

RESOLUTION NO. 2016-108

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK DECLARING INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF TAX-EXEMPT OBLIGATIONS AND APPROVING AN ACQUISITION AND FEE FUNDING AGREEMENT FOR BOND-FUNDED FACILITIES WITH THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AND UNIVERSITY DISTRICT LLC AND VAST OAK PROPERTIES LP.

WHEREAS, on November 25, 2014 with Resolution 2014-160, the City Council of the City of Rohnert Park (City) authorized the California Statewide Communities Development Authority (Authority) to form a Community Facilities District (CFD) within the territorial limits of the City; and

WHEREAS, the Authority has formed a CFD for the purposes of issuing tax-exempt obligations (Debt) and funding the construction of infrastructure within the City's University District Specific Plan Area; and

WHEREAS, the City expects to incur capital expenditures (the "Reimbursement Expenditures") in connection with the projects more particularly identified in Exhibit A hereto (the "Projects") prior to the issuance of the Debt to finance such Projects; and

WHEREAS, the City reasonably expects that the Debt will be issued by CSCDA in an amount not to exceed Fifty Million Dollars and No Cents (\$50,000,000.00) and that certain of the proceeds of such Debt will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations (the "Treasury Regulations") requires the City to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent borrowing; and

WHEREAS, City anticipates that some of the Projects will be constructed by others and acquired by the City using the proceeds of the Debt; and

WHEREAS, a form of Acquisition and Fee Funding Agreement (the "Acquisition Agreement") between the City, the Authority and University District LLC and Vast Oak Properties LP, has been presented to the City Council, as Exhibit B, and is on file with the City Clerk; and

WHEREAS, nothing herein constitutes the City's approval of any applications, development project entitlements and/or permits, and such, to the extent required in the future, are subject to and contingent upon City Council approval following, to the extent applicable, environmental review in compliance with the California Environmental Quality Act ("CEQA"); and

WHEREAS, nothing herein affects, without limitation, requirements for and/or compliance with any and all applicable and/or necessary improvement standards, land use requirements or subdivision requirements relating to the Development Project or any portion thereof, which obligations are and shall remain independent and subsisting.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Rohnert Park that it does hereby find, determine, declare and resolve as follows:

Section 1. Recitals. That the foregoing recitals are true and correct.

Section 2. Purpose of Resolution. That this resolution is adopted for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This resolution does not bind the City to make any expenditure, incur any Debt, or proceed with the Projects.

Section 3. Declaration of City. That the City hereby declares its official intent to reimburse itself with proceeds of indebtedness for any of the Reimbursement Expenditures incurred by it prior to incurring such Debt.

Section 4. Approval of the Acquisition Agreement. That the form of Acquisition Agreement included as Exhibit B to this Resolution is approved subject to minor modifications approved by the City Manager and City Attorney.

Section 5. Effective Date of Resolution. That this Resolution shall take effect immediately upon its adoption.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute documents pertaining to same for and on behalf of the City of Rohnert Park, including the Acquisition Agreement in substantially similar form to Exhibit B.

DULY AND REGULARLY ADOPTED this 8th day of November, 2016.

CITY OF ROHNERT PARK


Gina Belforte, Mayor

ATTEST:


Caitlin Saldanha, Deputy City Clerk

Attachments: Exhibit A and B

AHANOTU: Aye CALLINAN: Aye STAFFORD: Aye MACKENZIE: Aye BELFORTE: Aye
AYES: (5) NOES: (0) ABSENT: (0) ABSTAIN: (0)

Resolution Exhibit A

UNIVERSITY DISTRICT LLC & VAST OAK PROPERTIES

11/1/16

DESCRIPTION OF IMPROVEMENTS	REQUIRED IMPROVEMENTS
A. PUBLIC FACILITIES FINANCING PLAN ("PFFP")	
SEWER	
EASTSIDE TRUNK SEWER PHASE 3	\$2,999,469
ROADWAYS & BRIDGES	
ROHNERT PARK EXPRESSWAY (RPX) - PHASE 1	\$5,970,004
RPX - PHASE 1A (NORTH - SNYDER LANE TO KERRY ROAD)	\$5,075,994
RPX - PHASE 1B (NORTH - KERRY ROAD TO PETALUMA HILL ROAD)	\$894,010
ROHNERT PARK EXPRESSWAY (RPX) - PHASE 2	\$5,551,124
RPX - PHASE 2A (SOUTH - SNYDER LANE TO KERRY ROAD)	\$5,075,994
RPX - PHASE 2B (SOUTH - KERRY ROAD TO PETALUMA HILL ROAD)	\$475,130
KEISER AVENUE - PHASE 1 (SNYDER TO OAK GROVE PARK)	\$3,810,523
KEISER AVENUE - PHASE 2 (OAK GROVE PARK TO PETALUMA HILL ROAD)	\$3,810,523
SNYDER LANE WIDENING	\$3,171,656
SNYDER LANE BRIDGE AT COPELAND CREEK	\$465,119
DETENTION BASINS & DRAINAGE	
COPELAND CREEK REGIONAL DETENTION BASIN	\$2,470,731
A. TOTAL PFFP IMPROVEMENTS	\$28,249,149
B. OFF - SITES & ON - SITES INFRASTRUCTURE	
OFF - SITES WATER, ROADWAYS & BRIDGES	
ANDERSON 53 WATER TANK	\$5,000,000
ROHNERT PARK EXPRESSWAY - UTILITIES	\$1,566,030
PH 1 UTILITIES - WET & INTERSECTIONS (NORTH SIDE)	\$928,000
PH 2 UTILITIES - WET & INTERSECTIONS (SOUTH SIDE)	\$468,080
PH 1 & 2 UTILITIES - JOINT TRENCH	\$169,950
ROHNERT PARK EXPRESSWAY IMPROVEMENTS	\$2,257,502
PH 1 LANDSCAPE IMPROVEMENTS (NORTH - SIDE)	\$1,172,804
PH 2 LANDSCAPE IMPROVEMENTS (SOUTH - SIDE)	\$1,084,698
PETALUMA HILL ROAD UTILITIES & ROADWAY IMPROVEMENTS	\$1,700,000
J SECTION PEDESTRIAN BRIDGE	\$200,000
ON - SITES UTILITIES & IMPROVEMENTS	
VAST OAK 1ST PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$13,004,741
VAST OAK 1ST PHASE - STORM DRAIN	\$3,970,703
VAST OAK 1ST PHASE - SEWER	\$1,723,509
VAST OAK 1ST PHASE - WATER	\$796,600
VAST OAK 1ST PHASE - GRADING & SURFACE	\$3,572,460
TWIN CREEKS PARK (VAST OAK WEST)	\$2,941,469
VAST OAK 2ND PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$14,116,482
VAST OAK 2ND PHASE - STORM DRAIN	\$869,135
VAST OAK 2ND PHASE - SEWER	\$1,447,226
VAST OAK 2ND PHASE - WATER	\$1,950,181
VAST OAK 2ND PHASE - GRADING & SURFACE	\$9,849,940
VAST OAK 3RD PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$9,308,394
VAST OAK 3RD PHASE - STORM DRAIN	\$722,994
VAST OAK 3RD PHASE - SEWER	\$922,251
VAST OAK 3RD PHASE - WATER	\$1,303,731
VAST OAK 3RD PHASE - GRADING & SURFACE	\$6,059,418
OAK GROVE PARK (VAST OAK NORTH)	\$300,000
UDLLC 4TH PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$6,206,369
UDLLC 4TH PHASE - STORM DRAIN	\$795,830
UDLLC 4TH PHASE - SEWER	\$640,850
UDLLC 4TH PHASE - WATER	\$759,060
UDLLC 4TH PHASE - GRADING & SURFACE	\$4,010,629
HINEBAUGH CREEK VEHICULAR & PEDESTRIAN BRIDGE	\$3,200,000
HINEBAUGH CREEK VEHICULAR BRIDGE	\$2,000,000
HINEBAUGH CREEK PEDESTRIAN BRIDGE	\$200,000
CREEK BIKE TRAIL & IMPROVEMENTS (ALL PHASES)	\$923,546
CREEK BIKE TRAIL & IMPROVEMENTS (VAST OAK WEST)	\$76,454
B. TOTAL OFF-SITES & ON-SITES IMPROVEMENTS	\$56,559,518
TOTAL ESTIMATED IMPROVEMENT COSTS (See Note 1 & Note 2)	\$84,808,667

Note 1: This Exhibit B lists the potential Acquisition Improvements that may be financed by the CFD pursuant to the Development Agreement. However, pursuant to Section 4.04(D) of the Development Agreement, the total net proceeds of Bonds for the entirety of the Community Facilities District (including all Improvement Areas) available to finance the Acquisition Improvements shall not exceed \$50,000,000.

