranging from zero to 120% of median family income.

"ARDA" shall mean the Amended and Restated Development Agreement ("ARDA") by and between Alta Vista, LLC and the City, adopted by the City by Ordinance No. 11-2019, on November 4, 2019.

"HCD" shall mean the State of California, Department of Housing and Community Development (or any successor thereto).

"HD" shall refer to the acreage designated in the RDOSP for development at or above an average density of 26 units per acre.

"Housing Element" shall mean the Housing Element in effect as of the effective date of this AHP, which was adopted on December 16, 2013 by City Council Resolution No. 119-2013.

"Market Rate Units" ("MRU") shall mean those units approved for residential development (whether single family or multi-family, and regardless of density) within the RDOSP Area that have not been designated by the City to be Affordable Units pursuant to Section 4 of this AHP.

“**Property**” shall mean the 1,516-acre portion of the RDOSP Area owned by Landowner, located in the City of Rancho Cordova, County of Sacramento, and more particularly described in Exhibit 1 and depicted in Exhibit 2.

“**RDOSP**” shall mean the Rio del Oro Specific Plan, and all amendments thereto, whether approved before or after the date of this AHP.

“**RDOSP Area**” shall mean the entire property included within the Amended Rio del Oro Specific Plan, approved by the City on September 19, 2016, by Ordinance No. 9-2016.

“**RHNA**” shall mean the Regional Housing Needs Allocation adopted by the Sacramento Area Council of Governments on September 20, 2012 to cover the time period 2013-21.

“**RHNA Acreage**” shall mean those sites identified on Exhibit 3 to this AHP, which are designated in the RDOSP for high-density development at no less than 26 units per acre.

“**RHNP**” shall mean the Regional Housing Needs Plan as established by SACOG on September 20, 2012 for the period 2013-21.

“**SACOG**” shall mean the Sacramento Area Council of Governments.

AGREEMENT

1. **Property Subject to this Affordable Housing Plan.** Landowner owns fee title to the Property. This AHP shall apply to, and be recorded on, the Property. The remaining portion of the RDOSP Area shall also be subject to a separate AHP, entered into between the City and the owner of fee title to that other portion of the RDOSP Area. Landowner understands, and City represents, that City intends to impose similar terms and conditions related to affordable housing on all portions of the RDOSP Area.

2. **Payment of Affordable Housing In Lieu Fee.** All MRU (both single family and multi-family) shall pay an Affordable Housing In Lieu Fee of Four Thousand Five Hundred Fifty Seven Dollars (\$4,557.00) per MRU. The Affordable Housing In Lieu Fee shall be due and payable at the time a building permit is issued for the unit or multi-family structure.

2.1. **Exemptions.** No Affordable Housing In Lieu Fee shall be required to be paid by any Affordable Units developed on the Property or by any development or structure subject to a non-residential building permit. Any development or structure subject to a non-residential building permit shall pay the housing trust development impact fee established pursuant to Rancho Cordova Municipal Code Chapter 16.89 and Sacramento County Code Chapter 16.89.

2.2. **Increases to Affordable Housing In Lieu Fee.** The Affordable Housing In Lieu Fee shall not be subject to increase during the “Incentive Period,” as that phrase is defined in the ARDA between the Parties. After the expiration of the Incentive Period, the Affordable Housing In Lieu Fee required under this AHP shall be adjusted annually in January based upon the October to October index value increase found in the 20 City Building Cost Index published in Engineering News Record (ENR), averaged with the ENR’s index of the City of San Francisco between October and October of each year.

3. Regional Housing Needs Allocation for the RDOSP Area. Based on the RHNA, City has designated 98 acres within the RDOSP Area for high density development, and City has identified as "RHNA Acreage" the property identified on Exhibit 3 to this AHP. Landowner has no obligation to develop or cause the development of Affordable Units on the RHNA Acreage. However, unless otherwise approved by the City, any development of the that portion of the RHNA Acreage within the Property as, if, and when the same occurs, shall be consistent with RHNA requirements as identified by the Housing Element (in effect as of the date of this AHP), and shall be at a minimum density of 26 dwelling units per acre, subject to the following provisions:

3.1. No Net Loss. California Government Code section 65584 requires all development on RHNA qualifying acres approved by the State through the Housing Element process to yield no less than the minimum acreage used to satisfy State RHNA requirements. In order to contribute to the required RHNA performance, development on the RHNA Acreage must be at or above a density of an average of 26 units per acre, unless the City can make the following findings in writing supported by substantial evidence: (1) the reduction is consistent with the adopted General Plan, including the Housing Element, and (2) the remaining sites identified in the Housing Element are adequate to accommodate the City's share of the regional housing need pursuant to Government Code section 65863. The City will accept an average of 26 units per acre on RHNA Acreage being developed concurrently by the same owner.

3.2. Review of RHNA Acreage. The Parties acknowledge that SACOG will review, from time to time, the RHNA for the City. The SACOG allocation of RHNA units to the City may differ from the amounts anticipated in determining projected RHNA requirements for the RDOSP Area. However, no such future adjustment by SACOG in the allocation of RHNA units to the City shall result in an increase to the RHNA Acreage as described herein. There may be changes in market conditions and demand which result in amendments to policy and statute. In order to be more responsive to future conditions in the RDOSP Area, upon receipt by City of a written request from Landowner for reconsideration of the allocation of RHNA Acreage, the City will consider whether RHNA Acreage is still needed to accommodate the City's regional housing needs pursuant to Government Code section 65584.

