

ORDINANCE NO. 581

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, APPROVING AND AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF SANTEE AND HOMEFED FANITA RANCHO, LLC

WHEREAS, the City of Santee (“City”) is authorized by Government Code section 65864 et seq. and Santee Municipal Code Chapter 13.09 to enter into a development agreement with any person having a legal or equitable interest in real property for the development of that property; and

WHEREAS, the City and HomeFed Fanita Rancho, LLC (“Developer”) have negotiated the terms of a Development Agreement (“Agreement”); and

WHEREAS, the City Council has determined that execution of the Agreement is in the best interest of the City and the public interest and desires to authorize the City to enter into the Agreement.

NOW, THEREFORE, the City Council of the City of Santee, California, does ordain as follows:

Section 1. The City Council hereby incorporates the findings and recitals set forth in Section 1.0 of the Agreement, a copy of which is attached hereto as **Exhibit “A”** and incorporated herein by this reference.

Section 2. Based on the entire record before the City Council (“Council”) and all written and oral evidence presented to the Council, the Council finds the Agreement is consistent with and implements the goals and objectives of the General Plan of the City of Santee, the general principles and guidelines of the Draft Santee Multiple Species Conservation Program (“MSCP”) Subarea Plan, Chapter 13.09 of the Santee Municipal Code, as well as all other applicable ordinances, plans, policies, and regulations of City.

(a) The Agreement is consistent with the objectives, general land uses, and programs specified in the General Plan because:

(i) The Agreement is consistent with the General Plan and will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area of the development nor will the Agreement be detrimental or injurious to the general welfare of the residents of the City as a whole.

(ii) The Agreement will not adversely affect the orderly development of property or the preservation of property values; and

(iii) The Agreement is consistent with the provisions of Government Code sections 65864 through 65869.5 and Chapter 13.09 of the City of Santee Municipal Code.

Section 3. Based on the entire record before the Council and all written and oral evidence presented to the Council, the Council finds the Agreement complies with CEQA for the following reasons:

(a) The Council has adopted Resolution No 093-2020, adopting Findings of Fact and a Statement of Overriding Considerations, certifying the Final Revised Environmental Impact Report (“Final Revised EIR”) (SCH # 2005061118),

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adopting a mitigation monitoring and reporting program, and approving the proposed project, in accordance with the provisions of the California Environmental Quality Act, Public Resources Code § 21000 et seq. ("CEQA"), the State CEQA Guidelines at 14 CCR 15000 et seq., and the City of Santee's procedures for implementing CEQA.

(b) Prior to approving the Agreement, the City Council considered the Final Revised EIR, and all related documents, as well as any comments received during the environmental document's public review period.

Section 4. The Council hereby approves the Agreement in substantially the form presented to the Council, together with such non-substantive amendments as may be approved by both the City Manager and the City Attorney to effect execution of the Agreement.

Section 5. The Council hereby authorizes the City Manager to execute the Agreement on behalf of the City and City staff is authorized to take any action and execute any and all necessary documents to implement the Agreement.

Section 6. The City Clerk is directed to publish a summary of this Ordinance in the manner required by law, and to record the Agreement with the County of San Diego Office of the Recorder within ten (10) days after the Agreement is fully executed.

Section 7. This Ordinance shall be in full force and effect thirty (30) days after its passage.

INTRODUCED AND FIRST READ at a Regular Meeting of the City Council of the City of Santee, California, on the 23rd day of September, 2020, and thereafter **ADOPTED** at a Regular Meeting of said City Council held on the 14th day of October, 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE ORTIZ, CMC, CITY CLERK

Exhibit A: Development Agreement by and among the City of Santee and HomeFed Fanita Rancho, LLC

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EXHIBIT "A"

**DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF SANTEE AND
HOMEFED FANITA RANCHO, LLC**

[Attached behind this cover page]

RECORDED AT REQUEST OF
AND WHEN RECORDED RETURN TO:

City of Santee
10601 Magnolia Avenue
Santee, CA 92071-1222
Attn: City Clerk

Fee Exempt – Gov't Code §6103

(Space above for Recorder's Use)

DEVELOPMENT AGREEMENT

among

**THE CITY OF SANTEE,
a municipal corporation and charter law city**

and

**HOMEFED FANITA RANCHO LLC,
a Delaware limited liability company**

THIS DEVELOPMENT AGREEMENT (“Agreement”) is entered into as of the Effective Date (as defined below) by and among **THE CITY OF SANTEE**, a municipal corporation and charter law city (“City”), and **HOMEFED FANITA RANCHO LLC**, a Delaware limited liability company (“Owner”). The City or the Owner are sometimes individually referred to in this Agreement as a “Party” and are collectively referred to as the “Parties”.

1. RECITALS. This Agreement is entered into with reference to the following recited facts (each a “Recital”):

1.1 Code Authorizations and Acknowledgments. As a charter law city, City is authorized pursuant to its Charter, California Government Code sections 65864 through 65869.5 and Santee Municipal Code Chapter 13.09 to enter into development agreements with persons having legal or equitable interests in real property for the purpose of establishing predictability for both City and Owner in the development process. The City enters into this Agreement pursuant to and consistent with the provisions of its Charter, the California Government Code, the City’s General Plan, the City’s Municipal Code, and applicable City policies. The City and Owner acknowledge that:

1.1.1 This Agreement assures adequate public facilities in advance of or at the time of need generated by the development of the Property, as the Property is defined in paragraph 2.16 of this Agreement.

1.1.2 This Agreement assures development of the Project, as the Project is defined in paragraph 2.15 of this Agreement.

1.1.3 This Agreement constitutes a current exercise of the City’s police powers to provide predictability to Owner in the development approval process by vesting the permitted uses, density, intensity of use, and timing and phasing of development consistent with the Project in exchange for Owner’s commitment to provide the significant public benefits to the City required by this Agreement.

1.1.4 This Agreement allows the City to realize significant economic, recreational, park, open space, social, and public facilities benefits, as more fully set forth in Section 4 of this Agreement.

1.1.5 Because of the interrelationships among the financing of the Project infrastructure, the provision of open space, the construction and dedication of community facilities and infrastructure, and the significant nature of such facilities and infrastructure, providing certainty in the development process to Owner is necessary. The phasing, timing, and development of public infrastructure necessitate a significant commitment of resources, planning, and effort by Owner for the public facilities financing, construction, and dedication to be successfully completed. In return for Owner’s participation and commitment to these significant contributions of private resources for public purposes, the City is willing to exercise its authority to enter into this Agreement and to make a commitment of predictability for the development process for the Property. Absent the City’s willingness to make such a commitment, Owner would be unwilling to enter into this Agreement or make the significant investment of resources required for the planning, financing, construction, and dedication of the

public facilities and infrastructure identified in this Agreement. Similarly, absent Owner's willingness to provide the public facilities, public infrastructure and other public benefits provided for in this Agreement, the City would be unwilling to provide the assurances contained in this Agreement.

1.2 Owner. Owner hereby represents that it has a legal or equitable interest in the Property, located in the City of Santee and the County of San Diego, California. The Property consists of approximately 2,600 acres within the City. Specifically, HomeFed Fanita Rancho, LLC holds fee simple absolute title to the Property.

1.3 City Council Hearings. On September 23, 2020, the City Council, after providing notice as required by law, held a public hearing to consider Owner's application for this Agreement.

1.4 Council Findings.

1.4.1 The Council finds that this Agreement and the Development Approvals for the Project are consistent with City's General Plan, including as amended by the Development Approvals, the general principles and guidelines of the Multiple Species Habitat Conservation Program ("MSCP") and the City's most recent draft of the MSCP Santee Subarea Plan (December 2018), the Santee Municipal Code, as well as all other applicable ordinances, plans, policies, and regulations of the City.

1.4.2 The Council finds that this Agreement provides for an efficient use of resources, moderates the cost of housing and other development to the consumer, and encourages investment in and a commitment to comprehensive planning that makes maximum efficient utilization of resources.

1.4.3 The Council finds that this Agreement strengthens the public planning process, encourages private participation in comprehensive planning, particularly with respect to the implementation of the City's General Plan, including as amended by the Development Approvals, and the MSCP, and reduces the economic costs of development and government.

1.4.4 The Council finds that this Agreement ensures that substantial public facilities will be built to meet the needs of Santee residents and the new residents within the Project, including, but not limited to, streets, wastewater, transportation, water, stormwater, fire station, parks, open space, and recreation facilities. These substantial public facilities include, but are not limited to, the State Route 52 Improvements as defined in paragraph 2.24 of this Agreement.

1.4.5 The Council finds that this Agreement complies with the California Environmental Quality Act ("CEQA") in that an Initial Study and Revised Environmental Impact Report ("EIR") have been prepared and certified for the Project, including for this Agreement and associated discretionary approvals, in accordance with the provisions of CEQA, the State CEQA Guidelines, and the City's procedures for implementing CEQA. Prior to approving this Agreement, the City Council considered the Initial Study, the Revised EIR, and all related

documents, as well as any comments received during the public review period for the Revised EIR.

1.5 City Ordinance. On September 23, 2020, the Council introduced and conducted the first reading of Ordinance 581 and on October 14, 2020, the Council adopted Ordinance No. 581, approving this Agreement, which becomes effective on November 13, 2020.

2. DEFINITIONS. In this Agreement, unless the context otherwise requires:

2.1 “Ad Valorem Property Tax Revenue” shall have the meaning provided in paragraph 4.3.6 of this Agreement.

2.2 “Annual Review” shall have the meaning provided in paragraph 6.1 of this Agreement.

2.3 “City Impact Fees” mean the City’s development impact fees that are applicable to the Project, as specified in paragraph 4.11 of this Agreement.

2.4 “City Municipal Code” means the City of Santee Municipal Code.

2.5 “Certificate of Occupancy” or “COO” means documentation authorizing the occupancy of habitable space in the form customarily used by the City.

2.6 “Community Center” means the 7,000 to 10,000 square foot facility to be constructed in the Community Park as described in paragraph 4.4.2.1 of this Agreement.

2.7 “Community Park” means the community park to be constructed and dedicated to the City as described in paragraph 4.4.2.1 of this Agreement.

2.8 “Development Approvals” means the discretionary approvals (including the Revised EIR certification and any CEQA mitigation, monitoring and reporting requirements) for the Project, subject to the Reservation of Authority, issued by the City, including, but not limited to, General Plan Amendment GPA 2017-2, Specific Plan SP2017-1, Zoning Ordinance Amendment/Rezone R2017-1, Vesting Tentative Map TM 2017-3, Development Review DR2017-4, Conditional Use Permits P2017-5 and P2020-2 and Environmental Assessment AEIS2017-1, all of which were approved by the City on September 23, 2020 pursuant to Resolution Nos. 093-2020, 094-2020, 095-2020, 096-2020, 097-2020, and 098-2020, and Ordinance No. 580. The Development Approvals are incorporated into this Agreement by this reference as if fully set forth at this point.

2.9 “Equivalent Dwelling Unit” or “EDU” means any land use in the Project that generates 8.91 daily traffic trips, as identified in the Traffic Study included in the EIR certified as part of the Development Approvals.

2.10 “Effective Date” means the date on which each of the following events has occurred: (a) the City approves the Development Approvals; (b) Ordinance No. 581 is effective; (c) Owner returns a signed copy of this Agreement to the City; and (d) the City, through the City Manager, signs this Agreement.

2.11 “Fire Station Annual Estimate” shall have the meaning provided in paragraph 4.3.7 of this Agreement.

2.12 “Fire Station Revenue Neutrality” shall have the meaning provided in paragraph 4.3.6 of this Agreement.

2.13 “Funding Mechanism” shall have the meaning provided in paragraph 4.2 of this Agreement.

2.14 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of the City governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, timing and phasing of development, the maximum height and size of buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction and initial occupancy standards and specifications applicable to the Project. “Land Use Regulations” do not include any City ordinance, resolution, code, rule, regulation or official policy governing the following:

2.14.1 The conduct or taxation of businesses, professions, or occupations;

2.14.2 Other than as provided in this Agreement, taxes and assessments of general application upon all residents of the City, provided that the taxes and assessments are not imposed for the purpose of taxing the right, power or privilege of developing or improving land (e.g., excise tax) or to directly finance the acquisition or dedication of open space or any other public improvement in respect of which the Owner is paying any fee or providing any improvement pursuant to this Agreement;

2.14.3 The control and abatement of nuisances;

2.14.4 The granting of encroachment permits and the conveyance of rights and interests providing for the use of or the entry upon public property;

2.14.5 The exercise of the power of eminent domain.

2.15 “Project” means the development of the Property as set forth in the Development Approvals. A general depiction of the Project and key aspects of the Project is attached as Exhibit “A” hereto and incorporated herein.

2.16 “Property” means the real property described in Exhibit “B,” attached hereto and incorporated herein.

2.17 “Public Works Standards” shall have the meaning provided in paragraph 3.4.4.4 of this Agreement.

2.18 “Owner” means HomeFed Fanita Rancho LLC, a Delaware limited liability company, the person, persons, or entity having legal title to the Property or parts thereof and includes Owner’s successors in interest.

2.19 “Owner’s Vested Right” means the right of the Owner to develop the Project on the Property in accordance with the Development Approvals and subject to the Reservation of Authority, as provided in Section 3 of this Agreement.

2.20 “Quarterly Advance” shall have the meaning provided in paragraph 4.37 of this Agreement.

2.21 “Reimbursement Mechanism” shall having the meaning provided in paragraph 4.2 of this Agreement.

2.22 “Reservation of Authority” means the rights and authority specifically excepted in this Agreement from the assurances and rights provided to the Owner under this Agreement and reserved to the City, including, without implied limitation, the right to require Subsequent Development Approvals consistent with the Land Use Regulations or the Subsequent Land Use Regulations.

2.23 “Roadway Substantial Completion” means the construction of a roadway and related facilities as shown on the Development Approvals, including associated traffic mitigation measures and water quality facilities, to the satisfaction of the Director of Development Services, such that the roadway is safe for public use, notwithstanding that landscaping or other aspects of the roadway not essential to public health and safety are not yet completed.

2.24 “State Route 52 Improvements” means improvements by the California Department of Transportation (“Caltrans”) to State Route 52 (“SR-52”) intended to improve operational use and thereby reduce congestion. The State Route 52 Improvements include the following: (i) converting the existing bike path on the north side of the freeway to a westbound auxiliary lane from Mast Boulevard to Santo Road; (ii) extending the westbound auxiliary lane from the Santo Road off-ramp to the Santo Road on-ramp (including a retaining wall under the Santo Road Overcrossing); (iii) relocating the existing 4.6 mile long bike path on the north side of the freeway to the south side of the freeway, including one 10-foot wide light-weight cantilevered separated bike path on two existing bridges; (iv) adding an eastbound auxiliary lane from I-15 to Santo Road; (v) restriping eastbound SR-52 from two lanes to three lanes from Mast Boulevard to just east of the San Diego River Bridge; and (vi) widening the westbound on-ramp from Mast Boulevard to SR 52 to a two lane-ramp. The Parties recognize the improvements described above are presently under consideration, but that the improvements ultimately approved and implemented by Caltrans may vary from those described herein. Nevertheless, for the purposes of this Agreement, and for the material conditions related to the State Route 52 Improvements contained in this Agreement, the State Route 52 Improvements shall be those described above, or similar improvements approved and implemented by Caltrans which achieve a comparable reduction in congestion to State Route 52.

