

## **RESOLUTION NO. 2011-226**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE AUTHORIZING THE CITY MANAGER TO EXECUTE A SETTLEMENT AGREEMENT AND A REIMBURSEMENT AGREEMENT WITH REYNEN AND BARDIS (LAGUNA RIDGE) LP FOR LAGUNA RIDGE SPECIFIC PLAN AREA PARK IMPROVEMENTS**

**WHEREAS**, the City Council determined that Parks should be delivered to coincide with residential development within the Laguna Ridge Specific Plan Area and executed a Park Development Agreement (Park D.A.) designating such with Reynen and Bardis (Laguna Ridge) LP (Developer) in October 2006; and

**WHEREAS**, since 2006, the Developer no longer owns much of the land identified for parks in the Park D.A.; and

**WHEREAS**, the City Council adopted the Laguna Ridge Supplemental Park Fee (LRSPF) nexus study in September 2011 to provide developers the option of paying a fee in lieu of delivering the identified parks; and

**WHEREAS**, the Developer has dedicated land and installed facilities that are eligible for LRSPF reimbursement and credits; and

**WHEREAS**, the Developer provided deposits for the City to prepare a Parks Master Plan and the LRSPF nexus study; and

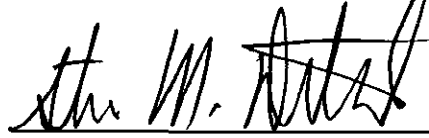
**WHEREAS**, the Developer has not dedicated a particular portion of land within the Civic Center commonly known as the Foster Property, and the City has commenced condemnation proceedings to acquire the Foster Property; and

**WHEREAS**, the Developer has not paid Community Facilities District 2005-1 special taxes for fiscal years 2008-2011, and the City has filed a judicial foreclosure lawsuit for collection thereof; and

**WHEREAS**, the Developer and the City have reached a resolution on a number of outstanding issues related to park development in the Laguna Ridge Specific Plan as set forth in the Settlement Agreement and related Reimbursement Agreement presented herewith as Exhibits A and B, respectively.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Elk Grove hereby authorizes the City Manager to execute the Settlement Agreement and Reimbursement Agreement with Reynen and Bardis (Laguna Ridge) LP in substantially the form presented with this resolution as Exhibits A and B, respectively, and to deliver it to the Developer.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 14<sup>th</sup> day of December 2011.



\_\_\_\_\_  
STEVEN M. DETRICK, MAYOR of the  
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:



\_\_\_\_\_  
JASON LINDGREN, CITY CLERK



\_\_\_\_\_  
JONATHAN HOBBS,  
INTERIM CITY ATTORNEY

## EXHIBIT A

### **SETTLEMENT AGREEMENT AND RELEASE BETWEEN CITY OF ELK GROVE AND REYNEN & BARDIS (Laguna Ridge) LP**

This Settlement Agreement and Release (“Agreement”) dated December 14, 2011, is made and entered into by and between the CITY OF ELK GROVE, a municipal corporation (“the City”) and REYNEN & BARDIS (Laguna Ridge) LP (“Developer”). The City and Developer are sometimes collectively referred to as “the Parties.”

#### **RECITALS**

A. Developer has constructed certain parks and/or roadways and/or has dedicated certain land for the construction of parks and/or roadways within the area of the City of Elk Grove known as Laguna Ridge Specific Plan (“Laguna Ridge”).

B. On September 14, 2011, the City adopted Resolution 2011-176, approving a Nexus Study (the “Park Fee Nexus Study”) and establishing the amount of fees relative to the Laguna Ridge Supplemental Park Fee (the “Supplemental Park Fee”) and the Quimby Fee (collectively, the “Park Fee Program”). The Parties believe that Developer is entitled to reimbursement from both components of the Park Fee Program, with approximately \$5,093,527 reimbursable for the land component and approximately \$596,365 reimbursable for facilities, as well as future reimbursement for Quimby park land dedications. After fully reimbursing the Developer and other parties for approved reimbursable expenses from the facilities component of the Supplemental Park Fee, the City estimates that there will be approximately \$1,033,774 in available funds remaining in the Supplemental Park Fee account. Future Supplemental Park Fees and Quimby Fees paid by other developers in Laguna Ridge will provide a future revenue stream to construct parks and reimburse developers for over-dedications of park land. After using the entire cash balance in the land component of the Supplemental Park Fee to reimburse the Developer, the Parties estimate that over \$3,000,000 will remain reimbursable to various parties, the majority of which is reimbursable to the Developer. The only remaining current source of reimbursement is to provide assignable fee credits to the Developer.