Note 2: The costs set forth in this Exhibit B are estimates only; Actual Costs of the Acquisition Improvements may be paid from the Available Amount.

ACQUISITION AND FEE FUNDING AGREEMENT

**BY AND AMONG
THE CITY OF ROHNERT PARK,
THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY,
AND
UNIVERSITY DISTRICT LLC AND
VAST OAK PROPERTIES L.P.**

THIS ACQUISITION AND FEE FUNDING AGREEMENT ("**Agreement**") is made and entered into on this ____ day of _____, 2016 ("**Effective Date**") among University District LLC and Vast Oak Properties L.P. (collectively, the "**Developer**"), the California Statewide Communities Development Authority ("**Authority**"), and the City of Rohnert Park, a California municipal corporation ("**City**").

RECITALS

A. On April 22, 2014, the City Council of the City of Rohnert Park adopted Ordinance 878 approving the Amended and Restated Development Agreement ("**Development Agreement**") between the City of Rohnert Park and the Developer.

B. The Development Agreement provides that the Developer, at its sole discretion, may elect to form a Community Facilities District ("**CFD**") through the Association of Bay Area Governments or the Authority provided certain conditions are met.

C. The Developer applied to the Authority for the financing of certain public capital improvements, and certain governmentally-imposed development fees, as further described in Exhibit A to the Resolution (as defined below) (collectively, the "**Acquisition Improvements**"). The fees will themselves finance public capital improvements. The public capital Acquisition Improvements are to be owned and operated by the City, and the financing is to be accomplished through a CFD which will be administered by the Authority under and pursuant to the Mello-Roos Community Facilities Act of 1982 – California Government Code Section 53311 and following (the "**Act**").

D. On the 25th day of November, 2014, the City Council of the City of Rohnert Park adopted Resolution No. 2014-160, Authorizing the California Statewide Communities Development Authority (Authority) to Form a Community Facilities District within the Territorial Limits of the City of Rohnert Park and Related Matters (the "**Resolution**").

E. On the 18th day of June, 2015, the Authority formed the California Statewide Communities Development Authority Community Facilities District No. 2015-01 (University District), City of Rohnert Park, County of Sonoma, State of California (the "**Community Facilities District**") and designated the following two improvement areas: Improvement Area No. 1 and Improvement Area M, which are illustrated on Agreement Exhibit A. On the same date, a landowner election was conducted in which all of the votes were cast unanimously in favor of conferring the Community Facilities District authority on the Commission of the Authority.

F. The Authority has levied special taxes and issued its Community Facilities District No. 2015-01, Improvement Area (University District) Special Tax Bonds, Series 2016A (the "2016A Bonds") and intends to levy additional special taxes and issue additional Bonds, in one or more series, within each Improvement Area (as defined herein) to fund, among other things, all or a portion of the costs of the Acquisition Improvements. Collectively, for all Improvement Areas, the portion of the proceeds of the special taxes (including prepayments) and Bonds allocable to the cost of the Acquisition Improvements, together with interest earned thereon, is referred to herein as the "**Available Amount.**"

G. The Authority will provide financing for the acquisition by the City of the Acquisition Improvements and the payment of the Acquisition Price (as defined herein) of the Acquisition Improvements from the Available Amount. Attached hereto as Agreement Exhibit B is a description of the Acquisition Improvements, which includes authorized discrete and usable portions, if any, of the public capital improvements, pursuant to Section 53313.51 of the Act, to be acquired from the Developer, and the specified development fees.

H. The parties anticipate that, upon completion of the Acquisition Improvements and subject to the terms and conditions of this Agreement, the City will acquire the completed Acquisition Improvements.

I. Any and all monetary obligations of the City arising out of this Agreement are the special and limited obligations of the City payable only from the Available Amount, and no other funds whatsoever of the City shall be obligated therefor under any circumstances.

J. In consideration of Recitals A through I, inclusive, and the mutual covenants, undertakings and obligations set forth below, the City, the Authority and the Developer agree as stated below.

K. Attached to this Agreement are Agreement Exhibit A (Map of Improvement Area 1 and Improvement Area M), Agreement Exhibit B (Description of Acquisition Improvements and Estimated Costs), Agreement Exhibit C (Disbursement Request Form), and Agreement Exhibit D (Bidding, Contracting and Construction Requirements for Acquisition Improvements), all of which are incorporated into this Agreement for all purposes.

AGREEMENT

NOW, THEREFORE, in consideration of the faithful performance of the terms and conditions set forth in this Agreement, the parties hereto agree as follows:

1. Incorporation of Recitals. The foregoing Recitals are true and correct and are hereby incorporated into and form a material part of this Agreement.

2. Effect on Other Agreements. Except as described in Section 2.1, below, nothing in this Agreement shall be construed as affecting the Developer's or the City's duty to perform their respective obligations under any other agreements (including the Development Documents), land use regulations or subdivision requirements related to the Project, which obligations are and shall remain independent of the Developer's and the City's rights and obligations under this Agreement.

2.1. In connection with the issuance of the Authority's 2016A Bonds, the City executed a closing certificate, dated April 7, 2016 (the "2016A Closing Certificate"). Exhibit B to the 2016A Closing Certificate included certain representations regarding the uses of proceeds of the 2016A Bonds, and stated that the proceeds would be used to finance certain development impact fees, which would be used to finance costs of certain facilities (such facilities financed with proceeds of the 2016A Bonds, the "2016A Facilities"). The City intends to use a portion of the unspent proceeds of the 2016A Bonds to finance certain of the Acquisition Improvements. The City hereby certifies that it will treat any Acquisition Improvements financed with proceeds of the 2016A Bonds as 2016A Facilities and that it will not use proceeds of the 2016A Bonds to finance Acquisition Improvements unless the representations in the 2016A Closing Certificate are true and correct with respect to such Acquisition Improvements.

3. Definitions. As used herein, including the Recitals and all Exhibits, the following capitalized terms shall have the meanings ascribed to them below:

"Acceptable Title" means free and clear of all monetary liens, encumbrances, assessments, whether any such item is recorded or unrecorded, and taxes, except (i) those items which are reasonably determined by the City Engineer not to interfere with the intended use and therefore are not required to be cleared from the title and (ii) the lien of the Community Facilities District or any other community facilities district or assessment district provided that the property owned by the City is exempt from such taxation or assessment.

"Acquisition and Construction Fund" means the "City of Rohnert Park University District Community Facilities District Acquisition and Construction Fund" established by the Authority pursuant to the Resolution and Section 5.2 hereof for the purpose of paying the Acquisition Price of the Acquisition Improvements.

"Acquisition Improvement" means a public capital improvement or a development fee described in Agreement Exhibit B, as may be amended from time to time.

"Acquisition Price" means the total amount eligible to be paid to the Developer from Available Amounts upon acquisition of an Acquisition Improvement as provided in Sections 5.6 and 5.7, not to exceed the Actual Cost of the Acquisition Improvement, or in the case of a development fee, the actual amount paid by the Developer, or the amount of a development fee to be paid on behalf of the Developer from Available Amounts.

"Act" shall have the meaning given such term in Recital C.

"Actual Cost" means the total cost of an Acquisition Improvement, as documented by the Developer to the satisfaction of the City and as certified by the City Engineer in an Actual Cost Certificate including, without limitation, (a) the Developer's cost of constructing such Acquisition Improvement including grading, labor, material and equipment costs, (b) the Developer's cost of designing and engineering the Acquisition Improvement, preparing the plans and specifications and bid documents for such Acquisition Improvement, and the costs of inspection, materials testing and construction staking for such Acquisition Improvement, (c) the Developer's cost of any performance, payment and maintenance bonds and insurance, including title insurance, required hereby for such Acquisition Improvement, (d) the

Developer's cost of environmental evaluation or mitigation required for such Acquisition Improvement, and (e) the amount of any fees actually paid by the Developer to governmental agencies in order to obtain permits, licenses or other necessary governmental approvals and reviews for such Acquisition Improvement.

