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August 26, 1999

Sammis Roseville Associates
c/o Sares Regis Group
1425 River Park Drive, #530
Sacramento, CA 95815
Attention: Randy Collins

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AUG 26 1999

PLANNING DEPARTMENT

DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF ROSEVILLE AND
SAMMIS ROSEVILLE ASSOCIATES RELATIVE TO THE NORTH ROSEVILLE
SPECIFIC PLAN PHASE II

At the meeting of June 2, 1999, the City Council adopted an Ordinance authorizing the City Manager to execute an agreement for the above. The agreement has now been signed and an executed copy of the agreement, along with a certified copy of the Ordinance, is enclosed. The original agreement has been sent to Placer County for recording. When it is returned, we will send you the recording information.

A certified copy of Ordinance No. 3357, rezoning the property, is also enclosed.

If you have any questions, please contact Senior Planner Chris Robles at 774-5276.

CAROLYN PARKINSON, CMC/AAE
CITY CLERK

by:

Elly Allen,
Deputy Clerk

cc: Attorney
Finance
Planning ✓
Wade & Associates



DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF ROSEVILLE AND
SAMMIS ROSEVILLE ASSOCIATES RELATIVE TO THE
NORTH ROSEVILLE SPECIFIC PLAN

Phase II

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**DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF ROSEVILLE AND
SAMMIS ROSEVILLE ASSOCIATES RELATIVE TO THE
NORTH ROSEVILLE SPECIFIC PLAN
Phase II**

This Development Agreement is entered into this 25th day of August, 1999, by and between the **CITY OF ROSEVILLE**, a municipal corporation, hereinafter "City", and **SAMMIS ROSEVILLE ASSOCIATES**, a California general partnership, hereinafter "Landowner", pursuant to the authority of Sections 5864 through 65869.5 of the Government Code of California.

Recitals

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

2. Property. The subject of this Agreement is the development of those certain parcels of land, consisting of approximately 492.6 acres located in the City of Roseville, County of Placer, as described in Exhibit "A-1" and shown on Exhibit "A-2" (hereinafter the "Property"), attached hereto and incorporated herein by this reference. Landowner represents that it owns the Property in fee and that all persons holding legal or equitable interests in the Property shall be bound by the Agreement.

3. Hearing. On April 15, 1999, the City Planning Commission, designated by Roseville Ordinance No. 3014 as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, in a duly noticed and conducted public hearing, considered this Agreement and recommended that the City Council approve this Agreement.

4. Environmental Impact Report. On August 6, 1997 the City Council, in Resolution 97-211, certified as adequate and complete the Final EIR (the "Plan EIR") for the North Roseville Specific Plan (the "Specific Plan"). On May 19, 1999, the City Council, in Resolution No. 99-183, certified as adequate and complete the Final Subsequent EIR (the "Subsequent EIR") for Phase II of the North Roseville Specific Plan. Mitigation measures were suggested in the Plan EIR and the Subsequent EIR and are incorporated to the extent feasible in the Specific Plan and in the terms and conditions of this Agreement, as reflected by the findings adopted by the City Council concurrently with this Agreement.

5. Entitlements. The City Council has approved the following land use entitlements for the Property, which entitlements are the subject of this Agreement:

5.1 The Roseville General Plan, as amended by Resolution No. 99-186 ;

5.2 The North Roseville Specific Plan and Design Guidelines, as adopted by Resolution No. 99-187 (the "Specific Plan")

5.3 The Rezoning of the Property pursuant to Ordinance No. 3357, dated June 2, 1999; and

5.4 This Development Agreement, as adopted by Ordinance No. 3359 (the "Adopting Ordinance").

The approvals described in paragraphs A through C, inclusive, are referred to herein as the "Entitlements."

6. General and Specific Plans. Development of the Property in accordance with the Entitlements and this Agreement will provide orderly growth and development of the area in accordance with the policies set forth in the General and Specific Plans. For purposes of the vesting protection granted by this Agreement, except as otherwise provided herein, the applicable law shall be as set forth in the Entitlements as of the date hereof.

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

8. Need for Services and Facilities. Development of the Property will result in a need for municipal services and facilities, which services and facilities will be provided by City to such development subject to the performance of Landowner's obligations hereunder.

9. Contribution to Costs of Facilities and Services. Landowner agrees to contribute to the costs of such public facilities and services as required herein to mitigate impacts on the community of the development of the Property, and City agrees to provide such public facilities and services to assure that Landowner may proceed with and complete development of the Property in accordance with the terms of this Agreement. City and Landowner recognize and agree that but for Landowner's contributions to mitigate the impacts arising as a result of development entitlements granted pursuant to this Agreement, City would not and could not approve the development of the Property as provided by this Agreement and that, but for City's covenant to provide the facilities and services necessary for development of the Property, Landowner would not and could not commit to provide the mitigation as provided by this Agreement. City's vesting of the right to develop the Property as provided herein is in reliance upon and in consideration of Landowner's agreement to make contributions toward the cost of

public improvements as herein provided to mitigate the impacts of development of the Property as such development occurs.

10. Development Agreement Ordinance. City and Landowner have taken all actions mandated by and fulfilled all requirements set forth in the Development Agreement Ordinance of the City of Roseville, Article V, Chapter 19.84 of Ordinance No. 3014 of the Roseville Municipal Code.

11. Consistency with General Plan and Specific Plan. Having duly examined and considered this Agreement and having held properly noticed public hearings hereon, the City finds and declares that this Agreement is consistent with the General Plan of the City of Roseville and with the Specific Plan.

1. AGREEMENT

SECTION 1: GENERAL PROVISIONS

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

1.2 Property Description and Binding Covenants. The Property is that property described in Exhibits "A-1" and "A-2". It is intended and determined that the provisions of this Agreement shall constitute covenants which shall run with the Property and the benefits and burdens hereof shall bind and inure to all successors in interest to and assigns of the parties hereto. Accordingly, all references herein to "Landowner" shall mean and refer to Sammis Roseville Associates and each and every subsequent purchaser or transferee of the Property or any portion thereof from Landowner.

1.3 Term.

1.3.1 Commencement; Expiration. The term of this Agreement shall commence upon the effective date of the Adopting Ordinance approving this Agreement and shall extend for a period of twenty (20) years thereafter, unless said term is terminated, modified or extended by circumstances set forth in this Agreement or by mutual consent of the parties hereto. Following the expiration of the term, this Agreement shall be deemed terminated and of no further force and effect; provided, however, said termination of the Agreement shall not affect any right or duty emanating from City entitlements on the Property approved concurrently with or subsequent to the approval of this Agreement.

1.3.2 Automatic Termination Upon Completion and Sale of Residential Unit. This Agreement shall automatically be terminated, without any further action by either party or need to record any additional document, with respect to any single-family residential lot within a parcel designated by the Specific Plan for residential use, upon completion of construction and issuance by the City of a final inspection for a dwelling unit upon such residential lot and

conveyance of such improved residential lot by Landowner to a bona-fide good-faith purchaser thereof. In connection with its issuance of a final inspection for such improved lot, City shall confirm that: (i) all improvements which are required to serve the lot, as determined by City, have been accepted by City; (ii) the lot is included within the Services District required by Section 3.16, or other financing mechanism acceptable to the City, to the extent required hereby; and (iii) if and to the extent applicable to such lot, an affordable purchase or rental housing agreement has been recorded on the lot. This termination of this Agreement for any such residential lot as provided for in this Section 1.3.2 shall not in any way be construed to terminate or modify any assessment district or Mello-Roos Community Facilities District lien affecting such lot at the time of termination.

1.3.3 Termination Upon Landowner Request. This Agreement may also be terminated, at the election of the then property owner, with respect to any legally subdivided parcel designated by the Specific Plan for residential or non-residential use (other than parcels designated for public use), when recording a final residential lot subdivision map for such parcel, or receiving a certificate of occupancy or final inspection, whichever is applicable, for a multi-family or non-residential building within such parcel, by giving written notice to City of its election to terminate the Agreement for such parcel, provided that: (i) all improvements which are required to serve the parcel, as determined by City, have been accepted by City; (ii) the parcel is included within the Services District required by Section 3.16, or other financing mechanism acceptable to the City, to the extent required hereby; and (iii) with respect to residential parcels, an affordable purchase or rental housing agreement, if required for such parcel pursuant to Section 2.6, has been recorded on the parcel. City shall cause any written notice of termination approved pursuant to this subsection to be recorded against the applicable parcel, at Landowner's expense, with the County Recorder.

1.4 Amendment of Agreement. This Agreement may be amended from time to time by mutual consent of City and Landowner (and/or any successor owner of any portion of the Property, to the extent subject to or affected by the proposed amendment), in accordance with the provisions of the Development Agreement Statute. If the proposed amendment affects less than the entire Property, then such amendment need only be approved by the owner(s) in fee of the portion(s) of the Property that is subject to or affected by such amendment. The parties acknowledge that under the City Zoning Code and applicable rules, regulations and policies of the City, the Planning Director has the discretion to approve minor modifications to approved land use entitlements without the requirement for a public hearing or approval by the City Council. Accordingly, the approval by the Planning Director of any minor modifications to the Entitlements which are consistent with this Agreement shall not constitute nor require an amendment to this Agreement to be effective.

1.5 Recordation. Except when this Agreement is automatically terminated due to the expiration of the Term or the provisions of Section 1.3.2 above, the City shall cause this Agreement, any amendment hereto and any other termination thereof to be recorded, at Landowner's expense, with the County Recorder within ten (10) days of the Agreement, amendment or termination becoming effective. Any amendment or termination of the

Agreement to be recorded that affects less than all the Property shall describe the portion thereof that is the subject of such amendment or termination.

SECTION 2: DEVELOPMENT OF THE PROPERTY

2.1 Permitted Uses. The permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings, provisions for reservation or dedication of land for public purposes, and location of public improvements, and other terms and conditions of development applicable to the Property shall be those set forth in the Entitlements and this Agreement.

2.2 Vested Entitlements. Subject to the provisions and conditions of this Agreement, City agrees that City is granting, and grants herewith, a fully vested entitlement and right to develop the Property in accordance with the terms and conditions of this Agreement and the Entitlements. City acknowledges that the Entitlements include the following land uses and approximate acreages for the Property:

Single-Family, Low Density Residential	1,318 units on 285.6 acres;
Single-Family, Medium Density Residential	140 units on 20.0 acres;
Multi-Family, High Density Residential	446 units on 23.7 acres;
Multi-Family, Sr/Hndcp/Disabld	110 units on 7.9 acres;
Community Commercial	15.6 acres;
Public/Quasi Public	
(Schools) (Fire Station) (Church) (Well Site)	29.6 acres;
Other Public (ROW)	26.4 acres;
Park	15.7 acres; and
Open Space	68.1 acres.

all as set forth in Exhibit "B-1." Such uses shall be developed in accordance with the Entitlements, as such Entitlements provide on the effective date of this Agreement. Landowner's vested right to proceed with the development of the Property shall be subject to subsequent approvals, provided that any conditions, terms, restrictions and requirements for such subsequent approvals shall not prevent development of the Property for the uses, or reduce the density and intensity of development, or limit the rate or timing of development set forth in this Agreement, so long as Landowner is not in default under this Agreement.

2.3 Densities and Density Transfer. The number of residential dwelling units planned for the parcels within a Neighborhood of the Specific Plan may be transferred between such parcels, subject to compliance with the conditions for such transfer as set forth in the Specific Plan.

2.4 Rules, Regulations and Official Policies.

2.4.1 Inconsistency. To the extent any future rules, ordinances, regulations or policies applicable to development of the Property are inconsistent with the permitted uses, density and intensity of use, rate or timing of construction, maximum building height and size, or provisions for reservation and dedication of land under the Entitlements as provided in this Agreement, the terms of the Entitlements and this Agreement shall prevail, unless the parties mutually agree to alter this Agreement. To the extent any future rules, ordinances, fees, regulations or policies applicable to development of the Property are not inconsistent with the permitted uses, density and intensity of use, rate or timing of construction, maximum building height and size, or provisions for reservation or dedication of land under the Entitlements or under any other terms of this Agreement, such rules, ordinances, fees, regulations or policies shall be applicable.

2.4.2 Application of Changes. This section shall not preclude the application to development of the Property of changes in City laws, regulations, plans or policies, the terms of which are specifically mandated and required by changes in State or Federal laws or regulations. To the extent that such changes in City laws, regulations, plans or policies prevent, delay or preclude compliance with one or more provisions of this Agreement, City and Landowner shall take such action as may be required pursuant to Section 4.1 of this Agreement to comply therewith.

2.4.3 Authority of City. This section shall not be construed to limit the authority or obligation of City to hold necessary public hearings, or to limit discretion of City or any of its officers or officials with regard to rules, regulations, ordinances, laws and entitlements of use which require the exercise of discretion by City or any of its officers or officials, provided that subsequent discretionary actions shall not prevent or delay development of the Property for the uses and to the density and intensity of development as provided by the Entitlements and this Agreement, in effect as of the effective date of this Agreement.

2.5 City Fees, Taxes and Assessments

2.5.1 Processing Fees and Charges. Landowner shall pay those processing, inspection and plan checking fees and charges required by City under then current regulations for processing applications and requests for permits, approvals and other actions, and monitoring compliance with any permits issued or approvals granted or the performance of any conditions with respect thereto or any performance required of Landowner hereunder.

2.5.2 Public Financing Limited to Specific Funding Mechanisms and Fees. This Agreement includes specific construction, funding and reimbursement obligations of Landowner and specific obligations to participate in a community facilities district(s) or a similar financing district to fund the acquisition and construction of specific facilities and the maintenance of certain improvements. Landowner's obligation with respect to the participation of the Property in any funding mechanisms to support the construction of any other public facilities and improvements or the provision of public services in relation to development of the Property shall be to pay City fees related to the construction and provision of such public facilities authorized by ordinance to be collected by City as of the effective date of this

Agreement as such fees may be adjusted from time to time in accordance with applicable law, or such other fees as may be duly adopted in the future by City from time to time in accordance with applicable law; provided, however, Landowner's obligation to pay future City fees is limited to those fees adopted on a City-wide basis or which apply uniformly to all properties within the City of Roseville which are zoned consistent with Landowner's zoning as set forth in the Entitlements, or which apply uniformly to all properties which are similarly situated, whether by geographic location, drainage sheds or other distinguishing circumstances.

2.6 Affordable Housing. Consistent with the goals and policies contained in City's General Plan and the Specific Plan, and subject to the terms of this Agreement, Landowner shall develop or cause ten percent (10%) of the total residential units which are actually constructed within its Property to be developed as affordable housing. In accordance with the terms of this section and subject to adjustment based on actual development, the goal is to provide 46 units affordable for purchase to middle-income households, and 155 units affordable for rent to low-income households.. Any adjustment based on actual development shall be subject to the approval of the Housing Director.

The terms "very low income" means households earning less than fifty percent (50%) of median income, "low income" means households earning fifty-one percent (51%) to eighty percent (80%) of median income, and "middle income" means households earning eighty-one percent (81%) to one hundred percent (100%) of median income. Median income and allowable assets shall be determined in accordance with the General Plan Housing Element, the Specific Plan, and City policy.

2.6.1 Affordable Purchase Residential Units. Landowner agrees that 46 residential units will be reserved within Parcel WW-14 as detached and/or attached single-family residential units affordable to purchasers in middle-income households. Such units shall be distributed throughout the applicable Parcels.

2.6.1.1 Agreement. Prior to the approval of each final residential lot subdivision map within a Parcel designated to provide affordable purchase opportunities, the parties shall enter into City's then current form Affordable Purchase Housing Development Agreement (or other form as required by the City) for the residential purchase units affordable to middle-income households.

2.6.1.2 Content. The Affordable Purchase Housing Development Agreements shall, for each such residential lot subdivision, set forth, among other things, the distribution of the relevant number of said affordable housing units within the subdivision, Landowner's obligations for marketing the affordable units, and sharing of appreciation (if any) of the affordable unit's value. No City subsidies will be required to be made available to provide residential purchase units affordable to middle-income households.

Notwithstanding any provisions of the City's then current Affordable Purchase Housing Development Agreement to the contrary, the Affordable Purchase Housing Development Agreements shall provide that:

a) Middle-income affordable purchase units shall be marketed to middle-income households for a minimum of ten (10) days from the date Landowner commences marketing of the subdivision in which such affordable units are located. If not sold to middle-income households within that period, the units may be sold as market price units.

Any affordable purchase units remaining unsold after the required marketing periods as middle-income units which are later sold as market units shall nonetheless be credited against Landowner's affordable purchase housing obligation.

c) The Landowner may develop the affordable purchase units with fewer amenities than the market rate units, however, the affordable purchase units shall utilize the same or similar materials as the market rate units on the exterior.

d) Landowner's obligation to provide affordable purchase units may be moved and may be satisfied by the provision of affordable purchase units elsewhere within the applicable subdivision, or within other residential Parcels within the Neighborhood, or within residential Parcels within other Neighborhoods of the Specific Plan, subject to the Housing Director's approval.

e) For purposes of making housing opportunities affordable, Landowner agrees that it shall use its best efforts to sell such affordable purchase units to qualifying middle-income households as required by this Agreement. Such best efforts shall include, without limitation, special advertising prior to the release of the affordable purchase units for sale indicating the availability thereof to middle-income households, and maintenance of a waiting list of middle-income households seeking housing opportunities in Landowner's development(s), notification of such persons (and any such households provided by the Housing and Redevelopment Manager for the City) prior to any release of affordable purchase units, and the pre-release, by at least one day, of such affordable purchase units to such notified households.

Within three (3) working days of execution of a contract of sale of an affordable purchase unit to a qualifying middle-income household, Landowner shall notify the Housing and Redevelopment Manager in writing of such sale and provide information verifying such qualification as middle-income.

2.6.1.3 No City Subsidies. Landowner agrees to provide all of the middle-income affordable purchase units without any subsidy from the City.

2.6.1.4 Transfer of Obligation. At the request of Landowner, the affordable purchase housing obligation (or any portion thereof) for Parcel WW-14 may be transferred, with the consent of City, to another parcel (the Transferee Parcel) within said Parcel's Neighborhood of the Specific Plan or within another Neighborhood of the Specific Plan. No such transfer shall require an amendment to this Agreement, but City and Landowner shall

execute an instrument memorializing such transfer of obligation which shall be recorded against the affected Parcels, with reference to this Agreement.

2.6.2 Multi-Family Affordable Rental Units.

2.6.2.1 Affordable Obligation. Landowner agrees that 45 residential units will be reserved within Parcel WW-16, 110 residential units will be reserved within Parcel WW-17 for rental to low-income households.

2.6.2.2 Transfer/Satisfaction of Obligation. At the request of Landowner, the affordable rental housing obligation (or any portion thereof) for a Parcel may be transferred, with the consent of City, to another parcel (the Transferee Parcel) within said Parcel's Neighborhood of the Specific Plan or within another Neighborhood of the Specific Plan. No such transfer shall require an amendment to this Agreement, but City and Landowner shall execute an instrument memorializing such transfer of obligation which shall be recorded against the affected Parcels, with reference to this Agreement.