C. A dispute has arisen between the City, on one hand, and the Developer on the other hand, concerning (i) the obligation of Developer to acquire certain park property commonly known as the “Foster Property” (defined in Section 2.c. below); (ii) the amount and timing of park credit and reimbursement due to Developer for dedicating and improving certain parks in Laguna Ridge (iii) payment of delinquent special tax payments on certain property previously owned by Developer and (iv) the City’s proposed implementation of the Quimby Fee program in Laguna Ridge.

D. The Parties are desirous of settling their disputes and claims of the Parties as referenced in these Recitals A through C, inclusive, (the “Claims”) short of the anticipated protracted and costly litigation that may result from such dispute, including the litigation currently pending in the City Foreclosure Actions (defined in Section 2.d. below) (hereinafter collectively referred to as the “Litigation”) by this Agreement.

E. The Parties acknowledge that Developer is owed money from dedication of park land and development of parks, roads and infrastructure in Laguna Ridge to be paid by

City through the collection of fees and/or other payments from other benefitting property owners in Laguna Ridge. It is the intent of this Agreement to use funds owed to Developer by City to offset and satisfy amounts owed to City by Developer.

F. The Parties, by the execution of this Agreement do not concede the positions of each other as referenced in this Agreement, but rather desire to settle the Claims and the Litigation in the manner provided herein. By this Agreement, the Parties wish to fully and finally resolve the matters addressed herein concerning the Claims and the Litigation.

### AGREEMENT

**NOW, THEREFORE**, in consideration for the mutual promises and undertakings of the Parties as set forth herein, the City and Developer agree as follows:

1. The above-referenced recitals are true and correct and are hereby incorporated herein by reference. City and Developer covenant and agree to settle the Claims and the Litigation by timely performing the following acts and making the following payments.

2. Settlement of Certain Park Dedication and Park Development Issues.

a. Park Reimbursement Agreement.

Concurrently with execution of this Agreement, the Parties agree to enter into a Credit and Reimbursement Agreement for LRSP Park Land Dedication and Park Development (the "Park Reimbursement Agreement") in substantially the form as contained at Exhibit A, attached hereto and incorporated herein by reference, to provide reimbursement to Developer.

b. Park Development.

In exchange for the development of parks already developed by Developer within Laguna Ridge, the City shall reimburse Developer a total of \$158,762 from the Supplemental Park Fee fund within 30 days of full execution of this Agreement. The remaining amount due to Developer for park development (\$437,603) shall be reimbursed to Developer in accordance with the Park Reimbursement Agreement.

c. Foster Property- Pending Dedication.

Developer shall be obligated for all costs incurred by City to acquire, dedicate and deliver clean fee title to that certain real property which is approximately 3.12 acres in size located at 9679 and 9697 Johnston Road, Elk Grove, California, Sacramento County Assessor's Parcel Number 132-0270-022, which property is the subject of the pending eminent domain action entitled City of Elk Grove v. Barbara Foster, et al., Sacramento Superior Court Case No. 34-2010-00077978 (the "Foster Property"), and which property is the designated site for the City's Civic Center/Regional Park, to be paid pursuant to the provisions of this Section 2.c. Developer agrees to reimburse the City for all costs of acquisition of the Foster Property incurred by the City, including, without limitation, attorneys' fees, expert witness fees, relocation costs, fair market value of the fee title to the Foster Property, as determined by settlement or judgment, damages, and any attorneys' fees and costs of defendants in the condemnation action to which