2.25 “Subsequent Development Approvals” mean approvals and permits required by the Land Use Regulations and Subsequent Land Use Regulations subsequent to the Vesting

Effective Date in connection with development of the Property, including without implied limitation, all development review approvals required under Chapter 13.09 of the City Municipal Code, excavation, grading, building, construction, encroachment or street improvement permits, Certificates of Occupancy, utility connection authorizations, or other permits or approvals necessary for the grading, construction, marketing, use and occupancy of the Project. ·

2.26 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Vesting Effective Date, provided such Land Use Regulations are consistent with the Reservation of Authority.

2.27 “Term”, “Initial Term”, “Extended Term” and “Second Extended Term” shall all have the meanings provided in paragraph 5.1 of this Agreement.

2.28 “Vesting Effective Date” means August 29, 2018, the date on which the Owner’s application for Vesting Tentative Map TM 2017-3 was deemed complete by the City.

3. DEVELOPMENT OF THE PROPERTY.

3.1 Rules, Regulations and Policies. Owner shall have the vested right, to the fullest extent allowed under the California Development Agreement Legislation, California Government Code sections 65864 *et seq.*, the currently existing provisions of Santee Municipal Code Chapter 13.09 and subject to the Reservation of Authority and as otherwise expressly restricted in this Agreement, to develop the Property in accordance with the Development Approvals and the Land Use Regulations applicable to and governing development of the Property in effect as of the Vesting Effective Date. Owner and the City may mutually agree that the Project will be subject to later enacted or amended Land Use Regulations governing development of the Property adopted after the Vesting Effective Date, provided that the Owner shall at all times comply with all of the conditions in the Development Approvals. The vested rights granted pursuant to this Section 3 shall be referred to as “Owner’s Vested Rights.”

3.2 Permitted Use, Density, Intensity of Use, Phasing. This Agreement shall vest Owner with the right to develop the Property pursuant to the Development Approvals, subject to the Reservation of Authority and except as expressly restricted in this Agreement, with respect to the permitted use(s) of land, density, and intensity of use(s), and timing and phasing of development as described in the Development Approvals and this Agreement. It is the express intention of the parties that Owner has the right to develop the Property in accordance with the Development Approvals and this Agreement. Owner shall have the right to develop the Property in such order, and at such a rate, and at such times as Owner deems appropriate subject only to the provisions of the Project and this Agreement. Unless this Agreement is amended pursuant to paragraph 10.5 of this Agreement, or unless by order of a court of competent jurisdiction, the Property shall not be subject to any subsequently enacted amendment of the General Plan, zoning, or subdivision ordinances by the City Council or by the initiative process that alters, or is in conflict with, the Project or this Agreement.

3.3 Maximum Height and Size of Structures. The maximum height and size for all structures shall be as provided in the City’s zoning ordinances as of the Vesting Effective Date, unless otherwise provided in the Development Approvals.

3.4 Reservation of Authority. The following Land Use Regulations, Subsequent Land Use Regulations or other requirements shall apply to the Property and the Project:

3.4.1 Processing fees and charges imposed by the City to cover the City's estimated or actual costs of reviewing and processing applications for the Project, providing inspections, conducting annual reviews, providing environmental analysis, or for monitoring compliance with this Agreement or any Development or Subsequent Development Approvals granted or issued, provided such fees and charges are in force and effect on a general basis on the date of filing such applications with the City. This paragraph shall not be construed to limit the authority of the City to charge its then-current, normal and customary application, processing, and permit fees for Project or Subsequent Development Approvals, building permits and other similar permits, which fees are designed to reimburse City's expenses attributable to such application, processing, and permitting and are in force and effect on a City-wide basis on the date of filing such applications with City, notwithstanding the fact that such fees may have been increased by City subsequent to the Effective Date.

3.4.2 Except as otherwise provided in this Agreement, City Impact Fees, monetary exactions or other mitigation requirements imposed by the City as a condition precedent to the issuance of any permit or approval to cover the impacts associated with the development of the Project, as required by the Development Approvals or Subsequent Development Approvals, provided such fees or other mitigation requirements are in force and effect on a general basis on the date of filing for such permit or approval with the City. This paragraph shall not be construed to limit the authority of the City to charge its then-current, normal and customary impact fees or other mitigation requirements in place at the time of the application for the permit or approval, notwithstanding the fact that such fees may have been increased by the City subsequent to the Effective Date.

3.4.3 Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals, and any other matter of procedure.

3.4.4 The following, provided that they are uniformly applied to all development projects within the City:

3.4.4.1 Uniform codes governing engineering and construction standards and specifications adopted by the City pursuant to state law. Such codes include, without limitation, the City's adopted version of the Uniform Administrative Code, California Building Code, California Plumbing Code, California Mechanical Code, California Electrical Code, and California Fire Code.

3.4.4.2 Local amendments to those uniform codes which are adopted by the City pursuant to state law, provided they pertain exclusively to the preservation of life and safety.

3.4.4.3 The City's standards and procedures regarding the granting of encroachment permits and the conveyance of rights and interests which provides for the use of or the entry upon public property.

3.4.4.4 The City's public improvement engineering ordinances, policies, rules, regulations and standards ("Public Works Standards") in effect on the Vesting Effective Date, subject to paragraphs 3.4.4.1, 3.4.4.2, 3.4.5 and 3.4.6 of this Agreement, and consistent with the Development Approvals.

3.4.5 Regulations which may be in conflict with this Agreement, but which are objectively required to protect the public health and safety.

3.4.6 State or federal laws or regulations which preempt local regulations or mandate local regulations or conditions that conflict with the development of the Project. This expressly includes mandates imposed through the Clean Water Act or the Porter-Cologne Water Quality Control Act.

3.4.7 Prior to exercising the Reservation of Authority provided in paragraphs 3.4.5 and 3.4.6, the City shall provide Owner with written notice of the state or federal law or regulation, or the regulation required to protect the public health and safety that conflicts with this Agreement, and a written explanation of the conflict created. Within ten (10) days of the City's written notice, City and Owner shall meet and confer in good faith in a reasonable attempt to apply the state or federal law, or the regulation required to protect the public health and safety, in a manner that is most consistent with this Agreement, best preserves the terms of this Agreement and that protects rights of Owner as derived from this Agreement, to the extent reasonably possible, while still following the applicable law or regulation. Failure of the City to provide this notice shall not relieve Owner of its obligation to comply with such law or regulation.

3.4.8 Owner shall be issued building permits for the Project after permit applications are reviewed and approved by City in the City's customary fashion for such review and approval.

3.4.9 The exercise of the power of eminent domain.

3.5 Vested Rights Upon Termination. Owner acknowledges that following termination of this Agreement, except as to any Development Approval or Subsequent Development Approval that has vested under state law without reliance on this Agreement, this Agreement shall no longer provide vested rights to the Project.

3.6 Compliance with CEQA. The City Council has found that the environmental impacts of the Project have been addressed in the Final Revised Environmental Impact Report for the Project ("Final Revised EIR") (SCH # 2005061118), including addenda to Final Revised EIR. Where the California Environmental Quality Act requires that an additional environmental analysis be performed in connection with a Subsequent Development Approval or other future discretionary approval granted by the City for the Project, the Owner shall pay all of the City's reasonable costs to perform that additional analysis.

3.7 Timing of Development. Because the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo*, 37 Cal. 3d 465 (1984), that the failure of the parties in that case to provide for the timing of development resulted in a later-adopted initiative restricting

the timing of development to prevail over the parties' agreement, it is the specific intent of the Parties to provide for the timing of the Project in this Agreement. To do so, the Parties acknowledge and provide that, subject to express terms of this Agreement including, without limitation, the City's Reservation of Authority, Owner shall have the right, but not the obligation, to complete the Project in such order, at such rate, at such times, and in as many development phases and sub-phases as Owner deems appropriate in its sole subjective business judgment. An initial conceptual phasing plan for the Project is attached hereto as Exhibit "C" and incorporated herein.

3.8 Cooperation in Securing Other Governmental Approvals and Permits. The City agrees to make its staff reasonably available at Owner's expense to assist Owner in securing permits and approvals required by other governmental agencies relating to the Project. The City makes no representation that City staff assistance will, in fact, secure such permits and approvals and Owner acknowledges that City staff's assistance does not mean such permits and approvals shall be obtained.

3.9 MSCP Compliance and Mitigation Obligations. The Parties acknowledge that the City presently is processing the MSCP Santee Subarea Plan, which the parties acknowledge has not been adopted by the City as of the Effective Date. Once the City's MSCP Santee Subarea Plan is adopted and the City obtains its take authorization from the United States Fish and Wildlife Service ("USFWS") and the California Department of Fish and Wildlife ("CDFW"), the Project may obtain its take authorization from the City. Pending City take authorization, the Owner may seek take authorization through existing legal means (including Endangered Species Act Section 7 or Section 10).

4. OWNER'S OBLIGATIONS AND PROVISION OF PUBLIC BENEFITS.

4.1 Significant Benefits. The City acknowledges that Owner is providing, through this Agreement, a number of significant public benefits to the City, including, but not limited to, the State Route 52 Improvements. Such significant public benefits shall be provided in the type and manner described in the Project and as set forth in this Agreement. Owner acknowledges that in exchange for these significant public benefits, the City has granted Owner the assurances set forth in this Agreement.

4.2 Assessment, Community Facilities, and Reimbursement Districts. Owner has, as part of its application for the Development Approvals, informed the City that it may request that the City form assessment districts or other community facilities financing districts to provide for funding of the facilities and/or services in the Project (the "Funding Mechanisms"). The City agrees (at Owner's expense and subject to Owner's entry into a Reimbursement Agreement acceptable to the City) to prepare for and conduct hearings to form the Funding Mechanisms, consistent with state law and the City's ordinances and policies, to provide for funding for the facilities and/or services in the Project. The City also agrees, if appropriate and consistent with Chapter 11.42 of the Santee Municipal Code, to prepare for and conduct hearings to form a reimbursement district or approve a reimbursement agreement, which will require subsequent developers/owners of property benefited by the construction of certain off-site facilities, as specified in the Development Approvals, to reimburse Owner in a legal and equitable manner (the "Reimbursement Mechanisms"). Owner acknowledges and agrees, however, that the

decision of the City Council to form or approve the Funding Mechanisms or the Reimbursement Mechanisms is an exercise of the legislative authority of the City Council, and that the City may not enter into a contract to obligate the City Council to exercise its legislative discretion in a particular manner. This Agreement does not, therefore, in any way create a contractual, legal or equitable obligation of or commitment by the City to approve any such Funding Mechanisms or Reimbursement Mechanisms. In the event that, prior to the issuance of a mass grading permit, the City Council, in accordance with the applicable discretionary standard, denies an application by Owner for the Funding Mechanisms or Reimbursement Mechanisms, or approves such applications on terms that differ from the City Council's adopted Goals and Policies or the applicable reimbursement provisions of the Santee Municipal Code for the Funding Mechanisms or Reimbursement Mechanisms as they existed as of the Effective Date, the Owner may, in its sole discretion, terminate this Agreement and the Development Approvals by providing the City with ninety (90) days written notice.

4.3 Fire Station.

4.3.1 Owner shall be solely responsible for the costs of constructing, equipping, staffing, outfitting, maintaining, operating and dedicating to the City a permanent fire station (including, but not limited to, utilities, water and sewer) necessary and sufficient to provide fire and life safety services to the Project, in accordance with the terms of this paragraph 4.3 and the Development Approvals. Owner may elect first to construct, equip, staff, outfit, maintain and dedicate to the City a temporary fire station and then subsequently a permanent fire station, or Owner may elect to construct the permanent fire station only. Construction of either the temporary or the permanent station must be completed before issuance of the first COO for a dwelling unit (not including model homes) for the Project. If Owner elects to construct the temporary station, the construction of the permanent fire station must commence prior to the 750th COO for a dwelling unit and must be completed by the 1,250th COO for a dwelling unit, or within two (2) years of commencement of construction, whichever is earliest. Despite anything in this Agreement to the contrary, the permanent fire station must be completed no later than five (5) years from the lumber drop for the framing of the first dwelling unit in the Project.

4.3.2 The permanent fire station shall meet all of the specifications described in Exhibit "D" to this Agreement, as well as any additional requirements set forth in the Development Approvals. If the Owner elects to first construct the temporary fire station, the temporary fire station shall meet all the specifications described in Exhibit "E" to this Agreement, as well as any additional requirements set forth in the Development Approvals.

4.3.3 Both the permanent fire station and, if any, the temporary fire station shall be fully staffed twenty-four (24) hours a day, seven (7) days a week. Full staffing means a total of three (3) captains, three (3) engineers and three (3) firefighter/paramedics. Mandatory apparatus for the fire stations include one (1) Type I Fire Engine and one (1) type III wildland fire engine.

4.3.4 If Owner elects to first construct the temporary fire station, the temporary fire station must be located in an area which will meet a response time maximum of six (6) minutes to all areas of the Project. The final location of the temporary fire station must be approved by the Santee Fire Chief.

4.3.5 If the Owner elects to construct a temporary fire station, after completion of the permanent fire station, the City, at its sole election, may maintain ownership and use of the temporary fire station. If the City elects to maintain ownership and use of the temporary fire station, the City may continue to occupy the property on which the temporary fire station is located at its sole cost and expense, but without paying rent, for three (3) years prior to vacating the site, or, at its sole election and cost, to move the temporary fire station to a different location outside of the Property or within the Property with the Owner's consent. If the City elects not to maintain ownership and use of the temporary fire station, Owner shall be solely responsible for the temporary fire station.

4.3.6 Owner shall be and shall remain responsible for all recurring costs related to the fire station (both temporary or permanent), exclusive of subsequent one-time capital expenditures, as described in this paragraph 4.3, or a portion thereof, as set forth below, until such time as the ad valorem property tax revenue derived from the Property, and actually received by the City ("Ad Valorem Property Tax Revenue"), is sufficient to fund such recurring costs ("Fire Station Revenue Neutrality"). The City shall apply Ad Valorem Property Tax Revenue in excess of recurring costs to recurring costs incurred in subsequent years until such surplus is exhausted. In the event the Owner believes that Fire Station Revenue Neutrality is achieved, Owner shall provide the City with a Fire Station Revenue Neutrality report prepared by an independent third-party expert that documents the achievement of Fire Station Revenue Neutrality. The City shall cooperate with the expert and promptly provide any and all documents reasonably requested by the expert. The City shall have sixty (60) days to review the Fire Station Revenue Neutrality report and to provide Owner with a written response to the report. Moreover, Owner may conduct an audit, at its own expense, of the costs which the City claims to have incurred in connection with the fire station, and the City will cooperate with such audit by promptly providing documentation reasonably requested. If the Parties disagree that Fire Station Revenue Neutrality has been achieved, the Parties shall meet and confer to attempt to resolve the dispute. If the Parties cannot agree, the Parties may pursue remedies provided in this Agreement. Until a final determination is made regarding the achievement of Fire Station Revenue Neutrality, Owner shall remain responsible for its share of the recurring costs associated with the fire stations as calculated pursuant to this paragraph 4.3.

4.3.7 Until achievement of Fire Station Revenue Neutrality, the City shall annually notify Owner of the estimated costs associated with the temporary or permanent fire stations for the next fiscal year, after deducting therefrom any surplus Ad Valorem Property Tax Revenue remaining from prior years ("Fire Station Annual Estimate"). Owner shall quarterly advance to the City, starting July 1 of each year, one-fourth (1/4th) of the Fire Station Annual Estimate (the "Quarterly Advance"). City shall use the Quarterly Advance to pay for the costs of the temporary or permanent fire stations for each subsequent quarter of the fiscal year. If the Quarterly Advance is insufficient to pay for the City's actual costs for the temporary or permanent fire stations for that quarter, the City shall provide notice to Owner of the deficiency, setting forth, with appropriate backup documentation, the basis for the deficiency. Owner shall pay to the City the deficiency within thirty (30) days of receiving the notice of deficiency. If the City's actual costs are less than the Quarterly Advance for that quarter, the remaining balance in the Quarterly Advance will be used to offset the amount of the Quarterly Advance for the next quarter. The City shall provide Owner with a final annual report regarding actual costs and

associated Ad Valorem Property Tax Revenues, identifying any surplus or deficit, within ninety (90) days from the end of each fiscal year. Recurring fire station costs shall be limited to the categories and descriptions set forth in Exhibit "F" attached hereto.

