City Council Chamber
1515 6th Street, Coachella, California
(760) 398-3502 ◆ www.coachella.org

AGENDA

OF A REGULAR MEETING
OF THE
CITY OF COACHELLA
PLANNING COMMISSION

April 02, 2025
6:00 PM

In-Person Meeting Location: City Council Chamber 1515 6th Street, Coachella, CA	**If you would like to attend the meeting via Zoom, here is the link:** https://us02web.zoom.us/j/84544257915?pwd=VTdHWitpYVdOUk1NQW8vZ1pqUm0zQT09 Or One tap mobile : +16694449171,,84544257915#,,,,*380084# Or Telephone: US: +1 669 900 6833 **Webinar ID: 845 4425 7915** **Passcode: 380084** **Spanish:** El idioma español está disponible en Zoom seleccionado la opción en la parte de abajo de la pantalla

- Public comments may be received by 12:00 P.M. **either in person, via email, telephonically, or via Zoom** with a limit of **250 words, or three minutes:**
  - **In Real Time:**

    If participating in real time via Zoom or phone, during the Public Comment Period, use the **"raise hand"** function on your computer, or when using a phone, participants can raise their hand by pressing *9 on the keypad.
  - **In Writing:**

    Written comments may be submitted to the City Council electronically via email to **cityclerk@coachella.org**. Transmittal **prior to the start** of the meeting is required. All written comments received will be forwarded to the City Council and entered into the record.

- The **live stream** of the meeting may be **viewed online** by accessing the city's website at **www.coachella.org**, and clicking on the "**Watch Council Meetings**" tab located on the home page, and then clicking on the "live" button.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

CHAIRPERSON ISELA MURILLO

VICE-CHAIRPERSON OSCAR FONSECA

COMMISSIONER EVA LARA

COMMISSIONER YUREMA ARVIZU

APPROVAL OF AGENDA:

"At this time the Commission may announce any items being pulled from the agenda or continued to another date or request the moving of an item on the agenda."

APPROVAL OF THE MINUTES:

1. Planning Commission Meeting Minutes - March 19, 2025

WRITTEN COMMUNICATIONS:

PUBLIC COMMENTS (NON-AGENDA ITEMS):

"The public may address the Commission on any item of interest to the public that is not on the agenda, but is within the subject matter jurisdiction thereof. Please limit your comments to three (3) minutes."

REPORTS AND REQUESTS:

NON-HEARING ITEMS:

2. Culturas Music and Arts Concept Designs for the Culturas Music and Arts project located at the southwest corner of Vine Avenue and Second Street Applicant: Anthony Poon, FAIA, Principal, Poon Design Inc.

PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):

3. Architectural Review No. 23-08 (Modification) Love's Travel Stop Façade Remodel **a modification request to include an additional 350 sq. ft storage area expansion and façade improvements as part of the approved remodel for the existing Love's Travel Stop site at 45761 Dillon Road** and determining that the proposed project is compliant with California Environmental Quality Act (CEQA) Guidelines Section 15301 (Existing Facilities) Applicant: Jerrod Marsh

4. Resolution No. PC 2025-03: Request for Conditional Approval of Conditional Use Permit No. 388 El Tranvia– Type 47 ABC License

Request for conditional approval for Conditional Use Permit No. 388 to allow liquor sales (ABC Type 47, On-Sale General – Eating Place) within an existing 5,951 square-foot restaurant located at 1221 6th Street and determining that the proposed project is compliant with California Environmental Quality Act (CEQA) Guidelines Section 15301 (Existing Facilities) Applicant: Oscar Ventura Saavedra

5. Resolution 2025-04 recommending approval of the Amended and Restated La Entrada Development Agreement. (DA 23-01) (Kalifornia City).

Amended and Restated La Entrada Specific Plan Development Agreement (Kalifornia City).

INFORMATIONAL:

ADJOURNMENT:

Complete Agenda Packets are available for public inspection at the City Clerk's Office at 53-462 Enterprise Way, Coachella, California, and on the City's website www.coachella.org.

THIS MEETING IS ACCESSIBLE TO PERSONS WITH DISABILITIES

City Council Chamber
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AGENDA

DE UNA REUNIÓN DE LA

COMISIÓN DE PLANIFICACIÓN

PLANNING COMMISSION

2 de Abril de 2025
6:00 PM

Lugar de la reunión en persona: Cámara del Ayuntamiento 1515 6th Street, Coachella, CA	**Si desea asistir a la reunión a través de Zoom, aquí está el enlace:** **https://us02web.zoom.us/j/84544257915?pwd=VTdHWitpYVdOUk1NQW8vZ1pqUm0zQT09** **O one tap mobile: Us: +16699006833,, 84544257915#,,,,* 380084# US** **O teléfono:** **Us: +1 669 900 6833** **ID del webinar: 845 4425 7915** **Código de acceso: 380084** **Español: El idioma español está disponible en Zoom seleccionado la opción en la parte de abajo de la pantalla**

Los comentarios públicos se pueden recibir por correo electrónico, por teléfono o por zoom con un límite de 250 palabras o tres minutos:

En vivo:
Si participa en vivo a través de zoom o teléfono, durante el período de comentarios públicos, use la función "levantar la mano" en su computadora, o cuando use un teléfono, los participantes pueden levantar la mano presionando *9 en el teclado.

Por escrito:
Los comentarios escritos pueden enviarse a la comisión electrónicamente por correo electrónico a gperez@coachella.org. Se requiere la transmisión antes del inicio de la reunión. Todos los comentarios escritos recibidos serán enviados a la comisión e ingresados en el registro.

SI LO DESEA, PUEDE DEJAR UN MENSAJE EN EL (760) 398-3102, EXTENSIÓN 122, ANTES DE LAS 4:00 P.M. DEL DÍA DE LA REUNIÓ

LLAMADO AL ORDEN:

JURAMENTO A LA BANDERA:

PASE DE LISTA:

PRESIDENTA MURILLO
VICEPRESIDENTE FONSECA
COMISIONADA EVA LARA
COMISIONADA YUREMA ARVIZU
COMISIONADO SUPLENTE CABALLERO

APROBACIÓN DE LA

AGENDA:

"En este momento, la Comisión puede anunciar cualquier punto que está siendo retirado de la agenda o continuado a otra fecha o solicitar el traslado de un punto de la agenda".

APROBACION DE LAS ACTAS:

1. Borrador de las Actas de la Comisión de Planificación - 19 de Marzo de 2025.

COMUNICACIONES ESCRITAS:

COMENTARIOS DEL PÚBLICO (PUNTOS QUE NO ESTÁN EN LA AGENDA):

"El público puede dirigirse a la Comisión sobre cualquier tema de interés para el público que no esté en la agenda, pero que esté dentro de la jurisdicción de la materia de la misma. Por favor limite sus comentarios a tres (3) minutos".

INFORMES Y SOLICITUDES:

SESIÓN DE ESTUDIO

PUNTOS QUE NO SON DE AUDIENCIA:

2. Diseños conceptuales Musica y Artes de la Culturas para el proyecto Musica y Artes de la Cultura ubicado en la esquina suroeste de Vine Avenue y Second Street Solicitante: Anthony Poon, FAIA, Director, Poon Design Inc.

CALENDARIO DE AUDIENCIAS PÚBLICAS (CUASI-JUDICIAL):

3. Revista de Arquitectura No. 23-08 (Modificación) Remodelación de la fachada de Love's Travel Stop: una solicitud de modificación para incluir una expansión adicional de 350 pies cuadrados de área de almacenamiento y mejoras en la fachada como parte de la remodelación aprobada para el sitio existente de Love's Travel Stop en 45761 Dillon Road y determinación de que el proyecto propuesto cumple con las pautas

de la Ley de Calidad Ambiental de California (CEQA) Sección 15301 (Instalaciones existentes) Solicitante: Pantano de Jerrod

4. Resolución No. PC 2025-03: Solicitud de Aprobación Condicional del Permiso de Uso Condicional No. 388 El Tranvía – Licencia ABC Tipo 47. Solicitud de aprobación condicional para el Permiso de Uso Condicional No. 388 para permitir la venta de licor (ABC Tipo 47, Venta General en el Lugar – Restaurante) dentro de un restaurante existente de 5,951 pies cuadrados ubicado en 1221 6th Street y determinación de que el proyecto propuesto cumple con las Pautas de la Ley de Calidad Ambiental de California (CEQA) Sección 15301 (Instalaciones Existentes) Solicitante: Oscar Ventura Saavedra

5. Resolución 2025-04 recomendando la aprobación del Acuerdo de Desarrollo Enmendado y Restituido de La Entrada. (DA 23-01) (Ciudad de Kalifornia). Acuerdo de Desarrollo Enmendado y Restituido del Plan Específico de La Entrada (Ciudad de Kalifornia).

INFORMATIVO:

6. Actualizaciones de la Secretaria

SE SUSPENDE LA SESIÓN:

Los paquetes completos de la agenda están disponibles para inspección pública en el Departamento de Servicios de Desarrollo en 53-990 Enterprise Way, Coachella, California, y en el sitio web de la ciudad www.coachella.org.

ESTA REUNIÓN ES ACCESIBLE PARA PERSONAS

City Council Chamber
1515 6th Street, Coachella, CA
(760) 398-3502 ◆ www.coachella.org

MINUTES

OF A REGULAR MEETING
OF THE
CITY OF COACHELLA
PLANNING COMMISSION

March 19, 2025
6:00 PM

If you would like to attend the meeting via zoom, here is the link:

https://us02web.zoom.us/j/84544257915?pwd=VTdHWitpYVdOUk1NQW8vZ1pqUm0zQT09
Or one tap mobile :
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IF YOU WISH, YOU MAY LEAVE A MESSAGE AT (760) 398-3102, EXTENSION 122, BEFORE 4:00 P.M. ON THE DAY OF THE MEETING

CALL TO ORDER: 6:00 PM

PLEDGE OF ALLEGIANCE:

Commissioner Fonseca.

ROLL CALL:

Commissioners Present: Commissioner Murillo, Commissioner Fonseca, Commissioner Lara, Alternate Commissioner Caballero.

Commissioners Absent: Commissioner Arvizu.

Staff Present: *Gabriel Perez, Development Services Director.
*Kendra Reif, Principal Planner.
* Anahi Fernandez, Management Analyst
*Adrian Moreno, Associate Planner
*Lizzandro Diaz, Building Official
*Jesus Medina, Information Technology Technician.

ROTATION OF CHAIR AND VICE CHAIR:

IT WAS MOVED BY COMMISSIONER FONSECA AND SECONDED BY ALTERNATE COMMISSIONER CABALLERO TO NOMINATE COMMISSIONER MURILLO AS PLANNING COMMISSON CHAIRPERSON.

Approved by the following roll call vote:
AYES: Commissioner Lara, Commissioner Murillo, Commissioner, Fonseca, Alternate Commissioner Caballero.
NOES: None.
ABSTAIN: None.
ABSENT: Commissioner Arvizu.

IT WAS MOVED BY COMMISSIONER MURILLO AND SECONDED BY ALTERNATE COMMISSIONER CABALLERO TO NOMINATE COMMISSIONER FONSECA AS PLANNING COMMISSON VICE CHAIRPERSON.

Approved by the following roll call vote:
AYES: Commissioner Lara, Commissioner Murillo, Commissioner, Fonseca, Alternate Commissioner Caballero.
NOES: None.
ABSTAIN: None.
ABSENT: Commissioner Arvizu.

APPROVAL OF AGENDA:

"At this time the Commission may announce any items being pulled from the agenda or continued to another date or request the moving of an item on the agenda."

IT WAS MOVED BY COMMISSIONER MURILLO AND SECONDED BY COMMISSIONER FONSECA TO APPROVE THE AGENDA.

Approved by the following roll call vote:
AYES: Chairperson Murillo, Vice Chairperson Fonseca, Commissioner Lara, Alternate Commissioner Caballero.
NOES: None.
ABSTAIN: None.
ABSENT: Commissioner Arvizu.

APPROVAL OF THE MINUTES:

1. Planning Commission Meeting Minutes February 19, 2025.

IT WAS MOVED BY COMMISSIONER FONSECA AND SECONDED BY COMMISSIONER MURILLO TO APPROVE THE MEETING MINUTES.

Approved by the following roll call vote:
AYES: Chairperson Murillo, Vice Chairperson Fonseca, Commissioner Lara, Alternate Commissioner Caballero.
NOES: None.
ABSTAIN: None.
ABSENT: Commissioner Arvizu.

WRITTEN COMMUNICATIONS:

None.

PUBLIC COMMENTS (NON-AGENDA ITEMS):

"The public may address the Commission on any item of interest to the public that is not on the agenda, but is within the subject matter jurisdiction thereof. Please limit your comments to three (3) minutes."

REPORTS AND REQUESTS:

None.

NON-HEARING ITEMS:

2. City of Coachella California Department of Housing and Community Development (HCD) Annual Progress Report (APR)

Anahi Fernandez, Management Analyst and Gabriel Perez, Development Services Director, gave a brief presentation for the item. A copy of the presentation is on file in the Planning Division folder.

VICE CHAIRPERSON FONSECA RECOMMENDED THAT FUTURE GENERAL PLAN UPDATES INCLUDE MORE ECONOMIC DEVELOPMENT FOCUSES AND HISTORIC PRESERVATION AND LOCAL HISTORIC TEACHING EFFORTS.

3. City of Coachella Development Review Process Overview

Kendra Reif, Principal Planner gave a brief presentation of the Development Review Process for the City. A copy of the presentation is on file in the Planning Division folder.

PUBLIC HEARING CALENDAR (QUASI-JUDICIAL):

None.

INFORMATIONAL:

Planning Commission Secretary Updates:

- Healthy Food Truck Community Meeting #1 will be held Thursday, March 20th from 5 pm to 6:30 pm at the Coachella Library.
- Coachella mariachi festival will be Saturday, march 22nd at 5 pm at Veterans Park.

ADJOURNMENT: 6:43 PM

Respectfully Submitted by,

Kendra Reif
Planning Commission Secretary

Complete Agenda Packets are available for public inspection in the Development Services Department at 53-990 Enterprise Way, Coachella, California, and on the City's website www.coachella.org.

THIS MEETING IS ACCESSIBLE TO PERSONS WITH DISABILITIES

STAFF REPORT
4/2/2025

TO: Planning Commission Chair and Commissioners

FROM: Kendra Reif, Principal Planner

SUBJECT: Culturas Music and Arts Concept Designs for the Culturas Music and Arts project located at the southwest corner of Vine Avenue and Second Street Applicant: Anthony Poon, FAIA, Principal, Poon Design Inc.

STAFF RECOMMENDATION:

Staff is requesting feedback from the Planning Commission on the proposed Culturas Music & Arts Conceptual Site Design Plans.

BACKGROUND:

The Culturas Music & Arts project is proposing to develop an approximately 8,000 to 9,000 square foot youth center for the arts on City-owned property through a lease agreement. The proposed building would have art and music studios, a library, café, art gallery, multipurpose spaces, and offices. The property will also be developed to have outdoor community spaces, a community garden, and a stage with outdoor seating. Site plan alternatives have been developed for the proposed project and staff requests Commission feedback on the current design alternatives before detailed architectural drawings are designed by the architect.

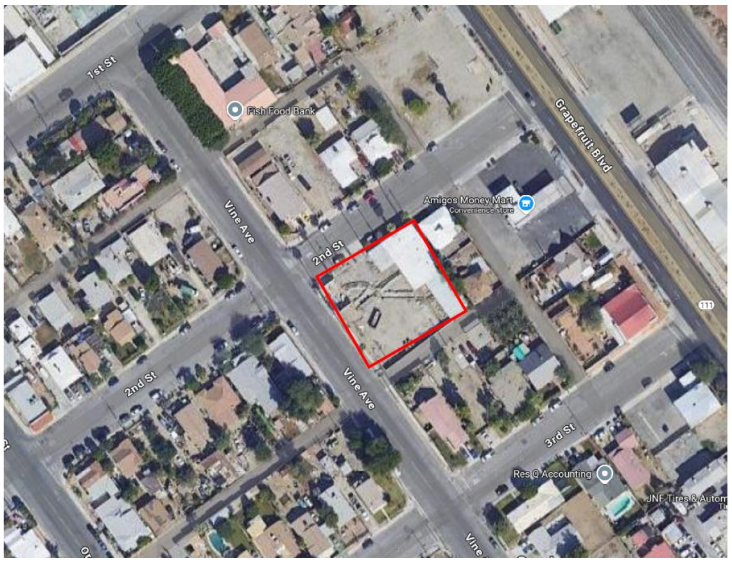


Figure 1 - Project Vicinity

SITE PLAN:

The developer has proposed two concept designs for the proposed project. Proposed Design Option 1 has a design concept of "Old Meets New" and looks to integrate existing conditions with newer interventions. The proposed site plan is depicted below in Figure 2 – Proposed Design Option 1. Proposed Design Option 1 is similar to that of the existing site plan as shown below in Figure 3 – Existing Site Plan.



Figure 2 – Proposed Design Option 1

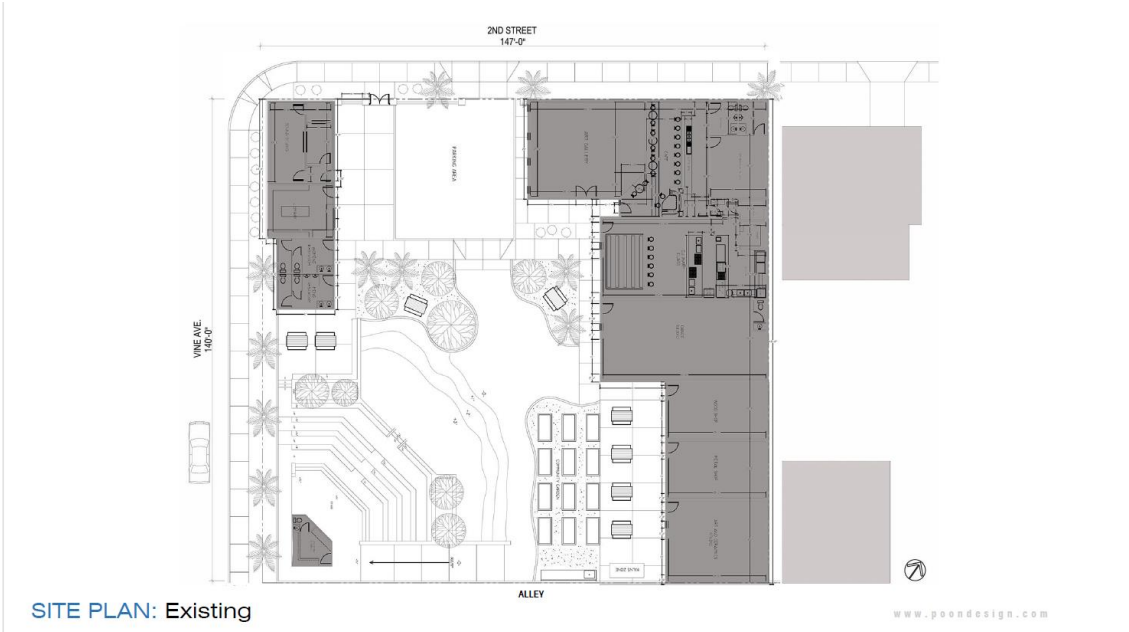


Figure 3 – Existing Site Plan

The Proposed Design Option 2 has a design concept of "Circle = Community". In the concept design plans there are several mentions of a circle representing unity, coming together, and creative movement. Proposed Design Option 2 is a two-story structure circular design as depicted in Figure 4- Proposed Design Option 1 First Floor and Figure 5 – Proposed Design Option 2 Second Floor.

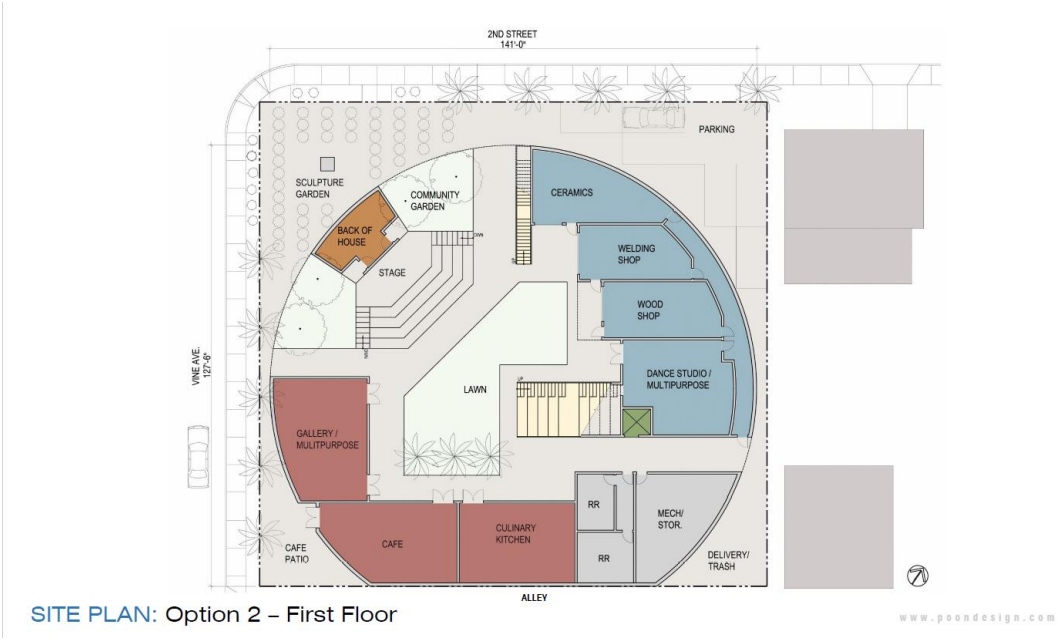


Figure 4 – Proposed Design Option 2 First Floor



Figure 5 – Proposed Design Option 2 Second Floor

LANDSCAPING:

Both concept designs will be utilizing identical perimeter landscaping. Both design options will have a community garden and lawn but their size and placements will differ due to the different site layouts. Proposed Design Option 2 is proposed to have a sculpture garden located at the western corner of the property. Proposed Design Option 1 is not proposing to have a sculpture garden.



Figure 6 – Proposed Design Option 1 and Proposed Design Option 2 Concept Plan

INTERDEPARTMENTAL REVIEW:

After reviewing the proposed concept designs, the Public Works Department prefers the layout of Proposed Design Option 2. Maintenance for this site if under the lease would fall to the lessee and not the city at this time. The Public Works Department prefers Proposed Design Option

DIRECTION:

Staff recommends that the Planning Commission provide feedback to the Development Services Department on the proposed Culturas Music and Arts Plan. Planning Commission may provide feedback pertaining to the preferred design alternative and proposed site plans.

Attachments:

1. Culturas Music and Arts Concept Presentation: Site Plan Options

POON DESIGN INC.

Concept Presentation No. 1:
SITE PLAN OPTIONS



DECEMBER 13, 2024

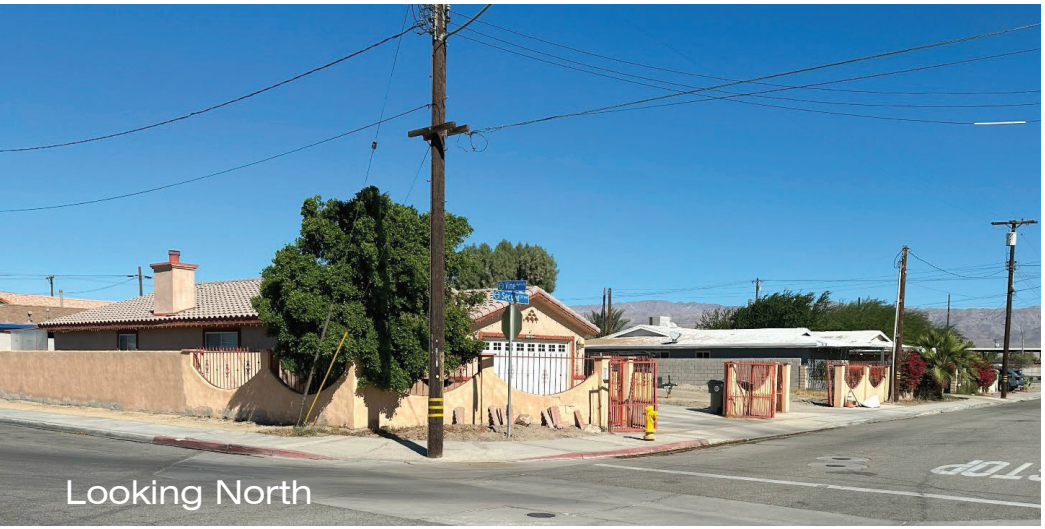
www.poondesign.com

CONTENTS

Two Options



EXISTING: 2nd Street and Vine Avenue





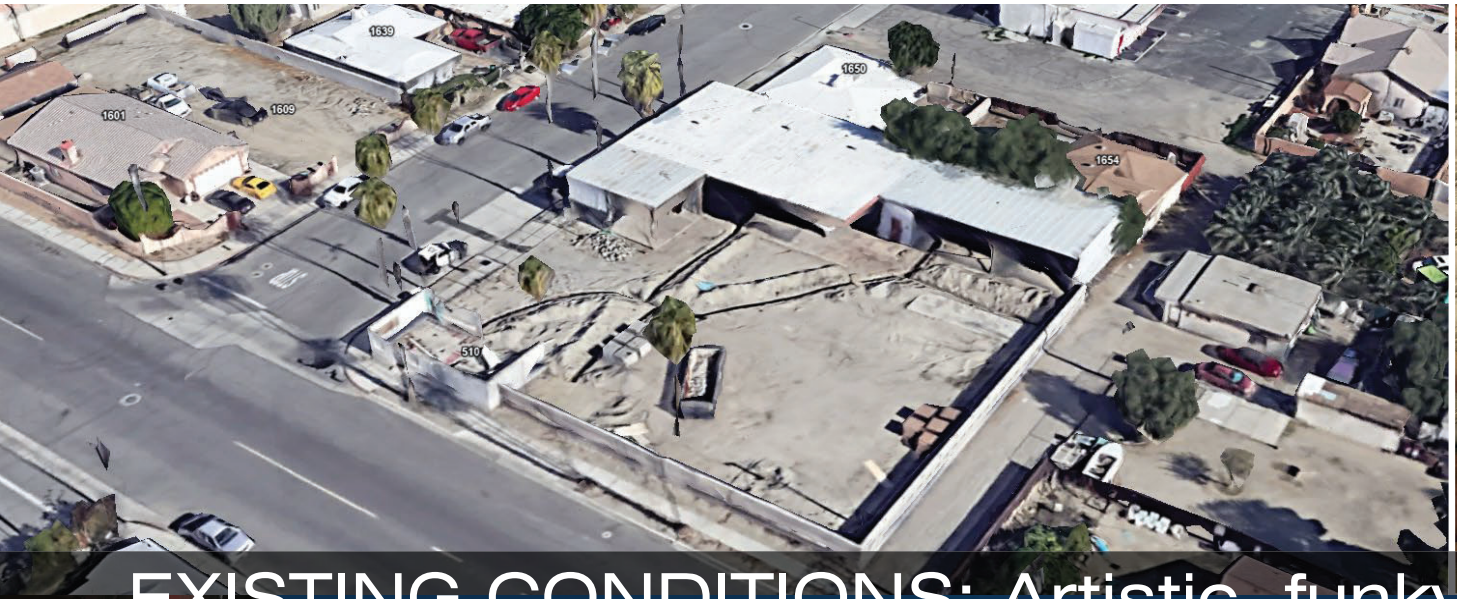




EXISTING: 2nd Street and Vine Avenue

Option 1

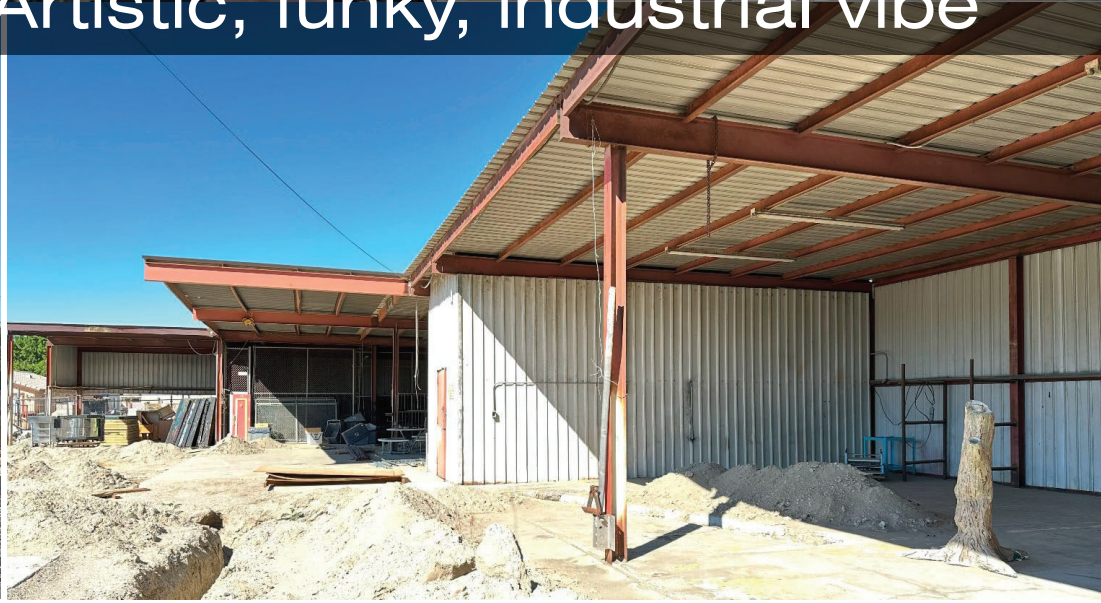
Renovation and Addition:
OLD MEETS NEW





EXISTING CONDITIONS: Artistic, funky, industrial vibe





CHALLENGES:

- today’s codes
- seismic
- fire resistance
- energy compliance
- water tightness
- foundation
- structural connections
- MEP infrastructure
- etc.

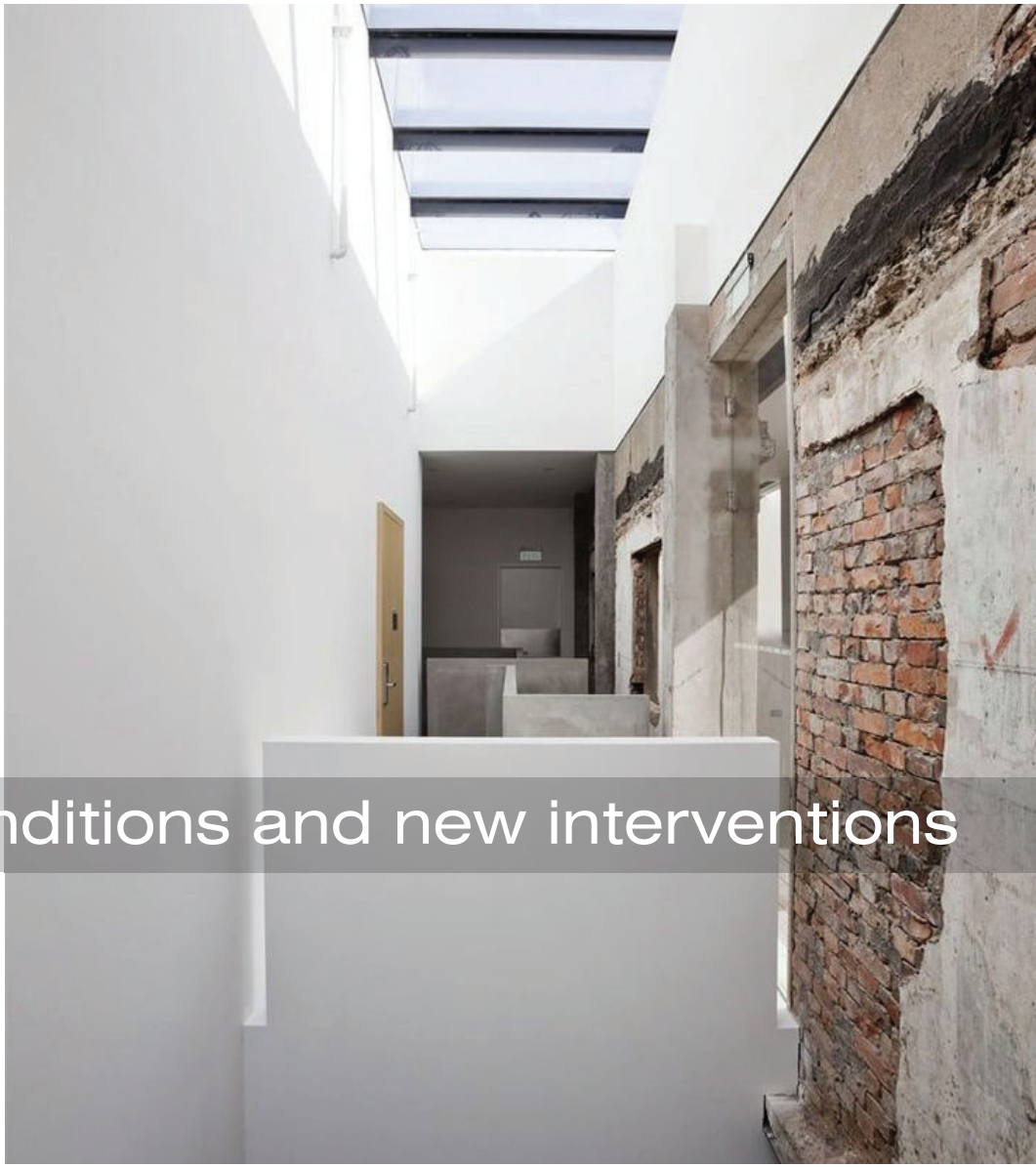




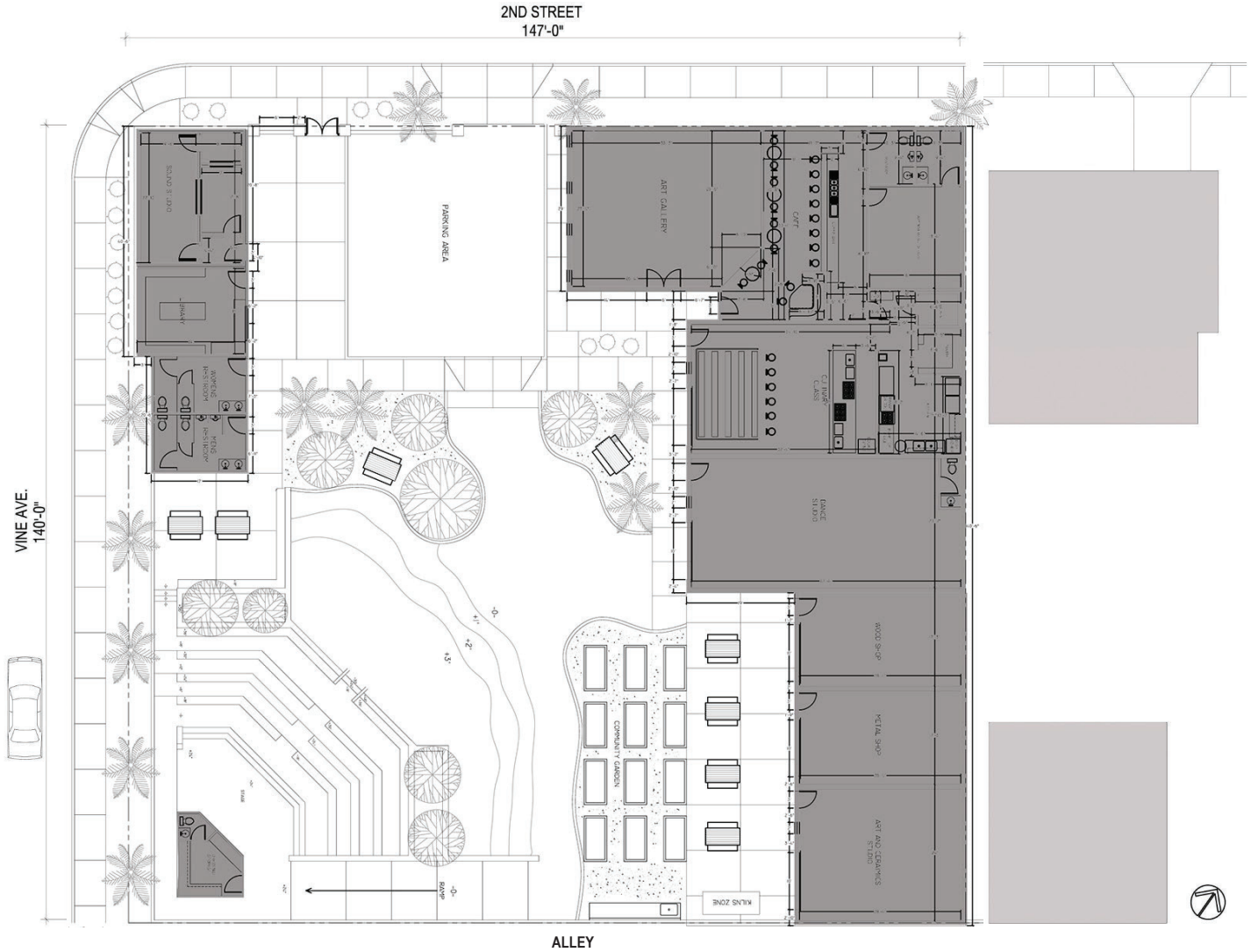
Concept:

OLD MEETS NEW





Dialogue between existing conditions and new interventions



SITE PLAN: Existing

www.poondesign.com



SITE PLAN: Option 1

Option 2:

New Construction:
THE CIRCLE – TWO LEVELS



Theme 1:

BUILDING AS ACCENT

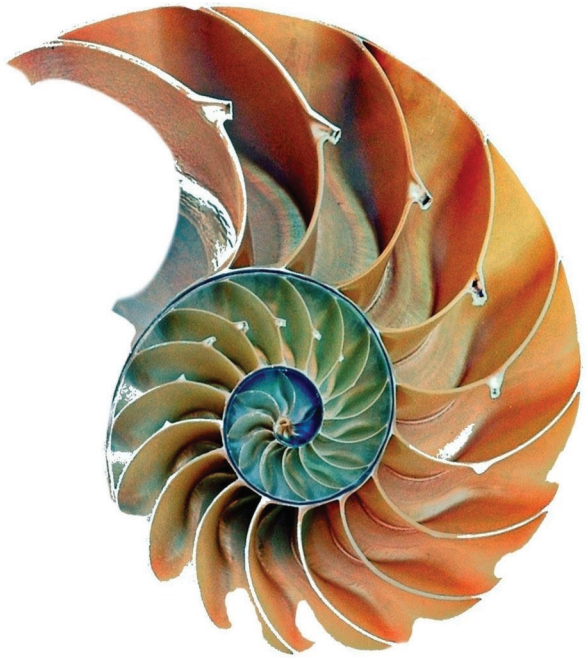
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ACCENT: Stand out from the context



Theme 2:

CIRCLE = COMMUNITY



CIRCLE = Coming Together



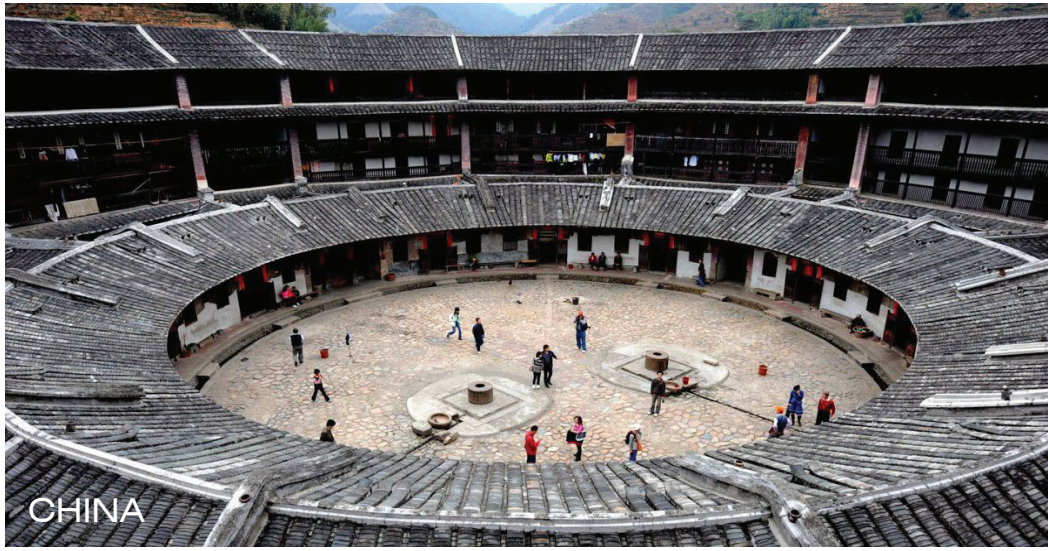

CIRCLE = Creative Movement

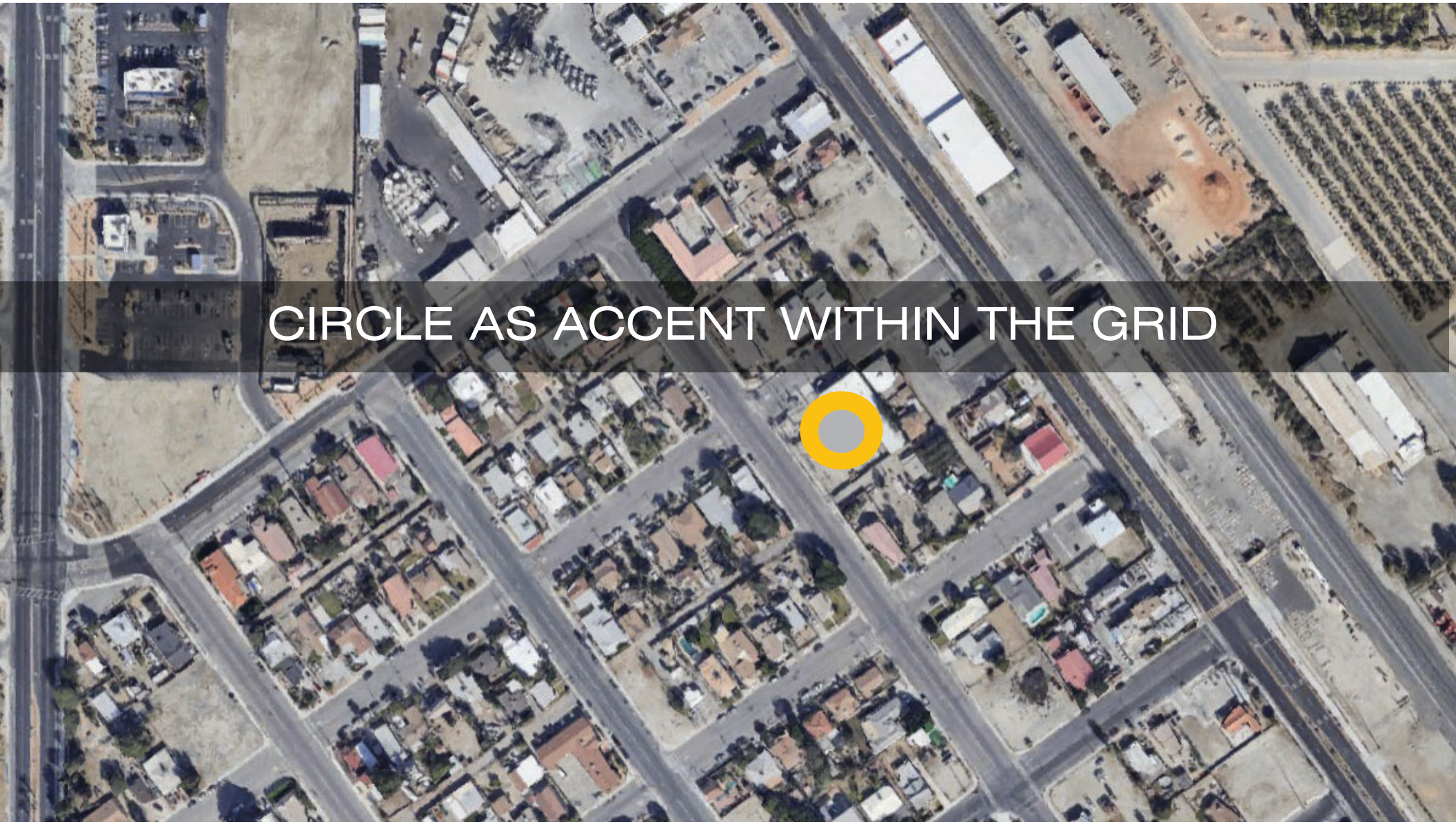


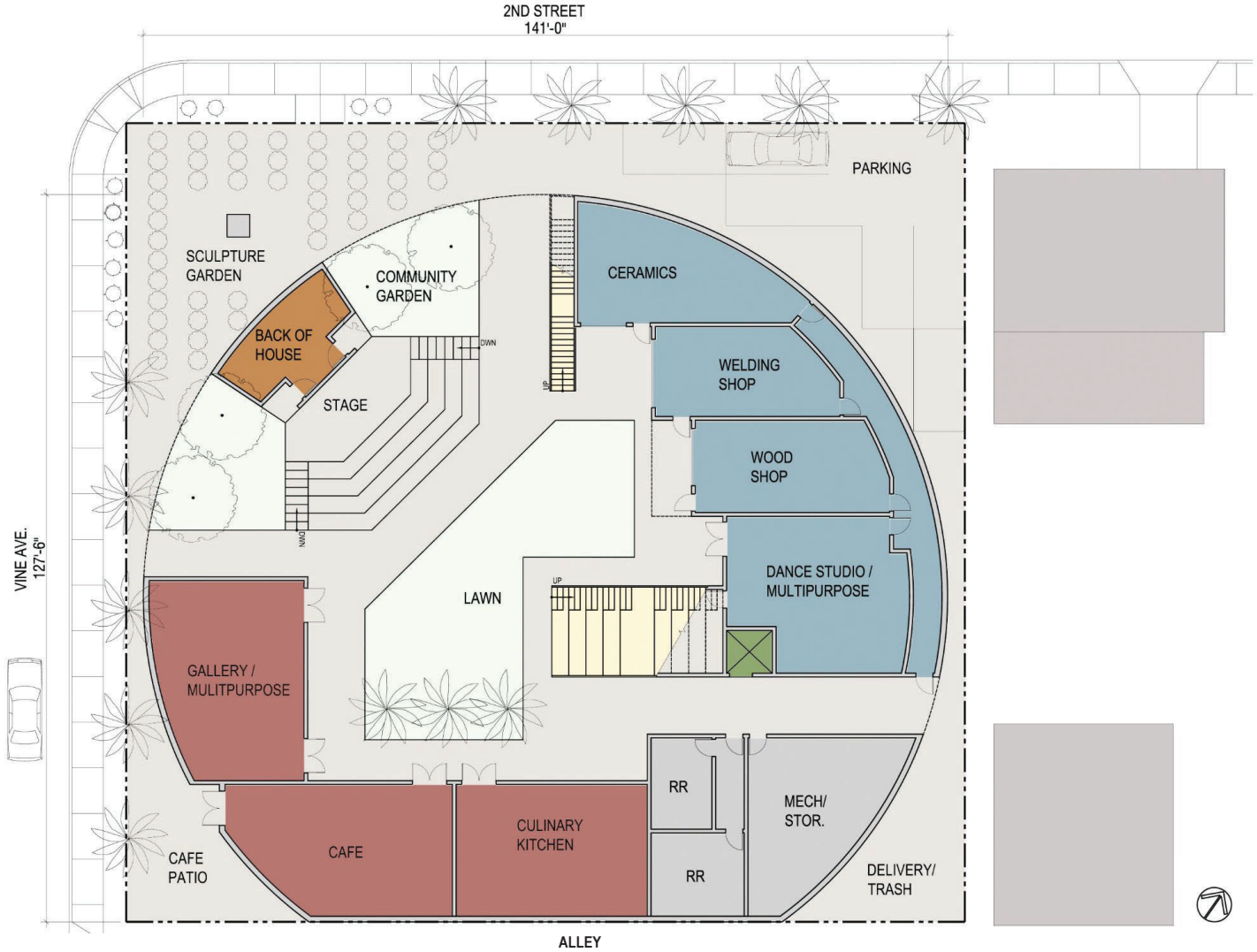


CIRCLE: Throughout History






CIRCLE AS ACCENT WITHIN THE GRID



SITE PLAN: Option 2 – First Floor

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SITE PLAN: Option 2 – Second Floor

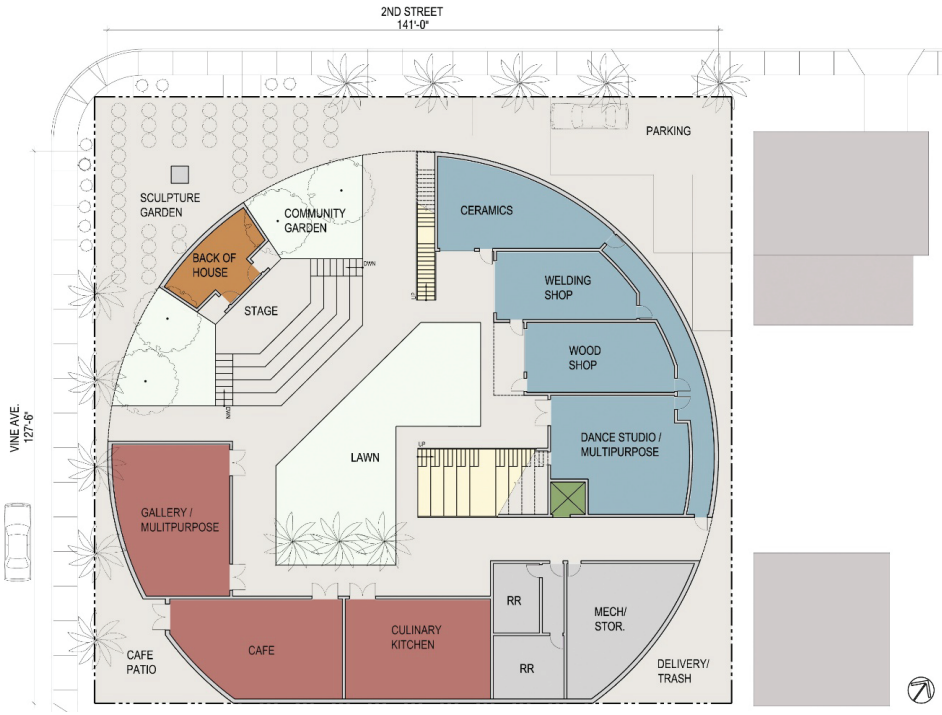
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1

Option 1: Renovation and Addition

OLD MEETS NEW



2

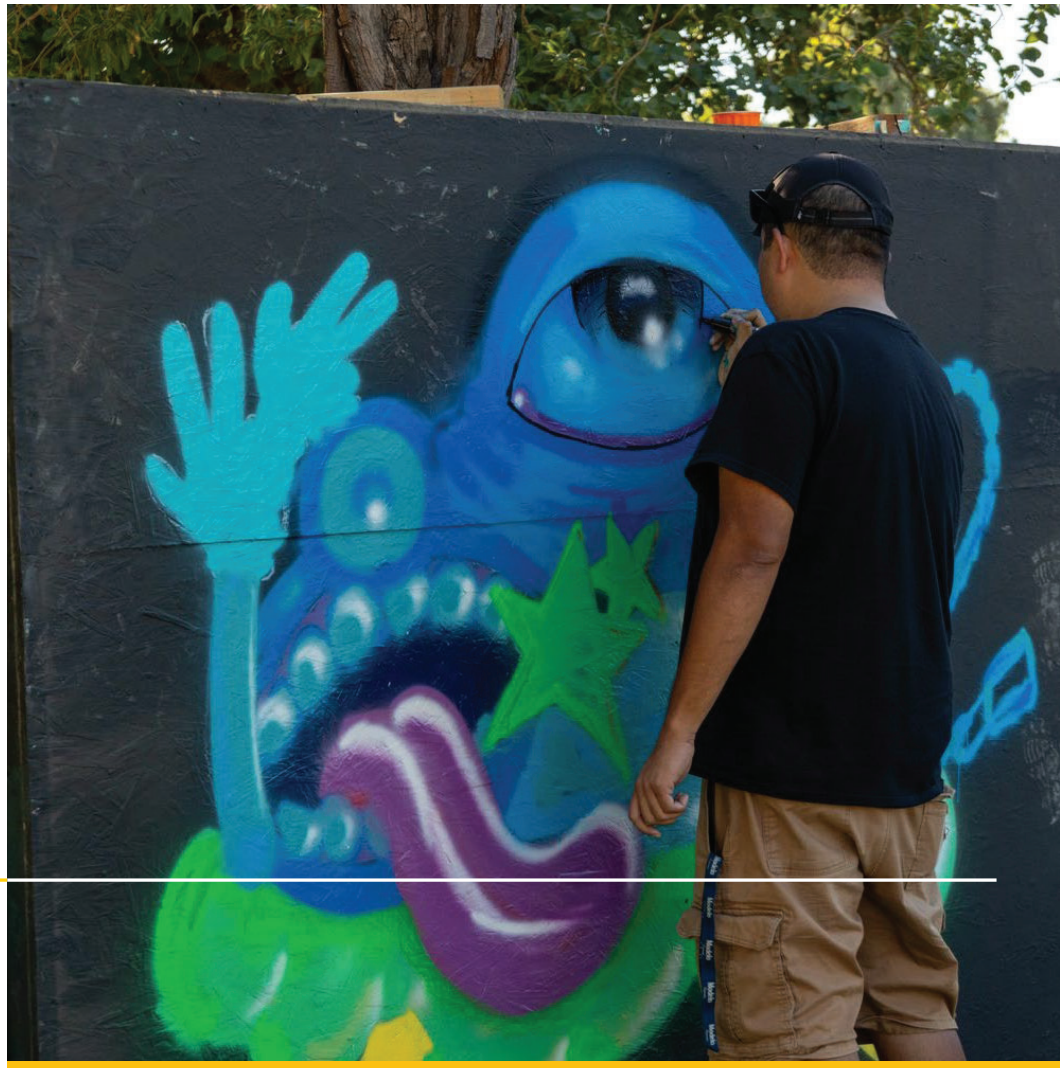
Option 2: New Construction

THE CIRCLE

SITE PLAN: Two Options

CULTURAS
MUSIC & ARTS

www.poondesign.com



DECEMBER 13, 2024

STAFF REPORT
4/2/2025

TO: Planning Commission Chair and Commissioners

FROM: Adrian Moreno, Associate Planner

SUBJECT: Architectural Review No. 23-08 (Modification) Love's Travel Stop Façade Remodel a modification request to include an additional 350 sq. ft storage area expansion and façade improvements as part of the approved remodel for the existing Love's Travel Stop site at 45761 Dillon Road and determining that the proposed project is compliant with California Environmental Quality Act (CEQA) Guidelines Section 15301 (Existing Facilities) Applicant: Jerrod Marsh

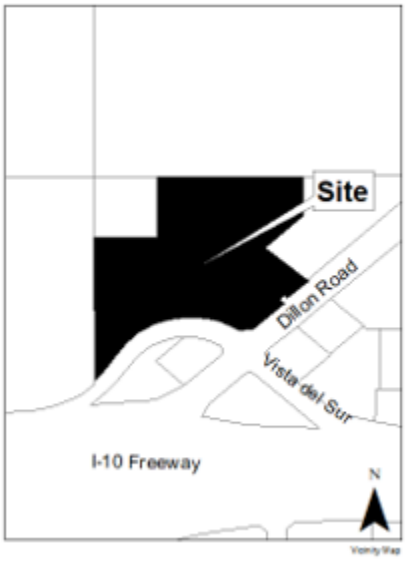
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STAFF RECOMMENDATION:

Staff recommends that the Planning Commission approve Resolution No. PC2025-05 approving Architectural Review No. 23-08 (Modification) pursuant to the findings and conditions in the below staff report and the attached resolution.