the City becomes liable by court order, judgment, or settlement pursuant to an assignment to City of Supplemental Park Fee reimbursement proceeds owed to Developer, following the City's waiver of interest and late fees on delinquent special taxes, all as set forth in paragraph 2.d.i. below. City acknowledges that Developer has deposited with the City \$100,000 (the "Initial Foster Deposit") toward acquisition of the Foster Property, which Initial Foster Deposit has been expended. City also acknowledges that Developer has separately deposited with the City \$140,000 for development of a Master Park Plan and a \$60,000 advance deposit related to administration costs for park development within Laguna Ridge for a total of \$200,000, which amounts are currently refundable and due to Developer. Of this \$200,000 deposit, the City shall refund \$50,000 to Developer within three (3) business days following the execution of this Agreement and retain \$150,000 as a further deposit to fund acquisition costs for the Foster Property ("Second Foster Deposit"). Should the Second Foster Deposit and the amount of penalties and interest assigned to City in Section 2.d.i below (approximately \$964,196.42), be insufficient to pay for all of the City's litigation costs for the Foster Property, Developer shall assign to City Supplemental Park Fee reimbursement credits in an amount sufficient to pay for the remaining City's litigation costs for the Foster Property upon the City's request. In the event the Initial Foster Deposit, Second Foster Deposit and assignment of interest and penalties to City pursuant to Section 2.d.i below exceed the costs of litigation and acquisition of the Foster Property, City shall be entitled to retain such amounts for use in City's sole discretion, including but not limited to payment to the CFD, as consideration for this Agreement. Notwithstanding anything herein to the contrary, Developer's obligation to pay costs hereunder shall be limited solely to City's retention of the Initial Foster Deposit, the Second Foster Deposit, and an assignment to City of Supplemental Park Fee credits and Quimby credits due to Developer, and an assignment of credits due to Developer pursuant to Section 2.h. below, if any, and in no event shall the costs of the Foster Property due from Developer hereunder be due and payable from any other assets or funds of Developer.

Developer shall be entitled to reimbursement for the Foster Property as follows (which amounts are hereby assigned to City as part of the total credits due to City from Developer hereunder):

i. For 1.41 acres of the Foster Property, Developer shall be entitled to future reimbursement from the Supplemental Park Fee fund as funds become available and pursuant to the Park Reimbursement Agreement.

ii. For 1.71 acres of the Foster Property (which is excluded from the Supplemental Park and included as part of the Quimby Act dedication requirements, as indicated at Table B-2 of the nexus study), Developer shall be entitled to future reimbursement from Quimby Act in-lieu fees received from future developers choosing to satisfy their future Quimby Act obligations by payment of an in-lieu fee (rather than dedicating land), pursuant to the Park Reimbursement Agreement, which in-lieu fee will be calculated based on the fair market value of land at the time of final map approval for subsequent developers, as provided at page 30 of the Nexus Study.

iii. As a condition precedent to any reimbursement or credit to Developer for the Foster Property, the City shall receive clear and marketable fee title to the Foster Property.

iv. City shall provide Developer with a detailed and accurate accounting of all payments and expenditures for costs of the Foster Property, and shall provide such accounting on a monthly basis. City shall also provide Developer with regular status updates on the litigation concerning the Foster Property.

d. Parkland Dedication.