City further agrees that Landowner may, at its option, reduce and/or satisfy this obligation to provide affordable rental units within Parcels WW-16 and WW-17 through the construction and sale of other residential units elsewhere in the Property to qualified low-income households, earning less than 80% of median income. The marketing and sale of any such alternative affordable units shall be separate and distinct from Landowner's obligation to provide affordable purchase units in accordance with the provisions of Section 2.6.1 above, provided the marketing and sale of such units shall be subject to the approval of the Housing Director. For each such sale of an alternative affordable unit, Landowner's obligation to provide affordable rental units on Parcels WW-16 or WW-17, or any Transferee Parcel thereof, shall be reduced by a corresponding one (1) unit.

2.6.2.3 Compensation by City. City shall compensate Landowner or its successors for two-thirds (2/3) of the net present value (discounted at a reasonable rate of interest) of the loss of rental revenue that would be expected to accrue over the thirty (30) year period that such units are reserved. Such compensation (hereafter "subsidy" or "subsidies") shall be made in cash, by fee reduction, by density bonus or any other form agreeable to the Landowner and City. Within sixty (60) days after Landowner or a successor applies for a design review permit with respect to Parcels WW-16 or WW-17, City shall specify the range of incomes to be served at time of occupancy and identify or provide funding for subsidies. If City cannot provide the necessary funding on such Parcel, City may identify within said sixty- (60) day period a source of funding for subsidies for the affordable units applicable to such Parcel. Landowner shall join City in any application prepared by City for Federal, State, local or private funding for such identified subsidies and Landowner shall use its best efforts to cooperate with City to obtain approval thereof. City and Landowner agree that the pursuit or approval of such application shall not result in any adverse economic or financial impact on Landowner or Parcel WW-16 or WW-17. If subsidies are not identified by the City within said sixty- (60) day period, or if identified, if such subsidies are not made available within nine (9) months following application for the design review permit, then the requirement to provide the low-income

affordable units shall terminate or shall be reduced or deferred to a level or for a period for which City can provide funding within the foregoing time periods.

If and to the extent subsidies are made available timely, then prior to issuance of a building permit for a structure on such parcel, City and Landowner shall enter into an Affordable Rental Housing Development Agreement with Landowner or its successor giving effect to the intent of this section. If City has agreed to provide funding and the project subsequently does not proceed because application has not been made by Landowner for a building permit or Landowner fails to construct the units, City shall be entitled to reimbursement for any losses or penalties incurred pursuant to assembling the necessary funding or subsidies for affordable housing for such parcel.

2.6.3 Not a Limitation. Nothing in the foregoing Section 2.6 shall be construed to limit Landowner from offering units for rental to households of very low incomes or to households of low or middle incomes in excess of the number of units specified.

2.6.4 In Lieu Fee. With the consent of the City, or in the event an in-lieu affordable housing fee is adopted by the City, Landowner shall be permitted to satisfy all or a portion of its affordable housing obligations hereunder through payment of such fee.

2.7 Wetland Compensation Areas and Open Space Buffers. Landowner has previously obtained from the U. S. Army Corps of Engineers (the "Army Corps") a Permit to fill wetlands in conjunction with development of property known as Woodcreek Oaks in the Northwest Roseville Specific Plan, a condition of which required compensation for such impacts within the Property. The area within the Property required for such compensation is described by Parcel WW-82, and shall be referred to as the "Wetland Compensation Areas. Open Space Buffers (the "Buffers") are required to protect the Wetland Compensation Areas from adjacent urban development. The Buffers are to provide an area outside the Wetland Compensation Areas to create firebreaks and to allow bike trails. The Buffers are described by Parcels WW-84 and WW-85. The Wetland Compensation Area and Open Space Buffers are generally shown on Exhibit "B" attached hereto.

Landowner has obtained Permit #199500177 from the Army Corps (the "404 Permit") to fill wetlands on the Property. Landowner does not anticipate any further Army Corps requirements for compensation for impacts to environmental habitat within the Property in connection with development thereof as all compensatory wetland mitigation obligations are expected to occur at another location or at an approved wetland mitigation bank.

Landowner is in the process of attempting to amend the 404 Permit to allow the development of a bike trail in the Open Space Buffer as generally shown on Exhibit "C" attached hereto. Landowner shall keep the City reasonably informed regarding its progress of obtaining approval of such amendment to the 404 Permit from applicable governmental agencies and such approval shall be obtained, with conditions satisfactory to the City, prior to the recordation of the first residential lot subdivision map within the Property. If any significant modifications occur to the 404 Permit during or as a result of approval of such amendment,

which conflict, in any material manner, with the Entitlements related thereto, the proposal shall be resubmitted to City for review.

Upon formation of the Services District (provided for in Section 3.16) or establishment of an appropriate endowment funding mechanism to maintain the Wetland Compensation Areas and Open Space Buffers and upon recordation of the first residential lot subdivision map within the Property, Landowner shall convey to the City and City shall accept the Parcels comprising the Wetland Compensation Area and Open Space Buffers, provided that the Wetland Compensation Area and Open Space Buffers containing any bike trail section to be improved by Landowner shall not be conveyed or accepted until the applicable bike trail improvements have been completed and accepted by City or the construction thereof has been secured to the satisfaction of City. Prior to the City's acceptance of such Parcels, all restrictions imposed thereon by the 404 Permit shall be subject to the review and approval of the City, which shall not be unreasonably withheld, and Landowner shall have completed any improvements thereto that are required by the 404 Permit (e.g. fencing of areas).

2.7.1 Maintenance by Landowner. Landowner shall be solely responsible for satisfying all monitoring, reporting and, at the expense of the Services District or endowment fund, maintenance requirements under the 404 Permit, as amended pursuant to Section 2.7.1 during the remaining and any extended monitoring period, as determined by the Corps, for such Wetland Compensation Area. Furthermore, during said monitoring period, Landowner shall indemnify, defend and hold City harmless from any and all costs, liabilities or damages for which the City is held responsible or alleged to be responsible under the 404 Permit, as amended, which arise out of or relate to any failure of Landowner to satisfy such monitoring requirements, excluding any such failure caused by the active negligence of City or any employees, agents or contractors thereof. City acknowledges and agrees that any proposed use or improvement of the Wetland Compensation Area will be subject to the provisions of the 404 Permit, as amended. Landowner shall use its best efforts to obtain all amendments to the 404 Permit which are or may be required in order to install the improvements specified in this Agreement in the Wetland Compensation Area.

SECTION 3: LANDOWNER OBLIGATIONS

3.1 Development, Connection and Mitigation Fees. Except as otherwise provided herein, any and all required payments of development, connection or mitigation fees by Landowner shall be made at the time and in the amount specified by then applicable City ordinances, either in effect as of the date of this Agreement subject to adjustment, or as may subsequently be adopted, in accordance with the provisions of Section 2.5.2 above. Wherever this Agreement obligates "Landowner" to design, construct or install any improvements, the cost thereof may be provided by Landowner or by the CFD or other such financing mechanism, subject to and in accordance with the provisions thereof.

3.2 Parks and Open Space. Landowner shall dedicate to City certain park and open space lands, pay fees for construction for park improvements and, construct park improvements, all as set forth herein

3.2.1 Dedications. Landowner shall dedicate a total of 84.0 acres including both active and passive use park acres. The dedications of park acreage are shown on **Exhibit "B"**. The dedications of open space shall be made at the same time as Landowner dedicates the Wetland Compensation Area pursuant to Section 2.7 above provided open space that includes any bike trail section to be improved by Landowner shall not be dedicated until the applicable bike trail improvements have been completed by Landowner and accepted by the City or the construction thereof has otherwise been secured to the satisfaction of the City. Upon request of City, Landowner shall dedicate the park site or sites within the Property included in such request, provided the large-lot subdivision map for the Property dividing said park site(s) from the Property has then been recorded.

3.2.2 Financing for Parks. The construction of the park sites and bike trails within Phase II of the Plan Area shall be financed from CFD financing and the City's neighborhood and citywide park fees as provided herein. Landowner agrees to pay such fees, as, when and in the amounts required thereby.

Furthermore, Landowner agrees to fund its share of the Phase II advances of (i) \$1.5 million for the Mahany Park Community Center (the "Community Center Advance") and (ii) \$500,000 for Mahany Park Little League improvements (the "Little League Advance"). Landowner's share of such advances shall be (i) \$1,201,419 and (ii) \$400,473, respectively. Landowner's share of the Community Center Advance shall be due on June 30, 2000 and its share of the Little League Advance shall be due upon the first sale of CFD bonds secured by the Property, but in no event later than December 31, 1999. Landowner's share of the Little League Advance shall be included in the CFD and its share of the Community Center Advance may be included, at Landowner's option, in the CFD; in either case, if Landowner is obligated to fund its share of an Advance(s) in cash prior to the issuance of the first bond sale for the Property, then Landowner shall have the right to be reimbursed from the CFD for such cash advance upon the later CFD bond sale. If Landowner elects not to include its share of the Community Center Advance within the CFD, then Landowner shall provide alternative security acceptable to the City for its share of such Advance prior to its recordation of the first residential-lot subdivision map within the Property. City agrees that such security may consist of an assignment from Landowner to the City, in form acceptable to the City, of Landowner's right to receive such amount from the purchase price for the school site under Landowner's agreement to sell such site with the Dry Creek School District. Landowner's funding of its share of the Community Center Advance shall be creditable against the Citywide Park Fee, in accordance with Section 4.2 below.

3.2.3 Construction of Bike Trail Improvements. Landowner shall design, secure necessary permits and construct certain bike trail improvements within the Property, subject to and in accordance with the following provisions.

3.2.3.1 Landowner shall install certain sections of the bike trail and landscaping within the power line corridor consistent with the Design Guidelines as and when it develops certain Parcels within the Property. The sections of the bike trail and associated landscaping to be installed upon development of such Parcels are generally shown on **Exhibit "C."**

3.2.3.2 The applicable bike trail sections shall be constructed and improved according to an off-street bike trail master plan for the Property to be prepared by Landowner and approved by the City. The master plan shall connect those Parcels within the Property outside the bike trail corridor with the bike trails in the locations generally shown on **Exhibit "C."** The bike trails shall be designed in accordance with the City's design standards for such off-street bike trails, including Construction Standard Details CST LS-20 and CST LS-24 of the City's Construction Standards, and the master plan shall be similar in scope and content to the master plan prepared for Phase I of the North Roseville Specific Plan and shall include detailed drawings for the sections of the bike trail to be constructed by the Landowner within the non-Park Parcels. Landowner shall be responsible for all costs associated with the approval of the master plan, including the costs of preparing the required plans and drawings securing an amendment to the 404 Permit, if necessary, and obtaining all other required permits. Such master plan shall be completed by Landowner and approved by City prior to approval of the first final residential-lot subdivision map for any Parcel that includes a section of the off-street bike trail.

3.2.3.3 Landowner shall proceed with and complete the construction of the bike trail improvements required by the approved master plan at the same time as it installs and completes the subdivision improvements for the lots adjacent to the bike trail for the applicable Parcel. Landowner or its successor, whoever constructs such improvements, shall be reimbursed from the neighborhood park fee in accordance with Section 3.2.6 below, provided bike trail construction costs are built into said neighborhood park fee.

3.2.3.4 Upon completion of any bike trail improvements by Landowner, City shall accept the dedication of the bike trail and the open space parcel upon which the bike trail is located and assume the ownership and maintenance thereof, provided the cost of such maintenance shall be funded by the Services District described in Section 3.16 below.

3.2.4 Frontage Improvements. When installing road improvements adjacent to a park site, Landowner shall construct the frontage improvements therefor (excluding landscaping and sidewalks) and stub utilities for the park site, subject to direction from the City on the location of such utility stubs.

3.2.5 Park Fee and Reimbursement. In accordance with the park financing plan, the parties acknowledge and agree that (i) the neighborhood park fee required to finance the park improvements within the Plan Area would be \$1,662 per single-family residential unit, \$1,108 per multi-family residential unit and \$945 per senior residential unit within the Property, (ii) Landowner's agreement to install the park frontage improvements for the park sites generates a per-unit credit of \$140 per single-family residential unit, \$93 per multi-family residential unit

and \$80 per senior residential unit within the Property, and (iii) therefore, the neighborhood park fee, net of credit, shall initially be as follows, subject to annual adjustment based on any change in the Engineering News Record, Construction Cost Index for the United States, 20-city average (or comparable replacement index; hereafter, the "ENR Construction Cost Index"):

\$1,522 per single-family residential unit;
\$1,015 per multi-family residential unit; and
\$865 per senior residential unit within the Property.

In consideration of Landowner's design and installation of the bike trail improvements pursuant to Section 3.2.3, unless the costs of such improvements are reimbursed by the CFD, Landowner or its successor, whoever installs such improvements, shall be reimbursed from the neighborhood park fee an amount equal to the actual cost incurred by the installing party therefor, as reasonably approved by the City, or the amount budgeted for such improvements by the park financing plan, whichever is less. Such reimbursement shall be paid by the City in accordance with Section 4.2.2 below.

3.2.6 Entire Park Land Obligation. The City agrees that the provisions of the Specific Plan and the commitments contained herein satisfy the General Plan park obligations for the dedication of neighborhood/community and City-wide parks and open space related to development of the Property.

3.3 School Fee Agreements. Landowner has entered into separate written agreements with the Dry Creek School District and the Roseville Joint Union High School District to mitigate the impacts of development of the Property on said school districts. From and after execution thereof, City agrees that so long as Landowner is not in default of said agreements, City shall not refrain from approving any subdivision maps or other such entitlements for the Property or from issuing any building permits for development thereof consistent with the Entitlements on the basis of adverse impacts of such development on school facilities. Landowner agrees that a default under either of these school agreements shall also constitute a default under this Agreement with the City. Either School District may request that the City join in its agreement with Landowner to evidence the City's support thereof and the City will cooperate therewith and join in either school agreement as an additional party thereto, subject to its approval of the terms and conditions thereof.

3.4 Electric. Landowner shall provide electric utility improvements as provided in this section.

3.4.1 Public Utilities Within Rights-of-Way. All public utilities shall be located within the rights-of-way to be granted by Landowner to City for the arterials, collectors and other local streets within the Property or within public easements granted by Landowner to City for such purposes. Accordingly, upon approval of the final large lot subdivision map (or any phase of it), or demand of the City based upon service needs (which may include needs generated by other development within the Plan Area), whichever occurs first, Landowner agrees to grant and convey to City the rights-of-way for any arterials, collectors, local streets or

public easements that include the area within which such public utilities will be located. If such utilities need to be installed prior to the construction of the applicable street(s), Landowner shall grant a temporary public utility easement which shall merge with the rights-of-way upon completion of the applicable street improvements. The width of the rights-of-way, including the area for utilities, for the applicable roadways shall be as shown in the Specific Plan.

Landowner shall also grant and convey to City with each of the foregoing roadway easements a non-exclusive, co-extensive easement for sidewalk/pedestrian egress purposes. Each such easement shall be as depicted in the Specific Plan and shall be located within right-of-way for the adjacent roadway as shown in the Plan.

Nothing in this Agreement shall be construed to limit or restrict the right of the City to require the dedication of an easement for utility purposes related to development of any parcel when such requirement would be otherwise consistent with the reasonable exercise of the police powers of the City and is reasonably related to a requirement to serve the parcel or parcels adjacent to the easement.

The entire DKV along Junction?

3.4.2 On-Site Electric Utility Improvements. Concurrently with the construction of the adjacent roadways, Landowner agrees to construct, or finance the construction of on-site electric distribution facilities required to provide electric service to the Property as directed by the Electric Utility Director as shown on **Exhibit "D"** attached hereto. The parties agree that **Exhibit "D"** is conceptual and preliminary in nature and that Landowner will construct or finance construction of electric distribution facilities in accordance with final on-site electric distribution designs for the Property as directed by the Electric Utility Director in accordance with applicable City of Roseville Electric Utility Department Specifications for such construction. Final on-site electric utility improvements including street lights, will be designed upon receipt of approved and adopted improvement plans for the applicable Plan Area roadways.

3.4.3 Streetlights. Concurrently with the construction of the adjacent roadways, Landowner agrees to construct, or finance construction of streetlights within the Property, as directed by the Electric Utility Director. For the portions of Fiddymet Road within the Plan Area and the portion of Baseline Road adjacent to county property, the streetlights shall be constructed to the same specifications and spaced in the same manner as the streetlighting installed along Fiddymet Road adjacent to the Del Webb project. Except as may otherwise be permitted by the Electric Utility Director, no street shall be opened to the public unless and until streetlights have been installed in accordance with the Specific Plan and applicable requirements of the Electric Department.

3.4.4 Power Purchase Agreement. Landowner shall purchase electric power for all non-residential uses within the Property from City of Roseville Electric for a period of five (5) years from the date of issuance of the final occupancy permit for the first permanent structure constructed in the Property, or until January 1, 2006, whichever occurs first. City will provide electric power at rates that are competitive with market rates in the industry as a whole for the delivery of power to the Property. City may at any time waive this requirement with respect to any Parcel within the Property, which waiver shall not require an amendment to this Agreement.

3.4.5 Electrical Efficiency. In order to balance conservation efforts with energy supplies, residential air conditioning units shall have a Seasonal Energy Efficiency Ratio (SEER) of 2 points above minimum as defined in Federal Regulations (10 Code of Federal Regulations Section 430.2 (1991)) adopted by the State of California in Title 24 of the Code of California Regulations. The SEER rating will be specified on building plans and Title 24 compliance certificates at the time building permits are requested. As of the date of this Agreement, the applicable standards would require an increase of SEER Rating from 10 to 12. This increase may be utilized in the overall energy compliance calculations required for the issuance of a building permit for a residential unit.

3.5 Drainage Improvements. Landowner shall provide drainage improvements as provided in this section.

3.5.1 Master Drainage Plan. Prior to approval of any improvement plans for subdivision improvements for Landowner's Property, Landowner shall prepare a Master Drainage Impact Study for its on-site drainage facilities to the satisfaction of the City Engineer. The Master Drainage Impact Study shall identify the size, location and timing of all major drainage facilities proposed for the Property relative to drainage impacts and shall be accompanied by all supporting technical information and calculations.

3.5.2 Other Agency Approval. Prior to the approval of the Master Drainage Impact Study or issuance of any building permit or grading permit, Landowner shall obtain, at its expense, all permits and agreements as required by other agencies having jurisdiction over drainage, water quality or wetlands issues including, but not limited to, the Regional Water Quality Control Board ("RWQCB"), the U.S. Army Corps of Engineers and the California Department of Fish and Game.

Landowner shall prepare and implement a Storm Water Pollution and Prevention Plan (SWP3), and shall construct and maintain Best Management Practices (BMPs) as required by law, the SWP3 and as approved by the RWQCB, concurrently with construction of any improvements. Landowner shall obtain a permit from the RWQCB for the General Construction Storm Water Permit Compliance Program, as required by law, prior to the start of any construction, including grading.