4.4 Public Facilities Construction and Maintenance.

4.4.1 General Obligations. Owner shall construct and dedicate to City certain park facilities and public amenities as provided for and as phased in the Development Approvals and in this Agreement. Other parks and amenities, as set forth in the Development Approvals, shall be constructed by Owner and public access will be granted by easement or other recorded document mutually acceptable to the Parties acknowledging that Owner shall maintain fee title and maintenance responsibilities for such parks and related amenities.

4.4.2 The Community Park, Community Center, Aquatic Facility and Neighborhood Park #8.

4.4.2.1 Owner shall construct and dedicate to the City the Community Park. The Community Park shall include a publicly accessible Community Center at a size determined by the Owner, but in no event less than 7,000 or more than 10,000 square feet. Restrooms must be provided for in both the Community Park and the Community Center.

4.4.2.2 Owner shall commence design of the Community Park when it files its first final map for the Project. Owner shall commence construction of the Community Park at the time of its application for the first building permit within the Project. Owner shall complete construction of the Community Park no later than thirty-six (36) months from commencement of construction.

4.4.2.3 Following the City's acceptance of the Community Park, the City shall be solely responsible for programming of the activities in the Community Park and the Community Center. However, Owner shall maintain the Community Park and the Community Center at no expense to the City for two (2) years after acceptance by the City. All maintenance shall be performed consistent with, or exceed, City standards. After the termination of this two (2) year maintenance period, Owner shall convey the Community Park to the City and thereafter have no maintenance, expense or other obligation with regard thereto, which shall be the sole responsibility of the City.

4.4.2.4 The Community Park shall be designed and constructed in accordance with the Development Approvals, including, but not limited to, the conditional use permit for the Park.

4.4.2.5 The City's existing aquatics facility located in the City's Town Center Community Park is at capacity. In order to provide residents of the Project with access to an aquatics facility, Owner shall either fund the expansion of the City's existing aquatics facility or construct as part of the Project a publicly-accessible aquatic center, consisting, at a minimum, of a splash pad/play area of approximately 3,000 to 5,000 square feet. This splash pad/play area shall be located in either the Community Park or in Project's adjacent Village Center. If the Owner elects to construct the splash pad/play area in the Community Park,

the splash pad/play area shall be dedicated to the City, programed and maintained in the same manner as the Community Park and Community Center. Specifically, upon acceptance by the City, City will assume programming responsibility for the splash pad/play area, but Owner shall maintain the facility for an additional two (2) year period. At the end of that maintenance period, City shall be responsible for maintenance; provided, however, that Owner shall be solely responsible for all maintenance and operation costs for the aquatic facility improvements that exceed the splash pad/play area minimum. In the event Owner elects to provide the aquatic facility improvements in the Community Park, such improvements may be installed in a separate phase from the Community Park construction and completed not later than thirty-six (36) months from the application for the first building permit within the Project. The date for completion of the aquatic facility improvements may be extended up to two (2) years with the written approval of the City Manager. If the Owner elects to construct the splash pad/play area in the adjacent Village Center, the facility will be owned, operated and maintained by Owner, but shall be open to the general public.

4.4.2.6 Owner shall construct and dedicate to the City Neighborhood Park # 8 as described in the Development Approvals. Owner shall design, construct, maintain and deliver Neighborhood Park # 8 on the same schedule, and under the same conditions, as apply to the adjacent Community Park. The date for the completion of Neighborhood Park # 8 may be extended by up to two (2) years with the written approval of the City Manager.

4.4.3 Neighborhood Parks # 1 and # 5.

4.4.3.1 Owner shall commence design of Neighborhood Park #1 in Orchard Village upon the filing of the final map for that Village. Owner shall commence construction of Neighborhood Park #1 in Orchard Village upon application for the 500th building permit within that Village. Park construction shall be completed not more than twenty-four (24) months after commencement of construction. Park facilities shall be open and accessible to all residents of Santee on a first-come, first-served basis through an equitable and transparent reservation system. All programming and scheduling of City-sponsored recreation activities and private/public recreational activities within Neighborhood Park #1 shall be managed by the homeowners' association ("HOA") at no cost to the City. Specific scheduling and management of the recreational programming shall be negotiated and agreed to prior to final acceptance of the Park. Upon completion of Neighborhood Park #1, Owner shall grant public access in a form mutually acceptable to the Parties and recorded against said facilities in perpetuity. Owner, and the successor HOA, shall own, maintain and program Neighborhood Park #1 at no cost to the City. Neighborhood Park #1 will generate no revenue to the City through programming.

4.4.3.2 Owner shall commence design of Neighborhood Park # 5 in Vineyard Village upon the filing of the final map for that Village. Owner shall commence construction of Neighborhood Park #5 in Vineyard Village upon the application for the first building permit within that Village. Park construction shall be completed not more than twenty-four (24) months after commencement of construction. Park facilities shall be open and accessible to all residents of Santee on a first-come, first-served basis through an equitable and transparent reservation system. All programming and scheduling of City-sponsored recreation activities and private/public recreational activities within Neighborhood Park #5 shall be

managed by the HOA at no cost to the City. Specific scheduling and management of the recreational programming shall be negotiated and agreed to prior to final acceptance of the Park. Upon completion of Neighborhood Park #5, Owner shall grant public access in a form mutually acceptable to the Parties and recorded against said facilities in perpetuity. Owner, and the successor HOA, shall own, maintain and program Neighborhood Park #5 at no cost to the City. Neighborhood Park #5 will generate no revenue to the City through programming.

4.4.3.3 Neighborhood Park # 1 in Orchard Village and Neighborhood Park # 5 in Vineyard Village shall be designed and constructed pursuant to the Development Approvals. Restrooms are an essential element within these neighborhood parks.

4.4.4 Cost Recovery for Programming of Neighborhood Parks #1-#7. Owner or HOA may charge users availing themselves of any of the HOA or Owner maintained Neighborhood Parks (Parks #1-#7) a recreational programming fee necessary to cover expenses reasonably incurred by Owner or HOA in connection with the programming of those Neighborhood Parks.

4.4.5 Owner shall receive a credit against the payment of park fees because Owner is meeting its park acreage requirements on-site with the provision of approximately 46-48 acres of completed parkland and associated Community Center. Owner shall be credited up to 33.3% of the required public facilities fee for the cost incurred in construction of the Community Center and the splash pad/play area.

4.5 SR-52 Improvements.

4.5.1 Prior to the Effective Date of this Agreement, Owner has expended approximately \$5,000,000 to fund feasibility studies and other efforts related to the State Route 52 Improvements. Owner shall expend approximately \$5,000,000 in addition to fund the State Route 52 Improvements pursuant to an agreement with Caltrans dated June 30, 2020. Owner shall, in its sole discretion, provide additional support during the Term to facilitate the funding and construction of future phases of improvements to State Route 52.

4.5.2 The Parties acknowledge and agree that the State Route 52 Improvements are of critical importance to the residents of Santee and the future residents of Fanita Ranch. Therefore, in addition to the funding obligations set forth in paragraph 4.5.1, the Parties agree that the City will not issue, and Owner will not request, certificates of occupancy for any residential dwelling units within the Project until the State Route 52 Improvements are substantially complete.

4.5.3 In addition to the above, Owner shall pay to the City the sum of \$5,000,000 in four (4) equal installments of \$1,250,000 upon the issuance of the 500th, 1,000th, 1,500th and 2,000th EDU to be used by the City to fund State Route 52 Improvements, or other transportation infrastructure of significant importance intended to ease traffic congestion as determined by the City Council.

4.6 Major Roadway Improvements.

4.6.1 Owner shall construct Fanita Parkway from Mast Boulevard to Ganley Road and extend Fanita Parkway into the Project as identified in the Development Approvals (specifically VTM 2017-3 and traffic mitigation measures, as applicable) such that the facilities achieve Roadway Substantial Completion prior to the issuance of the first certification of occupancy for the Project. The City shall accept the dedication of the full length of Fanita Parkway; provided, however, that the City will not accept nor be responsible for excess land outside the dedicated right-of-way.

4.6.2 Owner shall construct Cuyamaca Street from Mast Boulevard to Chaparral Drive and extend Cuyamaca Street into the Project as identified in the Development Approvals (specifically VTM 2017-3 and traffic mitigation measures, as applicable, including measures contained in the Mitigation, Monitoring and Reporting Program) such that the facilities achieve Roadway Substantial Completion prior to the issuance of the 500th EDU for the Project. Prior to the issuance of the certificate of occupancy for the 30th EDU for the Project, Owner shall ensure two points of access to the Project consistent with the Development Approvals by installing an all-weather access road into the Project at this location to the satisfaction of the Fire Chief.

4.7 Advancement of Funds for MSCP Santee Subarea Plan and Related Documents.

By separate agreement, Owner has committed to pay for, and has in fact paid, the City's costs incurred in connection with the processing of environmental documents for the City's MSCP Subarea Plan. This contribution by Owner provides a significant public benefit and is acknowledged by the City as a basis for providing the assurances of this Agreement.

4.8 Open Space Dedications and Habitat Management. Owner shall make the open space dedications required by the Development Approvals and shall, at no cost to City, identify a funding source, in perpetuity, for the management of the MSCP preserve areas within the Project, and specified mitigation areas, in a manner consistent with the Development Approvals. The Owner's dedication of open space and identification of funding, in perpetuity, for the management provides a significant public benefit and is acknowledged by the City as a basis for providing the assurances of this Agreement.

4.9 Offsite Landscape Maintenance Responsibilities and Funding. The Project includes the extension of Cuyamaca Street and Fanita Parkway into the Property, and the construction of median and parkway landscaping, sidewalks, bioswales and related improvements. Owner agrees to hold the City harmless from and be fully responsible for the actual costs of the landscape maintenance associated with the Cuyamaca Street and Fanita Parkway landscape improvements for a period of five (5) years following City Council acceptance of the public right-of-way and improvements. Owner has the right, but not the obligation, to extend its maintenance of these facilities for five (5) additional separate one (1) year periods, by giving written notice to the City ninety (90) days before the end date of the current maintenance period. If the Owner does not extend the maintenance period, the City shall thereafter be responsible for all maintenance (except bioswales) and the cost thereof. The cost of the maintenance will be provided by either a landscape maintenance district, community services or facilities district or other funding source identified by the Owner. Owner may apply to the

City and the City agrees to consider the creation of a community services district, community facilities district or landscape maintenance district to fund, among other things, the costs of maintaining the landscaping specified in this paragraph. The City's consideration of such a Funding Mechanism is governed by the provision of this Agreement.

4.10 Allocation of Maintenance Responsibilities for the Project. Ongoing maintenance for onsite and offsite improvements associated with the Project will vary over time as described in this Agreement and in the Development Approvals. Responsibility for maintenance may first be with the Owner, but may later transfer to the HOA or the City. A chart depicting the long-term maintenance obligations of the Owner, the HOA and the City is attached hereto as Exhibit "G".

4.11 Payment of City Impact Fees Generally. In addition to all other fees required by the Development Approvals, Owner shall pay the City the City Impact Fees and all processing fees, per unit, in effect at the time the City issues a building permit for the unit(s) in accordance with this paragraph 4.11. As used in this Agreement, the City's Impact Fees mean (i) traffic impact fees, (ii) traffic signal fees, (iii) public facilities fees, and (iv) regional traffic impact fees created through the SANDAG Transnet Extension. The City has determined that drainage fees are inapplicable to the Project given the drainage infrastructure to be installed by Owner as a condition of approval and the reduction in drainage flows to the City's public stormwater system from the Property as a result of the Project. Subject to the terms of this Agreement, Owner agrees to pay these City Impact Fees, and all processing fees, in the amounts in effect at the time the City issues a building permit for the unit(s). Owner waives and releases (including a waiver of Civil Code section 1542) the City from any legal or equitable challenge to the City Impact Fees, as they currently exist or as they may be periodically adjusted by the City through the City's CPI adjustment process existing as of the Vesting Effective Date. With regard to the regional traffic fee, Owner waives and releases (including a Civil Code Section 1542 waiver) the City from any legal or equitable challenge to the regional traffic impact fee as long as the City's adopted fee is equal to or less than the SANDAG nexus fee study fee amount. With regard to all other future adjustments to the City Impact Fees, Owner retains all legal rights and remedies with regard to such increases. Due to the significant dedication of public park lands within the Project, City shall not charge the Owner any otherwise applicable park in lieu fee (Quimby Act fee). The Parties anticipate that Owner will qualify for certain credits against the City Impact Fees, given the extensive public infrastructure and facilities required for the Project. Owner shall make application for fee credits to the City pursuant to the City's current reimbursement policy, including Legislative Policy Memorandum 93-1. The City may consider future adjustments to its traffic impact fee program, and upon request by Owner will in good faith consider sponsoring proposed amendments to SANDAG regarding the use of regional traffic fees, that may permit Owner to apply for fee credits for the offsite roadway improvements being constructed as part of the Project, or to allow the City to use regional traffic fees to help fund those improvements. The estimated City Impact Fees as of the Effective Date of this Development Agreement are set forth in Exhibit "H" to this Agreement for reference purposes only.

4.12 Other Significant Public Benefits Provided by Owner. In addition to the significant public benefits provided by Owner above, and beyond any obligations required in the Development Approval, Owner shall provide the following four additional significant public benefits:

4.12.1 Funding for Affordable Housing . Owner shall pay to the City the sum of Two Million Six Hundred Thousand Dollars (\$2,600,000.00) to be used by the City to fund the construction within the City of affordable housing. The City shall place these funds in a separate account and shall only use these funds for the purposes of funding or supporting affordable housing consistent with the City’s Housing Element and state law. Owner shall make this payment in three equal installments. The first payment shall be due on or before the issuance of the first COO for the Project; the second payment shall be due on or before the issuance of the 500th COO for the Project; and the third payment shall be due on or before the issuance of the 750th COO for the Project.

4.12.2 Funding of Off-Site Infrastructure Improvement Project. Owner shall pay to the City the sum of Two Million Six Hundred Thousand Dollars (\$2,600,000.00) to be used by the City to fund an off-site infrastructure improvement project identified in the City Capital Improvement Program. Owner shall make this payment not later than the date on which the City issues the first grading permit for the Project.

4.12.3 Fiber Optics. Owner shall install as part of its new construction work on the Project a fiber optics interconnect system that includes a minimum of 3-inch conduit, pull boxes and pull rope. The alignment of the conduit shall follow the utility joint trench or street light conduit routing for the Project. The conduit shall be provided to serve the new Fire Station, Community Park and Neighborhood Park # 8. Owner shall provide that all new traffic signals be connected with this fiber optic interconnect system at the closest existing connection point. Owner’s obligation regarding fiber optics only extends to new construction work that is being done as part of the Project.