i. The Parties agree that, to date, Developer has dedicated 18.62 acres of park property beyond their fair share obligation under the Laguna Ridge Specific Plan for which Developer would be entitled to reimbursement through the Supplemental Park Fee. Pursuant to the Resolution adopting the Supplemental Park Fee and the associated Nexus Study, the City agrees to reimburse Developer all amounts due to Developer thereunder (as more particularly set forth in the Park Reimbursement Agreement). Concurrently with execution of this Agreement, Developer shall assign the dollar amount of the Special Taxes Due (defined below), less interest and penalties, which amount is due to Developer under the Park Reimbursement Agreement from the Supplemental Park Fee fund to the Community Facilities District No. 2005-1 (Laguna Ridge) ("Laguna Ridge CFD") to be applied toward the delinquent special taxes assessed against those certain real properties that are the subject of two consolidated judicial foreclosure actions entitled City of Elk Grove v. Reynen & Bardis (Laguna Ridge) L.P., Sacramento Superior Court Case No. 34-2009-00062455 and City of Elk Grove v. Reynen & Bardis (Laguna Ridge) L.P., Sacramento Superior Court Case No. 34-2009-00062451 (the "City Foreclosure Actions"). The amounts due to date (as of December 14, 2011) for the special taxes, and associated interest, fees, costs, and penalties in the City Foreclosure Actions is approximately \$3,594,962.04 ("Special Taxes Due"). Upon such assignment, City shall have the first right to any proceeds due to Developer for reimbursement in the currently existing Supplemental Park Fee funds (which are approximately \$1,033,774), which amounts will be used to pay a portion of the delinquent Special Taxes Due. As part of the settlement of the Litigation, City covenants and agrees to waive the interest and penalties due on the Special Taxes Due, estimated to be approximately \$964,196.42, and Developer agrees to assign the amount of such interest and penalties waived to City from Supplemental Park Fee proceeds reimbursable to Developer to be used toward acquisition of the Foster Property identified in paragraph 2.c. above. Any remaining Special Taxes Due (approximately \$2,630,765.62 less \$1,033,774.) owed to the Laguna Ridge CFD following the assignment by Developer and disposition of the interest and penalties shall be satisfied through the assignment to the Laguna Ridge CFD of future revenue in the Supplemental Park Fee fund, and City shall have the first priority and right to any such proceeds, which proceeds shall be paid to the Laguna Ridge CFD as and when collected by City. The City may, but is not obligated to, loan funds to the Supplemental Park Fee fund from another appropriate City fund, all as determined by the City in its discretion, in order to generate revenue to pay all or some of the Special Taxes Due and/or the Foster Property acquisition, subject to repayment from the Supplemental Park Fee fund. The assignment shall be in substantially the form attached hereto as Exhibit B ("Assignment"). The Assignment shall be full and final satisfaction of the Litigation and the City Foreclosure Actions. Within five days of the effective date of this Agreement, the City shall file a request for dismissal of the City Foreclosure Actions with prejudice (including Developer and all named defendants). Except as otherwise agreed herein, all parties shall bear their own attorneys' fees and costs in the City Foreclosure Actions. Nothing herein shall preclude the City from enforcing any rights concerning future special taxes that may become due that are not the subject of the City

Foreclosure Actions. Notwithstanding anything herein to the contrary, Developer's obligation to pay costs hereunder for Special Taxes Due shall be limited solely to an assignment to City of Supplemental Park Fee credits and Quimby credits due to Developer, and an assignment of credits due to Developer pursuant to Section 2.h. below, if any, and in no event shall the Special Taxes Due hereunder be due and payable from any other assets or funds of Developer.

ii. The Parties agree that, to date, Developer has also dedicated 22.61 acres beyond Developer's Quimby Act obligation. Developer shall be entitled future reimbursement from Quimby Act in-lieu fees received from future developers choosing to satisfy their future Quimby Act obligations by payment of an in-lieu fee (rather than dedicating land), pursuant to the Park Reimbursement Agreement. In settlement of the Litigation, the Parties acknowledge and agree that the in-lieu fee amount to be paid to Developer for excess Quimby dedication will be calculated based on the fair market value of land at the time of final map approval for subsequent developers. The per acre fee calculated at the time of dedication for subsequent developers will be used to reimburse Developer on a per acre basis to a total of 22.61 acres in the same amount paid for such acres, whether such amount is greater or less than the value of Developer's dedicated acres.

e. Parkland Dedication (Horseshoe, Play Island and Parkways 5-7).

i. Developer is obligated to dedicate and deliver to the City clean fee title for that park property commonly known as Horseshoe Neighborhood Park ("Horseshoe Park"), which consists of 9.09 acres, as indicated at Table B-2 of the Nexus Study. Developer shall be entitled to reimbursement for dedication of Horseshoe Park as follows:

a). For 4.11 acres of the Horseshoe Park, Developer shall be entitled to future reimbursement from the Supplemental Park Fee fund as funds become available and pursuant to the Park Reimbursement Agreement.