"Actual Cost Certificate" means a certificate prepared by the Developer detailing the Actual Cost of an Acquisition Improvement, or an Eligible Portion thereof, to be acquired hereunder, as may be revised by the City Engineer pursuant to Section 5.6.

"Agreement" means this Acquisition and Fee Funding Agreement, dated as of the ____ day of _____, 2016, by and among the City, the Authority, and the Developer.

"Authority" means the California Statewide Communities Development Authority.

"Authority Trust Agreement" means a trust agreement or indenture entered into by the Authority and an Authority Trustee in connection with the issuance of a series of Bonds on behalf of an Improvement Area.

"Authority Trustee" means the financial institution identified as trustee in an Authority Trust Agreement.

"Available Amount" shall have the meaning assigned to the term in Recital F.

"Bonds" means bonds or other indebtedness issued in one or more series by the Authority that are to be repaid with Special Taxes levied in an Improvement Area, including the 2016A Bonds.

"City" means the City of Rohnert Park, California.

"City Engineer" means the City Engineer of the City of Rohnert Park or his/her designee who will be responsible for administering the acquisition of the Acquisition Improvements hereunder.

"Code" means the Government Code of the State of California.

"Commission of the Authority" means the Commission of the California Statewide Communities Development Authority.

"Community Facilities District" shall have the meaning assigned to the term in Recital E.

"Developer" means, collectively, University District LLC, a Delaware limited liability company, and Vast Oak Properties L.P., a California limited partnership, and their respective successors and assigns.

"Development Agreement" means the Amended and Restated Development Agreement, by and between the City and Developer, approved by City Ordinance 878 on April

22, 2014, and recorded in the Official Records of Sonoma County as Document No. 2014051817, including any amendments that may be processed.

"Development Documents" means, as applicable, one or more of the following: (i) the Development Agreement; (ii) an improvement agreement between the Developer and the City concerning an Acquisition Improvement; (iii) a fee credit agreement between the Developer and the City concerning an Acquisition Improvement, (iv) improvement plans submitted by the Developer to the City concerning an Acquisition Improvement; or (v) any other agreement with the City or City condition of development concerning an Acquisition Improvement.

"Disbursement Request Form" means a requisition for payment of funds from an Acquisition and Construction Fund for (i) an Acquisition Improvement or an Eligible Portion thereof, or (ii) PFFP Fees, in substantially the form contained in Agreement Exhibit C.

"Eligible Portion" shall have the meaning ascribed to it in Section 5.6 below.

"Future Improvement Area" means an improvement area that may, in the future, be designated by the Community Facilities District pursuant to the Act over property within Improvement Area M of the Community Facilities District. A Future Improvement Area may only consist of all or a portion of the property currently located within the boundaries of Improvement Area M.

"Improvement Area" means, as the context requires, one or more of Improvement Area No. 1, Improvement Area M, and/or any Future Improvement Area.

"Improvement Area M" means Improvement Area M of the Community Facilities District.

"Improvement Area No. 1" means Improvement Area No. 1 of the Community Facilities District.

"Initial Improvement Areas" means Improvement Area No. 1 and Improvement Area M.

"Installment Payment" means an amount equal to ninety percent (90%) of the Actual Cost of an Eligible Portion.

"PFFP Fees" means the development impact capital fees that are part of the City's Public Facilities Financing Plan, and which fund components thereof, including but not limited to: the Eastside Trunk Sewer, improvements to Keiser Avenue, Rohnert Park Expressway, Snyder Lane, the Copeland Creek and Hinebaugh Creek Bridges, and Copeland Creek Detention Basin.

"Project" means the development of the property in the Community Facilities District or offsite improvements necessary to serve property in the Community Facilities District, including the design and construction of the Acquisition Improvements and the payment of PFFP Fees.

“Resolution” means City of Rohnert Park Resolution No. 2014-160, adopted the 25th day of November, 2014 titled “A Resolution of the City Council of the City of Rohnert Park Authorizing the California Statewide Communities Development Authority (the “Authority”) to form a Community Facilities District within the territorial limits of the City of Rohnert Park and Related Matters.”

“Special Taxes” means annual special taxes, and prepayments thereof, authorized by the Community Facilities District to be levied by the Commission of the Authority within any Improvement Area.

“Title Documents” means, for each Acquisition Improvement acquired hereunder, a grant deed or similar instrument necessary to transfer title to any real property or interests therein (including easements), or an irrevocable offer of dedication of such real property with interests therein necessary to the operation, maintenance, rehabilitation and improvement by the City of the Acquisition Improvement (including, if necessary, easements for ingress and egress) and a bill of sale or similar instrument evidencing transfer of title to the Acquisition Improvement (other than said real property interests) to the City, where applicable.

4. Purpose; Effective Date.

4.1. Purpose. The purpose of this Agreement is to provide financing for the Acquisition Improvements from Available Amounts for all Improvement Areas in the Community Facilities District (including the Initial Improvement Areas and each Future Improvement Area).

4.2. Applicability. The City acknowledges that the Developer may, by a petition in writing (**“Change Petition”**), request that the Authority carry out proceedings under the Act to divide one or more of the Initial Improvement Areas into two or more additional Improvement Areas, and to set the special tax rates for the new Improvement Areas. This Agreement shall apply to each and every newly-designated Improvement Area that results from a Change Petition in the same manner as this Agreement applies to the Initial Improvement Areas, and all Special Taxes and proceeds of Bonds generated from the newly-designated Improvement Areas shall be applied in the same manner as set forth in this Agreement for the Initial Improvement Areas.

4.3. Acquisition Improvements. Notwithstanding anything to the contrary, the Acquisition Improvements are authorized to be financed by Bonds and Special Taxes from each and every Improvement Area, and may be located anywhere, regardless of the Improvement Area from which such Bonds and Special Taxes are derived.

4.4. Effective Date. The Effective Date of this Agreement shall be as set forth in the preamble above.

5. Community Facilities District.

5.1. Establishment of Community Facilities District. Developer has requested the City to permit the Authority to provide for financing of the Acquisition Improvements through the establishment and authorization of the Community Facilities District and the City

agreed by its adoption of the Resolution. The Community Facilities District was established by the Authority on the 18th day of June, 2015, and through the successful landowner election held that same day, the Commission of the Authority is authorized to levy the Special Taxes and to issue the Bonds to finance the Acquisition Improvements. Developer, the City and the Authority agree to reasonably cooperate with one another in the completion of the financing through the issuance of the Bonds in one or more series in any Improvement Area.

5.2. Deposit and Use of Available Amount.

5.2.1 Prior to the issuance of the first series of Bonds for an Improvement Area, Special Taxes collected by the Authority (including from prepayments of Special Taxes) shall be deposited in the Acquisition and Construction Fund established by the Authority for that Improvement Area and may be disbursed to pay the Acquisition Price of Acquisition Improvements in accordance with this Agreement. All funds in the Acquisition and Construction Fund shall be considered a portion of the Available Amount, and upon the issuance of the first series of Bonds for such Improvement Area, the Acquisition and Construction Fund shall be transferred to the Authority Trustee to be held in accordance with the Authority Trust Agreement.

5.2.2 Upon the issuance of the first series of Bonds for an Improvement Area, the Authority will cause the Authority Trustee to establish and maintain a separate Acquisition and Construction Fund for the purpose of holding all funds derived from that Improvement Area for the financing of Acquisition Improvements. Separate subaccounts may be established for each issue of Bonds. All earnings on amounts in an Acquisition and Construction Fund shall remain in such Acquisition and Construction Fund for use as provided herein and pursuant to the applicable Authority Trust Agreement. Money in each and every Acquisition and Construction Fund shall be available to respond to delivery of a Disbursement Request Form and to be paid to the City or its designee or the Developer or its designee to pay the Acquisition Price of the Acquisition Improvements to the extent the Acquisition Price has not previously been paid from Available Amounts or to pay PFFP Fees. Upon completion of all of the Acquisition Improvements and the payment of all costs thereof, and the payment of all PFFP Fees, any remaining funds in each Acquisition and Construction Fund (less any amount determined by the City as necessary to reserve for claims against the account) (i) shall be applied to pay the costs of any additional Acquisition Improvements eligible for acquisition or development impact fees eligible to be paid with respect to the Project as approved by the Authority and, to the extent not so used, (ii) shall be applied by the Authority to call Bonds or to reduce Special Taxes as the Authority shall determine.

