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THIRD AMENDMENT TO

2017 AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING

COUNTY OF FRESNO AND THE CITY OF CLOVIS

This Third Amendment to 2017 Memorandum of Understanding ("Third Amendment") is executed on March 9___, 2021 (the "Effective Date"), by and between the County of Fresno, a political subdivision of the State of California ("County"), and the City of Clovis, a municipal corporation of the State of California ("City"), with respect to the following Recitals, which are a substantive part of this Third Amendment. County and City are a "party" to this Third Amendment and are sometimes collectively referred to as "the Parties."

RECITALS

WHEREAS, the Parties previously entered into a comprehensive agreement covering development, annexations, sales taxes, property taxes, and other matters, which is entitled "2017 Amended and Restated Memorandum of Understanding," dated June 6, 2017 (hereinafter "MOU"); and

WHEREAS, it has become apparent to the Parties that an amendment to the MOU is necessary and desirable to accommodate changes in the patterns of new urban growth and development that City is experiencing as it regulates and facilitates the build-out of its Sphere of Influence; and

WHEREAS, the City has notified the County of its desire to file an annexation proposal identified as the "Ashlan-Thompson SE Reorganization Project" to LAFCo for annexing a 40-acre parcel of land for development of a residential subdivision, as shown in the map attached hereto as Exhibit 1 and incorporated herein by reference, which shall be Exhibit 7 to the MOU; and

WHEREAS, for the Ashlan-Thompson SE Reorganization Project to be developed, it must be annexed into the City which would extend a peninsula of the City eastward along the south side of Ashlan Avenue, which peninsula would be consistent with the current City Sphere of Influence but would not be consistent with the Standards for annexation set forth in the MOU; and

WHEREAS, the Ashlan-Thompson SE Reorganization Project represents a logical development 26 pattern in that it is under one ownership who desires annexation to the City and has presented a tentative

LOZANO SMITH 7404 N. Spalding Avenue Fresno, CA 93720-3370 Tel 559-431-5600 Fax 559-261-9366 subdivision map for residential development to the City; and

WHEREAS, the parties recognize that this Third Amendment to the MOU is necessary to accommodate the Ashlan-Thompson SE Reorganization Project annexation, and memorialize the City's agreement to certain conditions associated with said annexation.

NOW, THEREFORE, County and City hereby agree to amend the MOU as follows:

AGREEMENT

- 1. Section 2.6 is added to Article II of the MOU, as follows:
- "2.6. At such time as City applies to LAFCo for the annexation of the Ashlan-Thompson SE Reorganization Project, the boundaries of which are described in Exhibit 7 [Exhibit 1 attached to the Third Amendment to the MOU] attached and incorporated herein by reference, County agrees to express support for the annexation by letter or by staff appearance before LAFCo."
- 2. Section 2.7 is added to Article II of the MOU, as follows:
- "2.7. The County and the City agree that the Ashlan-Thompson SE Reorganization Project would be best served by being annexed to the City, and the County and the City each agree to support annexation of the area and will express such support to LAFCo at appropriate times as set forth herein. The City shall request LAFCo to schedule a hearing on the annexation application within six (6) months after the Effective Date of the Third Amendment to the MOU.

In accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, if LAFCo approves the annexation of the Ashlan-Thompson SE Reorganization Project and there is an insufficient protest, the area will be annexed to the City. If there is a protest sufficient to require an election, the City will continue with the LAFCo process through the election procedure.

If LAFCo fails to approve the annexation of the Ashlan-Thompson SE Reorganization Project, or if the annexation is defeated at an election, the City will make good faith efforts to actively pursue incremental annexation of the area as the consent of various property owners can be obtained and logical annexation areas can be defined.

In connection with the annexation of the Ashlan-Thompson SE Reorganization Project, the City shall accept responsibility for any existing code enforcement issues for the annexed property.

LOZANO SMITH 7404 N. Spalding Avenue Fresno, CA 93720-3370 Tel 559-431-5600 Fax 559-261-9366 ///

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The City shall pay required annexation fees and costs in addition to providing other preparation work. The City shall be responsible for the Fire District Transition Fee in accordance with its Transition Agreement with the Fresno County Fire District."

- 3. Section 2.8 is added to Article II of the MOU, as follows:
- "2.8. Upon the completion of the Ashlan-Thompson SE Reorganization Project annexation, the City agrees to do the following:
 - a. When development activity requires the construction of municipal utilities in County road rights-of-way within the annexed area, the City shall require reconstruction of affected sections of such roads to City standard cross-section specifications.
 - b. As a part of its development entitlement process, City shall require developer(s) to obtain a County encroachment permit prior to constructing municipal utilities in County road rights-of-way within the annexed area. City agrees to the timely maintenance and repair of the County's roadway at City's expense for any repairs created by or related to the Ashlan-Thompson SE Reorganization Project annexation.
 - c. All existing storm drainage patterns and all storm drainage generated as a result of development activity in the annexed area shall be accommodated by existing or project-installed Master Planned Storm Drainage infrastructure and shall not contribute to surface flows or ponding within the unincorporated areas. All new storm drainage shall conform to the Fresno Metropolitan Flood Control District's master plan for the area."
- 4. Unless expressly modified by the terms of this Third Amendment, all other terms of the MOU shall remain in full force and effect.

[Remainder of page blank – Signatures on next page]

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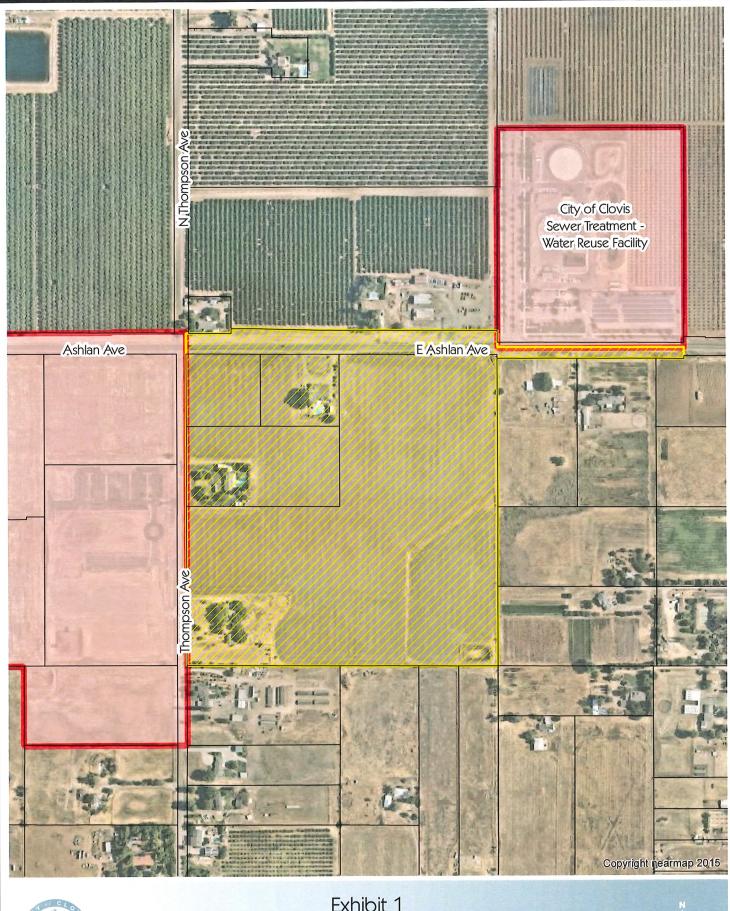




Exhibit 1 Ashlan-Thompson Southeast Reorganization