b). For 4.98 acres of Horseshoe Park (which is excluded from the Supplemental Park and included as part of the Quimby Act dedication requirements, as indicated as indicated at Table B-2 of the Nexus Study), Developer shall be entitled to future reimbursement from Quimby Act in-lieu fees received from future developers choosing to satisfy their future Quimby Act obligations by payment of an in-lieu fee (rather than dedicating land), pursuant to the Park Reimbursement Agreement, which in-lieu fee will be calculated and paid to Developer based on the fair market value of land at the time of final map approval for subsequent developers.

ii. Developer is obligated to dedicate and deliver to the City clean fee title for that park property commonly known as Play Island Park ("Island Park"), which consists of 2.34 acres, as indicated at Table B-2 of the Nexus Study. Developer shall be entitled to reimbursement for dedication of Horseshoe Park as follows:

a). For 1.06 acres of the Island Park, Developer shall be entitled to future reimbursement from the Supplemental Park Fee fund as funds become available and pursuant to the Park Reimbursement Agreement.

b). For 1.28 acres of Island Park (which is excluded from the Supplemental Park and included as part of the Quimby Act dedication requirements, as indicated as indicated at Table B-2 of the Nexus Study), Developer shall be entitled to future reimbursement from Quimby Act in-lieu fees received from future developers choosing to satisfy their future Quimby Act obligations by payment of an in-lieu fee (rather than dedicating land), pursuant to the Park Reimbursement Agreement, which in-lieu fee will be calculated and paid to Developer based on the fair market value of land at the time of final map approval for subsequent developers.

iii. Developer has dedicated that park property commonly known as Parkways 5-7 (“Parkways 5-7”), which consists of 1.88 acres, as indicated at Table B-2 of the Nexus Study. Developer shall be entitled to reimbursement for dedication of Parkways 5-7 as follows:

a). For 0.85 acres of Parkways 5-7, Developer shall be entitled to future reimbursement from the Supplemental Park Fee fund as funds become available and pursuant to the Park Reimbursement Agreement.

b). For 1.03 acres of Parkways 5-7 (which is excluded from the Supplemental Park and included as part of the Quimby Act dedication requirements, as indicated as indicated at Table B-2 of the Nexus Study), Developer shall be entitled to future reimbursement from Quimby Act in-lieu fees received from future developers choosing to satisfy their future Quimby Act obligations by payment of an in-lieu fee (rather than dedicating land), pursuant to the Park Reimbursement Agreement, which in-lieu fee will be calculated and paid to Developer based on the fair market value of land at the time of final map approval for subsequent developers.

f. Confirmation of Dedication.

Any reimbursements for land dedication to Developer, as set for the herein, shall be subject to confirmation by the City of actual dedication of corresponding land by Developer.

g. Cancellation of Prior Park Development Agreement.

Except for those obligations set forth herein, the Parties agree take appropriate steps to cancel and terminate that certain Development Agreement Between the City of Elk Grove and Reynen & Bardis (Park Development) dated October 25, 2006 (“Park Development Agreement”) including, as appropriate, scheduling the termination of the Park Development Agreement for public hearing for consideration of cancellation consistent with section 12.4 of the Park Development Agreement and Government Code sections 65867 and 65868. Nothing herein shall impair the public’s right to comment at any such public hearing, nor impair the legal discretion of the legislative body or bodies considering the cancellation of the Park Development Agreement. Except for those obligations set forth herein, the Parties acknowledge that upon execution and performance of this Agreement, all remaining obligations of Developer under the Park Development Agreement have been satisfied or waived by City.

h. Potential Roadway Fee Reimbursement for Light Rail and Grand Parkway; Assignment of Other Proceeds.



