24-1028

Agreement No. 24-630

#### AGREEMENT

THIS AGREEMENT is made and entered into this 3rd day of December, 2024 by and between the COUNTY OF FRESNO, a political subdivision of the State of California ("COUNTY"), Family Farms, LLC, a California limited liability company ("DEVELOPER"), and Bryant A. Dunkle and Carolyn G. Dunkle (Bryant A. Dunkle and Carolyn G. Dunkle, together are "Dunkle"). DEVELOPER and Dunkle will be referred to collectively herein as "Landowners."

#### WITNESSETH

WHEREAS, Policy PF-G.2 of the 2000 Fresno County General Plan Update ("Policy") regarding the provision of COUNTY law enforcement services states that COUNTY shall strive to maintain a staffing ratio of two (2) sworn officers serving unincorporated residents per 1,000 residents served, and that this count of officers includes all ranks of deputy sheriff personnel and excludes all support positions and all sworn officers serving countywide population interests such as bailiffs, and sworn officers serving contract cities and grant specific populations (collectively, "Law Enforcement Services"); and

WHEREAS, Landowners desire to a record their Tract Map No. 6382 ("Map"), providing for certain planned residential developments, in the Office of the Fresno County Recorder, and

WHEREAS, all of the full legal parcels, which are identified by Assessor's parcel numbers, and which fully include such territory as identified above, are shown in Exhibit A ("Project Territory"), which is attached hereto and incorporated herein; and

WHEREAS, the Project Territory is located within the unincorporated area of COUNTY; and WHEREAS, DEVELOPER is the sole owner of the entire fee interest of the one parcel identified with the assessment number "1" in Exhibit A, and Dunkle is the sole owner of the entire fee interest of the one parcel identified with the assessment number "2" of Exhibit A; and

WHEREAS, COUNTY has determined that funding from COUNTY's own sources will likely be insufficient to provide the level of Law Enforcement Services specified by Policy in the Project Territory; and

WHEREAS, as a condition of Landowners recording a final subdivision map in the Office of the COUNTY Recorder, COUNTY has required that there shall be a Community Facilities District ("CFD")

under the Mello-Roos Community Facilities Act of 1982 (Gov. Code, §§ 53311 et seq.; "ACT") that will
 utilize landowner voter approved special taxes stated herein (collectively, "Special Taxes") and levied
 annually thereafter upon all nonexempt real property in such territory in order to provide for the ongoing
 financing for the continual provision of Law Enforcement Services in that area; and

WHEREAS, to the extent that any area within the Project Territory is not a full legal parcel, identified by Assessor's Parcel Number (APN), the parties desire that this Agreement shall apply to the remainder of the Project Territory in order to meet the requirements of ACT; and

WHEREAS, the COUNTY has established CFD No. 2006-01 ("District")<sup>1</sup> to provide financing for the continual provision of Law Enforcement Services in the unincorporated areas of Fresno County where such District has been established, and where territory has been annexed and incorporated to such District; and

WHEREAS, Landowners are agreeable to the COUNTY's use of the subject District to provide financing for the continual provision of Law Enforcement Services for the Project Territory by the COUNTY annexing all of the Project Territory to the District and incorporating the territory therein, subject to the terms and conditions of this Agreement; and

WHEREAS, this Agreement is being entered into by and between the COUNTY and Landowners (COUNTY and the Landowners, together, also referred to herein as "parties"), to authorize the COUNTY to annex the Project Territory to the District for the imposition of liens upon all nonexempt real property located in the Project Territory, in order to secure the full and timely payment of the Special Taxes under ACT (collectively, the "Lien"), to impose the Lien, and to annually levy the Special Taxes upon all nonexempt real property located in the Project Territory (collectively, the "Levy"); and

WHEREAS, this Agreement also is being entered into to allow the Landowners to place sufficient funds in a trust account with COUNTY to cover the fees, costs, and expenses incurred by COUNTY, in implementing the procedures to finance the Law Enforcement Services, including, but not

 <sup>&</sup>lt;sup>o</sup> 1 Notwithstanding anything stated to the contrary in this Agreement, the Landowners acknowledge and agree that COUNTY reserves the right, in its sole discretion, to establish a new, separate CFD for Law Enforcement Services for the Project Territory, otherwise pursuant to this Agreement. In such instance, all references herein to the District shall mean such CFD.

limited to, conducting all such public hearings and proceedings in connection with annexing and
 incorporating the Project Territory to the District, developing the method of apportionment of the Special
 Taxes, imposing the Special Taxes, implementing the Special Taxes (including, but not limited to,
 recording any notice of Lien and imposing the initial Levy), processing, reviewing, and preparing
 documents and comments, and performing other work and activities in connection with all such matters
 (collectively, the "Special Tax Activities"); and

WHEREAS, the Landowners will deposit funds with the COUNTY as described in this Agreement so that COUNTY can proceed with the Special Tax Activities, as provided herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained and agreed to, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the parties agree as follows:

1. Except as otherwise expressly provided in this Agreement, DEVELOPER and Dunkle are jointly and severally liable for each obligation of Landowners under this Agreement.

2. Landowners shall fully cooperate with COUNTY in timely providing adequate and materially accurate information to COUNTY and COUNTY's special tax consultant ("COUNTY's Consultant"), if any, that COUNTY and COUNTY's Consultant shall deem necessary for the COUNTY's annexation of the Project Territory to the District and imposition of the Lien and initial Levy, including by way of example but without limitation the following, which shall be to the reasonable satisfaction of COUNTY and COUNTY's Consultant:

A. An annexation map prepared and provided by DEVELOPER in full compliance with the minimum requirements of Exhibit B, Annexation Map Preparation Requirements (which is attached hereto and incorporated herein); such annexation map shall fully and accurately set forth the exterior boundaries of the Project Territory, and all other information in the form and content required by law for annexation maps; the Project Territory shall contain the entirety of any and all parcels therein subject to taxation by the proposed annexation (all parcels in the Project Territory shall be full legal parcels identified by APNs); and

7B.APNs of all parcels included in the Project Territory, to be included in the8annexation by the District, and subject to any and all conditions of this agreement; and

1C.Information concerning ownership of the land by Landowners within the Project2Territory, and number of registered voters, if any, within the Project Territory; and

D. If requested by COUNTY, current and updating title report for parcels to be included in the Project Territory (including documents which are exceptions to title in such report(s)); and

3. COUNTY or COUNTY's Consultant may request Landowners to update any or all of the foregoing information, instruments, documents, reports or records during COUNTY's proceedings to annex the Project Territory to the District, and to impose the Lien and the Levy, so that such information shall be current at the time COUNTY takes such action that is based on such information, instruments, documents, reports or records.

4. DEVELOPER represents, covenants, warrants and agrees that it is the is the sole owner of the entire fee interest of the one (1) real property parcel identified with the assessment number "1" in Exhibit A, including all rights, title and interest therein, and all land and improvements thereon and therein described by its respective tract map, parcels, or both, identified above (collectively, "Developer's Real Property"), located in the Project Territory.

5. Dunkle represents, covenants, warrants, and agrees that it is the sole owner of the entire fee interest of the one (1) real property parcels identified with the assessment number "2" in Exhibit A, including all rights, title, and interest therein, and all land and improvements thereon and therein described by its respective tract map, parcels, or both, identified above ("Dunkle's Real Property"), located in the Project Territory.

6. Landowners represent, covenant, warrant and agree that there always have been, always are, and always will be less than twelve (12) registered voters residing in the Project Territory from ninety (90) days before the parties' execution of this Agreement, and continuing thereafter without interruption through and until the conclusion of the proceedings for the annexation of the Project Territory to the District, and the imposition of the Lien upon all nonexempt real property located in the Project Territory, in order to permit COUNTY to proceed with and successfully complete the landowner voter election procedures for the proposed annexation, as authorized under Government Code sections 53339.7 and 53326, and the recordation of the amendment to the notice of Lien under Government

Code section 53339.8, and Streets and Highway Code section 3117.5. Landowners acknowledge and
 agree that COUNTY will be proceeding with the annexation of the Project Territory to the District under
 such landowner voter election procedures, based upon such representations, covenants, warranties
 and agreements of Landowners.