5.3. Letting and Administering Design Contracts. The Developer has awarded and administered, or will award and administer, engineering design contracts for the Acquisition Improvements. All eligible expenditures for design engineering and related costs in connection with the Acquisition Improvements shall be reimbursed at the time of acquisition of the Acquisition Improvements. The Developer shall be entitled to reimbursement for any design costs of the Acquisition Improvements only out of the Acquisition Price as provided in Section 5.6 and shall not be entitled to any payment for design costs independent of the acquisition of Acquisition Improvements.

5.4. Letting and Administering Construction Contracts: Prevailing Wages. State law requires that all Acquisition Improvements not completed prior to the formation of the Community Facilities District shall be constructed as if they were constructed under the direction and supervision, or under the authority, of the City. In order to assure compliance with those provisions, except for any contracts entered into prior to the date hereof, Developer agrees to comply with the requirements set forth in Agreement Exhibit D, with respect to the bidding and contracting for the construction of the Acquisition Improvements being constructed by the Developer. The construction of the Acquisition Improvements constitutes a “public work” as defined in the California Labor Code section 1771, et seq. (“**Labor Code Regulations**”). Developer agrees and acknowledges that the construction of the Acquisition Improvements is subject to the payment of prevailing wages and agrees to comply with the requirements of the Labor Code Regulations. Further, Developer agrees to defend, indemnify and hold City, its elected officials, officers, employees, and agents free and harmless from any and all claims, damages, suits or actions arising out of or incident to Developer’s obligations under this section. Developer agrees to satisfy, to the extent applicable, its obligation of registering with the Department of Industrial Relations and furnishing electronic certified payroll records to the Labor Commissioner pursuant to Senate Bill 854 (2014). The Developer’s indemnification obligation set forth in Section 6.1 of this Agreement shall also apply to any alleged failure to comply with the requirements of this Section, and/or applicable State laws regarding public contracting and prevailing wages.

5.5. Estimated Cost of Acquisition Improvements. The estimated cost of the Acquisition Improvements is shown in Agreement Exhibit B attached hereto. Notwithstanding this estimate, Developer and the City hereby acknowledge and agree that (a) the actual costs to complete the Acquisition Improvements may vary from this estimate, (b) the Acquisition Price shall never exceed the Actual Cost of any Acquisition Improvement.

5.6. Sale of Acquisition Improvements. The Developer agrees to sell to the City each Acquisition Improvement to be constructed by Developer (including any rights-of-way or other easements necessary for the Acquisition Improvements, to the extent not already publicly owned), when the Acquisition Improvement is completed to the satisfaction of the City for an amount not to exceed the lesser of (i) the Available Amount available from time to time or (ii) the Actual Cost of the Acquisition Improvement. Agreement Exhibit B, attached hereto and incorporated herein, contains a list of the Acquisition Improvements. Portions of an Acquisition Improvement eligible for Installment Payments prior to completion of the entire Acquisition Improvement are described as eligible, discrete and usable portions in Agreement Exhibit B (each, an “**Eligible Portion**”). At the time of completion of each Acquisition Improvement, or Eligible Portion thereof, the Developer shall deliver to the City Engineer a written request for acquisition, accompanied by an Actual Cost Certificate, and by executed Title Documents for the transfer of the Acquisition Improvement where necessary. The City Engineer shall review the supporting paperwork and respond to the Developer within thirty days. The failure to respond within such time frame shall be deemed approval of the Actual Cost. In the event that the City Engineer, during such time period, finds that the supporting paperwork submitted by the Developer fails to demonstrate the required relationship between the subject Actual Cost and eligible work, the City Engineer shall advise the Developer that the determination of the Actual Cost (or the ineligible portion thereof) has been disallowed and shall request further documentation from the Developer. Once the Developer delivers the further documentation, the

City Engineer shall have thirty days to review the additional documentation. If the further documentation is still not adequate, the City Engineer shall notify the Developer in writing within such thirty day period and may revise the Actual Cost Certificate to delete any disallowed items and the determination shall be final and conclusive. The failure to approve or disapprove of the additional documentation within such thirty day period shall be deemed approval, and the City Engineer shall process the payment request. If only a portion of the Actual Cost requires further documentation, the City Engineer shall approve for payment the Actual Costs that do not require further documentation.

Where a specific contract has been awarded for design or engineering work relating solely to an Acquisition Improvement or Acquisition Improvements, one hundred percent (100%) of the costs under the contract will be allocated to that Acquisition Improvement. Costs of environmental mitigation required solely to mitigate impacts of an Acquisition Improvement or Acquisition Improvements will be allocated one hundred percent (100%) to that Acquisition Improvements.

5.7. Conditions Precedent to Payment of Acquisition Price. Payment to the Developer or its designee of the Acquisition Price for an Acquisition Improvement from an Acquisition and Construction Fund shall in every case be conditioned first upon the determination of the City Engineer, pursuant to Section 5.6, that the Acquisition Improvement satisfies all City regulations and ordinances and is otherwise complete and ready for acceptance by the City, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

a) The Developer shall have provided the City with lien releases or other similar documentation satisfactory to the City Engineer as evidence that none of the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Acquisition Improvement, to the extent not already publicly owned) comprising the Acquisition Improvement, and the property which is subject to the Special Taxes of the Community Facilities District, is not subject to any prospective mechanics lien claim respecting the Acquisition Improvements.

b) The Developer shall be current in the payment of all due and payable general property taxes, and all Special Taxes of the Community Facilities District, on property owned by the Developer or under option to the Developer within the Community Facilities District.

c) The Developer shall have provided the City with Title Documents needed to provide the City with title to the site, right-of-way, or easement upon which the subject Acquisition Improvement is situated. All such Title Documents shall be in a form acceptable to the City and shall convey Acceptable Title. The Developer shall provide a policy of title insurance as of the date of transfer in a form acceptable to the City Engineer and the City Attorney insuring the City as to the interests acquired in connection with the acquisition of any interest for which such a policy of title insurance is not required by another agreement between the City and the Developer. Each title insurance policy required hereunder shall be in the amount equal to the Acquisition Price. The amount paid to the Developer or its designee upon

satisfaction of the foregoing conditions precedent shall be the Acquisition Price less all Installment Payments paid previously with respect to the Acquisition Improvement.

5.8. Payment for Eligible Portions. The Developer may submit an Actual Cost Certificate to the City Engineer with respect to any Eligible Portion. Payment to the Developer or its designee from an Acquisition and Construction Fund of an Installment Payment with respect to such Eligible Portion shall in every case be conditioned first upon the determination of the City Engineer, pursuant to Section 5.6, that the Eligible Portion has been completed in accordance with the applicable plans and specifications and that the Eligible Portion satisfies all City regulations and ordinances and is otherwise complete and, where appropriate, is ready for acceptance by the City, and shall be further conditioned upon satisfaction of the following additional conditions precedent:

a) The Developer shall have provided the City with lien releases or other similar documentation satisfactory to the City Engineer as evidence that the property (including any rights-of-way or other easements necessary for the operation and maintenance of the Eligible Portion, to the extent not already owned by the City) comprising the Eligible Portion is not subject to any prospective mechanics lien claim respecting the Eligible Portion.

b) The Developer shall be current in the payment of all due and payable general property taxes, and all Special Taxes of the Community Facilities District, on property owned by the Developer or under option to the Developer within the Community Facilities District.

c) The Developer shall have provided the City with the form of Title Documents needed to provide the City with title to the site, right-of-way, or easement upon which the subject Eligible Portion is situated. All such Title Documents shall be in a form acceptable to the City Engineer and shall be sufficient, upon completion of the Acquisition Improvement of which the Eligible Portion is a part, to convey Acceptable Title.

d) Payment and performance bonds, from a bonding company with an A.M. Best rating of at least "A-" or its equivalent, applying to plans and specifications for the Acquisition Improvement approved by the City, shall be in place to secure completion of the Acquisition Improvement of which the Eligible Portion is a part.