3.5.3 Storm Drains. Landowner shall construct storm drain mains, laterals, and detention facilities in accordance with said Master Drainage Plan and with the City's then current improvement standards and shall provide laterals to serve all parcels on the Property, including, but not limited to, commercial, multi-family, church, fire station, and park sites. Storm drain laterals shall be constructed to the property line concurrently with the construction of connecting open channels or storm drain mains. Landowner may use "cast in place" pipe for storm drains which are 24" in diameter or larger. The detention basins will be located within the park sites as shown on **Exhibit "B-1"** as approved in the Master Drainage Plan.


Prior to the issuance of a building permit for any building within the Property, excluding permits for model homes, the detention basin improvements identified by the Master Drainage Plan for the drainage shed within which such building will be constructed shall be completed. The detention basin improvements within the park sites shall be maintained by the Services District described in Section 3.16 below, until the City commences construction of any park improvements therein.

3.5.4 Grant of Floodplain. Subject to the provisions of 3.2.3.D, Landowner shall, prior to approval of the final large lot subdivision map for the Property, grant to City, in fee, all areas of the Property within the 100-year floodplain, as determined by the City Engineer.

3.5.5 Drainage Easements. Where drainage improvements to be owned and maintained by City are to be constructed by Landowner and are not located within road rights-of-way, as and when Landowner installs such drainage improvements, Landowner shall grant and City shall accept a non-exclusive public utility easement for the ownership and maintenance of such lines, together with access thereto for maintenance purposes only. Easement widths shall be granted in accordance with the City's then current Improvement Standards.

3.6 Water System Improvements. Landowner shall provide improvements to the potable water system as provided in this section.

3.6.1 Water Study. Prior to approval of any improvement plans for any improvements for Landowner's Property, Landowner shall prepare a Water Study for its on-site water facilities, to the satisfaction of the Environmental Utilities Director. The general design of the water system is shown on **Exhibit "F"** hereto, provided the Water Study shall identify the size and locations of the water lines, pressure reducing stations and flow monitoring stations, as well as the timing of such improvements, required to serve the Property relative to water demands and shall be accompanied by all supporting technical information and calculations.

 3.6.2 Financing of Water Supply. Landowner shall have no obligation to install or pay for the installation of any off-site water storage, treatment or transmission facilities, except through the payment of water connection fees levied and collected by the City at the time of development pursuant to then existing City ordinances. Provided, however, City shall not be precluded hereby from imposing on future development within the Property a pro-rata "fair share" special benefit area water connection fee which is specifically developed and adopted to pay for improvements associated with the oversizing of the water transmission system that serve development of the Property.

3.6.3 On-site Water Lines. Landowner shall provide on-site improvements to the water system in increments as shown on **Exhibits "E-2," "E-4," "E-5," "E-6" and "F,"** and as provided in the approved Water Study. All improvements to be constructed by Landowner, including mains, pressure reducing stations, and flow monitoring stations, shall be designed and constructed pursuant to the City's then current Improvement Standards. Said improvements shall be subject to City plan review, construction inspection and final approval.

Landowner shall pay current plan check and inspection costs as incurred by City for review and inspection of such improvements.

3.6.4 Water System Sequencing. Except as may otherwise be provided herein or in the approved Water Study, Initial Water Improvements as shown on Exhibit "E-2" shall consist of twelve-inch (12") water lines in Junction Boulevard, Baseline Road, School Street, Collector M, a portion of Fiddymment Road, and the portion of Collector K to be constructed with the Initial Road Improvements (Exhibit "E-3"). The remaining water improvement increments shall be constructed prior to the issuance of building permits (excluding permits for model homes) within the applicable Parcels, where such increments are identified as required to serve such Parcels, as shown in Exhibits "E-4," "E-5" and "E-6" or as provided in the approved Water Study. In any event, water lines to be located within particular roadways shall be installed concurrent with the installation of the corresponding road improvements, if not installed prior thereto.

With respect to the water lines to be installed in Baseline Road between the eastern edge of the property boundary and Junction Boulevard ("Segment 1") and Junction Boulevard and Fiddymment Road ("Segment 2"), Landowner acknowledges that the City is negotiating with Placer County Water Agency (PCWA) to provide funds for oversizing the Segment 1 waterline from a 12" to a 24" water line and for constructing Segment 2 and in both cases, any ancillary appurtenances such as stubs, pressure reducing valves and metering facilities. Landowner agrees that it will be responsible for forty-one percent (41%) of the cost of design, permitting, construction staking, construction and construction management of the Segment 1 oversizing. City will participate through reimbursement from PCWA, in fifty-nine percent (59%) of the Segment 1 waterline oversizing and in one hundred percent (100%) of the Segment 2 waterline. Such cost shall include a construction management fee of four percent (4%) of the apportioned share of the hard construction cost. City will enter into an agreement with PCWA for reimbursement of costs for said lines. PCWA will reimburse the City for its participation in pipeline construction and Landowner shall be paid in accordance with Section 4.2.2 below.

However, City, in consultation with PCWA shall have the right to review bid prices obtained by Landowner for the Segment 1 and Segment 2 waterlines. Should bid prices not be acceptable to the City, the Landowner shall proceed with construction of a 12" water line in lieu of either or both of said waterlines as mutually agreed with the City. In the event one or both of the waterlines are not oversized, provisions shall be made to allow the City to construct a future extension to the 24" waterline. Said extension shall be on the south side of Baseline Road to the satisfaction of City. Further, should one or both of the waterlines not be upsized, the City shall pay for all actual engineering costs associated with the design of the upsized lines and for design and construction costs of improvements required for future pipeline extensions and shall reimburse Landowner within sixty (60) days after notice that PCWA it elects not to upsize the lines.

Should City and PCWA not enter into an agreement prior to the time the CFD bonds for the Plan Area improvements are issued and sold, the Landowners may proceed with the design and

construction of the 12" waterline in Baseline Road and shall have no further obligation to participate in or cooperate with any oversizing or expansion of such line.

If PCWA or other entity or person (such as Dry Creek Placer CFD #1) installs the 24" waterline within Baseline Road, or any portion thereof, prior to Landowner's development of the Property, then Landowner shall pay its twenty-five percent (25%) share thereof from available funds in the CFD, subject to the applicable standards for such payments from the CFD (including adequate documentation of expenses and completion of the improvements).

Extensions into the neighborhoods will be completed with development of each neighborhood. Water lines shall be sequenced to assure looped systems in all developing areas, except as otherwise approved by the Environmental Utilities Director.

3.6.5 Public Utility Easements. Where the water improvements to be constructed by Landowner are not located within road rights-of-way, as and when Landowner installs such water improvements, Landowner shall grant and City shall accept a non-exclusive public utility easement for the ownership and maintenance of such lines, together with access thereto for maintenance purposes only. Easement widths shall be granted in accordance with the City's then current Improvement Standards.

3.6.6 Water Softeners. No water softeners shall be used within the Property except for those approved by the Environmental Utilities Director. Property CC&Rs, if recorded, shall include this prohibition.

3.6.7 Well Site. Landowner shall, within thirty (30) days after request of City, dedicate a well site to City at the general location shown on Exhibit "F" hereto. The precise location shall be as approved by the Environmental Utilities Director, but shall be accessible for construction, maintenance and operation purposes, with a minimum of one hundred (100) feet separation from waterways and not in areas irrigated with recycled water. Said well site shall be a minimum of six thousand five hundred (6,500) square feet.

3.7 Recycled Water. Landowner shall provide improvements to the City's recycled water system as provided in this section.

3.7.1 Recycled Water Improvements. City intends to use recycled water for irrigation of parks within the Property, as generally shown on Exhibit "G". Landowner shall construct as part of the Initial Improvements and dedicate upon completion thereof, a recycled water line extension from the City's backbone system to Parcels 50 and 51 within the Property as shown on Exhibit "B-1", with stubs into such parcels, as generally shown on Exhibit "G." Such lines shall be sized as required to serve the park sites located on Parcels 50 and 51, as determined by Environmental Utilities. The recycled water line shall be designed so that, until recycled water is available, such water line will convey potable water. Landowner shall include in its Neighborhood Park Fee the cost of designing and installing a booster pump station for each park site that will generally consist of a wet well to boost either recycled water or potable water. Potable water will be supplied to parks in addition to the recycled water line. Until such time as

recycled water is available, the booster pump station will pump potable water. When recycled water is supplied to the recycled water line, the booster pump station will pump recycled water with the potable supply as the backup. Landowner shall not be charged any connection or hook-up fee when such improvements are connected and brought on-line for service to such park sites, whether with potable or recycled water. Landowner shall include \$7,500 in the CFD for the City to use to prepare a reclaimed water engineering report for submission to appropriate state agencies and to obtain any necessary permits relating to the use of recycled water for the park sites.

3.7.2 Improvement Standards. All recycled water system improvements shall be designed and constructed pursuant to City's then current Improvement Standards and shall be subject to City plan review, construction, inspection and final approval. This shall apply to transmission, distribution and irrigation systems. Landowner shall pay then current plan check and inspection costs as incurred by City for review and inspection of such improvements. Landowner shall provide booster pumps on the transmission system if determined by the Environmental Utilities Director to be necessary to serve the Property.

3.7.3 Public Utility Easements. Where the recycled water improvements are not located within road rights-of-way, as and when such recycled water improvements are installed, Landowner shall grant and City shall accept a non-exclusive public utility easement for the ownership and maintenance of such lines, together with access thereto for maintenance purposes only. Easement widths shall be granted in accordance with the City's then current improvement standards.

3.8 Sewer Improvements. Landowner shall provide on-site improvements to the sewer system as described in this Section.

3.8.1 Master Wastewater Plan. Prior to approval of any improvement plans for any improvements for Landowner's Property, Landowner shall prepare a Wastewater Study for its on-site wastewater facilities and the improvements, if any, off-site to Pump Station No. 5 necessary to serve the Property on an interim basis, pending completion of the Pleasant Grove trunk line and treatment plant, all to the satisfaction of the Environmental Utilities Director. The general design of the wastewater system is shown on **Exhibit "H"** hereto, provided the Wastewater Study shall identify the size of the wastewater lines and on-site sewer lift station, as well as the timing of such improvements, required to serve the Property relative to wastewater demands and shall be accompanied by all supporting technical information and calculations. For purposes of determining the level of improvements, if any, to Pump Station No. 5, such study shall consider the estimated time for completion of the permanent facility (approximately three to four years) and the estimated absorption of the development of the Property.

Except for the improvements expressly described in the approved Wastewater Study, Landowner shall have no obligation to install or pay for the installation of any off-site treatment or transmission facilities, except through the payment of sewer connection fees levied and collected by City at the time of development pursuant to then existing City ordinances.

3.8.2 Improvement Standards. All sanitary sewer improvements shall be designed and constructed pursuant to City's then current Improvement Standards and shall be subject to City plan review, construction inspection and final approval. Landowner shall pay then current plan check and inspection costs as incurred by City for review and inspection of such improvements. All sewer system improvements shall minimize the generation of hydrogen sulfide, and include protection from hydrogen sulfide corrosion.

3.8.3 Access to Manholes. All manholes shall be located so that they are accessible by City sewer maintenance vehicles, unless otherwise approved by the Environmental Utilities Director.

3.8.4 Public Utility Easements. Landowner shall be solely responsible for obtaining all easements and rights-of-way located outside of the Property that are required for the construction of the improvements identified by the Sewer Plan. City shall provide Landowner with any rights-of-entry needed to connect these improvements to the City's existing lines. Where the wastewater improvements to be constructed by Landowner are not located within road rights-of-way, as and when Landowner installs such wastewater improvements, Landowner shall grant and City shall accept a non-exclusive public utility easement for the ownership and maintenance of such lines, together with access thereto for maintenance purposes only. Easement widths shall be granted in accordance with the City's then current Improvement Standards.

3.8.5 Sequencing of Wastewater Improvements. Wastewater improvements shall be installed with the Initial Improvements as provided in the approved Wastewater Study. Subject to the City's approval of the final Wastewater Study, the wastewater improvements required prior to the issuance of building permits (excluding permits for model homes) for Parcels within the Property shall be as shown on **Exhibit "E-1."** Any other sewer improvements identified by the Wastewater Study, that are required to serve a portion of the Property, but not required as part of the Initial Improvements, shall be completed prior to the issuance of a building permit for any building within such portion, excluding permits for model homes, as generally shown on **Exhibits "E-4" through "E-6."** In any event, wastewater lines to be located within particular roadways shall be installed concurrent with the installation of the corresponding road improvements, if not installed prior thereto.

3.9 Road Improvements. Landowner, at its expense, shall provide the following road improvements in the manner and at the time as provided in this section.

3.9.1 Landowner Obligations. Landowner's obligation for roadway improvements shall consist of the construction of curb, gutter, sidewalk, utilities, streetlights and the first eighteen feet (18') of pavement therefrom (including, but not limited to, asphalt, concrete, aggregate base and aggregate sub-base) for the portion of the road rights-of-way adjacent to the Property, and any additional pavement widening at intersections to accommodate turn lanes and bus turnouts (including the approaches to intersections of Fiddymment Road and Baseline Road, Junction Boulevard and Baseline Road, and Fiddymment Road and Pleasant Grove Boulevard, and separate lanes for each turning movement), all grading, drainage laterals and

inlets, cross culverts and bridges, except the portions thereof that are interior to the street and extend beyond eighteen feet (18=) from the edge of the pavement, traffic signing and striping, underground portions of traffic signals and signal interconnects in conjunction with joint trench work along all arterial roadways and at other locations deemed necessary by the City Engineer (collectively, "frontage improvements"). The area within which such frontage improvements are to be located shall be referred to herein as "Landowner's frontage."

Where there are streets adjacent to open space, Landowner shall be responsible for full street improvements. Such improvements shall include sidewalks and landscaping adjacent to open space to the extent allowed by federal and state regulatory agencies in the case of the Wetland Compensation Areas.

As to any road improvements to be constructed by Landowner hereunder, Landowner shall have the responsibility of securing all state and federal permits necessary for such construction.

3.9.2 Junction Boulevard.

3.9.2.1 Landowner shall dedicate all necessary right-of-way and shall construct the frontage improvements, plus two (2) center lanes (20 feet of additional pavement) and a fourteen- (14) foot wide landscape median for the portion of Junction Boulevard located within the Property. In addition, Landowner shall construct sidewalk and landscaping on Parcels WW-86 and 87. The required right-of-way and curb and gutter location shall be as shown in the Specific Plan.

3.9.2.2 Landowner shall be entitled to Traffic Mitigation Fee (TMF) credits for the center two (2) lanes (20 feet of pavement) for Junction Boulevard as provided in Section 4.2 hereof.

3.9.3 Pleasant Grove Boulevard.

3.9.3.1 Landowner shall dedicate all necessary right-of-way and shall construct the southerly frontage improvements, plus one additional travel lane (10 feet of additional pavement) and one-half of the landscape median along Landowner's frontage for the portion of Pleasant Grove Boulevard between Fiddymont Road and Sun City Boulevard. The required right-of-way and curb and gutter location shall be as shown in the Specific Plan. Landowner shall construct sidewalk and landscaping on Parcel WW-72.

3.9.3.2 Landowner shall be entitled to TMF credits for the additional one lane (10 feet of pavement) for Pleasant Grove Boulevard as provided in Section 4.2 hereof.

3.9.4 Baseline Road.

3.9.4.1 Landowner shall dedicate all necessary right-of-way and shall construct the frontage improvements for Baseline Road along Landowner's frontage along the southern boundary of the Property. The required right-of-way and curb and gutter location shall be as shown in the Specific Plan. The Landowner shall construct sidewalk and landscaping on Parcel WW-89, as required by the City.

3.9.4.2 Landowner shall be entitled to TMF credits for the center lanes (24 feet) of pavement, which is beyond the standard frontage improvements on the portion of Baseline Road between its new intersection with Junction Boulevard and the southerly boundary of Landowner's property as provided in Section 4.2 hereof.

3.9.5 Fiddymment Road.

3.9.5.1 Landowner shall dedicate to the County of Placer all necessary right-of-way and shall construct the frontage improvements plus fourteen (14) additional feet of pavement for Fiddymment Road along Landowner's frontage (and along the City's substation site frontage, subject to the City's dedication of any necessary right-of-way therefor) from the intersection of Fiddymment and Baseline Roads to the intersection of Fiddymment Road and Pleasant Grove Boulevard, inclusive of the full intersection improvements required for the intersection of Fiddymment and Baseline Roads. The required right-of-way and curb and gutter location shall be as shown in the Specific Plan. Landowner acknowledges that the additional right-of-way shall consist of an approximately six foot (6') wide strip along the western boundary of the Property for curb, gutter and approximately 3' of pavement, plus right-of-way that may be necessary for transitions. Landowner shall construct sidewalk and landscaping, to the extent such landscaping is allowed by the 404 Permit, on Parcels WW-82 and WW-85.

3.9.5.2 Landowner shall not be entitled to any credit or reimbursement from City for any of the foregoing improvements to Fiddymment Road, provided the CFD may acquire such improvements. In consideration of Landowner's waiver of any such additional right to reimbursement, City acknowledges and agrees that Landowner shall not have any responsibility for the cost of any landscaped median in Fiddymment Road and that no CFD funds shall be reserved or used to pay for any such landscaped median.

3.9.6 Collector Streets and Traffic Signals.

3.9.6.1 To provide access to the Property, Landowner shall construct curb, gutter, pavement, streetlights, utilities, entry medians and ancillary improvements related thereto as shown in the Entitlements for those roadways identified in Exhibit "I" attached hereto (the "Collector Streets") located within the Property. Landowner shall not be entitled to any credit or reimbursement from City for constructing such improvements, provided the CFD may acquire such improvements. Landowner shall construct sidewalk and landscaping on all open space parcels which abut a collector street, including Parcel WW-83.

3.9.6.2 Landowner shall install traffic signals at the intersection of Junction Boulevard and Baseline Road, and at the intersection of Fiddymont and Baseline Roads, and at the intersection of Junction Boulevard and School Street (the minor residential street which serves the elementary school site) at the time Landowner installs improvements to such roads as provided herein. The design of such signals shall be approved by City. Landowner shall receive credits therefor as provided in Section 4.2.1.

3.9.7 Timing of Road Improvements.

3.9.7.1 Landowner shall construct the road improvements described herein in increments, as shown on Exhibits "E-3," "E-4," "E-5" and "E-6" hereto.

3.9.7.2 Upon recordation of either the Large Lot Map for the Property or a residential-lot subdivision map for any portion of the Property, whichever occurs first, Landowner shall dedicate the rights-of-way within the Property required for the improvements described in Sections 3.9.2, 3.9.3, 3.9.4, 3.9.5 and 3.9.6, as such right-of-way is shown in the Specific Plan. *- done?*

3.9.7.3 The Road Improvements described in the above Sections 3.9.2, 3.9.3 and 3.9.4 and the full intersection improvements for the intersection of Baseline and Fiddymont Roads described in Section 3.9.5.A, shall be part of the Initial Road Improvements as shown on Exhibit "E-3."