4. Affordable Housing Performance Requirements. Landowner has no obligation to construct Affordable Units under this AHP, and is not required to reserve or dedicate any land for the construction of affordable housing. However, at the request of City, Landowner has identified locations and acreages of four (4) sites, which may be subdivided to create three-acre parcels in the future (the "Identified Sites"), as shown on Exhibit 4 attached hereto, that may be suitable for the construction of Affordable Units by third parties. Landowner will offer to City for compensation at fair market value (to be determined as set forth below) all or a portion of the Identified Sites as follows:

4.1 Identified Sites for Affordable Units.

4.1.1. Total Acreage. The Identified Sites within the Property will result in 12 acres of HD available for purchase by the City. The Identified Sites are depicted on Exhibit 4.

4.1.2. Timing and Manner of Acquisition. City shall have the option to purchase any three (3) acre parcel within an Identified Site(s) (the "Parcel"). Such option shall be exercised no earlier than the date of approval of the small lot tentative subdivision map which includes the Identified Site(s), and no later than sixty (60) days after recordation of the final small lot subdivision map which includes the Identified Site. City shall exercise such option by delivering to Landowner a written purchase and sale agreement ("PSA"), executed by City as the buyer,

along with a written appraisal of the Parcel substantiating the purchase price as set forth in the PSA. Said appraisal shall include the value of any improvements constructed or to be constructed by Landowner, including but not limited to the value of rough grading and stubbing for natural gas, water, storm drain, sewer, conduit for electrical and fiber, etc.). Landowner shall have ninety (90) days from the date of receipt of the PSA to either accept the offer by executing the PSA as the seller, or to make a written counteroffer to City. In the event City does not exercise its option within sixty (60) days after recordation of the final small lot subdivision map which includes the Identified Site(s), City's option to purchase the Identified Site(s) within the final small lot subdivision map shall terminate.

If Landowner's counteroffer includes a purchase price different from that included in the PSA, Landowner shall include in its counteroffer a second written appraisal substantiating Landowner's proposed purchase price. Landowner and City shall meet and confer, in good faith, to resolve any differences between City's PSA and Landowner's counteroffer. If, within fifteen (15) days after presentation of Landowner's counteroffer to City, the Parties cannot agree on a purchase price and execute a final PSA, City and Landowner shall, within an additional fifteen (15) days, agree on and retain a third appraiser who shall decide the purchase price within thirty (30) days after such appraiser is engaged, with the costs of this determination to be shared equally by the Parties. The purchase price decided by the third appraiser shall not be less than the purchase price set forth in City's proposed PSA, and shall not be more than the purchase price set forth in Landowner's counteroffer.

Any other terms and/or conditions that Landowner's counteroffer modifies or adds from those set forth in City's proposed PSA shall be resolved in good faith between the Parties, it being acknowledged that the material terms of any final PSA are included in this AHP.

Once the purchase price has been resolved in the manner described above, the Parties shall execute the final PSA within fifteen (15) days after receipt of the third appraiser's determination of purchase price. Unless otherwise specified therein, close of escrow shall occur not more than sixty (60) days after full execution of the final PSA.

Landowner shall have the right at any time to present City with a written offer to sell a Parcel to City. City shall have no obligation to accept or reject such offer, or to make a counteroffer, prior to the date which is sixty (60) days after recordation of the final small lot subdivision map which includes the Parcel, provided that City agrees that it will nevertheless consider any such offer in good faith.

4.1.3 Compensation to Landowner. Landowner shall be paid the purchase price either (a) in cash or (b) through the application of credits to any Exactions owed on remaining undeveloped units within the subdivision. In the event Landowner is compensated through credits, City and Landowner will enter into an appropriate agreement memorializing the application of the credits prior to close of escrow.

4.1.4 Obligations of Landowner with Respect to Improvements for Identified Site(s). City acknowledges and agrees that, other than the agreement as to the location of the Identified Site(s), Landowner shall not be required to reserve or dedicate any of the Identified Site(s) to City and Landowner is not required to construct Affordable Units on the Identified Sites. City further acknowledges and agrees that Landowner has no obligation or requirement to construct frontage improvements to the Identified Site(s), including but not limited to curb, gutter, and sidewalk. If Landowner installs improvements of any kind, the value of the

improvements shall be included in the purchase price and either paid for or credited to Landowner as provided in Section 4.1.4.

4.1.5 Construction of Affordable Units on the Identified Site(s). City shall consult with Landowner on the selection of a third party who will construct Affordable Units on the identified Site(s). The design, landscaping, materials, and all other pertinent development standards contained in the Rio del Oro Specific Plan Development Standards and Design Guidelines (and any and all amendments thereto) shall apply to the construction of the Affordable Units.

4.2 Other Options for Meeting Obligations Under the AHP. The Parties acknowledge that as the Property develops and market conditions evolve, new solutions for meeting affordable housing obligations may arise and merit consideration. Pursuant to Section 5.2 below, the Parties may cooperate to amend this AHP to accommodate such additional options.

5. Term, Amendment and Termination.

5.1. Term. This term of this AHP shall extend and be equal to the term of the ARDA, but the requirements applicable to any MRU shall terminate after the payment of the Affordable Housing In Lieu Fee for that MRU, and shall terminate as to the entire Property when all Affordable Housing In Lieu Fees required by this Agreement for the Property have been paid and Landowner has fully complied with the requirements of Section 4.