BACKGROUND:

The Love's Travel Stop is an existing fuel station for large trucks and automobiles with an approximately 6,100 sq. ft. convenience store building and an adjoining Carl's Jr. drive thru restaurant located on a 9.75-acre site. The travel stop is heavily frequented by vehicle traffic along the I-10 freeway as it is one of the few fueling stations that lies between the Coachella Valley and Blythe. On February 21, 2024, Architectural Review No. 23-08 (Modification) Love's Travel Stop Façade Remodel project was approved for the exterior modifications to the Love's Travel Stop Exterior to include an approximately 200 sq. ft. addition at the southwest corner of the building for an observation and IT room, tower and vestibule addition at the front of the building and new color scheme at 45-761 Dillon Road.



DISCUSSION/ANALYSIS

The applicant proposes an additional 350 sq. ft. building storage area expansion to the Love's Travel Stop convenience store, in addition to approved building modifications under Architectural Review No. 23-08 at 45-761 Dillon Street. The surrounding uses are as follows:

North: Vacant land (R-C, Regional Commercial).
South: Del Taco Restaurant (R-C, Regional Commercial).
East: Dillon Road and Chevron fueling station and convenience store (R-C, Regional Commercial).
West: Vacant Land (R-C, Regional Commercial).

Site Plan

The existing site plan for the Love's Travel Stop includes pavement improvements with parking stalls, auto and truck fueling canopies and on-site vehicle circulation with two driveways for ingress and egress at Vista del Norte and one driveway for ingress and egress at Dillon Road. An internal driveway along the eastern portion of the site that connects the northern driveway to the southern auto parking area is currently blocked with bollards. The 350 sq. ft. building storage area expansion proposed would not add additional customer service area that would require additional parking accommodatons.

Figure 1: Site Plan



Architectural Design

The architectural design of the existing Love's Truck Stop building incorporates modern architectural design with flat roof and earth tone exterior colors (figure 2). AR 23-08 was approved

for a 200 sq. ft. addition at the southwest corner of the building for an observation and IT room, and façade enhancement that would include two vertical pop-out architectural features, removal of horizontal colored banding, an entry metal canopy, and a darker tone color scheme (Figure 2). The proposed project proposes an additional 350 sq. ft. storage area expansion that matches the design of the façade improvements approved under AR 23-08. The applicant also proposes to paint the Carl's Jr. to match the proposed darker tone color scheme of the Love's Façade Improvements, which will provide consistency in design for the entire building. The total expansion of building area for this project is now 550 sq. ft.

Figure 2: Existing Front Elevation



Figure 3: Approved Front Elevation 2/21/24



Figure 4: Proposed Front Elevation Modification



Figure 4 - Red Hatched Area is the proposed 350 sq. ft. addition.

Blue hatched area shows painting of Carl's Jr. to match remodel

Landscape Design

The existing landscape areas consist of drought tolerant landscaping including gray colored gravel, sparse distribution of shrubs, mature date palms, Mexican fan palms, and Palo Verde. Site photos from 2008 include a larger quantity of shrubs and trees. The project is required as a condition of approval to provide final modified landscaping and irrigation plans for review and approval that will include decorative gravel, shade trees, landscape lighting, and flowering shrubs. The project is also required to install "Coachella" ground-mounted sign designed in coordination with the Public Information Officer.

Figure 5 and 6: Landscape Conditions





Figure 7: Conceptual Landscape Plan



Figure 8: Conceptual Monument Sign Design



Figure 8 - Existing Monument sign (left) and New Conceptual Design (right)

ENVIRONMENTAL IMPACT CONSIDERATION

The City of Coachella has determined that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as a Class 1, Existing Facilities, exemption as the project consists of the minor alteration of existing private structures (CEQA Guidelines 15301). As such, no additional environmental review or further mitigation is required for this request.

ALTERNATIVES:

1) Adopt Resolution No. PC 2025-05 approving Architectural Review No. 23-08 (Modification) with the findings and conditions as recommended by Staff.

2) Adopt Resolution No. PC 2025-05 approving Architectural Review No. 23-08 (Modification) with the findings and conditions as modified by the Planning Commission.

3) Deny the proposed project.

4) Continue this item and provide staff and the applicant with direction.

RECOMMENDED ALTERNATIVE(S):

Staff recommends alternative #1.

Attachments:

1. Resolution No. PC2025-05 for AR No. 23-08 (Modification)
2. Exhibit A – Conditions of Approval
3. Exhibit B – Development Plan Set – Love's Travel Stop
4. Resolution No. PC2024-04
5. Conceptual Landscape Plan
6. Site Photos
7. Love's Monument Sign Update

RESOLUTION NO. PC2025-05

Attachment 1

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COACHELLA, CALIFORNIA APPROVING ARCHITECTURAL REVIEW NO. 23-08 (MODIFICATION), A REQUEST TO MODIFY LOVE'S TRAVEL STOP ARCHITECTURE WITH FAÇADE IMPROVEMENTS AND ADDITION OF A STORAGE AREA EXPANSION AT 45-761 DILLON ROAD AND DETERMINING THAT THE PROPOSED PROJECT IS COMPLIANT WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES SECTION 15301 (EXISTING FACILITIES) APPLICANT: JERROD MARSH.

WHEREAS, the applicant, Jerrod Marsh filed an application for Architectural Review (AR) 23-08 (Modification) to modify Love's Travel Stop building architecture and a 350 foot addition at 45-761 Dillon Road; and,

WHEREAS on February 21, 2024, the Planning Commission of the City of Coachella held a duly noticed public hearing, considered written and oral comments, and facts and evidence presented by the applicant, City staff, and other interested parties, and approved AR No. 23-08 for the Love's Travel Stop 200 sq. ft. addition and façade enhancement project; and

WHEREAS on April 2, 2025, the Planning Commission of the City of Coachella held a duly noticed public hearing, considered written and oral comments, and facts and evidence presented by the applicant, City staff, and other interested parties, and approved AR No. 23-08 (Modification) for the Love's Travel Stop modification to include an additional 350 sq. ft. addition and façade enhancement project; and

WHEREAS the proposed use is necessary or desirable for the development of the community, is consistent with the objectives of the City's General Plan, and is not detrimental to the existing uses or the uses specifically permitted in the zone in which the proposed use is to be located; and,

WHEREAS the proposed site is adequate in size and shape to accommodate the proposed development; and,

WHEREAS, the proposed project is exempt from the California Environmental Quality Act (CEQA) Guidelines Section 15301 – Existing Facilities, as amended; and,**WHEREAS** the conditions as stipulated by the City are necessary to protect the public health, safety and welfare of the community.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Coachella, California hereby resolve as follows:

Section 1. Incorporation of Recitals

The Planning Commission hereby finds that all of the facts in the Recitals are true and correct and are incorporated and adopted as findings of the Planning Commission as fully set forth in this resolution.

Section 2. CEQA Findings

Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the Planning Commission, and the facts outlined below, the Planning Commission hereby finds and determines that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as a Class 1, Existing Facilities, exemption as the project consists of the minor alteration of existing private structures (CEQA Guidelines 15301). As such, no additional environmental review or further mitigation is required for this request.

Section 3. Architectural Review Findings

Based upon the evidence presented at the hearing, including the staff report and written and verbal testimony, which are all incorporated herein by reference, the Planning Commission hereby finds that:

1. The Architectural Review modification is consistent with the goals, objectives, policies, and implementation measures of the Coachella General Plan 2035. The site has a Regional Retail land use designation that allows for a range of retail uses. The proposed uses on the site are in keeping with the policies of the Regional Retail land use classification and the Project is internally consistent with other General Plan policies for this type of development.

2. The proposed use will be located, designed, constructed, operated and maintained so as to be compatible with the existing or intended character of the general vicinity and shall not change the essential character of the same area. The proposed project is in compliance with the applicable development standards for the R-C (Regional Center) Zoning District of the City's Zoning Code. The site and elevation plan proposes the façade enhancement and minor addition to existing convenience store in accordance with section 17.74.010 of the Coachella Municipal Code.

3. Consideration is given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development. The proposed project is in compliance with the applicable development standards for the R-C (Regional Center) Zoning District of the City's Zoning Code. The proposed development consists of a façade enhancement and building expansion of a 6,100 sq. ft. convenience store which will provide City residents and regional residents with a retail and food options which will provide convenience to motorist within the region. The proposed use is compatible with existing adjacent uses, which include similar land uses and large commercial development sites.

4. The Project will be compatible with neighboring properties with respect to land development patterns. The proposed development would develop according to the development standards of the R-C Zone at a scale, massing, and aesthetic appeal of existing development is in keeping with development of neighboring properties.

5. The proposed use will include vehicular approaches to the property designed to improve off-site and on-site vehicular circulation for existing traffic on surrounding public streets or roads. Evidence of this is reflected in the provided site plan design.

Section 5. Planning Commission Approval

Based on the foregoing recitals and findings above, and the written and oral comments, facts and evidence presented, the City of Coachella Planning Commission hereby approves Architectural Review 23-08 (Modification), modifying the architecture of the convenience store building for an additional 350 sq. ft. for a total of a 550 sq. ft. addition, as set forth by the conditions in "Exhibit A" and development plans of "Exhibit B"

PASSED APPROVED and ADOPTED this 2nd day of April 2025.

_____
Isela Murillo, Chairperson
Coachella Planning Commission

ATTEST:

_____
Kendra Reif
Planning Commission Secretary

APPROVED AS TO FORM:

_____
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. PC2025-05, was duly adopted at a regular meeting of the Planning Commission of the City of Coachella, California, held on the 2nd day of April 2025, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Kendra Reif
Planning Commission Secretary

CONDITIONS OF APPROVAL
ARCHITECTURAL REVIEW NO. 23-08 MODIFICATIONS TO EXTERIOR ELEVATIONS FOR LOVE'S TRAVEL STOP AND 350 SQ. FT. ADDITION

***Modified Conditions approved under Resolution No. PC2024-04 in Strikeout and bold.**

General Conditions

1. The project shall comply with all conditions of approval for Resolutions No. PC 2024-04.

2. Condition #4 of Resolution No. PC 2024-04 is modified as follows: All **new** roof mounted mechanical equipment shall be view obscured by a parapet wall that **will be high enough that equipment installed shall not be visible from a line of site from the public R.O.W** ~~than the equipment installed~~. Ground mounted mechanical equipment shall be view obscured by landscaping or enclosure. Roof Top Unit (RTU) screens shall not satisfy this condition for roof mounted equipment screening.

DRAFT

EXHIBIT B

TIER 1 (90)

45-761 DILLON RD
COACHELLA, CA

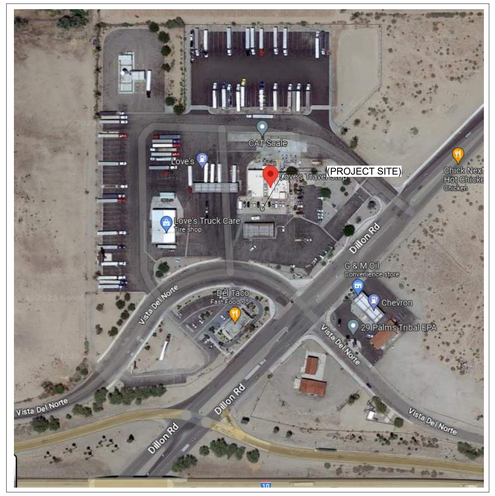
STORE #: 207

PLANNING COMMISSION MEETING
12/06/23

PROJECT DATA SUMMARY

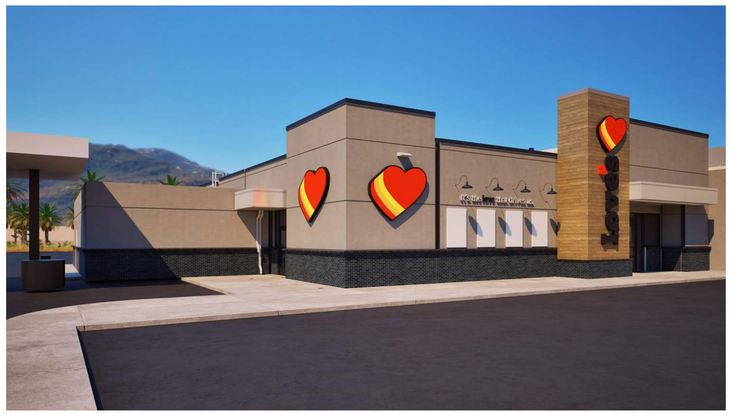
PROPOSED USE:	CONVENIENCE STORE WITH FUELING	
OCCUPANCY CLASSIFICATION: (CHAPTER 3 CBC)	(A2) ASSEMBLY (M) MERCANTILE	
TYPE OF CONSTRUCTION: (CHAPTER 6 CBC)	V-B (NON - SPRINKLERED)	
GROSS BUILDING SQUARE FOOTAGE:	EXISTING LOVE'S AREA EXISTING FOOD TENANT AREA C-STORE ADDITION	5,786 SF 2,646 SF 552 SF
TOTAL:		8,984 SF
STORIES:	1	
ALLOWABLE STORIES:	1	
PROJECT HEIGHT:	25' - 0" AT HIGHPOINT	
ALLOWABLE HEIGHT:	55' - 0"	
APPLICABLE CODES	2022 CALIFORNIA BUILDING CODE 2022 CALIFORNIA ELECTRICAL CODE 2022 CALIFORNIA PLUMBING CODE 2022 CALIFORNIA MECHANICAL CODE 2022 CALIFORNIA FIRE CODE 2022 CALIFORNIA ENERGY CODE 2022 CAL GREEN	





N

VICINITY MAP





NOT FOR CONSTRUCTION

COMMISION COVER

SHEET: CM-0

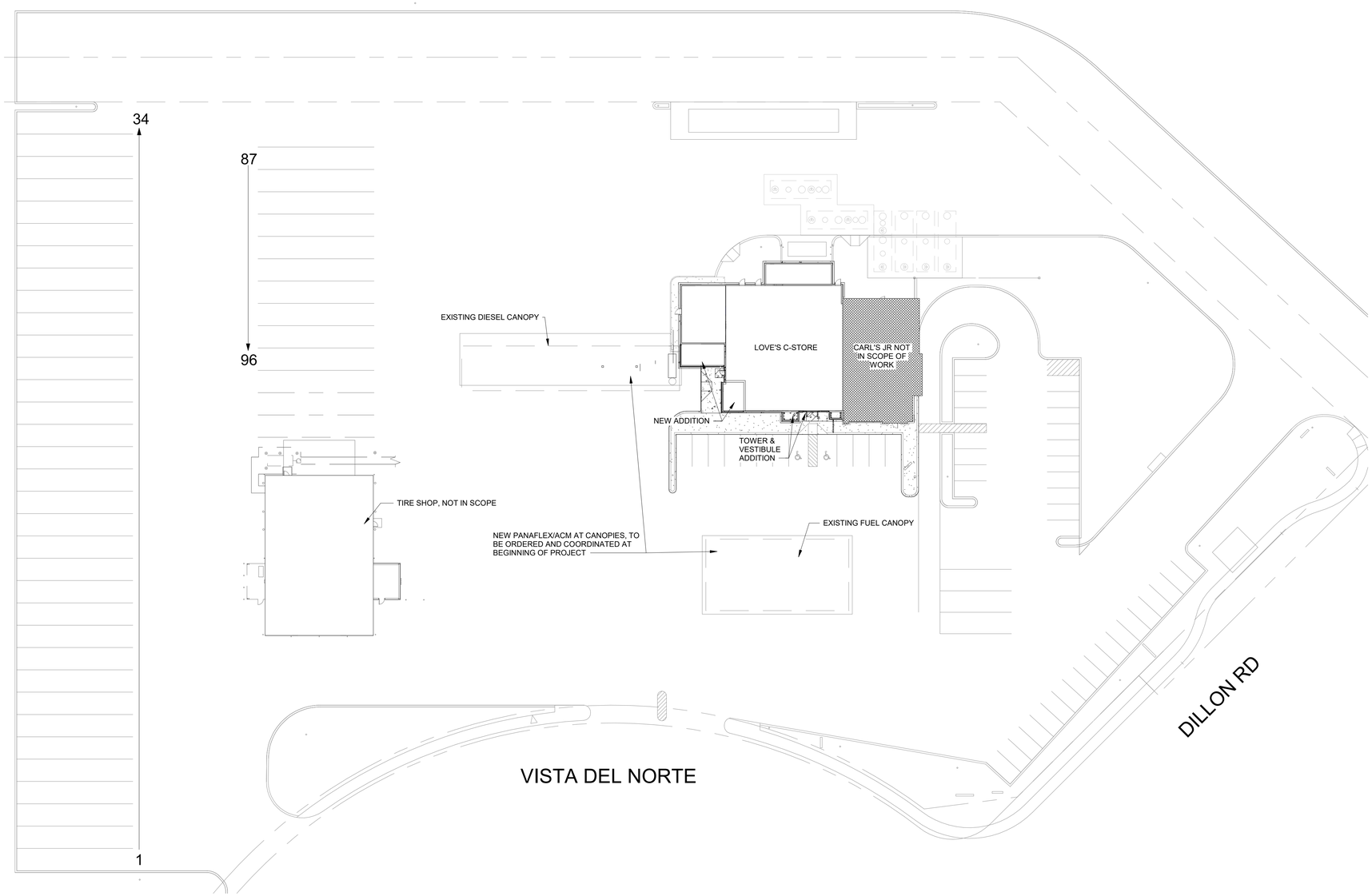
ARCHITECT OF RECORD:
Mariah B. Meyer
8131 METCALF AVENUE SUITE 300,
OVERLAND PARK, KANSAS 66204

STORE NUMBER: 207
45-761 DILLON RD
COACHELLA, CA 92236
JOB NUMBER: 63202071
TIER 1 90

ISSUE BLOCK

CHECKED BY:	
DRAWN BY:	JD
DOCUMENT DATE:	12/06/23
PROTO:	TIER 1 90
PROTO CYCLE:	Q4 - 2022

12/5/2023 12:52:03 PM
BIM 360://Love's SRI-207 Coachella CA/Loves_Coachella CA_ARC_T1_90_ vf
CM-0_COMMISION COVER



1 ARCHITECTURAL SITE PLAN
1/32" = 1'-0"

brr

ARCHITECT OF RECORD:
Mariah B. Meyer
8131 METCALF AVENUE SUITE 300,
OVERLAND PARK, KANSAS 66204

Loves

STORE NUMBER: 207
45-761 DILLON RD
COACHELLA, CA 92236

JOB NUMBER: 63202071

TIER 1 90

ISSUE BLOCK

CHECKED BY:	
DRAWN BY:	
DOCUMENT DATE:	12/06/23
PROTO:	TIER 1 90
PROTO CYCLE:	Q4 - 2022

SITE PLAN

SHEET:
CM-1

12/4/2023 12:48:48 PM
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CM-1 SITE PLAN



FC-1
NICHIHA, VINTAGEWOOD, SPRUCE, 18'X119 5/16" PLANKS, 18'X3 9/16" OUTSIDE CORNER

MT-1
22 GA. PREFINISHED METAL COPING, COLOR: TO MATCH SHERWIN WILLIAMS SW 7076 CYBERSPACE: MATTE

MT-2
22 GA. PREFINISHED METAL COPING, COLOR: TO MATCH SHERWIN WILLIAMS SW 7719 FRESCO CREAM: MATTE

ACM-1
ALPOLIC, 4MM DM HLZ ALUMINUM, HLZ HAIRLINE ALUMINUM

EIFS-1
"DRYVIT" OUTSULATION SYNTHETIC PLASTER WALL SYSTEM ON 1 1/2" "DRYVIT" INSULATION BOARD. COLOR: PAINT TO MATCH SW9170 ACIER; FINISH: LYMESTONE DPR

PT-13
SHERWIN WILLIAMS - RESILIENCE EXTERIOR ACRYLIC LATEX PAINT - COLOR: SW9170 ACIER - EGGSHELL FINISH

BR-1
ENDICOTT MODULAR SIZE FACE BRICK - COLOR: MANGANESE IRONSPOT - TEXTURE: SMOOTH - 3 5/8"x2 1/4"x7 5/8"

brr
ARCHITECT OF RECORD:
Mariah B. Meyer
8131 METCALF AVENUE SUITE 300,
OVERLAND PARK, KANSAS 66204

Love's
STORE NUMBER: 207
45-761 DILLON RD
COACHELLA, CA 92236
JOB NUMBER: 63202071
TIER 1 90

ISSUE BLOCK

CHECKED BY:	Checker
DRAWN BY:	Author
DOCUMENT DATE:	12/06/23
PROTO:	TIER 1 90
PROTO CYCLE:	Q4 - 2022

NOT FOR CONSTRUCTION

MATERIAL BOARD

SHEET:
CM-3

11/20/2023 3:23:24 PM
BIM 360://Love's SRI-207 Coachella CA/Love's_Coachella CA_ARC_T1_R2_.rvt
CM-3 MATERIAL BOARD

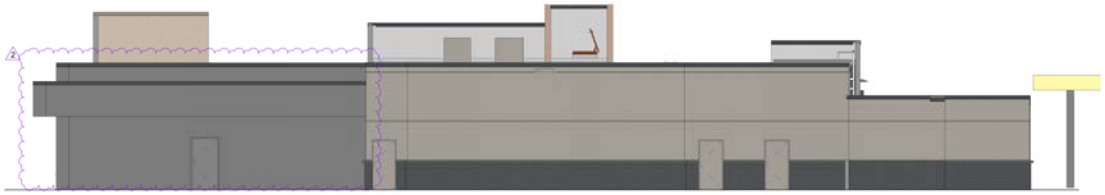
THIS SHEET IS FOR REFERENCE ONLY, THE COLORS SHOWN ON THESE ELEVATIONS ARE AN APPROXIMATE REPRESENTATION OF THE FINISH COLORS FOR INFORMATION PURPOSES ONLY. ALL FINISHES SHALL BE PROVIDED PER THE FINISH SCHEDULES PROVIDED ELSEWHERE IN THIS SET OF DOCUMENTS.

MATERIAL LEGEND

MT•1	EIFS•1
FC•1	PT•11
BR•1	PT•13
ACM•1	



4 SIDE ELEVATION
1/8" = 1'-0"



3 REAR ELEVATION
1/8" = 1'-0"



2 SIDE ELEVATION
1/8" = 1'-0"



1 FRONT ELEVATION
1/8" = 1'-0"

brr
ARCHITECT OF RECORD:
Mariah S. Meyer
8131 METCALF AVENUE SUITE 300,
OVERLAND PARK, KANSAS 66204

TIER 1 90

Love's

STORE NUMBER: 207
45-975 BILLOW RD
COACHELLA, CA 92236

JOB NUMBER: 830007

ISSUE BLOCK

1	REV #1	09/11/23
2	REV #2	03/20/24

CHECKED BY:	JMM JCM
DRAWN BY:	KB
DOCUMENT DATE:	04/28/2023
PROTO:	TIER 1 90
PROTO CYCLE:	Q4 • 2022

REVIEWED FOR CODE COMPLIANCE BY: WILLDAN ENGINEERING

Approval of these plans & specifications shall not be construed to be a permit for, or an approval of, any violation of any federal, State, County or City laws or ordinances. One set of approved plans must be kept on the job until completion.

2:36:27 PM Nov 26, 2024

LICENSED ARCHITECT
MARIAH S. MEYER
C-32440
STATE OF CALIFORNIA

03/26/2024

EXTERIOR COLOR ELEVATIONS

SHEET:
A201.1

GENERAL NOTES

1. DIMENSIONS ARE FACE OF STUD OR CENTER OF COLUMN/GRIDLINE, UNO
2. REFER TO G003 FOR EXTERIOR WALL TYPE ASSEMBLIES

NOT IN SCOPE OF WORK
STORAGE 124
COOLER 125
FREEZER 126
3 / A201
IT ROOM 115
CUSTOMER 122
YARD 137
MECHANICAL 134
SHOWER 106
SHOWER 120
NOT IN SCOPE OF WORK
HALL 123
HALLWAY 143
STORAGE 112
ALIGN NEW SUBSTRATE WITH EXISTING AT BOTH SIDES OF WALL
MEN'S 111
ELECTRICAL 116
STORAGE 147
HALLWAY 144
WOMEN'S 113
NEW COOLER ADDITION
MERCHANDISE COOLER 103
ALIGN NEW SUBSTRATE WITH EXISTING AT BOTH SIDES OF WALL
SHOWER 117
SHOWER 118
SHOWER 119
SHOWER 121
SHOWER 105
SHOWER 104
REF 1/ G004
EXISTING CURB TO REMAIN
EXIT ROUTE SIGN
350 sq ft expansion
STORAGE 114
NEW CANOPY RAIN LEADERS SIDEWALK DRAIN, REF 7/ SP002
EXIT SIGN
EXTERIOR SIDEWALK TO BE FLUSH WITH INTERIOR FINISH FLOOR
STOOP REF 6/ SP002
CANOPY ABOVE
CONTROL JOINTS TYP REF 1/ SP002
OFFICE 146
STORE LAUNDRY 127
NEW CONCRETE SIDWALK TO DRAIN AWAY FROM BUILDING, 2% MAX CROSS SLOPE IN BOTH DIRECTION
FACE OF CURB TYP
GC IS TO CONTACT ARCHITECT IF CURB HEIGHTS EXCEED 7" ABOVE ADJACENT EXISTING PAVEMENT ELEVATION
ALIGN TO EXISTING SIDEWALK
THICKENED SLAB REF 1/S101 & 1/A132
INFILL WALL, ALIGN FINISHES WITH EXISTING
CASHIER 145
SALES 138
DRINK CENTER 142
STORAGE 130
ALIGN NEW SUBSTRATE WITH EXISTING AT BOTH SIDES OF WALL
EXISTING CARL'S JR NOT IN SCOPE OF WORK
EXIT SIGN REF G002 TACTILE SIGNS TYP
CANOPY ABOVE
EXISTING ACCESSIBLE RAMP
NEW CANOPY SIDEWALK DRAIN, REF 7/ SP002
MATCH LOCATION OF EXISTING SIDEWALK JOINTS

1 OVERALL FLOOR PLAN
3/16" = 1'-0"

ARCHITECT OF RECORD:
Mariah B. Meyer
8131 METCALF AVENUE SUITE 300,
OVERLAND PARK, KANSAS 66204

Loves
STORE NUMBER: 207
45-761 DILLON RD
COACHELLA, CA 92236
JOB NUMBER: 6320271
TIER 1 90

ISSUE BLOCK		
1	REV #1	09/11/23
2	REV #2	03/20/24

CHECKED BY:	JMM JCM
DRAWN BY:	KB
DOCUMENT DATE:	04/28/2023
PROTO:	TIER 1 90
PROTO CYCLE:	Q4 - 2022

LICENSED ARCHITECT
MARIAH B MEYER
C-37440
EXP 3-31-25
CALIFORNIA
STATE OF CALIFORNIA

03/26/2024

OVERALL FLOOR PLAN & SITE IMPROVEMENTS

SHEET: A100

3/26/2024 10:57:11 AM
BIM 360://Love's SRC-207 Coachella CA/Loves_Coachella CA_ARC_71_90_ref
360://A100-OVERALL FLOOR PLAN & SITE IMPROVEMENTS-REV #2

RESOLUTION NO. PC2024-04

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COACHELLA, CALIFORNIA APPROVING ARCHITECTURAL REVIEW NO. 23-08, A REQUEST TO MODIFY LOVE'S TRAVEL STOP ARCHITECTURE WITH FAÇADE IMPROVEMENTS AND ADDITION OF AN OBSERVATION AND IT ROOM, TOWER AND VESTIBULE AT 45-761 DILLON ROAD. APPLICANT: MIRNA SMITH.

WHEREAS Mirna Smith filed an application for Architectural Review (AR) 23-08 to modify Love's Travel Stop building architecture and a 200 foot addition at 45-761 Dillon Road; and,

WHEREAS on February 21, 2024, the Planning Commission of the City of Coachella held a duly noticed public hearing, considered written and oral comments, and facts and evidence presented by the applicant, City staff, and other interested parties, and approved AR No. 23-08 for the Love's Travel Stop addition and façade enhancement project; and

WHEREAS the proposed use is necessary or desirable for the development of the community, is consistent with the objectives of the City's General Plan, and is not detrimental to the existing uses or the uses specifically permitted in the zone in which the proposed use is to be located; and,

WHEREAS the proposed site is adequate in size and shape to accommodate the proposed development; and,

WHEREAS, the Planning Division completed an initial environmental assessment of the above matter and in accordance with the California Environmental Quality Act (CEQA) recommends the Planning Commission determine the project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as a Class 1, Existing Facilities, exemption as the project consists of the minor alteration of existing private structures (CEQA Guidelines 15301). As such, no additional environmental review or further mitigation is required for this request.

WHEREAS the conditions as stipulated by the City are necessary to protect the public health, safety and welfare of the community.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Coachella, California hereby resolve as follows:

Section 1. Incorporation of Recitals

The Planning Commission hereby finds that all of the facts in the Recitals are true and correct and are incorporated and adopted as findings of the Planning Commission as fully set forth in this resolution.

Section 2. CEQA Findings

Based upon its review of the entire record, including the Staff Report, any public comments or testimony presented to the Planning Commission, and the facts outlined below, the Planning Commission hereby finds and determines that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as a Class 1, Existing Facilities, exemption as the project consists of the minor alteration of existing private structures (CEQA Guidelines 15301). As such, no additional environmental review or further mitigation is required for this request.

Section 3. Architectural Review Findings

With respect to Architectural Review 23-08, the Planning Commission finds as follows for the 6,100 sq. ft. Love's Travel Stop convenience store:

1. The Architectural Review modification is consistent with the goals, objectives, policies, and implementation measures of the Coachella General Plan 2035. The site has a Regional Retail land use designation that allows for a range of retail uses. The proposed uses on the site are in keeping with the policies of the Regional Retail land use classification and the Project is internally consistent with other General Plan policies for this type of development.

2. The proposed use will be located, designed, constructed, operated and maintained so as to be compatible with the existing or intended character of the general vicinity and shall not change the essential character of the same area. The proposed project is in compliance with the applicable development standards for the R-C (Regional Center) Zoning District of the City's Zoning Code. The site and elevation plan proposes the façade enhancement and minor addition to existing convenience store in accordance with section 17.74.010 of the Coachella Municipal Code.

3. Consideration is given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of the development. The proposed project is in compliance with the applicable development standards for the R-C (Regional Center) Zoning District of the City's Zoning Code. The proposed development consists of a façade enhancement of a 6,100 sq. ft. convenience store which will provide City residents and regional residents with a retail and food options which will provide convenience to motorist within the region. The proposed use is compatible with existing adjacent uses, which include similar land uses and large commercial development sites.

4. The Project will be compatible with neighboring properties with respect to land development patterns. The proposed development would development according to the development standards of the R-C Zone at a scale, massing, and aesthetic appeal of existing development is in keeping with development of neighboring properties.

5. The proposed use will include vehicular approaches to the property designed to improve off-site and on-site vehicular circulation for existing traffic on surrounding public streets or roads. Evidence of this is reflected in the provided site plan design.

Section 5. Planning Commission Approval

Based on the foregoing recitals and findings above, and the written and oral comments, facts and evidence presented, the City of Coachella Planning Commission hereby approves Architectural Review 23-08 (Amendment), modifying the architecture of the convenience store building and a 200 sq. ft. addition, as set forth by the conditions in "Exhibit A" and development plans of "Exhibit B"

PASSED APPROVED and ADOPTED this 21st day of February 2024.

Ruben Gonzalez, Chairperson
Coachella Planning Commission

ATTEST:

Gabriel Perez

Gabriel Perez
Planning Commission Secretary

APPROVED AS TO FORM:

Carlos Campos

Carlos Campos
City Attorney

I HEREBY CERTIFY that the foregoing Resolution No. PC2024-04, was duly adopted at a regular meeting of the Planning Commission of the City of Coachella, California, held on the 21st day of February 2024, by the following roll call vote:

AYES: Chair Gonzalez, Commissioner Arvizu, Commissioner Murillo, Vice Chair Hernandez

NOES:

ABSENT: Commissioner Ramirez, Alternate Commissioner Fonseca

ABSTAIN:

Gabriel J Perez
Gabriel J Perez (Mar 25, 2024 09:14 PDT)

Gabriel Perez
Planning Commission Secretary

Signature: Carlos Campos
Carlos Campos (Mar 25, 2024 08:33 PDT)

Email: carlos.campos@bbklaw.com

CONDITIONS OF APPROVAL
ARCHITECTURAL REVIEW NO. 23-08 MODIFICATIONS TO EXTERIOR ELEVATIONS FOR LOVE'S TRAVEL STOP AND 200 SQ. FT. ADDITION

***Modified language by the Planning Commission in strike out and bold.**

Architecture

1. Architectural Review No. 23-08 shall be valid for 12 months from the effective date of said Planning Commission approvals unless the applicant requests an extension of time and granted by the Planning Commission.

2. The applicant shall defend, indemnify and hold harmless the City of Coachella, its officials, officers, employees, and agents from and against any claim, action, or proceeding against the City, its officials, officers, employees or agents to attack, set aside, void or annul any project approval or condition of approval of the city concerning this project, including but not limited to any approval or condition of approval or mitigation measure imposed by the City Council or Planning Commission. The City shall promptly notify the applicant of any claim, action, or proceeding concerning the project and the City shall cooperate fully in the defense of the matter. The City reserves the right, at its own option, to choose its own attorney to represent the City, its officials, officers, employees and agents in the defense of the City Attorney, within five days of the effective date of this approval.

3. Within five business days of project approval, the applicant shall submit to the Planning Division a check made payable to the County of Riverside in the amount of $50 for filing the CEQA Notice. (City of Coachella submitted this documentation).

4. All roof mounted mechanical equipment shall be view obscured by a parapet wall greater in height than the equipment installed. Ground mounted mechanical equipment shall be view obscured by landscaping or enclosure. Roof Top Unit (RTU) screens shall not satisfy this condition for roof mounted equipment screening.

~~5. Elevations plans shall be revised to include additional windows along the front elevation.~~

Landscape

6. Final **modified** landscaping and irrigation plans shall be submitted to the Development Services Department for review and approval. Landscape lighting shall be incorporated. All landscape materials shall be identified on a legend and identified graphically on a landscape plan including planting counts, tree caliper, and planted tree heights. Landscape shall include decorative gravel a minimum of ¾ inch, shade trees, and flowering shrubs.

7. Landscaping and irrigation shall be provided in accordance with Section 17.54.010(J) of the Municipal Code and in accordance with the State Model Water Efficient Landscape

Ordinance (AB 1881). Water budget calculations, including the Maximum Applied Water Allowance (MAWA) and Estimated Total Water Use (ETWU) shall be provided as part of the landscaping and irrigation plan.

8. The Planning Division may request minor substitutions of plant materials or request additional sizing or quantity of materials during plan check.

9. The applicant shall submit, and must obtain approval from the Development Services Director, a letter from a registered landscape architect confirming that landscaping and irrigation have been installed in accordance with the approved plans prior to issuance of a certificate of occupancy. Any damaged, dead or decayed landscaping landscape areas within the remainder of the commercial center shall be replaced per approved landscape plans upon landscape inspection by the Development Services Department and prior to issuance of a certificate of occupancy.

10. The site landscaping shall be maintained in good condition at all times, and the owner or operator of the facility shall be responsible for replacing any damaged, dead or decayed landscaping as soon as practicable, and in accordance with the approved landscape plan. The applicant shall enter into a landscape agreement with the City prior to issuance of a certificate of occupancy to ensure that all proposed landscaping on-site and right-of-way of the project frontage is maintained in a first-class conditions.

11. Renovated landscaping shall be installed prior to issuance of the final certificate of occupancy.

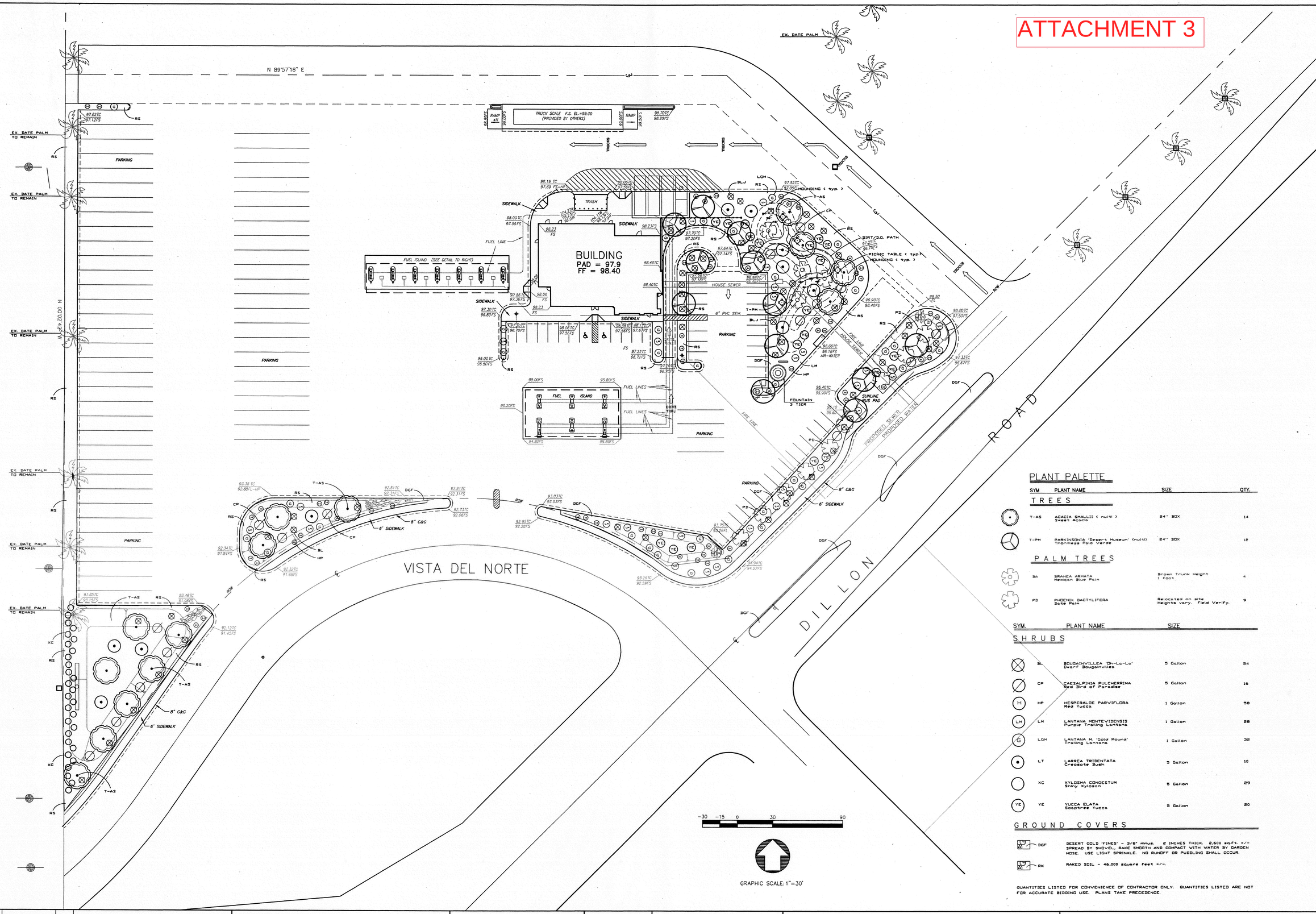
12. The applicant shall install "Coachella" ground mounted illuminated entry monument designed in coordination with the City of Coachella Public Information Officer at the corner landscape planter due to the location as a key entry point to the City of Coachella and as a placemaking visitor attraction.

Site Improvements:

13. The applicant shall conduct an analysis of the on-site pavement condition and rehabilitate all cracked and deteriorating pavement of the project site prior to final certificate of occupancy.

14. Paint the Carl's Jr. restaurant with consistent colors as new plan.

ATTACHMENT 3



PLANT PALETTE

SYM	PLANT NAME	SIZE	QTY.
TREES			
T-AS	ACACIA SMALLII (multi) Sweet Acacia	24" BOX	14
T-PH	PARKINSONIA 'Desert Museum' (multi) Thornless Palo Verde	24" BOX	12
PALM TREES			
BA	BRAHEA ARMATA Mexican Blue Palm	Brown Trunk Height 1 Foot	4
PD	PHOENIX DACTYLIFERA Date Palm	Relocated on site Heights vary. Field Verify.	9
SYM.	**PLANT NAME**	**SIZE**	
SHRUBS			
BL	BOUGAINVILLEA 'Oh-La-La' Dwarf Bougainvillea	5 Gallon	54
CP	CAESALPINIA PULCHERRIMA Red Bird of Paradise	5 Gallon	16
HP	HESPERALOE PARVIFLORA Red Yucca	1 Gallon	58
LM	LANTANA MONTEVIDENSIS Purple Trailing Lantana	1 Gallon	28
LGM	LANTANA M. 'Gold Mound' Trailing Lantana	1 Gallon	32
LT	LARREA TRIDENTATA Creosote Bush	5 Gallon	10
XC	XYLOSMA CONGESTUM Shiny Xylosm	5 Gallon	29
YE	YUCCA ELATA Soaptree Yucca	5 Gallon	20
GROUND COVERS			
DGF	DESERT GOLD 'FINES' - 3/8" minus. 2 INCHES THICK. 8,600 sq.ft. +/- SPREAD BY SHOVEL, RAKE SMOOTH AND COMPACT WITH WATER BY GARDEN HOSE. USE LIGHT SPRINKLE. NO RUNOFF OR PUDDLING SHALL OCCUR.		
RK	RAKED SOIL - 46,000 square feet +/-.		

QUANTITIES LISTED FOR CONVENIENCE OF CONTRACTOR ONLY. QUANTITIES LISTED ARE NOT FOR ACCURATE BIDDING USE. PLANS TAKE PRECEDENCE.

-30 -15 0 30 90

GRAPHIC SCALE: 1"=30'

PREPARED FOR:
CANAAN INVESTMENTS INC.
P.O. Box 26210
Oklahoma City, OK 73126
Phone: 405/751-9000 Fax: 405/749-9122

LOVE'S - LANDSCAPE PLAN

NO.	DATE	BY	REVISIONS

PREPARED BY:
RAY LOPEZ ASSOCIATES
LANDSCAPE ARCHITECTURE & PLANNING
POST OFFICE BOX 12885
PALM DESERT, CALIFORNIA 92255
Phone: 760/772-3123 Fax: 760/772-0243

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REGISTERED LANDSCAPE ARCHITECT RAYMOND C. LOPEZ No. 3474 STATE OF CALIFORNIA

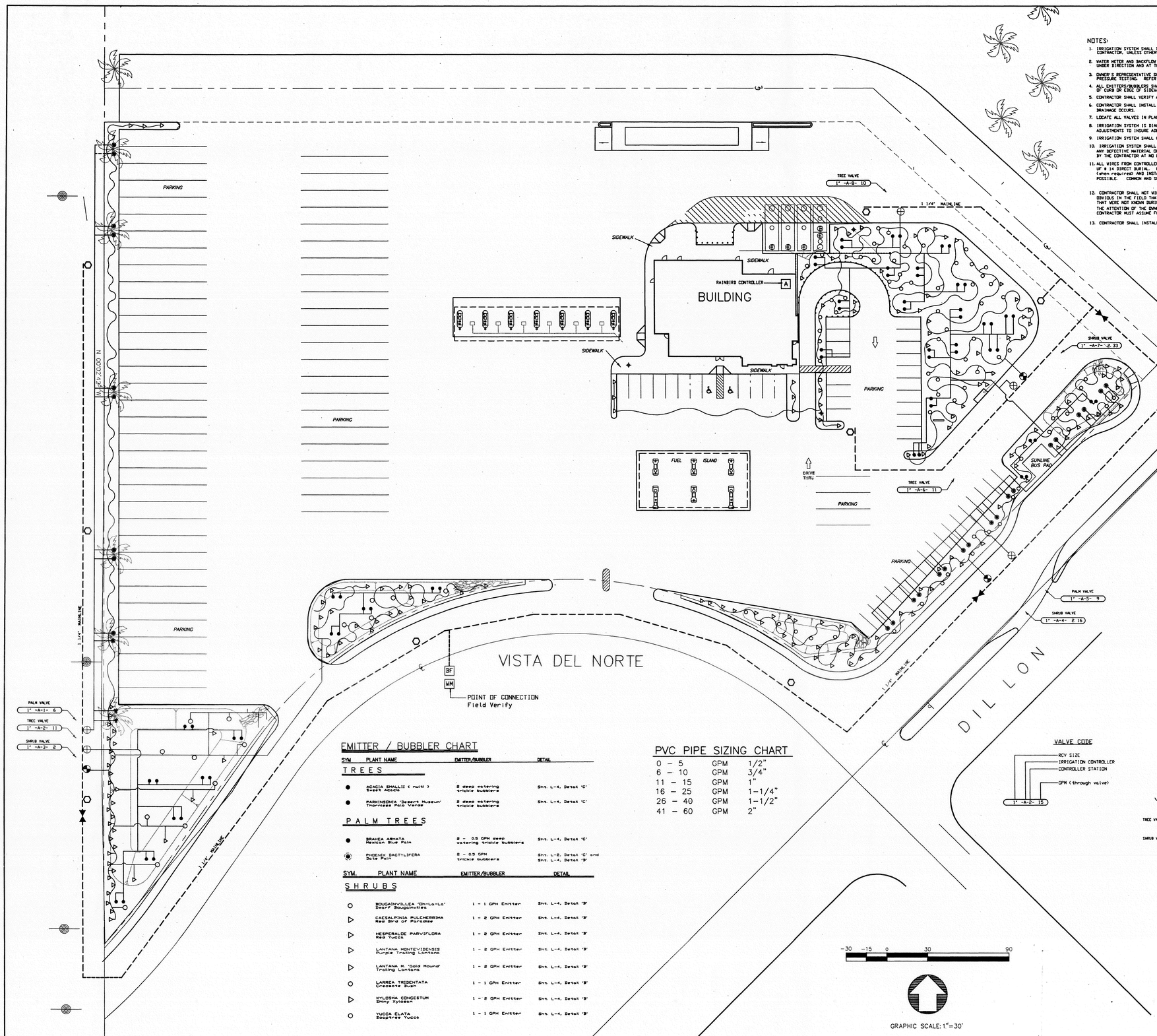
DATE: 5 JUNE 2000
FILE: LV-LAND2
PREPARED UNDER THE SUPERVISION OF:
RAYMOND C. LOPEZ DATE: 10 July '00
LANDSCAPE ARCHITECT, C.L.N. 3474

Love's Country Stores

A NEW TRAVEL STOP
STORE No. 000
COACHELLA, CA

LANDSCAPE PLAN

SHEET
L-1
2 OF 6



NOTES:

1. IRRIGATION SYSTEM SHALL BE INSTALLED BY A LICENCED C-27 LANDSCAPE CONTRACTOR, UNLESS OTHERWISE STIPULATED BY THE OWNER.
2. WATER METER AND BACKFLOW PREVENTER BY LOCAL WATER DISTRICT. INSTALL UNDER DIRECTION AND AT THE COST OF THE CONTRACTOR.
3. OWNER'S REPRESENTATIVE SHALL INSPECT AND APPROVE MAINLINE AND LATERAL PRESSURE TESTING. REFER TO IRRIGATION SPECIFICATIONS.
4. ALL EMITTERS/BUBBLERS SHALL BE INSTALLED A MINIMUM 3 FEET FROM BACK OF CURB OR EDGE OF SIDEWALK UNLESS FIELD CONDITIONS PROHIBIT THIS.
5. CONTRACTOR SHALL VERIFY ALL PRESSURES ON SITE PRIOR TO CONSTRUCTION.
6. CONTRACTOR SHALL INSTALL CHECK VALVES IN ALL HEADS IN WHICH LOW HEAD DRAINAGE OCCURS.
7. LOCATE ALL VALVES IN PLANTING AREAS.
8. IRRIGATION SYSTEM IS DIAGRAMMATIC. CONTRACTOR MUST MAKE INFIELD ADJUSTMENTS TO INSURE ADEQUATE COVERAGE.
9. IRRIGATION SYSTEM SHALL CONFORM TO STATE AND LOCAL CODES.
10. IRRIGATION SYSTEM SHALL BE FULLY GUARANTEED FOR A PERIOD OF ONE YEAR. ANY DEFECTIVE MATERIAL OR POOR WORKMANSHIP SHALL BE REPLACED OR CORRECTED BY THE CONTRACTOR AT NO EXTRA COST TO THE OWNER.
11. ALL WIRES FROM CONTROLLER TO ELECTRIC CONTROL VALVES SHALL BE COPPER UF # 14 DIRECT BURIAL. USE BLACK FOR PILOT, WHITE FOR COMMON, ORANGE SPARE (when required) AND INSTALL IN COMMON TRENCH WITH MAINLINE PIPING WHERE POSSIBLE. COMMON AND SPARE WIRE SHALL BE COPPER UF # 12 OR HEAVIER.
12. CONTRACTOR SHALL NOT WILLFULLY INSTALL THE SYSTEM AS DESIGNED WHEN IT IS OBVIOUS IN THE FIELD THAT UNKNOWN OBSTRUCTIONS OR GRADE DIFFERENCES EXIST THAT WERE NOT KNOWN DURING DESIGNING. SUCH CONDITIONS SHALL BE BROUGHT TO THE ATTENTION OF THE OWNER'S REPRESENTATIVE. OTHERWISE, THE IRRIGATION CONTRACTOR MUST ASSUME FULL RESPONSIBILITY FOR ANY AND ALL NECESSARY REVISIONS.
13. CONTRACTOR SHALL INSTALL ALL EMITTERS ON UP-HILL SIDE OF PLANT.

NOTE:

CONTRACTOR SHALL VERIFY ALL CONDITIONS AND DIMENSIONS AT THE JOB SITE AND NOTIFY THE LANDSCAPE ARCHITECT OR HIS REPRESENTATIVE OF ANY DIMENSIONAL ERRORS, OMISSIONS, OR DISCREPANCIES BEFORE BEGINNING OR FABRICATING ANY WORK. REFER TO CIVIL DRAWINGS FOR HORIZONTAL AND VERTICAL DATA.

QUANTITIES LISTED ARE FOR THE CONVENIENCE OF THE CONTRACTOR ONLY AND ARE NOT INTENDED FOR ACCURATE BIDDING USE.