5. TERMS AND TERMINATION.

5.1 Term of Agreement. The term shall commence on the Effective Date. The initial term shall continue for a period of twenty (20) years from the Effective Date (the “Initial Term”). The Initial Term shall automatically be extended for an additional five (5) years (the “Extended Term”) if, prior to the end of the Initial Term, Owner receives certificates of occupancy for one thousand (1,000) residential units within the Project. The Initial Term and the Extended Term may thereafter be extended again for an additional five (5) years (the “Second Extended Term”) if, prior to the end of the Extended Term, Owner receives certificates of occupancy for two thousand (2,000) residential dwelling units within the Project. The combined time periods of the Initial Term, Extended Term and Second Extended Term are referred to herein as the “Term,” subject to the following:

5.1.1 The Term shall be extended for periods equal to the time during which:

5.1.1.1 Litigation is pending which challenges any matter, including without limitation compliance with CEQA or any other local, state, or federal law,

related in any way to the approval or implementation of all or any part of the Development Approvals. Any such extension shall be equal to the time between the filing of litigation, on the one hand, and the entry of final judgment or dismissal, on the other.

5.1.1.2 Any other delay occurs which is beyond the control of the Parties, as described in paragraph 10.16.

5.1.2 During the Term, certain portions of the Property may be released from this Agreement as provided elsewhere in this Agreement.

5.1.3 As provided in paragraph 5.2 and elsewhere within this Agreement, the Term may end earlier than the end of the Term as specified in this Agreement.

5.2 Termination. This Agreement shall be deemed terminated and of no further effect upon the earlier occurrence of any of the following events:

5.2.1 Expiration of the Term as set forth in paragraph 5.1;

5.2.2 Entry of a final judgment setting aside, voiding, or annulling the adoption of the ordinance by which this Agreement was approved;

5.2.3 The adoption of a referendum measure overriding or repealing the ordinance by which this Agreement was approved;

5.2.4 Completion of the Project in accordance with the terms of this Agreement, including issuance of all required occupancy permits and acceptance, as required by state law, by City, or the applicable public agency, of all required dedications and the satisfaction of all of Owner's obligations under this Agreement; and

5.2.5 As may be provided by other specific provisions of this Agreement.

5.3 Effect of Termination. Unless as otherwise expressly provided in this Agreement, upon any termination of this Agreement, the only rights or obligations under this Agreement which either Party shall have are:

5.3.1 The completion of obligations which were to have been performed prior to termination, other than those which are separately addressed by this Agreement;

5.3.2 The performance and cure rights set forth in paragraph 8.3; and

5.3.3 Those obligations that are specifically set forth as surviving this Agreement, such as those described in Section 7 of this Agreement.

5.4 Release of Obligations With Respect to Individual Lots Upon Certification of Occupancy. Notwithstanding any other provision of this Agreement:

5.4.1 When any individual lot has been finally subdivided and sold, leased, or made available for lease to a member of the public or any other ultimate user, and a certificate of occupancy has been obtained for the building(s) on the lot, that lot and its owner shall have no further obligations under and shall be released from this Agreement.

5.4.2 Upon the conveyance of any lot, parcel, or other property, whether residential, commercial, or open space, to a homeowners' association, property owners' association, or public or quasi-public entity, that lot, parcel, or property and its owner shall have no further obligations under and shall be released from this Agreement, except as it relates to ongoing maintenance or other HOA obligations identified in this Agreement as remaining with the HOA.

5.4.3 No formal action by the City is required to effect this release, but, upon Owner's request, City shall sign an estoppel certificate or other document to evidence the release.

5.5 Term of Map(s) and Other Development Approvals.

5.5.1 Subdivision Maps. Pursuant to Government Code Section 66452.6, the term of all subdivision or parcel maps that are approved for all or any portion of the Project on the Property shall be automatically extended to a date coincident with the Term and, where not prohibited by State law, with any extension of the Term.

5.5.2 Other Development Approvals. Pursuant to Government Code Section 65863.9, the Development Approvals shall automatically be extended for a term ending concurrently with the applicable subdivision maps for the Project.

6. ANNUAL REVIEW.

6.1 Timing of Annual Review. Pursuant to Government Code Section 65865.1, at least once during every twelve (12) month period of the Term, City shall review the good faith compliance of Owner with the terms of this Agreement ("Annual Review").

6.2 Standards for Annual Review. During the Annual Review, Owner shall be required to demonstrate good faith compliance with the terms of this Agreement. "Good faith compliance" shall be established if Owner is in compliance with the terms and conditions of this Agreement. If the City Council or its designee finds and determines that Owner is not in good faith compliance, then City may proceed in accordance with paragraph 8.1 pertaining to the potential default of Owner and the opportunities for cure. Owner shall pay the City's reasonable fees and costs incurred in connection with the Annual Review.

6.3 Procedures for Annual Review. The Annual Review shall be conducted by the City Manager or designee. Owner shall be given a minimum of sixty (60) days' notice of any date scheduled for an Annual Review.

6.4 Certificate of Compliance. At any time during any year that the City Manager or designee finds that Owner is not in default under this Agreement, City shall, upon written request

by Owner, provide Owner with a written certificate of good faith compliance within fifteen (15) days of City's receipt of that request.

7. THIRD PARTY LITIGATION.

7.1 No Liability for Development Approvals. City shall not have any liability, whether through equitable or legal arguments, under this Agreement or the associated Development Approvals, for any failure of City to perform under this Agreement, or for the inability of Owner to develop the Property as contemplated by the Development Approvals or this Agreement, if such failure or inability is the result of a judicial determination directing the rescission of the Development Approvals at issue.

7.2 Third Party Litigation Concerning Project or Agreement. Owner shall, at Owner's expense, defend, indemnify, and hold City, its officers, employees and independent contractors engaged in Project planning, approval or implementation, harmless from any third-party claim, action or proceeding against City, its agents, officers or employees to attack, set aside, void, or annul the Development Approvals, Subsequent Development Approvals or this Agreement, including without limitation claims based upon the California Environmental Quality Act, zoning and planning law or the asserted applicability of initiative(s). City shall promptly notify Owner of any such claim, action or proceeding, and City shall reasonably cooperate in the defense. City may in its discretion participate in the defense of any such claim, action or proceeding. If the City uses its discretion to participate in the defense of any such claim, action or proceeding, the Owner shall pay the City's attorneys' fees and litigation costs reasonably incurred in that defense.

7.3 Indemnity. In addition to the other provisions of Section 7 of this Agreement, Owner shall indemnify, defend and hold City, its officers, agents, employees and independent contractors, engaged in Project planning or implementation, free and harmless from any third-party liability or claims based or alleged upon any act or omission of Owner, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury or death (Owner's employees included) or any other element of damage of any kind or nature, relating to or arising from development of the Project, except for claims for damages arising through the negligence or willful misconduct of City, its officers, agents, employees and independent contractors. Owner shall defend, at Owner's expense, including attorneys' fees, City, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions of Owner. City may in its discretion participate in the defense of any such legal claim, action, or proceeding. If the City uses its discretion to participate in the defense of any such claim, action or proceeding, the Owner shall pay the City's attorneys' fees and litigation costs reasonably incurred in that defense.

7.4 Environmental Contamination. Owner shall indemnify and hold City, its officers, agents, and employees free and harmless from any liability, based or alleged, upon any act or omission of Owner, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns, and independent contractors, resulting in any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under, or about the Property, including, but not limited to, soil and groundwater conditions, and Owner shall defend, at its expense, including attorneys' fees, City, its officers, agents and

employees in any action based or asserted upon any such alleged act or omission. City may in its discretion participate in the defense of any such claim, action, or proceeding. If the City uses its discretion to participate in the defense of any such claim, action or proceeding, Owner shall pay the City's reasonable attorneys' fees and litigation costs reasonably incurred in that defense.

7.5 City to Approve Counsel. With respect to this Section 7, , the City reserves the right to approve the attorney(s) that Owner selects, hires and otherwise engages to defend the City hereunder, which approval shall not be unreasonably withheld.

7.6 Survival. The provisions of this Section 7 shall survive the termination, cancellation, or expiration of this Agreement for a period of five (5) years.

8. DEFAULTS AND REMEDIES.

8.1 Default by Owner. Owner shall be in default of this Agreement if it does any or any combination of the following:

8.1.1 Willfully violates any order, ruling or decision of any administrative or judicial body having jurisdiction over the Property or the Project. Owner may contest any such order, ruling or decision by appropriate proceedings conducted in good faith, in which event no default of this Agreement shall be deemed to have occurred until there is a final, non-appealable judicial decision that Owner willfully violated such obligation.

8.1.2 Fails to cure a material breach of this Agreement within the time set forth in a written notice of default from the City.

8.2 Default by City. The City shall be in default of this Agreement only if it fails to cure a material breach of this Agreement within the time set forth in a written notice of default from the Owner to the City.

8.3 Notice and Termination. A Party alleging a default by any other Party shall serve written notice thereof. Each such notice shall state with specificity all of the following:

8.3.1 The nature of the alleged default, with reference to the specific paragraphs of the Agreement that are alleged to have been breached and the specific facts supporting those allegations;

8.3.2 The manner in which the alleged default may be satisfactorily cured.

8.3.3 A period of time in which the default may be cured. The notice of default shall allow at least sixty (60) days to cure the default. If the default is of such a nature as not to be susceptible of cure within sixty (60) days using diligent efforts, then the defaulting Party shall only be deemed to have failed to cure the default if it fails diligently to commence such cure within sixty (60) days or if it fails diligently to prosecute such cure to its conclusion.

8.4 Default Remedies. A Party who complies with the notice of default and opportunity to cure requirements of paragraph 8.3 may, at its option, institute legal action to cure, correct, or remedy the alleged default as provided in this Agreement.

8.5 Owner's Remedy. The Owner acknowledges that the City would not have entered into this Agreement if it were to be liable in damages under or with respect to all or any part of the development of the Project on the Property. Accordingly, Owner shall not sue the City for damages or monetary relief for any matter related to the development of the Project on the Property. Owner's litigation remedies shall be limited to declaratory and injunctive relief, mandate, and specific performance.

8.6 City's Remedy. In the event of an uncured default by Owner, the City may pursue any and all available legal or equity remedies for the default, with the exception of damages or monetary relief related to the failure of the Owner to develop the Project on the Property.

8.7 Waiver; Remedies Cumulative. All waivers of performance must be in a writing signed by the Party granting the waiver. There are no implied waivers. Failure by City or Owner to insist upon the strict performance of any provision of this Agreement, irrespective of the length of time for which such failure continues, shall not constitute a waiver of the right to demand strict compliance with this Agreement in the future. A written waiver affects only the specific matter waived and defines the performance waived and the duration of the waiver. Unless expressly stated in a written waiver, future performance of the same or any other condition is not waived. A Party who complies with the notice of default and opportunity to cure requirements of paragraph 8.3, where applicable, and elects to pursue a legal or equitable remedy available under this Agreement does not waive its right to pursue any other remedy available under this Agreement, unless prohibited by statute, court rules, or judicial precedent. Delays, tolling, and other actions arising under paragraph 10.16 shall not be considered waivers subject to this paragraph 8.7.

8.8 Alternative Dispute Resolution. Any dispute between the Parties may, upon the mutual agreement of the Parties, may be submitted to mediation, binding arbitration, or any other mutually agreeable form of alternative dispute resolution. Neither Party shall be obligated to consent to such alternative dispute resolution. While an alternative dispute process is pending, the statute of limitation shall be tolled for any claim or cause of action which either of the Parties may have against the other.

9. ENCUMBRANCES, ASSIGNMENTS, AND RELEASES.

9.1 Discretion to Encumber. This Agreement shall not prevent or limit Owner, in any manner, at Owner's sole discretion, from encumbering some or all of the Property or any improvement on the Property by any mortgage, deed of trust, or other security device to secure financing related to the Property or the Project. Notwithstanding the foregoing, any project or property shall be free and clear of all liens and encumbrances other than those previously approved in writing by the City prior to transfer to the City.

9.2 Mortgagee Protection. City acknowledges that the lender(s) providing financing secured by the Property and/or its improvements may require certain Agreement interpretations and modifications. City shall, at any time requested by Owner or the lender, meet with Owner and representatives of such lender(s) to negotiate in good faith any such interpretation or modification. City will not unreasonably withhold or delay its consent to any requested

interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any mortgagee of the Property shall be entitled to the following rights and privileges:

9.2.1 Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any mortgage or deed of trust on the Property made in good faith and for value.

9.2.2 If City timely receives a request from a mortgagee requesting a copy of any notice of default given to Owner under the terms of this Agreement, City shall provide a copy of that notice to the mortgagee within ten (10) days of sending the notice of default to Owner. The mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed Owner under paragraph 8.3.3 of this Agreement.

9.2.3 Except as otherwise provided within this Agreement, any mortgagee who comes into possession of some or all of the Property pursuant to foreclosure of a mortgage or deed of trust, or deed in lieu of such foreclosure or otherwise, shall:

9.2.3.1 Take that property subject to the terms of this Agreement and as Owner's successor;

9.2.3.2 Have the rights and obligations of an assignee as set forth in paragraphs 9.4 and 9.5;

9.2.3.3 Have the right to rely on the provisions of paragraph 9.5 of this Agreement, provided that any development proposed by the mortgagee is in substantial conformance with the terms of this Agreement; and

9.2.3.4 Not be liable for any defaults, whether material or immaterial, or monetary obligations of Owner arising prior to acquisition of title to the Property by the mortgagee, except that the mortgagee may not pursue development pursuant to this Agreement until all delinquent and current fees and other monetary obligations due under this Agreement for the portions of the Property acquired by the mortgagee have been paid to City.

9.3 Estoppel Certificate. Within ten (10) business days following a written request by either of the Parties, the other Party shall execute and deliver to the requesting Party a statement certifying that (i) either this Agreement is unmodified and in full force and effect or there have been specified (date and nature) modifications to the Agreement, but it remains in full force and effect as modified; and (ii) either there are no known current uncured defaults under this Agreement or that the responding Party alleges that specified (date and nature) defaults exist. The statement shall also provide any other reasonable information requested. The failure to timely deliver this statement shall constitute a conclusive presumption that this Agreement is in full force and effect without modification, except as may be represented by the requesting Party and that there are no uncured defaults in the performance of the requesting Party, except as may be represented by the requesting Party. Owner shall pay to City all reasonable administrative costs incurred by City in connection with the issuance of estoppel certificates under this paragraph prior to City's issuance of such certificates.

9.4 Transfer or Assignment. Subject to paragraphs 9.5 and 9.6, Owner shall have the right to sell, transfer, or assign its rights and obligations under this Agreement in connection with a transfer of Owner's interest in all, any portion of, or any interest in the Property. No assignment shall be made unless made together with the sale, transfer, or assignment of all or any portion of Owner's interest in the Property. At least thirty (30) business days prior to the effective date of any assignment, Owner shall notify City in writing of the proposed assignment and provide City with an Assignment and Assumption Agreement, in a form substantially similar to Exhibit "T", executed by the purchaser, transferee, or assignee to expressly and unconditionally assume all duties and obligations of Owner under this Agreement remaining to be performed at the time of the assignment.

9.5 Effect of Assignment. Subject to paragraph 9.6 and unless otherwise stated within the assignment, upon an assignment:

9.5.1 The assignee shall be liable for the performance of all obligations of Owner with respect to transferred property, but shall have no obligations with respect to the portions of the Property, if any, not transferred.

9.5.2 The owner of the remaining Property shall be liable for the performance of all obligations of Owner with respect to remaining Property, but shall have no further obligations with respect to the portion of the Property transferred.

9.5.3 The assignee's exercise, use, and enjoyment of the transferred Property shall be subject to the terms of this Agreement and the assignee shall have all of the rights under this Agreement to the same extent as if the assignee were the Owner.

