

SUBDIVIDER REIMBURSEMENT AGREEMENT

(CSA Zone Revenues)

This agreement is made and entered into this 14 day of December
2017, by and between the County of Fresno, a political subdivision of the State of California
(County), and Granville Homes, Incorporated, a California corporation (SUBDIVIDER) doing
business at 1396 W. Herndon, Suite 101, Fresno, California 93711.

Recitals

WHEREAS, SUBDIVIDER is the sole landowner of the land encompassed by Tentative
Tract (TT) Nos. 4968, 4976, 5430, a future TT of approximately 40 acres located south and east
of TT 4968, a future TT of approximately 100 acres located west of TT 4976, and a future
project consisting of 12 acres on the northwest corner of Millerton Road and Winchell Cove
Road, all within County Service Area 34 (Millerton New Town) (CSA 34); and

WHEREAS, SUBDIVIDER, in an effort to satisfy conditions of approval for TT Nos.
4968, 4976, 5430, and in anticipation of comparable conditions of approval for a future TT of
approximately 40 acres located south and east of TT 4968, future TT of approximately 100
acres located west of TT 4976, and a future project consisting of 12 acres on the northwest
corner of Millerton Road and Winchell Cove Road, asks the County to undertake proceedings to
form zone G of CSA 34 (Zone G), in which the County would provide services consistent with
the Millerton Specific Plan and the Millerton New Town Infrastructure Plan, which services shall
include those shared with all of the zones within CSA 34, namely, water contract administration
and lake pump ready-to-serve maintenance, and operation and maintenance of shared-use
water treatment and delivery services and sewer treatment and collection services, and which
services may also include, without limitation, potable water delivery services and sewer
collection services, street lighting, public right-of-way landscape maintenance, and road
maintenance within the area defined by TT 4968, 4976, 5430, future TT of approximately 40
acres located south and east of TT 4968, future TT of approximately 100 acres located west of

1 TT 4976, and future project consisting of 12 acres on the northwest corner of Millerton Road
2 and Winchell Cove Road; and

3 WHEREAS, the County's Master Schedule of Fees, Section 3750.12, requires the
4 County to recover the County's costs involved in project implementation, such as establishing
5 revenue (such as special taxes, benefit assessments, user fees, property-related fees, or some
6 combination of any or all of those) for a new zone in a County Service Area (CSA), which
7 requires public proceedings (such as those required by Proposition 218), through the execution
8 of a reimbursement agreement with the project proponent;

9 **The parties therefore agree as follows:**

10 **I. Duties of SUBDIVIDER**

11 **A.** SUBDIVIDER shall pay to the County the County's actual cost to carry out the
12 proceedings described in section II.B., below, which are collectively defined in that section as
13 the "Project". SUBDIVIDER understands and acknowledges that the County makes no
14 guarantee regarding the results of those proceedings.

15 **B.** Upon execution of this agreement, SUBDIVIDER shall deposit with the County,
16 the sum of **Twenty Thousand Dollars (\$20,000)**, which is the initial deposit for all costs
17 associated with a proceeding complaint with Proposition 218 to establish revenues for Zone G
18 in the form of fees and assessments, described in more detail below. SUBDIVIDER
19 understands and acknowledges that the actual cost of the Project may exceed the amount of
20 that initial deposit.

21 **II. Duties of the County**

22 **A.** The County shall receive the SUBDIVIDER's initial deposit under section I.B.,
23 above, and apply it as needed to the costs of the Project.

24 **B.** The County shall undertake proceedings to establish fees and assessments for
25 Zone G (1) to establish a benefit assessment for water and sewer facilities; and (2) to establish
26 local lighting, open space maintenance and public right of way landscape maintenance
27 services; and (3) to establish a benefit assessment in CSA 34 for the costs of local water utilities
28 and the administration of contracts for the purchase of water and the operation and

1 maintenance of water pumps in Millerton Lake; and (4) to establish storm drainage maintenance
2 and road maintenance services; and (5) to establish fees to pay for water and sewer utility
3 services, and the County shall give all notices, conduct all hearings, and process all documents
4 necessary to complete those proceedings in compliance with all applicable fee and assessment
5 laws, as well as California Constitution article XIII D (also known as Proposition 218)
6 (collectively, "Project"). The County makes no guarantee regarding the result of those
7 proceedings.

8 C. The County shall keep accurate records of the actual cost to complete the
9 Project.

10 D. If the SUBDIVIDER requests, the County will provide an accounting of the cost of
11 the Project.

12 E. If the County in its sole discretion determines that the cost of the Project will
13 exceed the initial deposit, the County will in writing request additional payment from
14 SUBDIVIDER, which SUBDIVIDER shall pay within seven (7) days of receiving the County's
15 written request; or the County in its sole discretion may proceed with the Project and bill
16 SUBDIVIDER monthly for actual costs incurred for the Project during the prior month, and
17 SUBDIVIDER shall pay the County within the seven (7) days of receiving each invoice.

18 F. If SUBDIVIDER fails to make any payment or deposit required by the County
19 under this agreement, the County in its sole discretion may terminate this agreement, the
20 Project, or both. SUBDIVIDER is not entitled to refund of any payment or deposit if the County
21 terminates this agreement, the Project, or both.

22 H. If the actual cost of the Project is less than the sum total of SUBDIVIDER's
23 deposits under this agreement, the County will refund to SUBDIVIDER the amount remaining
24 from those deposits after the actual cost of the Project is paid.

25 III. Termination

26 The County and SUBDIVIDER shall proceed with due diligence to perform their
27 respective obligations under this agreement. This agreement may be terminated without cause
28 at any time by SUBDIVIDER upon thirty (30) calendar days' written notice. If SUBDIVIDER

terminates this agreement, SUBDIVIDER shall compensate the County for all Project costs incurred up to the date of termination.

V. Severability

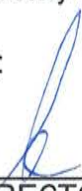
If any part of this agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, then this agreement shall be construed as not containing the invalid or unenforceable provision or provisions, and all other provisions of this agreement shall remain in full force and effect, and to this end the provisions of this agreement are hereby declared to be severable.

The parties are signing this agreement on the date stated in the introductory clause.

Granville Homes, a California Corporation:

COUNTY OF FRESNO:

BY: 

BY: 

Jeffrey T. Roberts VP
Print Name & Title

STEVEN E. WHITE, DIRECTOR,
DEPARTMENT OF PUBLIC WORKS
AND PLANNING

1396 W. Herndon #101
Mailing Address Fresno, Ca 93711

FOR ACCOUNTING USE ONLY

Department of Public Works and Planning

CSA No. 34 Millerton New Town

Fund: 0830

Subclass: 16000

Org. No. 9174

Account No.: 5068

Account No.: 7295