IRRIGATION LEGEND

SYMBOL	ITEM DESCRIPTION			DETAIL
	LOCATE EMITTERS ON UP-HILL SIDE OF PLANT.			
○	BOWSMITH - 'SL200' Series Drip Emitter on 1/2" riser.	1.0 GPH	20 P.S.I.	B - Sheet L-8
▷	BOWSMITH - 'SL200' Series Drip Emitter on 1/2" riser.	2.0 GPH	20 P.S.I.	B - Sheet L-8
●	RAINBIRD - 1402 Bubbler full circle, trickle pattern DEEP WATERING EMITTER - Use on all tree trickle bubblers.	0.5 GPM	20 P.S.I.	C - Sheet L-8
◉	RAINBIRD - 1402 Bubbler full circle, trickle pattern	0.5 GPM	20 P.S.I.	B - Sheet L-8
A	RAINBIRD CONTROLLER RAINBIRD ESP - 12LX (12 Station Controller). Install controller per manufacturer's specifications. Install in Lemac Enclosure - Paint enclosure tan. MOISTURE SENSOR - Install Watermark 4 zone moisture sensor for new controller.			I - Sheet L-8
WM	3/4" WATER METER - installed by Local Water District under direction and at the cost of the Contractor. Field Test - Supply written report to Owner and Landscape Architect.			
BF	3/4" BACKFLOW PREVENTER ASSEMBLY - installed by Local Water District under the direction and at the cost of the Contractor. Field Test - Supply written report to Owner and Landscape Architect.			
--------	1 1/4" SCHEDULE 40 PVC MAINLINE.			H - Sheet L-8
———	TREE/PALM LATERAL CLASS 200 PVC LATERAL LINE - SIZE PER P.V.C. PIPE SIZING CHART. CLASS 315 PVC LATERAL LINE - SIZE 1/2" Diameter.			H - Sheet L-8
~~	SHRUB LATERAL CLASS 200 PVC LATERAL LINE - SIZE PER P.V.C. PIPE SIZING CHART. CLASS 315 PVC LATERAL LINE - SIZE 1/2" Diameter.			H - Sheet L-8
TREE VALVE ⊕	REMOTE CONTROL VALVE (RCV) and (Brass) GATE VALVE, NIBCO Line size. RAINBIRD-CB SERIES ELECTRIC REMOTE CONTROL WITH PRS-D PRESSURE REGULATION MODEL PLACE IN TAN LOCKING VALVE BOX.			F - Sheet L-8
SHRUB VALVE ◔	DRIP VALVE ASSEMBLY: GATE VALVE (BRASS) NIBCO - LINE SIZE FILTER - Ag Products 4E-1" (150 to 200 mesh). HUNTER - ICV-101G-FS-AS ELECTRIC REMOTE VALVE IN CARSON BOX #1730 - TAN COLORED BOX			A - Sheet L-8
⋈	GATE VALVE (GV) NIBCO, LINE SIZE - IN TAN COLORED BOX.			E - Sheet L-8
○	TWO PIECE QUICK COUPLING VALVE (QCV) RAINBIRD 44RC. SUPPLY 2 - 44E VALVE KEYS TO OWNER. INSTALL IN TAN COLORED VALVE BOX.			D - Sheet L-8
	NOTE: SLEEVES SHALL BE TWO AND HALF TIMES AS LARGE AS THE PIPE SIZE. INSTALL UNDER ALL HARDSCAPE (e.g. asphalt, curbs, sidewalks, walls, etc.)			
	EXISTING WATER PRESSURE ON SITE = VERIFY ON SITE PRIOR TO CONSTRUCTION. Adjust irrigation as needed, if required.			
	CONTRACTOR SHALL VERIFY PRESSURE PRIOR TO COMMENCING WORK.			
	DRIP SYSTEM SHOULD ALLOW PRESSURE REDUCTION TO APPROXIMATELY 20 P.S.I. UNLESS GALLONAGE OR PRESSURE LOSS REQUIRE A HIGHER SETTING.			
	ELECTRIC METER - Supplied by Owner. Contractor to connect Controller to meter. Contractor to supply required Circuit Breaker per code, as needed.			
NOTE:	RAINBIRD 'ACV SERIES' ADJUSTABLE CHECK VALVE LINE SIZE - INSTALL PER EVERY 5 FEET OF GRADE CHANGE MINIMUM OR AS NEEDED. PLACE IN 6" ROUND TAN VALVE BOX W/GRAVEL. MARK LID "CK-VLV"			

EMITTER / BUBBLER CHART

SYM	PLANT NAME	EMITTER/BUBBLER	DETAIL
TREES			
●	ACACIA SMALLII (multi) Sweet Acacia	2 deep watering trickle bubblers	Sht. L-4, Detail 'C'
●	PARKINSONIA 'Desert Museum' Thornless Palo Verde	2 deep watering trickle bubblers	Sht. L-4, Detail 'C'
PALM TREES			
●	BRAHEA ARMATA Mexican Blue Palm	2 - 0.5 GPH deep watering trickle bubblers	Sht. L-4, Detail 'C'
◉	PHOENIX DACTYLIFERA Date Palm	2 - 0.5 GPH trickle bubblers	Sht. L-2, Detail 'C' and Sht. L-4, Detail 'B'
SYM.	PLANT NAME	EMITTER/BUBBLER	DETAIL
SHRUBS			
○	BOUGAINVILLEA 'Oh-La-La' Dwarf Bougainvillea	1 - 1 GPH Emitter	Sht. L-4, Detail 'B'
▷	CAESALPINIA PULCHERRIMA Red Bird of Paradise	1 - 2 GPH Emitter	Sht. L-4, Detail 'B'
▷	HESPERALOE PARVIFLORA Red Yucca	1 - 2 GPH Emitter	Sht. L-4, Detail 'B'
▷	LANTANA MONTEVIDENSIS Purple Trailing Lantana	1 - 2 GPH Emitter	Sht. L-4, Detail 'B'
▷	LANTANA M. 'Gold Mound' Trailing Lantana	1 - 2 GPH Emitter	Sht. L-4, Detail 'B'
○	LARREA TRIDENTATA Creosote Bush	1 - 1 GPH Emitter	Sht. L-4, Detail 'B'
▷	XYLOSMA CONGESTUM Shiny Xylosma	1 - 2 GPH Emitter	Sht. L-4, Detail 'B'
○	YUCCA ELATA Soaptree Yucca	1 - 1 GPH Emitter	Sht. L-4, Detail 'B'

PVC PIPE SIZING CHART

0 – 5	GPM	1/2"
6 – 10	GPM	3/4"
11 – 15	GPM	1"
16 – 25	GPM	1-1/4"
26 – 40	GPM	1-1/2"
41 – 60	GPM	2"

PREPARED FOR:

CANAAN INVESTMENTS INC.
P.O. Box 26210
Oklahoma City, OK 73126
Phone: 405/751-9000 Fax: 405/749-9122

LOVE'S – IRRIGATION PLAN

NO.	DATE	BY	REVISIONS

PREPARED BY:
RAY LOPEZ ASSOCIATES
LANDSCAPE ARCHITECTURE & PLANNING
POST OFFICE BOX 12885
PALM DESERT, CALIFORNIA 92255
Phone: 760/772-3123 Fax: 760/772-0243

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REGISTERED LANDSCAPE ARCHITECT RAYMOND C. LOPEZ No. 3474 Expires September 2001 STATE OF CALIFORNIA

DATE: 10 JULY 2000
FILE: FILE:
PREPARED UNDER THE SUPERVISION OF:
RAYMOND C. LOPEZ
LANDSCAPE ARCHITECT, C.L.N. 3474
DATE: 10 July '00

Love's Country Stores®
A NEW TRAVEL STOP
STORE No. 000
COACHELLA, CA

IRRIGATION PLAN

SHEET
L-3
4 OF 6

Dillon Road Site Photos







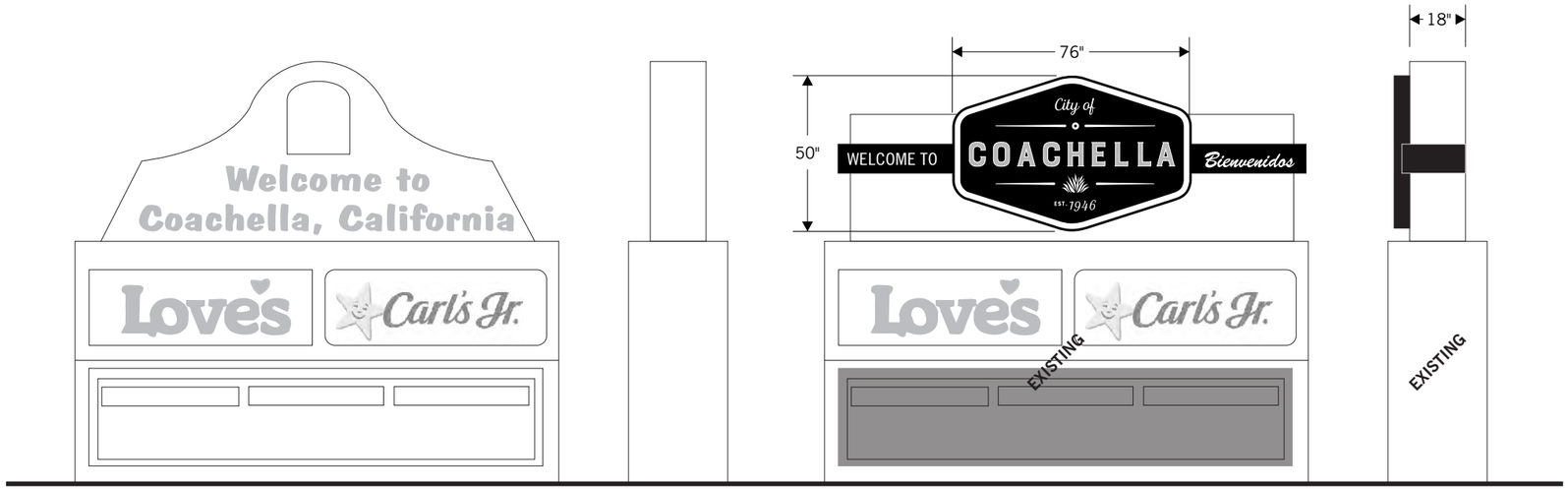
Vista Del Norte Site Photos







RSVC - CITY OF COACHELLA



SCALE 1/4"=1'-0"



OPTION **1**

STAFF REPORT
4/2/2025

TO: Planning Commission Chair and Commissioners

FROM: Kendra Reif, Principal Planner

SUBJECT: Resolution No. PC 2025-03: Request for Conditional Approval of Conditional Use Permit No. 388 El Tranvia– Type 47 ABC License

SPECIFICS: Request for conditional approval for Conditional Use Permit No. 388 to allow liquor sales (ABC Type 47, On-Sale General – Eating Place) within an existing 5,951 square-foot restaurant located at 1221 6th Street and determining that the proposed project is compliant with California Environmental Quality Act (CEQA) Guidelines Section 15301 (Existing Facilities) Applicant: Oscar Ventura Saavedra

---

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission adopt Resolution No. PC 2025-03 approving Conditional Use Permit (CUP) No. 388 to allow a liquor sales license (Type 47, On-Sale General – Eating Place) at El Tranvia restaurant located at 1221 6th Street, pursuant to the findings and conditions in the below staff report and the attached resolution.

BACKGROUND:

El Tranvia is an existing restaurant within the Pueblo Viejo district located at 1221 6th Street (APN 778-110-004).

Since October of 2021, the establishment has had an active Type 41 (On-sale Beer and Wine – Eating Place) ABC License. The current establishment took over the existing license that was held at that location by the former business owners. The Type 41 liquor license has been active at that location since July of 2008. A CUP was not required for this site for the Type 41 liquor license since the alcohol use at this location was established prior to the adopted alcohol ordinance in December of 2016.

However, per City of Coachella Municipal Code Section 17.74.05.A.2 establishments that currently sell liquor but which propose to change the type of liquor to be sold by changing the type of retail liquor license within a license classification must obtain a CUP.

DISCUSSION/ANALYSIS:

The applicant, Oscar Ventura Saavedra, submitted a request for a CUP to allow the ABC Type 47 (On-Sale General – Eating Place) at the existing El Tranvia restaurant on January 8, 2025. The restaurant has a zoning designation of Downtown Pueblo Viejo (DT-PV). The DT-PV zone allows for liquor sales with the approval of a CUP. In December of 2016, the City adopted an ordinance requiring a Conditional Use Permit for any off-sale and on-sale alcohol sales establishment, with additional land use regulations contained in Section 17.74.015 of the Coachella Municipal Code. The CUP findings are required to be made by the Planning Commission.

The subject site is located within Census Tract 457.07 with a population of 6,289 persons, where ABC concentration standards allow a maximum of 6 on-sale licenses, where 10 active on-sale licenses exist. If the CUP is approved, the applicant will be cancelling their existing Type 41 (On-Sale Beer and Wine – Eating Place) liquor license. The applicant is not applying for an off-sale license, however there are 7 active off-sale licenses where ABC concentration standards allow a maximum of 3 off-sale licenses.

Table 1 – On-Sale Alcohol Licenses

On-Sale Alcohol License within Census Tract 457.07			
Business Name		**Address**	**License Type**
1	El Trebol Bar & Billiards	1633 6th St	42 (On-Sale Beer & Wine – Public Premises)
2	Birreria Jalisco	1605 6th St	40 (On-Sale Beer)
3	Plaza Garibaldi	50057 Harrison St	41 (On-Sale Beer & Wine – Eating Place)
4	Coachella Bar	85995 Grapefruit Blvd Ste. 2	58 (Caterer Permit)
5	Coachella Bar	85995 Grapefruit Blvd Ste. 2	48 (On-Sale General – Public Premises)
6	El Tranvia Bar	1221 6th St	41(On-Sale Beer & Wine – Eating Place)
7	El Tranvia Bar	1221 6th St	58(Caterer Permit)
8	Vino y Seis	1517 6th St	41(On-Sale Beer & Wine – Eating Place)
9	Tacos Pericos	84705 Ave 50 Ste. 1	41 (On-Sale Beer & Wine – Eating Place)
10	La Calaca	1258 6th St	42 (On-Sale Beer & Wine – Public Premises)

Section 17.74.015.B of the Coachella Municipal Code states that on-sale establishments may not fall within 700 feet, measured from property line to property line, of a use for religious worship, school (public or private), park, playground, residential or any similar sensitive use nor can the establishment fall within 700 feet of an existing liquor, on-sale use. Section 17.74.015.C of the

Municipal Code states that the Planning Commission may find that the public benefit outweighs the distance restrictions of subsection 17.74.015.B upon additional findings that:

I. The establishment provides a substantial benefit to the immediate neighborhood not provided by another existing establishment within the restricted distance; and

II. Not greater than five percent of the sales floor area or 1,000 square feet, whichever is less, shall be used for the display or sale of alcoholic beverages.

The subject site is within 700 feet of the following on-sale liquor uses: La Calaca (neighboring property). The subject site is within 700 feet of existing single-family and multi-family residential properties within the downtown district. The subject site is also within 700 feet of Palm View Elementary School (431 ft southeast) and Coachella Valley Adult School (467 ft southeast).

The floor plan for El Tranvia restaurant includes a total floor area of 5,951 square feet (SF). Alcohol display and storage is within a storage room and behind the existing bar, and not within the sales floor area. The establishment is proposing to utilize 140 sq. ft. for alcohol storage and does not exceed the 5% maximum sales floor area (297 SF) that may be dedicated to alcohol. The establishment is proposing to utilize 140 sq ft for alcohol display refrigeration and storage and does not exceed the maximum 20% of the gross floor area (1,190 SF) for the storage/sales/display of alcohol, and the alcohol is separated by physical barriers from the main seating area.

Staff contacted Lieutenant Vasquez with the Riverside County Sheriff Office regarding any concerns for the proposed business that the Planning Commission may want to consider when making findings or including conditions of approval for the CUP. Lieutenant Vasquez identified no recommendations. At the time of the publication of this staff report, no comments have been received from the public with any concerns regarding the approval of the proposed CUP for Type 47 (On-Sale General – Eating Place) alcohol sales.

The establishment currently holds a Type 41 (On-Sale Beer and Wine – Eating Place) liquor license and is in compliance with the Department of Alcohol Beverage Control (ABC) standards. Per the Department of ABC website, the establishment has no operating restriction and no history of disciplinary actions, disciplinary history, or active holds.

Hours of Operation:
El Tranvia is open 8:00 a.m. to 8:00 p.m. seven days a week.

Environmental Setting:
The subject business is located at 1221 6th Street within the Pueblo Viejo Downtown District. The General Plan Land Use Designations, Zoning Designations, and Existing uses are identified below:

Table 2 – General Plan, Zoning, and Surrounding Existing Uses

	General Plan	Zoning	Surrounding Existing Uses
Site:	Downtown Center	Downtown (DT-PV)	El Tranvia Restaurant
North:	Downtown Center	Downtown (DT-PV)	County of Riverside Offices
South:	General Neighborhood	General Neighborhood	Single Family Residential
East:	Downtown Center	Downtown (DT-PV)	Vacant Lot/ Single Family Residential
West:	Downtown Center	Downtown (DT-PV)	Vacant Lot/ Single Family Residential

Parking:
In the downtown districts, restaurants are required to provide a minimum of twelve (12) parking spaces per 1,000 square feet of gross floor area with a maximum of fifteen (15) parking spaces per 1,000 square feet of gross floor area. The subject site has a total area of 5,951 SF, which would require the subject site to provide 72 parking spaces.

There are 24 parking spaces provided on-site and several blocks of unrestricted street parking immediately surrounding the restaurant off-site. The existing parking on the property and within the downtown district provides adequate parking for this use.

Site Improvements:
During a staff site visit to El Tranvia commercial building, staff observed signage, unkept landscaping, damaged sprinklers, and ADA signage in disrepair. Staff raised these issues with the applicant. After discussions with the applicant about the issues, the applicant has rectified all outstanding issues.

PUBLIC HEARING NOTICE:

A public hearing notice for the Project was published in the Desert Sun, the newspaper of record, on March 23, 2025, and a public hearing notice was mailed to property owners within a radius of 300 feet of the subject property on March 12, 2025, pursuant to Section 17.74.010 of the Coachella Municipal Code. At the time of issuance of this staff report, staff had not received public comments on this application.

ENVIRONMENTAL REVIEW:

Staff has determined that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as "Existing Facilities" (CEQA Guidelines, Section 15301). The proposed project consists of the operation, licensing and minor alteration of an existing private commercial structure involving negligible or no expansion of existing or former commercial use on the property. The subject site has been used for commercial retail establishments and no exterior expansions are proposed.

ALTERNATIVES:

1) Approve Resolution No. PC 2025-03 that approves CUP No. 388 with the findings and conditions as recommended by Staff.

2) Approve Resolution No. PC 2025-03 that approves CUP No. 388 with the findings and conditions as recommended by Staff with modifications as proposed by the Planning Commission.

3) Deny the approval of Resolution No. PC 2025-03 and request that staff prepare a Planning Commission Resolution for denial of CUP No. 388.

3) Issue a continuance for this item and provide staff and the applicant with direction.

CONCLUSIONS AND RECOMMENDATIONS:

Based on the analysis contained herein and the findings listed below, staff is recommending that the Planning Commission approve CUP No. 388 with the findings and conditions listed in Resolution No. PC 2025-03. Staff recommends that the Planning Commission makes the findings that the public convenience or necessity is justified to issue the Type 47 license (On-Sale General – Eating Place). Furthermore, the Sherriff's Department has not raised concerns about granting the CUP for Type 47 alcohol sales at this site.

Attachments:

1. Resolution No. PC 2025-03
2. Vicinity Map
3. El Tranvia Floor Plan
4. Site Photos
5. Agency comments

RESOLUTION NO. 2025-03

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COACHELLA, CALIFORNIA CONDITIONALLY APPROVING CONDITIONAL USE PERMIT NO. 388 TO ALLOW LIQUOR SALES (ABC TYPE 47, ON-SALE GENERAL – EATING PLACE) WITHIN AN EXISTING 5,951 SQUARE-FOOT RESTAURANT LOCATED AT 1221 SIXTH STREET AND DETERMINING THAT THE PROPOSED PROJECT IS CATEGORICALLY EXEMPT PURSUANT TO CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES SECTION 15301 (EXISTING FACILITIES)

WHEREAS, on January 8, 2025, the applicant Oscar Ventura Saavedra, filed an application for a Conditional Use Permit No. 388 (CUP No. 388) to allow for a Type 47 (On-Sale General – Eating Place) liquor license for the existing El Tranvia restaurant located at 1221 6th street (APN 778-110-004); and

WHEREAS, the establishment has a land use designation of Downtown Center pursuant to the City of Coachella General Plan; and

WHEREAS, the establishment has a zoning designation of Downtown (DT-PV) pursuant to the City of Coachella Municipal Code; and

WHEREAS, the DT-PV zoning designation allows for alcohol sales with the approval of a conditional use permit pursuant to Section 17.74.05 of the City of Coachella Municipal Code; and

WHEREAS, the proposed use is consistent with and intended to implement the vision of the City's General Plan and the Municipal Code pertaining to neighborhood-scale retail, and a diverse economy and jobs center; and

WHEREAS, the proposed use is consistent with and intended to implement the vision of the Pueblo Viejo Revitalization Plan by encouraging a vibrant street scene and providing support to existing businesses; and

WHEREAS, the proposed project is exempt from the California Environmental Quality Act (CEQA) Guidelines Section 15301 – Existing Facilities, as amended; and,

WHEREAS, a notice of a public hearing to consider the Conditional Use Permit application (CUP No. 388) was issued in accordance with Coachella Municipal Code Section 17.74.010.G, inclusive of the publication on March 23, 2025, of a legal public hearing notice published in the Desert Sun, the City's newspaper of record, and the mailing of a public hearing notice to a certified list of property owners within 300 feet of the subject properties on March 12, 2025; and

WHEREAS, on April 2, 2025, the Planning Commission of the City of Coachella held a duly noticed public hearing on the subject application, considered written and oral comments, and facts and evidence presented by the applicant, City staff, and other interested parties; and

WHEREAS, at the Planning Commission hearing, the Applicant and members of the public were present and were afforded an opportunity to testify regarding the Project; and,

WHEREAS, at the conclusion of the public hearing and following discussion, the Planning Commission approved this Resolution for the conditional approval of the Type 47 liquor license for El Tranvia (CUP No. 388) as conditioned, with the motion vote outcome specified in the meeting minutes for the February 19, 2025, Planning Commission meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Coachella, California hereby resolves, finds, and determines as follows:

Section 1. Incorporation of Recitals. The Planning Commission hereby finds that all of the facts in the Recitals are true and correct and are incorporated and adopted as findings of the Planning Commission as fully set forth in this resolution.

Section 2. CEQA Findings. The Planning Commission has independently reviewed the Notice of Exemption and the administrative record for the Proposed Use, including all oral and written comments received during the public hearing, the staff report, and all attachments thereto, which are all incorporated herein by reference and are on file with the Development Services Department for the City of Coachella, and the Planning Commission finds that:

The City of Coachella, as Lead Agency, has reviewed the Project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, outlining the three-step process for determining which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, which provides procedures for determining if a project is exempt from CEQA. It can be seen with certainty that implementing the Project would not cause a significant adverse effect on the environment because the Project involves the issuance of a Conditional Use Permit for a liquor license to an existing restaurant establishment. This action involves a negligible expansion of use. Therefore, the Project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15301 – Existing Facilities.

Section 3. Conditional Use Permit Findings. Based upon the evidence presented at the hearing, including the staff report and written and verbal testimony, which are all incorporated herein by reference, the Planning Commission hereby finds that:

1. The proposed use will not be in conflict with, but will be in harmony with and in accordance with the objectives of the General Plan and the Pueblo Viejo Revitalization Plan because the proposed restaurant use with alcohol sales is within the Downtown Center land use designation according to the General Plan 2035, which allows the intended physical character to provide a wide variety of multi-family residential housing, office, and retail uses. The liquor sales establishment will be part of a restaurant that will serve nearby residents.

2. The proposed use will be located, designed, constructed, operated and maintained so as to be compatible with the existing character of the general vicinity and shall not change the essential character of the same area because the proposed use is within the zoning designation of Downtown (DT-PV) which permits restaurants subject to obtaining a conditional use permit to sell alcoholic beverages. The proposed use is located within an existing building that is compatible with the adjoining commercial uses and the conditional use permit can be revoked if any of the conditions of approval are violated.

3. Consideration has been given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of development. Additionally, there is adequate ingress and egress into and out of the existing center to maintain the adequacy of the traffic circulation system serving the proposed use.

4. Where the proposed use may be potentially hazardous or disturbing to existing or reasonably expected neighboring uses, it must be justified by the common public interest as a benefit to the community as a whole. As conditioned, the proposed use will provide for the sale of alcoholic beverages in conjunction with a restaurant use with limitations on hours of operation. As such, there will be no hazardous or disturbing effects to the existing and neighboring uses.

5. The proposed use provides vehicular approaches to the property designed for reasonable minimal interference with traffic on surrounding public streets or roads, because all approaches are in full use for the patrons of the commercial center and no alterations are proposed as part of the request to sell and/or serve alcohol at the existing 5,951 square foot restaurant and no negative effects exists. Further, there are existing striped and unstriped on-street parking available in front of and adjacent to the site for additional patrons.

6. The City of Coachella has determined that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as an "Existing Facilities" project (CEQA Guidelines, Section 15301). The project involves the issuance of a liquor license. The issuance of the liquor license will involve a negligible expansion of the use. Therefore, the project is categorically exempt from CEQA.

7. The establishment provides a substantial benefit to the immediate neighborhood not provided by another existing establishment within the restricted distance as the business would provide food and drink items in walking distance of nearby residences. The business would provide a significant quantity of fresh vegetables and other fresh foods options.

8. No greater than five percent of the sales floor area or one thousand (1,000) square feet, whichever is less, will be used for the display or sale of alcoholic beverages. The project is conditioned to ensure that the display area for alcohol does not exceed the limits of the Coachella Municipal Code and requires that he Development Services Director conduct

an inspection of the display prior to business operation.

Section 4. Planning Commission Approval. Based on the foregoing, the Planning Commission hereby **CONDITIONALLY APPROVES** the Conditional Use Permit application (CUP No. 388) and finds that the Project is exempt from CEQA pursuant to CEQA Guidelines Section 15301 – Existing Facilities. The Applicant shall demonstrate compliance with ALL Conditions of Approval, as set forth in "Exhibit A" and "Exhibit B" of this Resolution. Failure to demonstrate compliance with these conditions of approval may result in the delay of the Proposed Use or the rescinding of the City of Coachella's conditional use permit approval. Where the term "Applicant" is used in any condition of approval, this term shall also apply to the Property Owner, any developer, or any successor in the interest of the Applicant. It is the Applicant's or Applicant's successor in interest responsibility to fully comply with the conditions of approval unless subsequently modified in accordance with the City's required processes and procedures.

PASSED APPROVED and ADOPTED this 2nd day of April 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Isela Murillo
Planning Commission Chairperson

ATTEST:

_____
Kendra Reif
Planning Commission Secretary

APPROVED AS TO FORM:

_____

City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)

I HEREBY CERTIFY that the foregoing Resolution No. PC 2025-03 was duly adopted by the Planning Commission of the City of Coachella at a regular meeting thereof, held on this 2nd day of April 2025 by the following vote of the Planning Commission:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Kendra Reif
Planning Commission Secretary

CONDITIONS OF APPROVAL
CONDITIONAL USE PERMIT NO. 388 EL TRANVIA TYPE 47 LIQOUR LICENSE

General Conditions

1. The applicant shall comply with all requirements and conditions of approval as included in CUP No. 388, and any modifications or extensions thereof, as listed in those Notice of Actions for the respective approval and Resolution No. PC2025-03.

2. The conditional use permit shall expire and shall become void one year following the date on which the conditional use became effective unless spirit sales are commenced within 12 months of the effective date of this Conditional Use Permit or an extension of time is reviewed by the Planning Commission. A request for time extension shall be filed in a timely manner with applicable fees.

3. Conditional Use Permit No. 388 is an approval for the on-sale beer, wine, and spirits at El Tranvia. This approval is based on the floor plan submitted for the proposed project. Violation of any of the conditions of approval shall be cause for revocation of the Conditional Use Permit. Any modifications shall be administratively reviewed and approved by the Development Services Director and include a stamped approval by the Planning Division.

4. The applicant shall defend, indemnify and hold harmless the City of Coachella, its officials, officers, employees, and agents from and against any claim, action, or proceeding against the City, its officials, officers, employees or agents to attack, set aside, void or annul any project approval or condition of approval of the city concerning this project, including but not limited to any approval or condition of approval or mitigation measure imposed by the City Council or Planning Commission. The City shall promptly notify the applicant of any claim, action, or proceeding concerning the project and the City shall cooperate fully in the defense of the matter. The City reserves the right, at its own option, to choose its own attorney to represent the City, its officials, officers, employees and agents in the defense of the City Attorney, within five days of the effective date of this approval.

5. The use shall meet the standards within the limits established by the Coachella Municipal Code as related to emissions of noise, odor, dust, vibration, wastes, fumes, or any public nuisances arising or occurring incidental to the establishment or operation.

6. Hours of operation of the store may be no earlier than 6:00 a.m. and no later than 11:00 p.m. daily.

7. The applicant shall comply with all requirements imposed by the State Department of Alcoholic Beverage Control and a review of this conditional use permit will be required if the business results in an increase in floor area.

8. Not greater than 5% of the sales floor area, or 1,000 square feet, whichever is less, shall be used for the display or sale of alcoholic beverages. The applicant shall provide a revised floor plan with a compliant display area prior to issuance of a certificate of occupancy. The applicant shall request an inspection by the Development Services Director or designee for compliant of the store and displays with conditions of approval.

9. The applicant shall not store alcoholic beverages or boxes in sales areas beyond the 5% display limitation.

10. The exterior appearance of the structure of the proposed establishment shall not be inconsistent with the exterior appearance of commercial structures already constructed or under construction within the shopping center so as to cause blight or deterioration.

11. Allowable signs affixed to windows shall in no case exceed 20% of the occupancy frontage window area.

12. Any exterior wall signs shall consist of internally illuminated channel lettering and shall require a City building permit.

Utilities Department

1. Complete and submit Utilities Department's wastewater discharge survey.

STAFF REPORT
4/2/2025

TO: Planning Commission Chair and Commissioners

FROM: Ron Goldman, Consultant Planner

Bill Pattison, Interim City Manager

SUBJECT: Resolution 2025-04 recommending approval of the Amended and Restated La Entrada Development Agreement. (DA 23-01) (Kalifornia City).

SPECIFICS: Amended and Restated La Entrada Specific Plan Development Agreement (Kalifornia City).

STAFF RECOMMENDATION

Staff recommends that the Planning Commission adopt Resolution No. PC 2025-04 recommending to the City Council approval of the Amended and Restated La Entrada Specific Plan Development Agreement (Kalifornia City) pursuant to the findings contained in the attached resolution.

EXECUTIVE SUMMARY:

The KPC Group, the current owner of the property, requests approval of the Amended and Restated La Entrada Specific Plan Development Agreement. (Kalifornia City). The La Entrada Specific Plan was approved by the Coachella City Council on November 13, 2013, on a vacant 2,200-acre site located south of I-10 and east of the Coachella Branch of the All-American Canal as shown on Figure 1.

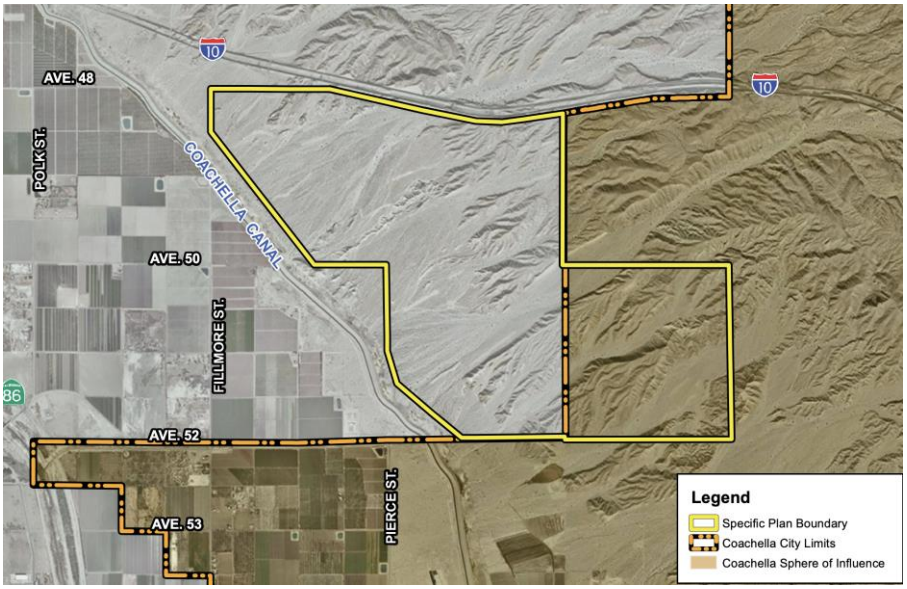
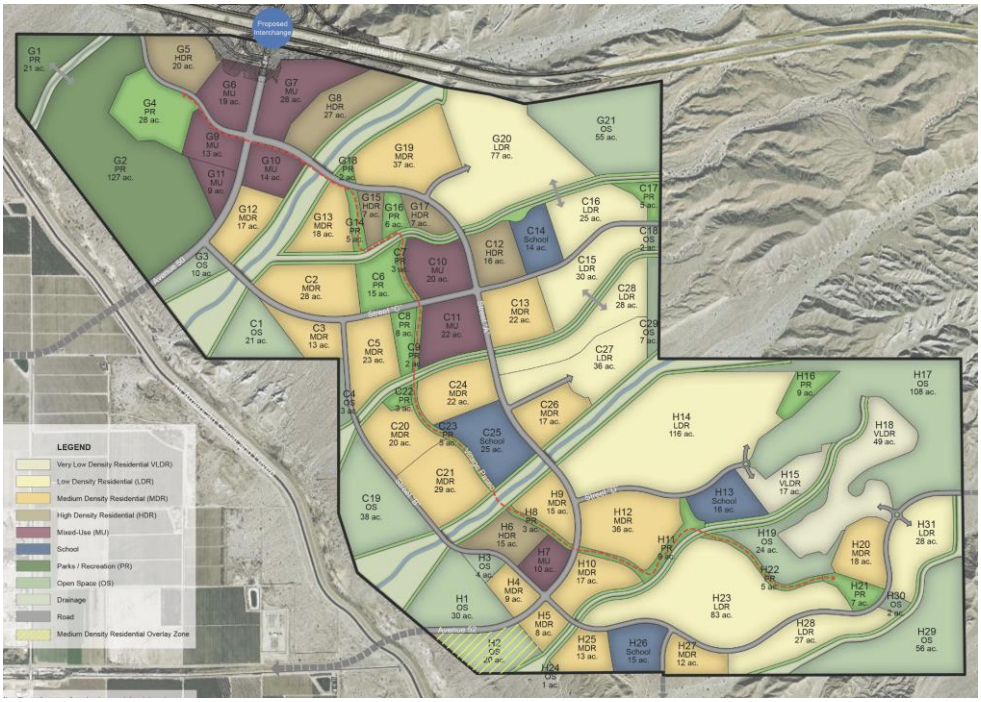


Figure 1

The La Entrada Specific Plan included a maximum of 7,800 dwelling units including both single family and multiple family dwelling units, 200 mixed use dwelling units along with 1,510,879 square feet of commercial retail and office commercial land uses as shown on Figure 2, the land use plan below.

Figure 2



Access to the site was planned through the extension of Avenue 50 and Avenue 52 with new bridges over the All-American Canal. The project was conditioned that the new I-10/Avenue 50 interchange must be operational prior to the issuance of any building permits within Phase V of the specific plan, that equates to approximately 5000 dwelling units.

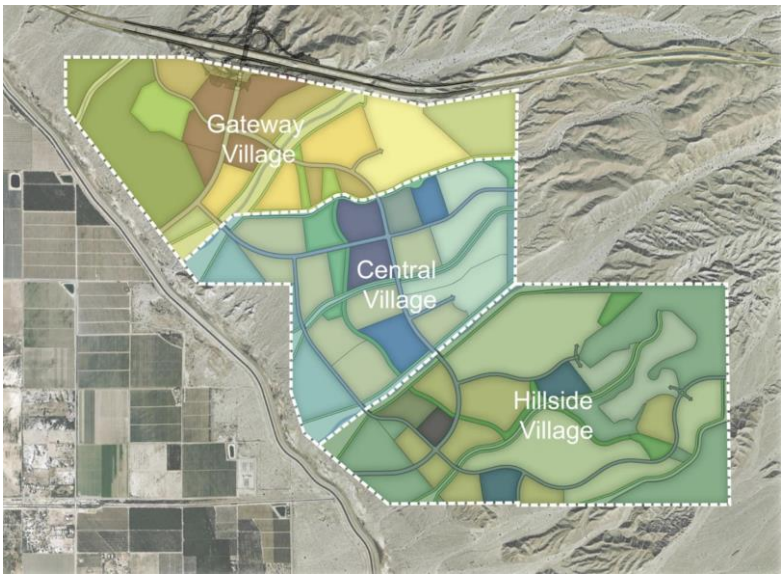


Figure 3

The specific plan proposed that development would occur within 3 villages as shown on Figure 3.

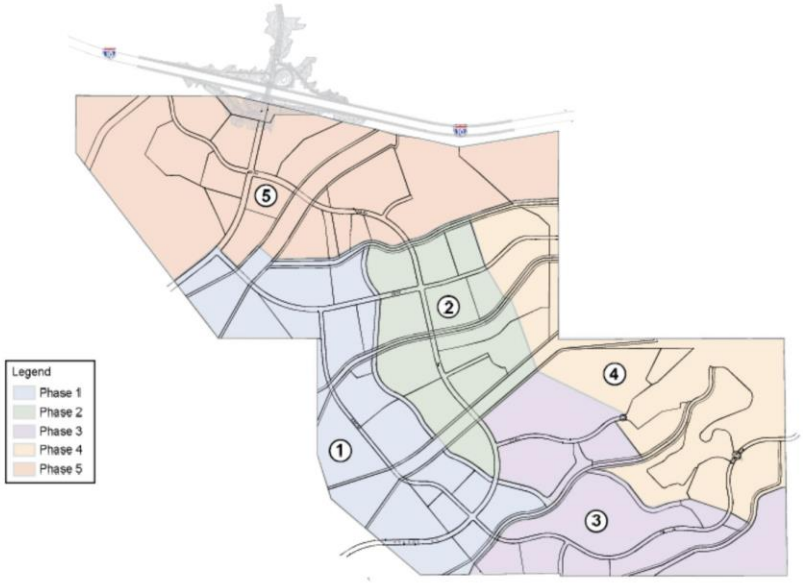
A copy of the La Entrada Specific Plan Land Use Summary is illustrated to the right and specifies the residential, mixed use, commercial, school, park and recreation, open space and roadway acreages contained within the Specific Plan.

Table 2-1
Land Use Summary

Land Use	Gross Acres (AC)	% Area	Density (DU/AC)	Dwelling Units (DU)	FAR	Square Footage (SF)
Residential						
Very Low Density Residential (VLDR)	66.4	3.02%	0.5-2.9	133	-	-
Low Density Residential (LDR)	448.7	20.40%	3.0-5.9	2,055	-	-
Medium Density Residential (MDR)	374.2	17.01%	6.0-12.9	3,060	-	-
High Density Residential (HDR)	91.6	4.16%	13.0-25	1,832	-	-
Subtotal Residential	*980.9*	*44.6%*	*7.1*	*7,080*	-	-
Mixed Use (MU)						
Retail Commercial	*99.0*	*4.5%*	-	-	*0.35*	*1,260,879*
Office Commercial			-	-		*250,000*
High Density Residential (HDR)	36.0	1.64%	13.0-25	720	-	-
Community/Public Facilities*	*	-	-	-	-	-
Subtotal Mixed Use	*135.0*	*6.14*	-	*720*	*0.35*	*1,510,879*
School						
Elementary School	44.8	2.04%	-	-	-	-
Middle School	25	1.14%				
Subtotal Schools	69.8	3.2%				
Parks/Recreation						
Regional Park	176.6	8.03%	-	-	-	-
Community Parks	44.4	2.03%	-	-	-	-
Neighborhood Parks/Vista Points	14.1	0.64%	-	-	-	-
Village Paseo/Linear Park	27.8	1.26%	-	-	-	-
Desert Wash Paseos/Linear Parks	81.8	3.72%	-	-	-	-
Subtotal Parks/Recreation	*344.7*	*15.67%*	-	-	-	-
Open Space						
Open Space	381.1	17.33%	-	-	-	-
Drainage/Wash	175.8	7.99%	-	-	-	-
Subtotal Open Space	*556.9*	*25.32%*	-	-	-	-
Roadways						
Right-of-Way	99.9	4.54%	-	-	-	-
Interchange Grading	12.3	0.56%	-	-	-	-
Subtotal Roadways	112.2	5.1%	-	-	-	-
Specific Plan Totals	2,199.5	100%	3.5	7,800		1,510,879

The Specific Plan envisioned that development would occur in 5 phases as shown on Figure 4:

Figure 4



The phasing plan included a mix of both residential and commercial office land uses as shown on the phasing table.

Table 5-1 Phasing		
Phase	Dwelling Units	Commercial/Office
1	1,471	110,000 sf/10.1 ac.
2	1,393	360,000/41.8 ac.
3	1,243	--
4	1,031	--
5	2,662	1,040,879/520 ac.
Total	*7,800*	*1,510,879/135 ac*

Draft Environmental Impact Report

A Draft Environmental Impact Report (DEIR) was prepared for the La Entrada Project applications in accordance with the California Environmental Quality Act (CEQA) and Sections 15120 through 15131 and 15161 of the CEQA guidelines. The DEIR analyzed seventeen potential environmentally significant issues including: Aesthetics, Agriculture, Air Quality, Biological Resources, Cultural and Paleontological Resources, Geology and Soils, Global Climate Change, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services and Utilities, Recreation Resources, Traffic and Circulation and Water Supply.

The DEIR was circulated to the State Clearinghouse and Interested Parties for a 45-day review period from July 11 thru August 26, 2013. Eleven (11) comment letters were received during the review period and are included in the Final Environmental Impact Report (FEIR). Staff prepared responses to the comments received and these are included in the FEIR.

The DEIR found that impacts to the following ten areas would not result in significant unavoidable short or long-term adverse impacts after mitigation related to Biological Resources, Cultural Resources, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Noise, Population and Housing, Recreation Resources and Water Supply. The DEIR identified seven significant unavoidable adverse impacts that would result from the proposed Project including: Aesthetics, Agricultural Resources, Air Quality, Geology and Soils, Global Climate Change, Pubic Services and Utilities and Traffic.

The Enivornmental Impact Report was certifed by the City Council by Resolution 2013-53 on Novmeber 13, 2013.

Development Agreements in California

Sections 65864-65869 of the California Government Code provide a framework for the creation, drafting and procesing of development agreements in all jurisdictions in the State. The Government Code specifies certain requirements of a development agreement including: periodic (at a minimum annual) review of the agreement, the duration of the agreement, the permitted uses of the property, the density or intensity of use, the maximum height and size of proposed bulidngs, and provisions for reservation or dedication of land for public purposes.

A development agreement may also include conditions, terms, restrictions, and requirements for subsequent discretionary actions, provided that such conditions, terms, restrictions, and requirements for subsequent discretionary actions shall not prevent development of the land for the uses and for the density or intensity of development as set forth in the agreement.

The agreement may also include terms and conditions relating to applicant financing of necessary public facilities and subsequent reimbursement over time.

In addition to the required and recommended elements of a development agreement, the parties to a development agreement can include any number of negotiated provisions. The development agreement is, in effect, a contract between the City and Project developer.

2014 Original La Entrada Development Agreement

Subsequent to the November 2013 approval of the La Entrada Specific Plan and related applications, the City Council considered and ultimately approved a Development Agreement for the La Entrada Project. The Ordinance approving the Development Agreement between the City and PSAV LLC became effective on July 25, 2014.

A summary of the ten main components of the 2014 Agreement are provided below:

Issue No.	***Title***	***Description***	***Milestone***
1.	Term – See DA Section 8.3	The initial term of the Development Agreement shall be 15 years. There are 3, 5-year extension options available for a total potential term of 30 years. The City Council will review and approve any requests for the option periods.	Any option terms must be approved at least 30-days prior to the expiration of the previous term.
2.	Effective Date – See DA Section 8.2	The Development Agreement becomes effective 30-days after the second reading of the DA Ordinance at City Council.	30-Days after Second Reading
3.	Development Agreement Fee – See DA Section 13.7	All residential units within the La Entrada Specific Plan will be assessed a one-time fee of $2,500, payable at certificate of occupancy. The proceeds from this fee will go to the City's general fund and there are no restrictions on how the proceeds can be spent.	Paid at Certificate of Occupancy
4.	Freezing of Development Impact Fees (DIF) – See DA Section 12.3	Development Impact Fees (DIF) not deemed fully satisfied as a result of the Development Agreement will be frozen at rates in effect as of the 5th anniversary of the Effective Date of the Development Agreement and will remain frozen for the first 2,000 units constructed in La Entrada.	For the first 2,000 units constructed in La Entrada
Issue No.	***Title***	***Description***	***Milestone***
5.	Construction Milestones –	Construction, defined as any one or more of the following: rough grading, finished grading, utility	Within 5 years from Effective Date

Issue No.	***Title***	***Description***	***Milestone***
	See DA Section 13.1	construction, infrastructure construction, and any other physical preparations or building construction either on-site or off-site, must commence within 5 years of the Effective Date	
		A minimum of 800 dwelling units shall receive a Certificate of Occupancy within the first 10 years of the Effective Date.	Within 10 years from Effective Date
		A minimum of fifty thousand (50,000) square feet of commercial or retail uses, including at least one grocery store,[1] shall be constructed and occupied within the first ten (10) years of the Effective Date.	Within 10 years of the Effective Date
		A minimum of 140 hotel or motel rooms shall be constructed and available for reservations within the first fifteen (15) years of the Effective Date.	Within 15 years of the Effective Date

Issue No.	***Title***	***Description***	***Milestone***
6.	Fire Station Construction – See DA Section 13.8	There are several milestones dealing with the dedication, improvement, construction and staffing of a fire station in the La Entrada Project including:	

[1] This requirement was added in discussions with the City's Planning Commission at the Commission's May 21st hearing.

		Land Dedication and temporary facility construction Fire Station Staffing for the new facility begins with a 3-person Engine Company Fire Station Staffing increases to 4-person Engine Company Fire Station Staffing increases to 5-person Engine Company	Upon issuance of a Certificate of Occupancy for the 1,500 Unit 1,500th Certificate of Occupancy 3,900th Certificate of Occupancy 7,800th Certificate of Occupancy
7.	Fire Station Funding – See DA Section 13.9	The Master Developer shall provide a bond to the City sufficient to secure construction of a permanent fire station within the La Entrada Project at a time as specified and required by the Fire Department	Upon issuance of the first Building Permit

8.	La Entrada Community Facilities District (CFD) – See DA Section 22	One or more Community Facilities Districts (CFD) will be formed over the Project site for La Entrada. These CFDs are responsible for financing certain public improvements including, without limitation infrastructure and utility improvements, and maintenance entities, including public open space and park facilities.	Proceedings to form the first CFD will begin with submittal of the First Builders Tentative Map
9.	Development Impact Fee Satisfaction, Credits and Reimbursements – See DA Section 14.2	Development Impact Fees (DIF) are deemed fully satisfied for: General Government Facilities (City Hall Facility Fee) – Payment of the present value of this fee, calculated to be $9,501,654, will be made out of proceeds from the La Entrada CFD.	Payment will be made in conjunction with the issuance of bonds for the La Entrada CFD.
		Parks and Recreation (Facilities and Maintenance) – The La Entrada Project includes the construction of over 132 acres of public parks with additional parks contemplated at the tract map stage. The La Entrada Project also includes the dedication of land for a Regional Park. Maintenance of all La Entrada parks will be paid for out of the La Entrada CFD.	See Specific Plan Section 5, Park Phasing Plan
		Fire Facilities – See Issues 6 and 7 Credits for the construction of infrastructure, to the extent La Entrada advances the cost for the planning, design, right-of-way acquisition and construction, shall be given in accordance with existing	See Issues 6 and 7

		or future City fee programs as outlined in Chapter 4.45.110 of the City's Municipal Code Reimbursement Agreements shall be approved if the La Entrada developer plans and constructs oversized facilities for public roads, sewer, water, reclaimed/recycled water, drainage and electrical infrastructure.	See Exhibit __ (Credit Process) Reimbursement Agreements shall be executed at the time the improvement is made. Funding for reimbursements will come from future development impact fees and will be allocated on a fair share basis.
10.	Avenue 50 Facility and Interchange – See DA Section 13.6	The City and Developer of La Entrada are working together on funding sources for the Avenue 50 corridor improvements and Avenue 50 interchange Project.	Ongoing

Key components of the La Entrada Development Agreement were the provisions deeming certain Development Impact Fees (DIF) fully satisfied. Specifically, three components of the DIF, parks and recreation, fire facilities and government facilities were deemed fully satisfied because of certain Project amenities and negotiated aspects of the Development Agreement.

By way of background, the City routinely collects DIF from new development for parkland and park improvements (Quimby fee), libraries, bridge and grade separation, traffic safety, park improvements, street and transportation, police facilities, general government and fire protection. These fees are paid prior to the issuance of building permits.

Future building permits within La Entrada will be subject to the City's DIF program, except for parks, fire facilities and general government fees. The reasons those three (3) classifications of DIF are deemed satisfied because the La Entrada Project proposed to construct these facilities in advance of when they would be constructed if only DIF fees were collected and used for their construction.

After the approval of the La Entrada Specific Plan in 2013 and the Original Development Agreement in 2014, the Landowner worked on securing the required right of way for the extension

of Avenue 50 across the All-American Canal to the Project. In 2017 the City Council certified an Addendum to the La Entrada Environmental Impact Report and approved the Avenue 50 Extension Project within the La Entrada Specific Plan Area that also included, via eminent domain, the acquisition of needed right of way.

First Amendment to the La Entrada Development Agreement

In early 2019 it became apparent that the Landowner would not be able to meet the construction milestone of starting construction of the Project within five years of the Effective Date of the Development Agreement. On May 22, 2019, the first Amendment to the La Entrada Development Agreement was submitted by the landowner, PSAV LLC.

The first amendment requested that the City approve an additional 5 years to commence construction of the project as required in Section 13.1 of the Development Agreement. Section 13.1 of the Original Development Agreement required that Project construction occur within 5 years of the Effective Date or July 25, 2019.

The First Amendment amended Section 13.1 to allow construction of the Project to commence within ten (10) years from the Effective Date which would have been July 25, 2024.

Amendment No. 1 to the Development Agreement was subsequently approved by the City Council and ordinance approving the 1st Amendment approved on February 26, 2020.

Under the First Amendment, the following sections were amended.

1. Section 13.1 of the Original Development Agreement was amended to read:

Construction Milestones. In order to preserve and maintain the provisions of this Agreement, Landowner must commence Construction on the Project within ten (10) years from the Effective Date of the Agreement (July 25, 2024). Landowner must have an approved Master Tentative and approved and recorded Master Final Map for that phase prior to the start of any Construction. For purposes of this section, "Construction" is defined as any one or more of the following: rough grading, finished grading, utility construction, infrastructure construction, and any other physical preparations or building construction either on-site or off-site for the Project.

Notwithstanding any other provisions of this Agreement, Landowner shall be required to perform the following additional construction obligations:

a. A minimum of eight hundred (800) Units shall receive a certificate of occupancy within the first fifteen (15) years of the Effective Date. (July 25, 2029)

b. A minimum of fifty thousand (50,000) square feet of commercial or retail uses, including at least one grocery store, shall be constructed and occupied within the first fifteen (15) years of the Effective Date. (July 25, 2029)

c. A minimum of 140 hotel or motel rooms shall be constructed and available for reservations within the first twenty (20) years of the Effective Date. (July 25, 2034)

2. Section 13.3 of the Development Agreement was amended to increase the number of affordable dwelling units from 500 dwelling units to 1000 dwelling units.

3. Section 13.8 of the Development Agreement was revised to require a development agreement fee of 2% of the construction valuation of the new building as determined by the city building official at the time the building permit was issued rather than a set fee of $2500 per dwelling unit.

4. Section 23.1 of the Development Agreement was revised to add an additional 5% fee to the transfer, sale or assignment of the Development Agreement.

The following table summarizes the Original Development Agreement (7/25/14) and the First Amendment to the Development Agreement (2/26/20).

Original Development Agreement: 7/25/14		**1st Amendment: 2/26/20**	
Commence Construction	By July 25, 2019	Commence construction	By July 25, 2024
800 occupancy permits	By July 25, 2024	800 occupancy permits	By July 25, 2029
50,000 commercial sq. ft. constructed	By July 25, 2024	50,000 commercial sq. ft. constructed	By July 25, 2029
140 hotel rooms ready for reservations	By July 25, 2029	140 hotel rooms ready for reservations	By July 25, 2034
500 affordable housing units. Affordable Housing Plan approved by City Council	150 units in phase 1. 90 units in phase 2 and 260 in remaining 3 phases	1000 affordable housing units. Affordable Housing Plan approved by City Council	300 in phase 1 and 180 in phase 2. 520 in remaining phases
DA fee of $2500 per unit	At certificate of occupancy	2% of construction project valuation	At certificate of occupancy
Transfer, sale, or assignment fee	Concurrent with any transfer, sale, or assignment; $50,000 for 2500 lots or more; $25,000 for 1000-2500 lots and $5,000 for less than 1000 lots	Concurrent with any transfer, sale, or assignment; $50,000 for 2500 lots or more; $25,000 for 1000-2500 lots and $5,000 for less than 1000 lots	Fee increased by an additional 5%
Funding for permanent fire station	Upon issuance of 1st building permit, bond submitted to City in an amount based on City Fee Nexus Study to cover cost	Funding for permanent fire station	Upon issuance of 1st building permit, bond submitted to City in an amount based on City Fee Nexus Study to cover cost

With regards to CEQA, the City had previously approved Resolution 2013-53 certifying the Final Program Environmental Impact Report that had been prepared for the La Entrada Specific Plan. The City determined that the First Amendment to the La Entrada Development Agreement would

not result in any new environmental effects that were not previously analyzed as part of the original project Environmental Impact Report. As such, no new environmental review was required, because there was no potential resulting in physical change to the environment, directly or indirectly.

Proposed Amended and Restated La Entrada Development Agreement

Following approval of the First Amendment to the Development Agreement the Landowner continued to work on the Engineering aspects of the Project, however no subsequent land development applications were submitted to the City.

In 2023, the KPC Group entered into a Purchase Agreement with PSAV LLC to purchase the La Entrada Property. In February 2025, escrow closed and the KPC Group now owns the property.

The KPC Group submitted the Amended and Restated La Entrada Development Agreement in June 2023. Since that time, City Staff and the Applicant have been discussing the various components of the proposed amendment. After approximately two years of negotiations, City Staff and the Applicant have reached consensus on the proposed Amended and Restated La Entrada Development Agreement.

The KPC Group has advised that they are renaming the Project from La Entrada to Kalifornia City. All references in the Amended and Restated Amendment will refer to the new name.

The proposed Amended and Restated Development Agreement significantly modifies the approved and amended Development Agreement. Staff has prepared the following summary table that illustrates the original approved Development Agreement, the First Amendment to the Development Agreement and the Proposed Second Amendment to the Development Agreement.

Summary of Original La Entrada Development Agreement (7/25/14), 1St Amendment to La Entrada Development Agreement (2/26/20) and Proposed Amended and Restated Amendment (Kalifornia City)

Original Development Agreement: 7/25/14		**1st Amendment: 2/26/20**		**Proposed Amended and Restated Amendment**
Development Agreement Term	15 years with 3, 5-year extensions from 2014 Effective Date with end date of July 2044	15 years with 3, 5-year extensions from 2014 Effective Date	End date of July, 2044	15 years with 3, 5-year extensions from 2025 Effective Date; End date of 2055
Commence Construction	By July 25, 2019	Commence construction	By July 25, 2024	Secure financing of Canal crossing or I-10/Avenue 50 Interchange within 15 years
800 occupancy permits	By July 25, 2024	800 occupancy permits	By July 25, 2029	No longer applicable
50,000 commercial sq. ft. constructed	By July 25, 2024	50,000 commercial sq. ft. constructed	By July 25, 2029	20,000 square feet of commercial constructed and certificate of occupancy issued within 7

				years of completion of I-10/Avenue 50 Interchange
Original Development Agreement: 7/25/14		**1st Amendment: 2/26/20**		**Proposed Amended and Restated Amendment**
140 hotel rooms ready for reservations	By July 25, 2029	140 hotel rooms ready for reservations	By July 25, 2034	100 rooms constructed and certificate of occupancy issued within 7 years of completion of I-10/Avenue 50 Interchange
500 affordable housing units. Affordable Housing Plan approved by City Council	150 units in phase 1. 90 units in phase 2 and 260 in remaining 3 phases	1000 affordable housing units. Affordable Housing Plan approved by City Council	300 in phase 1 and 180 in phase 2. 520 in remaining phases	100 units in phase 1; 100 in phase 2; 300 units in phase 3; 500 units in remaining phases 4 and 5
DA fee of $2500 per unit	At certificate of occupancy	2% of construction project valuation	At certificate of occupancy	No fee for first 12 years from Effective Date; $2500 for years 13-16; $5,000 for years 17-20; Fee in effect after 20 years. If under the proposed amendment the full 7,800 unit build out occurs entirely before 12 years from effective date, the fee savings to the developer could be a minimum $39.7 million based on assumptions of 2025 single family unit valuation of 1,959 sq. ft. home in Coachella of $254,670 per unit.
Transfer, sale, or assignment fee	Concurrent with any transfer, sale, or assignment: $50,000 for 2500 lots or more; $25,000 for 1000-2500 lots and $5,000 for less than 1000 lots	Concurrent with any transfer, sale, or assignment: $50,000 for 2500 lots or more; $25,000 for 1000-2500 lots and $5,000 for less than 1000 lots	Required Fee increased by an additional 5%	Reimbursement fee based on time spent
Funding for permanent fire station	Upon issuance of 1st building permit, bond submitted to City in an amount based on City Fee Nexus Study to cover cost	Funding for permanent fire station	Upon issuance of 1st building permit, bond submitted to City in an amount based on City Fee Nexus Study to cover cost	Upon issuance of 1st building permit, bond submitted to City in an amount based on City Fee Nexus Study to cover cost

Original Development Agreement: 7/25/14		1st Amendment: 2/26/20		Proposed Amended and Restated Amendment
DIF FEES	DIF fees frozen for first 2000 dwelling units	DIF fees frozen for first 2000 dwelling units	DIF fees frozen for first 2000 dwelling units	New Nexus Study within 12 months of date of commencement of Canal Crossing or Interchange. DIF fees in effect for 10 years from completion of Canal Crossing or Interchange subject to CPI Index for Riverside-San Bernardino CA metropolitan area
Prevailing Wage	N/A	N/A	N/A	Prevailing Wage pursuant to CA. Labor Code sections 1720 et seq required

The proposed Amended and Restated Development Agreement is a comprehensive amendment that in essence is a new Development Agreement that will guide the development of this property for the next 30 years.