5.2. Amendment by Mutual Consent. This AHP may be amended in writing from time to time by mutual consent of the City and Landowner.

5.3. Termination. This AHP may be canceled in whole or in part only by mutual consent of the City and Landowner or their successors in interest. Any fees paid pursuant to this AHP and spent by the City prior to the date of cancellation shall be retained by City.

6. Breach. This AHP is implemented as a condition of approval for consistency with the City's Housing Element. Any material violation by Landowner of the requirements under this AHP shall be considered a violation of a condition of approval, and City may invoke remedies appropriate to violation of a condition of approval, including the withholding of building permits until such violation has been cured. The procedures regarding defaults and opportunity to cure set forth in the ARDA (Sections 17, and 17.1 through 17.1.4, inclusive) shall apply to any alleged violation of the terms of this AHP.

7. Severability. If any part of this AHP is for any reason held to be unenforceable, the rest of the AHP remains fully enforceable. If, however, a provision of this AHP is determined to be invalid or unenforceable and the effect is to deprive Landowner of an essential benefit of this AHP, then Landowner will have the option to terminate this entire Agreement upon written notice to City. If City contends that it has been deprived of an essential benefit of this AHP, then City shall notify Landowner and the Parties will meet and confer to evaluate whether the remainder of the Agreement should be valid and enforceable.

8. Applicable Law. California law applies to this AHP without regard for any choice-of-law rules that might direct the application of the laws of any other jurisdiction.

9. Attorneys' Fees and Costs in Legal Actions by Parties to the Agreement. Should any legal action be brought by either party for breach of this AHP or to enforce any

provisions herein related to the performance of the Parties as set forth in this AHP, the prevailing party in the action is entitled to reasonable attorneys' fees, court costs, and any other costs as may be fixed by the Court.

10. Agreement Runs With The Land. Except as otherwise provided for in this AHP, all of the provisions, rights, terms, covenants, and obligations contained in this AHP are binding upon the Parties and their respective heirs, successors and assignees, representatives, lessees, and all other persons acquiring the property this AHP applies to, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever. All of the provisions of this AHP are enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable laws, including, but not limited to, Section 1468 of the California Civil Code. Each covenant to do, or refrain from doing, some act on the property subject to this AHP, or with respect to any owned property: (1) is for the benefit of such properties and is a burden upon such properties; (2) runs with such properties; and (3) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and shall be a benefit to and a burden upon each party and its property hereunder and each other person succeeding to an interest in such properties.

11. Indemnification. Landowner agrees to indemnify, defend with counsel selected by the City, and hold harmless City, and its elected and appointed councils, boards, commissions, officers, officials, agents, employees, and representatives from any and all claims, costs (including legal fees and costs incurred by the City or awarded to plaintiffs) and liability for any personal injury or property damage which may arise directly or indirectly as a result of any actions or inactions by Landowner, or any actions or inactions of Landowner's contractors, subcontractors, agents, or employees arising out of or related to the obligations of this AHP. Landowner has no indemnification obligation with respect to the negligence or willful misconduct of City, or its elected and appointed councils, boards, commissions, officers, officials, agents, employees, and representatives.

12. Cooperation In the Event of Legal Challenge to this AHP. In the event of any legal or equitable action or other proceeding instituted by any third party challenging the validity of any provisions of this AHP:

12.1. The City and Landowner agree to cooperate in defending against the action or proceeding.

12.2. Landowner is solely responsible for its own costs and any costs incurred by the City for such defense.

12.3. Neither Landowner nor the City shall settle any action or proceeding on grounds that include non-monetary relief or admissions of liability without written consent of the other party. City agrees not to settle any action based upon monetary relief without the written consent of Landowner, unless City is solely liable and agrees to pay such monetary relief.

13. Third Party Beneficiaries. This AHP is made and entered into for the sole protection and benefit of Landowner and City and their successors and assigns. No other person shall have any right of action based upon any provision in this AHP.

14. Notices. All notices and other communications required or permitted under this AHP must be in writing and must be delivered in person or sent by certified mail, postage prepaid, or sent by facsimile or electronic mail.

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

CITY OF RANCHO CORDOVA
Community Development Director
2729 Prospect Park Drive
Rancho Cordova, CA 95670
Fax: (916) 851-8712
E-mail: esparkman@cityofranhocordova.org

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

ALTA VISTA, LLC
Attn: Harry C. Elliott III, President
340 Palladio Parkway, Suite 521
Folsom, CA 95630
Fax : (916) 984-1322
E-mail: HCEIII@ElliottHomes.com

Either party may change the address stated herein by giving notice in writing to the other party and, thereafter, notices shall be addressed and transmitted to the new address.

15. Assignment and Release. From and after recordation of this AHP against the Property, Landowner shall have the full right to assign this AHP as to the Property, or any portion thereof, in connection with any sale, transfer or conveyance thereof, provided that: (1) Landowner will pay City any and all fees or amounts due to City, as set forth in Section 2 of this AHP, and (2) upon the receipt by the City Community Development Director of the express written assignment by Landowner and assumption by the assignee of such assignment in the form approved by the City. Upon the payment of such fees or amounts due (which shall be acknowledged on the assignment by the City Community Development Director upon the request of Landowner) and the City's receipt of the express written assignment by Landowner, the assumption by the assignee of such assignment, and the conveyance of Landowner's interest in the Property related thereto, Landowner shall be released from further liability or obligation related to the portion of the property so conveyed and the assignee will be considered the "Landowner," with all rights and obligations related thereto, with respect to such conveyed property.