3.9.7.4 Landowner shall complete construction of the Fiddymont Road improvements described in Section 3.9.5 above and related utilities prior to the issuance of either (i) the first building permit within Parcel WW-2, WW-3, WW-16 or WW-40, as shown on Exhibit "E-6," excluding permits for model homes, or (ii) the building permit for the one thousandth (1,000th) residential unit within the Property, whichever occurs first. Provided, however, in any event, Landowner shall submit plans for such improvements for plan checking no later than January 1, 2005 and shall commence construction of such improvements, subject to approval thereof by the City, no later than June 1, 2005.

Landowner shall post an improvement bond in favor of the City for the design and construction of such improvements upon recordation of the first large lot subdivision map for the Property. Such bond may be replaced by a substitute improvement bond acceptable to the City, in the amount of the original bond, from an assignee of Landowner who acquires Parcel(s) WW-2, WW-3, WW-16 and/or WW-40 thereof, and who assumes the obligations of Landowner pursuant to Article II below. City shall not be obligated to accept any proposed substitute bond that is less than the amount of the bond posted by Landowner. Upon the City's receipt of an acceptable substitute bond, the previously posted improvement bond shall be released and returned to Landowner.

3.9.7.5 Landowner shall complete construction of the portions of the Collectors to be financed by the CFD, as shown on Exhibit E-3," prior to the issuance of the first residential building permit, excluding permits for model homes, within the Property.

Landowner shall complete construction of the balance of Collector K prior to the issuance of the first building permit, excluding permits for model homes, for either Parcel WW-5 or WW-8, as shown on Exhibit "E-4" hereto. In addition, Landowner shall complete construction of the portion of Collector K and related utilities to the southern boundary of Parcel WW-13 prior to the issuance of the first building permit, excluding permits for model homes, within Parcel WW-13.

Landowner shall construct Collector J, widen Fiddymment Road to accommodate a south-bound left turn lane onto Collector J and construct the segment of the road from Collector J to School Street (if and to the extent not then constructed), prior to the issuance of the first building permit, excluding permits for model homes, for either Parcel WW-1 or WW-16, as shown on Exhibit "E-5" hereto.

3.9.7.6 Sidewalks and landscaping to be installed within the road rights-of-way within the Property shall be installed concurrently with the subdivision improvements for any adjacent single-family residential-lot subdivision. In the case of multi-family or non-residential development, sidewalks and landscaping to be installed adjacent thereto within the applicable easement area and landscape setback shall be installed concurrently with construction of the subject building(s), unless, at the discretion of City, Landowner enters into a Deferred Improvement Agreement with City, in which case said Deferred Improvement Agreement shall provide for the timing of such installation. Sidewalks and landscaping shall be installed within the rights-of-way for open space parcels concurrently with corresponding road improvements.

3.9.8 Road Improvement Standards. All improvements to be installed by Landowner shall comply with the City's then current standards for public streets. The rights-of-way required for such road improvements shall be as set forth in the Specific Plan, or, if not shown in the Specific Plan, then as set forth in the City's Improvement Standards.

3.9.9 Landscape Setbacks. For the roadways within and/or adjacent to the Property, Landowner shall establish the applicable landscape setbacks provided therefor by the Specific Plan and/or Design Guidelines. Such setbacks shall be measured generally from back of curb, except along intersections where bus turnouts, turn lanes, and other similar facilities may encroach into the landscape setback to the extent permitted by the North Roseville Specific Plan Design Guidelines. Such landscape setbacks shall be limited to landscaping, streetlights, utilities, sidewalks, soundwalls and related uses, and shall be included in the right-of-way, as set forth in the Specific Plan.

3.9.10 Traffic Signals. Except as provided in Section 3.9.6.B, Landowner shall have no obligation to install or pay for the installation of any traffic signals within or adjacent to the Property, except through payment of the Traffic Mitigation Fee levied and collected by the City at the time of development pursuant to then existing City ordinances. Notwithstanding the foregoing, Landowner shall install or pay for any portion of a traffic signal installed to service a private drive into an adjacent parcel and Landowner shall install conduit and sleeves as part of

the road improvements at applicable intersections for subsequent installation of traffic signals, as required by City.

3.9.11 Cirby-Riverside. Landowner agrees to fund its share of the Phase II advance of \$300,000 for improvements to the Cirby-Riverside intersection (the "Cirby-Riverside Advance"). Landowner's share of such advance shall be \$244,889. Landowner's share of the Cirby-Riverside Advance shall be due upon the first sale of CFD bonds secured by the Property, but in no event later than December 31, 1999, and shall be included for financing by the CFD. If Landowner is obligated to fund its share of such Advance in cash prior to the issuance of the first bond sale for the Property, then Landowner shall have the right to be reimbursed from the CFD for such cash advance upon the later CFD bond sale.

3.9.12 Update of City Fee Programs. City will amend its current Traffic Mitigation Fee (Roseville Municipal Code Chapter 4.44) Ordinance (the "Fee Ordinance") so as to apply to and include all the Property. The cost for this update shall be borne by Landowner. City shall use its best efforts to complete this fee update within one (1) year of the effective date of this Agreement. The City currently estimates that the amended fee will be approximately the same as those charged in the North Industrial Roseville Plan Area ("North Industrial"). Upon amendment, Landowner agrees to pay such fee at the time of building permit issuance. Furthermore, Landowner agrees that until such time as City amends the Fee Ordinance to include the Property, the provisions thereof (as the same exist or may hereafter be amended) applicable to North Industrial shall apply to the Property and Landowner shall pay such fee (hereinafter the "Interim Fee") in the amount and at the time specified in the Fee Ordinance. If Landowner pays the Interim Fee prior to amendment of the Fee Ordinance, and if the Interim Fee exceeds the fee that would otherwise have been adopted for the Property, then the excess amount collected from payment of such Interim Fee shall be applied to reduce the fee to be adopted for the balance of the Property. If the Interim Fee is less than the fee that is ultimately adopted for the Property, then the total amount of the shortfall shall be added as a surcharge to such fee on a per-unit basis.

Landowner agrees that the Property will be included in the assessment district formed pursuant to the Bizz Johnson Highway Interchange Joint Powers Authority (the "JPA") for the purposes of constructing interchanges along Highway 65 at Harding Boulevard/Stanford Ranch Road, Pleasant Grove Boulevard, Blue Oaks Boulevard and Sunset Boulevard. Landowner waives herewith any objection and consents to and will cooperate with City in the inclusion of the Property within such district.

Landowner shall bear those costs of updating the JPA Fee program to include the Property. It is estimated that the updated fee will be approximately the same as that charged in the Northwest Roseville Specific Plan Area ("Northwest Roseville"). Upon amendment, Landowner agrees to pay such fee at the time specified therefor. Furthermore, Landowner agrees that until such time as the JPA Fee program is amended to include the Property, the provisions thereof (as the same exist or may hereafter by amended) applicable to Northwest Roseville shall apply to the Property and Landowner shall pay such fees (hereinafter the "Interim JPA Fee") in the amounts and at the times specified in the JPA Fee program. If Landowner pays

the Interim JPA Fee prior to amendment of the JPA Fee program, and if the Interim JPA Fee exceeds the fee that is ultimately adopted for the Property, then the excess amount collected from payment of such Interim JPA Fee shall be applied to reduce the JPA Fee to be adopted for the balance of the Property. If the interim JPA Fee is less than the JPA Fee that is ultimately adopted for the Property, then the total amount of the shortfall shall be added as a surcharge to such fee on a per-unit basis.

Nothing in this section shall be construed as an agreement to an allocation of assessment or benefit to a particular parcel or parcels or to constitute a waiver of the right of Landowner to protest an allocation of a particular assessment burden or benefit associated with the updates of the foregoing fee programs.

3.9.13 Light Rail Funding. Landowner consents to and agrees that the Property shall participate in its fair share of a city-wide funding mechanism for the extension and operation costs of light rail into the City of Roseville.

3.9.14 Master Plan Funding. Landowner consents to and agrees that the Property shall participate in its fair share of city-wide funding mechanisms for the updates of the City's Bikeway Master Plan and Long Range Transit Master Plan.

3.9.15 Transportation Systems Management. Landowner and its successors shall comply with the City's Transportation Systems Management Ordinance.

3.10 Miscellaneous Public Facilities and Services.

3.10.1 Fire Station Site. Landowner acknowledges that development of the Property in accordance with the Specific Plan will create a need for an additional fire station site within the area. Accordingly, Landowner shall dedicate to the City, without charge to the City, the fire station site shown as Parcel WW-72 on Exhibit "B-1." Such dedication shall be made upon the recordation of the large lot subdivision map for the Property.

3.10.2 Fire Tax. During the term of this Agreement, Landowner or its successors shall continue to pay the Fire Service Construction Tax set forth at Chapter 4.46 of the Roseville Municipal Code.

3.10.3 County-Wide Facilities Fee. Landowner and City intend that Landowner will pay the pending County-wide Facilities Impact Fee, in accordance with the provisions of Sections 2.4.1 and 2.5.2 above, if and when adopted by the City.

3.11 Liens, Encumbrances, Covenants, Conditions and Restrictions. Except as approved by the City or provided for by this Agreement, all property to be conveyed in fee to the City pursuant to this Agreement shall be free of any liens, financial encumbrances, special taxes, hazardous materials or assessments, provided the City's interest shall be subject to the application of the Project CC&Rs to the extent the conditions, covenants and restrictions thereof implement the provisions of the Specific Plan or this Agreement with respect to such interest and

provided further, Wetland Compensation Areas shall be subject to deed restrictions applicable thereto, subject to the review and approval of such restrictions by the City, which approval shall not be unreasonably withheld. In addition, Parcels WW-50, WW-51 and WW-72 (as shown on Exhibit "B-1") to be conveyed hereunder to the City shall be free of wetlands. Prior to any such conveyance by Landowner, Landowner shall be responsible at its sole cost and expense to fill any wetlands located on the applicable Parcels to be conveyed in accordance with the terms and conditions of the 404 Permit, as may be amended pursuant to Section 2.7 above.

Landowner shall, for each such conveyance, provide to City at Landowner's expense a current preliminary title report and preliminary site assessment for hazardous waste in a form approved by the City Attorney. Any policy of title insurance required by City shall be at City's expense.

3.12 EIR Mitigation Measures. Notwithstanding any other provision in this Agreement to the contrary, as and when Landowner elects to develop the Property, Landowner shall be bound by, and shall perform, all mitigation measures contained in the Plan EIR and Subsequent EIR related to such development which are adopted by the City and are identified in the mitigation monitoring plan or the Plan EIR and/or Subsequent EIR as being a responsibility of Landowner.

3.13 Waiver. In consideration of the benefits received pursuant to this Agreement, Landowner, on behalf of itself and its heirs, successors in interests and assigns, waives any and all causes of action which it might have under the ordinances of the City of Roseville or the laws of the State of California or the United States with regard to any otherwise uncompensated or undercompensated conveyance or dedication of land or easements over the Property or improvements that are specifically provided for in this Agreement. This waiver shall not apply to any conveyances or dedications of land or easements that are not specifically contained in this Agreement and are subsequently desired by the City.

3.14 Community Facilities District and Financing.

3.14.1 Community Facilities District.

3.14.1.1 City and Landowner agree that City and Landowner will use their best efforts to cause to be formed for the purpose of financing the acquisition or construction of the improvements or facilities described in Exhibit "J," attached hereto (the ACFD Improvements), and Landowner waives any objection to the formation of, a Community Facilities District (herein "CFD") pursuant to the provisions of this Section 3.14 and Section 53311 et seq. of the Government Code. City and Landowner agree that the CFD shall include all the property shown on the Specific Plan as Parcels WW-1 through WW-17, inclusive, Parcels WW-40 and 41, and Parcel WW-71, and Parcel WW-73.

3.14.1.2 City and Landowner agree that, with the consent of Landowner and to the extent permitted by law, City shall use its best efforts to cause bonds to be

issued in amounts sufficient to effect the purposes of this section. Landowner shall be allocated Landowner's share of infrastructure costs and shall be assessed special taxes in a fair and proportionate manner in accordance with the financing plan for the Specific Plan.

3.14.1.3 Nothing in this section shall be construed to preclude the payment by an owner of any of the Parcels to be included within the CFD a cash amount equivalent to its proportionate share of costs for the CFD Improvements, or any portion thereof, prior to the issuance of bonds.

3.14.1.4 Concurrent with the formation of the CFD, Landowner and City shall enter into a shortfall agreement, in form and substance acceptable to City, whereby Landowner shall covenant to finance its fair share of the costs of the CFD Improvements, to the extent that the bonds issued by the CFD do not provide sufficient funding for the completion of such Improvements. Said shortfall agreement shall generally be in the form of the shortfall agreement used by the City for North Roseville Specific Plan Phase I CFD.

3.14.2 Effect of CFD Financing on Credits and Reimbursements. Wherever the terms of this Agreement provide for (a) credits or (b) reimbursements to Landowner in consideration of the construction of certain improvements, if and where those improvements are financed by the CFD, then (a) any credits associated therewith shall be allocated to and run with the Parcels within the CFD in the manner agreed upon by City and Landowner, and (b) any reimbursements associated therewith shall be paid to the CFD.

3.15 Completion of Improvements. City generally requires that all improvements necessary to service new development be completed prior to issuance of building permits (except model home permits as may be provided by the City's Subdivision Ordinance). However, the parties hereto acknowledge that all of the CFD Improvements associated with the development of the Property (or as otherwise required herein) may not need to be completed to adequately service portions of the Property as such development occurs. Therefore, as and when portions of the Property are developed, all improvements required to service such portion of the Property in accordance with the terms of this Agreement and the Entitlements (e.g., pursuant to specific tentative map conditions or other land use approvals) shall be completed prior to issuance of any building permits within such portion of the Property (except permits for model homes, which may be issued sooner in accordance with the City's subdivision ordinance). Provided, however, the City Engineer may approve the issuance of building permits prior to completion of all of such CFD Improvements if the improvements necessary to provide adequate service to the portion of the Property being developed are substantially complete to the satisfaction of the City Engineer.

Landowner further acknowledges that all utilities to be installed by Landowner pursuant to Sections 3.5, 3.6, 3.7 and 3.8 will be subject to the review and approval of the City Environmental Utilities Department. In connection therewith, Landowner shall be responsible for coordinating the alignment of all such planned and future utilities within the applicable rights-of-way to the satisfaction of the City Environmental Utilities Department.

3.16 Services District.

3.16.1 Formation.

3.16.1.1 Consent, Waiver and Special Benefit. No residential building permit, excluding permits for model homes, shall be issued until the formation of the Services District set forth below. The Services District also shall be formed prior to the completion and dedication of the first bike trail improvement pursuant to Section 3.2.3.D hereof. Landowner consents to and shall cooperate in forming a separate Mello-Roos Community Facilities District or other such financing mechanism for maintenance purposes, or shall support the inclusion of such maintenance authority as part of the CFD (herein the "Services District"), and consents herewith to the levy of such special taxes as are necessary to fund the maintenance obligations described in Section 3.16.2 below. The special tax shall be allocated between the parcels within the Plan Area in accordance with the financing plan for the Specific Plan. For purposes of Article XIII D of the California Constitution, Landowner acknowledges hereby that all the services described herein to be provided by the Services District will provide a "special benefit" to the Property as defined by said Article and that the foregoing support and consent shall apply as to any claim that any portion of the services supported by the special tax does not provide special benefit to the Property.

3.16.1.2 Public Parcel Exclusion. Landowner expressly agrees that Parcels conveyed or to be conveyed to the City of Roseville or the school site parcel (but not the administration site) to be conveyed to the Dry Creek School District shall be excluded from any assessment to be imposed by the Services District.

3.16.2 Obligations. The Services District formed pursuant to Section 3.16.1 shall:

3.16.2.1 provide a mechanism for the perpetual maintenance of (i) one-half of the medians and the scenic corridor contiguous to those portions of Pleasant Grove Boulevard within and adjacent to the Property, (ii) medians and scenic corridor contiguous to and on both sides of those portions of Junction Boulevard within and adjacent to the Property and (iii) the median, if any, within the portion of Baseline Road from its intersection with Fiddymont Road to its intersection with Junction Boulevard and the median within the portion of Baseline Road from its intersection with Junction Boulevard to the southern boundary of the Property, and (iv) scenic corridors contiguous to those portions of Baseline Road and Fiddymont Road within and adjacent to the Property;

3.16.2.2 perform autumn leaf cleanup for collector and local streets;

3.16.2.3 maintain all public pedestrian or bicycle pathways which connect single-family residential parcels to roadways, schools and park sites, to the extent that such pathways are not within or adjacent to public streets or within improved park sites;

3.16.2.4 maintain all public open space areas within the Property, other than improved park sites inclusive of landscaping within the power line corridor, as such maintenance is more particularly described in the adopted Design Guidelines for the Property. Such maintenance shall include the maintenance of the stormwater detention basins to be located within the park sites, until the City commences construction of park improvements therein;

3.16.2.5 maintain all the Wetland Compensation Areas, including buffer areas related thereto, in accordance with the Specific Plan, provided however, the costs arising out of or associated with compliance with Landowner's 404 Permit shall be assessed exclusively upon the Property and not upon any other landowner's property within the District. In lieu of the Services District maintenance of the Wetland Compensation Areas, if requested by Landowner, City agrees that an endowment fund will be created in order to fund the perpetual maintenance, monitoring and reporting requirements for the Wetland Compensation Areas. If Landowner requests the City to create such a fund, Landowner shall consent to City's imposition and collection of an "environmental endowment fee" to be assessed exclusively upon the Property in an amount per residential lot to be agreed upon with the City, payable at the time an application for a building permit is filed with the City. City shall deposit all such fees so collected into a specially designated account in order to fund an endowment for the perpetual maintenance, monitoring and reporting costs of the Wetland Compensation Areas. The endowment may only be used for the cost of maintenance, monitoring and reporting for the Wetland Compensation Areas as required by the 404 Permit and all amendments thereto. Prior to the time when the environmental endowment fees have been collected from all residential lots within the Property, the Services District will assume the costs of monitoring, reporting and maintaining the Wetland Compensation Areas in accordance with the requirements of the 404 Permit and all amendments thereto;

3.16.2.6 maintain City and neighborhood entry features to the Property and ancillary landscaping;

3.16.2.7 conduct, manage and finance the environmental mitigation monitoring, and the annual review thereof, as required by the mitigation monitoring plan related to the Plan EIR; and

3.16.2.8 maintain the street trees in the Landscape setbacks described in Section 3.9.5.A adjacent to single family parcels.

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

SECTION 4: CITY OBLIGATIONS

4.1 City Cooperation. The City agrees to cooperate with Landowner in securing all permits which may be required by City. In the event State or Federal laws or regulations enacted after this Agreement has been executed, or action of any governmental jurisdiction, prevent, delay or preclude compliance with one or more provisions of this Agreement, or require changes in plans, maps or permits approved by City, the parties agree that the provisions of this Agreement shall be modified, extended or suspended as may be necessary to comply with such State and Federal laws or regulations or the regulations of other governmental jurisdictions. Each party agrees to extend to the other its prompt and reasonable cooperation in so modifying this Agreement or approved plans.