5.9. PFFP Fees. PFFP Fees may be financed from Available Amounts. For PFFP Fees that have not already been paid by the Developer, PFFP Fees may be prepaid from Available Amounts and the Developer shall be considered to have paid such PFFP Fees on the date of such payment. PFFP Fees paid by the Developer to the City prior to the availability of Available Amounts shall be reimbursed to the Developer from Available Amounts (as and when available), subject to any applicable provisions of the Internal Revenue Code required to maintain the tax-exempt status of any bonds.

5.10. Disbursement Request Form. Upon a determination by the City Engineer to pay the Acquisition Price of an Acquisition Improvement pursuant to Section 5.7, to pay an Installment Payment for an Eligible Portion pursuant to Section 5.8, or to provide for the payment or reimbursement of PFFP Fees pursuant to Section 5.9, the City Engineer shall, within

five days after such determination, cause a Disbursement Request Form substantially in the form attached hereto as Agreement Exhibit C to be submitted to the Authority Trustee, and the Authority Trustee shall make payment directly to the City or its designee or the Developer or its designee, as appropriate, of the amount pursuant to the applicable Authority Trust Agreement. The City may request disbursement of any PFFP Fees funded with Available Amounts in accordance with the provisions of an Authority Indenture by submitting a Disbursement Request to the Authority Trustee in substantially the form attached hereto as Agreement Exhibit C pertaining to PFFP Fees disbursement and the Authority Trustee shall make payment directly to the City or its designee. The Authority, the City and the Developer acknowledge and agree that the Authority Trustee shall make payment strictly in accordance with the Disbursement Request Form and shall not be required to determine whether or not the Acquisition Improvement or Eligible Portion has been completed or what the Actual Costs may be with respect to the Acquisition Improvement or Eligible Portion. The Authority Trustee shall be entitled to rely on the executed Disbursement Request Form on its face without any further duty of investigation. PFFP Fees may be paid from the Authority Trust Agreement for each and every Improvement Area, provided that a PFFP Fee may be paid only once.

In the event that the Actual Cost of an Acquisition Improvement or the Installment Payment for an Eligible Portion is in excess of the Available Amount, the Authority Trustee shall withdraw all funds remaining in the applicable Acquisition and Construction Fund and shall transfer those amounts to the Developer or the City, as applicable, or its designee. The unpaid portion of the Actual Cost shall be paid from funds that may subsequently be deposited in the same or another Acquisition and Construction Fund from a subsequent issuance of Bonds, from prepayments of Special Taxes to be used for construction or acquisition of Acquisition Improvements, or from Special Tax revenues, if any of those occurs. Acquisition Improvements may be paid from the Authority Trust Agreement for each and every Improvement Area, provided that an Acquisition Improvement may be paid only once.

5.11. Limitation on Obligations. In no event shall the Authority be required to pay the Developer or its designee more than the Available Amounts (available from time to time).

5.12. Audit. The City and the Authority shall have the right, during normal business hours and upon the giving of ten days' written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer (for which the Developer seeks reimbursement pursuant to this Agreement) in constructing the Acquisition Improvements.

6. Indemnity and Insurance.

6.1. Indemnification. Developer agrees to indemnify, defend and hold the City and Authority, including elective and appointed boards, commissions, officers, agents, employees and consultants (each an "**Indemnified Party**" and collectively the "**Indemnified Parties**"), harmless from and against any and all claims, liabilities, losses, damages or injuries of any kind (collectively, "**Claims**") arising out of Developer's, or Developer's contractors', subcontractors', agents' or employees', acts, omissions, or operations under this Agreement, including, but not limited to, the construction by the Developer of any Acquisition Improvement,

whether such acts, omissions, or operations are by Developer or any of Developer's contractors, subcontractors, agents or employees, except to the extent such Claims are caused by the sole negligence or willful misconduct of an Indemnified Party. This indemnification includes, without limitation, the payment of all penalties, fines, judgments, awards, decrees, attorneys' fees, and related costs or expenses, and the reimbursement of City, its elected officials, officers, employees, and/or agents for all legal expenses and costs incurred by each of them. Developer shall defend the City as required by California Civil Code Section 2778, and with counsel reasonably acceptable to the City. Developer shall have no right to seek reimbursement from City for the costs of defense.

The aforementioned indemnity shall apply regardless of whether or not City has prepared, supplied or approved plans and/or specifications for the Acquisition Improvements and regardless of whether any insurance, workers compensation, disability or other employee benefit acts or terms required under this Agreement are applicable to any Claims. The City does not and shall not waive any of its rights under this indemnity provision because of its acceptance of the bonds or insurance required under the provisions of this Agreement. Developer's obligation to indemnify City shall survive the expiration or termination of this Agreement.

Developer agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub-contractor or any other person or entity involved by, for, with or on behalf of Developer in the performance of this Agreement. In the event Developer fails to obtain such indemnity obligations from others as required here, Developer agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder.

6.2. Assignment and Assumption of Obligations to Authority. In addition to the indemnification obligations described above, consistent with the requirements of Section 4.04 of the Development Agreement, Developer is solely responsible for the costs, expenses and liability associated with the formation of the Community Facilities District. As a result of Developer's selection of the Authority, City was obligated to adopt a Resolution, as described above in Recital D, authorizing the Authority to form the Community Facilities District within the City limits for the benefit of Developer. Paragraphs 12, 13 and 14 of the Resolution require the City to indemnify and hold harmless the Authority for specified risks and to comply with the payment of prevailing wages and satisfy other public contracting requirements. The City and Developer acknowledge in authorizing the Resolution, that the City reserved the right to require the Developer to assume the entirety of such responsibility and by this Paragraph 6.2 intend to effectuate that right. Accordingly, City hereby assigns to Developer all of its obligations and responsibilities under Paragraphs 12, 13 and 14 of the Resolution. Developer hereby accepts said assignment and assumes all obligations and responsibilities under Paragraphs 12, 13 and 14 of the Resolution, and further agrees to perform all of City's obligations and covenants under Paragraphs 12, 13 and 14 of the Resolution as if Developer were the original signatory thereto.

6.3. Insurance. For an Acquisition Improvement, Developer shall maintain insurance in amount and substance as required under any Development Documents applicable to such Acquisition Improvement.

7. Breach of Agreement; Opportunity to Cure; Remedies.

7.1. Notice of Breach and Default. The occurrence of any of the following constitutes a breach and default of this Agreement:

(1) Developer refuses or fails to complete any Acquisition Improvement within the time set forth in the applicable Development Documents or abandons an Acquisition Improvement.

(2) Developer assigns the Agreement to an unaffiliated entity without the prior written consent of City.

(3) Developer is adjudged bankrupt or makes a general assignment for the benefit of creditors, or a receiver is appointed in the event of Developer's insolvency.

(4) Developer or Developer's contractors, subcontractors, agents or employees, fail to comply with any terms or conditions of this Agreement to which the Developer or Developer's contractors, subcontractors, agents, or employees are subject.

(5) Any delay in the construction of an Acquisition Improvement or repairs as set forth in the applicable Development Documents, which in the reasonable opinion of the City Engineer, endangers public or private property.

(6) City fails to perform any obligation under this Agreement.

The City must serve written notice of breach and default upon Developer (and any surety that has provided bonds with respect to an Acquisition Improvement). Developer shall have 90 days to cure the breach and default described in the written notice of breach and default.