16. Form Of Agreement; Recordation; Exhibits. City will record this AHP, and any subsequent amendment to this AHP, against the Property with the County Recorder within thirty (30) days of the effective date. City will also record any termination of any parts or provisions of this AHP. Any amendment or termination of this AHP that affects less than all of the Property must describe the portion of the property that is the subject of the amendment or termination. This AHP is executed in two (2) duplicate originals, each of which is deemed to be an original. This AHP consists of 12 pages and 4 exhibits, which constitute the entire understanding and agreement of the Parties with respect to the AHP and obligations related thereto.

17. **Recitals.** The Recitals set forth above are an integral part of this Agreement and shall have the same contractual and legal significance as any other language in this Agreement.

IN WITNESS WHEREOF, the City of Rancho Cordova, a municipal corporation, has authorized the execution of this AHP in duplicate by its City Manager and attested to by its City Clerk under the authority of Ordinance No. 11-2019, adopted by the Council of the City on this 16th day of Decembers 2019, and Landowner has caused this AHP to be executed.

"CITY"

CITY OF RANCHO CORDOVA,
a municipal corporation

By: Cyrus Abhar
Name: Cyrus Abhar
Its: City Manager

Date: 1/9/2020, 2019

"LANDOWNER"

ALTA VISTA, LLC,
an Arizona limited liability company.

By: Harry C. Elliott, III
Name: Harry C. Elliott, III
Title: President

Date: Dec. 30, 2019

ATTEST:

Steph Leikus
City Clerk

APPROVED AS TO FORM:

Adam U. Lindgren
Adam U. Lindgren
City Attorney

Date: 1/8/20, 2019

EXHIBIT LIST

- Exhibit 1: Landowner's Property – Legal Description
- Exhibit 2: Landowner's Property – Map
- Exhibit 3: RHNA Acreage
- Exhibit 4: Identified Sites

3451254.1

EXHIBIT 1
LANDOWNER'S PROPERTY - LEGAL DESCRIPTION

Parcel 2:

All that portion of Parcel 15, as shown on that certain Parcel Map filed March 4, 1980 in Book 55 of Parcel Maps, Page 29, Sacramento County Records, more particularly described as follows:

Tank Site No. 804:

Beginning at a point located within said Parcel 15 from which the Southwest corner of said Parcel 15 bears the following three (3) courses and distances: (1) South 00°53'20" West 2759.57 feet, (2) North 89°06'40" West 1070.18 feet, and (3) North 89°10'03" West 990.37 feet; thence from said point of beginning South 18°45'03" West 276.75 feet; thence North 71°14'57" West 146.50 feet; thence North 18°45'03" East 276.75 feet; thence South 71°14'57" East 146.50 feet to the point of beginning.

Also being described in Parcel C of that certain Lot Line Adjustment, Resolution No. 90-BLR-1632 recorded February 15, 1991 in Book 910215 page 1046, Official Records.

APN: 072-0370-046

Together with the right of ingress and egress upon, over and across an existing road 20 feet in width, the centerline of which is described as follows:

Beginning at a point located South 18°45'03" West 10.53 feet from the Northeast corner of the before described parcel of land; thence from said point of beginning South 89°25'42" East 51.48 feet; thence South 00°34'18" West 2749.88 feet to a point located on the Southerly boundary line of said Parcel 15.

Parcel 3:

All that portion of Parcel 15, as shown on that certain Parcel Map filed March 4, 1980 in Book 55 of Parcel Maps, Page 29, Sacramento County Records, more particularly described as follows:

Beta Area Well Site "A"- 805:

Beginning at a point located within said Parcel 15 from which the Southwest corner of said Parcel 15 bears the following three (3) courses and distances: (1) South 00°53' 20" West 2611.85 feet, (2) North 89°06'40" West 1119.19 feet, and (3) North 89°10'03" West 990.37 feet; thence from said point of beginning South 00°34'18" West 80.00 feet; thence North 89°25'42" West 70.00 feet; thence North 00°34'18" East 80.00 feet; thence South 89°25'42" East 70.00 feet to the point of beginning.

Also being described in Parcel D of that certain Lot Line Adjustment, Resolution No. 90-BLR-1632 recorded February 15, 1991 in Book 910215 Page 1046, Official Records.

APN: 072-0370-047

Together with the right of ingress and egress upon, over and across an existing road 20 feet in width, the centerline of which is described as follows:

Beginning at the Southeast corner of the before described parcel of land; thence from said point of beginning South 00°34'18" West 2531.88 feet to a point located on the Southerly boundary line of Parcel 15.

Parcel 4:

All that portion of Parcel 15, as shown on that certain Parcel Map filed March 4, 1980 in Book 55 of Parcel Maps, Page 29, Sacramento County Records, more particularly described as follows:

Beta Area Well Site "B"- 806:

Beginning at a point located within said Parcel 15 from which the Southwest corner of Parcel 15 bears the following three (3) courses and distances: (1) South 00°53'20" West 1156.48 feet, (2) North 89°06'40" West 1127.25 feet, and (3) North 89°10'03" West 990.37 feet; thence from said point of beginning South 00°34'18" West 80.00 feet; thence North 89°25'42" West 78.00 feet; thence North 00°34'18" East 80.00 feet; thence South 89°25'42" East 78.00 feet to the point of beginning.