5 7. Pursuant to Government Code section 53339.2 and, to the extent that it applies, 6 Government Code section 53318(c), Landowners hereby petition and request that COUNTY 7 immediately commence and pursue to completion, and institute all proceedings pursuant to the ACT, to 8 annex the Project Territory to the District, to establish and/or confirm the Initial Appropriations Limit 9 (defined below), to create and impose the Lien upon all of the nonexempt real property located in the 10 Project Territory according to the maximum rates of the annual Special Taxes (including inflationary 11 adjustments thereto) for the purpose of funding provision of Law Enforcement Services, as stated in the 12 Special Tax Rate and Method of Apportionment in Exhibit C (which is attached hereto and incorporated 13 herein), and annually thereafter to levy the Special Taxes upon all nonexempt real property located 14 within the Project Territory, all for the purpose of the provision of the Law Enforcement Services in the 15 Project Territory in accordance with COUNTY Policy, provided:

A. All proceedings to annex the Project Territory to the District and to establish and/or confirm the Initial Appropriations Limit, and to record the amendment to the notice of Lien (but excluding the imposition of the Levy) shall be completed no later than <u>February 11, 2025</u>; and

B. At the time that the annexation is completed, the then-current maximum rates of the annual Special Taxes (including inflationary adjustments thereto), for the purpose of funding provision of Law Enforcement Services, shall be as stated in the Special Tax Rate and Method of Apportionment in Exhibit C hereto.

C. That said completion date shall not be construed as limiting the COUNTY's
Board of Supervisor's ("Board") discretion to continue associated Board actions as the Board, in its sole
and absolute discretion, may deem appropriate.

D.That, in the event the Board continues any associated actions, or ifrcircumstances beyond the control of COUNTY arise that preclude completion by the date specified

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1 hereinabove, then the expiration date of this Agreement shall hereby be deemed extended to the extent 2 necessitated by such Board actions or circumstances beyond the control of COUNTY.

8. Landowners represent and warrant that the Project Territory constitutes one hundred percent (100%) of the area of land which Landowners propose to be annexed to and included within the District, that not all of such area is exempt from the Special Tax, and that all parcels in the Project Territory at the time of annexation, are full legal parcels identified by APNs.

7 9. Landowners hereby request that the COUNTY file this petition and request with the COUNTY's Clerk to the Board of Supervisors. Landowners further petition and request that the COUNTY Board of Supervisors immediately proceed with any and all actions or proceedings necessary 10 to accomplish matters in connection therewith.

10. Landowners seek to facilitate said petition and request by, to the greatest extent allowed by law, hereby expressly waiving any and all notices, minimum noticing periods, procedures, and substantive requirements otherwise required under or provided by:

14 Α. ACT, including, by way of example and without limitation, Article 3.5 15 (commencing with section 53339) of ACT regarding the proceedings to annex the Project Territory to 16 the District: and

17 B. Government Code Sections 54950 through 54962, inclusive, regarding notices of 18 and holding of public meetings of the COUNTY's Board; and

19 C. Government Code Section 53739, regarding the setting of the rate for taxes, 20 including an inflationary adjustment; and

D. Article 3.5 of Chapter 1 of Part 1 of Division 1 of Title 5 of the Government Code (Sections 50075 through and 50077, inclusive), regarding special taxes; and

Ε. The applicable provisions of Article 3.7 of Chapter 4 of Part 1 of Division 2 of Title 23 24 5 of the Government Code (Sections 53720 through and 53730, inclusive; as applicable) regarding 25 special taxes; and

F. Any other provisions of the Constitution of the United States, the Constitution of the State of California, and any and all other laws and regulations enacted thereunder by governing

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legal authorities or political subdivisions thereof, whether in law or equity, with regard to and including,
 but not limited to:

3 i. The adoption of any ordinances or resolutions; or ii. 4 Filing of any reports (including, but not limited to engineer's reports), 5 plans or studies concerning Law Enforcement Services and their related (or estimated) costs (as under 6 Government Code Section 53321.5, but not limited thereto); or 7 iii. Filing of any reports, plans, or studies concerning a plan for sharing services to be provided in common between the current District and the annexed Project Territory (as 8 9 under Government Code Section 53339.3, but not limited thereto); or 10 The giving of any notices, holding of any meetings or hearings, right of iv. 11 majority protest and objections (including objections concerning the regularity or sufficiency of the 12 proceedings for the establishment of the District and/or the annexation of the Project Territory to the 13 District; the recordation of the amendment to the notice of Lien; and the imposition of the Lien or Levy 14 of the Special Tax upon nonexempt properties located in the Project Territory; but not limited thereto); 15 or 16 V. The right to vote, election requirements, the manner and timing of 17 distributing ballots and elections materials to voters (including instructions for proposed voting 18 procedures), the collecting and canvassing of voted ballots, time limits for election; and 19 G. Expressly supports COUNTY's annexation of the Project Territory to the District, 20 the Levy of the Special Tax and the Initial Appropriations Limit (defined below), the recordation of the 21 amendment to the notice of the Lien against the properties shown in Exhibit A, and the imposition of the 22 ien and Levy on all nonexempt properties located in the Project Territory, all for the continual provision 23 bf Law Enforcement Services in the Project Territory, without completion of or compliance with any such notices, minimum noticing periods, time limits, procedures or substantive requirements. 24 25 11. Without limiting the generality of any of the foregoing, and to the greatest extent allowed

A. Any and all time limits and requirements in connection with the conduct of the
election of the Levy referred to in Government Code Sections 53339.7 and 53326(a); and

by law, DEVELOPER and Dunkle each hereby expressly waives:

B. The impartial analysis and arguments and rebuttals, if any, in connection with the
 election by the qualified landowner voters for the vote of the Levy referred to Government Code Section
 53327; and

C. Any and all objections for other procedures and substantive requirements in connection with the regularity and sufficiency of an election and time limits for the calling for an election of the Levy in the proposed Project Territory, and for performance by any COUNTY election official for the vote of such Levy; including, but not limited to, the manner and timing of distributing ballots and elections materials (including instructions for proposed voting procedures) to voters and collecting and canvassing voted ballots; and

D. Any and all rights under Articles XIIIA, section 4, XIIIC and XIIID of the California Constitution regarding special taxes and the right, under Article XIIIC of the California Constitution and any other provision of the California Constitution and of any laws, to the initiative power to reduce or repeal local taxes; and

E. Any and all rights under Article 3 (commencing with Section 53330) of ACT to reduce or repeal the Special Tax, to terminate the Levy, and to eliminate or reduce Law Enforcement Services; and

F. Any and all objections to the COUNTY's establishment and/or confirmation of the initial appropriation limit for the District, including the Project Territory, and/or of the then-current appropriations limit for the District, including the Project Territory, which may be subject to future adjustment as provided by the California Constitution or other law (collectively, the "Initial Appropriations Limit"), pursuant to Article XIIIB of the California Constitution, and Section 53325.7 of the Government Code.

12. Notwithstanding any provisions to the contrary in this Agreement, COUNTY agrees that all proceedings to annex the Project Territory to the District, to establish and confirm the Initial Appropriations Limit, and to record the amendment to the notice of the Lien (but excluding the imposition of the Levy) shall be completed no later than <u>February 12, 2025</u>, and at the time that the annexation of the Project Territory to the District is completed, the then-current maximum rates of the annual Special Tax (including inflationary adjustments thereto), for the purpose of funding provision of Law Enforcement Services, shall be as stated in Exhibit C, which is attached hereto and incorporated herein. Provided, however, that this shall not be construed as limiting the COUNTY's Board discretion to continue associated Board actions as the Board, in its sole and absolute discretion, may deem appropriate. In the event that the Board continues any associated actions, or other circumstances beyond control of COUNTY arise that preclude completion by February 11, 2025, then the expiration date of this Agreement shall hereby be deemed extended to the extent necessitated by such Board actions or circumstances beyond the control of the COUNTY. Nothing contained in this Agreement prohibits or limits, nor shall it be deemed to prohibit or limit, COUNTY from conducting subsequent proceedings for the increase of such maximum rates of the Special Tax (including inflationary adjustments thereto) or the District's (including the Project Territory) appropriations limit, and the level of Law Enforcement Services funded by the Special Tax, after the annexation of the Project Territory to the District, upon the approval of the requisite number of qualified voters in the annexation pursuant to ACT.