7.2. Breach of Agreement; Performance by City. If the City gives Developer notice under Section 7.1 and Developer fails to cure the breach and default described in the written notice prior to the expiration of the 90-day cure period, a "**Developer Event of Default**" shall be deemed to have occurred. In the event of the occurrence and continuation of a Developer Event of Default, the City may exercise the remedies described in Section 7.1 and in Section 7.3 below, including the right of the City to proceed to complete the Acquisition Improvement by contract or other method the City considers advisable, at the sole expense of Developer. In the event of the occurrence and continuance of a Developer Event of Default, (i) Developer, immediately upon demand, shall pay the costs and charges related to the Acquisition Improvement and any subsequent repairs, (ii) City, without liability for doing so, may take possession of and utilize in completing the Acquisition Improvement and repairs, if any, such materials and other property belonging to Developer as may be on or about the Property and necessary for completion of the Acquisition Improvement, and (iii) the City may draw upon any surety bonds required by the applicable Development Documents.

If the Developer gives the City notice under Section 7.1 and City fails to cure the breach and default described in the written notice prior to the expiration of the 90-day cure period, a "**City Event of Default**" shall be deemed to have occurred.

7.3. Remedies. It is acknowledged by the parties that the City would not have entered into this Agreement if it were to be liable in damages under or with respect to this Agreement or the application thereof, other than for the payment to the Developer of any (i) moneys owing to the Developer hereunder, or (ii) moneys paid by the Developer pursuant to the provisions hereof which are misappropriated or improperly obtained, withheld or applied by the City.

In general, upon the occurrence and continuation of a Developer Event of Default or a City Event of Default, the applicable party may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that the City shall not be liable in damages to the Developer or to any assignee or transferee of the Developer other than for the payments to the Developer specified in the preceding paragraph. Subject to the foregoing, the Developer covenants not to sue for or claim any damages for any alleged breach of, or dispute which arises out of, this Agreement.

8. Miscellaneous.

8.1. Compliance with Laws. Developer shall fully comply with all federal, state and local laws, ordinances and regulations in the performance of this Agreement. Developer shall, at its own cost and expense, obtain all necessary permits and licenses for each Acquisition Improvement, give all necessary notices, pay all fees and taxes required by law and make any and all deposits legally required by those public utilities that will serve the development on the Project. Copies and/or proof of payment of said permits, licenses, notices, fee and tax payments and deposits shall be furnished to the City Engineer upon request.

8.2. Cooperation. The City, the Authority and the Developer agree to cooperate with respect to the completion of the financing of the Acquisition Improvements by the Authority through the levy of the Community Facilities District Special Taxes and issuance of Bonds. The City, the Authority, and the Developer agree to meet in good faith to resolve any differences on future matters which are not specifically covered by this Agreement.

8.3. General Standard of Reasonableness. Any provision of this Agreement which requires the consent, approval or acceptance of either party hereto or any of their respective employees, officers or agents shall be deemed to require that the consent, approval or acceptance not be unreasonably withheld or delayed, unless the provision expressly incorporates a different standard. The foregoing provision shall not apply to provisions in the Agreement which provide for decisions to be in the sole discretion of the party making the decision.

8.4. Notices. Formal written notices, demands, correspondence and communications between City and Developer shall be sufficiently given if: (a) personally delivered; or (b) dispatched by next day delivery by a reputable carrier such as Federal Express to the offices of City and Developer indicated below, provided that a receipt for delivery is provided; or (c) if dispatched by first class mail, postage prepaid, to the offices of City and Developer indicated below. Such written notices, demands, correspondence and communications may be sent in the same manner to such persons and addresses as either party may from time-to-time designate by next day delivery or by mail as provided in this section.

City: City of Rohnert Park
130 Avram Avenue
Rohnert Park, CA 94928
Attn: City Manager

With a copy to: City of Rohnert Park
130 Avram Avenue
Rohnert Park, CA 94928
Attn: City Attorney

Authority: California Statewide Communities Development Authority
1100 K Street, Suite 101
Sacramento, CA 95814
Attn: Chair

Developer: University District LLC
500 La Gonda Way, Ste. 100
Danville, CA 94526
Attn: Mr. Kevin Pohlson

Vast Oak Properties L.P.
c/o Quaker Hill Development Corp.
P.O. Box 2240
Healdsburg, CA 95448
Attn: Mr. Craig R. Harrington

Notices delivered by deposit in the United States mail as provided above shall be deemed to have been served two (2) business days after the date of deposit if addressed to an address within the State of California, and three (3) business days if addressed to an address within the United States but outside the State of California.

8.5. Attorney Fees. Should any legal action or arbitration be brought by either party because of breach of this Agreement or to enforce any provision of this Agreement, the prevailing party shall be entitled to all costs of suit; reasonable attorney fees, arbitration costs and such other costs as may be determined by the court or arbitrator.

8.6. Entire Agreement. The terms and conditions of this Agreement constitute the entire agreement among Authority, City, and Developer with respect to the matters addressed in this Agreement. This Agreement may not be altered, amended or modified without the written consent of all parties hereto.

8.7. Conflict with Other Agreements. Nothing contained herein shall be construed as releasing the Developer or the City from any condition of development or requirement imposed by any other agreement between the City and the Developer, and, in the event of a conflicting provision, the other agreement shall prevail unless the conflicting provision is specifically waived or modified in writing by the City and the Developer.

8.8. Joint and Several Obligations. University District LLC and Vast Oak Property L.P. agree that they shall be jointly and severally liable for all obligations of the Developer under this Agreement.

8.9. Assignment. The obligations and rights of the parties to this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, but, except as provided in the last sentence hereof, those rights and obligations shall not be assignable, transferable or delegable, except pursuant to the terms hereof, without the written consent of the other parties hereto, and any attempted assignment, transfer or delegation thereof which is not made pursuant to the terms hereof shall be void. The assignment of this Agreement to an affiliate of the Developer shall not require the written consent of any other party hereto, provided Developer provides a written assignment and assumption agreement to City and Authority immediately upon such assignment.

8.10. Time is of the Essence. Time is of the essence of this Agreement and of each and every term and condition hereof.

8.11. Severability. If any provision of this Agreement is held, to any extent, invalid, the remainder of this Agreement shall not be affected, except as necessarily required by the invalid provision, and shall remain in full force and effect.

8.12. Waiver or Modification. Any waiver or modification of the provisions of this Agreement must be in writing and signed by the authorized representative(s) of each party. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of the party's right to insist upon and demand strict compliance by the other party with the terms of this Agreement.

8.13. Relationship of the Parties. Neither Developer nor the Authority nor either's contractors, subcontractors, agents, officers, or employees are agents, partners, joint venturers or employees of City and the Developer's relationship to the City, if any, arising herefrom is strictly that of an independent contractor. Developer's contractors and subcontractors are exclusively and solely under the control and dominion of Developer. Further, there are no intended third party beneficiaries of any right or obligation assumed by the parties.

8.14. Binding upon Heirs, Successors and Assigns. The terms, covenants and conditions of this Agreement shall be binding upon all heirs, successors and permitted assigns of the parties hereto; provided, however, that this Agreement shall not be binding upon a purchaser or transferee of any portion of the Property unless this Agreement has been assigned pursuant to Section 8.9, in which event this Agreement shall remain binding upon Developer.

8.15. Governing Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of California, without reference to choice of law provisions. Any legal actions under this Agreement shall be brought only in the Superior Court of the County of Sonoma, State of California.

8.16. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original.

8.17. Interpretation. This Agreement shall be construed according to its fair meaning, and not strictly for or against any party. No presumptions or rules of interpretation based upon the identity of the party preparing or drafting the Agreement, or any part thereof, shall apply to the interpretation of this Agreement.

8.18. 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 contained in this Agreement.

8.19. Authority. Each party executing this Agreement on behalf of a party represents and warrants that such person is duly and validly authorized to do so on behalf of the entity it purports to bind and if such party is a partnership, corporation or trustee, that such partnership, corporation or trustee has full right and authority to enter into this Agreement and perform all of its obligations hereunder.

8.20. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

8.21. Sole Agreement. This Agreement, including all exhibits hereto, constitutes the sole agreement of the parties and supersedes all oral negotiations and prior writings with respect to the subject matter hereof.

IN WITNESS WHEREOF, City, Authority, and Developer have executed this Agreement as of the Effective Date.