4.2 Credits and Reimbursements. Landowner will, pursuant to this Agreement, be financing construction of certain improvements which would otherwise be paid for by the City or other parties and which serve other properties or which would be financed by existing City fees. City and Landowner agree that, in consideration of the financing of such improvements by Landowner, and only where this Agreement explicitly so provides, Landowner shall be entitled to credits and reimbursement as follows:

4.2.1 Credits Against Fees. Landowner shall receive the following fee credits:

4.2.1.1 Citywide Park Fee. In consideration of Landowner's covenant to fund its share of the Community Center Advance pursuant to Section 3.2.2, Landowner shall receive credits against the Citywide Park Fee equal to Landowner's share of such Advance. Such fee credits shall be spread uniformly to the units within the Plan Area on the same basis used to allocate the Citywide Park Fee to residential uses within the Property. Landowner shall receive no credits for funding its share of the Little League Advance described in said Section 3.2.2.

4.2.1.2 Traffic Mitigation Fee. In consideration of Landowner's covenant to fund its share of the Cirby-Riverside Advance pursuant to Section 3.9.9 and to include the financing therefor in the CFD, Landowner shall receive credits against the City's Traffic Mitigation Fee equal to Landowner's share of such Advance.

Landowner shall also receive credits against the City's Traffic Mitigation Fee for the cost of creditable improvements as described in Sections 3.9.2, 3.9.3, 3.9.4 and 3.9.6.B hereof, as and when such improvements are completed by Landowner and accepted by the City. Such fee credits shall be spread uniformly throughout the Property on the same dwelling unit equivalent (DUE) basis used to allocate the Traffic Mitigation Fee to the uses within the Property. Provided, however, if the County or other benefitting landowners contribute to the cost of such creditable improvements and/or reimburse Landowner for such costs, as more particularly described in Sections 4.2.2 and 4.2.3 below, then the credit shall be reduced by the amount of such contribution and/or reimbursement made by such other parties.

4.2.2 Participation/Reimbursement By City. The parties agree that Landowner shall not be entitled to any reimbursement from the City for the construction of any public improvements required by this Agreement except as explicitly provided by the agreement.

In consideration of the construction by Landowner or its successor of the bike trail improvements in accordance with Section 3.2.3 above, except to the extent reimbursed by the CFD for such improvements, the installing party shall be reimbursed from the neighborhood park fee in the amount described in Section 3.2.6 above for such improvement. For purposes of funding such reimbursement, the City shall reserve Ten Percent (10%) of every payment of the neighborhood park fee within Phase II of the Plan Area. Such reimbursement shall be due upon approval by the City of the construction costs incurred by the installing party, acceptance of the improvement by the City and completion of the dedication of the improvement and the underlying property from the installing party to the City, provided the payment of such reimbursement shall be limited to the funds available for bike trails. To the extent such funds are not sufficient to pay the reimbursement in full, the outstanding balance thereof shall be paid on a quarterly basis (January 1, April 1, July 1 and October 1) from any additional funds, until paid in full, on a first-installed, first-reimbursed basis.

If the City timely obtains the funding to cause Landowner to expand the size of the Baseline Road waterline pursuant to Section 3.6.4 above, City shall reimburse Landowner for its share of the cost thereof as provided therein.

4.2.3 Reimbursement by Third Parties. Except where Landowner is entitled to credits pursuant to Section 4.2.1 hereof, in the case of public road improvements which abut and/or serve property owned by third persons, including the signal improvements to be installed at the intersection of Baseline and Fiddymment Roads, and other public improvements which are oversized to benefit property owned by third persons, Landowner shall be entitled to receive a reimbursement from the benefited property's owner (and not the City) for the pro rata cost of the improvements which exceed Landowner's obligation. Reimbursement may be provided directly from the owner abutting such improvements, from another governmental agency, or from a community facilities district or any such other infrastructure financing district if such a district is formed by or includes such properties and includes monies for the construction of said improvements.

City shall use its best efforts, to the extent City has the authority to do so, to impose the obligation to pay said reimbursement, as a condition of development of such benefited property, at the time such property owner requests a discretionary approval or other such entitlement from City for development of the benefited property whereby such condition can be imposed. With respect to benefitting property located outside the jurisdiction of the City, City will use good faith efforts to cause the County to impose the obligation of such benefitting property to pay its fair share for such improvements; in particular, City will use good faith efforts to cause the County to collect the other benefitting property's fair share of the cost of the traffic signal improvements to be installed at the intersection of Baseline and Fiddymment Roads from the property within the boundaries of the Dry Creek CFD. Any such reimbursement shall be due and payable on the earlier of issuance of a permit for grading, improvement or

construction on the benefited property, recordation of a final parcel or subdivision map for the benefited property or receipt of funds from an infrastructure financing district that is formed by or includes such benefited property. City's obligation to impose such condition and collect such reimbursement shall terminate upon any termination of this Agreement.

4.2.4 Reimbursable Hard Costs. The "hard costs" of construction to be reimbursed to Landowner by the City or a third party or to be paid by Landowner to any third party in accordance with the terms of this Agreement shall consist of the identifiable and commercially reasonable costs of the design, engineering and construction as actually incurred by Landowner or such third party for the reimbursable work.

4.2.5 Interest on Reimbursements. In each case in which this Agreement provides that Landowner is entitled to receive reimbursement for improvements from third parties or is required to pay reimbursement to third parties, Landowner shall be entitled to receive, or be obligated to pay, interest on the amount to be reimbursed (the "base amount") at the time when the reimbursement is to be paid. Such interest shall be the lesser of the following, as calculated by the Finance Director:

4.2.5.1 The difference between the estimated cost to construct the reimbursable improvements at the time of reimbursement (as estimated by the Finance Director) and the base amount; and

4.2.5.2 The amount of adjustment to the base amount for construction costs inflation, based upon the Engineering News Record, Construction Cost Index for the United States, 20-city average (should such index no longer exist, the Finance Director shall choose a similar index which in his/her opinion fairly estimates the inflation factor applicable to construction), from the time of completion and acceptance to the time of reimbursement.

4.2.6 Term for Credits and Reimbursements. City's obligation to provide any credits or to pay any reimbursements to Landowner that accrue hereunder shall terminate twenty (20) years after the effective date of this Agreement.

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

4.3 Applications for Permits and Entitlements.

4.3.1 Action by City. City agrees that it will accept, in good faith, for processing review and action, all applications for development permits or other entitlements for use of the Property in accordance with the Entitlements and this Agreement, and shall act upon such applications in a timely manner.

4.3.2 Maps and Permits. Provided that the CFD has been formed and is duly authorized to levy the special tax therefor in accordance with Section 3.14 hereof, and further provided that the Services District has been or will at the time of the requested final approval be formed and authorized to levy the special tax against the applicable portion of the Property in accordance with Section 3.16 hereof, and further provided that Landowner is not in default under this Agreement, City shall not refrain from approving final residential lot subdivision maps nor shall it cease to issue building permits, certificates of occupancy or final inspections for development of the Property that is consistent with the Entitlements. The acceptance, review and approval of any application for a final residential lot subdivision map, final non-residential subdivision map or building permit may be conditioned upon the formation of the CFD and the submission of a petition to form the Services District or annex the Property into the Services District, as applicable. Prior to such formation and/or annexation, City shall accept, for review, processing and approval, consistent with the Entitlements, applications for tentative residential lot and non-residential subdivision maps and for tentative and final large-lot subdivision or parcel maps consistent with the Parcels described by the Specific Plan for the Property.

City acknowledges that under Government Code Section 66452.6, the term of a tentative subdivision map will be automatically extended for a period of time where a subdivider is obligated to install certain improvements located outside the boundaries of the subdivision. In determining the term of any tentative subdivision map approved by the City for the Property, or any portion thereof, and without limiting the effect of any other provisions of the Government Code dealing with map extensions, the City agrees that the CFD Improvements described hereunder shall be treated as such off-site improvements for purposes of applying Section 66452.6 of the Government Code.

4.3.3 Personnel. Nothing in this Agreement shall be construed to require City to hire or retain personnel for the purposes of evaluating, processing or reviewing applications for permits, maps or other entitlements or for the design, engineering or construction of public facilities in excess of those for which provision is made in the normal and customary budgeting process or fee schedules of City.

4.4 Subdivision Map Act Waiver. Notwithstanding any other provision of this Agreement, or of Sections 66452.1, 66452.2, 66456.2 and 66458, of the Government Code (or any successor or replacement statute), Landowner expressly waives the time limits for review and approval by City of tentative subdivision maps to the extent that each such period does not exceed one hundred fifty (150) days beyond the time otherwise provided by law, unless Landowner and City mutually agree to another time limit.

4.5 Limited Waiver of Protest Rights. In conjunction with any proceedings creating an assessment district or other applicable financing mechanism for which provision is made in this Agreement, Landowner waives herewith any right to protest which it may have under Section 2825 of the Streets and Highways Code to the extent that such protest would arise under Section 2825(a) through 2825(f) and Section 2825(h); but expressly retains the right of protest with respect to Section 2825(g).

4.6 Moratorium, Quotas, Restrictions or Other Growth Limitations. Subject to applicable law relating to the vesting provisions of development agreements, Landowner and City intend that, except as otherwise provided herein, this Agreement shall vest the Entitlements against subsequent City resolutions, ordinances and initiatives that directly or indirectly limit the rate, timing, sequencing of development, or prevent or conflict with the permitted uses, density and intensity of uses as set forth in the Entitlements. Landowner shall, to the extent allowed by the laws pertaining to development agreements, be subject to any growth limitation ordinance, resolution, rule, regulation or policy which is adopted on a uniformly applied, City-wide or area-wide basis and directly concerns a public health or safety issue, in which case City shall treat Landowner in a uniform, equitable and proportionate manner with all properties, public and private, which are impacted by that public health or safety issue. By way of example only, an ordinance which precluded the issuance of a building permit because City had inadequate sewage treatment capacity to meet the demand therefor (either City-wide or in a designated sub-area of the City) would directly concern a public health issue under the terms of this paragraph and would support a denial of a building permit within the Property, so long as City were also denying City-wide or area-wide all other requests for building permits which require sewage treatment capacity; however, an attempt to limit the issuance of building permits because of a general increase in traffic congestion levels in the City would not directly concern a public health or safety issue under the terms of this paragraph.

4.7 Essence of Agreement. The foregoing Sections 2, 3 and 4 are of the essence of this Agreement.

SECTION 5: DEFAULT, REMEDIES, TERMINATION

5.1 General Provisions. Subject to extensions of time by mutual consent in writing, failure or unreasonable delay by either party to perform any term or provisions of this Agreement shall constitute a default. In the event of alleged default or breach of any term or condition of this Agreement, the party alleging such default or breach shall give the other party not less than thirty (30) days notice in writing specifying the nature of the alleged default and the manner in which said default may be satisfactorily cured. During any such thirty (30)-day period, the party charged shall not be considered in default for purposes of termination or institution of legal proceedings.

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

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

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

No building permit shall be issued or building permit application accepted for any structure on the Property if the permit applicant owns and controls any property subject to this Agreement, and if such applicant or entity or person controlling such applicant is in default of the terms of this Agreement.

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

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

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

If City takes no action within thirty (30) days following the hearing required under Roseville Municipal Code Section 19.94.080, or any successor thereof or amendment thereto,

Landowner shall be deemed to have complied in good faith with the provisions of the Agreement.

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

5.4 Legal Action. In addition to any other rights or remedies, either party may institute legal action to cure, correct or remedy any default, to enforce any covenant or agreement herein, or to enjoin any threatened or attempted violation. Provided, however, the sole remedy of City for any default of this Agreement by Landowner shall be to terminate this Agreement and the vesting of the Entitlements hereunder and to cease approving requests for development of the Property. All legal actions shall be initiated in the Superior Court of the County of Placer, State of California, or in the Federal District Court in the Eastern District of California.

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

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

SECTION 6: HOLD HARMLESS AGREEMENT

Landowner and its successors-in-interest and assigns, hereby agrees to, and shall defend and hold City, its elective and appointive boards, commissions, officers, agents, and employees harmless from any liability for damage or claims for damage for personal injury, or bodily injury including death, as well as from claims for property damage which may arise from the

operations of Landowner, or of Landowner's contractors, subcontractors, agents, or employees under this Agreement, whether such operations be by Landowner, or by any of Landowner's contractors or subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Landowner or Landowner's contractors or subcontractors, unless such damage or claim arises from the negligence or willful misconduct of City. The foregoing indemnity obligation of Landowner shall not apply to any liability for damage or claims for damage with respect to any damage to or use of any public improvements after the completion and acceptance thereof by City. In addition to the foregoing indemnity obligation, Landowner agrees to and shall defend, indemnify and hold City, its elective and appointive boards, commissions, officers, agents and employees harmless from any suits or actions at law or in equity arising out of the execution, adoption or implementation of this Agreement, exclusive of any such actions brought by Landowner, its successors-in-interests or assigns. City acknowledges hereby that the foregoing liability of Landowner shall be limited to its interest in the Property and that neither Landowner nor any of its partners, officers, shareholders, employees or agents shall have any personal liability therefor.

SECTION 7: PROJECT AS A PRIVATE UNDERTAKING

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

SECTION 8: COOPERATION IN THE EVENT OF LEGAL CHALLENGE

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

SECTION 9: GENERAL

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

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

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

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

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

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

9.7 Estoppel Certificate. Either party may, at any time, and from time to time, deliver written notice to the other party requesting such party to certify in writing that, to the knowledge of the certifying party, (i) this Agreement is in full force and effect and a binding obligation of the parties, (ii) this Agreement has not been amended or modified either orally or in writing, or if so amended, identifying the amendments, and (iii) the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature of such default. The party receiving a request hereunder shall execute and return such certificate within thirty (30) days following the receipt thereof. City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees of Landowner.

SECTION 10: NOTICES

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

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

Planning Director
City of Roseville
316 Vernon Street, Room 104
Roseville, CA 95678

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

Sammis Roseville Associates
c/o Sares Regis Group
1425 River Park Drive, #530
Sacramento, CA 95815
Attention: Randy Collins

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

2. ASSIGNMENT

Landowner shall have the full right to assign this Agreement as to the Property, or any portion thereof, in connection with any sale, transfer or conveyance thereof, and upon the express written assignment by Landowner and assumption by the assignee of such assignment in the form attached hereto as Exhibit "K" and the conveyance of Landowner's interest in the Property related thereto, Landowner shall be released from any further liability or obligation hereunder related to the portion of the Property so conveyed and the assignee shall be deemed to be the "Landowner," with all rights and obligations related thereto, with respect to such conveyed property.

3. FORM OF AGREEMENT, EXHIBITS

This Agreement is executed in two duplicate originals, each of which is deemed to be an original. This Agreement consists of forty two (42) pages and nineteen (19) exhibits, which constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Ordinance No. 3359, adopted by the Council of the City of Roseville on the 2nd day of June, 1999, and Landowner has caused this Agreement to be executed.

CITY

**CITY OF ROSEVILLE,
a municipal corporation**

By: 

ALLEN E. JOHNSON
City Manager

ATTEST:

BY: 

CAROLYN PARKINSON
City Clerk

APPROVED AS TO FORM:

BY: _____

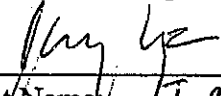
MARK J. DOANE
City Attorney

LANDOWNER

**SAMMIS ROSEVILLE ASSOCIATES,
a California general partnership**

By: Metropolitan Life Insurance Company, a New York corporation, for and on behalf of its
Developmental Properties Account (successor by merger to New England Mutual Life
Insurance Company, a Massachusetts corporation, for and on behalf of its Developmental
Properties Account)
Its: General Partner

By: AEW Real Estate Advisors, Inc., a Massachusetts corporation
Its: Asset Manager and Advisor

By: 
Print Name: G. Christopher Meyer
Its: Vice President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Sacramento

On June 22, 1999 before me, J. M. Hardy - Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared J. Christopher Meyer
Name(s) of Signer(s)

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



WITNESS my hand and official seal.

Jill M. Hardy
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

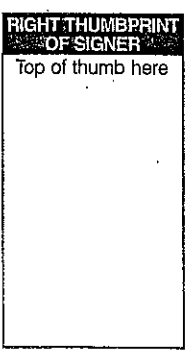
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

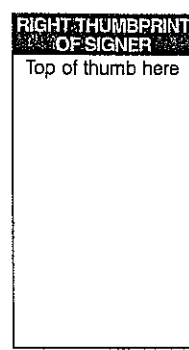
- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer is Representing: _____

Signer's Name: _____

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



Signer is Representing: _____

LIST OF EXHIBITS

- Exhibit A-1 -- Legal Description of the Property
- Exhibit A-2 -- Diagram of the Property
- Exhibit B-1 -- Land Use Map
- Exhibit B-2 -- Land Use Table
- Exhibit C -- General Location of Bike Trail Improvements
- Exhibit D -- On-Site Electric Distribution Facilities
- Exhibit E -- Initial and Incremental Improvements
 - Exhibit E-1 -- Initial Sewer Improvements
 - Exhibit E-2 -- Initial Water Improvements
 - Exhibit E-3 -- Initial Road Improvements
 - Exhibit E-4 -- Incremental Improvements for Parcels WW-5 and WW-8
 - Exhibit E-5 -- Incremental Improvements for Parcels WW-1 and WW-16
 - Exhibit E-6 -- Incremental Improvements for Parcels WW-2, WW-3 and WW-16
- Exhibit F -- On-Site Water Lines
- Exhibit G -- Recycled Water Lines
- Exhibit H -- Sewer Lines
- Exhibit I -- Collector Streets
- Exhibit J -- CFD Improvements
- Exhibit K -- Form of Assignment

EXHIBIT A-1



MORTON & PITALO, INC.
Civil Engineering Planning Surveying
1788 Tribute Road, Suite 200
Sacramento, CA 95815
916/927-2400
Fax: 916/567-0120