Attachment No. 1 to this staff report is a red line of the Development Agreement that provides a comprehensive listing of the proposed modifications to the approved Development Agreement.

Attachment No. 2 to this staff report is a clean version of the proposed Amended and Restated Development Agreement.

Project Analysis

It has been almost 12 years since the La Entrada Specific Plan was first approved by the City Council. Despite the efforts of the City and prior Landowner, no development has occurred on this property.

The proposed Amended and Restated Development Agreement provides an additional 30-year term for development to occur within this area and provides the landowner with additional incentives to develop the property in accordance with the approved Specific Plan.

Environmental Analysis

On November 13, 2013, as part of the original approvals for the La Entrada Specific Plan, the City Council of the City of Coachella approved Resolution No. 2013-53 certifying the Final Program Environmental Impact Report prepared for the La Entrada Project applications in accordance with the California Environmental Quality Act (CEQA) along with specific findings and a statement of overriding considerations. In accordance with Section 15162 of CEQA, the proposed Amended and Restated Development Agreement does not result in any new environmental effects that were not previously analyzed as part of the original project. As such, no new environmental review is required, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Alternatives

1) Adopt Resolution No. PC 2025-04 recommending approval to the City Council of the Amended and Restated La Entrada (Kalifornia City) Development Agreement
2) Deny Resolution No. PC 2025-04
3) Continue the item and provide staff and the applicant with direction

Recommended Alternative

Staff recommends that the Planning Commission approve Alternative No. 1

Attachments

1. Redline of proposed Amended and Restated Development Agreement
2. Clean copy of proposed Amended and Restated Development Agreement
3. Resolution No. PC 2025-04 recommending approval to the City Council of the Amended and Restated Development Agreement

RESOLUTION NO. PC2025-04

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COACHELLA, CALIFORNIA, RECOMMENDING TO THE COACHELLA CITY COUNCIL, APPROVAL OF THE AMENDED AND RESTATED LA ENTRADA DEVELOPMENT AGREEMENT (KALIFORNIA CITY) TO MODIFY THE TERM OF THE AGREEMENT, MODIFY THE PROJECT DEVELOPMENT MILESTONES, MODIFY THE DEVELOPMENT AGREEMENT FEES, MODIFY THE AFFORDABLE HOUSING SEQUENCING, MODIFY THE TRANSFER, SALE OR ASSIGNMENT FEES, MODIFY THE TIMING FOR DEVELOPMENT IMPACT FEES (DIF) FEES AND ADD PROVISIONS FOR PREVAIILING WAGE, FOR THE 2,200-ACRE LA ENTRADA SPECIFIC PLAN LOCATED ON THE SOUTH SIDE OF THE I-10 FREEWAY, EAST OF THE ALL-AMERICAN CANAL AND NORTH OF AVENUE 52. THE KPC GROUP. (APPLICANT)

WHEREAS, On June 23, 2023, the KPC Group filed an application for an Amended and Restated Development Agreement in conjunction with the La Entrada Specific Plan. As approved, the La Entrada Specific Plan allows for the phased development of a 2,200-acre master planned community consisting of up to 7,800 dwelling units and 1,510,879 square feet of retail and office commercial and approximately 720 units of high density residential, located on the south side of the I-10 Freeway, east of the All-American Canal, and north of Avenue 52 ("Project); and,

WHEREAS, the Applicant has advised that the La Entrada Specific Plan will henceforth be called Kalifornia City; and

WHEREAS, the Coachella Planning Commission ("Planning Commission") of the City of Coachella ("City") has found that development agreements strengthen the public planning process, encourage private participation in comprehensive planning by providing a greater degree of certainty in that process, reduce the economic costs of development, allow for the orderly planning of public improvements and services, allocate costs to achieve maximum utilization of public and private resources in the development process, and ensure that appropriate measures to enhance and protect the environment are achieved; and,

WHEREAS, on April 16, 2014 the Planning Commission adopted Resolution No. PC2014-01 recommending to the City Council approval of the La Entrada Development Agreement to vest land use entitlements, allow for infrastructure financing schemes, and development impact fee credits, and to create mutual benefits and obligations between the

City and the Developer and the Commission hereby acknowledges the prior pre-ambles acknowledged for the project in said Resolution; and,

WHEREAS, the Planning Commission has considered the requested Amended and Restated La Entrada (Kalifornia City) Development Agreement, considered the City Council's direction, and concurs that the approved Development Agreement should be modified; and,

WHEREAS, the Planning Commission of the City of Coachella held a duly noticed and published Public Hearing on April 2, 2025 at which time interested persons had an opportunity to testify in support of, or opposition to, the Amended and Restated Development Agreement and at which time the Planning Commission considered the Amended and Restated Development Agreement together with the recommendations of the Development Services Director and all written and oral evidence within the record or provided at the public hearing; and,

WHEREAS, The Planning Commission finds that the La Entrada Specific Plan, previously approved by the City on November 13, 2013 subject to conditions of approval, proposes the development of a master-planned community in the northeastern portion of the City on approximately 2,200 acres. The Specific Plan includes a mix of residential, commercial, open space, educational, and recreational uses, as well as associated infrastructure to support buildout of the Specific Plan. An Environmental Impact Report (EIR) for the La Entrada Specific Plan was also certified on November 13, 2013 (SCH #2012071061), which analyzed the environmental impacts from development of the Specific Plan and imposed mitigation measures.

WHEREAS, the City and the prior property owner, PSAV LLC, first entered into a Development Agreement on July 25, 2014, to facilitate the development of the La Entrada Project, consisting of the construction of 7,800 single and multi-family units, commercial, retail and offices uses and community/public facilities within the Specific Plan.

WHEREAS, on May 22, 2019, the prior Owner (PSAV LLC) requested an amendment to the La Entrada Development Agreement ("Amendment") for an additional five (5) years to commence construction on the project. The First Amendment did not modify the La Entrada Project or the mitigation measures contained in the certified EIR. Accordingly, no new information of substantial importance existed under Public Resources Code 21166 or State CEQA Guidelines 15162 showing that any new or substantially increased significant impacts would arise from the Amendment. The Amendment extended the timing for the commencement of construction by five years and increased the number of affordable dwelling units without increasing the total number of units to be constructed. The Amendment did not modify the Project or change the significance conclusions of the

previously certified EIR, and no new mitigation was required because of the Amendment. The First Amendment to the La Entrada Development Agreement was approved by the City Council on February 26, 2020.

WHEREAS, in June 2023, the KPC Group applied for an Amended and Restated Development Agreement to the La Entrada Development Agreement.

WHEREAS, the Planning Commission makes the following findings relative to the Amended and Restated Development Agreement:

A. The Amended and Restated Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the City's general plan for the Specific Plan District designation of the subject site.

B. The Amended and Restated Development Agreement is compatible with the uses authorized in and the regulations prescribed for the land use district in which the real property is located, in that there are no uses proposed that conflict with the approved La Entrada Specific Plan.

C. The Amended and Restated Development Agreement is in conformity with the public necessity, public convenience, general welfare and good land use practices which includes the development of a phased master-planned community with public infrastructure, schools, neighborhood serving commercial and open space with trails and transportation linkages providing a high quality of life.

D. The Amended and Restated Development Agreement will not be detrimental to the health, safety and general welfare in that the orderly development of the project would be a beneficial use of the existing native desert hillside terrain providing economic development opportunities, affordable housing opportunities, and an enhanced tax base and employment base for the City of Coachella.

E. The Amended and Restated Development Agreement will not adversely affect the orderly development of property or the preservation of property values in that there are no sensitive uses in or near the subject site that would otherwise be affected by the development of the project.

F. The Amended and Restated Development Agreement will have a positive fiscal impact on the city based on the approved fiscal impact study that is a part of the original Development Agreement.

G. No new information of substantial importance exists under Public Resource Code 21166 or State CEQA Guidelines 21162 showing that any new or substantially increased significant impacts would arise from the Amended and Restated Development Agreement.

NOW, THEREFORE BE IT RESOLVED, that the Planning Commission, in light of the whole record before it, including but not limited to the recommendation of the Development Services Director as provided in the Staff Report dated April 2, 2025 and documents incorporated therein by reference and any other written and oral evidence within the record or provided at the public hearing of this matter, hereby recommends that the City Council approve the Amended and Restated La Entrada Development Agreement attached hereto as Exhibit "A".

PASSED APPROVED and ADOPTED this 2nd day of April 2025.

_____
Isela Murillo, Chairperson
Coachella Planning Commission

ATTEST:

_____
Kendra Reif
Planning Commission Secretary

APPROVED AS TO FORM:

_____
City Attorney

I HEREBY CERTIFY that the foregoing Resolution No. PC-2025-04, was duly adopted at a regular meeting of the Planning Commission of the City of Coachella, California, held on the 2nd day of April 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Kendra Reif
Planning Commission Secretary

AMENDED AND RESTATED DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into ~~in the City of Coachella on the 25th day of July, 2014~~as of the _____ day of _____, _____, by and between the CITY OF COACHELLA, a municipal corporation ("City"), and ~~PSAV LLC, a Delaware limited liability company and LLSE Holdings LLC, a New Jersey~~KPC Development Company, LLC, a California limited liability company (collectively "Landowner" or "Owner"), pursuant to the authority of Sections 65864 – 65869.5 of the California Government Code and the applicable provisions of the municipal code of the City of Coachella. The City and the Landowner are hereinafter, from time to time, individually referred to in this Agreement as a "Party" and collectively referred to as the "Parties."

RECITALS

~~A.~~ A. 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 Government Code Sections 65864 – 65869.5 (the "Development Agreement Statute"), which authorizes a City and any person having a legal or equitable interest in real property to enter into a development agreement and, among other things, establish certain development rights in property which is the subject of a development project application.

~~B.~~ B. City, a general law city, is authorized by the Development Agreement Statute to enter into development agreements with persons and entities having a legal or equitable interest in real property, for the purposes of establishing predictability for both the City and property owner in the development process. City enters into this Agreement pursuant to the provisions of the California Government Code, the ~~City's~~City's General Plan (the "General Plan"), the Coachella Municipal Code (the ~~"City's~~"City's Municipal Code"), and all applicable City policies.

~~C. Landowner is the fee owner of the real property located within the City of Coachella, County of Riverside, State of California, and the City's approved sphere of influence, as further described in Exhibit A, attached hereto and incorporated herein by reference (the "Property"). Owner desires to develop the Project in accordance with the City Approvals (defined below).~~

C. ~~D. Landowner proposes to construct a multi-use development on the Property, commonly known as La Entrada (the "Project"), consisting~~On July 25, 2014, the City and PSAV LLC, a Delaware limited liability company and LLSE Holdings LLC, a New Jersey limited liability company (collectively, "Prior Landowner") made and entered into a Development Agreement for the construction of 7,800 single and ~~multi-family Units~~multi-family units, commercial, retail and ~~office~~offices uses, and community/public facilities, on approximately 2,200 acres (the "Project") located immediately south of and adjacent to ~~I-10~~Interstate 10 and east of the Coachella Branch of the All American Canal, as further described in Exhibit A, attached hereto and incorporated herein by reference (the "Property").

D. On January 18, 2023, Owner, as Buyer, and Prior Landowner as Seller, entered into that certain Purchase Agreement and Escrow Instructions for the purchase of the Property described therein (the "Purchase Agreement"). In connection with the sale of the Property, Owner and Prior Landowner executed that certain Assignment and Assumption of Development Agreement pursuant to which, Owner succeeded to Prior Landowner's rights, interests, and obligations under the Development Agreement.

E. As of the "Effective Date" as that term is described herein below, Landowner is or will be the equitable or fee owner of the Property. Owner desires to develop the Project in accordance with the City Approvals (defined below).

~~E.~~ F. The following approvals, entitlements, applications, and findings (collectively, the ~~"~~"City Approvals~~"~~") have already been adopted or are in place for the Project:

~~i.~~ On July 25, 2014, the City and PSAV LLC, a Delaware limited liability company and LLSE Holdings LLC, a New Jersey limited liability company (collectively, "Prior Landowner") made and entered into the original Development Agreement which is set to expire on July 25, 2029.

~~i.~~ ii. Resolution No. 2013-53, which certified Environmental Impact Report No. 12-01 (the ~~"~~"Project EIR~~"~~");

~~ii.~~ iii. Resolution No. 2013-50, which approved General Plan Amendment No. 12-02;

~~iii.~~ iv. Resolution No. 2013-51, which approved General Plan Amendment No. 12-03;

~~iv.~~ v. Resolution No. 2013-52, which approved Tentative Tract Map No. 36494;

~~v.~~ vi. Resolution No. WA-2013-04, which approved the Water Supply Assessment for the Project;

~~vi.~~ vii. Ordinance No. 1059, which approved Specific Plan Amendment No. 88-03 ("Specific Plan" or "La Entrada Specific Plan");

~~vii.~~ viii. Ordinance No. 1060, which approved Change of Zone No. 12-03 ~~including a pre-annexation~~that included the zoning of 588 acres that was subsequently annexed to the City of Coachella; ~~and~~

~~viii.~~ ix. Annexation No. 63 which ~~requests annexation of approximately~~annexed 588 acres into the City of Coachella~~.~~; and

x. First Amendment to the Development Agreement as set forth in Ordinance No. 1155, adopted February 26, 2020

~~F.~~ G. The development of the Project also will require future discretionary and ministerial approvals from the City that have not been reviewed or approved by the City prior to the Adoption Date (defined below) of this Agreement. These future discretionary and ministerial approvals by the City, include, but are not limited to, tentative maps, final subdivision maps, encroachment permits, grading permits, building permits, special permits, plan reviews, design review and certificates of occupancy (collectively the ~~"~~"Subsequent Approvals~~"~~"). The term ~~"~~"Subsequent Approvals~~"~~" also references and includes any further project review required by the California Environmental Quality Act (~~"~~"CEQA~~"~~"), including implementation of all mitigation measures, monitoring programs, and conditions adopted as part of the City Approvals.

~~G.~~ H. To ensure that the intentions of the City and Landowner with respect to the City Approvals are carried out, the Parties desire voluntarily to enter into this Agreement to facilitate development of the Project, subject to the conditions and requirements included in this Agreement.

~~H.~~ I. The City Council has determined that development of the Project will further the comprehensive planning objectives contained with the General Plan, as defined below, and ~~will~~will afford the City, its citizens and the surrounding region with the following benefits (the ~~"~~"Public Benefits~~"~~"):

~~i.~~ i. Fulfilling long-term economic and social goals for the City and the community, including amenities that the City and its residents desire;

~~ii.~~ ii. Providing fiscal benefits to the ~~City's~~City's general fund in terms of increased property tax and sales tax revenues to help support essential City services;

~~iii.~~ iii. Providing job creation, both short term construction employment and long-term permanent employment in the City;

~~iv.~~ iv. Financing and constructing significant infrastructure improvements that will serve the region and the community;

~~v.~~ v. Providing recreational amenities for use by the City and its residents, including approximately 345 acres of park, paseo and walking trails and approximately 557 acres of dedicated open space; and

~~vi.~~ vi. The best interests of the City and the public health, safety and welfare of its citizens will be served by entering into this Agreement.

~~I.~~ J. This Agreement constitutes a current and valid exercise of the ~~City's~~City's police powers, to provide predictability to Landowner in the approval and development process by vesting the permitted uses, density, intensity of use, timing, and phasing of development consistent with the City Approvals in exchange for ~~Landowner's~~Landowner's commitment to provide Public Benefits to the City.

~~J.~~ K. The phasing, timing, and development of public infrastructure necessitates a significant commitment of resources, planning and effort by Landowner for the public facilities financing, construction and dedication to be successfully completed. In return for ~~Landowner's~~Landowner's participation and commitment to these significant contributions of private resources for public purposes, the City is willing to exercise its authority to enter into this Agreement and to make a commitment of predictability for the development process for the Project and the Property. The development of the Project and the Property will be necessary to generate the fees, tax revenue and other funding required for the public infrastructure.

L. On November 13, 2013, as part of the original approvals for the La Entrada project and La Entrada Specific Plan, the City Council of the City of Coachella approved Resolution No. 2013-53 certifying the Final Program Environmental Impact Report prepared for the La Entrada Project applications in accordance with the California Environmental Quality Act (CEQA) along with specific findings and a statement of overriding considerations. This Agreement does not result in any new environmental effects that were not previously analyzed as part of the original project and no added information of substantial importance exists under Public Resources Code 21166 or CEQA Guidelines 15162 showing that any new or substantially increased significant impacts would arise from this Amended and Restated Development Agreement. As such, no new environmental review is required, because it has no potential for resulting in physical change to the environment, directly or indirectly.

~~K. After reviewing the Project EIR in the context of the consideration and approval of this Agreement, the City Council has determined that none of the elements set forth in California Public Resources Code Section 21166 and Section 15162 of the California Environmental Quality Act Guidelines exists, and therefore has determined that no subsequent or supplemental Environmental Impact Report or Mitigated Negative Declaration is required to be prepared prior to adopting the Enacting Ordinance approving this Agreement.~~

~~L. California's current drought conditions and Governor Brown's declaration of a statewide drought emergency (January 17, 2104) does not change or otherwise impact the water supply analyses or conclusions that have been reached for the La Entrada Specific Plan. The recent media coverage regarding drought conditions is understandable, as the Governor's declaration indicates that 2014 could become the State's driest year on record if current hydrologic patterns persist. However, such drought conditions, including multiple dry year and extraordinary single dry year events, are the very type of factors that have been anticipated and analyzed in the La Entrada Specific Plan EIR, the Responses to Comments, the Project's Watershed Study, the Project's Water Supply Assessment, the City's 2010 Urban Water Management Plan, the Coachella Valley Water District's ("CVWD") 2010 Urban Water Management Plan, CVWD's 20 1 0 Coachella Va11ey Water Management Plan Update, the 2011 Subsequent Programmatic Environmental Impact Report for the 2010 Coachella Valley Water Management Plan, the 2010 Coachella Valley Integrated Regional Water Management Plan, and the Department of Water Resources' 2011 Final State Water Project Delivery Reliability Report.~~

~~It is also important to note that drought conditions are not new to the La Entrada Specific Plan or to the City of Coachella. In fact, as analyzed in the Draft EIR for this Project, water~~

~~demands in the Coachella Valley will continue to be met in a sustainable manner by using the groundwater basin as a conjunctive use resource. These resources include the use of groundwater wells to produce amounts that are continually supplemented and recharged with Colorado River, State Water Project, and local water supplies. Overall, the Draft EIR found that the City's water supply is uniquely insulated from drought conditions and is capable of ensuring sufficient and reliable water supplies to meet demand.~~

M. The City Planning Commission held a duly noticed public hearing on this Agreement, on ~~May 21, 2014~~ _____, _____, and recommended approval of this Agreement to the City Council.

N. The City Council held a duly noticed public hearing on this Agreement, on ~~June 11, 2014~~ _____, _____. The City Council, on the recommendation of the Planning Commission, made findings and subsequently determined that the Project is one for which a development agreement is appropriate under the Development Agreement Statute and the applicable sections of the ~~City's~~City's Municipal Code. The City Council approved this Agreement by Ordinance No. ~~1067~~, introduced on ~~June 11, 2014~~ _____, and adopted on ~~June 25, 2014 (the "~~_____ (the "Adoption Date~~"~~"). Ordinance No. ~~1067~~ _____ (the ~~"~~"Enacting Ordinance~~"~~") became effective on ~~July 25, 2014~~ _____ (the ~~"~~"Effective Date~~"~~").

O. Prior to the Second Reading adopting the Enacting Ordinance, Landowner has paid all amounts due to the City including mapping and eminent domain related costs in the amount of $1,168,521.76 eminent domain charges, plus administrative fees owed, including new City costs associated with the negotiation of this Agreement, and if not paid, this Agreement shall not be effective and shall terminate. All amounts paid by the Landowner to the City for eminent domain charges shall be a credit to the Landowner against future Development Impact Fees.

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual promises, conditions and covenants hereinafter set forth, the Parties agree as follows:

AGREEMENT

~~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 hereinafter fully and completely rewritten.

~~2.~~ 2. Incorporation of Exhibits. All exhibits attached to this Agreement are incorporated as a part of this Agreement. Those Exhibits are:

~~Exhibit~~	~~Description~~
~~A.~~	~~Legal Description of Property~~

~~B.~~	~~Land Use Summary~~
~~C.~~	~~Development Impact Fees - Satisfaction and Credits~~
~~D.~~	~~Development Fee Credit Process~~
~~E.~~	~~Third Party Reimbursement Process~~
~~F.~~	~~Conditions of Approval~~
~~G.~~	~~Tentative Tract Map 36494~~
~~H.~~	~~Development Impact Fee Worksheet Form~~
~~I.~~	~~CFO Financing Parameters~~
~~J.~~	~~Form of Assignment Agreement~~

Exhibit A – Legal Description

Exhibit B – Specific Plan Land Use Summary

Exhibit C –Development Impact Fees – Satisfaction and Credits

Exhibit D – Development Impact Fee Credit Process

Exhibit E –Third Party Reimbursement Process

Exhibit F – Conditions of Approval for TTM 36494 and La Entrada Specific Plan Amendment Number 88-3

Exhibit G – Tentative Tract Map No. 36494

Exhibit H –CFD Financing Parameters

Exhibit I – Form of Assignment and Assumption Agreement

~~3.~~ 3. Terms and Definitions. Each reference in this Agreement to any of the following terms shall have the meaning set forth below for each such term. Certain other terms shall have the meaning set forth for such term in this Agreement:

~~3.1 "~~3.1 "Adoption Date~~"~~" means ~~June 11, 2014~~ _____, _____, the date on which the City Council conducted the first reading of the ordinance adopting this Agreement.

~~3.2 "~~3.2 "Agreement~~"~~" means this Amended and Restated Development Agreement between the City and the Owner. The term ~~"~~"Agreement~~"~~" shall include any amendment properly approved and executed pursuant to Section 24

herein and supersedes and replaces in full the original Development Agreement from 2014 and the First Amendment to the Development Agreement from 2020.

~~3.3 "Age Restricted Project" means any residential project developed exclusively for residents aged fifty-five (55) or greater, or any project that meets the requirements of California Civil Code Section 51.3, as discussed in Section 12.4.~~

3.3 [Intentionally left blank]

~~3.4 "~~3.4 "Assignment Agreement~~"~~" is defined in Section 23.

~~3.5 "~~3.5 "Avenue 50 ~~Interchange and Infrastructure" means the proposed future Avenue 50 interchange at Interstate 10, and the~~canal crossing ("Canal Crossing") means the related road connection between the current terminus of Avenue 50 and the proposed future ~~interchange~~Interchange.

3.6 "Avenue 50 Interchange ("Interchange") means the approved future Avenue 50 interchange at Interstate 10.

~~3.6 "Builder's~~3.7 "Builder's Tentative Map~~"~~" means a map created for the purpose of designing individual residential lots or multi-family units for sale to end-user homeowners.

~~3.7 "~~3.8 "CC&Rs~~"~~" means the covenants, conditions and restrictions recorded against the Property by the Owner or its successors and assigns.

~~3.8 "~~3.9 "CEQA~~"~~" means the California Environmental Quality Act, codified at California Public Resources Code Sections 2100-21178.

~~3.9 "~~3.10 "CFD Agreements~~"~~" include, but are not limited to the rate and method of apportionment, funding and acquisition agreement and appraisal.

~~3.10 "~~3.11 "City Approval~~"~~" is defined in Recital ~~E~~F.

~~3.11 "~~3.12 "City Council~~"~~" means the governing body of the City.

~~3.12 "~~3.13 "City Facilities~~"~~" means those Public Facilities (defined in Section ~~3.65~~3.66) owned or to be owned by the City.

~~3.13 "~~3.14 "City Law~~"~~" means those ordinances, resolutions, rules, regulations, standards, policies, conditions, and specifications applicable to the Property in effect as of the Effective Date. The ~~City's~~City's Municipal Code and the adopted Specific Plan are included in this definition.

~~3.14 "~~3.15 "City Manager~~"~~" means the city manager of the City.

~~3.15 "City's~~3.16 "City's Municipal Code~~"~~" means the City of Coachella Municipal Code (also known as the ~~"~~"Code of Ordinances~~"~~"). However, changes to the Municipal Code occurring between the Adoption Date and the Effective Date, that materially alter any regulation or guideline in the Specific Plan prior to the Effective Date shall not be considered part of the ~~City's~~City's Municipal Code for purposes of this Agreement without ~~Owner's~~Owner's prior written consent.

~~3.16 "City's~~3.17 "City's Obligations~~"~~" means those obligations set forth in Section 14 herein.

~~3.17 "~~3.18 "Commercial Map~~"~~" means the division of a lot or parcel of land into two or more lots for the purpose of creating a development for commercial or business related purposes. This definition includes, but is not limited to, retail commercial and office commercial uses.

~~3.18 "~~3.19 "Commercial Sale~~"~~" means the sale or lease of a commercial lot, space or building intended for commercial, retail or mixed uses, to a member of the public or any other ultimate user.

~~3.19 "~~3.20 "Community Development Director~~"~~" means the Community Development Director, Development Services Director, Planning Director, or equivalent positions within the City organization.

~~3.20 "~~3.21 "Compliance Certificate~~"~~" is defined in Section 26.1.

~~3.21 "~~3.22 "Construction~~"~~" is defined in Section 13.1.

~~3.22 "~~3.23 "Construction Code~~"~~" means, collectively, the California Building Code and Title 24 of the California Code of Regulations.

~~3.23 "~~3.24 "County Recorder~~"~~" means Recorder of County of Riverside.

~~3.24 "~~3.25 "Default~~"~~" is defined in Section 25.1.

~~3.25 "~~3.26 "Development Agreement Fee~~"~~" refers to the fee set forth in Section ~~13.7~~13.8 herein.

~~3.26 "~~3.27 "Development Agreement Statute~~"~~" means the California Government Code Sections 65864-65869.5.

~~3.27 "~~3.28 "Development Approvals~~"~~" means all permits, certificates, approvals, and other entitlements approved or issued by the City for construction, use, occupancy, and/or development (including marketing and sales of land, or structures by Owner) of or on the Property, whether ministerial or discretionary. For the purposes of this Agreement, Development Approvals shall be deemed to

include, but are not limited to, the following actions, including revisions, addenda, amendments, and modifications to these actions:

- Master ~~Tentative Maps~~Subdivision Map, Financing Maps, ~~Builder's~~Builder's Tentative Maps, Final Maps and parcel maps;
- Conditional use permits, use permits, variances and exceptions, and site plan or design review approvals;
- Planned developments, specific plans, specific plan amendments, or other legislative approvals for specific neighborhoods;
- Rough grading, precise grading and building plan approvals and/or permits;
- Certificates of compliance and/or lot line adjustments;
- Improvement plans and permits, including, but not limited to, those related to street, drainage, utility, storm water, water quality management, and landscape improvements issued by the City;
- Occupancy permits; and
- CEQA documents, technical studies and other environmental review documents required for the Project and approved/adopted after the ~~Approval~~ Effective Date.

~~3.28 "~~3.29 "Development Impact Fees~~"~~" commonly referred to as the ~~"~~"DIF Fee~~"~~" means all fees: (i) established and imposed upon the Project by the City pursuant to the Mitigation Fee Act as set forth in California Government Code Section 66000 et seq., and this Agreement; and (ii) in effect as of the date specified in Section ~~12.3~~12.3.1 of this Agreement. Any water and sewer service fees, including but not limited to hook-up fees and ~~supplemental water supply charges~~Supplemental Water Supply Charges, are specifically excluded from this definition.

~~3.29 "~~3.30 "Enacting Ordinance~~"~~" means Ordinance No. ~~1067~~_____ adopted by the City Council on ~~June 11, 2014~~ _____, _____ and effective on ~~July 25, 2014~~_____, _____.

~~3.30 "~~3.31 "Effective Date~~"~~" is defined in Section 8.2.

~~3.31 "~~3.32 "Existing City Approvals~~"~~" means all City Approvals in effect on the Effective Date.

~~3.32 "~~3.33 "Existing Financing District~~"~~" means the City of Coachella ~~CFO~~CFD No. 2005-1 (Law Enforcement, Fire and Paramedic Services).

~~3.33 "~~3.34 "Existing Land Use Regulations~~"~~" means all Land Use Regulations in effect on the Effective Date, including the General Plan and La Entrada Specific Plan, as amended. However, changes to the Land Use Regulations approved or becoming effective between the Adoption Date and the Effective Date shall not be considered part of the Existing Land Use Regulations without ~~Owner's~~Owner's prior written consent.

~~3.34 "Fair Market Value" means the appraised value as determined by an appraiser mutually acceptable to the Parties. If the Parties cannot agree on an appraiser within ten (I 0) days after either Party requests a determination of the Fair Market Value, then, within an additional fifteen (15) days, each shall select an appraiser who shall appraise the subject property and the Parties shall attempt to agree on the Fair Market Value on the basis of the two appraisals. If the Parties cannot so agree within ten (10) days after the last of the two appraisals is delivered to both Parties, then, within an additional ten (10) days, the Parties shall select a third appraiser. Within thirty (30) days after being selected, the third appraiser shall prepare a new appraisal that will be binding on the parties.~~

~~3.35~~ [Reserved]

~~3.35 "~~3.36 "Federal~~"~~" means the United States of America.

~~3.36 "~~3.37 "FIA~~"~~" is defined in Section ~~13.8.2~~13.9.2.

~~3.37 "~~3.38 "Final Map~~"~~" includes the terms Final Map, Final Tract Map and shall have the same meaning as those terms are defined in the California Subdivision Map Act (California Government Code Section 66410 et seq).

~~3.38 "~~3.39 "Financing District~~"~~" means a community facilities district to be authorized pursuant to the Mello-Roos Act, an assessment district, ~~an~~enhanced infrastructure financing district, and or other form of district or bond financing authorized by the State as a means to fund public improvements including, public safety services, and/or maintenance of those improvements.

~~3.39 "~~3.40 "Financing Map~~"~~" includes ~~Tentative Tract~~Final Map 36494, and any other similar map recorded for finance and conveyance purposes only.

~~3.40 "~~3.41 "Fiscal Review~~"~~" is defined in Section ~~13.8.2~~13.12.

~~3.41 "~~3.42 "General Plan~~"~~" means the general plan of the City.

~~3.42 "~~3.43 "Government Code~~"~~" shall mean the California State Government Code.

~~3.43 "~~3.44 "Implementing Project~~"~~" means a subsequent project, located in the Specific Plan area, pursuant to either a ~~Builder's~~Builder's Tentative Map or Commercial Map.

~~3.44 "Indemnitor"~~3.45"Indemnitor" is defined in Section ~~30~~31.

~~3.45 "~~3.46 "La Entrada Facility CFD~~"~~" means any Community Facilities District created or adopted for the Project to finance City Facilities.

~~3.46~~ 3.47 "La Entrada Services CFD~~"~~" means any services and maintenance Community Facilities District created or adopted for the Project.

~~3.47 "~~3.48 "LAFCO~~"~~" means the Riverside County Local Agency Formation Commission.

~~3.48 "~~3.49 "Landowner~~"~~" or ~~"~~"Owner~~"~~" means collectively ~~PSAV~~KPC Development Company, LLC, a ~~Delaware~~California limited liability company and ~~LLSE Holdings LLC, a New Jersey limited liability company, and~~ their respective successors and assigns to all or any part of the Property, as set forth in Section 5 of this Agreement.

~~3.49 "~~3.50 "Land Use Regulations~~"~~" means all ordinances, resolutions, codes, rules, regulation, moratoria, initiatives, and official policies of the City governing the development and use of land, including, without limitation, the General Plan, zoning ordinances, subdivision ordinances (but not Tentative or Final Maps, which are City Approvals), specific plans, planned community texts, and their respective amendments. Land Use Regulations govern, without limitation, the permitted use ~~ofland~~of land, the density or intensity of use, timing and phasing of development, the maximum height and size of buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement, construction, and initial occupancy standards and specifications applicable to the Project.

~~3.50 "~~3.51 "Master Developer~~"~~" shall mean the developer responsible for the master planning of the Project including, without limitation, infrastructure and utilities planning, site preparation, identification of users, phasing and the potential development of sites for users within the Project. The Master Developer is responsible for managing the development of the Project from planning to final build-out including, without limitation, infrastructure development, financing, marketing and asset management. The Landowner shall have all of the obligations of the Master Developer unless and until there is a formal assignment approved by the City in accordance with this Agreement.

~~3.51 "~~3.52 "Master Developer Funding~~"~~" is defined in Section ~~13~~13.12.~~1 1.~~

~~3.52 "~~3.53 "Master Tentative Map~~"~~" or ~~"~~"Master Subdivision Map~~"~~" means a map that subdivides large tracts of land into smaller parcels for the purpose of later selling or otherwise transferring the parcels for further subdivision, together with planning and construction of infrastructure elements, but not for the purpose of creating individual commercial parcels or individual residential lots for sale to end-user homeowners. The purpose and intent of the Master Subdivision Map process is to allow the subdivision ~~ofland~~of land to correspond to the Specific Plan Planning Areas, open space, and infrastructure elements without allowing the creation of individual commercial or residential lots. For nonresidential property, while the Master Subdivision Map process may create parcels which may or may not be subdivided further, no building may be undertaken on any master parcel unless and until all other required discretionary entitlements have been lawfully obtained, as required by applicable land use and development regulations of the Specific Plan. The boundary lines on any Master Subdivision Map shall correspond to applicable Planning Area plan land use designations and infrastructure elements.

~~3.53 "~~3.54 "Mello-Roos Act~~"~~" means the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 et seq., of the California Government Code.

~~3.54 "~~3.55 "Mortgage~~"~~" is defined in Section 28.

~~3.55 "~~3.56 "Mortgagee~~"~~" is defined in Section 28.

~~3.56 "~~3.57 "Option Term~~"~~" means any extension of the Term of this Agreement, as allowed in Section 8.3.

~~3.57 "~~3.58 "Oversized Improvements~~"~~" is defined in Section 14.2.3.

~~3.58 "Owner's~~3.59 "Owner's Facilities Obligations~~"~~" means those obligations of Owner, excluding any reimbursements or credits, to construct public improvements, to the extent required by City Approvals and as specified in this Agreement.

~~3.59 "~~3.60 "Party~~"~~" or ~~"~~"Parties~~"~~" means the City and the Owner.

~~3.60~~ 3.61 "Permit Streamlining Act~~"~~" means Sections 65920 et. seq., of the Government Code and all successor provisions thereof.

~~3.61 "~~3.62 "Planning Commission~~" mean~~" means the planning commission of the City.

~~3.62 "~~3.63 "Project~~"~~" is defined in Recital ~~D~~C.

~~3.63 "~~3.64 "Property~~"~~" means the real property governed by the La Entrada Specific Plan and EIR, as described in Exhibit A.

~~3.64 "~~3.65 "Public Benefit~~"~~" means ~~Owner's~~Owner's contributions, as defined in Section 21.2 and further described in Section 13, toward land, improvements and funding to further the development of the Public Facilities.

~~3.65 "~~3.66 "Public Facilities~~"~~" means collectively, the City Facilities, Fire Facilities, Park and Recreation Facilities, Police Facilities, Streets and Highways Facilities, Water and Sewer Facilities, stormwater and drainage facilities and School Facilities.

~~3.66 "~~3.67 "Quimby Fees~~"~~" means all fees (i) established and imposed upon the Project pursuant to the Quimby Act as set forth in California Government Code Section 66477 et seq., and this Agreement, (ii) in effect as of the Adoption Date.

~~3.67 "~~3.68 "Reservation of Rights~~"~~" means the rights and authority excepted from the assurances and rights provided to Landowner under this Agreement and reserved to City under Section 11 of this Agreement.

~~3.68~~ 3.69 "Residential Sale~~"~~" means the sale of a Unit to a member of the public or any other ultimate user. In the case of a multi-family rental project, the term ~~"~~"Residential Sale~~"~~" shall apply once a certificate of occupancy has been issued for the building(s).

~~3.69 "~~3.70 "State~~"~~" means the State of California.

~~3.70 "~~3.71 "Subsequent Approvals~~"~~" is defined in Recital ~~F~~G.

~~3.71 "~~3.72 "Subsequent Land Use Regulation~~"~~" means those Land Use Regulations which are both adopted and effective after the Approval Date and which are not included within the definition of Existing Land Use Regulations.

~~3.72 "~~3.73 "Substantial Conformance, Minor Modifications/Technical Adjustments~~"~~" is as defined in Section 5.1.5 of the La Entrada Specific Plan.

~~3.73 "~~3.74 "Supplemental Water Supply Charge~~"~~" shall have the same meaning as is contained in the Memorandum of Understanding dated February 2013 by and between the City and Coachella Valley Water District.

~~3.74 "~~3.75 "Tentative Map(s)~~"~~" means any Project tentative map approved after the Effective Date, including a tentative parcel map, as defined in the California Subdivision Map Act and the Municipal Code.

~~3.75 "~~3.76 "Term~~"~~" as outlined in Section 8.3 means the initial ~~Tenn~~Term and any Option ~~Tenn~~Term of this Agreement.

~~3.76 "~~3.77 ~~"~~"Transferee~~"~~" means any third party that has acquired an interest or estate in all or any portion of ~~Owner's~~Owner's interest, rights, or obligations under this Agreement.

~~3.77 "~~3.78 ~~"~~"Transferred Property~~"~~" means any portion of the Property acquired by Transferee.

~~3.78 "~~3.79 ~~"~~"TUMF~~"~~" shall mean the Coachella Valley Transportation Uniform Mitigation Fee.

~~3.79 "~~3.80 ~~"~~"Uniform Administrative Code~~"~~" means the Uniform Administrative Code, ~~2013 Edition~~in effect as of the date that any building permit is issued by the City, as promulgated and published by the International Conference of Building Officials.

~~3.80 "~~3.81 ~~"~~"Uniform Building Code~~"~~" means the International Building, Mechanical, Plumbing, Electrical and Fire Codes in effect as of the date that any building permit is issued by the City.

~~3.81 "~~3.82 ~~"~~"Unit~~"~~" means a residential dwelling unit within the Project regardless of whether for sale or for rent. ~~This definition is provided for the purpose of calculating the Development Agreement Fee set forth in Section 13.7 and Development Impact Fee described in Exhibit C, and is not intended to allow for conversion of non-residential uses to residential uses.~~

~~3.82 "~~3.83 ~~"~~"Vested Rights~~"~~" is defined in Section 12.1.

~~4.~~ 4. Provisions Required by Statute. California Government Code Sections 65865.1 and 65865.2 provide, in part, that a development agreement shall specify the following:

~~(a)~~(a) Duration of the Agreement. See Section 8.3 of this Agreement.

~~(b)~~(b) Permitted uses of the Property. See Section 12.1 of this Agreement.

~~(c)~~ (c) Maximum height and size of proposed buildings. See City Approvals and Exhibit F.

~~(d)~~ (d) Reservation or dedication of land for public purposes. See City Approvals and Exhibit F.

~~(e)~~ (e) Periodic review, at least annually, to demonstrate good faith compliance with ~~the development agreement~~this Agreement. See Section 26 of this Agreement.

~~5.~~ 5. Landowner Representations and Warranties. The Landowner is ~~PSAV, LLC and LLSE Holdings~~KPC Development Company, LLC. For purposes of this Agreement, the ~~Landowner's~~Landowner's office address is: ~~c/o New West Communities, 5055 West~~

~~Patrick Lane #101, Las Vegas, Nevada 89118.~~9 KPC Parkway, Suite 301, Corona, CA 92879.

Landowner represents and warrants that, as of the Effective Date of this Agreement:

~~5.1~~ 5.1 Property Ownership. Landowner is the only equitable or fee owner of the Property and no other person or entity holds any legal or equitable interests in the Property.

~~5.2~~ 5.2 Organization. The Landowner ~~consists of~~is a limited liability ~~companies~~company, duly organized, validly existing and in good standing under the laws of the ~~States of Delaware and New Jersey~~State of California, with full right, power, and authority to conduct its business within the State of California as presently conducted, and to execute, deliver and perform its obligations under this Agreement.

~~5.3~~ 5.3 Authorization. The Landowner has taken all necessary actions to authorize its execution, delivery and, subject to any conditions set forth in this Agreement, performance of this Agreement. Upon the Effective Date ~~of this Agreement~~, this Agreement ~~shall~~will constitute a legal, valid, and binding obligation of the Landowner, enforceable against it in accordance with its terms.

~~5.4~~ 5.4 No Conflict. The execution, delivery and performance of this Agreement by the Landowner does not and will not materially conflict with, or constitute a material violation or material breach of, or constitute a default under (i) the company organizational documents of the Landowner, or (ii) any material agreements to which the Landowner is a Party.

~~6.~~ 6. City Representations and Warranties. The City represents and warrants that, as of the Effective Date of this Agreement:

~~6.1~~ 6.1 Authorization. The execution and delivery of this Agreement and the necessary performance of the obligations of the City have been duly authorized by all necessary actions and approvals required for a municipal corporation.

~~6.2~~ 6.2 Good Standing. The City is in good standing and has all necessary powers under the laws of the State of California and in all other respects to enter into and perform the undertakings and obligations of this Agreement.

~~6.3~~ 6.3 Enforceability. This Agreement is a valid obligation of the City and enforceable in accordance with its terms.

~~6.4~~ Development Approvals; Entitlements; Development Impact Fee Satisfaction. The City acknowledges and agrees that Owner has succeeded to the rights and benefits of the Prior Owner under this Agreement, including, but not limited to any and all issued Development Approvals, Subsequent Approvals, any and all

paid and deemed satisfied Development Impact Fees, including, but not limited to those set forth in Section 14.2 and Exhibit C to this Agreement.

~~6.5~~ No Default. As of the Effective Date, there is no uncured default under this Agreement, and this Agreement is in full force and effect.

~~6.6~~ Successor. The City acknowledges and agrees that Owner has succeeded to the rights and benefits of the Prior Owner under this Agreement.

~~7.~~ 7. Relationship of City and Landowner. The Parties specifically acknowledge that this Agreement is a contract that has been negotiated and knowingly and voluntarily entered into by the City and Landowner and that the Landowner is an independent contractor and not an agent or partner of the City. The Parties further acknowledge that neither Party is acting as the agent of the other in any respect hereunder and that each Party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement.

None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in the business of Landowner, the affairs of the City, or otherwise. City and Landowner hereby renounce the existence of any form of joint venture or partnership between them~~,~~ and agree that nothing contained in this Agreement or in any document executed in connection with this Agreement shall be construed as making the City and Landowner joint venturers or partners. The only relationship between the City and Landowner is that of a governmental entity regulating development and the owner of the Property and developer of the Project.

~~8.~~ 8. Execution, Recording and Term.

~~8.1~~ 8.1 Execution and Recording. Section 65868.5 of the Development Agreement Statute requires that this Agreement be recorded in the Official Records of the County of Riverside, State of California no later than ten (10) days after the Effective Date, provided that a referendum applicable to the Enacting Ordinance has not been timely submitted to the City. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement.

~~8.2~~ 8.2 Effective Date. The Effective Date of this Agreement shall be the date on which the Enacting Ordinance became effective, which shall be thirty (30) days from the date of the second reading of the Enacting Ordinance by the City Council.

~~8.3~~ 8.3 Initial Term and Options. The initial term of this Agreement shall commence on the Effective Date and continue for the earlier of: (i) a period of fifteen (15) years from the Effective Date ~~(the "~~, subject to extension pursuant to Landowner's Extension Option(s) (the "Initial Term~~")~~"); (ii) entry of a final judgment of a court of last resort setting aside, voiding, or annulling the Enacting Ordinance approving this Agreement; (iii) the adoption, by voters of the City, of a

referendum measure overriding or repealing the Enacting Ordinance approving this Agreement; (iv) completion of the Project in accordance with the terms of this Agreement, including issuance of all required occupancy permits and acceptance, as required by City Law, of all required dedications and the satisfaction of all of ~~Landowner's~~Landowner's obligations under this Agreement; or (v) as may be provided by other specific provisions of this Agreement.

Following the expiration of the Initial Term and any subsequent Extension Terms, this Agreement shall be deemed terminated and of no further force and effect, regardless of whether Landowner has paid any Development Impact Fees, but subject to those provisions that by their terms expressly survive termination.

Landowner shall have the option to extend the ~~initial~~Initial Term for a maximum of three ~~(3)~~ five (5) year extensions for a total possible term of thirty (30) years (the ~~"~~"Option Term~~"~~") unless the Term is terminated, modified, or extended by the terms of this Agreement, or by mutual consent of the Parties hereto, provided:
(a) Landowner provides at least one hundred eighty (180) days advance written notice prior to the expiration of the ~~initial~~Initial Term or any preceding Option Term of its intent to request an Option Term; ~~and~~ (b) the Landowner is not then in Default under this Agreement~~.~~; (c) Landowner shall have secured (with the cooperation of City furnished on a good faith basis) and provided to City all financing required for either the Canal Crossing or the Interchange; and (d) The Project Milestones set forth in Section 13.1 have been satisfied within the timelines as indicated.

~~Upon the request of Owner, any Option Term shall be confirmed by a vote of the City Council, in writing, at least thirty (30) days prior to the expiration of the initial Term or any preceding Option Tenn.~~

Following the expiration of the Term and any subsequent Option Term, this Agreement shall be deemed terminated and of no further force and effect regardless of whether Landowner has paid any Development Impact Fees.

~~8.4~~ 8.4 Extension of Term Due to Litigation. In the event that litigation is filed by a third party (defined to exclude City and Landowner and any assignee or Transferee of Landowner) which seeks to invalidate this Agreement or any of the City Approvals or Subsequent Approvals, the Term shall be extended for a period equal to the length of time from the time a summons and complaint and/or petition are served on the defendant(s)/respondent(s) until the resolution of the matter is final and not subject to appeal.

~~8.5~~ 8.5 Extension of Approvals or City Approval.

~~1.~~ 1. Financing Maps and Master Subdivision Maps or Master Tentative Map. Pursuant to California Government Code Section 66452.6, the term of all Master Subdivision Map or Master Tentative Maps and Financing Maps

that are approved for all or any portion of the Property, both prior and subsequent to the Effective Date, shall be automatically extended to a date coincident with the Term. Builder Tentative Maps shall be governed by the Subdivision Map Act and the ~~City's~~City's Subdivision Ordinance.

~~2.~~ 2. Discretionary Actions. Design reviews, use permits, variances and exceptions, public art approvals not related to a subdivision map approval, and governed by the procedures of the ~~City's~~City's Municipal Code or other applicable specific plan, shall lapse according to the regulations in the ~~City's~~City's Municipal Code or applicable specific plan.

~~8.6 Automatic Termination of~~8.6 Release from Agreement. This Agreement shall ~~automatically be terminated~~no longer be applicable to a specific Unit or parcel, without any further action by either Party or need to record any additional document upon the occurrence of any of the following:

~~(a)~~ (a) Issuance of a Certificate of Occupancy. Upon issuance by the City of a final certificate of occupancy for a Unit.

In connection with its issuance of a final inspection for such improved Unit or lot, City shall confirm that all improvements, which are required to serve the Unit or lot, as determined by City, have been accepted by City, and all fees paid. Termination of this Agreement for any Unit as provided in this Section 8.6(a) shall not in any way be construed to terminate or modify any general tax, special tax, assessment or covenant affecting such Unit or lot at the time of termination.

~~(b) Non-Residential Sale. The non-residential sale or Commercial Sale of a lot in the Project; or~~

(b) [Intentionally left blank]

(c) (c) Conveyance to an Association. Upon the conveyance of any lot, parcel or other property, whether residential, commercial, or open space, to a homeowners' association, property owners' association, or public or quasi-public entity, that lot, parcel, or property and its owner shall have no further obligations under and shall be released from this Agreement automatically and without necessity of a separate instrument, provided that this paragraph shall not be deemed to release any transferee, including a good faith purchaser, from obligations to pay any special taxes or assessments imposed in connection with a Financing District. Additionally, Landowner shall have no further obligations under and shall be released from the obligations and encumbrances of this Agreement with respect to that lot.

(d) (d) No Formal Action Required. No formal action by the City is required to effect any release occurring under this Section. However, within forty-five (45) days after ~~Landowner's~~Landowner's request, the City ~~shall~~shall sign and deliver an estoppel certificate or other similar document, to acknowledge the release.

~~8.7~~ 8.7 Rights and Obligations Upon Expiration of the Term. Following termination of this Agreement, as to a lot or parcel, all the rights, duties and obligations of the Parties hereunder shall terminate and be of no further force and effect, except with respect to Section 12. Upon termination of this Agreement, Landowner shall thereafter comply with the provisions of all City Laws then in effect or subsequently adopted with respect to the Property and/or the Project, except that any termination shall not affect any right vested (absent this Agreement), or other rights arising from Approvals and/or City Approvals granted by the City for development of all or any portion of the Project, including but not limited to any approval defined in Section 8.5, valid building permit, or certificate of occupancy. Termination of this Agreement 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 valid building permit issued by the City. Furthermore, no termination shall prevent Landowner from completing and occupying any building or other improvement authorized pursuant to an approved Plot Plan Review, valid building permit previously issued by the City or certificate of occupancy provided that any such building or improvement is completed in accordance with said building permit in effect at the time of such termination.

~~8.8~~ 8.8 Limitation on Subsequent Land Use Regulations. Except as set forth in the La Entrada Specific Plan and Section 8.11, during the Term, City shall not apply any City Laws enacted after the ~~Adoption~~Effective Date that would conflict with or impede the Vested Rights of Landowner as set forth in this Agreement or otherwise conflict with this Agreement or the Existing City Laws or Existing Land Use Regulations, without ~~Landowner's~~Landowner's written consent, which consent shall be at ~~Landowner's~~Landowner's sole discretion.

~~8.9~~ 8.9 Conflicting Laws. For purposes of illustrating, but in no way limiting the provisions of this Section, any action or proceeding of the City (whether enacted by the legislative body or the electorate), that has any of the following effects on the Project, shall be considered in conflict with the Vested Rights, this Agreement and the Existing City Laws and/or Existing Land Use Regulations:

~~(a)~~ (a) Reduce the maximum number of Units permitted or increase the minimum number of Units required to be developed on the Property from that required by City Law or this Agreement;

~~(b)~~ (b) Change any land use designation or permitted use of the Property from that shown in City Law or on the adopted La Entrada Specific Plan, except as may be permitted under a future specific plan amendment;

~~(c)~~ (c) Limit or control the rate, timing, phasing or sequencing of the approval, development, or construction of all or any part of the Property;

~~(d)~~ (d) Limit or restrict any right specifically granted by the City Approvals; or

~~(e)~~(e) Increase Development Impact Fees (""DIF""), repeal or restrict credits or any other actions that directly conflict with the terms and provisions of this Agreement.

~~8.10~~ 8.10 Applicable Rule/City Approval/Development Agreement Inconsistency. In the event of any inconsistency between any Existing City Law, Existing Land Use Regulation, City Approval and the La Entrada Specific Plan and this Agreement, the provisions of the La Entrada Specific Plan and this Agreement shall control.

~~8.11~~ 8.11 Subsequent Approvals. In reviewing and acting on applications for Subsequent Approvals, the City shall apply the City Approvals and the Existing Land Use Regulations when considering the application and may attach such conditions as necessary to comply with the City Approvals and Existing Land Use Regulations. Applications for Subsequent Approvals shall be processed diligently in good faith by the City and considered in a manner consistent with the rights granted by this Agreement and City Law.

With the City Approvals, the City has made a final policy decision that development of the Property and the Project ~~are~~is consistent with the City Approvals and are in the best interests of the public health, safety, and general welfare.

Nothing herein shall limit the ability of the City to require the necessary reports, analysis, or studies to assist in determining whether the requested Subsequent Approval is consistent with the City Approvals, City Law and this Agreement. ~~City's~~ City's review of the Subsequent Approvals shall be consistent with this Agreement, including, without limitation, Section 11 of this Agreement. ~~To the extent that is consistent with CEQA, as determined by the City in its reasonable discretion, the City shall utilize the Environmental Impact Report No. 12-0-I, certified on November 13, 2013, to review the environmental effects of theSubsequent Approvals.~~ Any conditions, terms, restrictions, or requirements imposed by the City on the Subsequent Approvals shall not prevent development of the Property for the uses and to the density of development included in the City Approvals.

~~8.12~~ 8.12 Substantial Conformance and Minor Modifications/Technical Adjustments. The provisions of this Agreement require a close degree of cooperation between the Parties. Any Substantial Conformance or Minor Modifications/Technical Adjustments, as that term is defined in Section 5.1.5 of the La Entrada Specific Plan, may be required from time to time, to accommodate design changes, engineering changes and other refinements related to the details of the Parties'' performance.

Accordingly, the Parties may mutually consent to adopting any Substantial Conformance, Minor Modifications/Technical Adjustments through administrative approvals by the Community Development Director, his or her designee, or any other City department head when the Parties mutually determine that the proposed modifications and refinements are subject to the terms and conditions of this Section 8.12, and not significant changes requiring amendment of this Agreement.

~~8.13~~ 8.13 Initiative and Referenda. If any City Law is enacted or imposed by a ~~citizen~~ citizen sponsored initiative or referendum, or by the City Council directly or indirectly in connection with any proposed initiative or referendum, which City Law would conflict with this Agreement, such City Law shall not apply to the Property or Project. The Parties, however, acknowledge that the ~~City's~~City's approval of this Agreement and the City Approvals are legislative actions subject to referendum.

Without limiting the generality of the foregoing, no moratorium or other limitation whether relating to the rate, timing, phasing or sequencing of development affecting subdivision maps, building permits, or other Subsequent Approvals shall apply to the Property or Project. Landowner agrees and understands that the City does not have authority or jurisdiction over another public ~~agency's~~agency's authority to grant a moratorium or to impose any other limitation that may affect the Property or Project.