Also being described in Parcel E of that certain Lot Line Adjustment, Resolution No. 90-BLR-1632 recorded February 15, 1991 in Book 910215 Page 1046, Official Records.

APN: 072-0370-048

Parcel 5:

All that portion of Parcel 15 as said Parcel is shown on that certain Revised Parcel Map of "A Portion of Record of Surveys 12 R.S. 30 and 18 R.S. 4 and also being a Portion of Rancho Rio Del Los Americanos" filed in the office of the Recorder, County of Sacramento, State of California in Book 55 of Parcel Maps, Page 29, and being more particularly described as follows:

Beginning at the Northwest corner of said Parcel 15; thence from said point of beginning along the Westerly line of said Parcel the following five (5) courses: (1) South 07°44'05" West 30.44 feet, (2) South 06°36'05" East 3603.85 feet, (3) South 08°08'17" East 2073.42 feet, (4) South 08°47'03" East 2197.91 feet, and (5) South 08°48'24" East 419.75 feet to a point on the Westerly right-of-way line of Sunrise Boulevard, a County Road, as shown on said Parcel Map; thence along said right-of-way line South 39°18'38" East 4093.39 feet; thence South 89°10'03" East 990.37 feet; thence South 89°06'40" East 933.19 feet; thence North 00°53'20" East 2290.81 feet to a point on an existing fence line; thence along said fence line, the following fourteen (14) courses and distances: (1) North 89°32'35" West 367.46 feet, (2) North 89°24'25" West 402.97 feet; (3) North 00°30'05" East 722.15 feet, (4) North 00°34'11" East 608.94 feet, (5) North 87°30'22" West 39.63 feet, (6) North 00°50'49" East 225.19 feet, (7) North 71°12'32" West 459.31 feet, (8) North 18°32'48" East 299.22 feet, (9) North 18°43'33" East 581.68 feet, (10) North 18°52'10" East 260.18 feet, (11) North 87°29'23" East 30.58 feet, (12) North 86°35'54" East 79.74 feet, (13) North 87°23'08" East 104.15 feet, and (14) South 71°22'21" East 494.50 feet; thence North 00°53'20" East 4230.53 feet; thence North 90°00'00" West 1078.83 feet; thence North 04°03'36" West 192.34 feet; thence North 15°38'51" West 253.09 feet; thence North 10°48'50" West 497.39 feet; thence North 06°52'34" West 292.93 feet; thence North 05°51'41" West 169.64 feet; thence North 00°52'23" West 152.03 feet; thence North 72°06'34" East 146.02 feet; thence North 74°39'41" East 462.88 feet; thence North 85°19'48" East 66.67 feet; thence North 11°27'56" East 102.96 feet; thence North 03°39'36" West 197.73 feet; thence North 02°17'57" East 318.01 feet; thence North 01°15'08" East 494.52 feet; thence South 84°44'15" West 1242.18 feet; thence curving to the right on an arc having a radius of 3000.00 feet, said arc being subtended by a chord bearing South 88°53'53" West 435.31 feet; thence North 86°56'29" West 389.84 feet; thence curving to the left on an arc

having a radius of 1500.00 feet, said arc being subtended by a chord bearing South 87°03'12" West 313.85 feet, thence South 81°02'54" West 2579.08 feet to the point of beginning.

Excepting therefrom as a mineral interest, and not as a royalty interest, all of the minerals of every kind in, under, or that may be produced from the Real Property as reserved by Aerojet-General Corporation, an Ohio corporation in deed recorded November 18, 1997, in Book 971118, Page 810, Official Records; and excepting as a mineral interest, and not as a royalty interest, all oil, gas, hydrocarbons, and associated substances in, under, or produced and saved from the Real Property as reserved by Aerojet-General Corporation, an Ohio corporation in deed recorded November 18, 1997, in Book 971118, Page 810, Official Records; and excepting all water and rights, including, but not limited to all rights of access, to water lying below the surface of the Real Property as reserved by Aerojet-General Corporation, an Ohio corporation in deed recorded November 18, 1997, in Book 971118, Page 810, Official Records; provided, however, that Grantor, and its successors and assigns, shall not have the right for any purpose whatsoever to enter upon, into, or through the surface of the Real Property, or within one hundred (100) feet below, as measured vertically from, the surface of the Real Property.

Said land is also described in Lot 'A' of that certain Lot Line Adjustment Resolution No. 97 -BLS-0637 recorded November 18, 1997 in Book 971118 Page 807, Official Records.