13. On the request of COUNTY, Landowners shall promptly execute and deliver to COUNTY any and all agreements, instruments, documents, and information that COUNTY deems necessary to accomplish the annexation of the Project Territory to the District, the special election for the Levy and Initial Appropriations Limit, the recordation of the amendment to the notice of the Lien, the imposition of the Lien and the initial Levy in the Project Territory, and the establishment and/or confirmation of the Initial Appropriations Limit, and to evidence DEVELOPER's petition, request, consent and waiver in this Agreement, including by way of example and without limitation, petition, waiver and consent forms, ballots regarding the Levy and Initial Appropriations Limit, receipts for notices, and authorization by DEVELOPER its respective representatives to take any actions, to give any approvals, to execute any agreements, instruments and documents, to authenticate any information provided by it, and to vote for the Levy and Initial Appropriations Limit in connection with this Agreement.

14. In consideration for COUNTY's Board conducting proceedings for the annexation of the
Project Territory to the District, the imposition of the Lien, the establishment and/or confirmation of the
Initial Appropriations Limit, and conducting proceedings for the Levy as requested herein, DEVELOPER
and Dunkle each agree to remain the sole owner of its real property in the Project Territory as identified

1 above, and each further agrees not to close escrow or to transfer title to, or any right or interest inits 2 real property in the Project Territory, as identified in paragraphs 4 and 5 hereof, or any lot or other portion thereof (collectively, or individually, the "Sale or Transfer"), to any other person or entity until the 3 4 earliest of the following:

5 Α. Completion of COUNTY's proceedings annexing the Project Territory to the 6 District and establishing and/or confirming the Initial Appropriations Limit, and imposing the Lien on all 7 nonexempt property located in the Project Territory, including by way of example and without limitation 8 COUNTY's Board's determination that the requisite 2/3 votes cast by the landowner in the consolidated 9 special election in favor of the Levy and the confirmation and/or Initial Appropriations Limit, and 10 COUNTY's Clerk to the Board of Supervisors' (or such other designated COUNTY Officer) recording of 11 the amendment to the notice of the Lien for the Project Territory with the COUNTY's Recorder pursuant 12 to Streets and Highway Code section 3117.5; or

13 Β. COUNTY's Board's express written consent to such Sale or Transfer of any of 14 the real property in the Project Territory, or any lot or other portion thereof, provided however, neither 15 landowner shall request any Sale or Transfer of any individual lot or lots to persons seeking to 16 establish, or who may allow other persons seeking to establish, their residences in the Project Territory. 17 However, the preceding provisions of this Section 14 shall not apply to, and Landowners may engage 18 in, marketing activities and opening of escrows for sale of individual lots in each landowner's real 19 property, prior to completion of the events described in Section 14.A. above, as long as such escrows 20 are not closed and title and ownership are not transferred until after completion of all of such events. If 21 DEVELOPER and/or Landowner does open an escrow, or otherwise receive any monetary deposit or enters into any agreement or obtains any commitment for the sale or transfer of any individual lot in 22 23 Developer's Real Property, prior to COUNTY's completion of proceedings to annex the Project Territory 24 to the District and impose the Special Tax and the recordation of the amendment to the notice of the 25 Lien, that party thereupon shall give, or cause the escrow holder to give, a clear and concise written 26 notice, in a document separate and apart from any other document, to the potential purchaser, in a 27 form approved by COUNTY, stating that proceedings to annex the Project Territory to the District and 28 establishment and/or confirmation of the Initial Appropriations Limit and to impose the Special Tax and

record the amendment to the notice of the Lien on the lot or parcel to be purchased are pending, the
 proposed maximum rate of the Special Tax (including inflationary adjustments thereto) stated in Exhibit
 C, that the escrow shall not close nor shall title to the lot or parcel (including any right or interest
 therein) be transferred until completion of all such proceedings, and the recordation of the amendment
 to the notice of the Lien on such lot or parcel.

15. To the extent that the COUNTY may institute proceedings for the establishment of any CFDs in the remainder of the area of the Specific Plan applicable to the Project Territory (the "Specific Plan Area"), or annex or add any contiguous or noncontiguous territories anywhere in Fresno County to the District (whether at the time of the annexation of the Project Territory to the District, or at any time thereafter) that are, in either case, owned by persons or entities other than DEVELOPER and/or Dunkle, and in either case levy a special tax for Law Enforcement Services in such territories, all of the provisions in of this Agreement concerning DEVELOPER's and/or Dunkle's consent and waiver shall also apply to DEVELOPER and Dunkle vis-à-vis such other CFDs or annexations or additions to the District, so that COUNTY may be fully assured that DEVELOPER and Dunkle shall fully cooperate with COUNTY, and will not defeat, cause delay or otherwise interfere with COUNTY's, establishment and implementation of such CFDs for, or annexations or additions to the District of any of such other territories.

16. To that end, to the greatest extent allowed by law, both DEVELOPER and Dunkle each hereby additionally and expressly waive all right of majority protest and objections (including by way of example and without limitation to objections concerning the regularity or sufficiency of the proceedings) to the proposed annexation(s) or additions of all of such other territories to the District, which are provided for in Government Code sections 53324 and 53339.6, as applicable.

17. Landowners shall advance funds to the COUNTY in the amount of Fifteen Thousand Dollars (\$15,000) (the "Deposit").

18. The Deposit shall be used to pay for the actual fees, costs and expenses incurred by
COUNTY for COUNTY's performance of the Special Tax Activities. COUNTY shall hold the Deposit in
trust for the aforementioned purposes, provided however, COUNTY shall not be obligated to invest
such funds to obtain any interest thereon.

1 19. If the actual fees, costs, and expenses incurred by COUNTY for COUNTY's 2 performance of the Special Tax Activities are less than the amount of the Deposit, COUNTY will 3 promptly refund such surplus funds to Landowners at the conclusion or earlier termination of this 4 Agreement.

5 20. If the amount of the Deposit is insufficient to allow COUNTY to complete performance of the Special Tax Activities, COUNTY shall not be obligated to perform any further activities in connection 7 with the Special Tax Activities, unless and until Landowners have remitted an additional deposit of funds to COUNTY in an amount which COUNTY determines to be an updated estimate of the fees, costs, and expenses of COUNTY, for completing the Special Tax Activities (a "Further Deposit"), less those portions already completed. Any Further Deposit(s) shall be administered in accordance with 10 11 Sections 17 and 18 of this Agreement.

12 21. It is understood by and between the parties, that COUNTY project staffing is limited within COUNTY Departments to perform the Special Tax Activities without adversely impacting 14 COUNTY's planned schedule for other projects or completion thereof, that to perform the Special Tax Activities in an expeditious manner may require the use of COUNTY staff time at overtime rates, and 16 that such circumstances may result in a request by COUNTY to Landowners for an additional deposit, pursuant to Section 20 of this Agreement, prior to COUNTY's performance of the remaining Special 18 Tax Activities on an expedited basis.

22. This Agreement shall be effective as of <u>December 3, 2024</u> and shall continue to be in full force and effect through February 11, 2025; provided, however, that this shall not be construed as limiting the COUNTY's Board's discretion to continue associated Board actions as the Board, in its sole and absolute discretion, may deem appropriate. In the event that the Board continues any associated actions, or circumstances beyond control of COUNTY arise that preclude completion by the date listed hereinabove, then the expiration date of this Agreement shall hereby be deemed extended to the extent necessitated by such Board actions or circumstances beyond the control of COUNTY. Additionally, this Agreement may also be extended by the written consent of DEVELOPER, Dunkle, and the Director of the Department of Public Works and Planning or his duly appointed designee.

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1 23. This Agreement is not intended to and will not be construed to create the relationship of 2 principal-agent, master-servant, employer-employee, partnership, joint venture, or association between 3 COUNTY and each landowner. Each of the parties to this Agreement, their respective officers, agents, 4 and employees, in the performance of this Agreement shall act in an independent capacity, as 5 independent contractors, between each other, subject to Section 1 of this Agreement.