~~9.~~ 9. Development Timing. The Parties acknowledge that Landowner cannot, at this time, predict when or the rate at which the phases of the Project will be developed or the order in which each phase will be developed. Such decisions depend upon numerous factors which are not within the control of the Landowner, such as market conditions and demand, interest rates, absorption, completion and other similar factors. In particular, and not in any limitation of any of the foregoing, since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that failure of the parties therein to consider and expressly provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over such parties'' agreement, it is the Parties'' desire to avoid that result by acknowledging that, unless otherwise provided for in this Agreement, Landowner shall have the vested right to develop the Project in such order and at such rate and at such times as Landowner

deems appropriate in the exercise of its business judgment, provided that Landowner is in compliance with the City Approvals.

Notwithstanding the above, the Landowner is required to comply with the specific construction milestones set forth in Section 13.1 (~~"Construction~~"Project Milestones~~"~~").

~~10.~~ 10. Compliance with Requirements of Other Governmental Entities. During the Term, Landowner, at no cost to City, shall comply with lawful requirements of, and obtain all permits and approvals required by other local, regional, State and Federal agencies having jurisdiction over the ~~Landowner's~~Landowner's activities in furtherance of this Agreement. Landowner shall pay all required fees when due to local, regional, State and Federal governmental agencies other than the City and acknowledges that City does not control the amount of any such fees.

~~10.1~~ 10.1 City Cooperation. City shall cooperate with Landowner in ~~Landowner's~~Landowner's efforts to obtain permits ~~and~~, approvals, and funding from local, regional, State and Federal governmental agencies, provided that same does not impose any costs on or require the City to incur any costs without reimbursement~~,~~ or require the City to amend any of the ~~City's~~City's policies, regulations or ordinances.

~~10.2~~ 10.2 Quotas, Restrictions or Other Growth Limitations. Landowner and City intend that, except as otherwise provided in this Agreement, this Agreement shall vest the City Approvals against subsequent City Laws 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 City Approvals.

~~11.~~ 11. Reservation of Rights

~~11.1~~ 11.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following regulations shall apply to the development of the Property:

~~1.~~ 1. Processing fees and charges of every kind and nature imposed by City to cover the estimated actual costs to City of processing applications for Development Approvals and Subsequent Approvals and for monitoring compliance with any such approvals granted or issued;

~~2.~~ 2. Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure;

~~3.~~ 3. Regulations, policies, and rules governing engineering and construction standards and specifications applicable to public and private improvements, including, without limitation, all uniform codes adopted by the City and any local amendments thereto including, without limitation

the ~~City's~~City's building code, plumbing code, mechanical code, electrical code and any future City grading ordinance;

~~4.~~ 4. Temporary regulations which may be enacted and may be in conflict with this Agreement, but which are objectively required, and for which there are no available reasonable alternatives, to protect the public health, safety and welfare in the event of a sudden, unexpected occurrence involving a clear and imminent danger, and demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, or essential public service within the immediate community. Such regulations must be a valid exercise of the ~~City's~~City's police power and must be applied and construed so as to provide the Landowner, to the maximum extent feasible and possible, with the rights and assurances provided in this Agreement. Any regulations, including moratoria, enacted by the City and imposed on the Property to protect the public health, safety and welfare in the circumstances described in this Section shall toll the Term, Option Term, and any other time periods for performance by Landowner and City, as set forth in this Agreement;

~~5.~~ 5. As provided in Government Code Section 65869.5, this Agreement shall not preclude the application to the Property of changes in laws, regulations, plans, or policies to the extent that such changes are specifically mandated and required by changes in State or Federal laws or regulations. In the event changes in the law prevent or preclude compliance with one or more provisions of this Agreement, this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations. The Parties shall meet and confer in good faith in order to determine whether such provisions of this Agreement shall be modified or suspended as may be necessary to comply with the changes in the law, and the City, in consultation with the Landowner, shall determine such actions as may be reasonably required. It is the intent of the Parties that any such modification or suspension be limited to that which is necessary and to preserve to the greatest extent feasible and possible the original intent of the Parties in entering into this Agreement. This Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations. Nothing in this Agreement shall preclude the City or Landowner from contesting, by any available means, including, without limitation, administrative or judicial proceedings, the applicability of any such State or Federal laws or regulations to the Property;

~~6.~~ 6. Regulations that impose, levy, alter or amend fees and charges, or Land Use Regulations relating to consumers or end users, including, without

limitation, trash enclosure/bin placement, service charges and regulations on vehicle parking; and

~~7.~~ 7. Regulations of other public agencies, including Development Impact Fees adopted or imposed by such other public agencies, collected by the City.

~~11.2~~ 11.2 Subsequent Approvals. This Agreement shall not prevent City, in acting on Subsequent Approvals, and to the same extent it would otherwise be authorized to do so absent this Agreement, from applying subsequently adopted or amended Land Use Regulations that do not materially conflict with this Agreement.

~~11.3~~ 11.3 Electricity, Internet, Cable TV and Telephone. The Parties acknowledge and agree that the City, to the full extent permissible by law, is reserving its authority and ability to provide and serve the Project with electricity, cable TV, internet, telephone, wireless and other utility services ~~and products if and when the City has the means, capability and infrastructure necessary to provide some or all of these utility services.~~, including, but not limited to water and sewer. City shall retain the option, in its sole and absolute discretion, to contract with a third-party to provide any service to all or any portion of the Project. City and Developer may discuss these matters at any time to identify a potential alternative that shall be subject to discretionary approval of the City Council.

~~11.4~~ 11.4 Modifications or Suspension by State or Federal Law. In the event that State, County or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State and Federal laws or regulations; provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

~~11.5~~ 11.5 Intent. The Parties acknowledge and agree that the City is restricted in its authority to limit certain aspects of its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to the City all of its police power that cannot be or is not expressly so limited. This Agreement shall be construed to reserve to City all such power and authority that cannot be or is not by this ~~Agreement's~~Agreement's express terms so restricted.

~~12.~~ 12. Vested Rights.

~~12.1~~ 12.1 Permitted Uses/Vested Rights. During the Term, the permitted uses of the Property, the density and intensity of use, the rate, timing and sequencing of development, the maximum height and design and size of proposed buildings, the parking standards, the provisions for reservation and dedication ~~of land~~of land,

and any other applicable development standards shall be those set forth in the City Approvals, and the City Laws in force and effect on the Adoption Date of this Agreement (the "Vested Rights").

~~12.2~~ 12.2 Fees and Exactions. The City hereby agrees that the Project has satisfied certain Development Impact Fee requirements and may be entitled to certain Development Impact Fee Credits and Third Party Reimbursements as more particularly described in Section 14.2 ~~and Exhibits C, D and E~~ of this Agreement, and as governed by the City Municipal Code, including but not limited to Section 4.45.110 and prior City administrative practices. Unless otherwise specifically stated in this Agreement ~~or Exhibits C, D and E~~, the Parties recognize that the current City Approvals do not include sufficient detail to identify all potential improvements that may be eligible for Development Impact Fee Credits and Third Party Reimbursements. All requests for additional Development Impact Fee Credits and Third Party Reimbursements not covered by this Agreement shall be subject to review, verification and acceptance by the City in accordance with the process outlined in the City Municipal Code.

Protection for any increases in any of the ~~City's~~City's Development Impact Fees shall not include increases mandated by the County, the State of California, the federal government, the ~~City's~~City's water authority, the ~~City's~~City's sanitary district or any other entity that is outside the control of the City. This Section shall not be construed to limit the authority of the City to charge processing fees of Citywide applicability.

~~12.3 Freeze~~12.3 Ceilings of Development Impact Fees. Development Impact Fees for this Project which are not deemed fully satisfied pursuant to ~~the~~Section 14.2 and Exhibit C of this Agreement or otherwise credited pursuant to this Agreement shall ~~be frozen~~not increase, both in category of fees charged and fee amount~~, at~~ – for both commercial and residential construction – from the rates in effect as of the ~~first~~ nexus study and resulting DIF schedule which shall be completed and adopted by the City Council ~~after the Effective Date of this Agreement and shall~~ remain ~~frozen for the first two thousand (2,000) Units constructed in the Project.~~subject to the following requirements:

~~12.4 Reduction in Development Impact Fees for Age Restricted Project. Any qualifying Age Restricted Project developed in the Project shall be eligible for an automatic reduction equivalent to thirty-three percent (33%) of the then-current Development Impact Fees imposed by the City on Units. This reduction shall be in addition to any other Fee Credits and Third Party Reimbursements available under this Agreement.~~

~~1.~~ City shall adopt such new nexus study and resulting DIF schedule within (12) months from the earlier of the date of the commencement of construction for either the Canal Crossing or the Interchange, with "commencement" defined as (1) identification and transfer of all funding

required for either the Canal Crossing or the Interchange; (2) procurement and contracting by City of all construction services for either the Canal Crossing or the Interchange; and (3) the notice of commencement provided by the City to the contractor for commencement of either the Canal Crossing or the Interchange.

~~2.~~ The resulting schedule of Development Impact Fees shall be in effect for ten (10) years from the earlier of the date of the completion of either the Canal Crossing or the Interchange (the completion date of which shall be reasonably determined by the City of Coachella City Engineer) and subject only to an annual Consumer Price Index for the Riverside-San Bernardino-Ontario, CA metropolitan area from the Effective Date

~~3.~~ The foregoing paragraphs shall not apply to water and sewer impact fees which shall not be limited in any manner.

12.4 [Reserved]

12.5 12.5 Uniform Codes Applicable. The Project shall be constructed in accordance with the provisions of the California Building, Mechanical, Plumbing, Electrical and Fire Codes and Title 24 of the California Code of Regulations, relating to building standards, in effect at the time of ~~approval~~issuance of the appropriate building, grading, encroachment or other construction permits for the Project.

12.6 12.6 Subdivision Maps – Compliance with California Government Code Section 66473.7. As required by California Government Code Section 65867.5, any and all tentative maps prepared for a subdivision of the Property shall comply with the provisions of California Government Code Section 66473.7, as that section may apply, and shall be extended for the Term hereof. Notwithstanding this provision, the Parties acknowledge that the Coachella Water Authority and the CVWD may require periodic updates to the adopted Water Supply Assessment for the Project and the adopted Supplemental Water Supply Charge.

12.7 12.7 Dedication of On-Site Easements and Rights of Way. Landowner, to the extent required by the City, shall dedicate to City all on-site rights of way and easements deemed necessary by the City for public improvements within forty-five (45) days of receipt of written request by the City.

~~13. Land Owner~~13. Landowner Obligations. As a material consideration for the long term assurances, Vested Rights, and other City obligations provided by this Agreement, and as a material inducement to City to enter into this Agreement, Landowner has offered and agreed to provide the Public Benefits to the City listed in this Section 13, and has further agreed to comply with all of its obligations under this Agreement including, in particular, the obligations set forth in this Section 13.

~~13.1 Construction~~13.1 Project Milestones. In order to preserve and maintain the provisions of this Agreement, Landowner must, to the reasonable satisfaction of the City Council, commence ~~Construction on~~ the Project ~~within five (5) years~~ from the ~~Effective Date of the Agreement. For purposes of this section, "Construction" is defined as any one or more of the following: rough grading, finished grading, utility construction, infrastructure construction, and any other physical preparations or building construction either on-site or off-site for the Project.~~as outlined below:

~~Notwithstanding any other provisions of this Agreement, Landowner shall be required to perform the following additional construction obligations:~~

~~(a) A minimum of eight hundred (800) Units shall receive a certificate of occupancy within the first ten (10) years of the Effective Date.~~

(a) Landowner shall (with the cooperation of City furnished on a good faith basis) have secured sufficient commitments for financing of the construction of either the Canal Crossing or the Interchange during the Initial Term of 15 years from the Effective Date.

(b) Within twelve (12) months from the earlier of the date upon which construction of either the Canal Crossing or the Interchange shall have commenced, as defined above in Section 12.3, Landowner shall have filed an application for a Master Subdivision Map or Master Tentative Tract Map for the first phase of the Project.

(c) Provide for Affordable Housing as set forth in Section 13.3

~~(b)~~ (d) A minimum of ~~fifty~~twenty thousand (~~50,000~~20,000) square feet of commercial ~~or retail uses, including at least one grocery store,~~building(s) shall be constructed and ~~occupied~~a certificate of occupancy issued within ~~the first ten~~seven (~~10~~7) years after completion of the ~~Effective Date~~Interchange.

~~(c)~~ (e) A minimum of ~~140~~one hundred (100) hotel or motel rooms shall be constructed and ~~available for reservations within the first fifteen~~certificate of occupancy issued within seven (~~15~~7) years after completion of the ~~Effective Date~~Interchange.

~~Fiscal Reviews of the Project will be performed as further discussed in Section 13.11. If the Fiscal Reviews determine the results of the FIA show a net annual deficit, Master Developer Funding may be required as discussed in Section 13.11.~~

(f) Subject to section 13.1 (a) of this Agreement, Landowner shall (with the cooperation of City furnished on a good faith basis) have secured

sufficient commitments for financing of the construction of the Interchange within twenty-five (25) years from the Effective Date.

~~13.2~~ 13.2 Compliance with Agreement and City Law. In addition to any other obligations of Landowner set forth herein, in consideration of the City entering into this Agreement, Landowner has agreed that if Landowner commences development of the Property and proceeds to develop the Property, such development shall be in conformance with all of the terms, covenants, and requirements of this Agreement and City Law at the times set forth in this Agreement, and Landowner shall perform those specific obligations and provide those specific contributions identified in the City Approvals, the City Approvals and all related Exhibits and documents thereto. Landowner shall pay when due, any and all required fees, Development Impact Fees of any type and any other costs which are imposed on all or any portion of the Project or the Property, whether imposed by the City or other agencies, only as provided in this Agreement.

~~13.3~~ 13.3 Affordable Housing. Prior to or concurrent with the submittal of the first Master Tentative Map, Builders Tentative Map, or Commercial Map, an affordable housing plan must be submitted to, and approved by, the City that provides for the following:

~~1.~~ A minimum of ~~five hundred (500~~one thousand (1,000) affordable dwelling units must be identified and constructed as follows, in accordance with the terms and provisions ~~of Section 26 herein~~set forth below:

~~(i) Two hundred forty (240) affordable dwelling units must be identified and constructed within the first two (2) phases of the La Entrada Project; Phase 1 will contain a minimum of one hundred fifty (150) affordable dwellings units and Phase 2 will contain the balance of ninety (90) affordable dwelling units; and~~

(a) An initial minimum of one hundred (100) units will be constructed in the first phase of residential construction as those units are shown on the Master Subdivision Map; An additional minimum of one hundred (100) units will be constructed in the second phase; and an additional minimum of three hundred (300) units will be constructed in the third phase.

~~(ii) Two~~(b) The remaining five hundred ~~sixty (260) affordable dwelling~~(500) units must be identified and constructed within the remaining ~~three (3)~~ phases of the ~~La Entrada~~ Project at the discretion of the Landowner.

(c) "Affordable ~~housing,~~Housing" as ~~that term is~~ used in this Agreement, shall include, but shall not be limited to, housing for

low-income residents, seniors, veterans, and ~~the disabled~~people with disabilities.

~~The affordable dwelling units will be evenly distributed~~(d) Landowner will use good faith efforts to evenly distribute the affordable housing units within the mixed-use, high-density residential, and medium-density residential land use designations ~~of~~in the La Entrada Specific Plan.

(e) The maximum sales or rental rates for the affordable units shall not exceed the maximum levels established by the City of Coachella consistent with the provisions of the City's Housing Element and State law.

(f) All ~~affordable housing units~~Affordable Housing Units in the La Entrada Specific Plan shall remain restricted to the corresponding income households for a minimum of thirty (30) years through a restrictive covenant, unless otherwise specified by State law or the ~~City's~~City's density bonus provisions contained in Chapter ~~17.88~~17.88.060 of the ~~City's~~City's Municipal Code.

~~2.~~ Prior to the issuance of the first building permit for any phase, Landowner must have an approved Builder's Tentative Map and approved and recorded Builder's Final Map for that phase and the City Planning Director and Landowner shall approve the specific method of implementation of affordable housing in furtherance of the City Council approved affordable housing plan for that phase. "Building Phases" shall be determined by the Landowner after analyzing the grading and utility infrastructure required.

~~13.4~~ 13.4 Tracking Development Impact Fees. Concurrent with the submittal of a Tentative Map, the Landowner shall submit ~~a completed Development Impact Fee worksheet outlining the fees satisfied, the fees subject to credit based on the process outlined in Exhibit D, and~~ fees due and owing for that subsequent Tentative Map. ~~The fonn of the Development Impact Fee worksheet shall be substantially similar to the form attached hereto as Exhibit H and incorporated herein by reference.~~

~~13.5~~ 13.5 Water and Sewer Facility Planning. In accordance with the requirements of the ~~SP COAs~~Specific Plan Conditions of Approval, Exhibit F attached hereto and incorporated herein by reference, concurrent with the preparation of the first Master Subdivision Map, Owner shall prepare a project-specific master plan for the construction or expansion of the ~~City's~~City's water and wastewater facilities as may be required for service of the Project.

~~13.6~~ 13.6 Road and Infrastructure Planning. In accordance with the requirements of the ~~SP COAs~~Specific Plan Conditions of Approval, Exhibit F attached hereto and incorporated herein by reference, concurrent with the preparation of the first Master Subdivision Map, Owner shall prepare a project-specific master plan for the construction of interim and permanent road improvements for the Project. The plan shall include provisions for the timing and construction of interim and permanent landscaping improvements associated with all Project road improvements.

~~13.7~~ [Intentionally left blank]

~~13.7 Avenue 50 Infrastructure and Interchange Benefit Assessment. At a minimum, Landowner shall fund its fair share contribution to the Avenue 50 Infrastructure and Interchange in accordance with a benefit assessment evaluation based on the ratio of trips generated by the Project. The benefit assessment evaluation will be prepared by the Master Developer in conjunction with the preparation of the first Master Subdivision Map for the Project.~~

~~13.8~~ 13.8 Development Agreement Fee. ~~Upon issuance of a certificate of occupancy for a Unit within the Project, Owner shall pay to the City a one-time~~ City and Owner agree that no "Development Agreement Fee ~~of Two Thousand Five Hundred Dollars ($2,500.00) for~~" shall be required for the first twelve (12) years after Effective Date and thereafter, the Development Agreement Fee shall be fixed at two-thousand and five hundred ($2,500) per residential certificate of occupancy until 16th anniversary of the Effective Date; and then from the start of year 17th year through the end of the 20th year $5,000 per residential certificate of occupancy. The Development Agreement Fee beyond the 20th year through the end of the Term shall be the fee in affect at that ~~Unit~~time.

~~13.9~~ 13.9 Fire Station Construction.

1. 1. Land Dedication and Temporary Facility Construction. Upon issuance of a certificate of occupancy for the 1,500th Unit, the Owner shall provide a dedicated site with permanent utility improvements and a temporary modular facility, as approved by the ~~fire department~~Riverside County Fire Department, for a fire station within the Project.

2. 2. Fire Station Staffing Upon ~~1,50dh~~1,500th Unit. Upon issuance of a certificate of occupancy for the 1,500th Unit, the Master Developer shall provide the necessary land and facilities for a three-person engine company, at an annual projected cost ~~of One Million Five Hundred Thousand DoJlars ($1,500,000).~~approved by the Riverside County Fire Department. The cost of the three person engine company shall be funded in the following priority through one or more of any of the following means: (i) ~~property tax revenue; (ii) operating transfers from the City's General Fund; (iii)~~ special tax revenues from the La Entrada Services

~~CFO;~~CFD; (ii) property tax revenue and (~~iv~~iii) Master Developer Funding (see Section ~~13.11~~13.12).

Within sixty (60) days following the issuance of a building permit for the ~~1,500th~~1,500th Unit, the Master Developer shall prepare a fiscal impact analysis of the Project subject to City review (the ~~"~~"FIA~~"). The FIA will be updated and reviewed encompassing both actual and projected development. The Project's Fiscal Impact Analysis dated November 8, 2013 (the "November FIA") shall serve as the basis for preparing the FIA. The fiscal impact of the Project shall be calculated using the methodologies included in the November FIA~~"). The FIA shall be submitted to the City for review and approval (the ~~"~~"Fiscal Review~~"~~").

3. 3. Fire Station Staffing Upon ~~3,90(/h~~3,900th Unit. Upon issuance of a certificate of occupancy for the 3,900th Unit, the Project shall provide the necessary funding for a four person engine company, at an annual projected cost ~~of Two Million Dollars ($2,000,000~~) as approved by the Riverside County fire department. The cost of the four person engine company shall be funded in the following priority through one or more of any of the following means: (i) ~~property tax revenue; (ii) operating transfers from the City's General Fund; (iii)~~ special tax revenues from the La Entrada Services CFD; (ii) property tax revenue and (~~iv~~iii) Master Developer Funding (see Section ~~13.11~~13.12).

Within sixty (60) days following the issuance of a building permit for the 3,900th Unit, the Master Developer shall prepare, and the City shall review, an FIA ~~using the methodologies included in the November FIA~~. The FIA shall be submitted to the City for a Fiscal Review.

4. 4. Fire Station Staffing Upon ~~7,80(/h~~7,800th Unit or Build-Out of the Project. Upon issuance of a certificate of occupancy for the 7,800th Unit, the Project shall provide the necessary funding for a five person engine company, at an annual projected cost ~~of Two Million Five Hundred Thousand Dollars ($2,500,000)~~ as approved by the Riverside County fire department. The cost of the five person engine company shall be funded in the following priority through one or more of any of the following means: (i) ~~property tax revenue; (ii) operating transfers from the City's General Fund; and/or(iii)~~ Special tax revenues from the La Entrada Services CFD; (ii) property tax revenue and (iii) Master Developer Funding (see Section 13.12).

~~13.10~~ 13.10 Funding for Permanent Fire Station.

1. The permanent fire station will be wholly financed by the Landowner or Master Developer, the timing of the improvement to be determined primarily on operational need at the opinion of the Fire Chief.

2. Upon issuance of the 1st building permit, the Master Developer shall provide a bond to the City sufficient to secure construction of a permanent fire station within the Project at a time as required by the ~~fire department~~Riverside County Fire Department. The amount of the bond shall be determined based on the costs for a permanent facility as outlined in the then-current ~~City's~~City's Fee Nexus Study. ~~Compliance with the requirements contained in Section 13.8 and provision of the bond outlined in this Section constitutes full satisfaction of the Fire Facilities portion of the Project's Development Impact Fee.~~

~~13.11~~ 13.11 Property and Project Not Subject to Existing Financing District. In accordance with Condition 39 of the La Entrada Specific Plan conditions of approval, Exhibit F attached hereto and incorporated herein by reference, the Property is currently subject to annexation into the ~~City's~~City's Existing Financing District. ~~In lieu of annexing into the Existing Financing District, all~~ Units within ~~the Project shall be part of a Project-specific La Entrada Services CFD for public services and shall be assessed a special tax of Two Hundred and Fifty Dollars ($250), subject to annual adjustments as determined in the rate and method of apportionment, per Unit per fiscal year for the provision of operation and maintenance of law enforcement, fire and paramedic services.~~

~~13.12~~ 13.12 Fiscal Review and ~~Developer~~Landowner Funding. ~~As part of the~~ Prior to the issuance of the first building permit, City shall conduct a Fiscal Review, the City and Master Developer shall meet to review the projections of the FIA, compared to the ~~City's~~City's then-current adopted operating budget.

If the results of the FIA show a net annual deficit, the Master Developer shall prepare a supplemental analysis, subject to City review and approval, proposing how any projected City fiscal shortfall should be addressed (~~"~~"Master Developer Funding~~"~~"). Once the amount of deficit is identified, payment shall be made pursuant to one of the following options for addressing the shortfall: (i) a ~~non-recurring~~nonrecurring undeveloped land tax, due and payable on the next County of Riverside tax roll; or (ii) interim funding by Master Developer of necessary service and maintenance costs (staff and equipment) between the time of individual Project entitlements and off-setting tax revenues. If interim funding is provided, then the Fiscal Review shall include the development of a payment schedule, as mutually agreed to by the City and Master Developer.

If the results of the FIA show a net annual deficit, the FIA shall be prepared, and a Fiscal Review performed, each subsequent year until the earlier of (i) the results of the FIA show a net annual surplus, or (ii) build-out of the Project. If the results

of the FIA show a net annual surplus, no future FIAs need be prepared, except as otherwise specifically provided herein.

~~13.13~~ 13.13 Covenants, Conditions and Restrictions. Landowner shall have the ability to reserve and record such covenants, conditions and restrictions (~~"~~"CC&Rs~~"~~") against the Property as Landowner deems necessary and appropriate, subject to review and approval by the City Attorney, which approval will not be unreasonably withheld, to adequately address the ~~Project's~~Project's conditions of approval, Exhibit F attached hereto and incorporated herein by reference. CC&Rs may not conflict with this Agreement or the General Plan. Before recording any CC&Rs, Landowner shall provide a copy of the CC&Rs to the City for review by the City Attorney. Within sixty (60) days after receiving a copy of the proposed CC&Rs from Landowner, the City Attorney shall provide Landowner with either (i) a statement that the CC&Rs substantially comply with this Agreement, or (ii) written comments identifying each aspect of the CC&Rs believes may conflict with this Agreement.

~~14.~~ 14. City Obligations.

~~14.1~~ 14.1 Diligent Processing of Subsequent Approvals. City staff shall diligently process, in good faith, the Subsequent Approvals. Nothing in this Section or Agreement shall be construed to limit or otherwise preclude any rights allocated to Landowner under the Government Code, and the Permit Streamlining Act specifically.

~~14.2~~ 14.2 Fee Satisfaction, Credits and Reimbursements. Subject to the terms and provisions of this Agreement, the City agrees that certain Development Impact Fees ~~are~~may be deemed ~~fully~~ satisfied for the Project, as more ~~ful)y~~fully described in this Section and Exhibit C. Further, subject to the terms and provisions of this Agreement, the City agrees that the Project may be entitled to certain Development Impact Fee Credits, and Third Party Reimbursements as more fully described in this Section.

Landowner may, pursuant to this Agreement, finance the construction of certain improvements, including, without limitation, roadways, sewer, water, reclaimed water, solid waste, park, multi-purpose trails, drainage and/or electrical facilities which are the obligation of and thus would otherwise be paid for fully, or in part, by the City or other parties and which serve and benefit the Landowner (e.g., in the case where Landowner constructs facilities that are otherwise wholly or in part the obligation of another party) and/or properties or which would be financed by existing or future City fees, TUMF Fees or other similar fees.

City and Landowner agree that, in consideration for Landowner financing and construction of such improvements that qualify for credit or third party reimbursement, Landowner, upon entering into an improvement agreement with the City and posting security for improvements, shall be entitled to fee credits

and/or third party reimbursements, in accordance with the procedures set forth in Exhibits D and E, attached hereto and incorporated herein by reference, which fee credits and third-party reimbursements are owned personally by Landowner and do not run with the Property to successors and assigns, unless Landowner provides written notice to City that said credits and/or reimbursements have been assigned by Landowner to a third party.

Such personal ownership of credits and/or reimbursements by Landowner apply to all credits and/or reimbursements set forth in this Section 14.2, Exhibit C and all subsections hereto, and all other credits and reimbursements provided under this Agreement.

Landowner shall track all improvements eligible for credits or reimbursements and shall work with the City to establish a program to track and award such credits and reimbursements as provided in this Section 14.2, Exhibit C and this Agreement.

~~1.~~ 1. Fee Satisfaction. As specified in Section 14.2 and Exhibit C of this Agreement, the City hereby ~~deems satisfied~~allows for the application of credits, up to the eligible amount spent on the facilities, for the following categories of Development Impact Fees:

~~(i)~~ (i) Park and Recreation Facilities – For the park and recreation facilities component of the Development Impact Fees, the Project is conditioned to construct public parks in accordance with the requirements of the City Approvals, including the design guidelines set forth in Section 3 of the La Entrada Specific Plan~~, and the phasing plan set forth in Exhibit C.~~

~~(ii)~~ (ii) Fire Facilities – For the fire facilities component of the Development Impact Fees, the Project is hereby specifically conditioned to comply with the provisions of Sections ~~13.8 and~~ 13.9 and 13.10 of this Agreement.

~~(iii)~~ (iii) Government Facilities – For the government facilities component of the Development Impact Fees, the Project is hereby specifically conditioned to comply with the provisions of Section 22.7 of this Agreement.

For any Development Impact Fee payments that are deemed satisfied pursuant to this Agreement, the Project will be exempt from any future fees or general obligation bond measures related to the same facilities.

~~2.~~ 2. Fee Credits. For the planning, design, right-of-way acquisition and construction of infrastructure that qualify for credit pursuant to Chapter

4.45.110 of the ~~City's~~City's Municipal Code, the City shall grant to Landowner a credit for such costs applied against ~~Landowner's~~Landowner's respective fee obligations for the Project in accordance with the ~~process outlined in Exhibit D~~Municipal Code. Fee credits shall be granted in accordance with the procedures set forth in Section 4.45.110(B) of the ~~City's~~City's Municipal Code, or any successor provision thereof.

~~3.~~ 3. Reimbursement by Third Parties. When the Landowner plans, designs, engineers or constructs any public road, sewer, water, recycled water, drainage, electrical improvements, including without limitation cable, internet, phone, and other utility installations, and any other public improvements which contain supplemental size, capacity, number or length (~~"~~"Oversized Improvement~~"~~"), that benefits property owned by third persons outside of the Project, Landowner shall, to the fullest extent permitted by law, be entitled to receive a reimbursement from the benefitted property owner(s) for the pro rata cost, as adjusted for inflation of the Oversized Improvement, including all planning, design and engineering costs.

For engineering, planning, design and construction costs provided by Owner for the Oversized Improvements, the City shall cooperate, to the fullest extent permissible by law, with Owner and work to facilitate third party reimbursement agreements for eligible expenditures that exceed ~~Owner's~~Owner's fair share responsibility for costs, including planning, design and engineering costs, and construction of the ~~Avenue 50~~Canal Crossing and the Interchange ~~and Infrastructure~~ from other benefitted landowners, including, without limitation, landowners north of the ~~Avenue 50~~Canal Crossing and the Interchange ~~and Infrastructure~~.

All reimbursement payments due and owing under this Section 14.2.3 shall be payable to Owner from funds collected by the City through the imposition of a condition of on the development of the undeveloped benefitting properties for the purpose of reimbursement from those benefitted property owners. Reimbursement may also be provided directly from the owner abutting such improvements or from a Financing District if such

Financing District is formed or includes such properties and includes such monies for the construction of said improvements. ~~Exhibit E, attached hereto and incorporated herein by reference, outlines the process for obtaining reimbursements from benefitted property owners for improvements.~~

Where Landowner constructs improvements that are otherwise the obligation of another party, Landowner shall be entitled, to the extent

permitted by law, to receive pro rata fair share reimbursement from said third party. Landowner shall provide the City with sufficient documentation of reimbursement costs owed by the third party.

City shall use ~~all~~ reasonable efforts, to the extent the City has the authority to do so, to impose the foregoing obligation to pay said reimbursement, as a condition of development of such benefitted property owned by third parties, at the time such property owner requests a discretionary approval or other such entitlement from the City for development of the benefitted property whereon such condition can be imposed.

The sole source of funds remitted to Landowner for construction of Oversized Improvements shall be from benefitted properties owned by third parties, and the City shall not be obligated to pay any amount pursuant to this Section other than the funds it collects from benefitted property owners. The source of reimbursement funds due and payable pursuant to this Section shall be proceeds from the formation of a Financing District and issuance of bonds for such Financing District serving development by such third parties or, recordation of a final Tentative Map serving the development by such third party, whichever occurs first. Any such reimbursements shall be transmitted to Landowner within ninety (90) days from the date of collection of such funds, less any reasonable administrative charge to offset the ~~City's~~City's costs to administer such reimbursement process.

In accordance with Section 4.45.120(C) of the ~~City's~~City's Municipal Code, any reimbursement obligations and reimbursement agreements provided by this Agreement shall automatically run for the Term of this Agreement, including any Option Term(s) granted. Thereafter, the reimbursement process shall cease, and the unpaid balance shall become the property of the City to do with as it chooses.

City makes no guarantees, express or implied, that the benefiting properties will seek approval of any discretionary land approval or other such entitlement from the City within the Term, or any Option Term(s), and in the event that Landowner does not recoup his or her full reimbursable portion within this time period, City shall not be responsible for any such deficiency in reimbursement. In addition, although City agrees to use its ~~best~~reasonable efforts to collect reimbursement from the benefiting properties, City shall not be liable to Landowner for any deficiency in the event City fails to collect reimbursement from one or more benefiting properties, regardless of fault or reason for ~~City's~~City's failure to collect said reimbursement. Landowner shall also hold harmless and fully indemnify City in seeking reimbursement from benefitting third parties as provided in Section 30 of this Agreement.

~~14.3~~ 14.3 Not a Limitation. Nothing in the foregoing Section 14.2 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 the City otherwise provided under then existing City policies, rules, regulations or ordinances.

~~14.4~~ 14.4 Section 14.4 TUMF Credits. City Staff ~~may work~~will collaborate with the Owner in ~~securing~~good faith to secure the maximum credits and reimbursements for any constructed facilities that are TUMF eligible. City Staff ~~may~~will also ~~work~~collaborate with the Owner to establish Project priorities and add additional Project facilities to the TUMF eligible list.

~~14.5~~ 14.5 Avenue 50 Canal Crossing and the Interchange ~~and Infrastructure~~ ~~Funding~~. City ~~may~~will work with and assist Owner ~~in efforts~~(with the cooperation of City furnished on a good faith basis) to secure outside funding for the ~~Avenue 50~~Canal Crossing and the Interchange ~~and Infrastructure~~ pursuant to the ~~tenns~~terms and procedures outlined in this Agreement, provided however, that Owner acknowledges and agrees that City shall in no way be responsible for any direct funding of the Canal Crossing or the Interchange projects.

~~14.6~~ 14.6 Future Development Fee Nexus Studies. The City shall consult with and advise Owner of any future nexus studies for City Development Impact Fees.

~~14.7~~ 14.7 Additional Staffing. If standard City staffing fails to result in processing of ministerial permits and/or approvals or discretionary actions and/or approvals as promptly as required by Landowner, the City may, in accordance with applicable collective bargaining agreements, at the request and sole expense of the Landowner, hire plan check, inspection and other personnel, or hire additional consultants for such actions, or allocate use of exclusively dedicated staff time, such that the time limits of Landowner can be achieved. City may consult in good faith with Landowner as to any additional consultants to be hired pursuant to this section provided that the City shall retain the sole discretion as to selection and direction of any such consultants.

~~15.~~ 15. Mutual Obligations of the Parties. City hereby provides Landowner with the long term assurances, vested rights and other City obligations described in this Agreement, including in particular those obligations described in Section 14, in consideration for the Landowner obligations contained in this Agreement, including in particular those Landowner obligations described in Section 13. Landowner has agreed to provide the City with those Landowner obligations contained in this Agreement, including in particular those Landowner obligations described in Section 13, in consideration for the City obligations described in this Agreement, including in particular those obligations described in Section 14.

~~16. Annexation. This Agreement's effectiveness over land within the Landowner's Property that is currently not within the boundaries of the City is subject to the annexation of that land into the City. If the land is annexed into the City, the terms of this Agreement shall~~

~~automatically apply to all portions of that land upon its annexation. In the event that annexation of portions of Landowner's Property not currently within the City is not approved by LAFCO, or for any other reason is not annexed to the City, then any such portions shall be excluded from this Agreement.~~

16. [RESERVED]

17. ~~17.~~ Eminent Domain. The City, in its sole and absolute discretion, may cooperate with Landowner in implementing all of the conditions of the City Approvals, including, but not limited to, the exercise of its eminent domain powers in connection therewith provided that the City, in its independent exercise of judgment following all applicable procedures, has made the requisite findings properly supported by evidence, that the use of such power is appropriate.

18. ~~18.~~ Easements, Improvements, Abandonments. City ~~may work~~shall collaborate with Landowner in connection with any arrangements for abandoning existing utility or other easements and facilities and the relocation thereof, or the creation of any new easements within the Property necessary or appropriate in connection with the development of the Project. Landowner shall be responsible for any costs and expenses incurred by the City pursuant to this Section.

19. ~~19.~~ Design of On-Site and Off-Site Improvements. Subject to the provisions of Section 18 above, development of the Property shall be subject to future City review as provided by the City Approvals. The City Approvals, and all improvement plans prepared in accordance with the City Approvals, shall govern the design and scope of all on-site and off-site improvements to be constructed on or benefitting the Property, including all street widths and dedications.

20. ~~20.~~ Subdivision of Property – Future Tentative Maps. Landowner shall have the right, from time to time or at any time, to apply for one or more individual maps, subdividing the Property into smaller developable parcels, as may be necessary in order to develop, lease or finance any portion of the Property in connection with development of the Project consistent with the City Approvals. Final maps may be phased as described by City Ordinance and State law. As the Property is developed, subsequent individual maps further subdividing the Property or individual buildings may be submitted to the City for approval.

21. ~~21.~~ Public Benefits.

~~21.1~~ 21.1 Intent. This Agreement is entered into by the City in consideration of, and in exchange for, ~~Landowner's~~Landowner's agreement to contribute to the Public Benefits as detailed below.

~~21.2~~ 21.2 Public Benefits. The Public Benefits consist of ~~Landowner's~~Landowner's contributions, as described in the Recitals hereto toward land, improvements, and

funding to further the development of the Public Facilities and fees as described in Sections 13 and 21 (collectively, ~~"~~"Owners Facilities Obligations~~"~~").

~~21.3~~ 21.3 Community Wide Benefit. While a portion of the Public Benefits will be provided specifically to mitigate the impacts of the Project, certain of the Public Benefits will serve the City.

22. 22. Financing Public Facilities. ~~Owner's~~ Owner's Facilities Obligations may be financed through the use of one or more Financing Districts, subject to this Section 22.

~~22.1~~ 22.1 Formation of Financing Districts. The Owner may request the formation of one or more Financing Districts, each of which may include multiple improvement areas, to finance ~~Owner's~~Owner's Facilities Obligations. To make that request, the Owner shall submit to the City a petition to form the Financing District pursuant to California Government Code Section 53318(c). Upon that submittal, the City shall use its best efforts to (a) adopt land secured debt goals and policies, and thereafter (b) conduct proceedings to consider formation of the Financing District. Proceedings for the formation of a Financing District and of improvement areas therein shall commence concurrently with, or prior to, the submittal of the first ~~Builder's~~Builder's Tentative Map. For development purposes, the formation of multiple Financing Districts and/or improvement areas shall be phased in a manner consistent with the phasing that is submitted with the first ~~Builder's~~Builder's Tentative Map application. The City and the Owner shall cooperate so that, to the extent possible, the associated public process and the resolution of intention to form any Financing District, and any improvement areas thereof, in each case, shall be adopted by the City Council before the issuance of the first residential building permit for construction of vertical improvements on the Property within such Financing District, or related improvement area, or as soon thereafter as the City may reasonably schedule and notice such hearing, taking into account its City Council meeting schedule. This provision shall not, however, delay the issuance of any building permit requested by the Owner within such Financing District, or related improvement area. The City and the Owner shall continue to cooperate so that the resolution of formation and landowner election of the Financing District, or improvement area thereof, as applicable, is adopted prior to the issuance of a certificate of occupancy for any residence within the Financing District, or improvement area thereof, as applicable. The City and the Owner shall use reasonable efforts not to delay the issuance of such certificates of occupancy.

Notwithstanding any other provision of this Agreement, the City shall not ~~fonn~~form a Financing District encumbering some or all of the Property without the prior written consent of Owner. Upon the formation of a Financing District, the City ~~sha11~~shall use its best efforts to issue bonds upon the request of Owner and in cooperation with Owner. The City shall cooperate with Owner to determine the timing and size of the proposed bond issuances in accordance with

the ~~CFO~~CFD Financing Parameters outlined in Exhibit ~~I~~H. To the extent that a Financing District is established, the details of ~~Owners~~Owner's participation in that Financing District and the manner of construction and acquisition of the public facilities shall be addressed and reasonably agreed to in a separate agreement between the City and the Owner.

~~22.2~~ 22.2 Formation Costs. Owner shall advance funds, in the form of a deposit, to the City to pay all costs for the formation of the Financing District and the issuance and sale of bonds by the Financing District, including, but not limited to:
(i) the bonds by the Financing District and issuance of bonds, including an engineer, special tax consultant, financial advisor, bond counsel and any other consultant deemed reasonably necessary or advisable by the City; (ii) the costs of appraisals, market absorption and feasibility studies and other reports deemed reasonably necessary by the City in connection with the issuance of bonds; (iii) the costs of publication of notices, preparation and mailing of ballots and other costs related to any hearing, election or other action or proceeding undertaken in connection with the formation of the Financing District and issuance of the bonds; and (iv) any and all other actual and reasonable costs and expenses incurred by the City in connection with the formation of the Financing District and issuance of the bonds. Upon the sale of the bonds, funds advanced for such formation and issuance costs by Owner shall be reimbursed to Owner from the bond proceeds concurrently with the issuance of the bonds.

~~22.3~~ 22.3 Security. If any of ~~Owner's~~Owner's Facilities Obligations which are contemplated to be funded by the Financing District become due before bond proceeds are available to satisfy those obligations, then the Owner shall either (1) pay the corresponding required fees concurrent with the building permit application applied for and based upon the number of building permits applied for in such application, or (2) provide cash or a bond, reasonably acceptable to the City, to satisfy such corresponding required fees until bond proceeds become available (at which time such cash or bond will be released to the Owner). The City shall immediately have the right to draw on such cash or bond, at any time that such cash is required to pay for the improvement for which it is collected, and after it is provided for its purposes hereunder. If the Owner provides cash pursuant to the foregoing provisions, then the City and Owner will enter into a deposit agreement for such required fees as may be directed by bond counsel to the City. The Owner may elect to fund some or all of the ~~Owner's~~Owner's Facilities Obligations before bond proceeds are available for payment and/or reimbursement. If the Owner so elects or if the City draws on cash or a bond as provided above, then the Owner shall be reimbursed from bond proceeds as soon as reasonably practicable after the issuance thereof.

~~22.4~~ 22.4 Issuance of Bonds. Upon the formation of a Financing District, the City shall use its best efforts to issue bonds upon the written request to do so by the Owner. The City shall levy special taxes or assessments on any portions of the

Property according to the rates and methods of apportionment. Bond amounts and timing shall be determined by the City, in cooperation with the Owner, and City shall take into consideration the ~~Owner's~~Owner's plan and phasing of development. If the City is ready, willing, and able to issue bonds, but the Owner requests that their issuance be delayed temporarily or indefinitely, the City shall comply with that request and the ~~Owner's~~Owner's Facilities Obligations shall remain in effect. The Owner shall post cash or other security pursuant to Section 22.3 herein if the ~~Owner's~~Owner's Facilities Obligations are then due. If the Owner subsequently requests (in one or more requests at the ~~Owner's~~Owner's discretion) the issuance of bonds up to the full extent of the bonding capacity of a Financing District., the City shall use its best efforts to comply with that request. The bonds may be sold in one or more series, and with respect to one or more improvement areas, as determined by the City in cooperation with the Owner.

~~22.5 City's Failure~~22.5 City to Form Financing District or Issue Bonds as Requested.

~~IF~~City shall use reasonable faith efforts to accomplish the following: (i) Within ninety (90) days after the ~~Owner's~~Owner's submittal to the City Council of its petition to form the Financing District pursuant to California Government Code Section 53318(c) (the ~~"~~"Submittal Date~~"~~"), the City ~~has not adopted~~shall consider a Resolution of Intention (~~"ROI~~"ROI") to establish a Financing District pursuant to California Government Code Section 53320, and (ii) a hearing to establish the Financing District is ~~not~~ held within sixty (60) days of the date of the ROI, and (iii) the ~~Owner's~~Owner's request as to the scope and bonding capacity (i.e., financed costs and bond sale amount) of each requested Financing District and each improvement area therein as stated in the petition are ~~not~~ approved, and (iv) the ~~Owner's~~Owner's request for the City to issue bonds for the Financing District is ~~not~~ approved prior to issuance of the last building permit within such Financing District or improvement area, and (v.) bonds are ~~not~~ issued in accordance with the ~~CFO~~CFD Financing Parameters outlined in Exhibit IH for any reason, ~~w~~without exception, other than:

~~(a)~~ (a) The ~~Owner's~~Owner's filing a majority protest against formation of the Financing District; or

~~(b)~~ (b) Reasonable negotiation of the ~~CFO~~CFD Agreements in good faith pursuant to Section 22.6 hereof; or

~~(c)~~ (c) Any delay at the request of the Owner.

~~THEN: This Agreement shall remain in full force and effect, but the respective obligations of the City and the Owner shall be modified as follows:~~

~~(a) The City will refund all Development Agreement Fees paid to date and waive the requirement for payment of all future Development Agreement Fees not yet due and owing.~~

~~22.6~~ 22.6 Rate and Method of Apportionment. The City and the Owners recognize that the rate and method of apportionment of the special taxes and other parameters of each separate improvement area within such Financing District cannot be completed in advance of the formation of the Financing District. In recognition of the necessity of forming a Financing District with separate improvement areas and selling bonds to the ~~Project's~~Project's financial viability, the Owner and the City shall, in good faith, negotiate the rate and method of apportionment of special taxes and other parameters of each separate improvement area within the Financing District prior to the issuance of the first building permit for such improvement area.

Additionally, at the sole and absolute request of Owner, Owner and the City shall, in good faith, negotiate the timing of issuance and amount of any bonds to be issued by any of the separate improvement areas within the Financing District.

While the City and the Owner recognize that the actual sale and delivery of the bonds of each separate improvement area within the Financing District are subject to market constraints and limitations that are outside the control of the City, the provisions of Section 22.5 above shall none the less apply.

~~22.7~~ 22.7 Improvement Funding. By approving this Agreement, the City Council has determined that certain improvements are eligible under the Mello-Roos Act and may be funded through a Financing District formed pursuant to this Agreement. Funding for eligible facilities shall be determined in consultation with the City at the time of formation of the La Entrada Financing District and shall be documented in the related ~~CFO~~CFD Agreements. Nothing in this Agreement shall be construed to prevent Owner from financing facilities and services, as permitted by the Mello-Roos Act.

The City and Owner hereby agree that, in conjunction with issuance of bonds for the La Entrada Facility ~~CFO~~CFD, payment shall be made from the La Entrada Facility ~~CFO~~CFD proceeds to the City in the ~~total~~ amount of ~~Nine~~Thirteen Million Five Hundred ~~and One Thousand Six Hundred Fifty Four~~ Dollars ($~~9,501,654~~13,500,000) in full satisfaction of the ~~Project's~~Project's General Government Facilities component of the Development Impact Fee. Payment required pursuant to this Section shall occur as follows and such amounts stated below shall increase by the annual Consumer Price Index for the Riverside-San Bernardino-Ontario, CA metropolitan area from the Effective Date:

~~1.~~ 1. Upon receipt of bond proceeds from the first series of La Entrada Facility ~~CFO~~CFD bonds, Owner shall remit to the City the lesser of (i) fifty percent (50%) of such bond proceeds, or (ii) ~~Four~~Six Million Seven

Hundred and Fifty Thousand ~~Eight Hundred and Twenty Seven~~ Dollars ($~~4,750,827~~6,750,000) out of the proceeds of the bond sale, which amount constitutes one-half of the total obligation required hereunder.

~~2.~~ 2. Upon receipt of bond proceeds from each subsequent series of La Entrada Facility ~~CFO~~CFD bond issuances, Owner shall remit to the City fifty percent (50%) of such bond proceeds until a total cumulative amount of ~~Nine~~Thirteen Million Five Hundred ~~and One Thousand Six Hundred Fifty Four~~ Dollars ($~~9,501,654~~13,500,000) has been paid from the La Entrada Facility ~~CFO~~CFD bonds.

~~3.~~ 3. In accordance with the terms and requirements of this Section, City specifically acknowledges that ~~Owner's~~Owner's performance under this Section specifically excludes Owner from any present or future requirements to pay the ~~Project's~~Project's General Government Facilities component of the Development Impact Fee through any sources other than La Entrada Facility ~~CFO~~CFD bond proceeds.

~~22.8~~ 22.8 Reimbursement Agreement. Pursuant to California Government Code Section 53314.9, the City may accept, in its sole discretion, advances of funds or ~~work-in-~~work-in kind from any source, including, but not limited to, private persons or private entities, and may provide, by resolution, for the use of those funds or that ~~work-in-k.ind~~work-in-kind for any authorized purpose, including, but not limited to, payment of costs incurred by the City in creating a Financing District. The City Council may enter into an agreement, by resolution, with the person or entity advancing the funds or work-in-kind to reimburse that person or entity for all or a portion of the funds advanced, provided that certain requirements are satisfied. The City and the Owner desire that this provision serve as an agreement that the Owner shall be reimbursed for ~~all~~all reasonable funds and work-in-kind advance by the Owner pursuant to this Agreement and Government Code Section 53314.9, subject to the review and approval of such reimbursements by the City, which approval shall not be unreasonably withheld. The City and the Owner ~~shall~~shall take all steps within their power to meet the requirements of California Government Code Section 53314.9. In addition, the City and the Owner shall enter into any additional agreements on a timely basis needed to allow such reimbursements to occur.

23. 23. Transfers and Assignments.

~~23.1~~ 23.1 Procedure. Subject to the terms of this Section 23, Landowner shall have the right to assign or transfer all or any portion of its interest, rights or obligations under this Agreement to third persons provided, however, that any such sale, transfer or assignment shall ~~incJude~~include the assignment and assumption of the

rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

~~1.~~ 1. No sale, transfer or assignment of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or part of the Property~~; and~~, provided however, Landowner may assign its rights and interest hereunder to an affiliate owned by the Landowner without the need for a sale, transfer or assignment of all or part of the Property in accordance with the following sections ; and

~~2.~~ 2. At least fifteen (15) business days prior to any such sale, transfer or assignment, Landowner shall notify the City, in writing, of such sale, transfer or assignment and ~~shall~~shall provide the City with an executed assignment and assumption agreement (the ~~"~~"Assignment Agreement~~"~~") in a form substantially similar to the form attached hereto as Exhibit ~~J~~I.

~~3.~~ Any sale, transfer or assignment not made in strict compliance with the foregoing conditions shall constitute a default by Landowner under this Agreement. Notwithstanding the failure of any purchaser, transferee, or assignee to execute the Assignment Agreement required above, the burdens of this Agreement shall be binding upon such purchaser, transferee or assignee, but the benefits of the Agreement shall not inure to such purchaser, transferee or assignee until and unless such Assignment Agreement is executed.

~~4.~~ As a condition of the City's approval of any sale, transfer, or assignment, Owner and City shall enter into a reimbursement agreement that provides for the reimbursement of reasonable staff costs and attorney fees incurred in the review of any applicable documents associated with the proposed sale, transfer, or assignment.

~~3. Concurrent with any transfer, sale or assignment pursuant to this Section, the transferring, selling or assigning party shall be obligated to pay the City a fee for such transfer, sale or assignment based on the following requirements:~~

~~(i) If the transfer, sale or assignment is from one Master Developer to another, or involves more than 2,500 lots, the amount of the fee shall be Fifty Thousand Dollars ($50,000);~~

~~(ii) If the transfer, sale or assignment involves the sale of 1,000-2,500 lots, the amount of the fee shall be Twenty Five Thousand Dollars ($25,000); or~~

~~(iii) If the transfer, sale or assignment involves the sale ofless than 1,000 lots, the amount of the fee shall be Five Thousand Dollars ($5,000).~~

~~(iv) A final sale of a Unit to an end user, or a final sale of a commercial lot to an end user, shall not be assessed a fee pursuant to this Section.~~

~~1.~~ 5. Any Default or other violation of the terms and provisions of this Section or this Agreement by any transferee shall not constitute a Default by Owner or any other transferee. If a Default occurs by any subsequent transferee, the ~~City's~~City's recourse with respect to that Default shall necessarily be limited to the transferee who is in Default and shall not impact the Owner or any other transferee not in Default.

~~23.2~~ 23.2 Release of Transferring Owner. Notwithstanding any sale, transfer or assignment, a transferring Owner shall continue to be obligated under this Agreement unless such transferring Owner is given a written release from the City, which release ~~sha l l~~shall not be unreasonably withheld, and which release shall be provided by City upon satisfaction by such transferring Owner of the following conditions:

~~1.~~ 1. Owner no longer has a legal or equitable interest in all or any part of the Property;

~~2.~~ 2. Owner is not then in default under the Agreement;

~~3.~~ 3. Owner has provided City with notice and an executed Assignment Agreement, as required by this Section; and

~~4.~~ 4. The purchaser, transferee or assignee provides the City with security, as and when required, equivalent to any security previously provided by Owner, to secure any performance obligations as may be required hereunder.

~~23.3~~ 23.3 Subsequent Assignment. Any subsequent sale, transfer or assignment after an initial sale, transfer or assignment shall be made only in accordance with and subject to the terms and conditions of this Agreement.

~~23.4~~ 23.4 Agreement Runs with the Land. This Agreement and all of its provisions, agreements, rights, powers, standards, terms, covenants and obligations shall be binding upon the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons or entities acquiring the Property or any portion thereof, or any interest therein, whether by sale, operation ~~of law~~of law, or in any

manner whatsoever, and shall inure to the benefit of the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns.

All of the provisions of this Agreement shall be enforceable during the Term as equitable servitudes and constitute covenants running with the land pursuant to City Law, including, but not limited to, California Civil Code Section 1468. Each covenant to do or refrain from doing some act on the Property hereunder: (a) is for the benefit of the Property and is a burden upon the Property; (b) runs with the Property; and (c) is binding upon Landowner and each successive owner during its ownership of the Property or any portion thereof, and each person or entity having any interest in the Property. Every person who now or hereafter owns or acquired any right, title, or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Property.

24. 24. Amendment, Termination or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part from time to time by mutual consent of the City, Landowner, and/or any successor owner of any portion of the Property in accordance with the provisions of the Development Agreement Statute. In accordance with Section 5 of the Specific Plan, the approval by the Planning Director of any minor modifications to the City Approvals that are consistent with this Agreement shall not constitute nor require an amendment to this Agreement to be effective or to be subject to this Agreement as set forth in Section 24 hereof.

~~24.1~~ 24.1 Requirement for a Writing. No amendment, termination or cancellation of this Agreement or any provision hereof shall be effective for any purpose unless adopted pursuant to the procedures included in this Agreement and Government Code Section ~~65858and~~65858 and specifically set forth in a writing, which refers expressly to this Agreement and is signed by duly authorized representatives of the Parties.

~~24.2~~ 24.2 Recordation Upon Amendment or Termination. Except when this Agreement is automatically terminated due to the expiration of the Term or the provisions of Section 8.6, the City shall cause any amendment hereto and any other termination hereof to be recorded, at ~~Landowner's~~Landowner's expense, with the County Recorder within ten (~~1~~ 010) days after the City executes such amendment or termination. Any amendment or ~~tennination~~termination of the Agreement to be recorded that affects less than all of the Property shall describe the portion thereof that is the subject of such amendment or termination.