APN: 072-0370-071

Parcel Six:

All that portion of Parcel 15 as said parcel is shown in Book 55 of Parcel Maps at Page 29 the Official Records of Sacramento County, being in the City of Rancho Cordova, County of Sacramento, State of California, and more particularly described as follows:

Beginning at the southerly most common corner of the property described in Book 20011130 at Page 1431 and Book 20080221 at Page 779 in the Official Records of Sacramento County, said point also being the southerly most common corner between Lot A and Lot B per the Lot Line Adjustment, Resolution No. 97 -BLS-0637 as recorded in Book 19971118 at Page 807 in the Official Records of Sacramento County; Thence, from the Point of Beginning, North 00°22'20" East, a distance of 2290.81 feet along the common line between said properties;
Thence, South 89°56'25" West, a distance of 367.46 feet along said common line;
Thence, North 89°55'25" West, a distance of 402.97 feet along said common line;
Thence, North 00°00'55" West, a distance of 722.15 feet along said common line;
Thence, North 00°03'11" East, a distance of 608.94 feet along said common line;
Thence, North 88°01 '22" West, a distance of 39.63 feet along said common line;
Thence, North 00°19'49" East, a distance of 225.19 feet along said common line;
Thence, North 71°43'32" West, a distance of 459.31 feet along said common line;
Thence, North 18°01 '48" East, a distance of 299.22 feet along said common line;
Thence, North 18°12'33" East, a distance of 581.68 feet along said common line;
Thence, North 18°21'10" East, a distance of 260.18 feet along said common line;
Thence, North 86°58'23" East, a distance of 30.58 feet along said common line;
Thence, North 86°04'54" East, a distance of 79.74 feet along said common line;
Thence, North 86°52'08" East, a distance of 104.15 feet along said common line;
Thence, South 71°53'21" East, a distance of 494.50 feet along said common line;
Thence, North 00°22'20" East, a distance of 1401.37 feet along said common line;
Thence, South 51°45'32" East, a distance of 723.29 feet;
Thence, North 27°42'33" East, a distance of 850.47 feet;
Thence, North 38°10'20" East, a distance of 125.00 feet;
Thence, South 51°49'40" East, a distance of 453.85 feet;

Thence, on the arc of a curve to the right a distance of 498.28 feet, said curve has a central angle of 25°22'37" and a radius of 1125.00 feet;
 Thence, on the arc of a curve to the left a distance of 784.77 feet, said curve has a central angle of 46°07'00" and a radius of 975.00 feet;
 Thence, South 72°34'03" East, a distance of 651.82 feet;
 Thence, South 17°25'57" West, a distance of 25.00 feet;
 Thence, South 72°34'03" East, a distance of 856.47 feet;
 Thence, South 17°25'57" West, a distance of 1542.41 feet to the arc of a non-tangent curve having a radial bearing of South 42°47'17" West;
 Thence, on the arc of said non-tangent curve to the right a distance of 665.31 feet, said curve has a central angle of 19°03'35" and a radius of 2000.00 feet;
 Thence, South 28°09'08" East, a distance of 236.87 feet;
 Thence, North 79°02'16" West, a distance of 274.71 feet;
 Thence, on the arc of a curve to the left a distance of 1060.28 feet, said curve has a central angle of 108°28'52" and a radius of 560.00 feet;
 Thence, on the arc of a curve to the right a distance of 555.35 feet, said curve has a central angle of 58°55'26" and a radius of 540.00 feet;
 Thence, on the arc of a curve to the left a distance of 550.67 feet, said curve has a central angle of 50°28'53" and a radius of 625.00 feet;
 Thence, South 89°31'57" West, a distance of 682.58 feet to the arc of a non-tangent curve having a radial bearing of South 89°24'23" West;
 Thence, on the arc of said non-tangent curve to the right a distance of 135.81 feet, said curve has a central angle of 47°26'53" and a radius of 184.00 feet;
 Thence, on the arc of a curve to right a distance of 269.45 feet, said curve has a central angle of 27°49'00" and a radius of 555.00 feet;
 Thence, on the arc of a curve to the left a distance of 567.31 feet, said curve has a central angle of 08°53'18" and a radius of 3657.00 feet;
 Thence, on the arc of a curve to the left a distance of 614.63 feet, said curve has a central angle of 66°04'15" and a radius of 533.00 feet;
 Thence, South 00°17'18" East, a distance of 423.57 feet to the south line of said Parcel15;
 Thence, North 89°37'40" West, a distance of 418.60 feet along said south line to the Point of Beginning.

Excepting therefrom the following described parcels of land:

Exception A

All that property described as "Beta Area Well Site 'B'-806" in Book 820917 at Page 1513 in the Official Records of Sacramento County, being in the City of Rancho Cordova, County of Sacramento, State of California, and more particularly described as follows:

Commencing at the southerly most common corner of the property described in Book 20011130 at Page 1431 and Book 20080221 at Page 779 in the Official Records of Sacramento County, said point also being the southerly most common corner between Lot A and Lot B per the Lot Line Adjustment, Resolution No. 97 -BLS-0637 as recorded in Book 19971118 at Page 807 in the Official Records of Sacramento County; Thence, from the Point of Commencement, North 00°22'20" East, a distance of 1075.90 feet along the common line between said properties;
 Thence, South 89°37'45" East, a distance of 120.05 feet to the Point of Beginning;
 Thence, from the Point of Beginning, North 00°02'10" West, a distance of 79.89 feet;
 Thence, South 89°58'18" East, a distance of 78.00 feet;
 Thence, South 00°00'36" West, a distance of 79.95 feet;
 Thence, North 89°55'38" West, a distance of 77.93 feet to the Point of Beginning.