May 13, 1999
92-0186

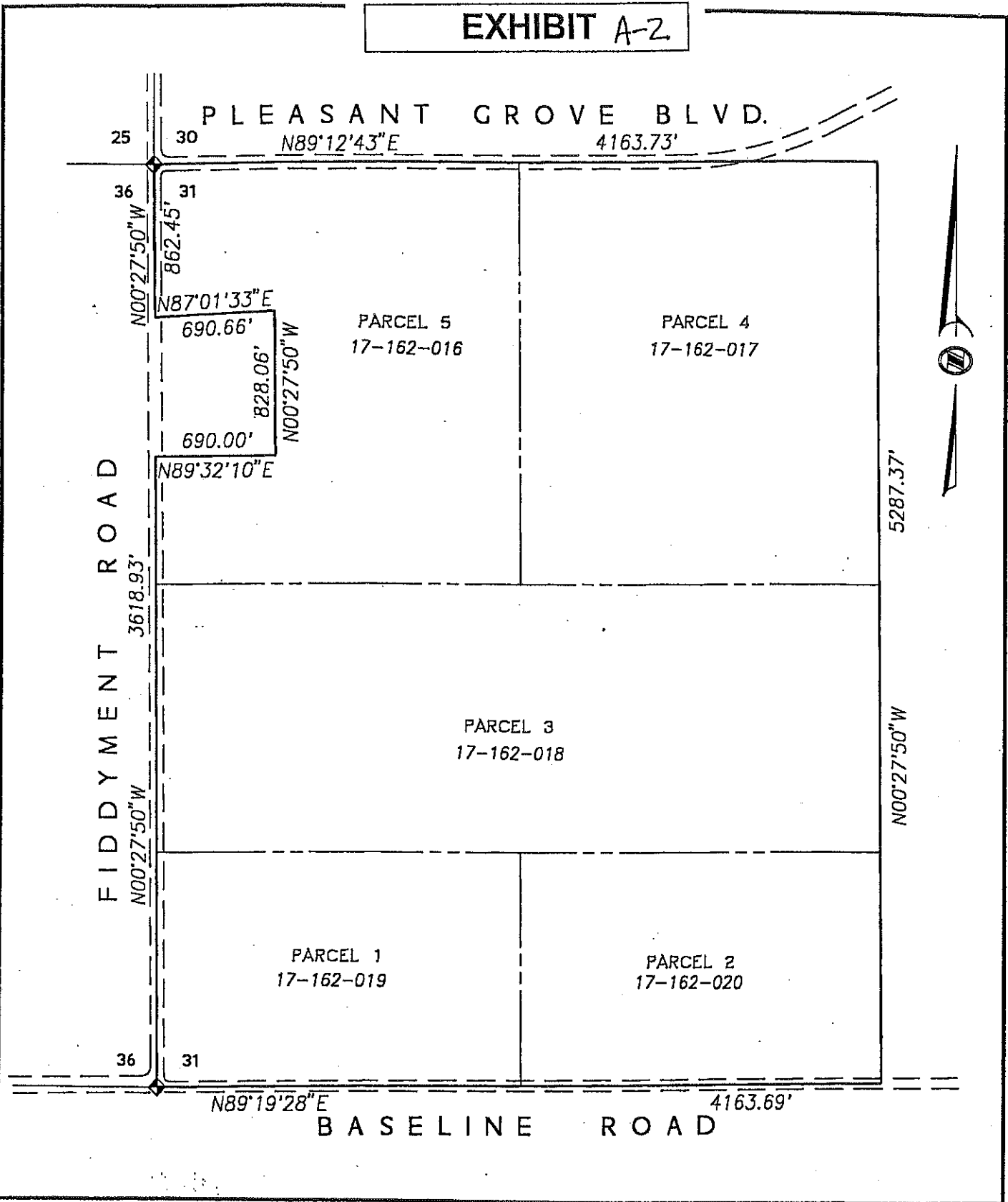
DESCRIPTION

WOODCREEK WEST

All that certain real property situate in the City of Roseville, County of Placer, State of California, described as follows:

Parcels 1, 2, 3, 4 and 5 as described in that certain Lot Line Adjustment recorded June 8, 1994, as Instrument No. 94-043294, Official Records of Placer County.

EXHIBIT A-2



X:\PROJ\920186\DWG\92186EX1.DWG 05-13-99 11:08 am



MORTON & PITALO, INC.

CIVIL ENGINEERING * PLANNING * SURVEYING
 1788 TRIBUTE ROAD • SUITE 200 • SACRAMENTO, CA 95815
 PHONE: 916/927-2400 • FAX: 916/567-0120

EXHIBIT MAP

WOODCREEK WEST

DRAWN: LG
 CHECKED:
 SCALE: 1"=800'

JOB NO: 920186
 DATE: MAY 1999
 SHEET: 1 of 1

CITY OF ROSEVILLE, CALIFORNIA

EXHIBIT "B-1"

Land Uses for the Property
Woodcreek West

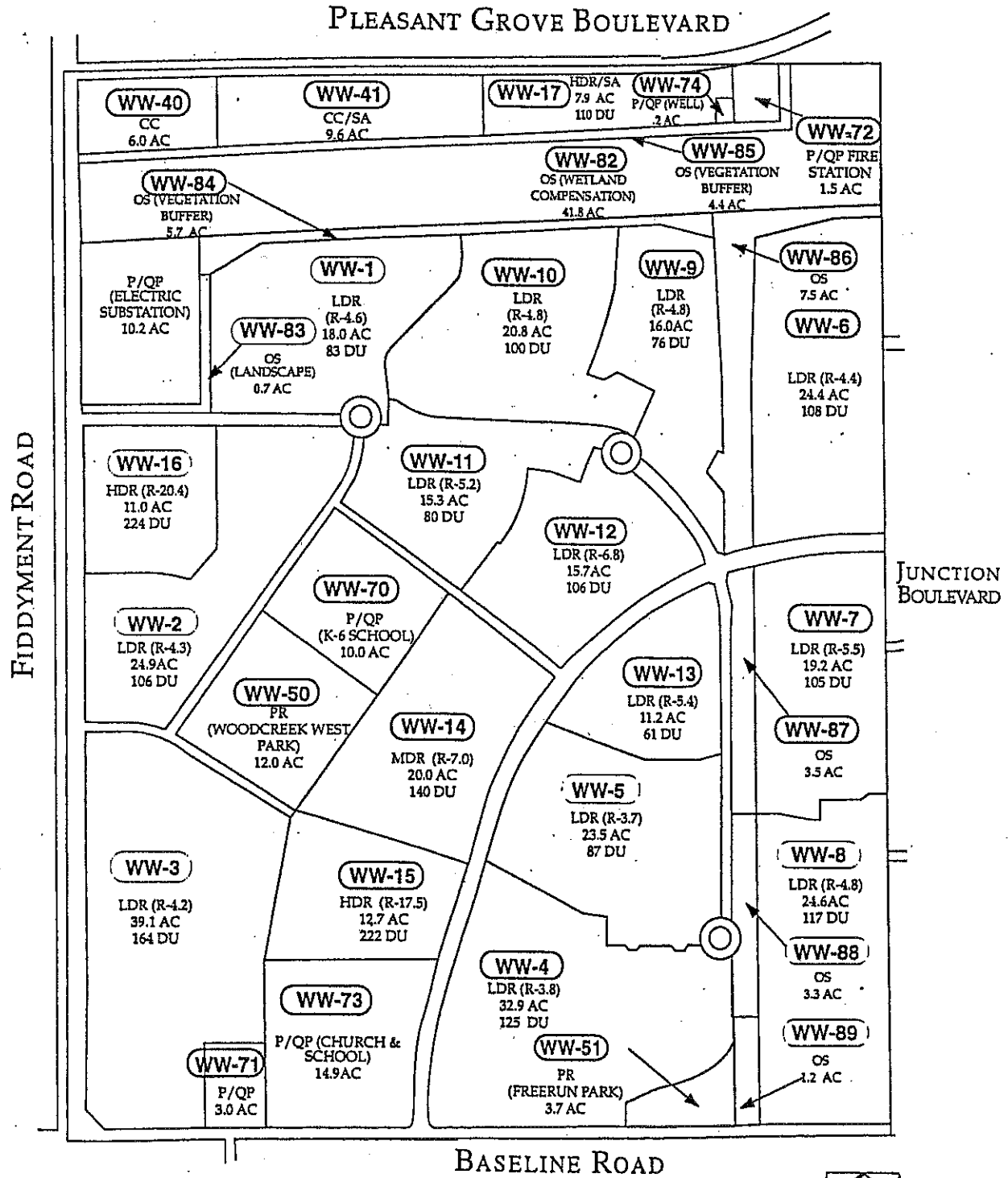


EXHIBIT "B-2"

Land Uses for the Property Woodcreek West

Woodcreek West						
Land Use by Parcel Table						
<i>Parcel</i>	<i>Zoning</i>	<i>Land Use</i>	<i>Density</i>	<i>Net Acres</i>	<i>Units</i>	
WW-1	R1	LDR	4.6	18.0	83	
WW-2	R1	LDR	4.3	24.9	106	
WW-3	R1	LDR	4.2	39.1	164	
WW-4	R1	LDR	3.8	32.9	125	
WW-5	R1	LDR	3.7	23.5	87	
WW-6	R1	LDR	4.4	24.4	108	
WW-7	RS	LDR	5.5	19.2	105	
WW-8	RS	LDR	4.8	24.6	117	
WW-9	R1	LDR	4.8	16.0	76	
WW-10	R1	LDR	4.8	20.8	100	
WW-11	RS	LDR	5.2	15.3	80	
WW-12	RS	LDR	6.8	15.7	106	
WW-13	RS	LDR	5.4	11.2	61	
WW-14	RS	MDR	7.0	20.0	140	
WW-15	R3	HDR	17.5	12.7	222	
WW-16	R3	HDR	20.4	11.0	224	
WW-17	R3/SA	HDR	13.9	7.9	110	
WW-40	CC	Commercial		6.0		
WW-41	CC/SA	Commercial		9.6		
WW-50	PR	Park/Detention		12.0		
WW-51	PR	Park/Detention		3.7		
WW-70	P/QP	Elementary School		10.0		
WW-71	P/QP	School Administration		3.0		
WW-72	P/QP	Fire Station		1.5		
WW-73	P/QP	Church/ School		14.9		
WW-74	P/QP	Well Site		0.2		
WW-82	OS	Wetland Compensation		41.8		
WW-83	OS	Open Space(Landscape)		0.7		
WW-84	OS	Open Space (Vegetation Buffer)		5.7		
WW-85	OS	Open Space (Vegetation Buffer)		4.4		
WW-86	OS	Open Space		7.5		
WW-87	OS	Open Space		3.5		
WW-88	OS	Open Space		3.3		
WW-89	OS	Open Space		1.2		
		ROW- Woodcreek West		26.4		
				492.6	2,014	

EXHIBIT "C"
Woodcreek West
Bike Trail and Landscape Improvements

Improvements include bike trail and landscaping in the open space corridor as described in the Design Guidelines, Section 9.4.4.

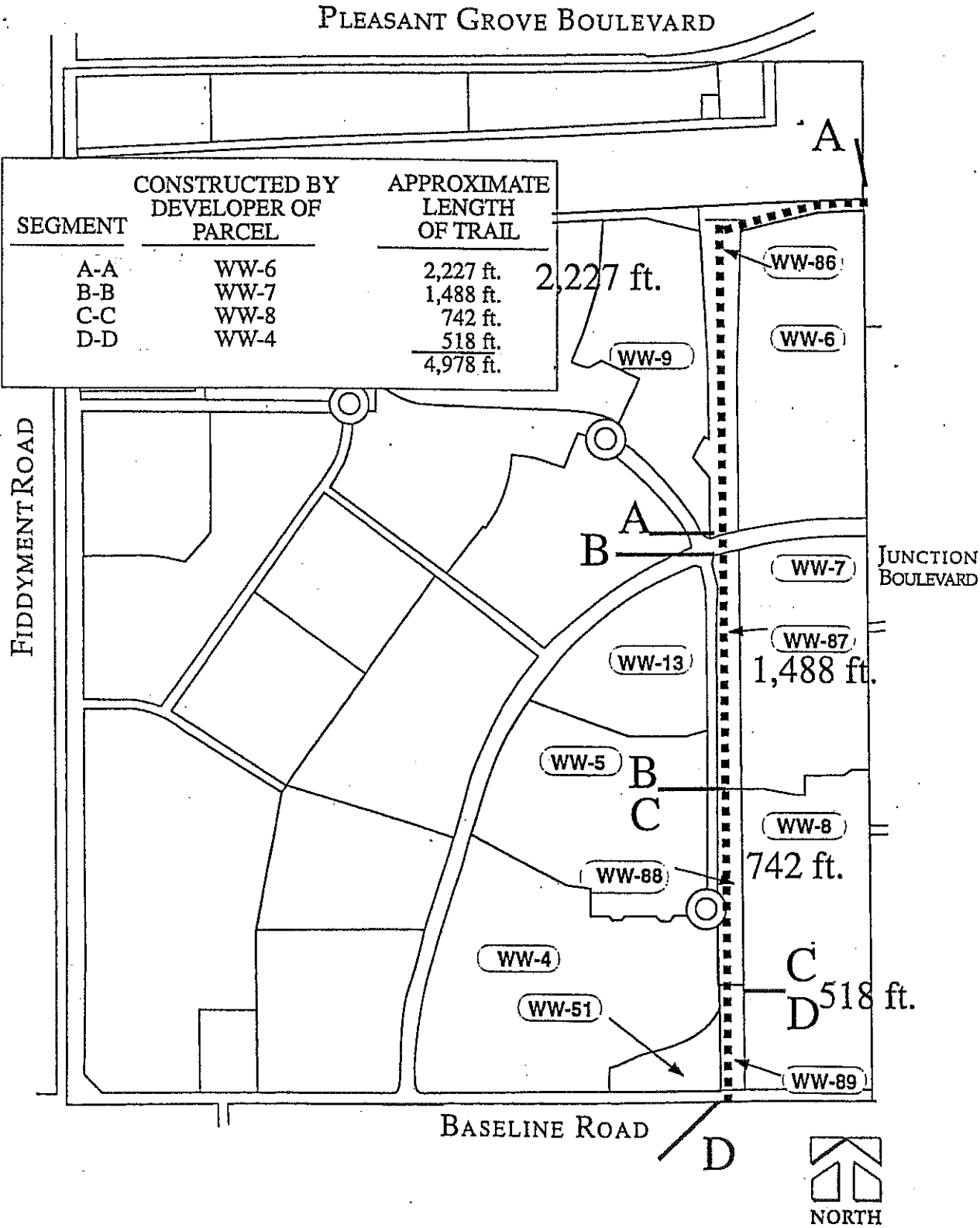


EXHIBIT "D"
Woodcreek West
Electric Service

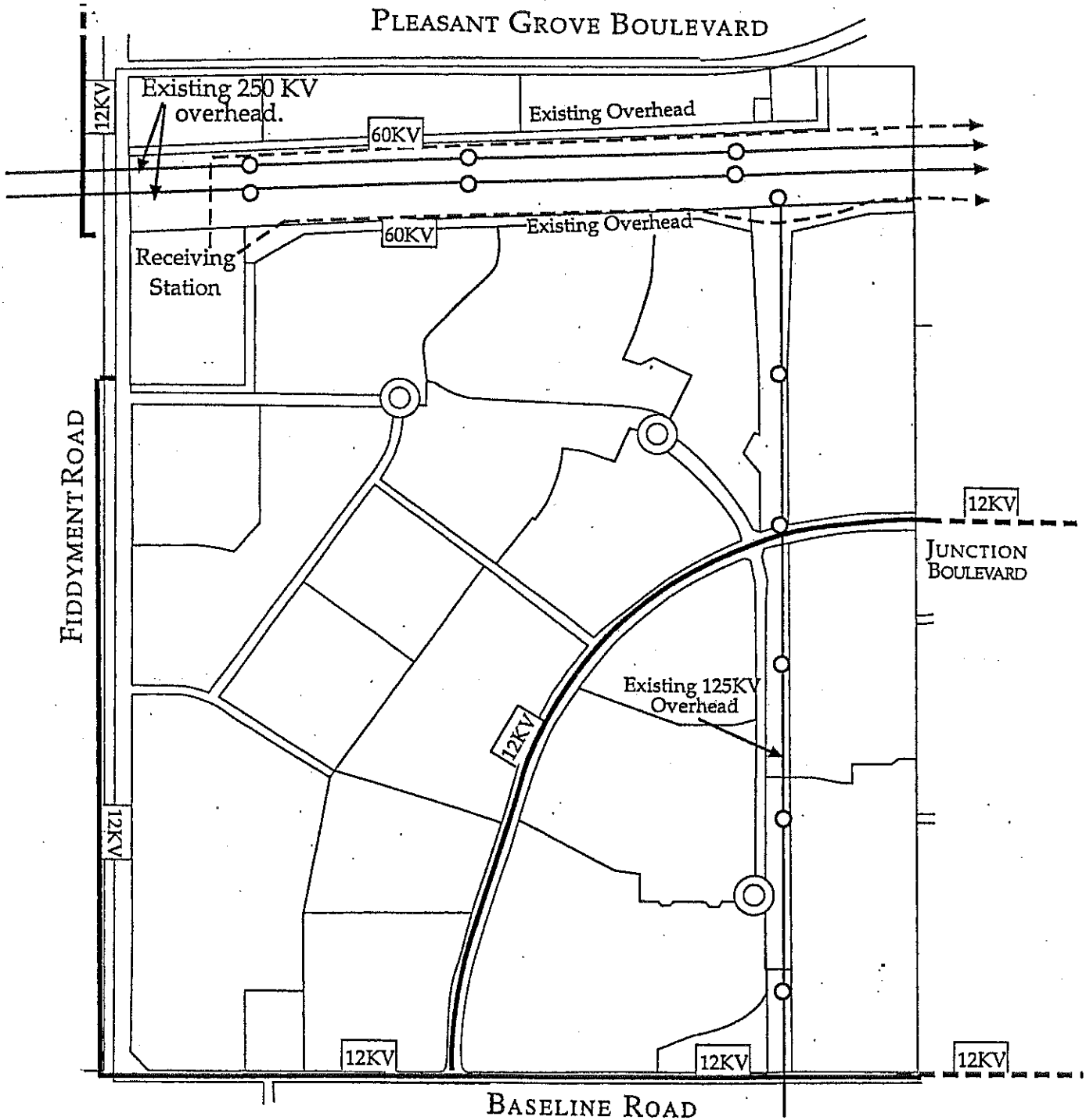
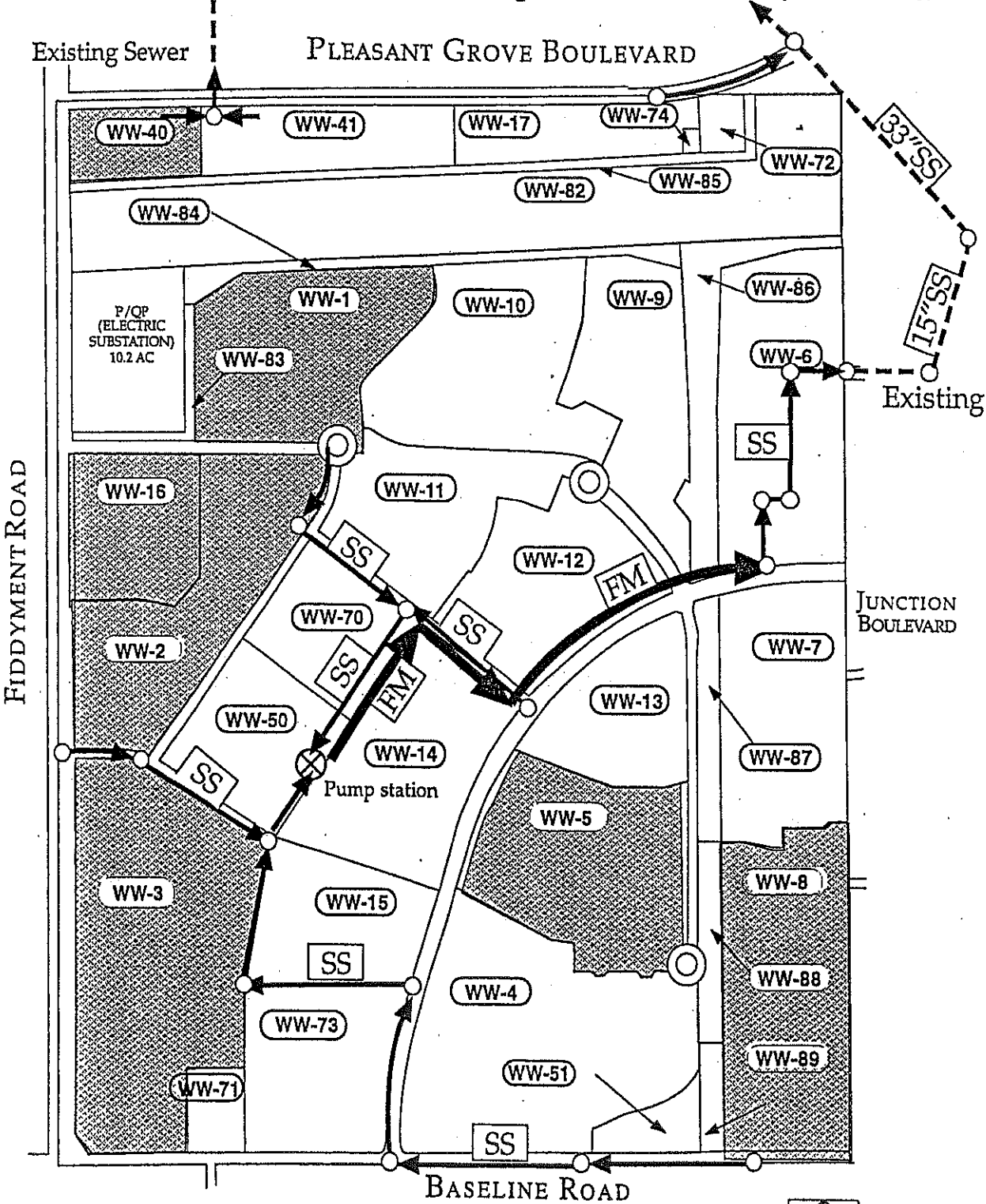


EXHIBIT "E-1"
Woodcreek West
Initial Sewer Improvements

- Parcels Developable with Initial Improvements
- Parcels with additional landowner improvement obligations. See Exhibits E-4, E-5 and E-6.