9.6 City's Consent. An Owner shall not be released from its obligations with respect to the transferred Property until it has obtained the City's reasonable consent to the transfer or assignment of all or a portion of this Agreement, which consent shall not be unreasonably withheld, conditioned or delayed.

10. MISCELLANEOUS PROVISIONS.

10.1 Rules of Construction. The singular includes the plural; the masculine gender includes the feminine; "shall" is mandatory; "may" is permissive.

10.2 Binding Effect of Agreement. This Agreement shall be recorded against the Property and shall run with the land. Until released or terminated pursuant to the provisions of this Agreement or until Owner has fully performed its obligations arising out of this Agreement, no portion of the Property shall be released from this Agreement.

10.3 Entire Agreement. This Agreement constitutes the entire understanding and agreement of City and Owner with respect to the matters set forth in this Agreement. This Agreement supersedes all negotiations or previous agreements between City and Owner respecting the subject matter of this Agreement.

10.4 Recorded Statement Upon Termination. Upon the completion of performance of this Agreement or its cancellation or termination, a statement evidencing completion,

cancellation, or termination signed by the appropriate agents of City, shall be recorded in the Official Records of San Diego County, California.

10.5 Amendment or Cancellation of Agreement. This Agreement may be amended from time to time or canceled only by the written consent of both City and Owner in the same manner as its adoption, as set forth in California Government Code Section 65868. Any amendment or cancellation shall be in a form suitable for recording in the Official Records of San Diego County, California. An amendment or other modification of this Agreement will continue to relate back to the Effective Date of this Agreement (as opposed to the effective date of the amendment or modification), unless the amendment or modification expressly states otherwise.

10.6 Minor Changes/Operating Memorandum. The provisions of this Agreement require a close degree of cooperation between the Parties. It is anticipated that minor changes to the Project may be required from time to time to accommodate design changes, engineering changes, and other refinements related to the details of the Parties' performance. Minor changes are those changes to the Project that are otherwise consistent with the Development Approvals, and which do not result in the introduction of a new use, an overall increase in project density, significant new or an increase in the severity of previously identified significant environmental impacts that cannot be mitigated, or violations of any applicable health and safety regulations in effect on the Effective Date. Accordingly, the Parties may mutually consent to adopting minor changes through their signing of an operating memorandum reflecting the minor changes. Neither the minor changes nor any operating memorandum shall require public notice or hearing. The City Attorney and City Manager shall be authorized to determine whether proposed modifications and refinements are minor changes subject to this paragraph or more significant changes requiring amendment of this Agreement. The City Manager may execute any operating memorandum for minor changes without City Council action. Minor changes would include, without limitation, minor boundary or lot line adjustments necessary to properly reflect the applicability of this Agreement in the chain of title.

10.7 Project as a Private Undertaking. It is specifically understood by City and Owner that (i) the Project is a private development; (ii) City has no interest in or responsibilities for or duty to third parties concerning any improvements to the Property unless City accepts the improvements pursuant to the provisions of this Agreement or in connection with subdivision map approvals; and (iii) Owner shall have the full power and exclusive control of the Property, subject to the obligations of Owner set forth in this Agreement.

10.8 Incorporation of Recitals. Each of the Recitals set forth at the beginning of this Agreement are part of this Agreement.

10.9 Captions. The captions of this Agreement are for convenience and reference only and shall not define, explain, modify, construe, limit, amplify, or aid in the interpretation, construction, or meaning of any of the provisions of this Agreement.

10.10 Consent. Where the consent or approval of City or Owner is needed to implement Development under this Agreement, the consent or approval shall not be unreasonably withheld, delayed, or conditioned.

fees, dedications, reservations, or other exactions imposed on the Project as authorized by this Agreement and the Development Approvals.

10.16 Delay for Events Beyond the Parties' Control. Delay of performance by either Party of its obligations under this Agreement shall not be deemed a breach of the Agreement and the Term shall be extended, for periods equal to the time during which:

10.16.1 Litigation is pending which challenges any matter, including compliance with CEQA or any other local, state, or federal law, related in any way to the approval or implementation of all or any part of the Development Approvals or Subsequent Development Approvals. Any such extension shall be equal to the time between the filing of litigation, on the one hand, and the entry of final judgment or dismissal, on the other.

10.16.2 A delay is caused by reason of any event that cannot reasonably be anticipated or controlled by the City or Owner which prevents or delays performance by City or Owner of obligations under this Agreement. Such events shall include, by way of example and not limitation, acts of nature, riots, strikes, pandemics or damage to work in process by reason of fire, mud, rain, floods, earthquake, or other such casualties. Such an event does not include a market or business downturn, recession or other change in the business cycle.

10.16.3 All extensions shall be cumulative. If City or Owner seeks excuse from performance for the period of a delay, it shall provide written notice of such delay to the other within ninety (90) days of the commencement of such delay. If the delay or default, whether material or immaterial, is due to an event that cannot be reasonably anticipated or controlled by City or Owner it shall be excused, and an extension of time for such cause shall be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon. In the event of a disagreement between the Parties with respect to whether this paragraph applies to a particular delay, a Party may file an action for judicial review of the matter, including requests for declaratory and/or injunctive relief. The right to seek judicial review shall not limit any other remedies, whether legal or equitable, to which the Party may be entitled.

10.17 Interpretation and Governing Law. In any dispute regarding this Agreement, the Agreement shall be governed and interpreted in accordance with the laws of the State of California. Venue for any litigation concerning this Agreement shall be in San Diego County, California.

10.18 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

10.19 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

10.20 Future Litigation Expenses.

10.20.1 Payment to Prevailing Party. If either Party brings a legal or equitable proceeding against the other Party which arises in any way out of this Agreement, the prevailing

Party shall be entitled to recover its reasonable attorneys' fees and all other reasonable costs and expenses incurred in that proceeding.

10.20.2 Scope of Fees. Attorneys' fees under this paragraph shall include attorneys' fees on any appeal and in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the termination of this Agreement.

10.21 Performance and Release. The parties agree that upon written request of Owner and payment of all fees and performance of the requirements and conditions required of Owner by this Agreement with respect to the Property, or any portion thereof, the City shall execute and deliver to Owner appropriate releases(s) of further obligations imposed by this Agreement in form and substance acceptable to the San Diego County Recorder and the main title insurance company being used by Owner regarding the Planned Development, if any, or as may otherwise be necessary to effect the release. The City shall not unreasonably withhold approval of such release(s). Upon the Effective Date, the Parties waive, relinquish and release any and all claims or obligations arising out of or relating to the Development Agreement By And Among the City of Santee, Fanita Ranch, L.P. and Barratt American Incorporated recorded in the Office of the San Diego County Recorder on January 29, 2008, as Document Number 2008-0042203, and the processing and approval of the development project described therein.

10.22 Obligation to Modify. The City acknowledges that the lenders providing financing for the Project may require certain modifications to this Agreement and City agrees, upon request from time to time, to meet with Owner and/or representatives of such lenders to negotiate in good faith any such requirement for modification. The City will not unreasonably withhold its consent to any such requested modification.

10.23 Termination For Non-Economic Development. Subject to Owner's unilateral right to terminate this Agreement set forth in paragraph 4.2, and as provided below, if, at any time during the Term of this Agreement, Owner determines that it is no longer economically feasible to develop the Property as a result of new federal or state laws that require substantial amendments to this Agreement, changes in market conditions or economic conditions, increased development costs, financing requirements for public improvements, or as a result of other changed circumstances occurring after the Effective Date, Owner shall be entitled to request termination of this Agreement. Owner shall provide the City with a letter containing the request for termination and supporting evidence demonstrating that the development of the Property in accordance with this Agreement is no longer economically feasible. The termination request shall be considered by the City Council at its first regular meeting following receipt of the request, unless the City Council finds, based upon substantial evidence, that development of the Property remains economically feasible. In the event that the City Council declines to grant Owner's request for termination in accordance with this paragraph 10.23, Owner shall be entitled to challenge this decision in court consistent with paragraph 8.5 of this Agreement.

10.24 Exhibits. All exhibits attached to this Agreement are incorporated as a part of this Agreement. Those exhibits are:

Exhibit	Description
"A"	Site Utilization Plan for Project
"B"	Legal Description and Depiction of Property
"C"	Conceptual Phasing Plan for Project
"D"	Permanent Fire Station Specifications
"E"	Temporary Fire Station Specifications
"F"	Categories of Recurring Fire Operational Costs
"G"	Chart of Maintenance Obligations
"H"	Estimated Impact Fees
"I"	Assignment and Assumption Agreement

[Signatures on following page]

Owner and City have executed this Agreement on the dates set forth below.

CITY

OWNER

CITY OF SANTEE,
a municipal corporation and charter law city

HOMEFED FANITA RANCHO LLC,
a Delaware limited liability company

By: _____
Marlene D. Best
City Manager

By: _____
Kent Aden
Senior Vice President

Date: _____

Date: _____

ATTEST:

APPROVED AS TO FORM:

By: _____
Annette Ortiz
City Clerk

By: _____
Jeffrey A. Chine, Esq.

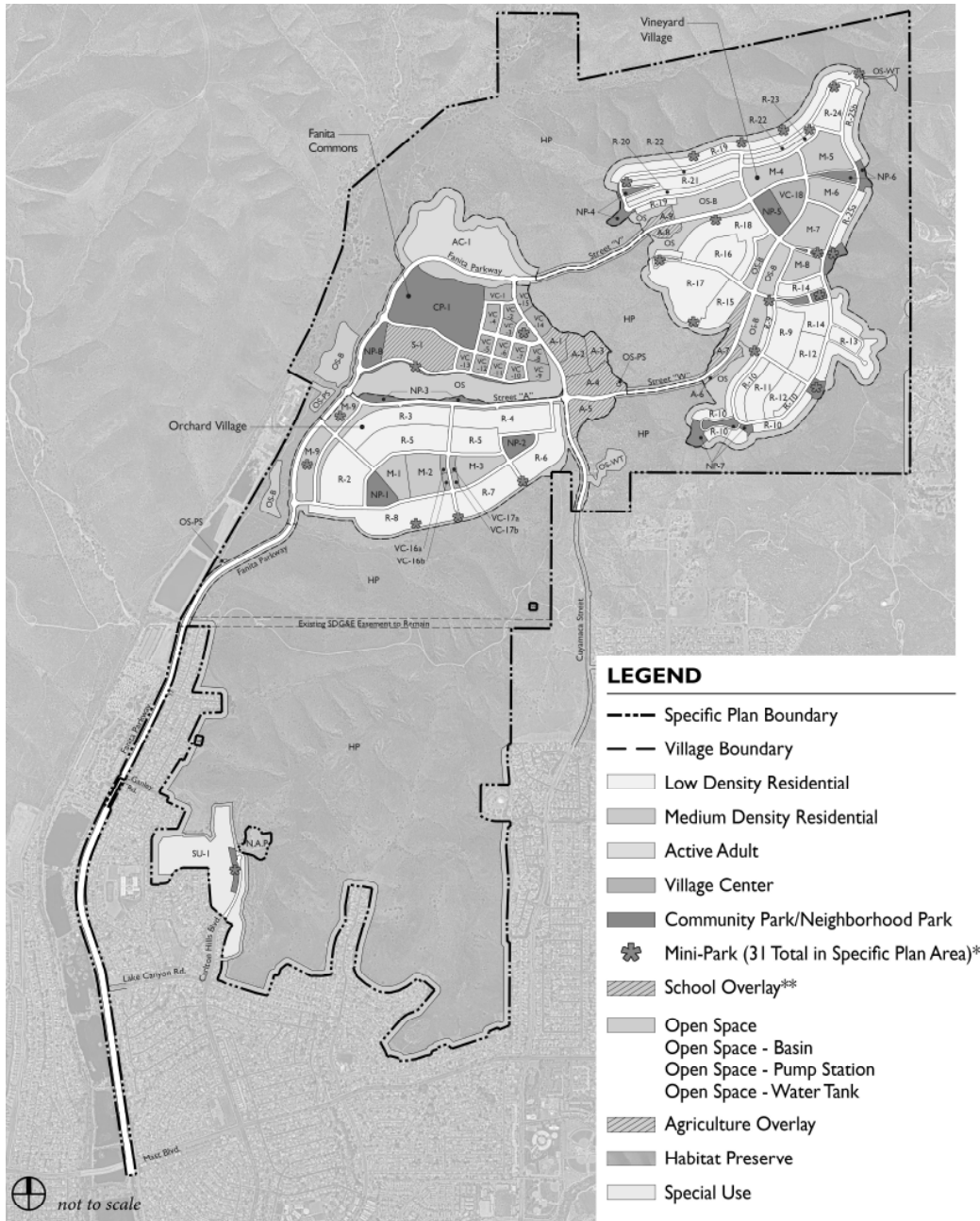
APPROVED AS TO FORM:

By: _____
Shawn Hagerty
City Attorney

* Company signature authorization must be provided upon document execution.

EXHIBIT A

SITE UTILIZATION PLAN FOR PROJECT



*There is a total of 8 mini-parks in M-9.

**The underlying land use for the S overlay site is MDR. If the S overlay site is not acquired for school use within 2 years of approval of the final map containing the S overlay site, the MDR land use may be implemented on the S overlay site pursuant to Fanita Ranch Specific Plan Section 3.2.5: School (S) Overlay and Section 10.7.1: Administrative Amendments (Minor Modifications).