Exception B

All that property described as "Tank Site No. 804" in Book 820917 at Page 1513 in the Official Records of Sacramento County, being in the City of Rancho Cordova, County of Sacramento, State of California, and more particularly described as follows:

Commencing at the southerly most common corner of the property described in Book 20011130 at Page 1431 and Book 20080221 at Page 779 in the Official Records of Sacramento County, said point also being the southerly most common corner between Lot A and Lot B per the Lot Line Adjustment, Resolution No. 97 -BLS-0637 as recorded in Book 19971118 at Page 807 in the Official Records of Sacramento County; Thence, from the Point of Commencement, North 00°22'20" East, a distance of 2290.81 feet along the common line between said properties; Thence, North 18°24'30" West, a distance of 263.84 feet to the Point of Beginning; Thence, from the Point of Beginning, North 18°10'05" East, a distance of 276.73 feet; Thence, South 71°48'29" East, a distance of 146.44 feet; Thence, South 18°10'43" West, a distance of 276.46 feet; Thence, North 71°55'01" West, a distance of 146.39 feet to the Point of Beginning.

Exception C

All that property described as "Beta Area Well Site 'A'-805" in Book 820917 at Page 1513 in the Official Records of Sacramento County, being in the City of Rancho Cordova, County of Sacramento, State of California, and more particularly described as follows:

Commencing at the southerly most common corner of the property described in Book 20011130 at Page 1431 and Book 20080221 at Page 779 in the Official Records of Sacramento County, said point also being the southerly most common corner between Lot A and Lot B per the Lot Line Adjustment, Resolution No. 97 -BLS-0637 as recorded in Book 19971118 at Page 807 in the Official Records of Sacramento County; Thence, from the Point of Commencement, North 00°22'20" East, a distance of 2290.81 feet along the common line between said properties; Thence, North 26°40'21" East, a distance of 268.14 feet to the Point of Beginning; Thence, from the Point of Beginning, North 00°02'08" East, a distance of 79.98 feet; Thence, North 89°57'06" East, a distance of 70.00 feet; Thence, South 00°00'09" East, a distance of 80.01 feet; Thence, South 89°58'15" West, a distance of 70.05 feet to the Point of Beginning.

APN: 072-0370-102

END OF DESCRIPTION

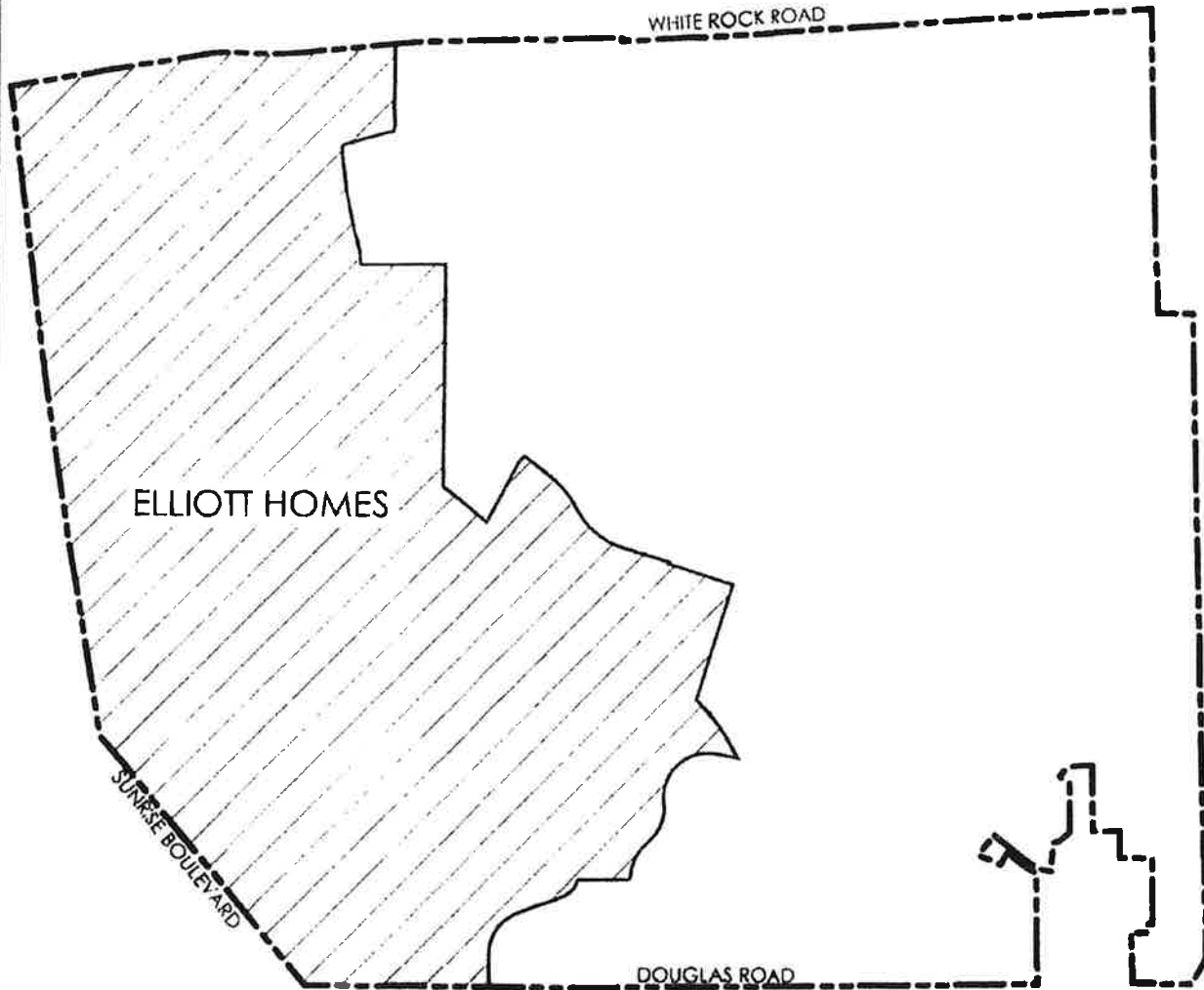
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8/23/14