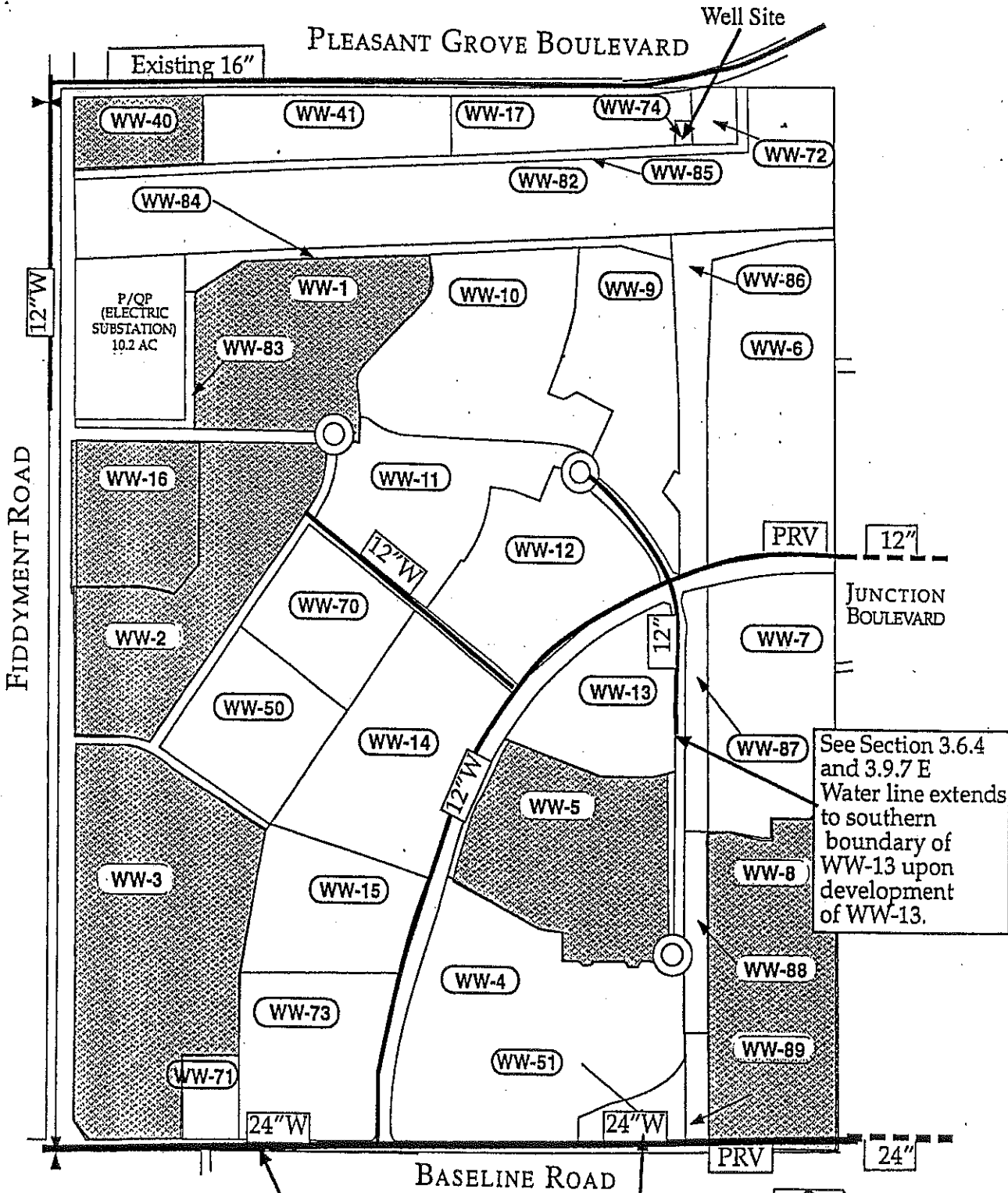


NOTE: Sewer line sizes to be identified in the Wasterwater Master Plan.



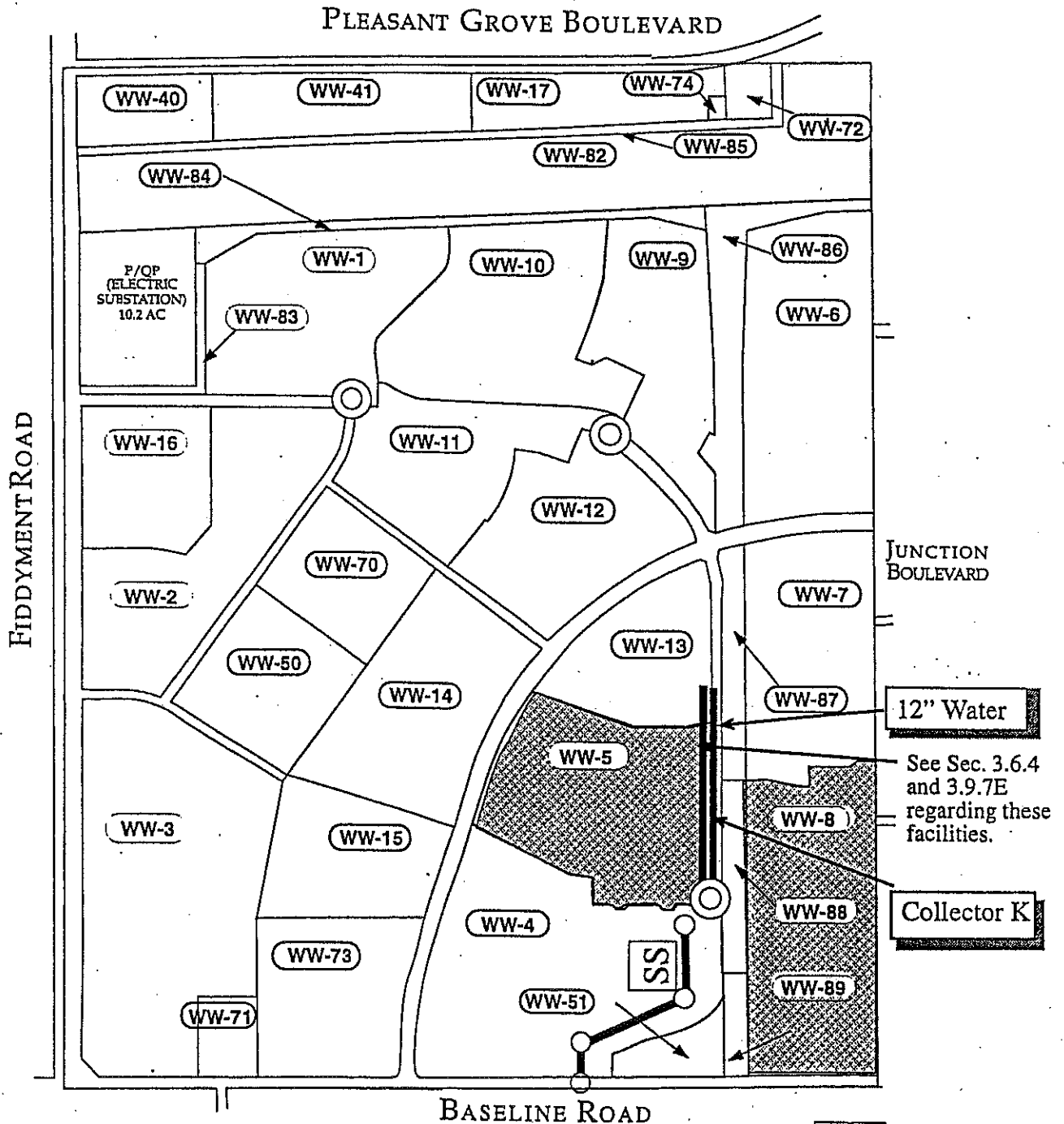
EXHIBIT "E-2"
Woodcreek West
Initial Water Improvements

- Parcels Developable with Initial Improvements
- Parcels with additional landowner improvement obligations. See Exhibits E-4, E-5 and E-6.



NOTE: See Section 3.6.4 for additional sizing requirements.

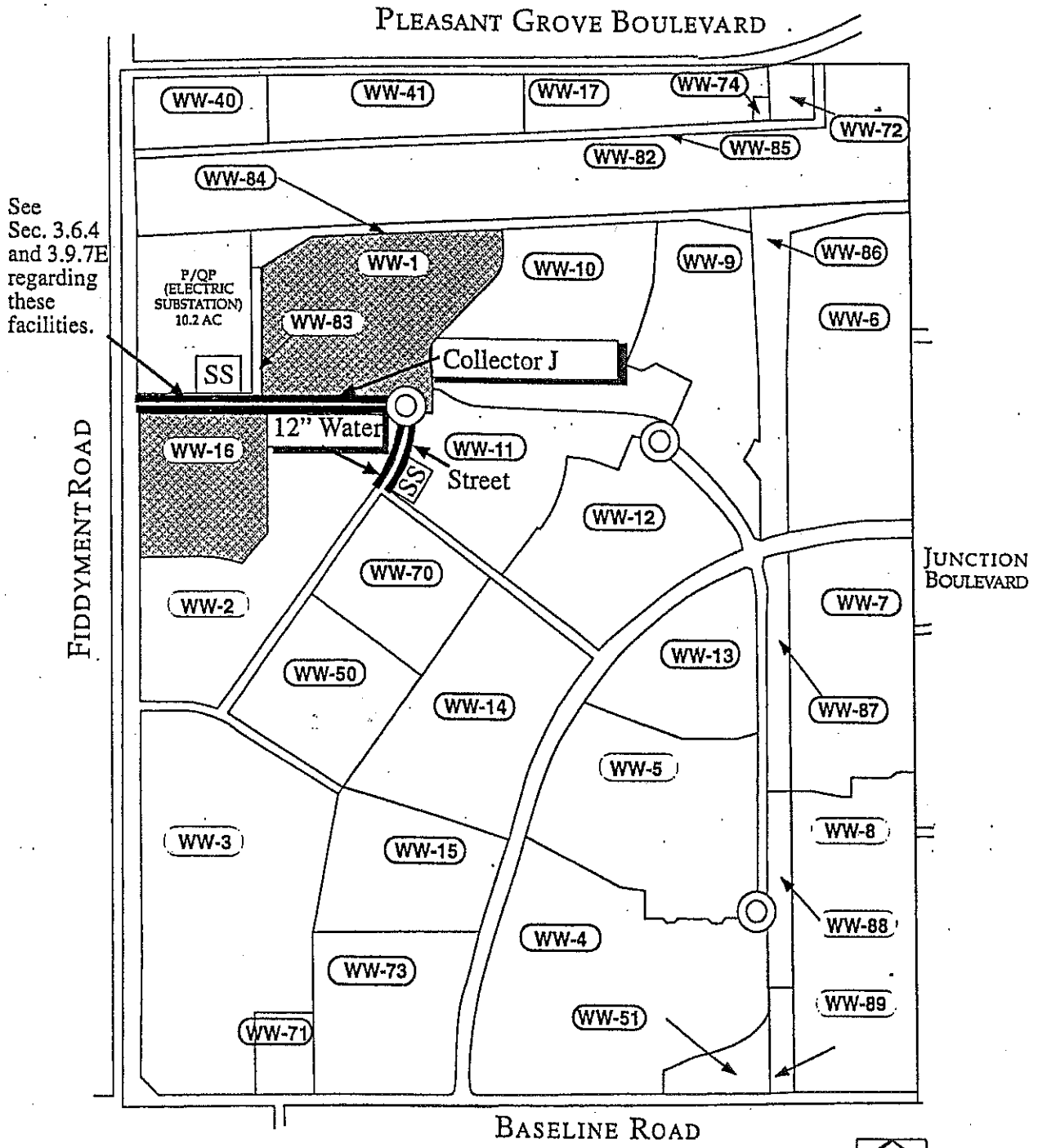
EXHIBIT "E-4"
 Woodcreek West
 Landowner Improvements for Parcels
 WW-5 and WW-8



NOTE: Sewer line sizes to be identified in the Wastewater Master Plan. The additional sewer lines shown above are not required to be installed for WW-8, which shall be served by internal subdivision lines to Baseline Road.



EXHIBIT "E-5"
 Woodcreek West
 Landowner Improvements for Parcels
 WW-1 and WW-16



See
 Sec. 3.6.4
 and 3.9.7E
 regarding
 these
 facilities.

NOTE: WW-16 requires additional improvements as noted on Exhibit E-6.



EXHIBIT "E-6"

Woodcreek West

Landowner Improvements for Parcels
WW-2, WW-3, WW-16 and WW-40

2 lanes requiring 32 ft. of pavement plus frontage improvements.
See Sec. 3.9.5.

4 Lane Arterial

PLEASANT GROVE BOULEVARD

FIDDYMENT ROAD

12" Water

P/QP
(ELECTRIC
SUBSTATION)
10.2 AC

JUNCTION
BOULEVARD

BASELINE ROAD

NOTE: WW-16 requires additional
improvements as noted on Exhibit E-5.

Sewer line sizes to be identified in
the Wastewater Master Plan.

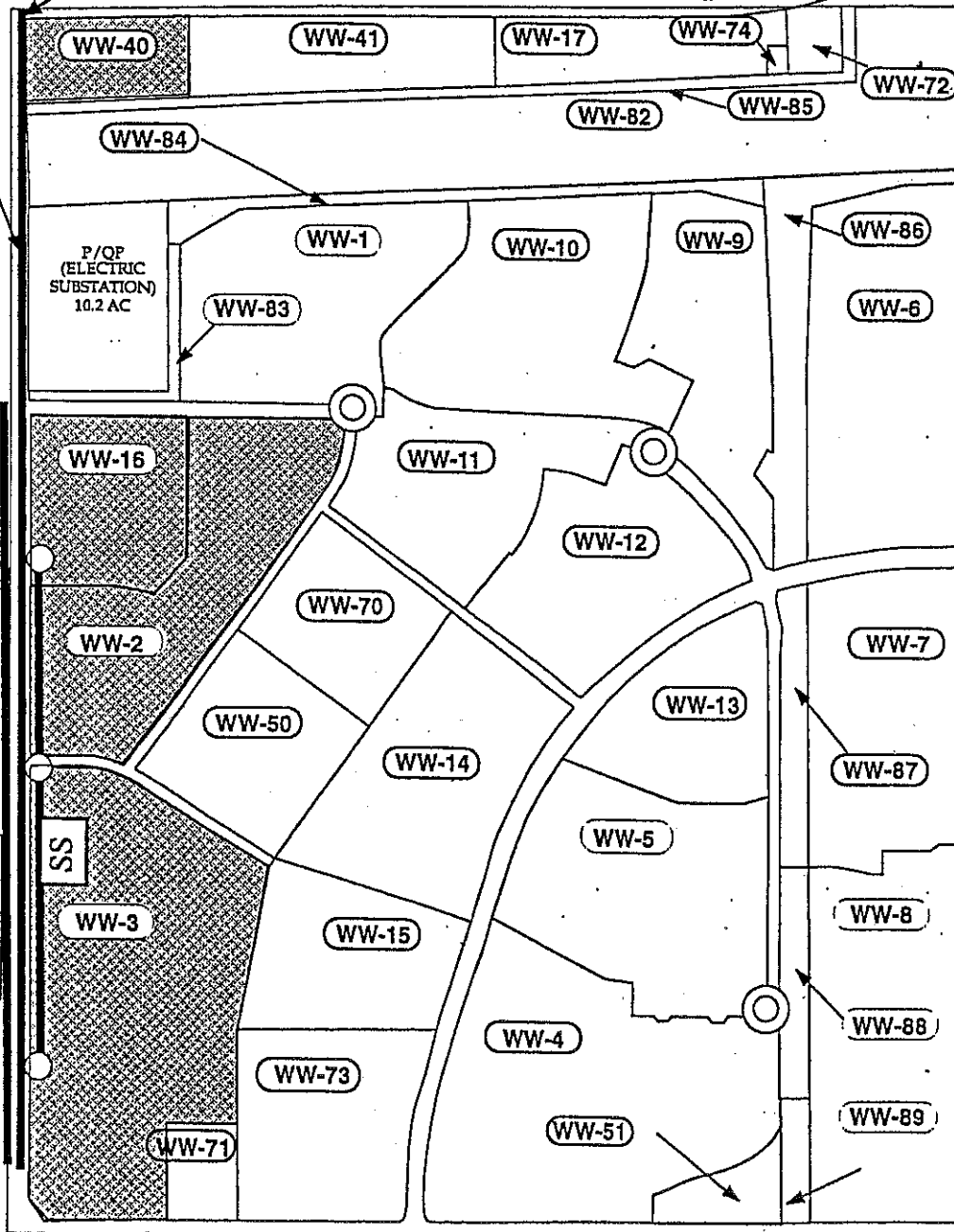
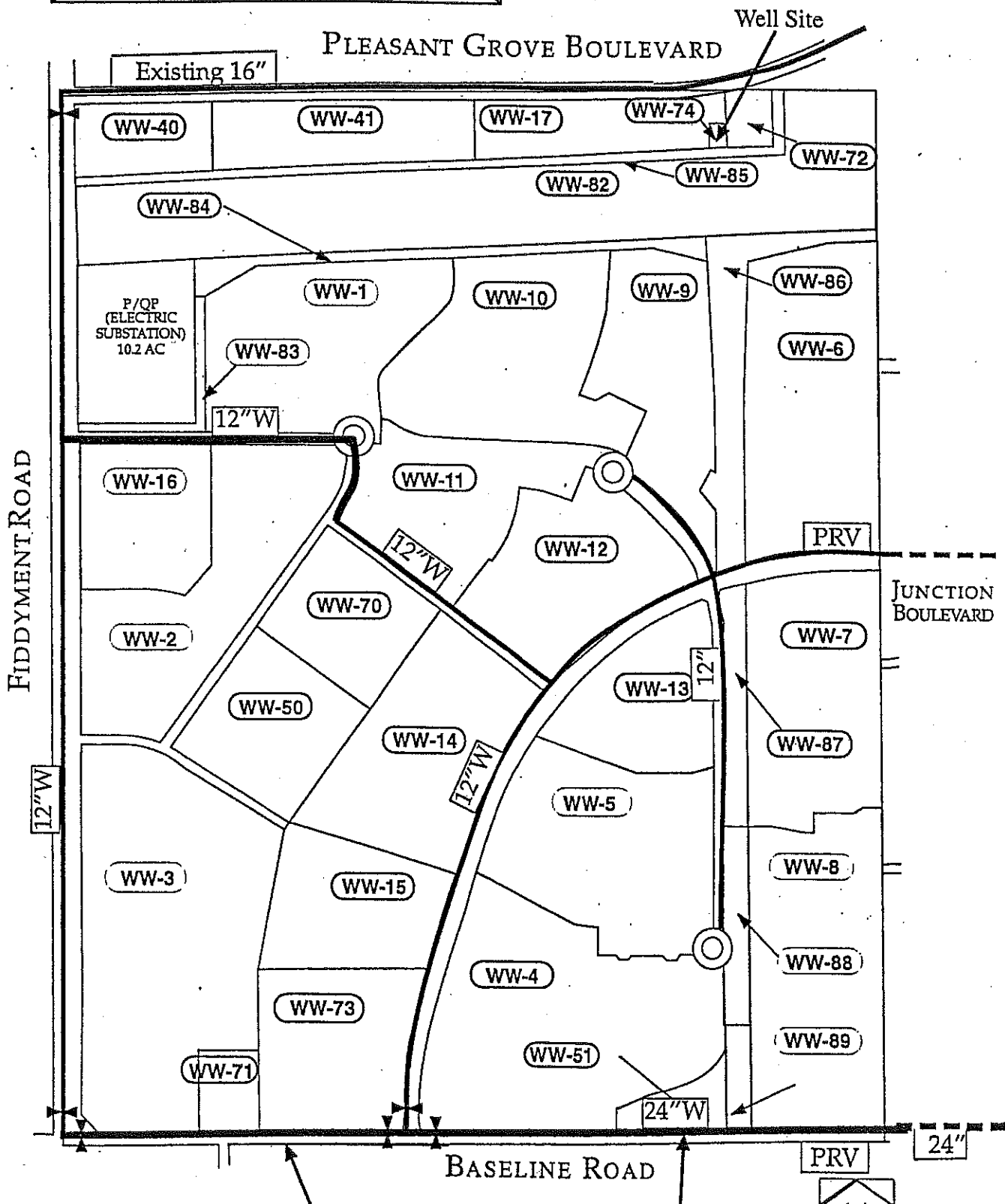