Although having no obligation under this Agreement to do so, in the event the City amends the Elk Grove Road Fee Program (“EGRFP”) to include the light rail corridor and/or the grand parkway corridor as reimbursable facilities in Laguna Ridge, City may request that Developer assign such reimbursement proceeds to City for acquisition of the Foster Property and/or payment of the remaining Settlement Amount (in lieu of being paid from future Supplemental Park Fee Proceeds). If City includes such facilities in the EGRFP within two (2) years following execution of this Agreement, then upon written request from City within two (2) years following the date of this Agreement, Developer agrees to assign such amounts due to City hereunder, in lieu of City collecting such amounts from future revenue in the Park Fee Program. In such event, and prior to release of funds from the EGRFP to City, the Parties shall amend the existing Assignment to provide for such new source of payment to City for amounts due hereunder and return of Supplemental Park Fee credits to Developer in the corresponding amount of the EGRFP reimbursement assigned to City. To the extent the Developer is eligible for other cash reimbursement proceeds from Laguna Ridge Quimby fees, tree mitigation credits in the tree mitigation fund or EGRFP credits, Developer agrees to assign such amounts due to City to meet the obligations of the Developer as outlined in this Agreement upon the City’s request (and the corresponding amount of Supplemental Park Fee or other credits previously assigned to City hereunder shall be concurrently reassigned to Developer). In addition, Developer may assign any other credits due to Developer in any other fund or financing program of City upon mutual agreement of the Parties. It is the intent of this Agreement that the total assignment of credits from Developer to City hereunder shall be a maximum of: (i) the Special Taxes Due plus (ii) additional costs, if any, for the acquisition of the Foster Property, and City shall reassign any other surplus credits to Developer if such maximum assignment is exceeded due to the foregoing application of credits.

i. Unresolved Items.

The Parties acknowledge that this Agreement addresses only those items and issues identified in paragraphs 2.a through 2.g, and that the Parties reserve all rights with respect to any items not released in this Agreement including, without limitation, issues related to any claimed reimbursement by Developer related to a light rail corridor, grand parkway corridor or other public infrastructure in Laguna Ridge not addressed in this Agreement. Nothing herein shall be construed as an admission or concession of any Parties’ rights or obligation with respect to any of these items or other issues not expressly addressed by this Agreement.

3. Except as otherwise set forth herein, Developer and City hereby release and forever discharge each other, their representatives, agents, and employees from any and all Claims, Litigation, City Foreclosure Actions, actions, and causes of action of any and every kind, nature and character, known or unknown which either party may now have, or has ever had as of the effective date of this Agreement, against the other party arising from or in any way connected to those items and issues set forth at paragraphs 2.a. through 2.g.

4. The releases set forth herein specifically extend to all known as well as unknown claims and specifically include a waiver of Section 1542 of the California Civil Code, and any other similar law of the United States or of any other jurisdiction within the United States. Section 1542 of the California Civil Code provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

City and Developer acknowledge that they have read and understand the significance and consequences of this waiver of Section 1542 of the California Civil Code. City and Developer acknowledge that they have been represented by legal counsel in connection with this Agreement and have received advice concerning this waiver of Section 1542.

5. It is understood and agreed that neither this Agreement itself, nor any of the acts provided for herein, shall be construed as an admission of liability or wrongdoing of any kind by City or Developer.

6. By executing this Agreement, Developer covenants, warrants, and represents that the signatory of this Agreement on Developer's behalf is fully authorized to enter into, and perform all terms and conditions of, this Agreement and that Developer is the proper party/entity to receive credits and/or reimbursements as set forth herein. By executing this Agreement, upon approval of the City Council, City covenants, warrants and represents that the person executing this Agreement on behalf of City is authorized and empowered to do so and to and perform all terms and conditions of this Agreement, and thereby bind the City with respect to all provisions hereof.