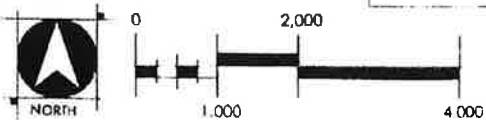
EXHIBIT 2: LANDOWNER'S PROPERTY - MAP

RIO DEL ORO
CITY OF RANCHO CORDOVA, CALIFORNIA



LEGEND

- RIO DEL ORO PROJECT BOUNDARY
- /// ELLIOTT HOMES PROPERTY

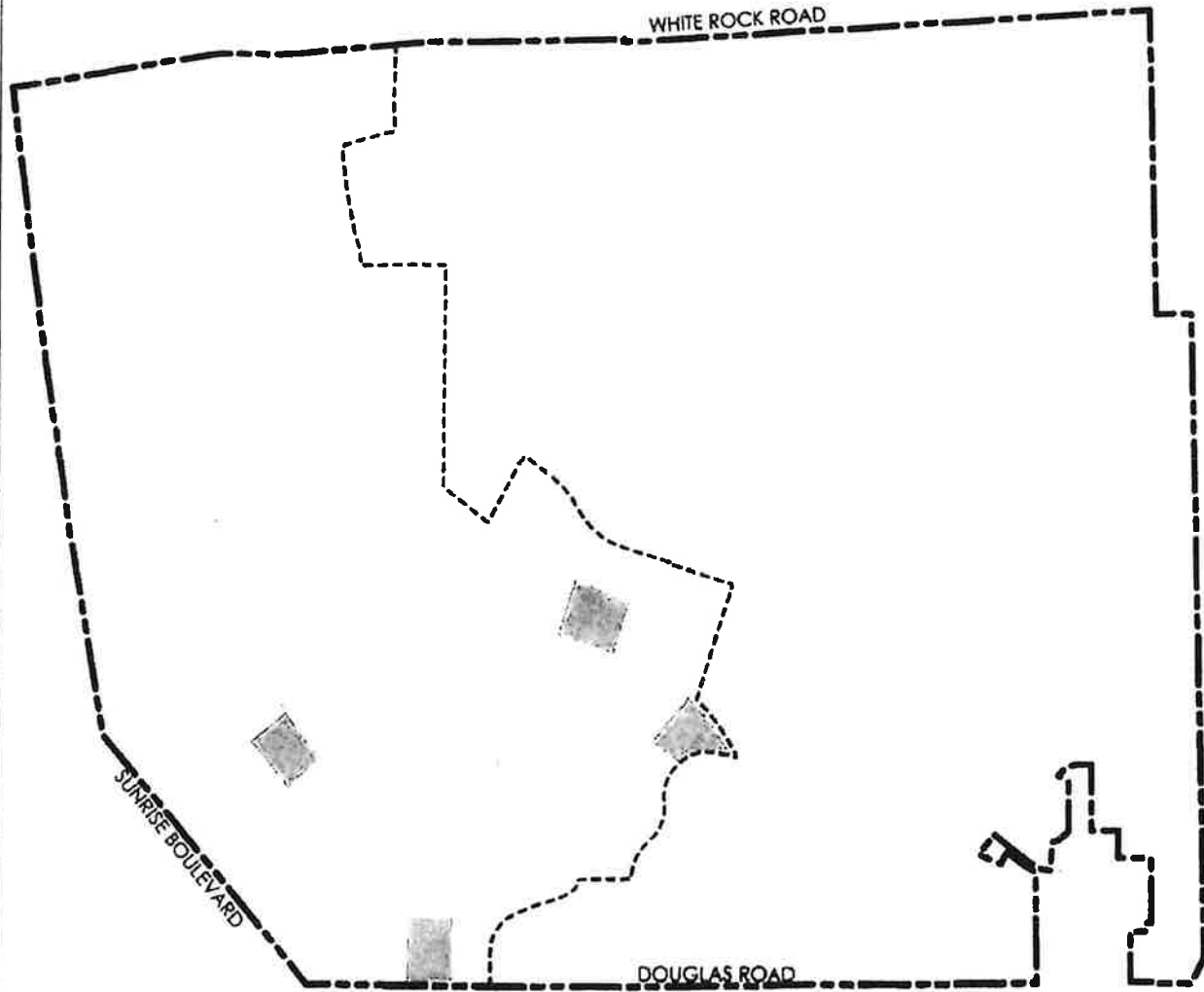


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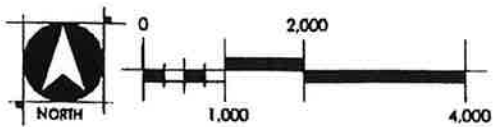
EXHIBIT 4: IDENTIFIED SITES (ELLIOTT HOMES)

RIO DEL ORO
CITY OF RANCHO CORDOVA, CALIFORNIA



LEGEND

- RIO DEL ORO PROJECT BOUNDARY
- IDENTIFIED SITES



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SHEET 1 OF 2

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