24. Any terms or conditions of this Agreement may be modified from time to time, without in any way affecting the remainder, by the written consent of the parties.

25. Neither COUNTY nor Landowners shall assign, transfer or sub-contract this Agreement nor their rights or duties under this Agreement without the written consent of the other parties.

26. For purposes of venue, this Agreement shall be deemed to be performed only in Fresno County, California. Venue for any action arising out of or relating to this Agreement shall only be in Fresno County, California. The rights and obligations of the parties and all interpretation and performance of this Agreement shall be governed in all respects only by the laws of the State of California.

27. Landowners each agree to indemnify, save, hold harmless, and at COUNTY's request, defend COUNTY, its officers, agents, employees, and COUNTY's Consultant from and against any and all claims, demands, losses, costs, expenses (including attorney's fees and court costs), damages, recoveries, deficiencies or liabilities occurring or resulting to COUNTY, including its officers, agents, employees, and COUNTY's Consultant, to the extent caused by the actual or alleged performance, or failure to perform, by DEVELOPER and/or Dunkle, its officers, agents, or employees under this Agreement, and from and against any and all claims, demands, losses, costs, expenses (including attorney's fees and court costs), damages, recoveries, deficiencies or liabilities occurring or resulting to any person, firm, or corporation to the extent injured or damaged by the actual or alleged performance, or failure to perform, of DEVELOPER and/or Dunkle, its officers, agents, or employees under this Agreement and by any dangerous conditions, whether known or unknown, that exist or are alleged to exist on any of Landowners' real properties located in the Project Territory.

28. The parties agree that Section 1 and each and every one of Sections 6 through 27 of
b) this Agreement shall, individually and collectively, survive the termination of the remainder.

1 29. DEVELOPER and/or Dunkle may terminate this Agreement at any time for cause of 2 another party's material breach of its obligations, provided not less than ten (10) days' advance, written 3 notice has been given to all other parties and such breach remains uncured in such time. The party receiving said notice may respond to said notice and any charges contained therein within that time. If the alleged breach cannot be cured within ten (10) days, the party receiving said notice may be given reasonable additional time to cure, provided the party commences cure within such ten (10) days and diligently pursues the cure to completion, and provided further that in the case of an alleged breach by DEVELOPER and/or Dunkle, the deadline hereinabove, as may be extended in accordance with the provisions pertaining thereto, for COUNTY's annexation of the Project Territory to the District and establishment and/or confirmation of the Initial Appropriations Limit and recordation of the amendment to the notice of the Lien shall be extended by each day beyond such ten (10) day cure period that the alleged breach by DEVELOPER and/or Dunkle remains uncured.

30. Notwithstanding anything stated to the contrary, this Agreement also may be terminated at a time and on terms established by mutual written agreement of all parties.

31. Notwithstanding anything stated to the contrary in this Agreement, COUNTY, in its sole discretion, may abandon the proposed annexation of the Project Territory to the District, pursuant to Government Code, Section 53339.7, and not proceed further with the conduct of the special election for the Levy and Initial Appropriations Limit, provided however, nothing contained in this paragraph shall obligate or be deemed to obligate COUNTY to take such action.

32. In event that the annexation of the Project Territory to the District and establishment and/or confirmation of the Initial Appropriations Limit do not occur, and the amendment to the notice of the Lien is not recorded (but excluding the imposition of the Levy), by the deadline hereinabove, as may be extended in accordance with the provisions pertaining thereto, Landowners may immediately, upon the expiration of such deadline or extended deadline, proceed to complete sales of and transfers title to and rights and interest in all lots, parcels and other real properties within the Project Territory in accordance with law, without waiting for COUNTY's completion of the annexation of the Project Territory to the District and recordation of the amendment to the notice of the Lien, or, if COUNTY desires, COUNTY's establishment and implementation of any other substitute financing mechanism for Law Enforcement Services for the Project Territory, provided however in any event, so long as either
 landowner own any portion of the Project Territory, the landowner shall, to the extent of such
 ownership, continue to perform all of its obligations in connection with this Agreement.

33. Notwithstanding anything stated to the contrary in this Agreement, any termination of this
Agreement shall not alter or otherwise affect the Specific Plan, or any other condition or restriction
imposed by COUNTY upon development within the Specific Plan area, or within the Project Territory, or
any other agreement by and between Landowners and COUNTY.

34. The persons having authority to give and receive all notices under this Agreement and their addresses are listed in Exhibit D to this Agreement, provided however, any notices provided by DEVELOPER to COUNTY shall be all persons designated under DEVELOPER/LANDOWNER in Exhibit D. Subject to the foregoing sentence, any and all notices between the parties provided for or permitted under this Agreement shall be in writing and shall be deemed duly served when personally delivered to one of the parties, or in lieu of such personal service, when deposited in the United States Mail, postage prepaid, addressed to such party, provided however, notices of termination of this Agreement shall only be effective upon receipt, and shall be given in compliance with Section 27 of this Agreement. Any notices to be given or provided for under this Agreement are not modifications or changes of this Agreement.

35. If any provision of this Agreement, or the application thereof to any person, entity or circumstance, is found to violate any law or is found to be otherwise legally defective or unenforceable, then to any extent that is so found to be violative, invalid or unenforceable, the remainder of this Agreement, or the application thereof to persons, entities or circumstances other than those as to which it has been found to be violative, invalid or unenforceable, shall not be affected thereby, and each such provision of this Agreement shall remain in full force and effect and shall be enforceable to the full extent permitted by law. For any such provision of this Agreement, or the application thereof to any person, entity, or circumstance, which is found to violate any law or is found to be otherwise legally defective or unenforceable, the parties shall use their best efforts to replace that part of this Agreement with legal, valid, and enforceable terms and conditions most readily approximating the original intent of the parties.

1 36. This Agreement constitutes the entire agreement between the parties with respect to the 2 subject matter of this Agreement and supersedes all previous negotiations, proposals, commitments, 3 writings, advertisements, publications, and understandings of any nature whatsoever concerning the 4 subject matter of this Agreement unless expressly included in this Agreement. Notwithstanding 5 anything stated to the contrary in this Agreement, this Agreement shall not alter or otherwise affect the 6 Specific Plan, or any other condition or restriction imposed by COUNTY upon development within the 7 Specific Plan area, or within the Project Territory, or any other agreement, if any, by and between the 8 parties.

9 37. The parties acknowledge that DEVELOPER and/or Dunkle may also have entered into
10 or will enter into other agreements with, and instruments in favor of, COUNTY. All such other
11 agreements or instruments may provide for separate additional agreements and covenants by that
12 party and restrictions upon its real property, all of which are in favor of COUNTY above and beyond the
13 provisions of this Agreement.

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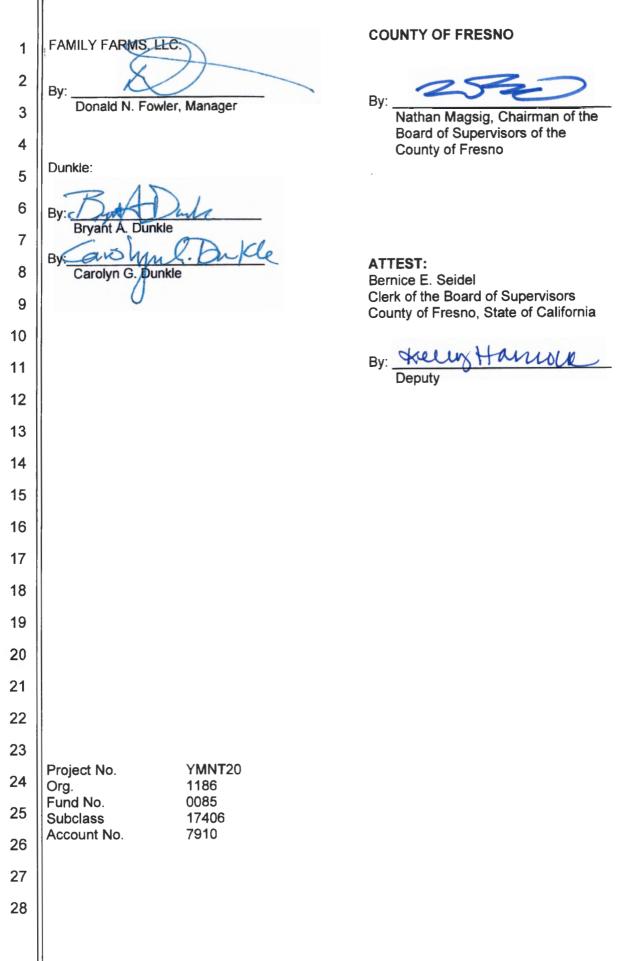
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38. The parties agree that there are no intended third-party beneficiaries of this Agreement.
39. The parties agree that time is of the essence in the parties' performance of their respective obligations under this Agreement.