EXHIBIT A

EXHIBIT B

LEGAL DESCRIPTION AND DEPICTION OF PROPERTY

EXHIBIT B-1

LEGAL DESCRIPTION

Real property in the City of Santee, County of San Diego, State of California, described as follows:

PARCEL 1: (APN'S: 380-040-43-00 AND 380-040-44-00)

THOSE PORTIONS OF LOTS 5 AND 6 OF THE RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO OFFICIAL PLAT THEREOF NO. 1703 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AND RECORDED FEBRUARY 28, 1918, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF LOT 1463 CARLTON HILLS, UNIT NO. 10 ACCORDING TO OFFICIAL PLAT THEREOF NO. 6866, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AND RECORDED FEBRUARY 26, 1971; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 1463, SOUTH 73 DEGREES 21'45" EAST, 47.06 FEET TO AN ANGLE POINT THEREIN, BEING ALSO AN ANGLE POINT IN THE BOUNDARY OF OAK HILLS UNIT NO. 134 ACCORDING TO OFFICIAL PLAT THEREOF NO. 6542, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AND RECORDED NOVEMBER 18, 1969, BEING THE TRUE POINT OF BEGINNING; THENCE ALONG THE BOUNDARY OF SAID MAP NO. 6542 AS FOLLOWS:

NORTH 20 DEGREES 54'40" EAST, 145.18 FEET; NORTH 12 DEGREES 38'48" EAST, 84.58 FEET; NORTH 03 DEGREES 38'15" EAST, 222.90 FEET AND NORTH 12 DEGREES 38'48" EAST, 206.54 FEET TO THE NORTHERLY LINE OF SAID LOT 5; THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID LOTS 5 AND 6 TO THE NORTHEAST CORNER OF SAID LOT 6; THENCE ALONG THE EASTERLY LINE OF SAID LOT 6, SOUTH 00 DEGREES 06'17" WEST 1393.06 FEET TO THE NORTHEASTERLY CORNER OF CARLTON HILLS UNIT NO. 8, ACCORDING TO OFFICIAL PLAT THEREOF NO. 6216, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AND RECORDED OCTOBER 23, 1968; THENCE ALONG THE BOUNDARY OF SAID MAP NO. 6216 AS FOLLOWS:

SOUTH 67 DEGREES 20'30" WEST, 184.81 FEET; NORTH 22 DEGREES 39'30" WEST, 40.00 FEET; SOUTH 67 DEGREES 20'30" WEST, 170.00 FEET; SOUTH 06 DEGREES 57'10" WEST, 84.32 FEET; SOUTH 71 DEGREES 43'00" WEST, 639.50 FEET; NORTH 47 DEGREES 57'58" WEST, 110.50 FEET; SOUTH 71 DEGREES 43'00" WEST, 161.00 FEET; SOUTHERLY ALONG THE ARC OF A 228.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY THROUGH A CENTRAL ANGLE OF 07 DEGREES 15'42", A DISTANCE OF 28.90 FEET; SOUTH 73 DEGREES 43'00" WEST, 108.00 FEET; SOUTH 20 DEGREES 39'45" WEST, 70.09 FEET; SOUTH 81 DEGREES 03'14" WEST, 71.64 FEET; SOUTH 71 DEGREES 43'00" WEST, 192.00 FEET; SOUTH 61 DEGREES 56'34" WEST, 121.77 FEET; NORTH 71 DEGREES 20'30" WEST, 87.71 FEET; NORTH 89 DEGREES 54'00" WEST 110.00 FEET; NORTH 15 DEGREES 06'00" EAST, 48.97 FEET; NORTH 74 DEGREES 54'00" WEST, 149.00 FEET; SOUTH 67 DEGREES 43'57" WEST, 43.97 FEET; NORTH 19 DEGREES 56'59" WEST, 93.45 FEET; NORTH 29 DEGREES 31'37" WEST, 163.69 FEET; AND NORTH 39 DEGREES 42'11" EAST, 93.45 FEET TO THE MOST EASTERLY CORNER OF LOT 1280 OF SAID MAP NO. 6216, BEING ALSO THE MOST SOUTHERLY CORNER OF LOT 1376 OF CARLTON HILLS UNIT NO. 9, ACCORDING TO MAP THEREOF NO. 6429, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 23, 1969; THENCE ALONG THE BOUNDARY OF SAID MAP NO. 6429, AS FOLLOWS:

NORTH 41 DEGREES 32'59" EAST, 196.98 FEET; NORTH 41 DEGREES 33'14" EAST 261.00 FEET;

EXHIBIT B-2

NORTH 53 DEGREES 14'57" EAST, 97.91 FEET; NORTH 68 DEGREES 28'56" EAST, 187.76 FEET; NORTH 40 DEGREES 36'00" EAST, 442.08 FEET; NORTH 49 DEGREES 24'00" WEST, 231.00 FEET; SOUTH 40 DEGREES 36'00" WEST, 38.00 FEET; NORTH 49 DEGREES 24'00" WEST, 115.00 FEET; SOUTH 51 DEGREES 54'36" WEST, 219.26 FEET; SOUTH 63 DEGREES 42'14" WEST, 165.28 FEET; SOUTH 75 DEGREES 58'20" WEST, 136.09 FEET; NORTH 88 DEGREES 40'00" WEST, 137.22 FEET; NORTH 69 DEGREES 41'44" WEST, 116.27 FEET; NORTH 57 DEGREES 20'00" WEST, 197.00 FEET; NORTH 49 DEGREES 02'30" WEST, 197.39 FEET; NORTH 21 DEGREES 34'40" WEST, 162.25 FEET; NORTH 82 DEGREES 30'00" WEST, 364.38 FEET; SOUTH 07 DEGREES 30'00" WEST, 75.49 FEET; AND SOUTH 08 DEGREES 09'22" EAST, 97.22 FEET TO THE NORTHEASTERLY CORNER OF CARLTON HILLS UNIT NO. 11, ACCORDING TO OFFICIAL PLAT THEREOF NO. 7133 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, RECORDED DECEMBER 8, 1971; THENCE ALONG THE BOUNDARY OF SAID MAP NO. 7133 AS FOLLOWS:

SOUTH 81 DEGREES 50'38" WEST, 180.09 FEET; NORTH 87 DEGREES 19'12" WEST, 121.09 FEET; SOUTH 82 DEGREES 20'00" WEST, 50.00 FEET; NORTH 62 DEGREES 05'00" WEST, 449.01 FEET; SOUTH 51 DEGREES 20'00" WEST, 142.88 FEET; SOUTH 17 DEGREES 54'00" WEST, 113.72 FEET TO A POINT ON THE ARC OF A NON-TANGENT 215.00 FOOT RADIUS CURVE, CONCAVE NORTHERLY, A RADIAL LINE OF SAID CURVE, BEARING SOUTH 00 DEGREES 46'00" EAST TO SAID POINT; WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 18 DEGREES 40'00", A DISTANCE OF 70.05 FEET; AND NON-TANGENT TO SAID CURVE SOUTH 17 DEGREES 54'00" WEST, 369.48 FEET TO THE ANGLE POINT IN THE NORTHERLY BOUNDARY OF LOT 1477 OF SAID MAP NO. 6866; THENCE ALONG THE NORTHERLY BOUNDARY OF SAID MAP NO. 6866 AS FOLLOWS:

NORTH 77 DEGREES 13'30" WEST, 187.20 FEET; NORTH 72 DEGREES 30'00" WEST, 544.64 FEET; NORTH 59 DEGREES 56'00" WEST, 72.57 FEET; AND NORTH 72 DEGREES 30'00" WEST, 78.99 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN CARLTON ESTATES, ACCORDING TO MAP NO. 8796, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON FEBRUARY 9, 1978 AS FILE NO. 78-054692 OF OFFICIAL RECORDS.

PARCEL 2: (APN: 376-020-03-00)

THAT PORTION OF LOT 12 OF RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 28, 1918, LYING WITHIN THE BOUNDARIES OF RECORD OF SURVEY MAP NO. 8279 RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, MAY 4, 1978 AS FILE NO. 78-181648 OF OFFICIAL RECORDS.

PARCEL 3: (APN: 374-030-02-00)

THE SOUTH HALF OF LOT 1 AND ALL OF LOT 8 IN SECTION 4, TOWNSHIP 15 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO OFFICIAL PLAT THEREOF.

PARCEL 4: (APN: 374-050-02-00)

THAT PORTION OF LOT 15 OF RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 28,

EXHIBIT B-3

1918, LYING WITHIN THE BOUNDARIES OF RECORD OF SURVEY MAP NO. 8279, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, MAY 4, 1978 AS FILE NO. 78-181648 OF OFFICIAL RECORDS.

PARCEL 5: (APN: 374-060-01-00)

LOT 14 OF RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 28, 1918.

PARCEL 6: (APN: 376-010-06-00)

ALL THAT PORTION OF LOT 11 OF RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 28, 1918. LYING WITHIN THE BOUNDARIES OF RECORD OF SURVEY MAP NO. 8279, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, MAY 4, 1978 AS FILE NO. 78-181648 OF OFFICIAL RECORDS.

PARCEL 7: (APN: 376-030-01-00)

LOT 13 OF RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 28, 1918.

PARCEL 8: (APN: 378-020-54-00)

ALL THAT PORTION OF LOT 8 OF THE RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY FEBRUARY 28, 1918 LYING WITHIN THE BOUNDARIES OF RECORD OF SURVEY MAP NO. 8279, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MAY 4, 1978 AS FILE NO. 78-181648 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN COUNTY OF SAN DIEGO TRACT NO. 3675-1, ACCORDING TO MAP NO. 9902, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON NOVEMBER 25, 1980 AS FILE NO. 80-398660 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN COUNTY OF SAN DIEGO TRACT NO. 3675-2, ACCORDING TO MAP NO. 9903, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON NOVEMBER 25, 1980 AS FILE NO. 80-398661 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN COUNTY OF SAN DIEGO TRACT NO. 3675-3, ACCORDING TO MAP NO. 9904, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON NOVEMBER 25, 1980 AS FILE NO. 80-398662 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN COUNTY OF SAN DIEGO TRACT NO. 3675-4, ACCORDING TO MAP THEREOF NO. 9905, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON NOVEMBER 25, 1980 AS FILE NO. 80-398663 OF OFFICIAL RECORDS.

EXHIBIT B-4

ALSO EXCEPTING FROM SAID LOT 8, ALL THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

COMMENCING AT AN ANGLE POINT ON THE EASTERLY BOUNDARY OF THAT CERTAIN STRIP OF LAND, BEING A 30 FOOT EASEMENT AS DESCRIBED IN DEED TO THE SANTEE COUNTY WATER DISTRICT FOR ROAD AND UTILITY PURPOSES, RECORDED AUGUST 19, 1966 AS FILE NO. 134771 OF OFFICIAL RECORDS, SAID ANGLE POINT BEING THE TERMINUS OF A COURSE HAVING A BEARING AND DISTANCE OF NORTH 27 DEGREES 54'57" EAST 568.16 FEET; THENCE CONTINUING ALONG SAID EASTERLY BOUNDARY NORTH 26 DEGREES 14' EAST 846.04 FEET; THENCE LEAVING SAID EASTERLY BOUNDARY SOUTH 63 DEGREES 46' EAST 370.00 FEET; THENCE SOUTH 79 DEGREES 39' EAST, 670.81 FEET; THENCE NORTH 10 DEGREES 21' EAST, 18.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79 DEGREES 39' WEST 110.00 FEET; THENCE NORTH 10 DEGREES 21' EAST, 170.00 FEET; THENCE SOUTH 79 DEGREES 39' EAST, 120.00 FEET, SOUTH 10 DEGREES 21' WEST 170.00 FEET; THENCE NORTH 79 DEGREES 39' WEST, 10.00 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING FROM SAID LOT 8, ALL THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT BEARS NORTH 17 DEGREES 36' EAST, 2280.63 FEET FROM THE INTERSECTION OF THE CENTERLINE OF SYLMASST BOULEVARD WITH THE CENTERLINE OF CARLTON HILLS BOULEVARD AS SAID CENTERLINES ARE SHOWN ON MAP NO. 4364, A COPY OF WHICH IS ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY THENCE SOUTH 75 DEGREES 57'15" EAST, 276.00 FEET; THENCE NORTH 14 DEGREES 02'45" EAST 295.00 FEET; THENCE NORTH 75 DEGREES 57'15" WEST, 355.00 FEET; THENCE SOUTH 14 DEGREES 02'45" WEST, 295.00 FEET; THENCE SOUTH 75 DEGREES 57'15" EAST 79.00 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN PARCELS 1-A AND 1-B AS CONDEMNED AND TAKEN BY THE PADRE DAM MUNICIPAL WATER DISTRICT BY FINAL ORDER OF CONDEMNATION CASE NO. 658159-1 AND FILED FEBRUARY 18, 1994 BY THE CLERK OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, A CERTIFIED COPY OF WHICH WAS RECORDED FEBRUARY 24, 1994 AS FILE NO. 1994-0124825 OF OFFICIAL RECORDS OF SAID SAN DIEGO COUNTY.

ALSO EXCEPTING FROM SAID LOT 8, ALL THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF THE LAND CONVEYED TO SANTEE COUNTY WATER DISTRICT RECORDED JUNE 27, 1962 AS FILE NO. 109476 OF OFFICIAL RECORDS, SAID POINT BEARS NORTH 17 DEGREES 39'17" EAST (NORTH 17 DEGREES 36'00" EAST PER SAID DEED) 2,280.63 FEET FROM THE INTERSECTION OF THE CENTERLINE OF SYLMASST BOULEVARD WITH THE CENTERLINE OF CARLTON HILLS BOULEVARD AS SAID CENTERLINES ARE SHOWN ON MAP NO. 4364 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, THENCE EASTERLY ALONG SAID SOUTHERLY LINE SOUTH 75 DEGREES 53'58" EAST, 111.82 FEET TO AN ANGLE POINT IN THAT LAND DESCRIBED IN PARCEL 1-A OF THAT FINAL ORDER OF CONDEMNATION RECORDED FEBRUARY 24, 1994 AS FILE NO. 1994-0124825 OF OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID LAND DESCRIBED IN PARCEL 1-A, SOUTH 54 DEGREES 24'52" EAST, 107.06 FEET; THENCE SOUTH 77 DEGREES 09'15" EAST, 54.25 FEET; THENCE NORTH 59 DEGREES 03'17" EAST, 77.51 FEET; THENCE NORTH 12 DEGREES 19'23" EAST, 201.08 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 12 DEGREES 19'23" EAST, 15.00 FEET; THENCE NORTH 49 DEGREES 25'48" EAST, 68.71 FEET; THENCE LEAVING SAID BOUNDARY OF PARCEL 1-A, SOUTH 43 DEGREES 01'46" WEST, 81.18 FEET, TO THE TRUE POINT OF BEGINNING.

EXHIBIT B-5

ALSO EXCEPTING FROM SAID LOT 8, ALL THAT PORTION THEREOF LYING WESTERLY OF THE EASTERLY LINE OF THE LAND CONVEYED TO THE PADRE DAM MUNICIPAL WATER DISTRICT BY DEED RECORDED APRIL 12, 1977 AS FILE NO. 77-132403 OF OFFICIAL RECORDS OF SAID SAN DIEGO COUNTY.

ALSO EXCEPTING FROM SAID LOT 8, ALL THAT PORTION THEREOF LYING WITHIN PARCEL 16 HEREINAFTER DESCRIBED.

PARCEL 9: (APN: 378-030-08-00)

LOT 7 OF RESUBDIVISION OF FANITA RANCHO, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 28, 1918.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN CARLTON ESTATES, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 8796, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON FEBRUARY 9, 1978 AS FILE NO. 78-054692 OF OFFICIAL RECORDS.

ALSO EXCEPTING FROM SAID LOT 7, THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF WOODGLENN ESTATES, ACCORDING TO MAP THEREOF NO. 7560, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 21, 1973; THENCE ON A LINE PARALLEL WITH THE WESTERLY PROLONGATION OF THE CENTER LINE OF WOODGLEN VISTA DRIVE, AS SHOWN ON MAP, NORTH 89 DEGREES 51'10" WEST, 687.38 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 7; THENCE ALONG SAID EASTERLY LINE, NORTH 00 DEGREES 12'05" EAST, 42.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 51'10" WEST, 230.00 FEET TO THE BEGINNING OF A TANGENT 458.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 36 DEGREES 06'36" A DISTANCE OF 288.65 FEET; THENCE NORTH 00 DEGREES 12'05" EAST, 522.49 FEET; THENCE NORTH 89 DEGREES 49'55" EAST, 500.00 FEET TO THE EASTERLY LINE OF THE SAID LOT 7; THENCE ALONG SAID EASTERLY LINE SOUTH 00 DEGREES 12'05" WEST, 610.00 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN PARCELS A, B AND C AS SET OUT IN EXHIBIT "A" IN CERTIFICATE OF COMPLIANCE RECORDED JULY 3, 1995 AS FILE NO. 1995-0282020 OF OFFICIAL RECORDS OF SAID SAN DIEGO COUNTY.

PARCEL 10: (APN'S: 378-392-61-00 AND 378-392-62-00)

LOTS A AND B OF COUNTY OF SAN DIEGO TRACT NO. 3675-1, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 9902, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, NOVEMBER 25, 1980.

PARCEL 11: (APN: 378-391-59-00)

LOT D OF COUNTY OF SAN DIEGO TRACT NO. 3675-2, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 9903, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, NOVEMBER 25, 1980.

PARCEL 12: (APN: 378-382-58-00)

EXHIBIT B-6

LOT F COUNTY OF SAN DIEGO TRACT NO. 3675-3, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 9904, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, NOVEMBER 25, 1980.