“City”

CITY OF ROHNERT PARK, a California
municipal corporation,

By: _____
Darrin W. Jenkins
City Manager

Per Resolution No. 2016-____ adopted by the
Rohnert Park City Council at its meeting of
____ - ____ -2016

ATTEST:

JoAnne Buergler
City Clerk

APPROVED AS TO FORM:

Michelle Marchetta Kenyon
City Attorney

“DEVELOPER”

University District LLC,
a Delaware limited liability company

By: _____
Name: Kevin Pohlson
Title: Vice President

By: _____
Name: Gregory Glenn
Title: Chief Financial Officer

And

Vast Oak Property L.P.,
a California limited partnership

By: _____
Name: Craig R. Harrington
Title: General Partner

“AUTHORITY”

CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT
AUTHORITY, a joint powers authority created
by the California Legislature in 1988,

By: _____
Name:
Title: Authorized Signatory

EXHIBIT A

SHEET 2 OF 2

PROPOSED BOUNDARIES OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-01 (Rohnert Park) COUNTY OF SONOMA STATE OF CALIFORNIA

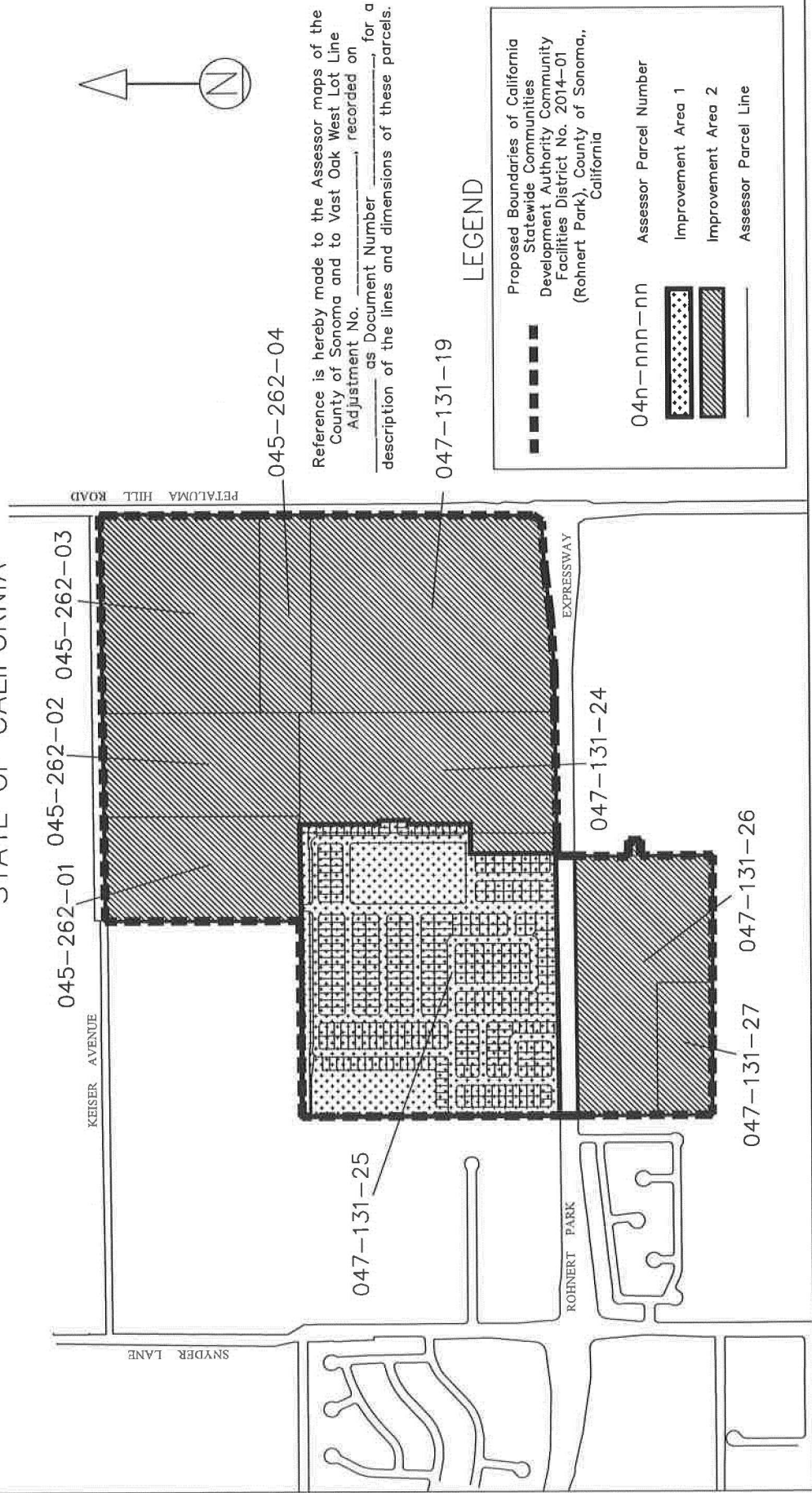


EXHIBIT B

UNIVERSITY DISTRICT LLC & VAST OAK PROPERTIES

11/1/16

DESCRIPTION OF IMPROVEMENTS	REQUIRED IMPROVEMENTS
A. PUBLIC FACILITIES FINANCING PLAN ("PFFP")	
SEWER	
EASTSIDE TRUNK SEWER PHASE 3	\$2,999,469
ROADWAYS & BRIDGES	
ROHNERT PARK EXPRESSWAY (RPX) - PHASE 1	\$5,970,004
RPX - PHASE 1A (NORTH - SNYDER LANE TO KERRY ROAD)	\$5,075,994
RPX - PHASE 1B (NORTH - KERRY ROAD TO PETALUMA HILL ROAD)	\$894,010
ROHNERT PARK EXPRESSWAY (RPX) - PHASE 2	\$5,551,124
RPX - PHASE 2A (SOUTH - SNYDER LANE TO KERRY ROAD)	\$5,075,994
RPX - PHASE 2B (SOUTH - KERRY ROAD TO PETALUMA HILL ROAD)	\$475,130
KEISER AVENUE - PHASE 1 (SNYDER TO OAK GROVE PARK)	\$3,810,523
KEISER AVENUE - PHASE 2 (OAK GROVE PARK TO PETALUMA HILL ROAD)	\$3,810,523
SNYDER LANE WIDENING	\$3,171,656
SNYDER LANE BRIDGE AT COPELAND CREEK	\$465,119
DETENTION BASINS & DRAINAGE	
COPELAND CREEK REGIONAL DETENTION BASIN	\$2,470,731
A. TOTAL PFFP IMPROVEMENTS	\$28,249,149
DESCRIPTION OF IMPROVEMENTS	
B. OFF - SITES & ON - SITES INFRASTRUCTURE	
OFF - SITES WATER, ROADWAYS & BRIDGES	
ANDERSON 53 WATER TANK	\$5,000,000
ROHNERT PARK EXPRESSWAY - UTILITIES	\$1,566,030
PH 1 UTILITIES - WET & INTERSECTIONS (NORTH SIDE)	\$928,000
PH 2 UTILITIES - WET & INTERSECTIONS (SOUTH SIDE)	\$468,080
PH 1 & 2 UTILITIES - JOINT TRENCH	\$169,950
ROHNERT PARK EXPRESSWAY IMPROVEMENTS	\$2,257,502
PH 1 LANDSCAPE IMPROVEMENTS (NORTH - SIDE)	\$1,172,804
PH 2 LANDSCAPE IMPROVEMENTS (SOUTH - SIDE)	\$1,084,698
PETALUMA HILL ROAD UTILITIES & ROADWAY IMPROVEMENTS	\$1,700,000
J SECTION PEDESTRIAN BRIDGE	\$200,000
ON - SITES UTILITIES & IMPROVEMENTS	
VAST OAK 1ST PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$13,004,741
VAST OAK 1ST PHASE - STORM DRAIN	\$3,970,703
VAST OAK 1ST PHASE - SEWER	\$1,723,509
VAST OAK 1ST PHASE - WATER	\$796,600
VAST OAK 1ST PHASE - GRADING & SURFACE	\$3,572,460
TWIN CREEKS PARK (VAST OAK WEST)	\$2,941,469
VAST OAK 2ND PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$14,116,482
VAST OAK 2ND PHASE - STORM DRAIN	\$869,135
VAST OAK 2ND PHASE - SEWER	\$1,447,226
VAST OAK 2ND PHASE - WATER	\$1,950,181
VAST OAK 2ND PHASE - GRADING & SURFACE	\$9,849,940
VAST OAK 3RD PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$9,308,394
VAST OAK 3RD PHASE - STORM DRAIN	\$722,994
VAST OAK 3RD PHASE - SEWER	\$922,251
VAST OAK 3RD PHASE - WATER	\$1,303,731
VAST OAK 3RD PHASE - GRADING & SURFACE	\$6,059,418
OAK GROVE PARK (VAST OAK NORTH)	\$300,000
UDLLC 4TH PHASE LAND DEVELOPMENT - UTILITIES & IMPROVEMENTS	\$6,206,369
UDLLC 4TH PHASE - STORM DRAIN	\$795,830
UDLLC 4TH PHASE - SEWER	\$640,850
UDLLC 4TH PHASE - WATER	\$759,060
UDLLC 4TH PHASE - GRADING & SURFACE	\$4,010,629
HINEBAUGH CREEK VEHICULAR & PEDESTRIAN BRIDGE	\$3,200,000
HINEBAUGH CREEK VEHICULAR BRIDGE	\$2,000,000
HINEBAUGH CREEK PEDESTRIAN BRIDGE	\$200,000
CREEK BIKE TRAIL & IMPROVEMENTS (ALL PHASES)	\$923,546
CREEK BIKE TRAIL & IMPROVEMENTS (VAST OAK WEST)	\$76,454
B. TOTAL OFF-SITES & ON-SITES IMPROVEMENTS	\$56,559,518
TOTAL ESTIMATED IMPROVEMENT COSTS (See Note 1 & Note 2)	\$84,808,667