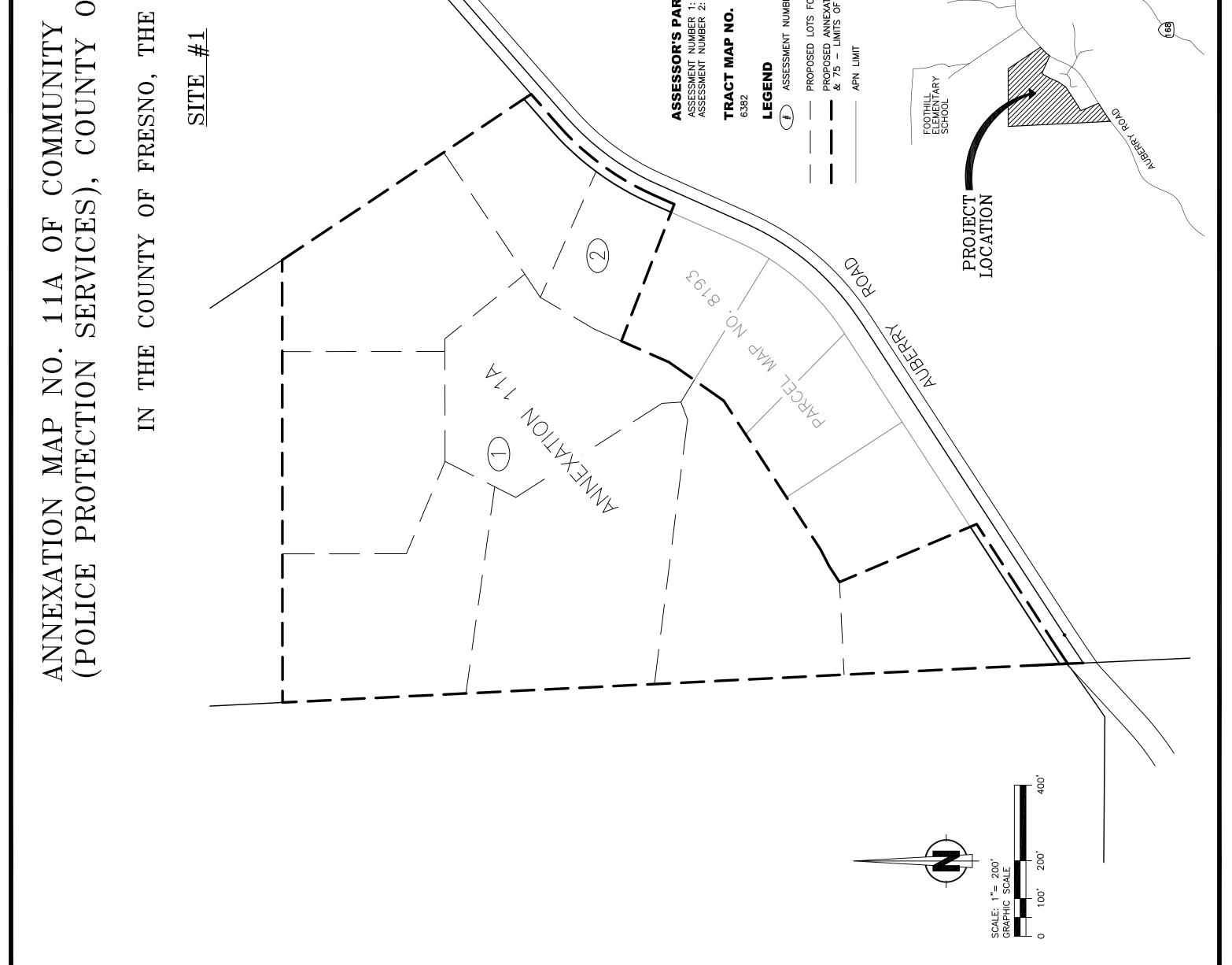
40. Both DEVELOPER and Dunkle represents, covenants, and warrants that each person executing this Agreement for it is its duly authorized representative, and is fully authorized by it to legally bind it to this Agreement according to the terms and conditions of this Agreement, to make all of the representations, covenants, warranties, and agreements provided herein, to make the petition and requests of COUNTY provided herein, to give the consents and waivers provided herein, and to vote (including, by way of example and without limitation, authorizing its other representatives to vote) for the Levy and Initial Appropriations Limit in connection with this Agreement. The DEVELOPER further represents, covenants, and warrants that it is duly authorized to transact the type of business in the State of California, which is covered by the subject of this Agreement.

41. The DEVELOPER and Dunkle acknowledges that all of its representations, covenants,
warranties, and agreements herein, and petition and request herein, are a material inducement for

1	COUNTY to enter into this Agreement, and that COUNTY would not have entered into this Agreement			
2	without all of them having been made herein.			
3	42. This Agreement may be executed in counterparts, each of which, when executed,			
4	constitute one and the same Agreement.			
5	IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of			
6	the day and year first above written.			
7	(Signature Page Follows)			
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FACILITIES OF FRESNO,	DISTRICT NO. 2006–01 <b>EXHIBIT "A"</b> STATE OF CALIFORNIA
STATE OF CAI	CALIFORNIA
	I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING BOUNDARIES OF ANNEXATION NO. 11A OF COMMUNITY FACILITIES DISTRICT NO. 2006-01 (POLICE PROTECTION SERVICES), COUNTY OF FRESNO, STATE OF CALIFORNIA WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF FRESNO AT A REGULAR MEETING THEREOF HELD ON THE DAY OF, 20 BY ITS RESOLUTION NO
	CLERK TO THE BOARD OF SUPERVISORS OF THE COUNTY OF FRESNO
	FILE THISDAY OF, 20 AT THE HOUR OFO'CLOCKM, IN BOOK AT PAGE(S) MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AND AS INSTRUMENT NOIN THE OFFICE OF THE COUNTY RECONTY OF FRESNO, STATE OF CALIFORNIA. THE OFFICE OF THE COUNTY RECONTY OF FRESNO, STATE OF CALIFORNIA.
<b>ARCEL NUMBER:</b> 1: APN 118-340-69 2: APN 118-340-75	BY: FRESNO COUNTY RECORDER
MBER FOR TRACT 6382 XATION TO CFD APN: 118–340–69 OF TRACT 6382	THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE FRESNO COUNTY ASSESSOR'S MAP FOR THOSE PARCELS LISTED. THE FRESNO COUNTY ASSESSOR'S MAP SHALL GOVERN FOR ALL DETAIL CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS AND PARCELS. THE BOARD OF SUPERVISORS OF THE COUNTY OF FRESNO APPROVED THE ORIGINAL BOUNDARY MAP OF THE DISTRICT, ENTITLED "MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2006–01 (POLICE PROTECTION SERVICES), COUNTY OF FRESNO, STATE OF CALIFORNIA", WHICH WAS FILED PURSUANT TO SECTION 3111 OF THE CALIFORMAN STREETS AND HIGHWAYS CODE, ON APPLL 3, 2006, IN BOOK 41, AT PAGE(S) 80 AND 81 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT NO. 20060068943.
NOT TO SCALE	DescriptionImage: Service of the



### EXHIBIT "A"

#### Legal Description

#### For APN/Parcel ID(s): 118-340-69 and 118-340-75

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

#### PARCEL 1: APN 118-340-69

PARCEL A AS SHOWN ON THE CERTIFICATE OF COMPLIANCE PLA NO. 19-10(a), RECORDED JANUARY 10, 2020 AS INSTRUMENT NO. 2020-0003200 OF OFFICIAL RECORDS.