~~24.3~~ 24.3 Amendments to Development Agreement Legislation. This Agreement has been entered into in reliance upon the provisions of the California Government Code Section 65864 et seq., relating to development agreements, as those provisions existed at the date of execution of this Agreement. No amendment or addition to those provisions which would materially affect the

interpretation or enforceability of this Agreement shall be applicable to this Agreement, unless such amendment or addition is specifically required by the California State Legislature~~,~~ or is mandated by a court of competent jurisdiction. If such amendment or change is permissive, as opposed to mandatory, this Agreement shall not be affected, unless the Parties mutually agree in writing, after following the procedures in Section 24 to amend this Agreement, to permit such applicability.

~~24.4~~ 24.4 Amendment of City Approvals. To the extent permitted by local, state, and federal law, any City Approval may, from time to time, be amended or modified only by submittal of an application from the Landowner and following the procedures for such amendment or modification contained in this Agreement. Upon any approval of such an amendment or modification, the amendment or modification shall automatically be deemed to be incorporated into the City Law without any further procedure to amend this Agreement.

~~24.5~~ 24.5 Effect of Termination on ~~Landowner's~~Landowner's Rights and Obligations.

~~1.~~ 1. Notwithstanding any other provision to the contrary, termination or cancellation of this Agreement or termination of the rights of Landowner as to any part of the Property, shall not ~~effect~~affect the status of the City Approvals, any requirement to comply with the City Approvals, the terms and conditions of any other Subsequent Approval, nor any payments then due and owing to the City, nor shall it effect the covenants of Landowner specified in Section ~~13.12~~13.13 above, to continue after the termination or cancellation of this Agreement. Notwithstanding the foregoing, Landowner understands that the City Approvals may be modified in light of the circumstances resulting from the termination or cancellation of this Agreement or ~~Landowner's~~Landowner's rights under this Agreement. Landowner shall have no right to challenge any such modification by reason of this Agreement other than the rights, if any, Landowner would have in the absence of this Agreement.

~~2.~~ 2. Notwithstanding anything in this Agreement to the contrary, the provisions of this Agreement shall survive and remain in effect following termination or cancellation of this Agreement for so long as necessary to give them full force and effect with respect to claims or rights of City or Landowner arising prior to termination or ~~cancelation~~cancellation.

25. 25. Default, Remedies and Termination.

~~25.1~~ 25.1 Default. Subject to extensions of time by mutual consent in writing, failure or unreasonable delay by either Party to perform any term or provision of this Agreement may constitute a default (~~"~~"Default~~"~~"). In the event of an 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 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, if the alleged Default is not rectified, the non-defaulting Party to this Agreement shall give written notice to the defaulting Party of the existence of the Default and request that the Default be cured in accordance with the following time periods:

~~1.~~ 1. The defaulting Party shall have sixty (60) days from the date of the written notice of Default to cure the Default or, if the Default cannot be cured within the sixty (60) day period, submit a plan for curing the default to the non-defaulting Party.

~~2.~~ 2. In the event a plan for cure is submitted, representatives of the ~~non-defaulting~~non defaulting Party, or City Manager and City Attorney shall review the plan for cure and either approve or deny the ~~pl~~ plan, which approval or denial shall be at the sole and absolute discretion of the representatives of the non-defaulting party, or City Manager and City Attorney. If the plan for cure is approved, the defaulting Party shall then proceed to timely implement such plan for curing the Default.

~~3.~~ 3. Nothing in this Section shall preclude the Parties from extending any time periods for curing any Defaults so long as any extension is documented in writing and signed by all Parties.

In the event a Default is not cured in accordance with the procedures set forth in this Section, or the non-defaulting Party, or the City Manager and City Attorney deny the plan for cure, the non-defaulting Party, at its sole option, may give notice of intent to terminate the Agreement pursuant to California Government Code Section 65868 and all other applicable local and state laws. 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 California Government Code Sections 65865, 65867, and 65868 and all other applicable local and state laws and 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 Section 26 and California Government Code Section 65865.1. If the City determines that the

Landowner is in Default following the completion of the normally scheduled periodic review, the City may give written notice of Default under this Agreement as set forth in this Section, specifying in said notice the alleged nature of the Default and the potential actions or steps that may be taken to cure said Default. Upon receipt of such notice, the procedures outlined in this Section shall be implemented in order to cure such Default.

~~25.2~~ 25.2 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. ~~Landowner's~~Landowner's litigation remedies shall be limited to declaratory and injunctive relief, mandate, and specific performance. All legal actions shall be initiated in the Superior Court of the County of Riverside, State of California, or in the Federal District Court for the Central District of California. 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 Default under or breach of this Agreement, or to enforce any provisions herein, the prevailing Party in such action shall be entitled to reasonable attorneys'' fees, court costs and such other costs as may be fixed by the Court.

~~25.3~~ 25.3 Cooperation in the Event of a 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. All costs and expenses, including legal fees and costs, incurred under this Section shall be ~~borne by the~~paid by Landowner. Further, Landowner will have the right to select counsel of its choosing, in consultation with City, to defend both Landowner and the City in any action or challenge.

~~25.4 Indemnification~~25.4 Landowner Obligations Concerning City's Defense. The Landowner shall bear its own costs of defense as a real party in interest in any third party challenge and the Landowner shall reimburse the City for all costs, including court costs and reasonable out of pocket attorneys'' fees incurred by City in defense of such action ~~other~~or proceeding. In its sole discretion, the City may tender its defense of such third party challenge to Landowner or the City can elect to defend against the third party challenge itself. Upon a tender of defense to Landowner by City, Landowner shall defend City through Counsel chosen by Landowner, subject to approval by the City, which approval shall not be unreasonably withheld, conditioned, or delayed, and Landowner shall bear all reasonable out of pocket attorneys'' fees and costs from the date of tender. Under no circumstances shall Landowner be required to pay or perform any settlement arising out of a third party challenge unless the settlement is expressly approved by Landowner.

~~25.5~~ 25.5 Invalidity. If any part of this Agreement is held by a court of competent jurisdiction to be invalid or unlawful as the result of a third party challenge, the Parties shall use their best efforts to cure any inadequacies or deficiencies identified by the court in a manner consistent with the expressed and implied intent of this Agreement, and then to adopt or re-enact such part of this Agreement as necessary or desirable to permit implementation of this Agreement.

~~25.6~~ 25.6 Failure to Assert; No Waiver. Any failures or delays by a Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies. Delays by a Party in asserting any of its rights and remedies, irrespective of such length of the delay, shall not deprive the Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies, nor constitute a waiver of such ~~Party's~~Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of a Default shall be effective or binding upon such Party unless made in writing by such Party and no such waiver shall be implied from any omission by a Party to take any action with respect to such Default.

~~25.7~~ 25.7 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 Project 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.

26. 26. Annual Review. At Landowners reasonable expense and as outlined in a reimbursement agreement, City shall, at least every twelve (12) months from the Effective Date and any anniversary thereof, as such period may be extended or amended, during the Term of this Agreement, review the extent of good faith compliance by Landowner or successor in interest thereto with the terms of this Agreement. Such periodic review shall be limited in scope to the Fiscal Review, if required pursuant to Section ~~13.11~~13.12 and compliance with the terms of this Agreement pursuant to California Government Code Section 65865.1 and the monitoring of mitigation in accordance with California Public Resources Code Section 21081.6. Notice of such review shall include the statement that any review of obligations of Landowner as set forth in this Agreement may result in the modification or termination of this Agreement. Absent new information or changed circumstances, a finding by City of good faith compliance by Landowner with the terms of this Agreement

shall be conclusive with respect to the performance of Landowner during the period preceding the review.

Upon not less than thirty (30) days written notice by the City, Landowner shall submit an annual monitoring report in a form acceptable to the City Manager, or his or her designee, in order for the City to ascertain compliance with this Agreement. The annual monitoring report shall be accompanied by an annual review and administration fee sufficient to defray the costs of review and administration of the Agreement during the succeeding year.

If City intends to proceed with modification or termination of this Agreement due to ~~non-compliance~~noncompliance by Landowner or successor in interest, the City shall give written notice to Landowner of its intention to modify or terminate the Agreement. The notice shall be given at least thirty (30) calendar days prior to the scheduled hearing. Landowner shall ~~he~~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 the Planning Commission. Landowner shall ~~he~~be required to demonstrate good faith compliance with the terms of the Agreement and the burden of proof on this issue shall be on Landowner.

If City takes no action within sixty (60) days following the date of the hearing on the Agreement, Landowner shall be deemed to have complied in good faith with the provisions of the Agreement.

~~Notwithstanding the above, during the seventh (ih) year annual review, and every year thereafter on an annual basis, the City and the Master Developer shall review the need for affordable housing as outlined in Section 13.3 of this Agreement. The City may require downward or upward adjustments on the number of affordable housing units in consultation with the Master Developer based on the following factors including, but not limited to, current Regional Housing Needs Allocation numbers for the City and available City-wide affordable housing stock. For any affordable housing units constructed, the Master Developer shall be entitled to State Density Bonus law benefits for those affordable units.~~

~~26.1~~ 26.1 Certificate of Agreement Compliance. If, at the conclusion of an annual review pursuant to this Section, Landowner is found to be in compliance with this Agreement, City shall, upon request of Landowner, issue a Certificate of Agreement Compliance (~~"~~"Compliance Certificate~~"~~") within thirty (30) days of such request, to Landowner stating that after the most recent annual review and based upon the ~~intonation~~information known or made known to the City that (I1) this Agreement remains in ~~-~~effect, and (2) Landowner is not in default. The Compliance Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, and shall state the anticipated date of commencement of the next annual review. Landowner may record the Compliance Certificate with the County Recorder.

27. 27. Estoppel Certificate. Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting such Party certify in writing that, to the knowledge of the certifying Party: (a) this Agreement is in full force and effect and is a binding obligation of the Parties; (b) this Agreement has not been amended or modified or, if so amended or modified, identify the amendments or modifications; and (c) the requesting Party is not in Default in the performance of its obligations under this Agreement, or if in Default, describe the nature of any Defaults. The Party receiving a request under this Section 27 shall execute and return the certificate within forty-five (45) days following receipt of the request. The City Manager shall be authorized to execute any certificates requested by Landowner.

28. 28. Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property or any portion of the Property after the date of recording of this Agreement, including the lien of any deed of trust or mortgage (the ""Mortgage"). Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement including but not limited to ~~City's~~City's remedies to terminate the rights of Landowner and its successors and assigns, under this Agreement, to terminate this Agreement, and to seek other relief as provided in this Agreement, shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or mortgagee (the ""Mortgagee"") who acquires title to the Property, or any portion thereof, by foreclosure, ~~trustee's~~trustee's sale, deed in lieu of foreclosure or otherwise.

~~28.1~~ 28.1 Mortgagee not Obligated. Notwithstanding the provisions of Section 28 above, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements on the Property, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to any uses or to construct any improvements on the Property other than those uses or improvements provided for or authorized by this Agreement, or otherwise under City Law.

~~28.2~~ 28.2 Notice of Default to Mortgagee. If City receives a written notice from a Mortgagee, Landowner or any approved assignee requesting a copy of any Notice of Default given to Landowner or any approved or permitted assignee and specifying the address for service, then City shall deliver to the Mortgagee, at ~~Mortgagee's~~Mortgagee's cost, concurrently with service to Landowner, any notice given to Landowner with respect to any claim by the City that Landowner is in Default under this Agreement, and if City issues a Declaration of Default or Certificate of Non-Compliance, City shall, if so requested by the Mortgagee, likewise serve at ~~Mortgagee's~~Mortgagee's cost notice of noncompliance on the Mortgagee concurrently with service on Landowner. Each Mortgagee shall have the right during the same period available to Landowner to cure or remedy, or to

commence to cure or remedy, the event of Default claimed, or the areas of noncompliance set forth in the ~~City's~~City's notice.

~~28.3~~ 28.3 No Supersedure. Nothing in this Section 28.3, or any subsections hereof, shall be deemed to supersede or release a Mortgagee or modify a ~~Mortgagee's~~Mortgagee's obligation under any subdivision improvement agreement or other obligation incurred with respect to the Property outside this Agreement, nor shall any provision of this Section 28.3, or any subsections hereof, constitute an obligation of City to the Mortgagee, except as to the notice requirements contained in Section 28.2.

~~28.4~~ 28.4 Foreclosure. Any Mortgagee who comes into possession of the Property, or any part thereof, by any means whether pursuant to foreclosure of the mortgage or deed of trust or deed in lieu of such foreclosure or otherwise, shall take the Property or any part thereof subject to the terms of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of ~~Landowner's~~Landowner's obligations or other affirmative covenants of Landowner hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by Landowner is a condition precedent to the performance of a covenant by the City, the performance thereof shall continue to be a condition precedent to ~~City's~~City's performance hereunder, and further provided that any sale, transfer or assignment by any Mortgagee in possession shall be subject to the provisions of Section 13 of this Agreement.

29. 29. Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties hereto that the Project is a private development, that City has no interest in or responsibility for, or duty to third persons concerning any of the improvements set forth in the City Approvals. Landowner shall have full power, over and ~~exclusive~~exclusive control of the Property subject only to the limitations and obligations of Landowner under this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement.

30. Prevailing Wage. Landowner acknowledges that the City has made no representation to Landowner or any person associated with Landowner regarding whether or not laborers employed relative to the construction and installation of improvements on the Property must be paid a prevailing wage rate pursuant to California Labor Code Sections 1720, et seq. Landowner shall assume the responsibility and be solely responsible for determining whether or not such laborers must be paid a prevailing wage rate. Landowner shall indemnify, defend with counsel acceptable to the City and hold harmless the City against any claims pursuant to California Labor Code Section 1781 arising from this Agreement or the construction or installation of any improvements on the Property. Landowner, on behalf of itself, its successors, and assigns, waives and releases the City from any right of

action that may be available to any of them pursuant to California Labor Code Sections 1726 and 1781.

~~30.~~ 31. Indemnity and Hold Harmless Agreement. Landowner (herein ~~"~~"Indemnitor~~"~~") and its successors-in-interest and assigns, hereby agree to and shall defend and hold City, its elective and appointive boards, commissions, officers, agents, and employees harmless from any and all liability for damages or claim for damages for personal injury or bodily injury including death, as well as from claims for property damage which may arise from any acts, omissions, or operations of Indemnitor, or of ~~Indemnitor' s~~Indemnitor's contractors, subcontractors, agents or employees under this Agreement, whether such operations be by Indemnitor or by any ~~ofIndemnitor's~~of Indemnitor's contractors or subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Indemnitor or ~~Indemnitor' s~~Indemnitor's contractors or subcontractors, unless such damage or claim arises from the negligence or willful misconduct of City. The foregoing indemnity obligation of Indemnitor 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 the City. In addition to the foregoing indemnity obligation, Indemnitor agrees to and shall defend, indemnify and hold the City, its elected and appointed 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, including a prevailing wage claim, the Project, Development Approvals or Subsequent Approvals exclusive of any such actions brought by Indemnitor, its successors in interest or assigns.

~~31.~~ 32. Notice. Notices, demands, correspondence and communications between City and Landowner shall be sufficiently given if: (a) personally delivered; (b) dispatched by overnight delivery by a reputable carrier such as Federal Express or UPS to the offices of the City and Landowner, and ~~City's and Landowner's~~City's and Landowner's representatives, indicated below, provided that receipt for delivery is provided; or (c) sent by registered or certified mail, or express mail, return receipt requested, with postage prepaid.

City: City Manager
City of Coachella
~~1515 Sixth Street~~23995 Enterprise Way
Coachella, CA 92236

With a copy to: City Attorney

~~Landowner:~~
~~With a copy to:~~
~~City Attorney~~

City of Coachella
1515 Sixth Street
Coachella, CA 92236

Landowner: KPC Development Company
~~PSAV, LLC~~9 KPC Parkway
~~LLSE Holdings, LLC~~
~~c/o New West Communities 5055 West Patrick Lane #101 Las Vegas, NV 89118~~
~~Lewis Brisbois Bisgaard & Smith, LLP Attn: Kelly M. Alhadeff-Black~~
~~One Ridgegate Drive, Suite 245 Temecula~~Corona, CA ~~92590~~ 92879
Attn: General Counsel; Jagdish Gillan

Any Party may change its mailing address at any time by giving written notice of such change to the other Party in the manner provided herein at least ten (10) days prior to the date such change is affected. All notices under this Agreement shall be deemed given and received on the earlier of the date personal delivery is affected or on the delivery date or attempted delivery date shown on the return receipt or air bill.

~~32.~~ 33. Miscellaneous.

~~32.1~~ 33.1 Enforced Delay, Extension of Times of Performance. Neither Party shall be deemed to be in Default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, natural disasters or other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the ~~Party's~~Party's control (including the ~~Party's~~Party's employment force), government regulations, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulations, court actions (such as restraining orders or injunctions), recession (as defined by the Federal Bureau of Economic Analysis, https://www.bea.gov/help/glossary/recession) or similar federal agency official reporting site) or any similar basis for excused performance or any other causes beyond the ~~Party's~~Party's control. If any such event shall occur, the Term or any Option Term of this Agreement, Project Specific Milestones and the time for performance by either Party of any of its obligations hereunder ~~may~~shall be extended by ~~the written agreement~~action of the ~~Parties~~City Council for the period of time that such events prevented such performance, provided that the Term or any Option Term of this Agreement ~~sha~~])Project Specific Milestones shall not be extended under any circumstances for more than ~~two~~three (~~2~~3) years. A market or business downturn, ~~recession~~ or other change in the business cycle shall not qualify as an event for which an extension may be granted pursuant to this Section..

~~32.2~~ 33.2 Bankruptcy. The obligations of this Agreement shall not be dischargeable in bankruptcy.

~~32.3~~ 33.3 City Law/Venue/~~Attorney's~~Attorney's Fees and Costs. This Agreement shall be construed and enforced in accordance with the laws of the State of California. Any legal actions under this Agreement, other than those specifically outlined in Section 25.3, shall be brought only in the Superior Court of the County of Riverside, State of California. Should any legal action or arbitration be brought by either Party because of an alleged breach of this Agreement or to enforce any provision of this Agreement, the prevailing Party shall be entitled to reimbursement of all reasonable attorneys'' fees and any such other costs as may be found by the court or arbitrator.

~~32.4~~ 33.4 Further Assurances. Each Party covenants, on behalf of itself and its successors, heirs and assigns to take all actions, perform all tasks and to execute, with affidavit, acknowledgement or notarization if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

~~32.5~~ 33.5 Severability. Except as otherwise specifically provided herein, if any provision of this Agreement, or the application of this Agreement to any person or entity, be held invalid or unenforceable, the remainder of this Agreement, or its application to persons or entities, shall not be affected except as necessarily required by the determination of invalidity, and each term of this Agreement shall be valid and enforced to the fullest extent permitted by law unless amended or modified by mutual consent of the Parties, except if the effect of such a determination of invalidity is to deprive a Party of an essential benefit of its bargain under this Agreement, then the Party so deprived shall have the option to terminate this entire Agreement from such determination.

~~32.6~~ 33.6 Joint and Several Obligations. If, at any time during the Term or any Option Term of this Agreement, there is more than one Master Developer for the Property, all obligations of such Master ~~Developers~~Developers under this Agreement shall be joint and several, and the Default of any such Master Developer shall be the Default of all such Master Developers. Moreover, the Default of any individual ~~Landowner~~landowner, builder, planning area or tract map developer, or any other entity having obligations under this Agreement shall be joint and several with any Master Developer for purposes of compliance with this Agreement. No individual Landowner, builder, planning area or tract map developer, or any other entity shall have any joint and several liability with any Master Developer or other Party if that individual Landowner, builder, planning area or tract map developer is not in Default under this Agreement. No Landowner of a single lot that has been finally subdivided and sold to such Landowner as a member of the general public or otherwise as an ultimate user

shall have any obligation under this Agreement except as expressly provided herein.

~~32.7~~ 33.7 Nondiscrimination. Landowner covenants by and for itself and any successors in interest that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, sexual orientation or national origin in the development of the Property in furtherance of this Agreement. The foregoing covenant shall run with the land.

~~32.8~~ 33.8 Landowner Right to Rebuild. City agrees that Landowner may renovate or rebuild a development located on the Property within the ~~Tenn~~Term of this Agreement should it become necessary due to man-made or natural disaster. Any such renovation or rebuilding shall comply with the City Law and this Agreement.

~~32.9~~ 33.9 Headings. Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants or conditions of this Agreement.

~~32.10~~ 33.10 Entire Agreement. This Agreement, including its Recitals and Exhibits, is executed in one original, which constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof. This Agreement supersedes all negotiations or previous agreements between the Parties respecting the subject matter of this Agreement. Except as otherwise specifically provided herein, any prior correspondence, memoranda, agreements, warranties, or representations of any kind are all hereby superseded in totality by this Agreement.

~~32.11~~ 33.11 Interpretation. This Agreement is the product of mutual negotiations and participation by both the City and Landowner. For purposes of construing the meaning or effect of this Agreement, or any portion hereof, it shall be presumed this Agreement was drafted by both Parties and not as if it had been prepared by one Party or the other. Each Party to this Agreement specifically acknowledges that it had sufficient opportunity to review the Agreement, confer with its separate legal counsel regarding the meaning of this Agreement and any provision contained herein, and negotiate revisions to this Agreement. Each Party relies solely upon its own judgment and the advice of its counsel in interpreting the provisions of this Agreement and is not relying on any representation, interpretation, presumed assent, or implied agreement of the other Party which is not expressly contained in this Agreement. Accordingly, neither Party shall use or rely upon California Civil Code Section 1654 in order to interpret any uncertainty in the meaning of this Agreement.

~~32.12~~ 33.12 Recordation of Agreement. This Agreement and any amendment or cancellation thereof shall be recorded with the Riverside County Recorder, State of California, by the Clerk of the City Council, or his or her designee, within ten

(10) days following the execution of this Agreement by all Parties, in accordance with Section 65868.5 of the Government Code. If the Parties to this Agreement, or their successors in interest, amend or cancel this Agreement, or if the City modifies or terminates this Agreement, the City Clerk shall have notice of such action recorded with the Riverside County Recorder. The failure of the City to record this

Agreement shall not affect the validity of and binding understandings and obligations set forth in this Agreement.

~~32.13~~ 33.13 Signature Pages~~:~~; Facsimile Signatures and Execution in Counterparts. For convenience, the signatures of the Parties to this Agreement may be executed and acknowledged on separate pages in counterparts which, when attached to this Agreement, shall constitute that as one complete Agreement.

~~32.14~~ 33.14 Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of Landowner and the City and their successors-in-interest, heirs and assigns. No other person or entity shall have any right of action based upon any provision in this Agreement.

~~32.15~~ 33.15 City Finding. The City hereby finds and declares that the execution of this Agreement is in the best interest of the public health, safety and general welfare and is consistent with all applicable City Laws including, without limitation, the General Plan as that same may be, from time to time, amended.

~~32.16~~ 33.16 Enforceability. The City specifically and expressly agrees that unless this Agreement is amended, terminated or cancelled pursuant to the terms and conditions contained herein or in the Enacting 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 Property and the Project at the time of approval of this Agreement, as provided by California Government Code Section 65866.

~~32.17~~ 33.17 Rules of Construction. The singular includes the plural; the masculine gender includes the feminine; ~~"~~"shall~~"~~" is mandatory; ~~"~~"may~~"~~" is permissive.

~~32.18~~ 33.18 Consent. Where the consent or approval of City or Landowner is needed to implement the Project under this Agreement, the consent or approval shall not be unreasonably withheld, delayed, or conditioned, except where this Agreement expressly authorizes a Party to act in its sole discretion.

~~32.19~~ 33.19 Covenant of Cooperation. City and Landowner shall cooperate and deal with each other in good faith and assist each other in the performance of the provisions of this Agreement. Such cooperation shall include entering into

Implementing Agreements to implement the obligations established in this Agreement.

~~32.20~~ 33.20 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

~~32.21~~ 33.21 Date of Execution. City and Landowner have executed this Agreement on the dates set forth below.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS HEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY OF COACHELLA, a municipal corporation	KPC DEVELOPMENT COMPANY, a California limited liability company
By: _____ Steven Hernandez , Mayor	By: _____ Kali P. Chaudhuri, M.D.
_____	Its: Manager
Dated: _____	Dated: _____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
Ryan Guiboa, City Attorney

Summary report: Litera Compare for Word 11.10.1.2 Document comparison done on 3/24/2025 10:19:31 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://bbklaw-mobility.imanage.work/IMANAGE/43360788/1	
Modified DMS: iw://bbklaw-mobility.imanage.work/IMANAGE/43428043/2	
Changes:	
Add	883
~~Delete~~	949
~~Move From~~	0
Move To	0
Table Insert	3
~~Table Delete~~	1
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1836

AMENDED AND RESTATED DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into as of the _____ day of _____, _____, by and between the CITY OF COACHELLA, a municipal corporation ("City"), and KPC Development Company, LLC, a California limited liability company (collectively "Landowner" or "Owner"), pursuant to the authority of Sections 65864 – 65869.5 of the California Government Code and the applicable provisions of the municipal code of the City of Coachella. The City and the Landowner are hereinafter, from time to time, individually referred to in this Agreement as a "Party" and collectively referred to as the "Parties."

RECITALS

A. 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 Government Code Sections 65864 – 65869.5 (the "Development Agreement Statute"), which authorizes a City and any person having a legal or equitable interest in real property to enter into a development agreement and, among other things, establish certain development rights in property which is the subject of a development project application.

B. City, a general law city, is authorized by the Development Agreement Statute to enter into development agreements with persons and entities having a legal or equitable interest in real property, for the purposes of establishing predictability for both the City and property owner in the development process. City enters into this Agreement pursuant to the provisions of the California Government Code, the City's General Plan (the "General Plan"), the Coachella Municipal Code (the "City's Municipal Code"), and all applicable City policies.

C. On July 25, 2014, the City and PSAV LLC, a Delaware limited liability company and LLSE Holdings LLC, a New Jersey limited liability company (collectively, "Prior Landowner") made and entered into a Development Agreement for the construction of 7,800 single and multi-family units, commercial, retail and offices uses, and community/public facilities, on approximately 2,200 acres (the "Project") located immediately south of and adjacent to Interstate 10 and east of the Coachella Branch of the All American Canal, as further described in Exhibit A, attached hereto and incorporated herein by reference (the "Property").

D. On January 18, 2023, Owner, as Buyer, and Prior Landowner as Seller, entered into that certain Purchase Agreement and Escrow Instructions for the purchase of the Property described therein (the "Purchase Agreement"). In connection with the sale of the Property, Owner and Prior Landowner executed that certain Assignment and Assumption of Development

Agreement pursuant to which, Owner succeeded to Prior Landowner's rights, interests, and obligations under the Development Agreement.

E. As of the "Effective Date" as that term is described herein below, Landowner is or will be the equitable or fee owner of the Property. Owner desires to develop the Project in accordance with the City Approvals (defined below).

F. The following approvals, entitlements, applications, and findings (collectively, the "City Approvals") have already been adopted or are in place for the Project:

i. On July 25, 2014, the City and PSAV LLC, a Delaware limited liability company and LLSE Holdings LLC, a New Jersey limited liability company (collectively, "Prior Landowner") made and entered into the original Development Agreement which is set to expire on July 25, 2029.

ii. Resolution No. 2013-53, which certified Environmental Impact Report No. 12-01 (the "Project EIR");

iii. Resolution No. 2013-50, which approved General Plan Amendment No. 12-02;

iv. Resolution No. 2013-51, which approved General Plan Amendment No. 12-03;

v. Resolution No. 2013-52, which approved Tentative Tract Map No. 36494;

vi. Resolution No. WA-2013-04, which approved the Water Supply Assessment for the Project;

vii. Ordinance No. 1059, which approved Specific Plan Amendment No. 88-03 ("Specific Plan" or "La Entrada Specific Plan");

viii. Ordinance No. 1060, which approved Change of Zone No. 12-03 that included the zoning of 588 acres that was subsequently annexed to the City of Coachella;

ix. Annexation No. 63 which annexed 588 acres into the City of Coachella; and

x. First Amendment to the Development Agreement as set forth in Ordinance No. 1155, adopted February 26, 2020

G. The development of the Project also will require future discretionary and ministerial approvals from the City that have not been reviewed or approved by the City prior to the Adoption Date (defined below) of this Agreement. These future discretionary and ministerial approvals by the City, include, but are not limited to, tentative maps, final subdivision maps, encroachment permits, grading permits, building permits, special permits, plan reviews, design review and certificates of occupancy (collectively the "Subsequent Approvals"). The term "Subsequent Approvals" also references and includes any further project review required by the California Environmental Quality Act ("CEQA"), including implementation of all mitigation measures, monitoring programs, and conditions adopted as part of the City Approvals.

H. To ensure that the intentions of the City and Landowner with respect to the City Approvals are carried out, the Parties desire voluntarily to enter into this Agreement to facilitate development of the Project, subject to the conditions and requirements included in this Agreement.

I. The City Council has determined that development of the Project will further the comprehensive planning objectives contained with the General Plan, as defined below, and will afford the City, its citizens and the surrounding region with the following benefits (the "Public Benefits"):

i. Fulfilling long-term economic and social goals for the City and the community, including amenities that the City and its residents desire;

ii. Providing fiscal benefits to the City's general fund in terms of increased property tax and sales tax revenues to help support essential City services;

iii. Providing job creation, both short term construction employment and long-term permanent employment in the City;

iv. Financing and constructing significant infrastructure improvements that will serve the region and the community;

v. Providing recreational amenities for use by the City and its residents, including approximately 345 acres of park, paseo and walking trails and approximately 557 acres of dedicated open space; and

vi. The best interests of the City and the public health, safety and welfare of its citizens will be served by entering into this Agreement.

J. This Agreement constitutes a current and valid exercise of the City's police powers, to provide predictability to Landowner in the approval and development process by vesting the

permitted uses, density, intensity of use, timing, and phasing of development consistent with the City Approvals in exchange for Landowner's commitment to provide Public Benefits to the City.

K. The phasing, timing, and development of public infrastructure necessitates a significant commitment of resources, planning and effort by Landowner for the public facilities financing, construction and dedication to be successfully completed. In return for Landowner's participation and commitment to these significant contributions of private resources for public purposes, the City is willing to exercise its authority to enter into this Agreement and to make a commitment of predictability for the development process for the Project and the Property. The development of the Project and the Property will be necessary to generate the fees, tax revenue and other funding required for the public infrastructure.

L. On November 13, 2013, as part of the original approvals for the La Entrada project and La Entrada Specific Plan, the City Council of the City of Coachella approved Resolution No. 2013-53 certifying the Final Program Environmental Impact Report prepared for the La Entrada Project applications in accordance with the California Environmental Quality Act (CEQA) along with specific findings and a statement of overriding considerations. This Agreement does not result in any new environmental effects that were not previously analyzed as part of the original project and no added information of substantial importance exists under Public Resources Code 21166 or CEQA Guidelines 15162 showing that any new or substantially increased significant impacts would arise from this Amended and Restated Development Agreement. As such, no new environmental review is required, because it has no potential for resulting in physical change to the environment, directly or indirectly.

M. The City Planning Commission held a duly noticed public hearing on this Agreement, on _____, _____, and recommended approval of this Agreement to the City Council.

N. The City Council held a duly noticed public hearing on this Agreement, on _____, _____. The City Council, on the recommendation of the Planning Commission, made findings and subsequently determined that the Project is one for which a development agreement is appropriate under the Development Agreement Statute and the applicable sections of the City's Municipal Code. The City Council approved this Agreement by Ordinance No. _____, introduced on _____, and adopted on _____ (the "Adoption Date"). Ordinance No. _____ (the "Enacting Ordinance") became effective on _____ (the "Effective Date").

O. Prior to the Second Reading adopting the Enacting Ordinance, Landowner has paid all amounts due to the City including mapping and eminent domain related costs in the amount of

$1,168,521.76 eminent domain charges, plus administrative fees owed, including new City costs associated with the negotiation of this Agreement, and if not paid, this Agreement shall not be effective and shall terminate. All amounts paid by the Landowner to the City for eminent domain charges shall be a credit to the Landowner against future Development Impact Fees.

P. In order to acknowledge the new owner the reference to "La Entrada" shall be amended to "La Entrada (Kalifornia City)" or "Kalifornia City" whenever and wherever it shall be deemed appropriate.

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual promises, conditions and covenants hereinafter set forth, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The Preamble, the Recitals and all defined terms set forth in both are hereby incorporated into this Agreement as if hereinafter fully and completely rewritten.

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

Exhibit A – Legal Description

Exhibit B – Specific Plan Land Use Summary

Exhibit C –Development Impact Fees – Satisfaction and Credits

Exhibit D – Development Impact Fee Credit Process

Exhibit E –Third Party Reimbursement Process

Exhibit F – Conditions of Approval for TTM 36494 and La Entrada Specific Plan Amendment Number 88-3

Exhibit G – Tentative Tract Map No. 36494

Exhibit H –CFD Financing Parameters

Exhibit I – Form of Assignment and Assumption Agreement

3. Terms and Definitions. Each reference in this Agreement to any of the following terms shall have the meaning set forth below for each such term. Certain other terms shall have the meaning set forth for such term in this Agreement:

3.1 "Adoption Date" means _______, _____, the date on which the City Council conducted the first reading of the ordinance adopting this Agreement.

3.2 "Agreement" means this Amended and Restated Development Agreement between the City and the Owner. The term "Agreement" shall include any amendment properly approved and executed pursuant to Section 24 herein and supersedes and replaces in full the original Development Agreement from 2014 and the First Amendment to the Development Agreement from 2020.

3.3 [Intentionally left blank]

3.4 "Assignment Agreement" is defined in Section 23.

3.5 "Avenue 50 canal crossing ("Canal Crossing") means the related road connection between the current terminus of Avenue 50 and the proposed future Interchange.

3.6 "Avenue 50 Interchange ("Interchange") means the approved future Avenue 50 interchange at Interstate 10.

3.7 "Builder's Tentative Map" means a map created for the purpose of designing individual residential lots or multi-family units for sale to end-user homeowners.

3.8 "CC&Rs" means the covenants, conditions and restrictions recorded against the Property by the Owner or its successors and assigns.

3.9 "CEQA" means the California Environmental Quality Act, codified at California Public Resources Code Sections 2100-21178.

3.10 "CFD Agreements" include, but are not limited to the rate and method of apportionment, funding and acquisition agreement and appraisal.

3.11 "City Approval" is defined in Recital F.

3.12 "City Council" means the governing body of the City.

3.13 "City Facilities" means those Public Facilities (defined in Section 3.66) owned or to be owned by the City.

3.14 "City Law" means those ordinances, resolutions, rules, regulations, standards, policies, conditions, and specifications applicable to the Property in effect as of the Effective Date. The City's Municipal Code and the adopted Specific Plan are included in this definition.

3.15 "City Manager" means the city manager of the City.

3.16 "City's Municipal Code" means the City of Coachella Municipal Code (also known as the "Code of Ordinances"). However, changes to the Municipal Code occurring between the Adoption Date and the Effective Date, that materially alter any regulation or guideline in the Specific Plan prior to the Effective Date shall not be considered part of the City's Municipal Code for purposes of this Agreement without Owner's prior written consent.

3.17 "City's Obligations" means those obligations set forth in Section 14 herein.

3.18 "Commercial Map" means the division of a lot or parcel of land into two or more lots for the purpose of creating a development for commercial or business related purposes. This definition includes, but is not limited to, retail commercial and office commercial uses.

3.19 "Commercial Sale" means the sale or lease of a commercial lot, space or building intended for commercial, retail or mixed uses, to a member of the public or any other ultimate user.

3.20 "Community Development Director" means the Community Development Director, Development Services Director, Planning Director, or equivalent positions within the City organization.

3.21 "Compliance Certificate" is defined in Section 26.1.

3.22 "Construction" is defined in Section 13.1.

3.23 "Construction Code" means, collectively, the California Building Code and Title 24 of the California Code of Regulations.

3.24 "County Recorder" means Recorder of County of Riverside.

3.25 "Default" is defined in Section 25.1.

3.26 "Development Agreement Fee" refers to the fee set forth in Section 13.8 herein.

3.27 "Development Agreement Statute" means the California Government Code Sections 65864-65869.5.

3.28 "Development Approvals" means all permits, certificates, approvals, and other entitlements approved or issued by the City for construction, use, occupancy, and/or development (including marketing and sales of land, or structures by Owner) of or on the Property, whether ministerial or discretionary. For the purposes of this Agreement, Development Approvals shall be deemed to include, but are not limited to, the following actions, including revisions, addenda, amendments, and modifications to these actions:

- Master Subdivision Map, Financing Maps, Builder's Tentative Maps, Final Maps and parcel maps;
- Conditional use permits, use permits, variances and exceptions, and site plan or design review approvals;
- Planned developments, specific plans, specific plan amendments, or other legislative approvals for specific neighborhoods;
- Rough grading, precise grading and building plan approvals and/or permits;
- Certificates of compliance and/or lot line adjustments;
- Improvement plans and permits, including, but not limited to, those related to street, drainage, utility, storm water, water quality management, and landscape improvements issued by the City;
- Occupancy permits; and
- CEQA documents, technical studies and other environmental review documents required for the Project and approved/adopted after the Effective Date.

3.29 "Development Impact Fees" commonly referred to as the "DIF Fee" means all fees: (i) established and imposed upon the Project by the City pursuant to the Mitigation

Fee Act as set forth in California Government Code Section 66000 et seq., and this Agreement; and (ii) in effect as of the date specified in Section 12.3.1 of this Agreement. Any water and sewer service fees, including but not limited to hook-up fees and Supplemental Water Supply Charges, are specifically excluded from this definition.

3.30 "Enacting Ordinance" means Ordinance No. _______ adopted by the City Council on _____ , _____ and effective on _____ , _____.

3.31 "Effective Date" is defined in Section 8.2.

3.32 "Existing City Approvals" means all City Approvals in effect on the Effective Date.

3.33 "Existing Financing District" means the City of Coachella CFD No. 2005-1 (Law Enforcement, Fire and Paramedic Services).

3.34 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date, including the General Plan and La Entrada Specific Plan, as amended. However, changes to the Land Use Regulations approved or becoming effective between the Adoption Date and the Effective Date shall not be considered part of the Existing Land Use Regulations without Owner's prior written consent.

3.35 [Reserved]

3.36 "Federal" means the United States of America.

3.37 "FIA" is defined in Section 13.9.2.

3.38 "Final Map" includes the terms Final Map, Final Tract Map and shall have the same meaning as those terms are defined in the California Subdivision Map Act (California Government Code Section 66410 et seq).

3.39 "Financing District" means a community facilities district to be authorized pursuant to the Mello-Roos Act, an assessment district, enhanced infrastructure financing district, and or other form of district or bond financing authorized by the State as a means to fund public improvements including, public safety services, and/or maintenance of those improvements

3.40 "Financing Map" includes Final Map 36494, and any other similar map recorded for finance and conveyance purposes only.

3.41 "Fiscal Review" is defined in Section 13.12.

3.42 "General Plan" means the general plan of the City.

3.43 "Government Code" shall mean the California State Government Code.

3.44 "Implementing Project" means a subsequent project, located in the Specific Plan area, pursuant to either a Builder's Tentative Map or Commercial Map.

3.45 "Indemnitor" is defined in Section 31.

3.46 "La Entrada Facility CFD" means any Community Facilities District created or adopted for the Project to finance City Facilities.

3.47 "La Entrada Services CFD" means any services and maintenance Community Facilities District created or adopted for the Project.

3.48 "LAFCO" means the Riverside County Local Agency Formation Commission.

3.49 "Landowner" or "Owner" means collectively KPC Development Company, LLC, a California limited liability company and their respective successors and assigns to all or any part of the Property, as set forth in Section 5 of this Agreement.

3.50 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulation, moratoria, initiatives, and official policies of the City governing the development and use of land, including, without limitation, the General Plan, zoning ordinances, subdivision ordinances (but not Tentative or Final Maps, which are City Approvals), specific plans, planned community texts, and their respective amendments. Land Use Regulations govern, without limitation, the permitted use of land, the density or intensity of use, timing and phasing of development, the maximum height and size of buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement, construction, and initial occupancy standards and specifications applicable to the Project.

3.51 "Master Developer" shall mean the developer responsible for the master planning of the Project including, without limitation, infrastructure and utilities planning, site preparation, identification of users, phasing and the potential development of sites for users within the Project. The Master Developer is responsible for managing the development of the Project from planning to final build-out including, without limitation, infrastructure development, financing, marketing and asset

management. The Landowner shall have all of the obligations of the Master Developer unless and until there is a formal assignment approved by the City in accordance with this Agreement.

3.52 "Master Developer Funding" is defined in Section 13.12.

3.53 "Master Tentative Map" or "Master Subdivision Map" means a map that subdivides large tracts of land into smaller parcels for the purpose of later selling or otherwise transferring the parcels for further subdivision, together with planning and construction of infrastructure elements, but not for the purpose of creating individual commercial parcels or individual residential lots for sale to end-user homeowners. The purpose and intent of the Master Subdivision Map process is to allow the subdivision of land to correspond to the Specific Plan Planning Areas, open space, and infrastructure elements without allowing the creation of individual commercial or residential lots. For nonresidential property, while the Master Subdivision Map process may create parcels which may or may not be subdivided further, no building may be undertaken on any master parcel unless and until all other required discretionary entitlements have been lawfully obtained, as required by applicable land use and development regulations of the Specific Plan. The boundary lines on any Master Subdivision Map shall correspond to applicable Planning Area plan land use designations and infrastructure elements.

3.54 "Mello-Roos Act" means the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 et seq., of the California Government Code.

3.55 "Mortgage" is defined in Section 28.

3.56 "Mortgagee" is defined in Section 28.

3.57 "Option Term" means any extension of the Term of this Agreement, as allowed in Section 8.3.

3.58 "Oversized Improvements" is defined in Section 14.2.3.

3.59 "Owner's Facilities Obligations" means those obligations of Owner, excluding any reimbursements or credits, to construct public improvements, to the extent required by City Approvals and as specified in this Agreement.

3.60 "Party" or "Parties" means the City and the Owner.

3.61 "Permit Streamlining Act" means Sections 65920 et. seq., of the Government Code and all successor provisions thereof.

3.62 "Planning Commission" means the planning commission of the City.

3.63 "Project" is defined in Recital C.

3.64 "Property" means the real property governed by the La Entrada Specific Plan and EIR, as described in Exhibit A.

3.65 "Public Benefit" means Owner's contributions, as defined in Section 21.2 and further described in Section 13, toward land, improvements and funding to further the development of the Public Facilities.

3.66 "Public Facilities" means collectively, the City Facilities, Fire Facilities, Park and Recreation Facilities, Police Facilities, Streets and Highways Facilities, Water and Sewer Facilities, stormwater and drainage facilities and School Facilities.

3.67 "Quimby Fees" means all fees (i) established and imposed upon the Project pursuant to the Quimby Act as set forth in California Government Code Section 66477 et seq., and this Agreement, (ii) in effect as of the Adoption Date.

3.68 "Reservation of Rights" means the rights and authority excepted from the assurances and rights provided to Landowner under this Agreement and reserved to City under Section 11 of this Agreement.

3.69 "Residential Sale" means the sale of a Unit to a member of the public or any other ultimate user. In the case of a multi-family rental project, the term "Residential Sale" shall apply once a certificate of occupancy has been issued for the building(s).

3.70 "State" means the State of California.

3.71 "Subsequent Approvals" is defined in Recital G.

3.72 "Subsequent Land Use Regulation" means those Land Use Regulations which are both adopted and effective after the Approval Date and which are not included within the definition of Existing Land Use Regulations.

3.73 "Substantial Conformance, Minor Modifications/Technical Adjustments" is as defined in Section 5.1.5 of the La Entrada Specific Plan.

3.74 "Supplemental Water Supply Charge" shall have the same meaning as is contained in the Memorandum of Understanding dated February 2013 by and between the City and Coachella Valley Water District.

3.75 "Tentative Map(s)" means any Project tentative map approved after the Effective Date, including a tentative parcel map, as defined in the California Subdivision Map Act and the Municipal Code.

3.76 "Term" as outlined in Section 8.3 means the initial Term and any Option Term of this Agreement.

3.77 "Transferee" means any third party that has acquired an interest or estate in all or any portion of Owner's interest, rights, or obligations under this Agreement.

3.78 "Transferred Property" means any portion of the Property acquired by Transferee.

3.79 "TUMF" shall mean the Coachella Valley Transportation Uniform Mitigation Fee.

3.80 "Uniform Administrative Code" means the Uniform Administrative Code, in effect as of the date that any building permit is issued by the City, as promulgated and published by the International Conference of Building Officials.

3.81 "Uniform Building Code" means the International Building, Mechanical, Plumbing, Electrical and Fire Codes in effect as of the date that any building permit is issued by the City.

3.82 "Unit" means a residential dwelling unit within the Project regardless of whether for sale or for rent.

3.83 "Vested Rights" is defined in Section 12.1.

4. Provisions Required by Statute. California Government Code Sections 65865.1 and 65865.2 provide, in part, that a development agreement shall specify the following:

(a) Duration of the Agreement. See Section 8.3 of this Agreement.

(b) Permitted uses of the Property. See Section 12.1 of this Agreement.

(c) Maximum height and size of proposed buildings. See City Approvals and Exhibit F.

(d) Reservation or dedication of land for public purposes. See City Approvals and Exhibit F.

(e) Periodic review, at least annually, to demonstrate good faith compliance with this Agreement. See Section 26 of this Agreement.

5. Landowner Representations and Warranties. The Landowner is KPC Development Company, LLC. For purposes of this Agreement, the Landowner's office address is: 9 KPC Parkway, Suite 301, Corona, CA 92879.

Landowner represents and warrants that, as of the Effective Date of this Agreement:

5.1 Property Ownership. Landowner is the only equitable or fee owner of the Property and no other person or entity holds any legal or equitable interests in the Property.

5.2 Organization. The Landowner is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of California, with full right, power, and authority to conduct its business within the State of California as presently conducted, and to execute, deliver and perform its obligations under this Agreement.

5.3 Authorization. The Landowner has taken all necessary actions to authorize its execution, delivery and, subject to any conditions set forth in this Agreement, performance of this Agreement. Upon the Effective Date, this Agreement will constitute a legal, valid, and binding obligation of the Landowner, enforceable against it in accordance with its terms.

5.4 No Conflict. The execution, delivery and performance of this Agreement by the Landowner does not and will not materially conflict with, or constitute a material violation or material breach of, or constitute a default under (i) the company organizational documents of the Landowner, or (ii) any material agreements to which the Landowner is a Party.

6. City Representations and Warranties. The City represents and warrants that, as of the Effective Date of this Agreement:

6.1 Authorization. The execution and delivery of this Agreement and the necessary performance of the obligations of the City have been duly authorized by all necessary actions and approvals required for a municipal corporation.

6.2 Good Standing. The City is in good standing and has all necessary powers under the laws of the State of California and in all other respects to enter into and perform the undertakings and obligations of this Agreement.

6.3 Enforceability. This Agreement is a valid obligation of the City and enforceable in accordance with its terms.

6.4 Development Approvals; Entitlements; Development Impact Fee Satisfaction. The City acknowledges and agrees that Owner has succeeded to the rights and benefits of the Prior Owner under this Agreement, including, but not limited to any and all issued Development Approvals, Subsequent Approvals, any and all paid and deemed satisfied Development Impact Fees, including, but not limited to those set forth in Section 14.2 and Exhibit C to this Agreement.

6.5 No Default. As of the Effective Date, there is no uncured default under this Agreement, and this Agreement is in full force and effect.

6.6 Successor. The City acknowledges and agrees that Owner has succeeded to the rights and benefits of the Prior Owner under this Agreement.

7. Relationship of City and Landowner. The Parties specifically acknowledge that this Agreement is a contract that has been negotiated and knowingly and voluntarily entered into by the City and Landowner and that the Landowner is an independent contractor and not an agent or partner of the City. The Parties further acknowledge that neither Party is acting as the agent of the other in any respect hereunder and that each Party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the Parties in the business of Landowner, the affairs of the City, or otherwise. City and Landowner hereby renounce the existence of any form of joint venture or partnership between them and agree that nothing contained in this Agreement or in any document executed in connection with this Agreement shall be construed as making the City and Landowner joint venturers or partners. The only relationship between the City and Landowner is that of a governmental entity regulating development and the owner of the Property and developer of the Project.

8. Execution, Recording and Term.

8.1 Execution and Recording. Section 65868.5 of the Development Agreement Statute requires that this Agreement be recorded in the Official Records of the County of

Riverside, State of California no later than ten (10) days after the Effective Date, provided that a referendum applicable to the Enacting Ordinance has not been timely submitted to the City. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement.

8.2 Effective Date. The Effective Date of this Agreement shall be the date on which the Enacting Ordinance became effective, which shall be thirty (30) days from the date of the second reading of the Enacting Ordinance by the City Council.

8.3 Initial Term and Options. The initial term of this Agreement shall commence on the Effective Date and continue for the earlier of: (i) a period of fifteen (15) years from the Effective Date, subject to extension pursuant to Landowner's Extension Option(s) (the "Initial Term"); (ii) entry of a final judgment of a court of last resort setting aside, voiding, or annulling the Enacting Ordinance approving this Agreement; (iii) the adoption, by voters of the City, of a referendum measure overriding or repealing the Enacting Ordinance approving this Agreement; (iv) completion of the Project in accordance with the terms of this Agreement, including issuance of all required occupancy permits and acceptance, as required by City Law, of all required dedications and the satisfaction of all of Landowner's obligations under this Agreement; or (v) as may be provided by other specific provisions of this Agreement.

Following the expiration of the Initial Term and any subsequent Extension Terms, this Agreement shall be deemed terminated and of no further force and effect, regardless of whether Landowner has paid any Development Impact Fees, but subject to those provisions that by their terms expressly survive termination.

Landowner shall have the option to extend the Initial Term for a maximum of three five (5) year extensions for a total possible term of thirty (30) years (the "Option Term") unless the Term is terminated, modified, or extended by the terms of this Agreement, or by mutual consent of the Parties hereto, provided: (a) Landowner provides at least one hundred eighty (180) days advance written notice prior to the expiration of the Initial Term or any preceding Option Term of its intent to request an Option Term; (b) the Landowner is not then in Default under this Agreement; (c) Landowner shall have secured (with the cooperation of City furnished on a good faith basis) and provided to City all financing required for either the Canal Crossing or the Interchange; and (d) The Project Milestones set forth in Section 13.1 have been satisfied within the timelines as indicated.

Following the expiration of the Term and any subsequent Option Term, this Agreement shall be deemed terminated and of no further force and effect regardless of whether Landowner has paid any Development Impact Fees.

8.4 Extension of Term Due to Litigation. In the event that litigation is filed by a third party (defined to exclude City and Landowner and any assignee or Transferee of Landowner) which seeks to invalidate this Agreement or any of the City Approvals or Subsequent Approvals, the Term shall be extended for a period equal to the length of time from the time a summons and complaint and/or petition are served on the defendant(s)/respondent(s) until the resolution of the matter is final and not subject to appeal.

8.5 Extension of Approvals or City Approval.

1. Financing Maps and Master Subdivision Maps or Master Tentative Map. Pursuant to California Government Code Section 66452.6, the term of all Master Subdivision Map or Master Tentative Maps and Financing Maps that are approved for all or any portion of the Property, both prior and subsequent to the Effective Date, shall be automatically extended to a date coincident with the Term. Builder Tentative Maps shall be governed by the Subdivision Map Act and the City's Subdivision Ordinance.

2. Discretionary Actions. Design reviews, use permits, variances and exceptions, public art approvals not related to a subdivision map approval, and governed by the procedures of the City's Municipal Code or other applicable specific plan, shall lapse according to the regulations in the City's Municipal Code or applicable specific plan.

8.6 Release from Agreement. This Agreement shall no longer be applicable to a specific Unit or parcel, without any further action by either Party or need to record any additional document upon the occurrence of any of the following:

(a) Issuance of a Certificate of Occupancy. Upon issuance by the City of a final certificate of occupancy for a Unit. In connection with its issuance of a final inspection for such improved Unit or lot, City shall confirm that all improvements, which are required to serve the Unit or lot, as determined by City, have been accepted by City, and all fees paid. Termination of this Agreement for any Unit as provided in this Section 8.6(a) shall not in any

way be construed to terminate or modify any general tax, special tax, assessment or covenant affecting such Unit or lot at the time of termination.

(b) [Intentionally left blank]

(c) Conveyance to an Association. Upon the conveyance of any lot, parcel or other property, whether residential, commercial, or open space, to a homeowners' association, property owners' association, or public or quasi-public entity, that lot, parcel, or property and its owner shall have no further obligations under and shall be released from this Agreement automatically and without necessity of a separate instrument, provided that this paragraph shall not be deemed to release any transferee, including a good faith purchaser, from obligations to pay any special taxes or assessments imposed in connection with a Financing District. Additionally, Landowner shall have no further obligations under and shall be released from the obligations and encumbrances of this Agreement with respect to that lot.

(d) No Formal Action Required. No formal action by the City is required to effect any release occurring under this Section. However, within forty-five (45) days after Landowner's request, the City shall sign and deliver an estoppel certificate or other similar document, to acknowledge the release.

8.7 Rights and Obligations Upon Expiration of the Term. Following termination of this Agreement, as to a lot or parcel, all the rights, duties and obligations of the Parties hereunder shall terminate and be of no further force and effect, except with respect to Section 12. Upon termination of this Agreement, Landowner shall thereafter comply with the provisions of all City Laws then in effect or subsequently adopted with respect to the Property and/or the Project, except that any termination shall not affect any right vested (absent this Agreement), or other rights arising from Approvals and/or City Approvals granted by the City for development of all or any portion of the Project, including but not limited to any approval defined in Section 8.5, valid building permit, or certificate of occupancy. Termination of this Agreement 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 valid building permit issued by the City. Furthermore, no termination shall prevent Landowner from completing and occupying any building or other improvement authorized pursuant to an approved Plot Plan Review, valid building permit previously issued by the City or certificate of occupancy provided that any such building or improvement is

completed in accordance with said building permit in effect at the time of such termination.

8.8 Limitation on Subsequent Land Use Regulations. Except as set forth in the La Entrada Specific Plan and Section 8.11, during the Term, City shall not apply any City Laws enacted after the Effective Date that would conflict with or impede the Vested Rights of Landowner as set forth in this Agreement or otherwise conflict with this Agreement or the Existing City Laws or Existing Land Use Regulations, without Landowner's written consent, which consent shall be at Landowner's sole discretion.