PARCEL 13: (APN: 378-381-49-00)

LOT G OF COUNTY OF SAN DIEGO TRACT NO. 3675-4, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 9905, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, NOVEMBER 25, 1980.

PARCEL 14:

INTENTIONALLY DELETED

PARCEL 15: (APN: 380-031-18-00, 378-020-46-00 AND 378-020-50-00)

PARCEL A AS SHOWN ON CERTIFICATE OF COMPLIANCE RECORDED MAY 22, 2019 AS INSTRUMENT NO. 2019-0193705 DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF LOTS 5 AND 8 OF RESUBDIVISION OF FANITA RANCHO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1703, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, FEBRUARY 28, 1918, BEING MORE PARTICULARLY DESCRIBED AS PARCEL 15 AND PARCEL 16 PER THAT CERTAIN TRUSTEE'S DEED UPON SALE RECORDED IN THE OFFICE OF SAID COUNTY RECORDER FEBRUARY 2, 2011 AS DOCUMENT NO. 2011-0063943, OF OFFICIAL RECORDS

EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 15 LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID PARCEL 15, BEING THE MOST WESTERLY CORNER OF LOT 995 OF CARLTON HILLS UNIT NO. 5, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 4364, FILED IN THE OFFICE OF SAID COUNTY RECORDER OCTOBER 14, 1959; THENCE SOUTH 20°51'29" EAST, 69.65 FEET; THENCE SOUTH 08°54'14" EAST, 450.00 FEET TO SAID EASTERLY LINE OF PARCEL 15, BEING ALSO THE NORTHERLY LINE OF LOT 759 OF SAID MAP NO. 4196, SAID POINT ALSO BEING THE POINT OF TERMINUS.

PARCEL 16:

INTENTIONALLY DELETED

PARCEL 17:

INTENTIONALLY DELETED

PARCEL 18:

INTENTIONALLY DELETED

PARCEL 19: (APN'S: 378-210-01-00, 378-210-10-00, 378-210-11-00 AND 378-220-01-00)

LOTS 4, 5, 12 AND 13 IN BLOCK 20 OF CAJON PARK, ACCORDING TO THE MAP THEREOF NO.

EXHIBIT B-7

767, FILED IN THE OFFICE OF THE RECORDER OF SAID SAN DIEGO COUNTY, NOVEMBER 27, 1893.

EXCEPT THAT PORTION FROM LOT 13 THAT WAS CONVEYED TO SANTEE COUNTY WATER DISTRICT BY DEED RECORDED FEBRUARY 9, 1960 INSTRUMENT NO. 26895 OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 13, BLOCK 20, CAJON PARK IN THE SAN DIEGO COUNTY, STATE OF CALIFORNIA, AS SHOWN ON RECORD OF SURVEY MAP NO. 4049, FILED OCTOBER 19, 1956 IN THE OFFICE OF THE RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID LOT 13, BLOCK 20, DISTANT THEREON 225 FEET SOUTH OF THE NORTHWEST CORNER THEREOF; THENCE EASTERLY PARALLEL TO THE NORTH LINE OF SAID LOT 13, BLOCK 20, A DISTANCE OF 300 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING EASTERLY PARALLEL WITH SAID NORTH LINE 125 FEET; THENCE SOUTHERLY PARALLEL WITH SAID WEST LINE 125 FEET; THENCE WESTERLY PARALLEL WITH SAID NORTH LINE 125 FEET; THENCE NORTHERLY PARALLEL WITH SAID WEST LINE 125 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 19A:

EASEMENTS FOR ROAD AND PUBLIC UTILITY PURPOSES OVER, UNDER, UPON AND ACROSS THAT PORTION OF SAID CAJON PARK, DESCRIBED IN PARCELS A. THROUGH J. AS FOLLOWS:

A. THAT PORTION OF SUMMIT AVENUE, LYING SOUTHERLY OF THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF THE SOUTHERLY 30.00 FEET OF LOT 9 IN BLOCK 20 OF SAID CAJON PARK.

B. THAT PORTION OF 6TH STREET, LYING WESTERLY OF THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 3 IN BLOCK 18 OF SAID CAJON PARK.

C. THAT PORTION OF THE NORTH HALF OF 6TH STREET, LYING BETWEEN THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 3 IN BLOCK 18 OF SAID CAJON PARK AND THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF THE WEST 50.00 FEET OF LOT 28 IN BLOCK 17 OF SAID CAJON PARK.

D. THAT PORTION OF THE SOUTH HALF OF 6TH STREET, LYING BETWEEN THE NORTHERLY PROLONGATION OF THE CENTER LINE OF CENTRAL AVENUE AND THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 4 IN BLOCK 16 OF SAID CAJON PARK.

E. THAT PORTION OF THE EAST HALF OF CENTRAL AVENUE, LYING WESTERLY OF AND ADJOINING LOTS 4, 5, AND 12 IN BLOCK 16 OF SAID CAJON PARK.

ALL OF THE AFOREMENTIONED PORTIONS OF SAID STREET AND AVENUES BEING SHOWN ON SAID MAP NO. 767 AND HAVING BEEN VACATED AND CLOSED TO PUBLIC USE ON OCTOBER 3, 1900 BY AN ORDER OF THE BOARD OF SUPERVISORS OF SAID SAN DIEGO COUNTY, AND BEING RECORDED IN BOOK 3, PAGE 95 OF THE SUPERVISORS RECORDS.

F. THAT PORTION OF THE NORTHERLY 30.00 FEET OF LOT 19 IN BLOCK 20 OF SAID CAJON PARK, LYING WESTERLY OF THE EASTERLY 30.00 FEET THEREOF.

G. THAT PORTION OF THE SOUTHERLY 30.00 FEET OF LOT 14 IN BLOCK 20 OF SAID CAJON PARK, LYING WESTERLY OF THE EASTERLY 30.00 FEET THEREOF.

EXHIBIT B-8

H. A STRIP OF LAND 60.00 FEET OF EVEN WIDTH THE CENTER LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 14 IN SAID BLOCK 20; THENCE NORTH 0° 01' 14" WEST ALONG THE EASTERN LINE OF SAID LOT, A DISTANCE OF 652.78 FEET TO THE SOUTHWEST CORNER OF LOT 10 IN SAID BLOCK 20; THENCE ALONG THE SOUTHERLY AND EASTERLY LINE OF SAID LOT, SOUTH 89° 56' 20" EAST 658.45 FEET AND NORTH 0° 01' 38" WEST 653.01 FEET TO THE NORTHEAST CORNER OF LOT 10 IN SAID BLOCK 20.

I. A STRIP OF LAND 60.00 FEET OF EVEN WIDTH, THE CENTER LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 6 IN BLOCK 20 OF SAID CAJON PARK; THENCE SOUTH 0° 00' 50" ALONG THE WESTERLY LINE OF SAID LOT, A DISTANCE OF 652.55 FEET; THENCE SOUTH 24° 23' 10" EAST 175.75 FEET TO THE BEGINNING OF A TANGENT 100.00 FOOT RADIUS CURVE CONCAVE NORTHEASTERLY; THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 17° 07' 50" A DISTANCE OF 29.90 FEET THENCE TANGENT TO SAID CURVE, SOUTH 41° 31' 00" EAST 281.73 FEET TO THE BEGINNING OF A TANGENT 90.00 FOOT RADIUS CURVE CONCAVE WESTERLY; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 92° 39' A DISTANCE OF 145.53 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 51° 08' WEST 183.26 FEET TO THE BEGINNING OF A TANGENT 35.00 FOOT RADIUS CURVE CONCAVE EASTERLY; THENCE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 95° 24' A DISTANCE OF 58.28 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 44° 16' EAST 0.58 FEET TO THE NORTHERLY LINE OF LOT 14 IN SAID BLOCK 20; THENCE SOUTH 64° 42' 20" EAST 592.96 FEET TO THE EASTERLY LINE OF SAID LOT 14.

EXCEPTING FROM THE ABOVE DESCRIBED 60.00 FOOT STRIP, THAT PORTION INCLUDED WITHIN THE EAST 30.00 FEET OF LOT 14 IN SAID BLOCK 20.

J. A STRIP OF LAND 60.00 FEET OF EVEN WIDTH, THE CENTER LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF LOT 11 IN BLOCK 20 OF SAID CAJON PARK, DISTANT THEREON SOUTH 89° 56' 20" EAST 122.43 FEET FROM THE SOUTHWEST CORNER THEREOF; THENCE SOUTH 89° 56' 20" EAST ALONG SAID SOUTHERLY LINE 249.95 FEET; THENCE NORTH 30° 02' 30" EAST 186.65 FEET TO THE BEGINNING OF A TANGENT 50.00 FOOT RADIUS CURVE CONCAVE WESTERLY; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 40° 35' A DISTANCE OF 35.42 FEET; THENCE TANGENT TO SAID CURVE, NORTH 10° 32' 30" WEST 151.74 FEET TO THE BEGINNING OF A TANGENT 200.00 FOOT RADIUS CURVE CONCAVE EASTERLY; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 46° 43' 30" A DISTANCE OF 163.10 FEET; THENCE TANGENT TO SAID CURVE NORTH 36° 11' EAST 189.46 FEET TO THE NORTHERLY LINE OF LOT 11 IN SAID BLOCK 20; THENCE SOUTH 89° 57' 33" EAST ALONG SAID NORTHERLY LINE 32.39 FEET; THENCE SOUTH 31° 94' 48" EAST 762.71 FEET TO THE SOUTHERLY LINE OF LOT 10 IN SAID BLOCK 20.

EXCEPTING FROM THE ABOVE DESCRIBED 60.00 FOOT STRIP OF LAND, THAT PORTION INCLUDED WITHIN THE SOUTHERLY 30.00 FEET OF SAID LOT 10 AND WITHIN THE BOUNDARIES OF THE 60.00 FOOT STRIP OF LAND DESCRIBED IN PARCEL I ABOVE.

THE SIDELINES OF THE 50.00 FOOT STRIPS OF LAND DESCRIBED IN PARCELS "I" AND "J"

EXHIBIT B-9

ABOVE, SHALL BE PROLONGED OR SHORTENED AS IS NECESSARY TO FORM A CONTINUOUS STRIP OF LAND.

SAID EASEMENT IS FOR THE BENEFIT OF AND APPURTENANT TO THE PROPERTY DESCRIBED IN PARCEL 1 ABOVE AND SHALL INURE TO THE BENEFIT OF AND MAY BE USED BY ALL PERSONS WHO MAY HEREAFTER BECOME THE OWNERS OF SAID APPURTENANT PROPERTY OR ANY PARTS OR PORTIONS THEREOF.

PARCEL 20: (APN: 378-210-04-00)

LOT 2, IN BLOCK 20 OF CAJON PARK, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 767, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, NOVEMBER 27, 1893.

PARCEL 20A:

AN EASEMENT FOR ROAD AND PUBLIC UTILITY PURPOSES OVER, UNDER, UPON AND ACROSS:

A. THE WEST HALF OF SUMMIT AVENUE LYING EASTERLY OF AND ADJOINING LOTS 8, 9, 16 AND 17 IN SAID BLOCK 20.

B. THAT PORTION OF THE NORTH HALF OF 6TH STREET, LYING BETWEEN THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 17 IN SAID BLOCK 20 AND THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF THE WEST 50.00 FEET OF LOT 28 IN BLOCK 17 OF SAID CAJON PARK.

ALL THE AFOREMENTIONED STREETS AND AVENUES HAVING BEEN VACATED AND CLOSED TO PUBLIC USE ON OCTOBER 3, 1900 BY ORDER OF THE BOARD OF SUPERVISORS OF SAID SAN DIEGO COUNTY AND BEING RECORDED IN BOOK, PAGE 95 OF SUPERVISORS OF RECORD.

PARCEL 21: (APN: 378-210-03-00)

THE EAST 1/2 OF LOT 3, IN BLOCK 20 OF CAJON PARK, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 767, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, NOVEMBER 27, 1893.

PARCEL 21A:

AN EASEMENT FOR ROAD AND PUBLIC UTILITY PURPOSES OVER, UNDER, UPON AND ACROSS:

A. THE WEST 1/2 OF SUMMIT AVENUE LYING EASTERLY OF AND ADJOINING LOTS 8, 9, 16 AND 17 IN SAID BLOCK 20.

B. THAT PORTION OF THE NORTH 1/2 OF 6TH STREET, LYING BETWEEN THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF LOT 17 IN SAID BLOCK 20 AND THE SOUTHERLY PROLONGATION OF THE EASTERLY LINE OF THE WEST 50.00 FEET OF LOT 28 IN BLOCK 17 OF SAID CAJON PARK. ALL THE AFOREMENTIONED STREETS AND AVENUES HAVING BEEN VACATED AND CLOSED TO PUBLIC USE ON OCTOBER 3, 1900 BY ORDER OF THE BOARD OF SUPERVISORS OF SAID SAN DIEGO COUNTY AND BEING RECORDED IN BOOK 3, PAGE 95 OF SUPERVISORS OF RECORD.

EXHIBIT B-10

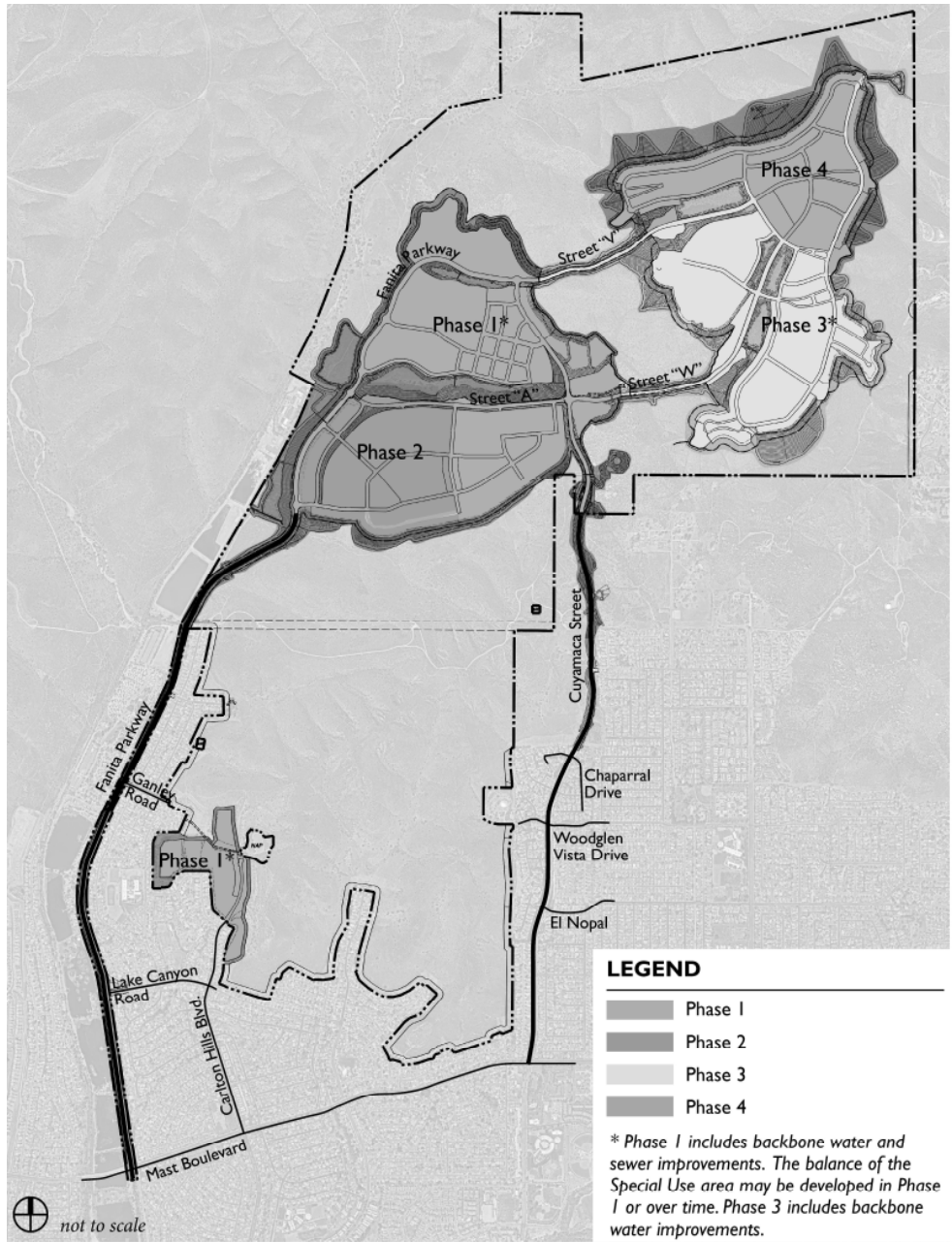
DEPICTION OF PROPERTY



EXHIBIT B-11

EXHIBIT C

CONCEPTUAL PHASING PLAN FOR PROJECT



Conceptual phasing shown only; subject to future phasing refinements.