Note 1: This Exhibit B lists the potential Acquisition Improvements that may be financed by the CFD pursuant to the Development Agreement. However, pursuant to Section 4.04(D) of the Development Agreement, the total net proceeds of Bonds for the entirety of the Community Facilities District (including all Improvement Areas) available to finance the Acquisition Improvements shall not exceed \$50,000,000.

Note 2: The costs set forth in this Exhibit B are estimates only; Actual Costs of the Acquisition Improvements may be paid from the Available Amount.

EXHIBIT C

DISBURSEMENT REQUEST FORM (Acquisition Improvement or Eligible Portion)

To: Wilmington Trust, National Association
Attention: Jeanie Mar
Fax: 714-384-4153
Phone: 714-384-4151
E-mail: jmar@wilmingtontrust.com

Re: CSCDA Community Facilities District No. 2015-01 (University District)

The undersigned, a duly authorized officer of the CITY OF ROHNERT PARK (the "City") hereby requests a withdrawal from the City of Rohnert Park University Park Community Facilities District Acquisition and Construction Fund for Improvement Area No. ___, as follows:

Request Date:	[Insert Date of Request]
Name of Developer:	_____
Withdrawal Amount:	[Insert Acquisition Price/Installment Payment]
Acquisition Improvements:	[Insert Description of Acquisition Improvement(s)/Eligible Portion(s)]
Payment Instructions:	[Insert Wire Instructions or Payment Address for Developer or Developer's designee as provided by the Developer]

The undersigned hereby certifies as follows:

The Withdrawal is being made in accordance with a permitted use of the monies pursuant to the Acquisition and Fee Funding Agreement and the Withdrawal is not being made for the purpose of reinvestment.

None of the items for which payment is requested have been reimbursed previously from this or any other Acquisition and Construction Fund.

If the Withdrawal Amount is greater than the funds held in the Acquisition and Construction Fund, the Authority Trustee is authorized to pay the amount of such funds and to pay remaining amount(s) as funds are subsequently deposited in the Acquisition and Construction Fund, should that occur.

The amounts being disbursed pursuant to this request are being used to finance or refinance certain public infrastructure and facilities (the "**Acquisition Improvements**"). The City will own, and for the entire useful life of such Acquisition Improvements reasonably expects to

own, all of such Acquisition Improvements. To the extent any of such Acquisition Improvements are sold to an entity that is not a state or local government agency, the City will seek the advice and approval of bond counsel to the Authority prior to any such sale. The City will not allow any of such Acquisition Improvements to be used (for example, by lease or other contract) in the trade or business of any nongovernmental persons (other than in their roles as members of the general public). All of such Acquisition Improvements will be used in the performance of essential governmental functions of the City or another state or local government agency. The average expected useful life of such Acquisition Improvements is at least 20 years. The representations and covenants contained in this paragraph are intended to support the conclusion that the interest paid on the bonds issued to finance the Acquisition Improvements is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “**Code**”).

CITY OF ROHNERT PARK

By: _____

Title: _____

DISBURSEMENT REQUEST FORM
(Fee Disbursement)

To: Wilmington Trust, National Association
Attention: Jeanie Mar
Fax: 714-384-4153
Phone: 714-384-4151
E-mail: jmar@wilmingtontrust.com

Re: CSCDA Community Facilities District No. 2015-01 (University District)

The undersigned, a duly authorized officer of the CITY OF ROHNERT PARK (the "City") hereby requests a withdrawal from the City of Rohnert Park University District Community Facilities District Acquisition and Construction Fund for Improvement Area No. __, as follows:

Request Date:	[Insert Date of Request]
Name of Developer:	_____
Withdrawal Amount:	[Insert Disbursement Amount]
Eligible Fee:	[Insert Description of Fee]
Payment Instructions:	[Insert Wire Instructions or Payment Address for City or City's designee or, if for fees prepaid by developer, Developer or Developer's designee as provided by the Developer]

The undersigned hereby certifies as follows:

The Withdrawal is being made in accordance with a permitted use of the monies pursuant to the Acquisition and Fee Funding Agreement and the Withdrawal is not being made for the purpose of reinvestment.

None of the items for which payment is requested have been reimbursed previously from this or any other Acquisition and Construction Fund.

If the Withdrawal Amount is greater than the funds held in the Acquisition and Construction Fund, the Authority Trustee is authorized to pay the amount of such funds and to pay remaining amount(s) as funds are subsequently deposited in the Acquisition and Construction Fund, should that occur.

[For prepaid fees to be reimbursed to developer] [The fees referenced above have been spent by the City for a permitted use of the listed fees for public capital improvements as of the date hereof.] *[For fees funded by bond proceeds]* [The amounts to be disbursed hereunder

have been or will be spent by the City for public capital improvements as of the date hereof or within three years hereafter.]

The amounts being disbursed pursuant to this request are being used to finance or refinance certain public infrastructure and facilities (the “**Improvements**”). The City will own, and for the entire useful life of such Improvements reasonably expects to own, all of such Improvements. To the extent any of such Improvements are sold to an entity that is not a state or local government agency, the City will seek the advice and approval of bond counsel to the Authority prior to any such sale. The City will not allow any of such Improvements to be used (for example, by lease or other contract) in the trade or business of any nongovernmental persons (other than in their roles as members of the general public). All of such Improvements will be used in the performance of essential governmental functions of the City or another state or local government agency. The average expected useful life of such Improvements is at least 20 years. The representations and covenants contained in this paragraph are intended to support the conclusion that the interest paid on the bonds issued to finance the Improvements is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “**Code**”).

CITY OF ROHNERT PARK

By: _____

Title: _____

EXHIBIT D

BIDDING, CONTRACTING AND CONSTRUCTION REQUIREMENTS FOR ACQUISITION IMPROVEMENTS

With respect to construction contracts awarded after approval of the Agreement, bids for construction shall be solicited from at least three (3) qualified contractors, provided at least three (3) qualified contractors are reasonably available. The Developer may also directly solicit bids.

The bid package may consist of preliminary plans and specifications.

The bidding response time shall be not less than ten (10) working days.

An authorized representative of the City shall be provided a copy of the tabulation of bid results upon request.

Contract(s) for the construction of the public Acquisition Improvements shall be awarded to the qualified contractor(s) submitting the lowest responsible bid(s), as determined by the Developer.

The contractor to whom a contract is awarded shall be required to pay not less than the prevailing rates of wages pursuant to Labor Code Sections 1770, 1773 and 1773.1. A current copy of applicable wage rates shall be on file in the Office of the City Clerk, as required by Labor Code Section 1773.2.

The Developer shall provide the City with certified payrolls.