8.9 Conflicting Laws. For purposes of illustrating, but in no way limiting the provisions of this Section, any action or proceeding of the City (whether enacted by the legislative body or the electorate), that has any of the following effects on the Project, shall be considered in conflict with the Vested Rights, this Agreement and the Existing City Laws and/or Existing Land Use Regulations:

(a) Reduce the maximum number of Units permitted or increase the minimum number of Units required to be developed on the Property from that required by City Law or this Agreement;

(b) Change any land use designation or permitted use of the Property from that shown in City Law or on the adopted La Entrada Specific Plan, except as may be permitted under a future specific plan amendment;

(c) Limit or control the rate, timing, phasing or sequencing of the approval, development, or construction of all or any part of the Property;

(d) Limit or restrict any right specifically granted by the City Approvals; or

(e) Increase Development Impact Fees ("DIF"), repeal or restrict credits or any other actions that directly conflict with the terms and provisions of this Agreement.

8.10 Applicable Rule/City Approval/Development Agreement Inconsistency. In the event of any inconsistency between any Existing City Law, Existing Land Use Regulation, City Approval and the La Entrada Specific Plan and this Agreement, the provisions of the La Entrada Specific Plan and this Agreement shall control.

8.11 Subsequent Approvals. In reviewing and acting on applications for Subsequent Approvals, the City shall apply the City Approvals and the Existing Land Use Regulations when considering the application and may attach such conditions as necessary to comply with the City Approvals and Existing Land Use Regulations. Applications for Subsequent Approvals shall be processed diligently in good faith by the City and considered in a manner consistent with the rights granted by this Agreement and City Law.

With the City Approvals, the City has made a final policy decision that development of the Property and the Project is consistent with the City Approvals and are in the best interests of the public health, safety, and general welfare. Nothing herein shall limit the ability of the City to require the necessary reports, analysis, or studies to assist in determining whether the requested Subsequent Approval is consistent with the City Approvals, City Law and this Agreement. City's review of the Subsequent Approvals shall be consistent with this Agreement, including, without limitation, Section 11 of this Agreement. Any conditions, terms, restrictions, or requirements imposed by the City on the Subsequent Approvals shall not prevent development of the Property for the uses and to the density of development included in the City Approvals.

8.12 Substantial Conformance and Minor Modifications/Technical Adjustments. The provisions of this Agreement require a close degree of cooperation between the Parties. Any Substantial Conformance or Minor Modifications/Technical Adjustments, as that term is defined in Section 5.1.5 of the La Entrada Specific Plan, may be required from time to time, to accommodate design changes, engineering changes and other refinements related to the details of the Parties' performance. Accordingly, the Parties may mutually consent to adopting any Substantial Conformance, Minor Modifications/Technical Adjustments through administrative approvals by the Community Development Director, his or her designee, or any other City department head when the Parties mutually determine that the proposed modifications and refinements are subject to the terms and conditions of this Section 8.12, and not significant changes requiring amendment of this Agreement.

8.13 Initiative and Referenda. If any City Law is enacted or imposed by a citizen sponsored initiative or referendum, or by the City Council directly or indirectly in connection with any proposed initiative or referendum, which City Law would conflict with this Agreement, such City Law shall not apply to the Property or Project. The Parties, however, acknowledge that the City's approval of this

Agreement and the City Approvals are legislative actions subject to referendum. Without limiting the generality of the foregoing, no moratorium or other limitation whether relating to the rate, timing, phasing or sequencing of development affecting subdivision maps, building permits, or other Subsequent Approvals shall apply to the Property or Project. Landowner agrees and understands that the City does not have authority or jurisdiction over another public agency's authority to grant a moratorium or to impose any other limitation that may affect the Property or Project.

9. Development Timing. The Parties acknowledge that Landowner cannot, at this time, predict when or the rate at which the phases of the Project will be developed or the order in which each phase will be developed. Such decisions depend upon numerous factors which are not within the control of the Landowner, such as market conditions and demand, interest rates, absorption, completion and other similar factors. In particular, and not in any limitation of any of the foregoing, since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that failure of the parties therein to consider and expressly provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the Parties' desire to avoid that result by acknowledging that, unless otherwise provided for in this Agreement, Landowner shall have the vested right to develop the Project in such order and at such rate and at such times as Landowner deems appropriate in the exercise of its business judgment, provided that Landowner is in compliance with the City Approvals.

Notwithstanding the above, the Landowner is required to comply with the specific construction milestones set forth in Section 13.1 ("Project Milestones").

10. Compliance with Requirements of Other Governmental Entities. During the Term, Landowner, at no cost to City, shall comply with lawful requirements of, and obtain all permits and approvals required by other local, regional, State and Federal agencies having jurisdiction over the Landowner's activities in furtherance of this Agreement. Landowner shall pay all required fees when due to local, regional, State and Federal governmental agencies other than the City and acknowledges that City does not control the amount of any such fees.

10.1 City Cooperation. City shall cooperate with Landowner in Landowner's efforts to obtain permits, approvals, and funding from local, regional, State and Federal governmental agencies, provided that same does not impose any costs on or require

the City to incur any costs without reimbursement or require the City to amend any of the City's policies, regulations or ordinances.

10.2 Quotas, Restrictions or Other Growth Limitations. Landowner and City intend that, except as otherwise provided in this Agreement, this Agreement shall vest the City Approvals against subsequent City Laws 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 City Approvals.

11. Reservation of Rights

11.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following regulations shall apply to the development of the Property:

1. Processing fees and charges of every kind and nature imposed by City to cover the estimated actual costs to City of processing applications for Development Approvals and Subsequent Approvals and for monitoring compliance with any such approvals granted or issued;

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

3. Regulations, policies, and rules governing engineering and construction standards and specifications applicable to public and private improvements, including, without limitation, all uniform codes adopted by the City and any local amendments thereto including, without limitation the City's building code, plumbing code, mechanical code, electrical code and any future City grading ordinance;

4. Temporary regulations which may be enacted and may be in conflict with this Agreement, but which are objectively required, and for which there are no available reasonable alternatives, to protect the public health, safety and welfare in the event of a sudden, unexpected occurrence involving a clear and imminent danger, and demanding immediate action to prevent or mitigate loss of, or damage to, life, health, property, or essential public service within the immediate community. Such regulations must be a valid exercise of the City's police power and must be applied and construed so as

to provide the Landowner, to the maximum extent feasible and possible, with the rights and assurances provided in this Agreement. Any regulations, including moratoria, enacted by the City and imposed on the Property to protect the public health, safety and welfare in the circumstances described in this Section shall toll the Term, Option Term, and any other time periods for performance by Landowner and City, as set forth in this Agreement;

5. As provided in Government Code Section 65869.5, this Agreement shall not preclude the application to the Property of changes in laws, regulations, plans, or policies to the extent that such changes are specifically mandated and required by changes in State or Federal laws or regulations. In the event changes in the law prevent or preclude compliance with one or more provisions of this Agreement, this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations. The Parties shall meet and confer in good faith in order to determine whether such provisions of this Agreement shall be modified or suspended as may be necessary to comply with the changes in the law, and the City, in consultation with the Landowner, shall determine such actions as may be reasonably required. It is the intent of the Parties that any such modification or suspension be limited to that which is necessary and to preserve to the greatest extent feasible and possible the original intent of the Parties in entering into this Agreement. This Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations. Nothing in this Agreement shall preclude the City or Landowner from contesting, by any available means, including, without limitation, administrative or judicial proceedings, the applicability of any such State or Federal laws or regulations to the Property;

6. Regulations that impose, levy, alter or amend fees and charges, or Land Use Regulations relating to consumers or end users, including, without limitation, trash enclosure/bin placement, service charges and regulations on vehicle parking; and

7. Regulations of other public agencies, including Development Impact Fees adopted or imposed by such other public agencies, collected by the City.

11.2 Subsequent Approvals. This Agreement shall not prevent City, in acting on Subsequent Approvals, and to the same extent it would otherwise be authorized to

do so absent this Agreement, from applying subsequently adopted or amended Land Use Regulations that do not materially conflict with this Agreement.

11.3 Electricity, Internet, Cable TV and Telephone. The Parties acknowledge and agree that the City, to the full extent permissible by law, is reserving its authority and ability to provide and serve the Project with electricity, cable TV, internet, telephone, wireless and other utility services, including, but not limited to water and sewer. City shall retain the option, in its sole and absolute discretion, to contract with a third-party to provide any service to all or any portion of the Project. City and Developer may discuss these matters at any time to identify a potential alternative that shall be subject to discretionary approval of the City Council.

11.4 Modifications or Suspension by State or Federal Law. In the event that State, County or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State and Federal laws or regulations; provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

11.5 Intent. The Parties acknowledge and agree that the City is restricted in its authority to limit certain aspects of its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to the City all of its police power that cannot be or is not expressly so limited. This Agreement shall be construed to reserve to City all such power and authority that cannot be or is not by this Agreement's express terms so restricted.

12. Vested Rights.

12.1 Permitted Uses/Vested Rights. During the Term, the permitted uses of the Property, the density and intensity of use, the rate, timing and sequencing of development, the maximum height and design and size of proposed buildings, the parking standards, the provisions for reservation and dedication of land, and any other applicable development standards shall be those set forth in the City Approvals, and the City Laws in force and effect on the Adoption Date of this Agreement (the "Vested Rights").

12.2 Fees and Exactions. The City hereby agrees that the Project has satisfied certain Development Impact Fee requirements and may be entitled to certain Development Impact Fee Credits and Third Party Reimbursements as more particularly described in Section 14.2 of this Agreement, and as governed by the City Municipal Code, including but not limited to Section 4.45.110 and prior City administrative practices. Unless otherwise specifically stated in this Agreement, the Parties recognize that the current City Approvals do not include sufficient detail to identify all potential improvements that may be eligible for Development Impact Fee Credits and Third Party Reimbursements. All requests for additional Development Impact Fee Credits and Third Party Reimbursements not covered by this Agreement shall be subject to review, verification and acceptance by the City in accordance with the process outlined in the City Municipal Code. Protection for any increases in any of the City's Development Impact Fees shall not include increases mandated by the County, the State of California, the federal government, the City's water authority, the City's sanitary district or any other entity that is outside the control of the City. This Section shall not be construed to limit the authority of the City to charge processing fees of Citywide applicability.

12.3 Ceilings of Development Impact Fees. Development Impact Fees for this Project which are not deemed fully satisfied pursuant to Section 14.2 and Exhibit C of this Agreement or otherwise credited pursuant to this Agreement shall not increase, both in category of fees charged and fee amount – for both commercial and residential construction – from the rates in effect as of the nexus study and resulting DIF schedule which shall be completed and adopted by the City Council subject to the following requirements:

1. City shall adopt such new nexus study and resulting DIF schedule within (12) months from the earlier of the date of the commencement of construction for either the Canal Crossing or the Interchange, with "commencement" defined as (1) identification and transfer of all funding required for either the Canal Crossing or the Interchange; (2) procurement and contracting by City of all construction services for either the Canal Crossing or the Interchange; and (3) the notice of commencement provided by the City to the contractor for commencement of either the Canal Crossing or the Interchange.

2. The resulting schedule of Development Impact Fees shall be in effect for ten (10) years from the earlier of the date of the completion of either the Canal Crossing or the Interchange (the completion date of which shall be

reasonably determined by the City of Coachella City Engineer) and subject only to an annual Consumer Price Index for the Riverside-San Bernardino-Ontario, CA metropolitan area from the Effective Date

3. The foregoing paragraphs shall not apply to water and sewer impact fees which shall not be limited in any manner.

12.4 [Reserved]

12.5 Uniform Codes Applicable. The Project shall be constructed in accordance with the provisions of the California Building, Mechanical, Plumbing, Electrical and Fire Codes and Title 24 of the California Code of Regulations, relating to building standards, in effect at the time of issuance of the appropriate building, grading, encroachment or other construction permits for the Project.

12.6 Subdivision Maps – Compliance with California Government Code Section 66473.7. As required by California Government Code Section 65867.5, any and all tentative maps prepared for a subdivision of the Property shall comply with the provisions of California Government Code Section 66473.7, as that section may apply, and shall be extended for the Term hereof. Notwithstanding this provision, the Parties acknowledge that the Coachella Water Authority and the CVWD may require periodic updates to the adopted Water Supply Assessment for the Project and the adopted Supplemental Water Supply Charge.

12.7 Dedication of On-Site Easements and Rights of Way. Landowner, to the extent required by the City, shall dedicate to City all on-site rights of way and easements deemed necessary by the City for public improvements within forty-five (45) days of receipt of written request by the City.

13. Landowner Obligations. As a material consideration for the long term assurances, Vested Rights, and other City obligations provided by this Agreement, and as a material inducement to City to enter into this Agreement, Landowner has offered and agreed to provide the Public Benefits to the City listed in this Section 13, and has further agreed to comply with all of its obligations under this Agreement including, in particular, the obligations set forth in this Section 13.

13.1 Project Milestones. In order to preserve and maintain the provisions of this Agreement, Landowner must, to the reasonable satisfaction of the City Council, commence the Project as outlined below:

(a) Landowner shall (with the cooperation of City furnished on a good faith basis) have secured sufficient commitments for financing of the construction of either the Canal Crossing or the Interchange during the Initial Term of 15 years from the Effective Date.

(b) Within twelve (12) months from the earlier of the date upon which construction of either the Canal Crossing or the Interchange shall have commenced, as defined above in Section 12.3, Landowner shall have filed an application for a Master Subdivision Map or Master Tentative Tract Map for the first phase of the Project.

(c) Provide for Affordable Housing as set forth in Section 13.3

(d) A minimum of twenty thousand (20,000) square feet of commercial building(s) shall be constructed and a certificate of occupancy issued within seven (7) years after completion of the Interchange.

(e) A minimum of one hundred (100) hotel or motel rooms shall be constructed and certificate of occupancy issued within seven (7) years after completion of the Interchange.

(f) Subject to section 13.1 (a) of this Agreement, Landowner shall (with the cooperation of City furnished on a good faith basis) have secured sufficient commitments for financing of the construction of either the Canal Crossing or the Interchange (whichever remains to be constructed) within twenty-five (25) years from the Effective Date.

13.2 Compliance with Agreement and City Law. In addition to any other obligations of Landowner set forth herein, in consideration of the City entering into this Agreement, Landowner has agreed that if Landowner commences development of the Property and proceeds to develop the Property, such development shall be in conformance with all of the terms, covenants, and requirements of this Agreement and City Law at the times set forth in this Agreement, and Landowner shall perform those specific obligations and provide those specific contributions identified in the City Approvals, the City Approvals and all related Exhibits and documents thereto. Landowner shall pay when due, any and all required fees, Development Impact Fees of any type and any other costs which are imposed on all or any portion of the Project or the Property, whether imposed by the City or other agencies, only as provided in this Agreement.

13.3 Affordable Housing. Prior to or concurrent with the submittal of the first Master Tentative Map, Builders Tentative Map, or Commercial Map, an affordable housing plan must be submitted to, and approved by, the City that provides for the following:

1. A minimum of one thousand (1,000) affordable dwelling units must be identified and constructed as follows, in accordance with the terms and provisions set forth below:

(a) An initial minimum of one hundred (100) units will be constructed in the first phase of residential construction as those units are shown on the Master Subdivision Map; An additional minimum of one hundred (100) units will be constructed in the second phase; and an additional minimum of three hundred (300) units will be constructed in the third phase.

(b) The remaining five hundred (500) units must be identified and constructed within the remaining phases of the Project at the discretion of the Landowner.

(c) "Affordable Housing" as used in this Agreement, shall include, but shall not be limited to, housing for low-income residents, seniors, veterans, and people with disabilities.

(d) Landowner will use good faith efforts to evenly distribute the affordable housing units within the mixed-use, high-density residential, and medium-density residential land use designations in the La Entrada Specific Plan.

(e) The maximum sales or rental rates for the affordable units shall not exceed the maximum levels established by the City of Coachella consistent with the provisions of the City's Housing Element and State law.

(f) All Affordable Housing Units in the La Entrada Specific Plan shall remain restricted to the corresponding income households for a minimum of thirty (30) years through a restrictive covenant, unless otherwise specified by State law or the City's density bonus

provisions contained in Chapter 17.88.060 of the City's Municipal Code.

2. Prior to the issuance of the first building permit for any phase, Landowner must have an approved Builder's Tentative Map and approved and recorded Builder's Final Map for that phase and the City Planning Director and Landowner shall approve the specific method of implementation of affordable housing in furtherance of the City Council approved affordable housing plan for that phase. "Building Phases" shall be determined by the Landowner after analyzing the grading and utility infrastructure required.

13.4 Tracking Development Impact Fees. Concurrent with the submittal of a Tentative Map, the Landowner shall submit fees due and owing for that subsequent Tentative Map.

13.5 Water and Sewer Facility Planning. In accordance with the requirements of the Specific Plan Conditions of Approval, Exhibit F attached hereto and incorporated herein by reference, concurrent with the preparation of the first Master Subdivision Map, Owner shall prepare a project-specific master plan for the construction or expansion of the City's water and wastewater facilities as may be required for service of the Project.

13.6 Road and Infrastructure Planning. In accordance with the requirements of the Specific Plan Conditions of Approval, Exhibit F attached hereto and incorporated herein by reference, concurrent with the preparation of the first Master Subdivision Map, Owner shall prepare a project-specific master plan for the construction of interim and permanent road improvements for the Project. The plan shall include provisions for the timing and construction of interim and permanent landscaping improvements associated with all Project road improvements.

13.7 [Intentionally left blank]

13.8 Development Agreement Fee. City and Owner agree that no "Development Agreement Fee" shall be required for the first twelve (12) years after Effective Date and thereafter, the Development Agreement Fee shall be fixed at two-thousand and five hundred ($2,500) per residential certificate of occupancy until 16th anniversary of the Effective Date; and then from the start of year 17th year through the end of the 20th year $5,000 per residential certificate of occupancy. The Development

Agreement Fee beyond the 20th year through the end of the Term shall be the fee in affect at that time.

13.9 Fire Station Construction.

1. Land Dedication and Temporary Facility Construction. Upon issuance of a certificate of occupancy for the 1,500th Unit, the Owner shall provide a dedicated site with permanent utility improvements and a temporary modular facility, as approved by the Riverside County Fire Department, for a fire station within the Project.

2. Fire Station Staffing Upon 1,500th Unit. Upon issuance of a certificate of occupancy for the 1,500th Unit, the Master Developer shall provide the necessary land and facilities for a three-person engine company, at an annual projected cost approved by the Riverside County Fire Department. The cost of the three person engine company shall be funded in the following priority through one or more of any of the following means: (i) special tax revenues from the La Entrada Services CFD; (ii) property tax revenue and (iii) Master Developer Funding (see Section 13.12).

   Within sixty (60) days following the issuance of a building permit for the 1,500th Unit, the Master Developer shall prepare a fiscal impact analysis of the Project subject to City review (the "FIA"). The FIA shall be submitted to the City for review and approval (the "Fiscal Review").

3. Fire Station Staffing Upon 3,900th Unit. Upon issuance of a certificate of occupancy for the 3,900th Unit, the Project shall provide the necessary funding for a four person engine company, at an annual projected cost) as approved by the Riverside County fire department. The cost of the four person engine company shall be funded in the following priority through one or more of any of the following means: (i) special tax revenues from the La Entrada Services CFD; (ii) property tax revenue and (iii) Master Developer Funding (see Section 13.12).

   Within sixty (60) days following the issuance of a building permit for the 3,900th Unit, the Master Developer shall prepare, and the City shall review, an FIA. The FIA shall be submitted to the City for a Fiscal Review.

4. Fire Station Staffing Upon 7,800th Unit or Build-Out of the Project. Upon issuance of a certificate of occupancy for the 7,800th Unit, the Project shall provide the necessary funding for a five person engine company, at an annual projected cost as approved by the Riverside County fire department. The cost of the five person engine company shall be funded in the following priority through one or more of any of the following means: (i) Special tax revenues from the La Entrada Services CFD; (ii) property tax revenue and (iii) Master Developer Funding (see Section 13.12).

13.10 Funding for Permanent Fire Station.

1. The permanent fire station will be wholly financed by the Landowner or Master Developer, the timing of the improvement to be determined primarily on operational need at the opinion of the Fire Chief.

2. Upon issuance of the 1st building permit, the Master Developer shall provide a bond to the City sufficient to secure construction of a permanent fire station within the Project at a time as required by the Riverside County Fire Department. The amount of the bond shall be determined based on the costs for a permanent facility as outlined in the then-current City's Fee Nexus Study.

13.11 Property and Project Not Subject to Existing Financing District. In accordance with Condition 39 of the La Entrada Specific Plan conditions of approval, Exhibit F attached hereto and incorporated herein by reference, the Property is currently subject to annexation into the City's Existing Financing District.

13.12 Fiscal Review and Landowner Funding. Prior to the issuance of the first building permit, City shall conduct a Fiscal Review, the City and Master Developer shall meet to review the projections of the FIA, compared to the City's then-current adopted operating budget.

If the results of the FIA show a net annual deficit, the Master Developer shall prepare a supplemental analysis, subject to City review and approval, proposing how any projected City fiscal shortfall should be addressed ("Master Developer Funding"). Once the amount of deficit is identified, payment shall be made pursuant to one of the following options for addressing the shortfall: (i) a nonrecurring undeveloped land tax, due and payable on the next County of Riverside tax roll; or (ii) interim funding by Master Developer of necessary service

and maintenance costs (staff and equipment) between the time of individual Project entitlements and off-setting tax revenues. If interim funding is provided, then the Fiscal Review shall include the development of a payment schedule, as mutually agreed to by the City and Master Developer.

If the results of the FIA show a net annual deficit, the FIA shall be prepared, and a Fiscal Review performed, each subsequent year until the earlier of (i) the results of the FIA show a net annual surplus, or (ii) build-out of the Project. If the results of the FIA show a net annual surplus, no future FIAs need be prepared, except as otherwise specifically provided herein.

13.13 Covenants, Conditions and Restrictions. Landowner shall have the ability to reserve and record such covenants, conditions and restrictions ("CC&Rs") against the Property as Landowner deems necessary and appropriate, subject to review and approval by the City Attorney, which approval will not be unreasonably withheld, to adequately address the Project's conditions of approval, Exhibit F attached hereto and incorporated herein by reference. CC&Rs may not conflict with this Agreement or the General Plan. Before recording any CC&Rs, Landowner shall provide a copy of the CC&Rs to the City for review by the City Attorney. Within sixty (60) days after receiving a copy of the proposed CC&Rs from Landowner, the City Attorney shall provide Landowner with either (i) a statement that the CC&Rs substantially comply with this Agreement, or (ii) written comments identifying each aspect of the CC&Rs believes may conflict with this Agreement.

14. City Obligations.

14.1 Diligent Processing of Subsequent Approvals. City staff shall diligently process, in good faith, the Subsequent Approvals. Nothing in this Section or Agreement shall be construed to limit or otherwise preclude any rights allocated to Landowner under the Government Code, and the Permit Streamlining Act specifically.

14.2 Fee Satisfaction, Credits and Reimbursements. Subject to the terms and provisions of this Agreement, the City agrees that certain Development Impact Fees may be deemed satisfied for the Project, as more fully described in this Section and Exhibit C. Further, subject to the terms and provisions of this Agreement, the City agrees that the Project may be entitled to certain Development Impact Fee Credits, and Third Party Reimbursements as more fully described in this Section.

Landowner may, pursuant to this Agreement, finance the construction of certain improvements, including, without limitation, roadways, sewer, water, reclaimed water, solid waste, park, multi-purpose trails, drainage and/or electrical facilities which are the obligation of and thus would otherwise be paid for fully, or in part, by the City or other parties and which serve and benefit the Landowner (e.g., in the case where Landowner constructs facilities that are otherwise wholly or in part the obligation of another party) and/or properties or which would be financed by existing or future City fees, TUMF Fees or other similar fees.

City and Landowner agree that, in consideration for Landowner financing and construction of such improvements that qualify for credit or third party reimbursement, Landowner, upon entering into an improvement agreement with the City and posting security for improvements, shall be entitled to fee credits and/or third party reimbursements, in accordance with the procedures set forth in Exhibits D and E, attached hereto and incorporated herein by reference, which fee credits and third-party reimbursements are owned personally by Landowner and do not run with the Property to successors and assigns, unless Landowner provides written notice to City that said credits and/or reimbursements have been assigned by Landowner to a third party.

Such personal ownership of credits and/or reimbursements by Landowner apply to all credits and/or reimbursements set forth in this Section 14.2, Exhibit C and all subsections hereto, and all other credits and reimbursements provided under this Agreement. Landowner shall track all improvements eligible for credits or reimbursements and shall work with the City to establish a program to track and award such credits and reimbursements as provided in this Section 14.2, Exhibit C and this Agreement.

1. Fee Satisfaction. As specified in Section 14.2 and Exhibit C of this Agreement, the City hereby allows for the application of credits, up to the eligible amount spent on the facilities, for the following categories of Development Impact Fees:

    (i) Park and Recreation Facilities – For the park and recreation facilities component of the Development Impact Fees, the Project is conditioned to construct public parks in accordance with the requirements of the City Approvals, including the design guidelines set forth in Section 3 of the La Entrada Specific Plan

(ii) Fire Facilities – For the fire facilities component of the Development Impact Fees, the Project is hereby specifically conditioned to comply with the provisions of Sections 13.9 and 13.10 of this Agreement.

(iii) Government Facilities – For the government facilities component of the Development Impact Fees, the Project is hereby specifically conditioned to comply with the provisions of Section 22.7 of this Agreement. For any Development Impact Fee payments that are deemed satisfied pursuant to this Agreement, the Project will be exempt from any future fees or general obligation bond measures related to the same facilities.

2. Fee Credits. For the planning, design, right-of-way acquisition and construction of infrastructure that qualify for credit pursuant to Chapter 4.45.110 of the City's Municipal Code, the City shall grant to Landowner a credit for such costs applied against Landowner's respective fee obligations for the Project in accordance with the Municipal Code. Fee credits shall be granted in accordance with the procedures set forth in Section 4.45.110(B) of the City's Municipal Code, or any successor provision thereof.

3. Reimbursement by Third Parties. When the Landowner plans, designs, engineers or constructs any public road, sewer, water, recycled water, drainage, electrical improvements, including without limitation cable, internet, phone, and other utility installations, and any other public improvements which contain supplemental size, capacity, number or length ("Oversized Improvement"), that benefits property owned by third persons outside of the Project, Landowner shall, to the fullest extent permitted by law, be entitled to receive a reimbursement from the benefitted property owner(s) for the pro rata cost, as adjusted for inflation of the Oversized Improvement, including all planning, design and engineering costs.

For engineering, planning, design and construction costs provided by Owner for the Oversized Improvements, the City shall cooperate, to the fullest extent permissible by law, with Owner and work to facilitate third party reimbursement agreements for eligible expenditures that exceed Owner's fair share responsibility for costs, including planning, design and engineering costs, and construction of the Canal Crossing and the

Interchange from other benefitted landowners, including, without limitation, landowners north of the Canal Crossing and the Interchange.

All reimbursement payments due and owing under this Section 14.2.3 shall be payable to Owner from funds collected by the City through the imposition of a condition of on the development of the undeveloped benefitting properties for the purpose of reimbursement from those benefitted property owners. Reimbursement may also be provided directly from the owner abutting such improvements or from a Financing District if such Financing District is formed or includes such properties and includes such monies for the construction of said improvements.

Where Landowner constructs improvements that are otherwise the obligation of another party, Landowner shall be entitled, to the extent permitted by law, to receive pro rata fair share reimbursement from said third party. Landowner shall provide the City with sufficient documentation of reimbursement costs owed by the third party.

City shall use reasonable efforts, to the extent the City has the authority to do so, to impose the foregoing obligation to pay said reimbursement, as a condition of development of such benefitted property owned by third parties, at the time such property owner requests a discretionary approval or other such entitlement from the City for development of the benefitted property whereon such condition can be imposed.

The sole source of funds remitted to Landowner for construction of Oversized Improvements shall be from benefitted properties owned by third parties, and the City shall not be obligated to pay any amount pursuant to this Section other than the funds it collects from benefitted property owners. The source of reimbursement funds due and payable pursuant to this Section shall be proceeds from the formation of a Financing District and issuance of bonds for such Financing District serving development by such third parties or, recordation of a final Tentative Map serving the development by such third party, whichever occurs first. Any such reimbursements shall be transmitted to Landowner within ninety (90) days from the date of collection of such funds, less any reasonable administrative charge to offset the City’s costs to administer such reimbursement process.

In accordance with Section 4.45.120(C) of the City's Municipal Code, any reimbursement obligations and reimbursement agreements provided by this Agreement shall automatically run for the Term of this Agreement, including any Option Term(s) granted. Thereafter, the reimbursement process shall cease, and the unpaid balance shall become the property of the City to do with as it chooses.

City makes no guarantees, express or implied, that the benefiting properties will seek approval of any discretionary land approval or other such entitlement from the City within the Term, or any Option Term(s), and in the event that Landowner does not recoup his or her full reimbursable portion within this time period, City shall not be responsible for any such deficiency in reimbursement. In addition, although City agrees to use its reasonable efforts to collect reimbursement from the benefiting properties, City shall not be liable to Landowner for any deficiency in the event City fails to collect reimbursement from one or more benefiting properties, regardless of fault or reason for City's failure to collect said reimbursement. Landowner shall also hold harmless and fully indemnify City in seeking reimbursement from benefitting third parties as provided in Section 30 of this Agreement.

14.3 Not a Limitation. Nothing in the foregoing Section 14.2 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 the City otherwise provided under then existing City policies, rules, regulations or ordinances.

14.4 Section 14.4 TUMF Credits. City Staff will collaborate with the Owner in good faith to secure the maximum credits and reimbursements for any constructed facilities that are TUMF eligible. City Staff will also collaborate with the Owner to establish Project priorities and add additional Project facilities to the TUMF eligible list.

14.5 Avenue 50 Canal Crossing and the Interchange. City will work with and assist Owner (with the cooperation of City furnished on a good faith basis) to secure outside funding for the Canal Crossing and the Interchange pursuant to the terms and procedures outlined in this Agreement, provided however, that Owner acknowledges and agrees that City shall in no way be responsible for any direct funding of the Canal Crossing or the Interchange projects.

14.6 Future Development Fee Nexus Studies. The City shall consult with and advise Owner of any future nexus studies for City Development Impact Fees.

14.7 Additional Staffing. If standard City staffing fails to result in processing of ministerial permits and/or approvals or discretionary actions and/or approvals as promptly as required by Landowner, the City may, in accordance with applicable collective bargaining agreements, at the request and sole expense of the Landowner, hire plan check, inspection and other personnel, or hire additional consultants for such actions, or allocate use of exclusively dedicated staff time, such that the time limits of Landowner can be achieved. City may consult in good faith with Landowner as to any additional consultants to be hired pursuant to this section provided that the City shall retain the sole discretion as to selection and direction of any such consultants.

15. Mutual Obligations of the Parties. City hereby provides Landowner with the long term assurances, vested rights and other City obligations described in this Agreement, including in particular those obligations described in Section 14, in consideration for the Landowner obligations contained in this Agreement, including in particular those Landowner obligations described in Section 13. Landowner has agreed to provide the City with those Landowner obligations contained in this Agreement, including in particular those Landowner obligations described in Section 13, in consideration for the City obligations described in this Agreement, including in particular those obligations described in Section 14.

16. [RESERVED]

17. Eminent Domain. The City, in its sole and absolute discretion, may cooperate with Landowner in implementing all of the conditions of the City Approvals, including, but not limited to, the exercise of its eminent domain powers in connection therewith provided that the City, in its independent exercise of judgment following all applicable procedures, has made the requisite findings properly supported by evidence, that the use of such power is appropriate.

18. Easements, Improvements, Abandonments. City shall collaborate with Landowner in connection with any arrangements for abandoning existing utility or other easements and facilities and the relocation thereof, or the creation of any new easements within the Property necessary or appropriate in connection with the development of the Project. Landowner shall be responsible for any costs and expenses incurred by the City pursuant to this Section.

19. Design of On-Site and Off-Site Improvements. Subject to the provisions of Section 18 above, development of the Property shall be subject to future City review as provided by the City Approvals. The City Approvals, and all improvement plans prepared in accordance with the City Approvals, shall govern the design and scope of all on-site and off-site improvements to be constructed on or benefitting the Property, including all street widths and dedications.

20. Subdivision of Property – Future Tentative Maps. Landowner shall have the right, from time to time or at any time, to apply for one or more individual maps, subdividing the Property into smaller developable parcels, as may be necessary in order to develop, lease or finance any portion of the Property in connection with development of the Project consistent with the City Approvals. Final maps may be phased as described by City Ordinance and State law. As the Property is developed, subsequent individual maps further subdividing the Property or individual buildings may be submitted to the City for approval.

21. Public Benefits.

21.1 Intent. This Agreement is entered into by the City in consideration of, and in exchange for, Landowner's agreement to contribute to the Public Benefits as detailed below.

21.2 Public Benefits. The Public Benefits consist of Landowner's contributions, as described in the Recitals hereto toward land, improvements, and funding to further the development of the Public Facilities and fees as described in Sections 13 and 21 (collectively, "Owners Facilities Obligations").

21.3 Community Wide Benefit. While a portion of the Public Benefits will be provided specifically to mitigate the impacts of the Project, certain of the Public Benefits will serve the City.

22. Financing Public Facilities. Owner's Facilities Obligations may be financed through the use of one or more Financing Districts, subject to this Section 22.

22.1 Formation of Financing Districts. The Owner may request the formation of one or more Financing Districts, each of which may include multiple improvement areas, to finance Owner's Facilities Obligations. To make that request, the Owner shall submit to the City a petition to form the Financing District pursuant to California Government Code Section 53318(c). Upon that submittal, the City shall use its best efforts to (a) adopt land secured debt goals and policies, and thereafter (b) conduct

proceedings to consider formation of the Financing District. Proceedings for the formation of a Financing District and of improvement areas therein shall commence concurrently with, or prior to, the submittal of the first Builder's Tentative Map. For development purposes, the formation of multiple Financing Districts and/or improvement areas shall be phased in a manner consistent with the phasing that is submitted with the first Builder's Tentative Map application. The City and the Owner shall cooperate so that, to the extent possible, the associated public process and the resolution of intention to form any Financing District, and any improvement areas thereof, in each case, shall be adopted by the City Council before the issuance of the first residential building permit for construction of vertical improvements on the Property within such Financing District, or related improvement area, or as soon thereafter as the City may reasonably schedule and notice such hearing, taking into account its City Council meeting schedule. This provision shall not, however, delay the issuance of any building permit requested by the Owner within such Financing District, or related improvement area. The City and the Owner shall continue to cooperate so that the resolution of formation and landowner election of the Financing District, or improvement area thereof, as applicable, is adopted prior to the issuance of a certificate of occupancy for any residence within the Financing District, or improvement area thereof, as applicable. The City and the Owner shall use reasonable efforts not to delay the issuance of such certificates of occupancy.

Notwithstanding any other provision of this Agreement, the City shall not form a Financing District encumbering some or all of the Property without the prior written consent of Owner. Upon the formation of a Financing District, the City shall use its best efforts to issue bonds upon the request of Owner and in cooperation with Owner. The City shall cooperate with Owner to determine the timing and size of the proposed bond issuances in accordance with the CFD Financing Parameters outlined in Exhibit H. To the extent that a Financing District is established, the details of Owner's participation in that Financing District and the manner of construction and acquisition of the public facilities shall be addressed and reasonably agreed to in a separate agreement between the City and the Owner.

22.2 Formation Costs. Owner shall advance funds, in the form of a deposit, to the City to pay all costs for the formation of the Financing District and the issuance and sale of bonds by the Financing District, including, but not limited to: (i) the bonds by the Financing District and issuance of bonds, including an engineer, special tax consultant, financial advisor, bond counsel and any other consultant deemed reasonably necessary or advisable by the City; (ii) the costs of appraisals, market absorption and feasibility studies and other reports deemed reasonably necessary by

the City in connection with the issuance of bonds; (iii) the costs of publication of notices, preparation and mailing of ballots and other costs related to any hearing, election or other action or proceeding undertaken in connection with the formation of the Financing District and issuance of the bonds; and (iv) any and all other actual and reasonable costs and expenses incurred by the City in connection with the formation of the Financing District and issuance of the bonds. Upon the sale of the bonds, funds advanced for such formation and issuance costs by Owner shall be reimbursed to Owner from the bond proceeds concurrently with the issuance of the bonds.

22.3 Security. If any of Owner's Facilities Obligations which are contemplated to be funded by the Financing District become due before bond proceeds are available to satisfy those obligations, then the Owner shall either (1) pay the corresponding required fees concurrent with the building permit application applied for and based upon the number of building permits applied for in such application, or (2) provide cash or a bond, reasonably acceptable to the City, to satisfy such corresponding required fees until bond proceeds become available (at which time such cash or bond will be released to the Owner). The City shall immediately have the right to draw on such cash or bond, at any time that such cash is required to pay for the improvement for which it is collected, and after it is provided for its purposes hereunder. If the Owner provides cash pursuant to the foregoing provisions, then the City and Owner will enter into a deposit agreement for such required fees as may be directed by bond counsel to the City. The Owner may elect to fund some or all of the Owner's Facilities Obligations before bond proceeds are available for payment and/or reimbursement. If the Owner so elects or if the City draws on cash or a bond as provided above, then the Owner shall be reimbursed from bond proceeds as soon as reasonably practicable after the issuance thereof.

22.4 Issuance of Bonds. Upon the formation of a Financing District, the City shall use its best efforts to issue bonds upon the written request to do so by the Owner. The City shall levy special taxes or assessments on any portions of the Property according to the rates and methods of apportionment. Bond amounts and timing shall be determined by the City, in cooperation with the Owner, and City shall take into consideration the Owner's plan and phasing of development. If the City is ready, willing, and able to issue bonds, but the Owner requests that their issuance be delayed temporarily or indefinitely, the City shall comply with that request and the Owner's Facilities Obligations shall remain in effect. The Owner shall post cash or other security pursuant to Section 22.3 herein if the Owner's Facilities Obligations are then due. If the Owner subsequently requests (in one or more

requests at the Owner's discretion) the issuance of bonds up to the full extent of the bonding capacity of a Financing District, the City shall use its best efforts to comply with that request. The bonds may be sold in one or more series, and with respect to one or more improvement areas, as determined by the City in cooperation with the Owner.

22.5 City to Form Financing District or Issue Bonds as Requested.

City shall use reasonable faith efforts to accomplish the following: (i) Within ninety (90) days after the Owner's submittal to the City Council of its petition to form the Financing District pursuant to California Government Code Section 53318(c) (the "Submittal Date"), the City shall consider a Resolution of Intention ("ROI") to establish a Financing District pursuant to California Government Code Section 53320, and (ii) a hearing to establish the Financing District is held within sixty (60) days of the date of the ROI, and (iii) the Owner's request as to the scope and bonding capacity (i.e., financed costs and bond sale amount) of each requested Financing District and each improvement area therein as stated in the petition are approved, and (iv) the Owner's request for the City to issue bonds for the Financing District is approved prior to issuance of the last building permit within such Financing District or improvement area, and (v.) bonds are issued in accordance with the CFD Financing Parameters outlined in Exhibit H for any reason, without exception, other than:

(a) The Owner's filing a majority protest against formation of the Financing District; or

(b) Reasonable negotiation of the CFD Agreements in good faith pursuant to Section 22.6 hereof; or

(c) Any delay at the request of the Owner.

22.6 Rate and Method of Apportionment. The City and the Owners recognize that the rate and method of apportionment of the special taxes and other parameters of each separate improvement area within such Financing District cannot be completed in advance of the formation of the Financing District. In recognition of the necessity of forming a Financing District with separate improvement areas and selling bonds to the Project's financial viability, the Owner and the City shall, in good faith, negotiate the rate and method of apportionment of special taxes and other

parameters of each separate improvement area within the Financing District prior to the issuance of the first building permit for such improvement area.

Additionally, at the sole and absolute request of Owner, Owner and the City shall, in good faith, negotiate the timing of issuance and amount of any bonds to be issued by any of the separate improvement areas within the Financing District. While the City and the Owner recognize that the actual sale and delivery of the bonds of each separate improvement area within the Financing District are subject to market constraints and limitations that are outside the control of the City, the provisions of Section 22.5 above shall none the less apply.

22.7 Improvement Funding. By approving this Agreement, the City Council has determined that certain improvements are eligible under the Mello-Roos Act and may be funded through a Financing District formed pursuant to this Agreement. Funding for eligible facilities shall be determined in consultation with the City at the time of formation of the La Entrada Financing District and shall be documented in the related CFD Agreements. Nothing in this Agreement shall be construed to prevent Owner from financing facilities and services, as permitted by the Mello-Roos Act.

The City and Owner hereby agree that, in conjunction with issuance of bonds for the La Entrada Facility CFD, payment shall be made from the La Entrada Facility CFD proceeds to the City in the amount of Thirteen Million Five Hundred Dollars ($13,500,000) in full satisfaction of the Project's General Government Facilities component of the Development Impact Fee. Payment required pursuant to this Section shall occur as follows and such amounts stated below shall increase by the annual Consumer Price Index for the Riverside-San Bernardino-Ontario, CA metropolitan area from the Effective Date:

1. Upon receipt of bond proceeds from the first series of La Entrada Facility CFD bonds, Owner shall remit to the City the lesser of (i) fifty percent (50%) of such bond proceeds, or (ii) Six Million Seven Hundred and Fifty Thousand Dollars ($6,750,000) out of the proceeds of the bond sale, which amount constitutes one-half of the total obligation required hereunder.

2. Upon receipt of bond proceeds from each subsequent series of La Entrada Facility CFD bond issuances, Owner shall remit to the City fifty percent (50%) of such bond proceeds until a total cumulative amount of Thirteen

Million Five Hundred Dollars ($13,500,000) has been paid from the La Entrada Facility CFD bonds.

3. In accordance with the terms and requirements of this Section, City specifically acknowledges that Owner's performance under this Section specifically excludes Owner from any present or future requirements to pay the Project's General Government Facilities component of the Development Impact Fee through any sources other than La Entrada Facility CFD bond proceeds.

22.8 Reimbursement Agreement. Pursuant to California Government Code Section 53314.9, the City may accept, in its sole discretion, advances of funds or work-in kind from any source, including, but not limited to, private persons or private entities, and may provide, by resolution, for the use of those funds or that work-in-kind for any authorized purpose, including, but not limited to, payment of costs incurred by the City in creating a Financing District. The City Council may enter into an agreement, by resolution, with the person or entity advancing the funds or work-in-kind to reimburse that person or entity for all or a portion of the funds advanced, provided that certain requirements are satisfied. The City and the Owner desire that this provision serve as an agreement that the Owner shall be reimbursed for all reasonable funds and work-in-kind advance by the Owner pursuant to this Agreement and Government Code Section 53314.9, subject to the review and approval of such reimbursements by the City, which approval shall not be unreasonably withheld. The City and the Owner shall take all steps within their power to meet the requirements of California Government Code Section 53314.9. In addition, the City and the Owner shall enter into any additional agreements on a timely basis needed to allow such reimbursements to occur.

23. Transfers and Assignments.

23.1 Procedure. Subject to the terms of this Section 23, Landowner shall have the right to assign or transfer all or any portion of its interest, rights or obligations under this Agreement to third persons provided, however, that any such sale, transfer or assignment shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

1. No sale, transfer or assignment of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or part of the Property, provided however, Landowner may assign its rights and interest hereunder to an affiliate owned by the Landowner without the need for a sale, transfer or assignment of all or part of the Property in accordance with the following sections ; and

2. At least fifteen (15) business days prior to any such sale, transfer or assignment, Landowner shall notify the City, in writing, of such sale, transfer or assignment and shall provide the City with an executed assignment and assumption agreement (the "Assignment Agreement") in a form substantially similar to the form attached hereto as Exhibit I.

3. Any sale, transfer or assignment not made in strict compliance with the foregoing conditions shall constitute a default by Landowner under this Agreement. Notwithstanding the failure of any purchaser, transferee, or assignee to execute the Assignment Agreement required above, the burdens of this Agreement shall be binding upon such purchaser, transferee or assignee, but the benefits of the Agreement shall not inure to such purchaser, transferee or assignee until and unless such Assignment Agreement is executed.

4. As a condition of the City's approval of any sale, transfer, or assignment, Owner and City shall enter into a reimbursement agreement that provides for the reimbursement of reasonable staff costs and attorney fees incurred in the review of any applicable documents associated with the proposed sale, transfer, or assignment.

5. Any Default or other violation of the terms and provisions of this Section or this Agreement by any transferee shall not constitute a Default by Owner or any other transferee. If a Default occurs by any subsequent transferee, the City's recourse with respect to that Default shall necessarily be limited to the transferee who is in Default and shall not impact the Owner or any other transferee not in Default.

23.2 Release of Transferring Owner. Notwithstanding any sale, transfer or assignment, a transferring Owner shall continue to be obligated under this Agreement unless such transferring Owner is given a written release from the City, which release shall

not be unreasonably withheld, and which release shall be provided by City upon satisfaction by such transferring Owner of the following conditions:

1. Owner no longer has a legal or equitable interest in all or any part of the Property;

2. Owner is not then in default under the Agreement;

3. Owner has provided City with notice and an executed Assignment Agreement, as required by this Section; and

4. The purchaser, transferee or assignee provides the City with security, as and when required, equivalent to any security previously provided by Owner, to secure any performance obligations as may be required hereunder.

23.3 Subsequent Assignment. Any subsequent sale, transfer or assignment after an initial sale, transfer or assignment shall be made only in accordance with and subject to the terms and conditions of this Agreement.

23.4 Agreement Runs with the Land. This Agreement and all of its provisions, agreements, rights, powers, standards, terms, covenants and obligations shall be binding upon the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons or entities acquiring the Property or any portion thereof, or any interest therein, whether by sale, operation of law, or in any manner whatsoever, and shall inure to the benefit of the Parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns.

All of the provisions of this Agreement shall be enforceable during the Term as equitable servitudes and constitute covenants running with the land pursuant to City Law, including, but not limited to, California Civil Code Section 1468. Each covenant to do or refrain from doing some act on the Property hereunder: (a) is for the benefit of the Property and is a burden upon the Property; (b) runs with the Property; and (c) is binding upon Landowner and each successive owner during its ownership of the Property or any portion thereof, and each person or entity having any interest in the Property. Every person who now or hereafter owns or acquired any right, title, or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every provision contained

herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Property.

24. Amendment, Termination or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part from time to time by mutual consent of the City, Landowner, and/or any successor owner of any portion of the Property in accordance with the provisions of the Development Agreement Statute. In accordance with Section 5 of the Specific Plan, the approval by the Planning Director of any minor modifications to the City Approvals that are consistent with this Agreement shall not constitute nor require an amendment to this Agreement to be effective or to be subject to this Agreement as set forth in Section 24 hereof.

24.1 Requirement for a Writing. No amendment, termination or cancellation of this Agreement or any provision hereof shall be effective for any purpose unless adopted pursuant to the procedures included in this Agreement and Government Code Section 65858 and specifically set forth in a writing, which refers expressly to this Agreement and is signed by duly authorized representatives of the Parties.

24.2 Recordation Upon Amendment or Termination. Except when this Agreement is automatically terminated due to the expiration of the Term or the provisions of Section 8.6, the City shall cause any amendment hereto and any other termination hereof to be recorded, at Landowner's expense, with the County Recorder within ten (10) days after the City executes such amendment or termination. Any amendment or termination of the Agreement to be recorded that affects less than all of the Property shall describe the portion thereof that is the subject of such amendment or termination.

24.3 Amendments to Development Agreement Legislation. This Agreement has been entered into in reliance upon the provisions of the California Government Code Section 65864 et seq., relating to development agreements, as those provisions existed at the date of execution of this Agreement. No amendment or addition to those provisions which would materially affect the interpretation or enforceability of this Agreement shall be applicable to this Agreement, unless such amendment or addition is specifically required by the California State Legislature or is mandated by a court of competent jurisdiction. If such amendment or change is permissive, as opposed to mandatory, this Agreement shall not be affected, unless the Parties mutually agree in writing, after following the procedures in Section 24 to amend this Agreement, to permit such applicability.

24.4 Amendment of City Approvals. To the extent permitted by local, state, and federal law, any City Approval may, from time to time, be amended or modified only by submittal of an application from the Landowner and following the procedures for such amendment or modification contained in this Agreement. Upon any approval of such an amendment or modification, the amendment or modification shall automatically be deemed to be incorporated into the City Law without any further procedure to amend this Agreement.

24.5 Effect of Termination on Landowner's Rights and Obligations.

1. Notwithstanding any other provision to the contrary, termination or cancellation of this Agreement or termination of the rights of Landowner as to any part of the Property, shall not affect the status of the City Approvals, any requirement to comply with the City Approvals, the terms and conditions of any other Subsequent Approval, nor any payments then due and owing to the City, nor shall it effect the covenants of Landowner specified in Section 13.13 above, to continue after the termination or cancellation of this Agreement. Notwithstanding the foregoing, Landowner understands that the City Approvals may be modified in light of the circumstances resulting from the termination or cancellation of this Agreement or Landowner's rights under this Agreement. Landowner shall have no right to challenge any such modification by reason of this Agreement other than the rights, if any, Landowner would have in the absence of this Agreement.

2. Notwithstanding anything in this Agreement to the contrary, the provisions of this Agreement shall survive and remain in effect following termination or cancellation of this Agreement for so long as necessary to give them full force and effect with respect to claims or rights of City or Landowner arising prior to termination or cancellation.

25. Default, Remedies and Termination.

25.1 Default. Subject to extensions of time by mutual consent in writing, failure or unreasonable delay by either Party to perform any term or provision of this Agreement may constitute a default ("Default"). In the event of an 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 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, if the alleged Default is not rectified, the non-defaulting Party to this Agreement shall give written notice to the defaulting Party of the existence of the Default and request that the Default be cured in accordance with the following time periods:

1. The defaulting Party shall have sixty (60) days from the date of the written notice of Default to cure the Default or, if the Default cannot be cured within the sixty (60) day period, submit a plan for curing the default to the non-defaulting Party.

2. In the event a plan for cure is submitted, representatives of the non defaulting Party, or City Manager and City Attorney shall review the plan for cure and either approve or deny the plan, which approval or denial shall be at the sole and absolute discretion of the representatives of the non-defaulting party, or City Manager and City Attorney. If the plan for cure is approved, the defaulting Party shall then proceed to timely implement such plan for curing the Default.

3. Nothing in this Section shall preclude the Parties from extending any time periods for curing any Defaults so long as any extension is documented in writing and signed by all Parties.

In the event a Default is not cured in accordance with the procedures set forth in this Section, or the non-defaulting Party, or the City Manager and City Attorney deny the plan for cure, the non-defaulting Party, at its sole option, may give notice of intent to terminate the Agreement pursuant to California Government Code Section 65868 and all other applicable local and state laws. 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 California Government Code Sections 65865, 65867, and 65868 and all other applicable local and state laws and 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 Section 26 and California Government Code Section 65865.1. If the City determines that the Landowner is in Default following the completion of the normally scheduled periodic review, the City may give written notice of Default under this Agreement as set forth in this Section, specifying in said notice the alleged nature of the Default and the potential actions or steps that may be taken to cure said Default. Upon receipt of such notice, the procedures outlined in this Section shall be implemented in order to cure such Default.

25.2 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. Landowner's litigation remedies shall be limited to declaratory and injunctive relief, mandate, and specific performance. All legal actions shall be initiated in the Superior Court of the County of Riverside, State of California, or in the Federal District Court for the Central District of California. 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 Default under or breach of this Agreement, or to enforce any provisions herein, the prevailing Party in such action shall be entitled to reasonable attorneys' fees, court costs and such other costs as may be fixed by the Court.

25.3 Cooperation in the Event of a 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. All costs and expenses, including legal fees and costs, incurred under this Section shall be paid by Landowner. Further, Landowner will have the right to select counsel of its choosing, in consultation with City, to defend both Landowner and the City in any action or challenge.

25.4 Landowner Obligations Concerning City's Defense. The Landowner shall bear its own costs of defense as a real party in interest in any third party challenge and the Landowner shall reimburse the City for all costs, including court costs and reasonable out of pocket attorneys' fees incurred by City in defense of such action

or proceeding. In its sole discretion, the City may tender its defense of such third party challenge to Landowner or the City can elect to defend against the third party challenge itself. Upon a tender of defense to Landowner by City, Landowner shall defend City through Counsel chosen by Landowner, subject to approval by the City, which approval shall not be unreasonably withheld, conditioned, or delayed, and Landowner shall bear all reasonable out of pocket attorneys' fees and costs from the date of tender. Under no circumstances shall Landowner be required to pay or perform any settlement arising out of a third party challenge unless the settlement is expressly approved by Landowner.

25.5 Invalidity. If any part of this Agreement is held by a court of competent jurisdiction to be invalid or unlawful as the result of a third party challenge, the Parties shall use their best efforts to cure any inadequacies or deficiencies identified by the court in a manner consistent with the expressed and implied intent of this Agreement, and then to adopt or re-enact such part of this Agreement as necessary or desirable to permit implementation of this Agreement.

25.6 Failure to Assert; No Waiver. Any failures or delays by a Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies. Delays by a Party in asserting any of its rights and remedies, irrespective of such length of the delay, shall not deprive the Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies, nor constitute a waiver of such Party's right to demand strict compliance by such other Party in the future. No waiver by a Party of a Default shall be effective or binding upon such Party unless made in writing by such Party and no such waiver shall be implied from any omission by a Party to take any action with respect to such Default.

25.7 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 Project 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.

26. Annual Review. At Landowners reasonable expense and as outlined in a reimbursement agreement, City shall, at least every twelve (12) months from the Effective Date and any anniversary thereof, as such period may be extended or amended, during the Term of this Agreement, review the extent of good faith compliance by Landowner or successor in interest thereto with the terms of this Agreement. Such periodic review shall be limited in scope to the Fiscal Review, if required pursuant to Section 13.12 and compliance with the terms of this Agreement pursuant to California Government Code Section 65865.1 and the monitoring of mitigation in accordance with California Public Resources Code Section 21081.6. Notice of such review shall include the statement that any review of obligations of Landowner as set forth in this Agreement may result in the modification or termination of this Agreement. Absent new information or changed circumstances, a finding by City of good faith compliance by Landowner with the terms of this Agreement shall be conclusive with respect to the performance of Landowner during the period preceding the review.

Upon not less than thirty (30) days written notice by the City, Landowner shall submit an annual monitoring report in a form acceptable to the City Manager, or his or her designee, in order for the City to ascertain compliance with this Agreement. The annual monitoring report shall be accompanied by an annual review and administration fee sufficient to defray the costs of review and administration of the Agreement during the succeeding year.

If City intends to proceed with modification or termination of this Agreement due to noncompliance by Landowner or successor in interest, the City shall give written notice to Landowner of its intention to modify or terminate the Agreement. The notice shall be given at least thirty (30) calendar days prior to the scheduled hearing. 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 the Planning Commission. Landowner shall be required to demonstrate good faith compliance with the terms of the Agreement and the burden of proof on this issue shall be on Landowner.

If City takes no action within sixty (60) days following the date of the hearing on the Agreement, Landowner shall be deemed to have complied in good faith with the provisions of the Agreement.