ALL THAT PORTION OF SECTION 25, TOWNSHIP 10 SOUTH, RANGE 22 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS DESCRIBED IN THE DEED RECORDED DECEMBER 12, 2019 AS DOCUMENT NO. 2019-0146220, OFFICIAL RECORDS FRESNO COUNTY.

#### EXCEPTING THEREFROM:

ALL THAT PORTION DESCRIBED MORE PARTICULARLY AS FOLLOWED:

COMMENCING AT A POINT ON THE NORTHERLY LINE OF AUBERRY ROAD BEING THE WESTERLY TERMINUS OF COURSE NUMBER 21 AS DESCRIBED IN THE DEED FROM THE EARL L. WILSON TESTAMENTARY TRUST TO FRESNO COUNTY RECORDED MAY 7, 1984 AS DOCUMENT NO. 84043737, OFFICIAL RECORDS FRESNO COUNTY; THENCE ALONG COURSE NO. 22 OF SAID DEED SOUTH 62°38'32" WEST, A DISTANCE OF 50.25 FEET TO THE POINT OF BEGINNING; THENCE ALONG COURSE NO. 23 OF SAID DEED SOUTH 56°55'54" WEST, A DISTANCE OF 100.00 FEET; THENCE LEAVING SAID NORTHERLY LINE, NORTH 22°56'03" WEST, A DISTANCE OF 394.15 FEET; THENCE ALONG A LINE PARALLEL WITH AND 388.00 FEET NORTHWESTERLY OF SAID COURSE NO. 23, NORTH 56°55'54" EAST, A DISTANCE OF 50.00 FEET; THENCE SOUTH 30°12'47" EAST A DISTANCE OF 388.48 FEET TO THE POINT OF BEGINNING.

PARCEL 2: APN 118-340-75

ALL THAT PORTION OF SECTION 25, TOWNSHIP 10 SOUTH, RANGE 22 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF AUBERRY ROAD BEING THE WESTERLY TERMINUS OF COURSE NUMBER 21 AS DESCRIBED IN THE DEED FROM THE EARL L. WILSON TESTAMENTARY TRUST TO FRESNO COUNTY RECORDED MAY 7, 1984 AS DOCUMENT NO. 84043737, OFFICIAL RECORDS FRESNO COUNTY;

THENCE ALONG COURSE NO. 22 OF SAID DEED SOUTH 62°38'32" WEST, A DISTANCE OF 50.25 FEET;

THENCE ALONG COURSE NO. 23 OF SAID DEED SOUTH 56°55'54" WEST, A DISTANCE OF 100.00 FEET;

THENCE LEAVING SAID NORTHERLY LINE, NORTH 22°56'03" WEST, A DISTANCE OF 394.15 FEET;

THENCE ALONG A LINE PARALLEL WITH AND 388.00 FEET NORTHWESTERLY OF SAID COURSE NO. 23, NORTH 56°55'54" EAST, A DISTANCE OF 50.00 FEET;

THENCE ALONG A LINE PARALLEL WITH AND 388.00 FEET NORTHWESTERLY OF SAID COURSE NO. 22, NORTH 62°38'32" EAST, A DISTANCE OF 50.25 FEET;

THENCE ALONG A LINE PARALLEL WITH AND 388.00 FEET NORTHWESTERLY OF COURSE NO. 21 OF SAID DEED NORTH 56°55'54" EAST, A DISTANCE OF 469.73 FEET;

THENCE ALONG A LINE PARALLEL WITH AND 388.00 FEET NORTHWESTERLY OF COURSE NO. 19 OF SAID DEED, NORTH 35°01'38" EAST, A DISTANCE OF 177.24 FEET;

Т

### EXHIBIT "A"

#### Legal Description

THENCE ALONG A LINE PARALLEL WITH AND 388.00 FEET NORTHWESTERLY OF COURSE NO. 18 OF SAID DEED, NORTH 23° 54' 51" EAST, A DISTANCE OF 217.32 FEET;

THENCE NORTH 30°23'20" EAST, A DISTANCE OF 164.66 FEET;

THENCE SOUTH 66°05'09" EAST, A DISTANCE OF 388.00 FEET TO THE INTERSECTION WITH SAID NORTHERLY LINE OF AUBERRY ROAD BEING A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 730.00 FEET THE CENTER OF SAID CURVE BEARS SOUTH 53°08'09" EAST; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12° 57" 02", AN ARC LENGTH OF 165.00 FEET;

THENCE CONTINUING ALONG SAID NORTHERLY LINE OF AUBERRY ROAD THE FOLLOWING (4) FOUR COURSES:

1) ALONG COURSE NO. 18 OF SAID DEED SOUTH 23°54'51" WEST, A DISTANCE OF 255.07 FEET;

2) THENCE ALONG COURSE NO. 19 OF SAID DEED SOUTH 35°01'38" WEST, A DISTANCE OF 258.34 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTHWEST, HAVING A RADIUS 670.00 FEET, THE CENTER OF WHICH BEARS NORTH 43°51'17" WEST;

3) THENCE ALONG COURSE NO. 20 OF SAID DEED SOUTHWESTERLY ALONG SAID NON TANGENT CURVE THROUGH A CENTRAL ANGLE OF 10°47'08", AN ARC DISTANCE OF 126.12 FEET;

4) THENCE ALONG COURSE NO. 21 OF SAID DEED SOUTH 56°55'54" WEST, A DISTANCE OF 468.23 FEET TO THE POINT OF BEGINNING.

PURSUANT TO CERTIFICATE OF COMPLIANCE PLA 19-10(B) RECORDED JANUARY 10, 2020, INSTRUMENT NO. 2020-0003201, OFFICIAL RECORDS.

EXCEPTING THEREFROM PARCELS 1, 2, 3 AND 4 OF PARCEL MAP NO. 8193, IN THE UNINCORPORATED AREA, COUNTY OF FRESNO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 76, PAGES 5 THRU 7 OF PARCEL MAPS, RECORDS OF SAID COUNTY.

#### EXHIBIT B

#### COMMUNITY FACILITIES DISTRICT No. 2006-01 (Police Protection Services) County of Fresno

#### ANNEXATION MAP PREPARATION REQUIREMENTS

This document is only intended to be a general guide for providing some basic information concerning the preparation of Annexation Maps for Community Facilities District No. 2006-01 (Police Protection Services) County of Fresno (also called the Countywide Mello-Roos District for Police Protection Services). This document is not a complete summary of all of the legal requirements that may apply to such maps. Nor may this document be considered as legal advice concerning the legal requirements for preparing such maps.

It is the landowner's sole responsibility to ensure that Annexation Maps that it proposes to the County shall comply in all respects with the legal requirements applicable to such maps. A landowner's failure to prepare its Annexation Map in full compliance with all legal requirements applicable to such map will be grounds for County staff to reject such map, and to require the landowner to re-submit a correct Annexation Map. Such denial will likely cause a delay in the County's processing of the affected proposed annexation.

All proposed Annexation Maps for Community Facilities District No. 2006-01 (Police Protection Services) County of Fresno must, at a minimum, comply with all of the legal requirements of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code), and all of the legal requirements of Division 4.5 (Notice Of Special Assessment, Special Tax, And Foreclosure Proceedings), of the Streets and Highways Code (commencing with Section 3100).

Without limiting the generality of the foregoing, all proposed Annexation Maps must comply with all of the following minimum legal requirements set forth in the following sections of the Streets and Highway Code:

§ 3110.5. Proceedings in connection with a community facilities district; separate map of area proposed to be annexed

"In the case of annexation proceedings in connection with a community facilities district, a separate map of the area proposed to be annexed shall be prepared and adopted by the legislative body by resolution or ordinance prior to the hearing on the proposed annexation. It shall be entitled 'Annexation Map No. ------ of Community Facilities District No. [2006-01 (Police Protection Services), County of Fresno]<sup>1</sup>, California' and

<sup>&</sup>lt;sup>1</sup> Brackets denote language added by the County so that such information is tailored to the County's Community Facilities District. Proposed Annexation Maps need to include such tailored information, but, the brackets need to be removed.

shall reference by title, book, page, and recording date, the original (or if it has been amended, the most recent) boundary map of the community facilities district. The provisions of this part shall apply to the annexation map in all other respects as if it were an original community facilities district boundary map [See below for provisions applicable, generally, to community facilities district boundary maps]. Annexation shall not be considered modification or amendment of the boundaries of the community facilities district for purposes of this part, although an annexation map may be modified or amended."