7. Should any person or entity who is not a party to this Agreement challenge any actions of the City hereunder for the reimbursement of fees or the providing of credits to Developer or the assignment of such amounts to the City, Developer agrees to defend, indemnify, release, and hold harmless the City and its agents, officers, attorneys, elected officials, consultants (whether professional, legal, technical, or other), independent contractors, and employees (“City's Agents”) from any and all damage, liability or loss, or any claim of damage, liability or loss, including, without limitation, attorneys' fees or costs (including claims for “private attorney general” fees), connected with or arising out of any action, proceeding or alternative dispute resolution process against the City or the City's Agents relating to this Agreement (collectively, “Action”). In the event of any such Action, the City and Developer shall confer and cooperate with each other in response to such Action, including the use of legal counsel. However, this agreement to “confer and cooperate” shall in no way be construed to limit the City's independence in its response to such Action, including, without limitation, its authority in connection with the retention and/or use of consultants and/or legal counsel, nor shall it obligate the City in any way to compromise or alter its attorney-client relationships or confidences with legal counsel or outside consultants. To the extent that the City uses any of its resources, including, without limitation, payment of fees and expenses of outside consultants, attorneys, and/or experts, in responding to any Action, Developer shall pay the City's fees for such consultants, attorneys, and/or experts within thirty (30) days of the City incurring such expenses. Such resources include, but are not limited to, staff time, court costs, and City Attorney's or other City legal counsel's, agent's or consultant's time at a rate equal to its total costs, or any other direct or indirect costs associated with responding to the Action. This indemnity expressly excludes any challenge to City actions related to or arising out of adoption of City fee programs, including without limitation, the Park Fee Program.

8. The terms and conditions of this Agreement, which are contractual in nature and not mere recitals, shall be interpreted under the laws of the State of California. Should any judicial proceeding be brought relating to this Agreement, venue shall lie exclusively in a court of competent jurisdiction located in Sacramento County, or if no such court can be found in Sacramento County, a court of competent jurisdiction closest to Sacramento County.

9. Should any term, paragraph, provision, covenant, condition, or any other part of this Agreement be held by a court of competent jurisdiction to be invalid, void or unenforceable, in any respect, the remainder of the Agreement shall remain in full force and effect, and shall in no way be invalidated or affected.

10. The Parties declare and represent that no promise, inducement or other agreement has been made conferring any benefit upon any party except those contained herein. The Parties further declare and represent that the Agreement contains the entire agreement of the Parties pertaining to the subject matter thereof, and that the Agreement supersedes any prior or contemporaneous negotiations, representations, agreements, and understandings of the Parties with respect to such matter, whether written or oral. Parol evidence shall be inadmissible to show agreement by and between the Parties to any term or condition contrary to or in addition to the terms and conditions contained in the Agreement. The Parties acknowledge that each has not relied on any promise, representation or warranty, express or implied, not contained in this Agreement.

11. Any changes to this Agreement, whether by additions, deletions, waivers, amendments or modifications, may only be made in writing and must be signed by all Parties in order to be effective. In the event of insubstantial amendments (as determined by City), including but not limited to, any errors in the identified dedicating developer or mathematical errors, the Parties shall have the right to amend the Park Reimbursement Agreement and/or this Agreement to correct or modify such errors by written amendment to this Agreement or the Park Reimbursement Agreement signed by the City Finance Director or City Manager and Developer, without further City Council approval. City staff, however, reserves the right, in its sole discretion, to take any amendments to the City Council for consideration, whether such amendments are considered substantial or insubstantial.

12. Each party is represented by legal counsel and has consulted with legal counsel regarding the terms of this Agreement and fully understands each term contained herein. Each party knowingly and voluntarily enters into this Agreement and knowingly and voluntarily agrees to each term contained herein. All of the undersigned Parties agree that they and their legal counsel have reviewed and have had an opportunity to revise this Agreement, that no single party shall be deemed to have drafted this Agreement or any portion thereof, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

13. No waiver by any party of any breach of any term or provision of this Agreement shall be construed to be, nor be, a waiver of any proceeding, concurrent or succeeding breach of the same, or any other term or provision thereof. No waiver shall be binding unless in writing and signed by all Parties to this Agreement. Failure of any party to enforce any right provided by this Agreement shall not constitute a waiver or estoppel of said right. Any waiver by any party of

any term or provision of this Agreement shall not be deemed a waiver of any other term or provision of this Agreement.