EXHIBIT C

EXHIBIT D

PERMANENT FIRE STATION SPECIFICATIONS

Overview

A Permanent fire station must be located in an area which will meet a response time maximum of six minutes to all areas of the proposed project. Design shall meet standards and features to accommodate Firefighters twenty-four hours a day, seven days a week. Components of the fire station include:

Approximate Square Footage 10,000

Public Areas

- Lobby / Foyer
- Offices (3)
- Community / Training Room (40)
- A/V Storage
- Restrooms
- Visitor Parking

Private Areas

- Dayroom
- Kitchen
- Dining Room
- Dorms (10)
- Restrooms (6 individual)
- Exercise Room
- Employee Parking
- Patio

Support Areas

- Apparatus Room (3 wide, 2 deep)
- Turnout Storage
- Hose Storage
- SCBA Storage
- Equipment Storage
- Medical Storage
- Comms / Server Room
- Shop / Tool Room
- Mechanical Room
- Electrical Room
- Laundry (turnout and regular)
- Hose Tower
- Decontamination Shower
- Fuel Station
- Emergency Generator

EXHIBIT D-1

Dumpster / Trash
Janitorial Storage
Air Compressor Room
Ice Machine
Electric, Air and Exhaust for all apparatus locations
Station Monument Sign
Flagpole
Solar Power Generation

EXHIBIT D-2

EXHIBIT E

TEMPORARY FIRE STATION SPECIFICATIONS

Overview

A temporary fire station must be located in an area which will meet a response time maximum of six minutes to all areas of the proposed project. Design shall meet standards and features to accommodate three Firefighters twenty-four hours a day, seven days a week. Components of the fire station include: crew quarters, apparatus, apparatus storage, employee parking, physical training area, and all-weather sur face.

Crew Quarters: Adequate for three personnel (approx. 28'X60')

- Three Individual bunk rooms (approx. 10X14)
 - Three (3) lockers in each room
 - Desk in each room
 - One (1) Bed
- Restrooms
 - Two restrooms each with shower
- Kitchen (8'X19')
 - Full-size oven with cooktop
 - Microwave
 - Three refrigerators
 - Large sink
 - Food preparation countertop
- Living area
 - Three recliners
 - Carpeted living space
 - Commercial grade linoleum or equivalent

Apparatus: One fully-equipped Type I fire engine and one fully-equipped Type III wildland fire engine

- Must be consistent with current fleet, Pierce Manufacturing
- Both units must be fully equipped with hose, tools, etc.

Apparatus Storage: Covered and secured structure

- Steel, or conventional structure
- Two apparatus side by side (individual doors or one large double door)
- Adequate storage for miscellaneous equipment and supplies with shelving

- Exhaust removal system, consistent with current brand used

Employee parking: Secure for eight (8) employee vehicles

Location: Response time to all areas of project within 6 minutes

- Adequate egress from station out of project

Physical Training: May be an extension of the apparatus bay

- Separated from apparatus with barrier wall
- Air conditioned

Surface: Concrete for entire station site

EXHIBIT E-2

EXHIBIT F

RECURRING FIRE OPERATIONAL COSTS

Fanita Ranch Fire Station
Summary of Fire Station Staffing and Operating Costs

Personnel Costs for the Nine (9) Positions Listed in Paragraph 4.3.3:

Wages (including required FLSA adjustment)

Overtime

Uniform allowance

Stipends paid in accordance with the MOU between the City of Santee and the Santee Firefighters' Association

City-paid portion of direct benefits including:

Medical insurance

Dental insurance

CalPERS retirement contribution (normal cost only)

Retiree health savings account contribution

Medicare

Long-term disability

Workers' compensation

Life insurance/AD&D

Employee assistance program

Operating Costs:

Fuel - pumper

Fuel - brush rig

Electricity and gas

Water and sewer

Telephone

Copier

Station supplies

Repairs & maintenance-vehicles and equipment

EXHIBIT F

EXHIBIT G

CHART OF MAINTENANCE OBLIGATIONS

EXHIBIT G-1

Fanita Ranch Maintenance Obligations

City	HOA/HomeFed	In Tract Improvements (Area within development footprint)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Pavement, curb and gutter
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Lights if per Public Works Standards
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Striping and signage
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sidewalks per Public Works Standards
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Median landscaping
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Storm Water collection systems
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Storm Water Quality Basins
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Storm Drain improvements MS-4 (treated water and bi-pass systems)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Access roads and associated improvements for MS-4 storm drain maintenance access
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Community Park
<input checked="" type="checkbox"/>	<input type="checkbox"/>	NP-8 Park
<input type="checkbox"/>	<input checked="" type="checkbox"/>	All other neighborhood parks
City	HOA/HomeFed	Preserve Areas (Area within the MSCP/Subarea Plan footprint)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Brush management
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Trail access from right-of-way
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Trail maintenance

EXHIBIT G-2

Fanita Ranch Maintenance Obligations

<input type="checkbox"/>	<input checked="" type="checkbox"/>	Wildlife crossings
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Fence maintenance
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Fire Access-gates
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Drainage basins
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Habitat/Species management
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Brow ditches

City	HOA/HomeFed	Fanita Parkway Mast Boulevard to Ganley Road
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Traffic Signals- Lake Canyon Road and Ganley Road
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Pavement, curb and gutter
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Lights
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sidewalks per Public Works Standards
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Striping and signage
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Median Landscaping
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street drainage improvements
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Parkway Landscaping Improvements
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sound walls
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Tree wells for water quality
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Brow ditches at contact points
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Excess property outside of right-of-way west side
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Excess property outside of right-of-way east side
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Roadside Fuel Modification Zone -Irrigated

EXHIBIT G-3

Fanita Ranch Maintenance Obligations

City	HOA/HomeFed	<p align="center">Cuyamaca Street Mast Boulevard to El Nopal Street</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Traffic Signal - Beck Drive
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Striping and signage
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Median Landscaping
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Tree wells for water quality
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Potential street drainage improvements
		<p align="center">El Nopal to Chaparral Street</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Traffic Signals- El Nopal Street and Woodglen Vista Drive
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Striping and signage
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Median Landscaping
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Tree wells for water quality
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Potential street drainage improvements
		<p align="center">Chaparral Street to subdivision boundary</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Pavement, curb and gutter
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street Lights
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Striping and signage
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Median Landscaping
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Street drainage improvements
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Parkway Landscaping Improvements
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sidewalks per Public Works standards
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Brow ditches at contact points
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Slope landscape and irrigation outside of right-of-way west side, east side
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Various basins outside of right-of-way
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Storm Drain vaults in right-of-way
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Roadside Fuel Modification Zone -Irrigated

EXHIBIT G-4

EXHIBIT H

ESTIMATED IMPACT FEES

EXHIBIT H-1

Fanita Ranch Development Agreement
Estimated Development Impact Fees and Fee Credits
Based on Fees Effective July 1, 2020 - 2,949 Residential Units
(Actual Fees to be Based on Fees in Effect at Building Permit Issuance)

Traffic Mitigation Fee:			
SF Residential	1,203 units	\$3,896/unit	\$ 4,686,888
MF Residential	1,746 units	\$2,435/unit	4,251,510
Commercial	80,000 sq. ft.	\$8,326/1,000 sq. ft.	666,080
Total fees			<u>9,604,478</u>
Total credits			<u>-</u>
Net amount of fees to be paid			<u>\$ 9,604,478</u>
Traffic Signal Fee:			
SF Residential	1,203 units	\$402/unit	\$ 483,606
MF Residential	1,746 units	\$252/unit	439,992
Commercial	80,000 sq. ft.	\$1,343/1,000 sq. ft.	107,440
Total fees			<u>1,031,038</u>
Total credits			<u>-</u>
Net amount of fees to be paid			<u>\$ 1,031,038</u>
Park-in-Lieu Fee:			
SF Residential	1,203 units	\$8,334/unit	\$ 10,025,802
MF Residential	1,746 units	\$7,598/unit	13,266,108
Total fees			<u>23,291,910</u>
Credits for:			
Approx. 46 - 48 acres of completed parkland and recreational facilities			<u>(23,291,910)</u>
Total credits			<u>(23,291,910)</u>
Net amount of fees to be paid			<u><u>\$ -</u></u>
Public Facilities Fee:			
SF Residential	1,203 units	\$6,923/unit	\$ 8,328,369
MF Residential	1,746 units	\$6,243/unit	10,900,278
Total fees			<u>19,228,647</u>
Credits for:			
Community center and splash pad/play area (@ 33.3% of total fees)			<u>(6,409,549)</u>
Total credits			<u>(6,409,549)</u>
Net amount of fees to be paid			<u><u>\$ 12,819,098</u></u>

EXHIBIT H-2

Fanita Ranch Development Agreement
Estimated Development Impact Fees and Fee Credits
Based on Fees Effective July 1, 2020 - 2,949 Residential Units
(Actual Fees to be Based on Fees in Effect at Building Permit Issuance)

Regional Transportation Congestion Improvement Program Fee:			
SF Residential	1,203 units	\$2,583.82/unit	\$ 3,108,335
MF Residential	1,746 units	\$2,583.82/unit	<u>4,511,350</u>
Total fees			<u>7,619,685</u>
Total credits			<u>-</u>
Net amount of fees to be paid			<u>\$ 7,619,685</u>
Totals:			
Total fees			\$ 60,775,758
Total credits			<u>(29,701,459)</u>
Net amount of fees to be paid			<u>\$ 31,074,299</u>

EXHIBIT H-3

Fanita Ranch Development Agreement
Estimated Development Impact Fees and Fee Credits
Based on Fees Effective July 1, 2020 - 3,008 Residential Units
(Actual Fees to be Based on Fees in Effect at Building Permit Issuance)

Traffic Mitigation Fee:			
SF Residential	1,203 units	\$3,896/unit	\$ 4,686,888
MF Residential	1,805 units	\$2,435/unit	4,395,175
Commercial	80,000 sq. ft.	\$8,326/1,000 sq. ft.	666,080
Total fees			<u>9,748,143</u>
Total credits			<u>-</u>
Net amount of fees to be paid			<u>\$ 9,748,143</u>
Traffic Signal Fee:			
SF Residential	1,203 units	\$402/unit	\$ 483,606
MF Residential	1,805 units	\$252/unit	454,860
Commercial	80,000 sq. ft.	\$1,343/1,000 sq. ft.	107,440
Total fees			<u>1,045,906</u>
Total credits			<u>-</u>
Net amount of fees to be paid			<u>\$ 1,045,906</u>
Park-in-Lieu Fee:			
SF Residential	1,203 units	\$8,334/unit	\$ 10,025,802
MF Residential	1,805 units	\$7,598/unit	13,714,390
Total fees			<u>23,740,192</u>
Credits for:			
Approx. 46 - 48 acres of completed parkland and recreational facilities			<u>(23,740,192)</u>
Total credits			<u>(23,740,192)</u>
Net amount of fees to be paid			<u><u>\$ -</u></u>
Public Facilities Fee:			
SF Residential	1,203 units	\$6,923/unit	\$ 8,328,369
MF Residential	1,805 units	\$6,243/unit	11,268,615
Total fees			<u>19,596,984</u>
Credits for:			
Community center and splash pad/play area (@ 33.3% of total fees)			<u>(6,532,328)</u>
Total credits			<u>(6,532,328)</u>
Net amount of fees to be paid			<u><u>\$ 13,064,656</u></u>

EXHIBIT H-4

Fanita Ranch Development Agreement
Estimated Development Impact Fees and Fee Credits
Based on Fees Effective July 1, 2020 - 3,008 Residential Units
(Actual Fees to be Based on Fees in Effect at Building Permit Issuance)

Regional Transportation Congestion Improvement Program Fee:			
SF Residential	1,203 units	\$2,583.82/unit	\$ 3,108,335
MF Residential	1,805 units	\$2,583.82/unit	4,663,795
Total fees			<u>7,772,131</u>
Total credits			<u>-</u>
Net amount of fees to be paid			<u>\$ 7,772,131</u>
Totals:			
Total fees			\$ 61,903,356
Total credits			<u>(30,272,520)</u>
Net amount of fees to be paid			<u>\$ 31,630,836</u>

EXHIBIT H-5

EXHIBIT I

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT (“Assignment”) is made as of the ___ day of _____, 20__ (“**Effective Date**”), by and among the _____ (“**Owner**”) and _____ (“**Assignee**”) with reference to the following facts:

RECITALS

A. Owner has entered into that certain Development Agreement, dated _____, _____ by and between the City of _____ on the one hand, and _____ the other hand (“**Agreement**”) for certain real property consisting of approximately _____ acres of land located in the City, more particularly described in Exhibit “A” (“**Property**”).

B. Owner desires to assign and delegate, and Assignee desires to accept and assume, all of Owner’s rights and obligations under the Agreement in accordance with the terms and conditions set forth herein.

C. By signing this Assignment, the City approves the Assignment in accordance with the terms and conditions set forth herein and in the Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and Assignee do hereby agree as follows:

1. Assignment and Assumption. Effective as of the Effective Date, Owner hereby assigns, transfers, and conveys to Assignee all of Owner’s rights, interest, duties, liabilities, and obligations in, to, and under the Agreement, and Assignee hereby accepts and assumes all such rights, interests, duties, liabilities, and obligations under the Agreement from Owner for [the Property or a portion of the Property] (“Assigned Property”) [, except to the extent Owner has retained a portion of the Property (the “Retained Property”)].

2. City Consent to Assignment. Effective as of the Effective Date, City hereby consents to the Assignment and hereby fully releases and forever discharges Owner from any and all obligations to City under the Agreement for the Assigned Property, [except Owner’s obligations with respect to the Retained Property].

3. Entire Agreement. This Agreement represents the final and entire agreement between the parties in connection with the subject matter hereof, and may not be modified except by a written agreement signed by both Owner and Assignee.

4. Governing Law. This Agreement has been prepared, negotiated, and executed in, and shall be construed in accordance with, the laws of the State of California, without regard to conflict of law rules.

EXHIBIT I-1

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

Owner:

By: _____

Assignee:

By: _____

Name: _____

Its: _____

City:

City of _____ a _____

By: _____

Name: _____

Its: _____

EXHIBIT I-2