#### § 3110. Description of boundaries; map

"(a) The proposed boundaries of the district to be specially taxed ... in proceedings shall be described by resolution or ordinance adopted by the legislative body prior to the hearing on the formation or extent of the district. The description of the proposed boundaries shall be by reference to a map of the district which shall indicate by a boundary line the extent of the territory included in the proposed district and the map shall govern for all details as to the extent of the district. The map shall also contain the name of the [County] and a distinctive designation, in words or by number, of the district shown on the map.

(b) The map shall be legibly drawn, printed or reproduced by a process that provides a permanent record. Each sheet of paper or other material used for the map shall be 18 by 26 inches in size, shall have clearly shown therein the particular number of the sheet, the total number of sheets comprising the map, and its relation to each adjoining sheet, and shall have encompassing its border a line that leaves a blank margin one inch in width.

The map shall be labeled substantially as follows: Proposed Boundaries of [(Annexation Map No. ------ of Community Facilities District No. 2006-01 (Police Protection Services) County of Fresno)], State of California.

If the map consists of more than one page, the same entitlement shall be on each page.

The map shall also have thereon legends reading substantially as follows:

(Clerk of the [Board of Supervisors of the County of Fresno])

(1) Filed in the office of the (clerk of the [Board of Supervisors of the County of Fresno]) this —— day of —— [20]—.

(2) I hereby certify that the within map showing proposed boundaries of (here insert [Annexation Map No. ——— of Community Facilities District No. 2006-01 (Police Protection Services), County of Fresno]), State of California, was approved by the [Board of Supervisors of the County of Fresno] at a regular meeting thereof, held on the ——— day of ——, [20] —, by its Resolution No. ——. [(Clerk to the Board of Supervisors, County of Fresno)]

(3) Filed this —— day of ——, [20]—, at the hour of —— o'clock —am. in Book – — of Maps of Assessment and Community Facilities Districts at page ——, in the office of the county [of Fresno.]

(County Recorder of County of [Fresno]) recorder in the County of [Fresno], State of California."

-END-

# EXHIBIT C

# COMMUNITY FACILITIES DISTRICT NO. 2006-01

# (POLICE PROTECTION SERVICES) OF THE COUNTY OF FRESNO

# SPECIAL TAX RATE AND METHOD OF APPORTIONMENT

# (Commencing as of Fiscal Year 2024-25)

A Special Tax of Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno ("CFD") shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year commencing in the Base Year in an amount determined by the County through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

This Special Tax Rate and Method of Apportionment uses the Special Tax Rate and Method of Apportionment for the original CFD. Any differences between the text of this Special Tax Rate and Method of Apportionment, and the text of the Special Tax Rate and Method of Apportionment for the original CFD, are updated provisions herein (*e.g.,* definition of Base Year, and the Maximum Special Tax Rates Per Unit commencing as of the Base Year (which are subject to increases in subsequent Fiscal Years, as provided herein)) that would conform this Special Tax Rate and Method of Apportionment to the Special Tax Rate and Method of Apportionment for the original CFD.

### A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended from time to time following the establishment of the CFD, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State.

"Administrative Expenses" means all actual and/or estimated costs and expenses directly incurred by the County as administrator of the CFD to determine, levy and collect the Special Taxes, including, but not limited to, the portion of salaries, wages and benefits of County officers and employees related to the determination, levy and collection of the Special Taxes, and all fees and

expenses of consultants, agents, third-party administrator(s) designated by the CFD Administrator, and legal counsel, related to the determination, levy and collection of the Special Taxes, and all costs and expenses of collecting installments of the Special Taxes upon the general tax rolls or by any other manner of collections as set forth in Section F, below, and preparing required reports, and conducting audits, if deemed necessary by the County; and any other costs and expenses directly incurred, which are required to administer the CFD as determined by the County. On each July 1 following the Base Year, all of the foregoing costs and expenses automatically shall be increased for each Fiscal Year in accordance with the Annual Escalation Factor, provided however, on each July 1 for each third subsequent Fiscal Year, commencing with Fiscal Year 2018-19, the Annual Escalation Factor shall be reduced by an Escalation Factor Adjustment, if any. Notwithstanding anything contained in this definition of Administrative Expenses, the amount of Administrative Expenses in any Fiscal Year that may be included in the Special Tax Requirement for that Fiscal Year shall not exceed ten percent (10%) of the Special Tax Requirement for that Fiscal Year.

**"Annual Escalation Factor"** means the sum: of (i) the annual increase in the Consumer Price Index ("CPI") for Urban Wage Earners and Clerical Workers in the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area as reflected in the then-current April update; and (ii) three percent (3%) of the then-current Police Protection Services Costs. The annual CPI used shall be as determined by the United States Department of Labor, Bureau of Labor Statistics, and may be obtained through the California Division of Labor Statistics and Research (<u>http://www.dir.ca.gov/oprl/CAPriceIndex.htm</u>, as of June 19, 2024). If the foregoing index is not available, the County Board shall select, and thereby shall be authorized to use, a comparable index.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by assessor's parcel number.

**"Base Year"** means the Fiscal Year ending June 30, 2025.

**"CFD Administrator"** means an official of the County, or his or her designee (including, but not limited to, County officer(s), employee(s), and third-party administrator(s)), responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"CFD"** means Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno.

"County" means the County of Fresno, California.

**"County Board"** means the Board of Supervisors of the County, acting as the legislative body of the CFD.

"Developed Property" means all Taxable Property within the boundaries of the CFD for which a permit for occupancy of a residential unit has been issued (i) anytime on or prior to January 1, 2024 for the Base Year, and (ii) anytime after January 1<sup>st</sup> and prior to May 1<sup>st</sup> (e.g., for the Base Year, this would be January 1, 2024 and May 1, 2024) preceding each Fiscal Year in which the Special Tax is being levied. Once a Taxable Property has been designated as Developed Property, it shall retain such status permanently (provided however, if the Land Use Class(es) for any Developed Property subsequently changes, the Land Use Class(es) for such Developed Property automatically shall change accordingly pursuant to the rate and method of apportionment of the Special Tax, as provided herein), and shall be subject to the Special Tax each Fiscal Year as provided herein, unless such Taxable Property subsequently shall become and retain such status as Tax-Exempt Property. There shall not be any proration or reduction of the Special Tax levy for any Taxable Property, or refund of the Special Tax for any Taxable Property, for any Fiscal Year in which any such Taxable Property becomes Tax-Exempt Property.

**"Escalation Factor Adjustment"** means the calculation based on the following formula: (1) calculate the annual increases of all of the applicable costs and expenses for each of the prior two Fiscal Years plus the reasonably estimated increase of the applicable costs and expenses for the then-current Fiscal Year; (2) calculate the percentage of each of such increases of all of the applicable costs and expenses in each of such Fiscal Years over each of the prior Fiscal Years (collectively, the "Cumulative Increase"); (3) calculate the sum of the Annual Escalation Factors for the prior two Fiscal Years plus the Annual Escalation Factor"); (3) if the Cumulative Increase is less than Cumulative Annual Escalation Factor, then the difference thereof shall be the amount of the Escalation Factor Adjustment; (4) if the Cumulative Increase is equal to or greater than the Cumulative Annual Escalation Factor Adjustment for the the Cumulative Increase is equal to or greater than the Cumulative Annual Escalation Factor Adjustment for the the Cumulative Increase is equal to or greater than the Cumulative Annual Escalation Factor Adjustment for the the Cumulative Increase is equal to or greater than the Cumulative Annual Escalation Factor Adjustment shall be zero.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Land Use Class"** means any of the classes listed in Table 1 of Section C, below.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C, below, that may be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

"Multi-Family Property" means all Assessor's Parcels of Developed Property within the boundaries of the CFD for which a building permit has been issued for purposes of constructing a residential structure consisting of two or more residential units that share common walls, including, but not limited to, duplexes, triplexes, townhomes, condominiums, and apartment units.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property within the boundaries of the CFD for which a building permit has been issued for a non-residential use and does not contain any residential units as defined under Residential Property or Multi-Family Property.