26.1 Certificate of Agreement Compliance. If, at the conclusion of an annual review pursuant to this Section, Landowner is found to be in compliance with this Agreement, City shall, upon request of Landowner, issue a Certificate of Agreement Compliance ("Compliance Certificate") within thirty (30) days of such request, to Landowner stating that after the most recent annual review and based upon the information known or made known to the City that (1) this Agreement remains in effect, and (2) Landowner is not in default. The Compliance Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, and shall state the anticipated date of commencement of the next annual review. Landowner may record the Compliance Certificate with the County Recorder.

27. Estoppel Certificate. Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting such Party certify in writing that, to the knowledge of the certifying Party: (a) this Agreement is in full force and effect and is a binding obligation of the Parties; (b) this Agreement has not been amended or modified or, if so amended or modified, identify the amendments or modifications; and (c) the requesting Party is not in Default in the performance of its obligations under this Agreement, or if in Default, describe the nature of any Defaults. The Party receiving a request under this Section 27 shall execute and return the certificate within forty-five (45) days following receipt of the request. The City Manager shall be authorized to execute any certificates requested by Landowner.

28. Mortgagee Protection. This Agreement shall be superior and senior to any lien placed upon the Property or any portion of the Property after the date of recording of this Agreement, including the lien of any deed of trust or mortgage (the "Mortgage"). Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement including but not limited to City's remedies to terminate the rights of Landowner and its successors and assigns, under this Agreement, to terminate this Agreement, and to seek other relief as provided in this Agreement, shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or mortgagee (the "Mortgagee") who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise.

28.1 Mortgagee not Obligated. Notwithstanding the provisions of Section 28 above, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements on the Property, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to any uses or to construct any improvements on the

Property other than those uses or improvements provided for or authorized by this Agreement, or otherwise under City Law.

28.2 Notice of Default to Mortgagee. If City receives a written notice from a Mortgagee, Landowner or any approved assignee requesting a copy of any Notice of Default given to Landowner or any approved or permitted assignee and specifying the address for service, then City shall deliver to the Mortgagee, at Mortgagee's cost, concurrently with service to Landowner, any notice given to Landowner with respect to any claim by the City that Landowner is in Default under this Agreement, and if City issues a Declaration of Default or Certificate of Non-Compliance, City shall, if so requested by the Mortgagee, likewise serve at Mortgagee's cost notice of noncompliance on the Mortgagee concurrently with service on Landowner. Each Mortgagee shall have the right during the same period available to Landowner to cure or remedy, or to commence to cure or remedy, the event of Default claimed, or the areas of noncompliance set forth in the City's notice.

28.3 No Supersedure. Nothing in this Section 28.3, or any subsections hereof, shall be deemed to supersede or release a Mortgagee or modify a Mortgagee's obligation under any subdivision improvement agreement or other obligation incurred with respect to the Property outside this Agreement, nor shall any provision of this Section 28.3, or any subsections hereof, constitute an obligation of City to the Mortgagee, except as to the notice requirements contained in Section 28.2.

28.4 Foreclosure. Any Mortgagee who comes into possession of the Property, or any part thereof, by any means whether pursuant to foreclosure of the mortgage or deed of trust or deed in lieu of such foreclosure or otherwise, shall take the Property or any part thereof subject to the terms of this Agreement.

Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Landowner's obligations or other affirmative covenants of Landowner hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by Landowner is a condition precedent to the performance of a covenant by the City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and further provided that any sale, transfer or assignment by any Mortgagee in possession shall be subject to the provisions of Section 13 of this Agreement.

29. Project as a Private Undertaking. It is specifically understood and agreed by and between the Parties hereto that the Project is a private development, that City has no interest in or responsibility for, or duty to third persons concerning any of the improvements set forth in the City Approvals. Landowner shall have full power, over and exclusive control of the Property subject only to the limitations and obligations of Landowner under this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement.

30. Prevailing Wage. Landowner acknowledges that the City has made no representation to Landowner or any person associated with Landowner regarding whether or not laborers employed relative to the construction and installation of improvements on the Property must be paid a prevailing wage rate pursuant to California Labor Code Sections 1720, et seq. Landowner shall assume the responsibility and be solely responsible for determining whether or not such laborers must be paid a prevailing wage rate. Landowner shall indemnify, defend with counsel acceptable to the City and hold harmless the City against any claims pursuant to California Labor Code Section 1781 arising from this Agreement or the construction or installation of any improvements on the Property. Landowner, on behalf of itself, its successors, and assigns, waives and releases the City from any right of action that may be available to any of them pursuant to California Labor Code Sections 1726 and 1781.

31. Indemnity and Hold Harmless Agreement. Landowner (herein "Indemnitor") and its successors-in-interest and assigns, hereby agree to and shall defend and hold City, its elective and appointive boards, commissions, officers, agents, and employees harmless from any and all liability for damages or claim for damages for personal injury or bodily injury including death, as well as from claims for property damage which may arise from any acts, omissions, or operations of Indemnitor, or of Indemnitor's contractors, subcontractors, agents or employees under this Agreement, whether such operations be by Indemnitor or by any of Indemnitor's contractors or subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, Indemnitor or Indemnitor's contractors or subcontractors, unless such damage or claim arises from the negligence or willful misconduct of City. The foregoing indemnity obligation of Indemnitor 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 the City. In addition to the foregoing indemnity obligation, Indemnitor agrees to and shall defend, indemnify and hold the City, its elected and appointed 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, including a prevailing wage claim, the Project, Development Approvals or Subsequent

Approvals exclusive of any such actions brought by Indemnitor, its successors in interest or assigns.

32. Notice. Notices, demands, correspondence and communications between City and Landowner shall be sufficiently given if: (a) personally delivered; (b) dispatched by overnight delivery by a reputable carrier such as Federal Express or UPS to the offices of the City and Landowner, and City's and Landowner's representatives, indicated below, provided that receipt for delivery is provided; or (c) sent by registered or certified mail, or express mail, return receipt requested, with postage prepaid.

City:	City Manager City of Coachella 23995 Enterprise Way Coachella, CA 92236
With a copy to:	City Attorney City of Coachella 1515 Sixth Street Coachella, CA 92236
Landowner:	KPC Development Company 9 KPC Parkway Corona, CA 92879 Attn: General Counsel; Jagdish Gillan

Any Party may change its mailing address at any time by giving written notice of such change to the other Party in the manner provided herein at least ten (10) days prior to the date such change is affected. All notices under this Agreement shall be deemed given and received on the earlier of the date personal delivery is affected or on the delivery date or attempted delivery date shown on the return receipt or air bill.

33. Miscellaneous.

33.1 Enforced Delay, Extension of Times of Performance. Neither Party shall be deemed to be in Default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, natural disasters or other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor

difficulties beyond the Party's control (including the Party's employment force), government regulations, enactment of conflicting state or federal laws or regulations, new or supplementary environmental regulations, court actions (such as restraining orders or injunctions), recession (as defined by the Federal Bureau of Economic Analysis, https://www.bea.gov/help/glossary/recession) or similar federal agency official reporting site) or any similar basis for excused performance or any other causes beyond the Party's control. If any such event shall occur, the Term or any Option Term of this Agreement, Project Specific Milestones and the time for performance by either Party of any of its obligations hereunder shall be extended by action of the City Council for the period of time that such events prevented such performance, provided that the Term or any Option Term of this Agreement Project Specific Milestones shall not be extended under any circumstances for more than three (3) years. A market or business downturn, or other change in the business cycle shall not qualify as an event for which an extension may be granted pursuant to this Section.

33.2 Bankruptcy. The obligations of this Agreement shall not be dischargeable in bankruptcy.

33.3 City Law/Venue/Attorney's Fees and Costs. This Agreement shall be construed and enforced in accordance with the laws of the State of California. Any legal actions under this Agreement, other than those specifically outlined in Section 25.3, shall be brought only in the Superior Court of the County of Riverside, State of California. Should any legal action or arbitration be brought by either Party because of an alleged breach of this Agreement or to enforce any provision of this Agreement, the prevailing Party shall be entitled to reimbursement of all reasonable attorneys' fees and any such other costs as may be found by the court or arbitrator.

33.4 Further Assurances. Each Party covenants, on behalf of itself and its successors, heirs and assigns to take all actions, perform all tasks and to execute, with affidavit, acknowledgement or notarization if required, any and all documents and writings that may be necessary or proper to achieve the purposes and objectives of this Agreement.

33.5 Severability. Except as otherwise specifically provided herein, if any provision of this Agreement, or the application of this Agreement to any person or entity, be held invalid or unenforceable, the remainder of this Agreement, or its application to persons or entities, shall not be affected except as necessarily required by the determination of invalidity, and each term of this Agreement shall be valid and

enforced to the fullest extent permitted by law unless amended or modified by mutual consent of the Parties, except if the effect of such a determination of invalidity is to deprive a Party of an essential benefit of its bargain under this Agreement, then the Party so deprived shall have the option to terminate this entire Agreement from such determination.

33.6 Joint and Several Obligations. If, at any time during the Term or any Option Term of this Agreement, there is more than one Master Developer for the Property, all obligations of such Master Developers under this Agreement shall be joint and several, and the Default of any such Master Developer shall be the Default of all such Master Developers. Moreover, the Default of any individual landowner, builder, planning area or tract map developer, or any other entity having obligations under this Agreement shall be joint and several with any Master Developer for purposes of compliance with this Agreement. No individual Landowner, builder, planning area or tract map developer, or any other entity shall have any joint and several liability with any Master Developer or other Party if that individual Landowner, builder, planning area or tract map developer is not in Default under this Agreement. No Landowner of a single lot that has been finally subdivided and sold to such Landowner as a member of the general public or otherwise as an ultimate user shall have any obligation under this Agreement except as expressly provided herein.

33.7 Nondiscrimination. Landowner covenants by and for itself and any successors in interest that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, sexual orientation or national origin in the development of the Property in furtherance of this Agreement. The foregoing covenant shall run with the land.

33.8 Landowner Right to Rebuild. City agrees that Landowner may renovate or rebuild a development located on the Property within the Term of this Agreement should it become necessary due to man-made or natural disaster. Any such renovation or rebuilding shall comply with the City Law and this Agreement.

33.9 Headings. Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants or conditions of this Agreement.

33.10 Entire Agreement. This Agreement, including its Recitals and Exhibits, is executed in one original, which constitutes the entire understanding and agreement of the

Parties with respect to the subject matter hereof. This Agreement supersedes all negotiations or previous agreements between the Parties respecting the subject matter of this Agreement. Except as otherwise specifically provided herein, any prior correspondence, memoranda, agreements, warranties, or representations of any kind are all hereby superseded in totality by this Agreement.

33.11 Interpretation. This Agreement is the product of mutual negotiations and participation by both the City and Landowner. For purposes of construing the meaning or effect of this Agreement, or any portion hereof, it shall be presumed this Agreement was drafted by both Parties and not as if it had been prepared by one Party or the other. Each Party to this Agreement specifically acknowledges that it had sufficient opportunity to review the Agreement, confer with its separate legal counsel regarding the meaning of this Agreement and any provision contained herein, and negotiate revisions to this Agreement. Each Party relies solely upon its own judgment and the advice of its counsel in interpreting the provisions of this Agreement and is not relying on any representation, interpretation, presumed assent, or implied agreement of the other Party which is not expressly contained in this Agreement. Accordingly, neither Party shall use or rely upon California Civil Code Section 1654 in order to interpret any uncertainty in the meaning of this Agreement.

33.12 Recordation of Agreement. This Agreement and any amendment or cancellation thereof shall be recorded with the Riverside County Recorder, State of California, by the Clerk of the City Council, or his or her designee, within ten (10) days following the execution of this Agreement by all Parties, in accordance with Section 65868.5 of the Government Code. If the Parties to this Agreement, or their successors in interest, amend or cancel this Agreement, or if the City modifies or terminates this Agreement, the City Clerk shall have notice of such action recorded with the Riverside County Recorder. The failure of the City to record this Agreement shall not affect the validity of and binding understandings and obligations set forth in this Agreement.

33.13 Signature Pages; Facsimile Signatures and Execution in Counterparts. For convenience, the signatures of the Parties to this Agreement may be executed and acknowledged on separate pages in counterparts which, when attached to this Agreement, shall constitute that as one complete Agreement.

33.14 Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of Landowner and the City and their successors-in-interest,

heirs and assigns. No other person or entity shall have any right of action based upon any provision in this Agreement.

33.15 City Finding. The City hereby finds and declares that the execution of this Agreement is in the best interest of the public health, safety and general welfare and is consistent with all applicable City Laws including, without limitation, the General Plan as that same may be, from time to time, amended.

33.16 Enforceability. The City specifically and expressly agrees that unless this Agreement is amended, terminated or cancelled pursuant to the terms and conditions contained herein or in the Enacting 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 Property and the Project at the time of approval of this Agreement, as provided by California Government Code Section 65866.

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

33.18 Consent. Where the consent or approval of City or Landowner is needed to implement the Project under this Agreement, the consent or approval shall not be unreasonably withheld, delayed, or conditioned, except where this Agreement expressly authorizes a Party to act in its sole discretion.

33.19 Covenant of Cooperation. City and Landowner shall cooperate and deal with each other in good faith and assist each other in the performance of the provisions of this Agreement. Such cooperation shall include entering into Implementing Agreements to implement the obligations established in this Agreement.

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

33.21 Date of Execution. City and Landowner have executed this Agreement on the dates set forth below.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS HEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY OF COACHELLA, a municipal corporation	KPC DEVELOPMENT COMPANY, a California limited liability company
By: _____ Steven Hernandez , Mayor	By: _____ Kali P. Chaudhuri, M.D.
_____	Its: Manager
Dated: _____	Dated: _____

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
Ryan Guiboa, City Attorney

Exhibit A

Legal Description

The Land referred to herein below is situated in the City of Coachella, County of Riverside, State of California, and is described as follows:

LOTS 1 THROUGH 49, B THROUGH Z AND AA THROUGH BG OF TRACT NO. 36494, IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 458, PAGES 1 THROUGH 20, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THE OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING BELOW THE SURFACE OF SAID LAND, AS PROVIDED IN DEEDS OF RECORD.

Specific Plan Land Use Summary

Table 2-1 Land Use Summary						
Land Use	Gross Acres (AC)	% Area	Density (DU/AC)	Dwelling Units (DU)	FAR	Square Footage (SF)
Residential						
Very Low Density Residential (VLDR)	66.4	3.02%	0.5-2.9	133	-	-
Low Density Residential (LDR)	448.7	20.40%	3.0-5.9	2,055	-	-
Medium Density Residential (MDR)	374.2	17.01%	6.0-12.9	3,060	-	-
High Density Residential (HDR)	91.6	4.16%	13.0-25	1,832	-	-
Subtotal Residential	*980.9*	*44.6%*	*7.1*	*7,080*	-	-
Mixed Use (MU)						
Retail Commercial	*99.0*	*4.5%*	-	-	*0.35*	*1,260,879*
Office Commercial			-	-		*250,000*
High Density Residential (HDR)	36.0	1.64%	13.0-25	720	-	-
Community/Public Facilities*	*	-	-	-	-	-
Subtotal Mixed Use	*135.0*	*6.14*	-	*720*	*0.35*	*1,510,879*
School						
Elementary School	44.8	2.04%	-	-	-	-
Middle School	25	1.14%				
Subtotal Schools	69.8	3.2%				
Parks/Recreation						
Regional Park	176.6	8.03%	-	-	-	-
Community Parks	44.4	2.03%	-	-	-	-
Neighborhood Parks/Vista Points	14.1	0.64%	-	-	-	-
Village Paseo/Linear Park	27.8	1.26%	-	-	-	-
Desert Wash Paseos/Linear Parks	81.8	3.72%	-	-	-	-
Subtotal Parks/Recreation	*344.7*	*15.67%*	-	-	-	-
Open Space						
Open Space	381.1	17.33%	-	-	-	-
Drainage/Wash	175.8	7.99%	-	-	-	-
Subtotal Open Space	*556.9*	*25.32%*	-	-	-	-
Roadways						
Right-of-Way	99.9	4.54%	-	-	-	-
Interchange Grading	12.3	0.56%	-	-	-	-
Subtotal Roadways	112.2	5.1%	-	-	-	-
Specific Plan Totals	2,199.5	100%	3.5	7,800		1,510,879

Exhibit C

La Entrada

Development Impact Fees-Satisfaction and Credits

Fee Satisfactions	
Impact Fee	**Fee Status**
Governmental Facilities	Fully Satisfied upon pro rata payment of bond proceeds pursuant to Section. 22.7
Fire Facilities	Fully Satisfied upon completion of improvements as per Section 14.2.1 (ii)
Parks and Recreation/Quimby	Fully Satisfied upon completion of improvements as per Section 14.2.1 (i)
Streets and Transportation	
Segment 8: Avenue 50 **Avenue 50 from end of existing road to 1-10.**	Actual credit will be based on right-of-way acquisition and final construction cost as reasonably determined by the City Engineer, in accordance with Section 14.2.2, Exhibit D and Chapter 4.45.110 *of* the City's Municipal Code.
Interchange	
Avenue 50 Bridge over Canal	
Segment 16: Avenue 52 **Avenue 52 from Fillmore to the Canal.**	
Segment 7: Avenue 50 **Avenue 50 (SR86 to end of existing road)**	
Water and Wastewater	
Improvements to City of Coachella Wastewater Facilities and City Wastewater Treatment Facility	Actual credit will be based on final construction cost as reasonably determined by the City Engineer, in accordance with Section 14.2.2-3 and Exhibit E.

Exhibit D

Development Fee Credit Process•

(In accordance with Section 4.45.110 of the Oty of Coachella Municipal Code)

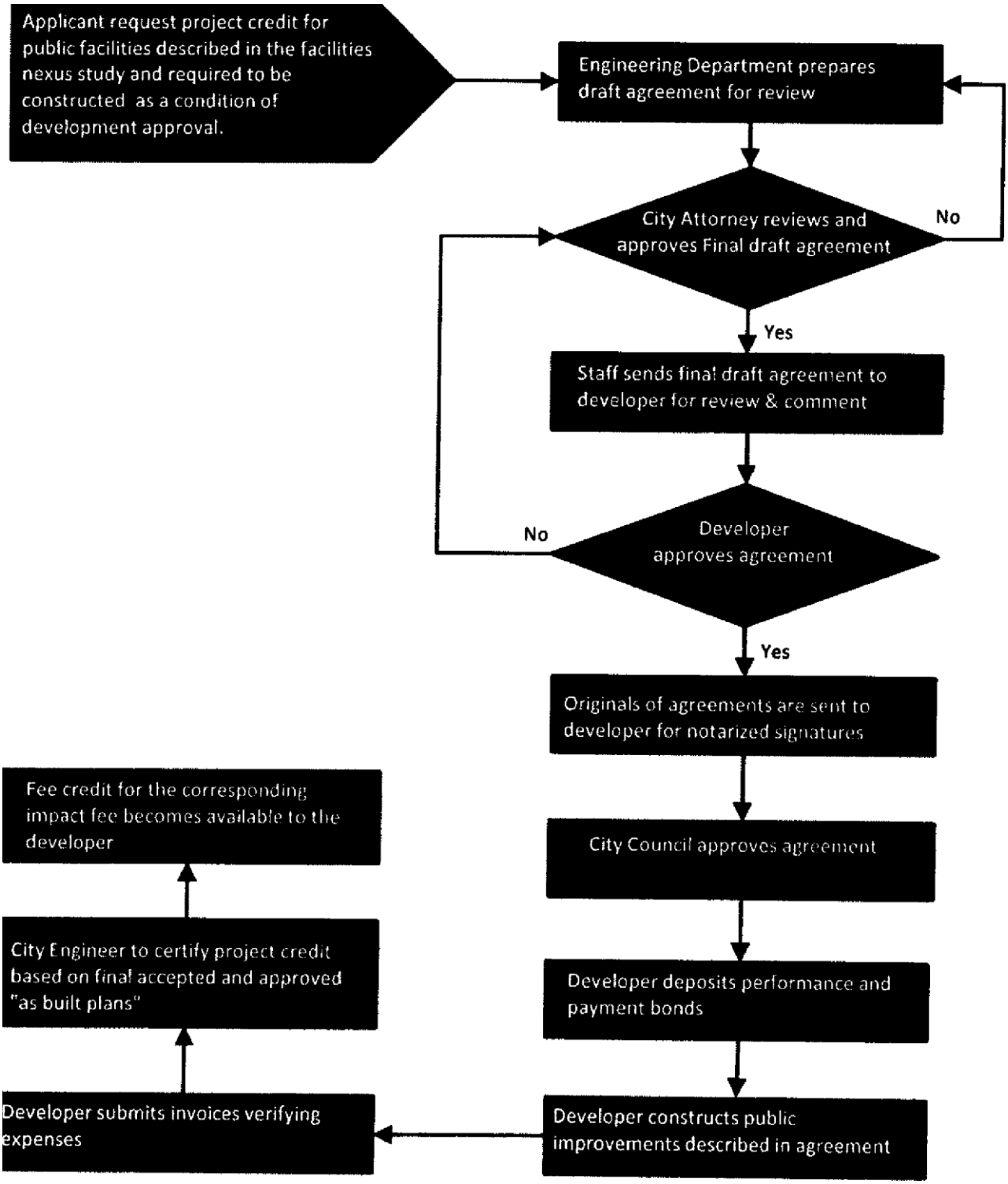


Exhibit E

Third Party Reimbursement Process*

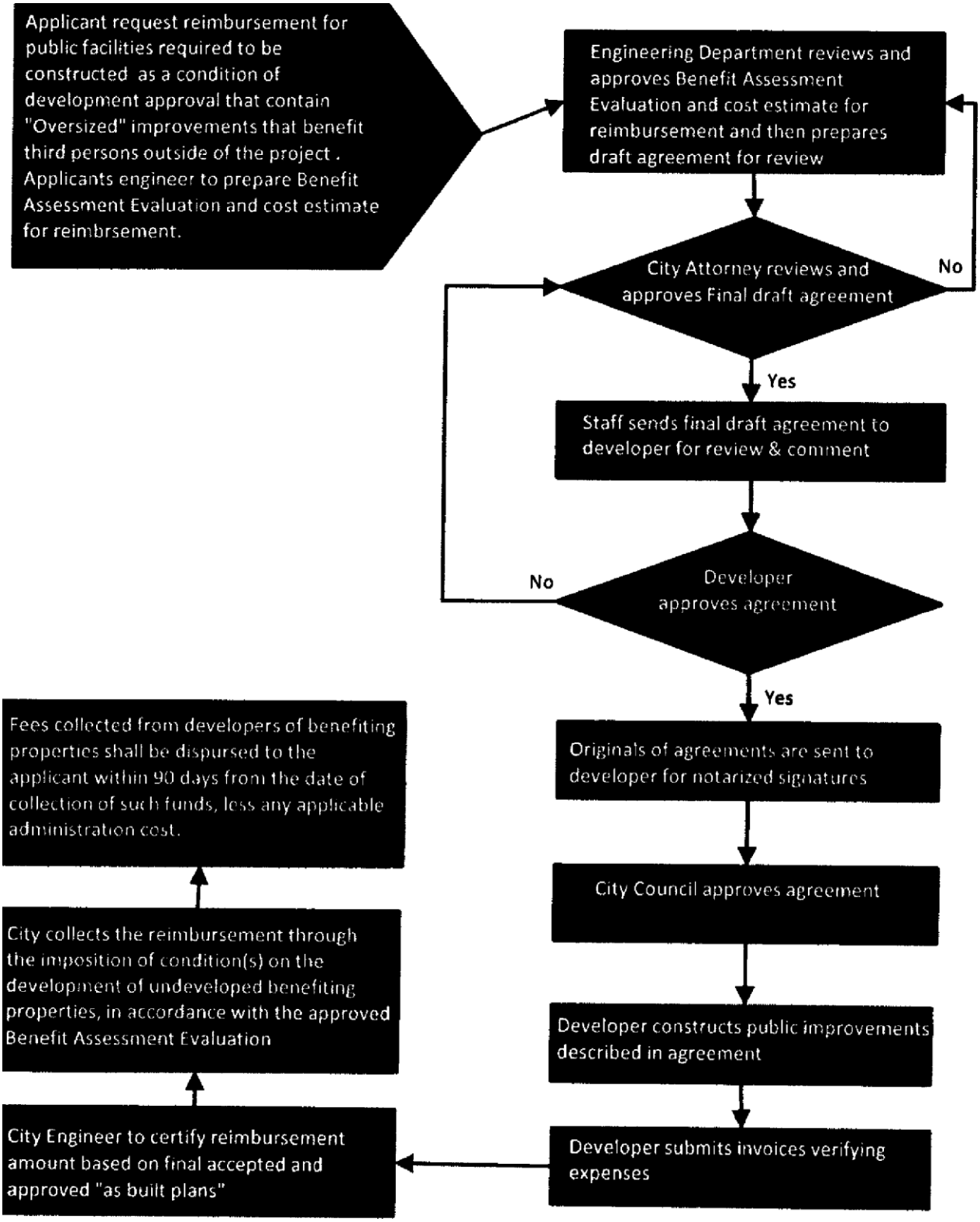


Exhibit F

Conditions of Approval

La Entrada Specific Plan Conditions of Approval

CONDITIONS OF APPROVAL FOR TENTATIVE TRACT MAP NO. 36494

1. The applicant shall defend, indemnify and hold harmless the City of Coachella, its officials, officers, employees, and agents from and against any claim, action, or proceeding against the City, its officials, officers, employees or agents to attack, set aside, void or annul any project approval or condition of approval of the City concerning this project, including but not limited to any approval or condition of approval or mitigation measure imposed by the City Council or Planning Commission. The City shall promptly notify the applicant of any claim, action, or proceeding concerning the project and the City shall cooperate fully in the defense of the matter. The City reserves the right, at its own option, to choose its own attorney to represent the City, its officials, officers, employees and agents in the defense of the matter. The applicant shall execute an indemnification agreement, in a form acceptable to the City Attorney, within five days of the effective date of this approval.

2. This map is for financing and conveyance purposes only. No development entitlements are associated with Tentative Tract Map No. 36494.

3. The following statement must be clearly printed on the face of Tentative Tract Map No. 36494:

   FOR FINANCE AND CONVEYANCE PURPOSES ONLY. THIS MAP DOES NOT CREATE ANY LEGAL BUILDING SITES. FURTHER APPLICATIONS ARE NECESSARY TO DEVELOP THIS PROPERTY.

4. The approval of Tentative Tract Map No. 36494 shall remain in effect as specified in the La Entrada Development Agreement.

5. Tentative Tract Map No. 36494 must be consistent with Specific Plan Amendment No. 88-3, the La Entrada Specific Plan.

6. No development or improvement, including grading, of any portion of this map shall be permitted until a subsequent Builder's Tentative Map or Commercial Map is recorded in accordance with the applicable provisions of the La Entrada Specific Plan Conditions of Approval, Subdivision Map Act, and the City of Coachella Subdivision Ordinance for the subdivision described in this map.

~~7. The Final Tract Map may not record until such time as Annexation 13-:XX is complete.~~

8. The Final Tract Map shall comply with the Subdivision Map Act and City of Coachella Subdivision Ordinance.

~~9. Prior to recordation of Tentative Tract Map No. 36494, the existing Rights-of- Way for Pierce Street, Buchanan Street, Avenue 50 and Avenue 52 shall be vacated.~~

10. In accordance with and compliance with the Conditions of Approval for Specific Plan 88-3 (Amendment), Developer's facilities obligations may be financed through the use of one or more Financing Districts including, without limitation, a Community Facilities Financing District for improvements, public services, including without limitation police and fire services, fees or maintenance costs. Any La Entrada specific Financing District must include a component for police and fire services at service levels equivalent to current police staffing and fire response times. In the event that a La Entrada-specific Financing District is not formed, prior to recordation of the Final Map, the applicant or successor in interest shall annex the subject property into the City's Community Facilities District (CFD 2005-01) for City Police, Fire and Paramedic services, and the applicant shall cooperate with the City to include the subject property, including the 588-acre Annexation area, in CFD 2005-01.

~~11. Approval of Tentative Tract Map No. 36494 is contingent upon City Council certification of EIR 12-01 and City Council approval of General Plan Amendment 12-02, General Plan Amendment 12-03 and Specific Plan No. 88- 03 (Amendment).~~

Conditions of Approval For Specific Plan Amendment No. 88-3 (Amendment}: La Entrada

General Conditions

1. The applicant shall defend, indemnify and hold harmless the City of Coachella, its officials, officers, employees, and agents from and against any claim, action, or proceeding against the City, its officials, officers, employees or agents to attack, set aside, void or annul any project approval or condition of approval of the City concerning this project, including but not limited to any approval or condition of approval or mitigation measure imposed by the City Council or Planning Commission. The City shall promptly notify the applicant of any claim, action, or proceeding concerning the project and the City shall cooperate fully in the defense of the matter. The City reserves the right, at its own option, and subject to reasonable approval of the applicant, to choose its own attorney to represent the City, its officials, officers, employees and agents in the defense of the matter. The applicant shall execute an indemnification agreement, in a form acceptable to the City Attorney, within five days of the effective date of this approval.

2. The words identified in the following list appear in capitals in the attached Conditions of Approval for Specific Plan Amendment No. 88-3: The La Entrada Project ("City Approvals") and shall be henceforth defined as follows:

   SPECIFIC PLAN = Specific Plan Amendment No. 88-3: La Entrada

   CHANGE OF ZONE = Change of Zone No. I 2-03

   GPA = General Plan Amendment Nos. 12-02 (land use designation) and 12-03 (text amendment)

   DEVELOPMENT AGREEMENT = La Entrada Development Agreement

   ANNEXATION = La Entrada Annexation

   EIR = Environmental Impact Report No. 12-01

   TTM = Financing Tentative Tract Map No. 36494

   BUILDER'S TENTATIVE MAP = A Builder's Tentative Map created for the purpose of designing individual residential lots or multi-family units for sale to end-user homeowners.

   BUILDING PERMITS = The number of dwelling units constructed within an implementing project. Any condition of approval that uses the term "Building Permit" to trigger an event or to cause another action to take place shall be interpreted to mean "Dwelling Units" as enumerated within the TOTAL DWELLING UNIT TRACKING MATRIX.

COMMERCIAL MAP = A Commercial Map is the division of a lot or parcel of land into two or more lots for the purpose of creating a development for commercial or business related purposes. This definition includes, but is not limited to, retail commercial and office commercial uses.

FINAL MAP or MAP = The terms Final Map, Final Tract Map or Map shall have the same meaning as those terms are defined in the California Subdivision Map Act (California Government Code Sections 66410 et seq.).

IMPLEMENTING PROJECT = An Implementing Project is a subsequent project, located in the Specific Plan area, pursuant to either a Builder's Tentative Map or Commercial Map.

MASTER SUBDIVISION MAP = A Master Subdivision Map is a map that subdivides large tracts of land into smaller parcels for the purpose of later selling or otherwise transferring the parcels for further subdivision together with planning and construction of infrastructure elements, but not for the purpose of creating individual commercial parcels or individual residential lots for sale to end-user homeowners. The purpose and intent of the Master Subdivision Map process is to allow subdivision of land to correspond to Specific Plan Planning Areas, open space, and infrastructure elements without allowing the creation of individual commercial or residential lots. For nonresidential property, while the Master Subdivision Map process may create parcels which may or may not be subdivided further, no building may be undertaken on any master parcel unless and until all other required discretionary entitlements have been lawfully obtained, as required by applicable land use and development regulations of the Specific Plan. The boundary lines on any Master Subdivision Map shall correspond to applicable Planning Area plan land use designations and infrastructure elements.

SPECIFIC PLAN AMENDMENT NO. 88-3 = Specific Plan Amendment No. 88-3, the La Entrada Specific Plan shall include the following:

a. Specific Plan Document, which shall include the following:

    1. City Council General Plan Amendment No. 12-02 resolution;
    2. City Council Specific Plan Amendment No. 88-3 ordinance including the Conditions of Approval;
    3. Specific Plan Zoning District Ordinance; and
    4. Specific Plan text, land use map and supporting exhibits.

b. Final Environmental Impact Report No.12-01 which includes the following:

    1. Mitigation Monitoring and Reporting Program;
    2. Draft Environmental Impact Report;
    3. Comments received on DEIR either verbatim or in summary;

4. A list of persons, organizations and public agencies commenting on the DEIR;
5. Responses of the City to significant environmenta1 points raised in the review and consultation process;
6. Errata;
7. Technical Appendices on CD;
8. Findings; and
9. Statement of Overriding Considerations.

TOTAL DWELLING UNIT TRACKING MATRIX = A chart for tracking the total build out of the Specific Plan maintained by the City, Development Services Department. The matrix shall differentiate between individual Building Permits and the total number of dwelling units that are represented by the Building Permits that have been issued for the entire Specific Plan.

All other terms not specifically defined herein shall have the same meaning set forth in the Specific Plan.

3. In the event of an inconsistency between these Conditions of Approval and the Specific Plan or Development Agreement, the terms and conditions of the Specific Plan and Development Agreement, as applicable, shall prevail. All implementing actions associated with the City Approvals shall be consistent with the Specific Plan and the Development Agreement.
4. The development of the property shall be in accordance with the mandatory requirements of all City of Coachella ordinances and state laws and shall conform substantially to the adopted Specific Plan and Environmental Impact Report as approved by the City of Coachella.
5. All Planning Area numbers shall be retained throughout the life of the Specific Plan, in accordance with Section 5.4 of the Specific Plan.
6. Density transfers between Planning Areas are permitted in accordance with Section 5.3 of the Specific Plan.
7. Prior to the approval of any Implementing Project, the applicant shall provide a Total Dwelling Unit Tracking Matrix. The Matrix Table will track Planning Area entitled units, Tentative Tract Map units, Final Map recorded units, and units actually built within every planning area in the Specific Plan. The purpose of this tracking sheet is to enable the Community Development Department to ensure compliance with the established Planning Area development ranges as outlined in Table 2-1 of the Specific Plan.
8. A minimum of 25% of the dwelling units (a minimum of 1,950 dwelling units) within the La Entrada Specific Plan shall include installation of renewable energy facilities including, without limitation, solar technology. The following minimums shall be required for each development phase:

    a. Phase 1 - 368 units
    b. Phase 2 - 348 units
    c. Phase 3 - 311 units
    d. Phase 4 - 258 units
    e. Phase 5 - 665 units

9. Planning Areas C-10, C-11, G-6, G-7, G-9, G-10, and G-11 shall include the installation of renewable energy facilities including, without limitation, solar technology.
10. No development shall occur within the 588-acre Annexation area of the Specific Plan until such time as the Annexation process is complete.
11. Mitigation measures included in the project Mitigation Monitoring and Reporting Program and the letter from the Riverside County Fire Department dated October 16, 2013 (attached and incorporated by reference as project conditions of approval).
12. The Planning Director or his/her designee may allow minor modifications or adjustments to these Conditions of Approval through a Director's Administrative Review process, so long as those minor modifications and adjustments are consistent with the City Approvals and the Specific Plan.
13. The applicant has ninety (90) days from the date of the approval of these conditions to protest, in accordance with the procedures set forth in Government Code Section 66020, the imposition of any and all fees, dedications, reservations and/or exactions imposed on this project as a result of the approval or conditional approval of this project.
14. Fee credits or reimbursements are allowed as set forth in the City of Coachella Ordnance No. 1013 or as may be allowed in the La Entrada Development Agreement.
15. The Specific Plan must be consistent with all aspects of the approved Water Supply Assessment dated October 2013. Development within the project area of Specific Plan Amendment 88-03 must comply with the City's fee requirements for supplemental water purchases.

Prior to Grading Permit

The following conditions shall be included as conditions of all subsequent Tentative Tract Maps:

16. All grading shall be performed in accordance with the applicable provisions of the California Building Code, project's Mitigation Monitoring and Reporting Program, the Specific Plan and its Appendix A (Grading Standards), and the City General Plan, as amended.
17. Prior to the issuance of a grading permit(s), all certifications affecting grading shall have written clearances, including, but not limited to additional environmental assessments, erosion control plans and geotechnical/soils reports.
18. Grading of the site wi1l be done in substantial conformance with a mass grading plan submitted at the time of the first Master Tentative Tract Map.
19. Per the requirements of CVWD, prior to the issuance of grading permits, the developer shall provide the following for those drainage facilities impacted by the proposed grading:

a. Provide flood control plans that incorporate the required mitigation measures to protect existing CVWD facilities and satisfy all applicable regulations and standards.
b. Obtain a Conditional Letter of Map Revision (CLOMR) through the Federal Emergency Management Agency (FEMA).
c. Execute an agreement with CVWD, which shall include provisions outlined in CVWD Ordinance No. 1234.1.
d. Submit to CVWD a Flood Control Facility Operations and Maintenance Manual for review and approval.
e. Grant flooding easements over the flood control facilities in a form and content reasonably acceptable to CVWD.
f. Submit final construction plans for the proposed flood control facilities and a detailed hydrologic and hydraulic design report for review and approval.

Prior to or concurrent with submittal of a Master Tentative Map

20. The first Master Tentative Map must provide for all requisite on-site and off-site easements, rights-of-way and alignments for vehicular access and extension of utility infrastructure, including reclaimed water facilities, to the project site from both Avenue 50 and Avenue 52.
21. The first Master Tentative Map must provide a plan for the expansion of the City's wastewater treatment facility, or provide for project specific wastewater treatment facilities, as may be required to address the additional capacity needs generated by the La Entrada development.
22. The Avenue 52 access, with the exception of the canal crossing, shall be designed with interim improvements as approved by the City Engineer and the Fire Department. Timing of the ultimate improvement of Avenue 52 shall be in accordance with the requirements of the Specific Plan and EIR.
23. Plans including, without limitation, financing details, preliminary design plans and a construction phasing schedule for the project's Primary Community Gateways, in accordance with Section 3.4.3 and Exhibit 3-2 (Master Landscape Plan) of the Specific Plan shall be part of the first Master Tentative Map that includes Avenue 50 and Avenue 52.
24. Ultimate parkway and median landscaping for Avenue 52 and "B" Street shall be installed in conjunction with development of the planning area immediately adjacent to the road segment.
25. A recreation and open space concept plan that includes trails, parks, the paseo and the drainage trail connections and provides detail on layout, grading, utilities, plant palette and lighting is required for each phase of the project. The plan shall be submitted and approved by the City's Planning Director or his/her designee concurrently with the first Tract Map for the particular phase of development.
26. A transit plan, illustrating the location and spacing of transit facilities, shall be submitted to SunLine Transit Agency in conjunction with the first Master Tentative Map that includes Street A.
27. In accordance with Section 5.2 of the Specific Plan, a Master Signage Program shall be prepared and approved by the City's Planning Director or his/her designee to provide for design continuity within the La Entrada Community.

28. In accordance with Section 3.4.8 of the Specific Plan, a Master Wall and Fencing Plan shall be prepared and approved by the City's Planning Director or his/her designee to provide for design continuity within the La Entrada Community.

29. All improvement plans for landscaped elements including, without limitation, parkways, medians, paseos and trails shall conform to the standards contained in Section 3.4 of the Specific Plan.
30. All parks shall be constructed in accordance with table 5-2 (Park Phasing) of the Specific Plan.

Prior to or concurrent with submittal of a Builder's Tentative Map or Commercial Map

31. Prior to or concurrent with approval of a Builder's Tentative Map or Commercial Map, traffic studies shall be prepared in accordance with Mitigation Measures 4.16.1 through 4.16.5.
32. Prior to approval of the first Builder's Tentative Map or Commercial Map that includes Planning Areas C-10 and C-11 or the first Builder's Tentative Map in the Central Village, whichever comes first, the applicant shall work with the Fire Department to identify the location, design and siting for the future fire station.
33. Prior to approval of the first Builder's Tentative Map or Commercial Map that includes Planning Areas C-10 and C-1lor the first Builder's Tentative Map in the Central Village, whichever comes first, the applicant shall work with the Police Department to identify the need, location, design and siting for the potential future police station site.
34. In accordance with Section 5.2 of the Specific Plan, a detailed Sign Plan in conformance with the Master Signage Program shall be prepared and approved by the City's Planning Director or his/her designee as part of the design review process.
35. In accordance with Section 3.4.8 of the Specific Plan, a detailed Wall and Fencing Plan in conformance with the Master Wall and Fencing Plan shall be prepared and approved by the City's Planning Director or his/her designee as part of the design review process.
36. All improvement plans for landscaped elements including, without limitation, parkways, medians, paseos and trails shall conform to the standards contained in Section 3.4 of the Specific Plan.
37. Commercial and residential builders shall design all structures in accordance with the guidelines set forth in the US Green Building Council LEED, and GreenPoint Rated standards. LEED certification is not required. All commercial and residential builders and shall comply with or exceed the most current Title 24 energy efficiency and CALGreen building standards.
38. All Final maps may be phased. The number of phased final maps that may be filed shall be determined by the Developer and Planning Director or his/her designee at the time of the approval or conditional approval of the tentative map.

Prior to Recordation of a Builder's or Commercial Final Map

39. In accordance with and compliance with the Conditions of Approval for Specific Plan 88-3 (Amendment), Developer's facilities obligations may be financed through the use of one or more Financing Districts including, without limitation, a Community Facilities Financing District for improvements, public services, including without

limitation police and fire services, fees or maintenance costs. Any La Entrada specific Financing District must include a component for police and fire services at service levels equivalent to current police staffing and fire response times. In the event that a La Entrada-specific Financing District is not formed, prior to recordation of the Final Map, the applicant or successor in interest shall annex the subject property into the City's Community Facilities District (CFD 2005-01) for City Police, Fire and Paramedic services, and the applicant shall cooperate with the City to include the subject property, including the 588-acre Annexation area, in CFD 2005-01

40. Prior to Map recordation, a permanent master maintenance organization shall be established for the Specific Plan area to assume ownership and maintenance responsibility for all common recreation, open space, stormwater drainage, circulation systems and landscaped areas. The organization may be public or private.
    a. If the organization is a private organization, then neighborhood associations shall be established for each residential development where required and such associations may assume ownership and maintenance responsibility for neighborhood common areas.
    b. Common open areas shall be conveyed to the maintenance organization as implementing development is approved or any subdivision is recorded.
    c. The maintenance organization shal1 be established prior to or concurrent with recordation of the first 1and division.
    d. Covenants, Conditions and Restrictions (CC&Rs) sha11 be prepared by the applicant, reviewed and approved by the City Attorney.
        i. The CC&Rs shall be consistent with the Sustainable Community Design Strategies, and Section 3 (Design Guidelines) of the adopted Specific Plan.
        ii. The CC&Rs shall include a disc1osure to residential owners in substantia1ly the same form as: "The La Entrada property is located, partial1y or wholly, adjacent to land zoned for agricultura1 purposes by the City of Coachella. No agricultural activity, operation, or facility or appurtenances thereof, conducted or maintained for commercial purposes in the City of Coachella and in a manner consistent with proper and accepted customs and standards, as established and followed by similar agricultural operations in the same locality shall be or become a nuisance, private or public, due to any changed condition in or after the locality, after the same has been in operation for more than three years, if it was not a nuisance at the time it began."
        iii. The CC&Rs shall include a disclosure to residential owners in substantially the same form as: "A substantial portion of La Entrada is within an earthquake fault zone that has been designated by the California State Geologist as the San Andreas fault zone under a California law called the Alquist-Priolo Earthquake Fault Zoning Act (California Public Resources Code Sections 2621 through 2630). This Act prohibits the construction of structures for human occupancy over the trace of an active fault line. An active fault trace is the location of an earthquake fault that has broken the ground surface in about the last 11,000 years."
        iv. The CC&Rs shall include a disclosure and provide information to future residential owners and business owners on the benefits of installing and utilizing energy conservation measures and renewable energy resources as a means of reducing dependence on non-renewable

energy sources.

Prior to Occupancy Permits of a Builder's Map or Commercial Map

41. Per the requirements of CVWD, prior to the issuance of occupancy permits, the developer shall:
    a. Obtain a Letter of Map Revision (LOMR) through FEMA.
    b. At the completion of the construction of the flood control facilities, submit "as -built" topography, construction drawings, and engineering analysis for CVWD review to verify that the design capacity is adequate.
42. The developer is required to install suitable facilities per Coachella Valley Water District and Bureau of Reclamation standards to prohibit access to the Coachella Canal facility and adjacent right-of-way.

Amendments to Specific Plan 88-03 Document Text:

43. Section 4.5.2 of the Specific Plan document shall be amended to allow theaters as a permitted use.

44. Section 4.4.2 of the Specific Plan document shall be amended to allow a maximum building coverage of 50% for Low Density Residential uses.

Exhibit G

TTM 36494

Exhibit H

CFD Financing Parameters

1. Financing Parameters. City agrees to levy special taxes of the La Entrada Facility CFD and issue bonds in one or more series to finance the acquisition and construction of the Public Facilities using the parameters set forth below:

a. A precondition to the issuance of bonds sha11 be that the value of the rea1 property subject to special taxes required to repay the bonds shall be at least three (3) times the amount of the bonds and any other governmentally-imposed land-secured debt (exc1uding any proceeds of the bonds to be deposited in an escrow fund); provided, however, that City, its bond counsel, its financial advisor and the underwriter of the bonds do not view such ratio as posing an unusual credit risk. In order to reduce issuance, administrative and interests costs, provide certainty as to the availability of the proceeds of the bonds to fund the Public Facilities, and facilitate efficiency in such funding and the construction of the Public Facilities, bonds may be issued and a portion of the proceeds escrowed that is reasonably expected by the City to be released within three (3) years pending increases in the value of property subject to special taxes to achieve a 3:1 value-to-lien ratio.

b. Each series of bonds shall have a term of thirty (30) years; provided, however, the term of any individual series of bonds may be less than thirty (30) years if the La Entrada Facility CFD's authority to levy the special taxes securing the payment of such bonds or the underwriting conditions in the market for land secured bonds at the time of the issuance of such bonds require the issuance of such bonds with a shorter term.

c. Each series of bonds may include up to twenty four (24) months of capitalized interest or such other lesser amount as may be requested by Master Developer and such amount may exceed the amount necessary to place the special tax insta1lments on the assessment roll.

d. Each series of the La Entrada Facility CFD bonds to be issued for an improvement area sha11 be sized based upon the estimated annual special tax revenues from such improvement area at build-out being equal to one hundred ten percent (110%) of (i) annual debt service, plus (ii) priority annua1 administrative expenses. Priority administrative expenses shall not exceed $30,000 per an improvement area. Nothing herein shall require the City to include in the annual levy of special taxes an amount less than its actual and reasonably estimated La Entrada Facility CFD administrative expenses or permit the City to include an amount greater than such expenses.

e. The total effective tax rate within each improvement area applicable to any residential parcel on which a residential dwelling has or is to be constructed, taking into account all ad valorem property taxes, voter-approved ad valorem property taxes in excess of one percent (1%) of assessed value, the annual special taxes of existing community facilities districts and community facilities districts under consideration and reasonably expected to be established, the annual assessments (including any administrative surcharge) of existing assessment districts and assessment districts under consideration and reasonably expected to be established, and the special taxes of the La Entrada Facility CFO, sha11 not exceed two percent (2.00%) of the projected initial sales price of the residential dwelling unit and such parcel, as projected at the time of the La Entrada Facility CFD formation.

f. Special taxes sha11 be levied on Developed Property within an improvement area at the maximum assigned special tax rate prior to the issuance of bonds to finance the Public Facilities. "Developed Property" means a parcel for which a building permit has been issued. "Undeveloped Property" shall mean all other taxable property. Special Taxes may be levied on Undeveloped Property within an improvement area only after the issuance of bonds and only to the extent the annual debt service on the bonds, administrative expenses, the reasonably anticipated delinquent special taxes, and the reserve fund replenishment amount is not able to be paid in full from Developed Property special taxes levied and collected within the applicable improvement area.

g. Full and/or partial prepayment of the special taxes shall be permitted.

h. At Master Developer's election, City shall allow the special taxes to escalate by two percent (2%) per year and debt service on the bonds to escalate at the same average rate as the special tax escalation.

i. The City shall allow the levy and collection of special taxes so as to generate "Surplus Special Taxes." "Surplus Special Taxes" shall mean La Entrada Facility CFD special taxes levied on Developed Property within an improvement area prior to the issuance of bonds for such improvement area and collected by the La Entrada Facility CFD, net of the amount required to pay La Entrada Facility CFO administrative expenses.

Surplus Special Taxes collected by the La Entrada Facility CFD shall be deemed La Entrada Facility CFD Proceeds and disbursed to reimburse, by any mechanism reasonably acceptable to Master Developer and City, Master Developer amounts approved pursuant to payment requests submitted for the Public Facilities.

J. The rate and method of apportionment of special taxes for each improvement area shall include provisions to alJow for administrative reductions in the maximum special taxes, prior to the issuance of bonds of such improvement area, with the consent of the owner(s) of 100% of the taxable property within such improvement area. The rate and method of apportionment shall include substantially the following language: "Prior to the issuance of Bonds, the Assigned Special Tax, Backup Special Tax, and Maximum Annual Special Tax (collectively the "'Special Tax Rates") on Taxable Property may be reduced in accordance with, and subject to the conditions set forth in this paragraph. Upon the City's receipt of a written request including written consent of I 00% of the owners of Taxable Property within the improvement area and the CFD Administrator, the Special Tax Rates on Taxable Property may be reduced to a level which will provide not less than the sum of estimated Administrative Expense Requirement and one hundred ten percent (110%) of the estimated debt service with respect to the amount of bonds requested to be issued in such written request. The reductions pennitted pursuant to this paragraph shall be reflected in an amended Notice of Special Tax Lien which the City shall cause to be recorded."

2. Modifications. In order to address economic circumstances, Project revisions, bond underwriting criteria or other factors consistent with the Project's development plan and City and Master Developer's objectives with respect to the Project and the Public Facilities: (i) the provisions of this financing plan may be modified at an administrative level with the consent

of both the City Manager and Master Developer, and (ii) City shall cooperate with Master Developer to amend the La Entrada Facility CPD boundaries, including boundaries of improvement areas thereof, special tax rates, and other relevant aspects of the La Entrada Facility CFD structure. City agrees and acknowledges that in connection with any such amendment it shall not impose or otherwise require any additional infrastructure, development fee or other requirements or conditions with respect to the Project or La Entrada Facility CFD; provided, however, the City may require the Master Developer to advance funds to pay all reasonable costs incurred or to be incurred by the City in considering any such amendment.

3. Compliance with Federal Tax Laws and U.S. Securities and Exchange Commission (SEC) Requirements. In connection with the issuance of each series of bonds of the La Entrada Facility CFD, City and Master Developer shall abide by all federal tax laws and regulations, as wen as all applicable SEC laws and regulations regarding both original and continuing disclosure. Failure of Master Developer to comply with SEC disclosure requirements may preclude the issuance of any additional bonds. The Master Developer shall include a provision in the sale of any portion of the Property to a merchant builder that will require the merchant builder to comply with all such laws and regulation.

EXHIBIT I

Form of Assignment and Assumption Agreement

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

(Space Above line for Recorder's Use Only)

ASSIGNMENT ANO ASSUMPTION OF DEVELOPMENT AGREEMENT

This ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT ("Assignment") is made this ___ day of _____, 20_ ("Assignment Date") by and between _____as successor-in-interest to _____("Assignor"), and _____("Assignee").

RECITALS

A. _____is currently the owner of certain real property located in the City of Coachella, County of Riverside, State of california, as more fully described on Exhibit A attached hereto and incorporated herein by reference (the "Property").

B. Pursuant to California Government Code Section 65864, et. seq., Assignor's predecessor-in-interest negotiated, finalized, executed and entered into that certain Development Agreement dated _____ and recorded on _____as Instrument No. _____in the Official Records of the County of Riverside ("Official Records") with the City of Coachella, a California municipal corporation (the "City") (collectively the "Development Agreement").

C. Assignor has obtained from the City certain development approvals and permits with respect to the development of the Property, including without limitation, approval of the Development Agreement (the "Project Approvals"}.

D. Assignor and Assignee entered into that certain Agreement of Purchase and Sale and Joint Escrow Instructions dated as of _____ (the "Agreement"}, for the sale of the Property.

E. Under the Agreement, Assignor is obligated to assign to Assignee all of Assignor's right, title and interest in and to the Development Agreement and Project Approvals pursuant to this Assignment.

NOW, THEREFORE, in reliance on the foregoing and in consideration of the mutual covenants, agreements and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Assignment. Assignor hereby assigns and transfers to Assignee **all** of the Assignor's **right,** title and interest in and to the Development Agreement and the Project Approvals with respect to the Property. Assignee hereby accepts such assignment from Assignor.

2. Assumption. Assignee expressly assumes and agrees to keep, perform, and fulfill all of the terms, conditions, covenants and obligations required to be kept, performed and fulfilled by Assignor under the Development Agreement and Project Approvals with respect to the Property.

3. Representations and Warranties of Assignor. Assignor hereby makes the following representations and warranties to the Assignee as of the date of this Assignment:

   a. Assignor is the holder of that portion of the Property currently encumbered by the Development Agreement and Project Approvals, and has not previously transferred or assigned any interest in the same.

   b. The Development Agreement is unmodified and in full force and effect.

   c. To the actual knowledge of Assignor, no default on the part of Assignor, and no breach or failure of condition that, with notice or lapse of time or both, would constitute a default on the part of Assignor, exists under the Development Agreement.

   d. The execution, delivery, and performance by Assignor of this Assignment (i) will not contravene any legal requirements applicable to Assignor, (ii) will not conflict with, breach or contravene any other agreement binding on Assignor, and (iii) will not result in the creation or imposition of any liens on any portion of the Property except as may otherwise be permitted under the terms of the Development Agreement.

e. Prior to the date hereof, Assignor has provided the City with written notice of this Assignment and requested from Assignee the appropriate documentation required by the City in connection with this Assignment.

4. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original, and all of which shall, taken together, be deemed one document.

5. Survival. This Assignment and the provisions hereof shall inure to the benefit of and be binding upon the parties to this Assignment and their respective successors, heirs and permitted assigns.

6. No Third Party Beneficiaries. Except as otherwise expressly set forth herein, Assignor and Assignee do not intend, and this Assignment shall not be construed, to create a third-party beneficiary status or interest in, nor give any third-party beneficiary rights or remedies to, any other person or entity not a party to this Assignment.

7. Further Assurances. Each party hereto hereby covenants that it will, at any time and from time to time upon written request therefor, execute and deliver to the other party and its successors, nominees or assigns, such documents as such other party or they may reasonably request in order to fully consummate the transactions contemplated by this Assignment.

8. Governing Law. This Assignment shall be governed by, interpreted under, and construed and enforceable in accordance with the laws of the State of California, without regard to chaise of law principles.

[Signatures on Following Page]

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment as of the day and year first written above.

"ASSIGNOR"

Dated: _____ _____

By: _____

Its: _____

"ASSIGNEE"

Dated: _____ _____

By: _____

Its: _____

{Attach Notary Acknowledgements)