EXHIBIT "F"
 Woodcreek West
 On Site Water Lines



NOTE: See Section 3.6.3 for additional sizing requirements.



EXHIBIT "G"
 Woodcreek West
 Recycled Water Lines

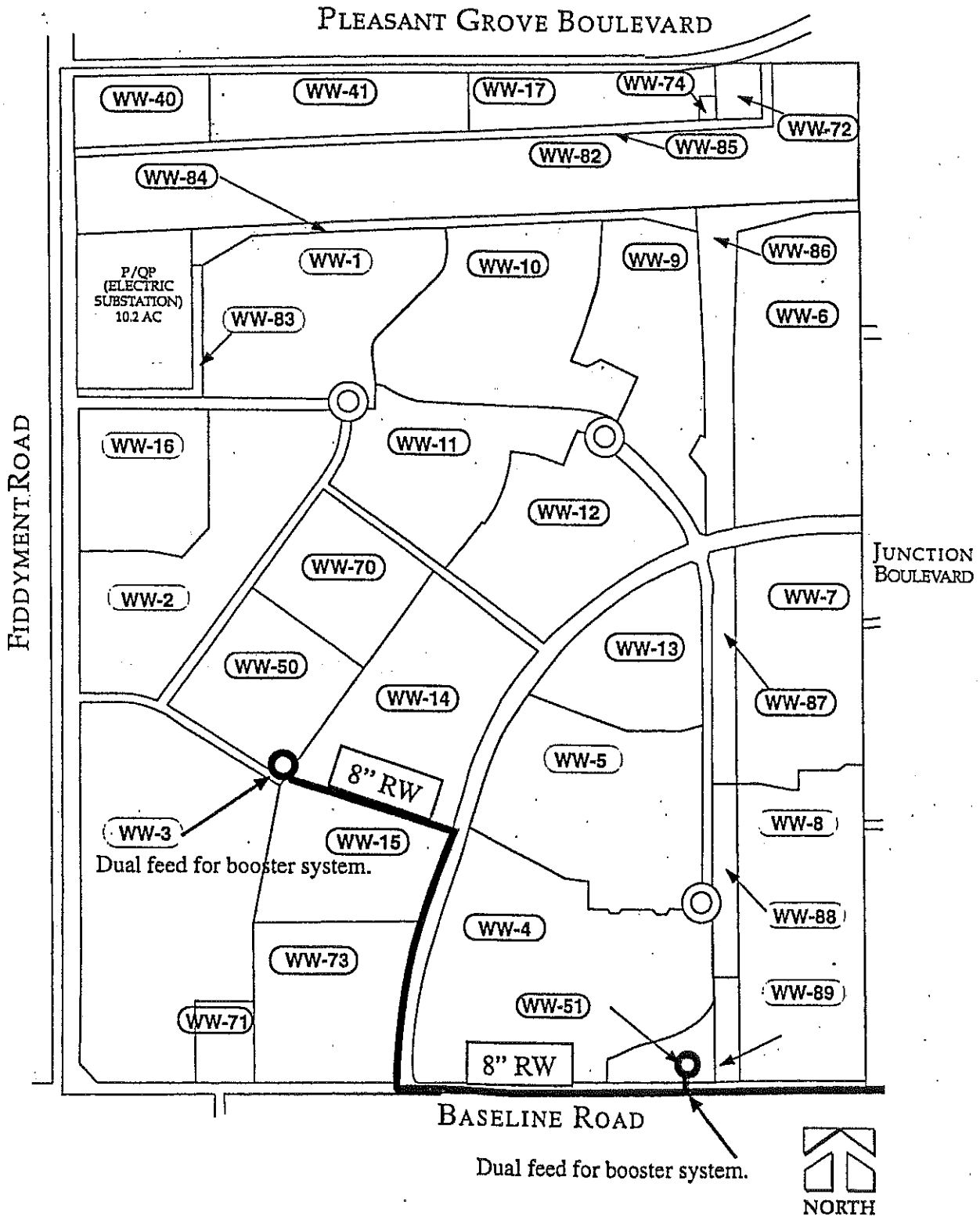
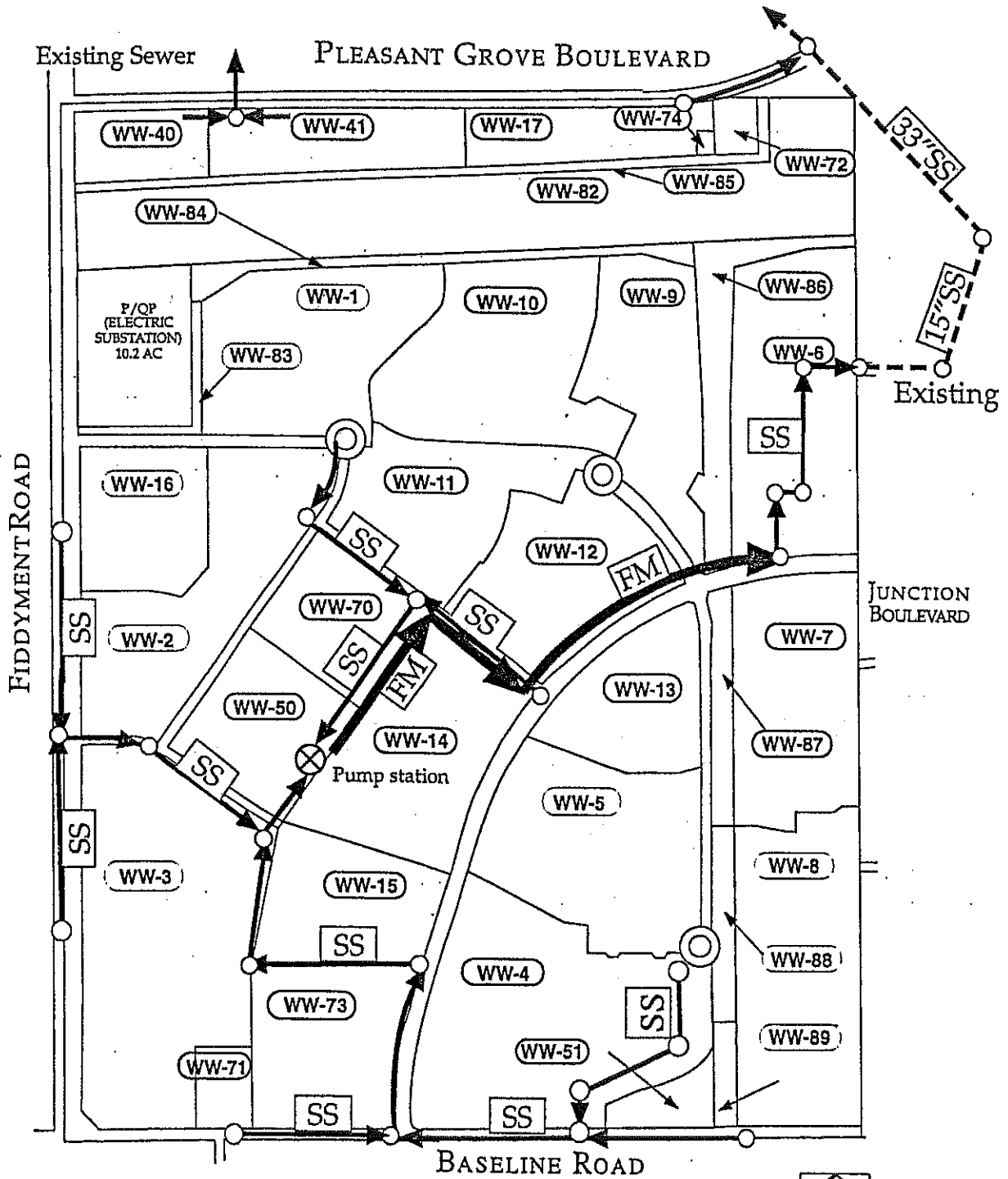


EXHIBIT "H"
Woodcreek West
Sewer Lines



NOTE: Sewer line sizes to be identified in the Wasterwater Master Plan.



EXHIBIT "I"
Woodcreek West
Collector Streets

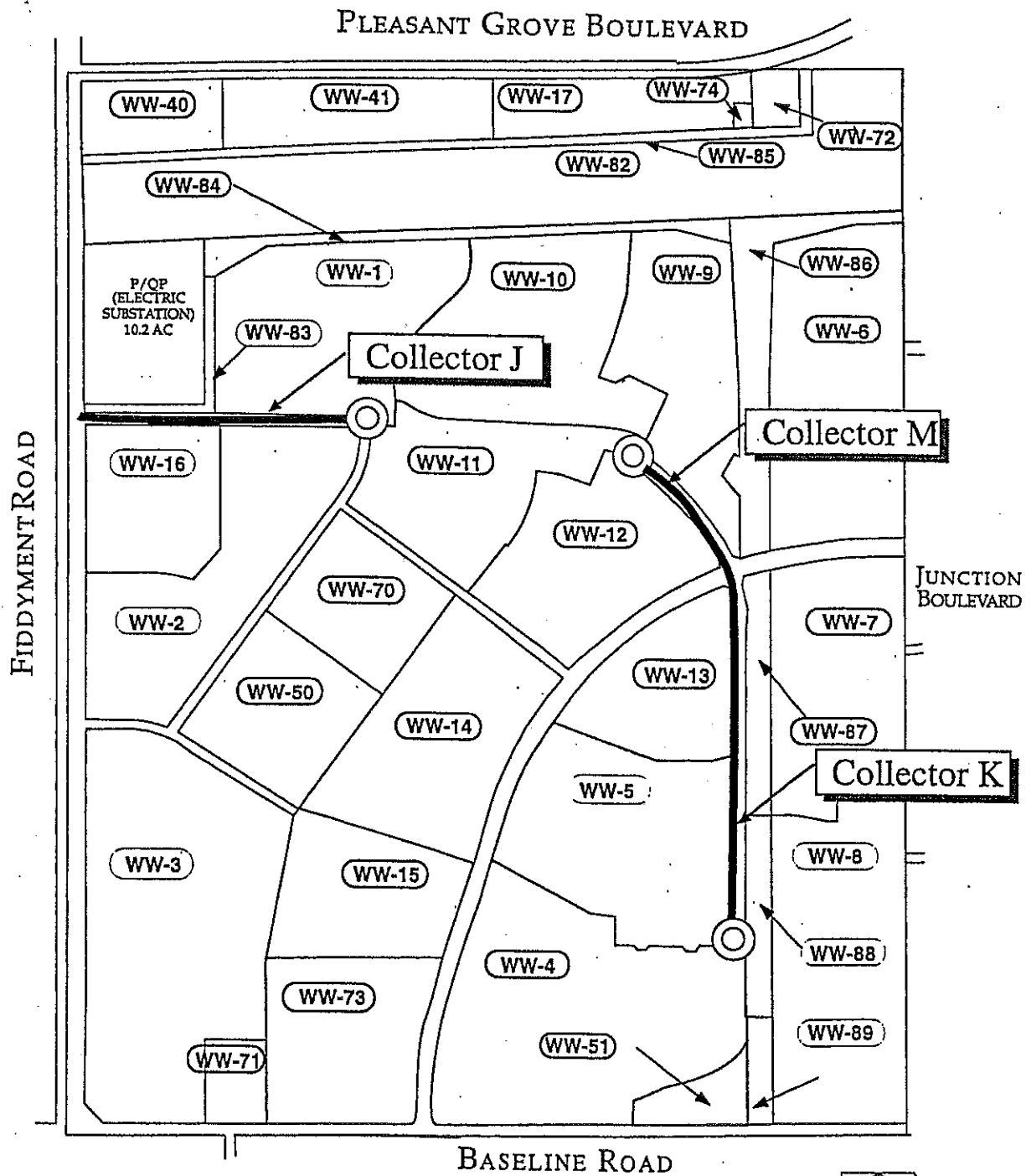


EXHIBIT "J"

CFD IMPROVEMENTS

CFD FACILITIES

◆ ROADS

On-site improvements to the roadways initially required for development of the Plan Area, as shown on Exhibit "E-3" to this Agreement and more particularly described as follows:

▶ Junction Boulevard

- Frontage improvements on both sides of Junction Boulevard, consisting of curb, gutter, 18 feet of pavement, streetlights, utilities and ancillary improvements (but excluding landscaping and sidewalk, except as otherwise provided below), plus two (2) center lanes (20' of additional pavement), and a fourteen-foot wide landscaped median, for the portion of Junction Boulevard within the Plan Area.
 - Sidewalk to be located back-of-curb and landscaping along Parcels WW-86 and 87, as required by City.

▶ Pleasant Grove Boulevard

- Frontage improvements on the south side of Pleasant Grove Boulevard, consisting of curb, gutter, 18 feet of pavement, streetlights, utilities and ancillary improvements (but excluding landscaping and sidewalk, except as otherwise provided below), plus one additional travel lane (10'), plus one-half of the landscaped median.
 - Sidewalk to be located back-of-curb and landscaping along Parcel WW-72, as required by City.

▶ Baseline Road

- Frontage improvements on the north side of Baseline Road along Landowner's frontage on the southern boundary of the Plan Area, consisting of curb, gutter, 18 feet of pavement, streetlights, utilities and ancillary improvements (but excluding landscaping and sidewalk, except as otherwise provided below), but not including any landscaped median.
 - Sidewalk to be located back-of-curb and landscaping along Parcels WW-51 and WW-89, as required by City.

▶ Collectors and Other Streets

- Curb, gutter, pavement, streetlights, utilities, and ancillary improvements (but excluding landscaping and sidewalk) for Collector M and the portion of Collector K from Junction Boulevard to approximately the mid-point of the eastern boundary of Parcel WW-13, as shown on Exhibit "E-3."

- Curb, gutter, pavement, streetlights, utilities, and ancillary improvements (but excluding landscaping and sidewalk) for School Street.
- Curb, gutter, pavement, streetlights, utilities, and ancillary improvements (but excluding landscaping and sidewalk) for Crowder Lane, from its new intersection with Baseline Road to the southern boundary of the Plan Area, as shown on Exhibit "E-3."
- ▶ Signals
 - Signal improvements at the intersections of Junction and Baseline Roads, Junction and School Street, and Fiddymont and Baseline Roads.
- ▶ Intersections
 - Intersection improvements (excluding signals, but including conduit and sleeves therefor) for the intersections of Junction Boulevard and Collectors K and M, Junction Boulevard and School Street, and Pleasant Grove Boulevard and Fiddymont Road, as may be required by the City.
- ▶ Additional Improvements
 - To the extent additional CFD funds are available, Landowner may, at its option and subject to City approval, include the balance of the Collectors and Fiddymont Road as additional authorized improvements.

◆ DRAINAGE

- ▶ Master Drainage Plan.
- ▶ Woodcreek West Park Detention Basin and Freerun Park Detention Basin.
- ▶ Storm drain mains required by the Master Drainage Plan and laterals located within the above-described road improvements.

◆ WATER

- ▶ Water Study.
- ▶ On-site improvements to the water system initially required for development of the Plan Area by the Water Study, as generally shown on Exhibit "E-2" to this Agreement.

◆ RECYCLED WATER

- ▶ Recycled water line extension from the City's backbone system in Baseline Road to the park sites within the Plan Area, as generally shown on Exhibit "G" of this Agreement. Such line will be sized as required to serve the park sites.

◆ SEWER

- ▶ Master Wastewater Plan.