**"Property Owner Association Property"** means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to, a property owner association, including any master or sub-association.

**"Proportionately"** means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

"Public Property" means any property within the boundaries of the CFD that is, at the time of the establishment of the CFD, and as determined by the CFD Administrator, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County or any other public agency, provided however, that any property leased (or property in which there is a grant of a possessory interest) by a public agency to a private entity or person and subject to taxation under section 53340.1 of the Act, and any property described in section 53317.3 or 53317.5 of the Act, shall not be considered Public Property but shall be classified and taxed in accordance with its use. Once an Assessor's Parcel has been designated as Public Property, it shall retain such status permanently, unless such Public Property subsequently shall become Taxable Property.

**"Police Protection Services Costs"** means the actual and/or estimated costs and expenses of the County Sheriff's Office to provide police protection services within the CFD, including, but not limited to, (i) all salaries, wages and benefits of all County sworn officers providing police protection services within the CFD, (ii) all related equipment, vehicles, and supplies for all such services, and (iii) all County overhead costs associated with providing or paying for all such services (and all such related costs and expenses) within the CFD. The Special Tax provides only partial funding for Police Protection Services Costs within the CFD. On each July 1 following the Base Year, all of the foregoing costs and expenses automatically shall be increased for each Fiscal Year in accordance with the Annual Escalation Factor, provided however, on each July 1 for each third subsequent Fiscal Year, commencing with Fiscal Year 2018-19, the Annual Escalation Factor shall be reduced by an Escalation Factor Adjustment, if any.

**"Residential Property"** means all Assessor's Parcels of Developed Property within the boundaries of the CFD for which a building permit has been issued for purposes of constructing one residential unit.

**"Special Tax"** means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property within the boundaries of the CFD to

fund the Special Tax Requirement and shall include Special Taxes levied or to be levied under Sections C and D, below.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for the CFD to: (a) (i) pay for Police Protection Services Costs; and (ii) pay reasonable Administrative Expenses; less (b) a credit for funds available, if any, to reduce the annual Special Tax levy, as determined by the CFD Administrator.

"State" means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or as defined below.

**"Tax-Exempt Property"** means an Assessor's Parcel within the boundaries of the CFD not subject to the Special Tax. Tax-Exempt Property only includes: (i) Public Property, (ii) Non-Residential Property, and (iii) Property Owner Association Property.

"Undeveloped Unit" means a building or structure for which a building permit has been issued, and either (i) such building or structure has a value of less than 50% of the value of either (x) the existing residential unit on Residential Property, or (y) the lowest valued existing unit (as calculated as a proportionate percentage of the total building value) on Multi-Family Property, (ii) such building or structure consists of less than 500 square feet, or (iii) notwithstanding the definitions of Multi-Family Property and Residential Property, such building permit has been issued for the reconstruction of a residential unit as a result of extraordinary damage or destruction to such residential unit, such as fire, flood or earthquake, and either (x) there has not yet been issued by the appropriate building official a permit for occupancy of such residential unit by May 1<sup>st</sup> preceding the applicable Fiscal Year in which the Special Tax is being levied, or (y) the appropriate building official has not determined that such residential unit has been occupied by a person as his or her dwelling as of May 1<sup>st</sup> preceding the applicable Fiscal Year in which the Special Tax is being levied. Any determination of the nature or status of such buildings, structures, or residential units, or their values, sizes, and uses shall be made by the CFD Administrator or his or her designee.

**"Unit"** means any residence in which a person or persons may live and is not considered to be for commercial or industrial use.

# B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year using the definitions above, all Taxable Property within the boundaries of the CFD shall be classified as Developed Property. Developed Property shall be further assigned to a Land Use Class as specified in Table 1 of Section C, below, and shall be subject to Special Taxes pursuant to Sections C and D below.

### C. MAXIMUM SPECIAL TAX RATES

### 1. Developed Property

## TABLE 1

### Maximum Special Tax Rates for Developed Property (Commencing as of the Base Year, and subject to increases in subsequent Fiscal Years, as provided herein)

### Community Facilities District No. 2006-01 (Police Protection Services) Of the County of Fresno

Land Use Class	Description	Maximum Special Tax Rate Per Unit
1	Residential Property	\$884.77 per Unit
2	Multi-Family Property	\$665.55 per Unit

On each July 1 following the Base Year, the Maximum Special Tax Rates automatically shall be increased for each Fiscal Year in accordance with the Annual Escalation Factor, provided however, on each July 1 for each third subsequent Fiscal Year, commencing with Fiscal Year 2018-19, the Annual Escalation Factor shall be reduced by an Escalation Factor Adjustment, if any.

### 2. Multiple Land Use Classes

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax levies that can be imposed on all Land Use Classes located on that Assessor's Parcel.

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### 3. Undeveloped Units and Tax-Exempt Property

No Special Tax shall be levied on Undeveloped Units or Tax-Exempt Property.

## D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with the Base Year, and for each following Fiscal Year, the CFD Administrator shall calculate the Special Tax Requirement based on the Special Tax Rate and Method of Apportionment of the CFD and levy the Special Tax until the amount of the Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied in the amount of the Special Tax Requirement Each Fiscal Year on each Assessor's Parcel of Developed Property Proportionately, but not more than 100% of the applicable Maximum Special Tax.

# E. APPEALS

Any taxpayer who believes that the amount of the Special Tax assigned to his or her lot or parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax, provided that the taxpayer has fully paid his or her Special Tax for such Parcel on or before the payment date established for such Special Tax. Such notice is required to be filed with the CFD Administrator during the Fiscal Year that the error is believed to have occurred. The notice must specify the Parcel, the amount of the levy of the Special Tax, and reason(s) why the taxpayer claims that the amount of the Special Tax is in error.

The CFD Administrator or his or her designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator or his or her designee agrees with the taxpayer that the amount of the Special Tax for such Parcel should be changed, the Special Tax levy for such Parcel shall be corrected accordingly and, if applicable in any case, a refund of such erroneous amount collected shall be granted.

If the CFD Administrator or his or her designee disagrees with the taxpayer, and the taxpayer is dissatisfied with such determination, the taxpayer shall have thirty (30) calendar days, from the date that he or she receives notice of such determination in which to appeal to the County Board by filing a written notice of appeal with the Clerk to the County Board, provided that the taxpayer is current in his or her payment of Special Taxes for such Parcel. The notice of appeal must specify the Parcel, the amount of the levy of the Special Tax, the reason(s) why the taxpayer disagrees with the CFD Administrator's determination, and why the taxpayer claims that the amount of the Special Tax is in error.

The County Board will hear the taxpayer's appeal, and make a determination whether to affirm, modify or reverse the determination of the CFD Administrator

or his or her designee. If the County Board agrees with the taxpayer that the amount of the Special Tax for such Parcel should be changed, the Special Tax levy for such Parcel shall be corrected accordingly and, if applicable in any case, a refund of such erroneous amount collected shall be granted. Any such determination of the County Board shall be provided to the taxpayer and shall be final and conclusive.

Any filing by a taxpayer of any notice of appeal with the CFD Administrator, or any appeal with the Clerk to the County Board shall be deemed to be made when such notice of appeal is delivered to CFD Administrator, or when such appeal is delivered to the Clerk to the County Board.

### F. MANNER OF COLLECTION

The Special Tax levied pursuant to section D, above, shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem taxes; provided, however, the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD or as otherwise determined appropriate by the CFD Administrator.

# G. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity or until such time as the County Board terminates the Special Tax.

-END-

## EXHIBIT D

### Contact information of all persons having authority to give and receive all notices under this Agreement

#### **DEVELOPER / LANDOWNERS**

Donald N. Fowler – Manager Family Farms, LLC P.O. Box 410, Prather, CA. 93651

Bryant A. Dunkle and Carolyn G. Dunkle P.O. Box 503, Prather, CA. 93651

#### <u>COUNTY</u>

Steven E. White - Director Department of Public Works and Planning County of Fresno 2220 Tulare Street, Suite 800, Fresno, CA. 93721