14. This Agreement may be executed in counterpart copies, which together shall constitute one and the same instrument.


The Parties have executed this Agreement by affixing their signatures below. This Agreement shall be deemed effective as of the date on which each of the Parties execute the Agreement as indicated by the dates below. In the event that the Parties do not execute the Agreement on the same date, the effective date of the Agreement shall be the latest date on which one of the Parties executes the Agreement.

CITY OF ELK GROVE

Dated: \_\_\_\_\_, 2011

By: \_\_\_\_\_  
Laura Gill  
City Manager, City of Elk Grove

APPROVED AS TO FORM:


  
Jonathan P. Hobbs,  
Interim City Attorney, City of Elk Grove

ATTEST:

\_\_\_\_\_  
Jason Lindgren,  
City Clerk, City of Elk Grove

Dated: \_\_\_\_\_, 2011

REYNNEN & BARDIS (LAGUNA RIDGE) LP,  
a limited partnership

By:   
Christo D. Bardis

Title: MANAGING MEMBER  
R&B LAND INVESTMENTS LLC  
10 A CALIF LLC, ITS GENERAL PARTNER

**EXHIBIT A**  
**TO SETTLEMENT AGREEMENT**

**CITY OF ELK GROVE**  
**CREDIT AND REIMBURSEMENT AGREEMENT**  
**FOR LRSP PARK LAND DEDICATION AND PARK DEVELOPMENT**

Agreement No. \_\_\_\_

This Agreement, dated as of December 14, 2011, is by and between the **City of Elk Grove**, a municipal corporation (the “**City**”), and **Reynen & Bardis (Laguna Ridge) LP**, a limited partnership (“**Developer**”).

**W I T N E S S E T H**

WHEREAS, Developer is or was the owner of that certain real property in the Laguna Ridge Specific Plan area (“**LRSP**”), in the City of Elk Grove, State of California.

WHEREAS, on October 25, 2006 the City Council approved that certain “Development Agreement Between The City of Elk Grove and Reynen & Bardis (Park Development)” by Ordinance 41-2006, which provided for certain rights and obligations of Developer and City regarding parkland dedication and construction of park land improvements (the “**Park DA**”). The Park DA contemplated Developer dedicating certain parks and acting as the constructing developer for certain parks within the LRSP and obtaining reimbursement for such oversizing to be enforced by the City through the continued imposition and enforcement of conditions of approval requiring a fair share contribution by all parkland dedication and park development within the LRSP consistent with Government Code sections 66485 through 66487, or through adoption of a park fee by City.

WHEREAS, Chapter 22.40 of the Elk Grove Municipal Code (“**Quimby Ordinance**”) established park dedication requirements pursuant to the Quimby Act (“**Quimby Fees**”).

WHEREAS, on January 26, 2011 the City adopted Ordinance no. 3-2011 and on September 14, 2011 the City adopted Resolution no. 2011-176, which established a Supplemental Park Fee to provide a cost equalization mechanism for all park and parkway facilities needed to serve development in the Laguna Ridge Specific Plan area (“**LRSP**”). The Supplemental Park Fee was adopted pursuant to the Mitigation Fee Act based on a nexus study dated August 31, 2011, with minor administrative revisions on October 13, 2011 (“**Nexus Study**”). The Supplemental Park Fee includes both (i) a facilities component which includes development costs for community park facilities, local and neighborhood park facilities and parkway facilities and (ii) a parkland component for parkland dedication required in the LRSP in excess of the Quimby Fees (“**Supplemental Park Fee Program**”).

WHEREAS, the City will require parkland dedication of 5.0 acres per 1,000 residents from all properties in the Laguna Ridge Specific Plan area, or if a property owner cannot provide

such Quimby park land dedication, the City will require payment of Quimby Fees in lieu of such dedication.

WHEREAS, the City also will require payment of the Supplemental Park Fee from all properties in the LRSP in accordance with the Nexus Study, to the extent permitted by law.

WHEREAS, prior to adoption of the Supplemental Park Fee, the City collected fair share payments for parkland dedication and park development for projects within the LRSP in order to satisfy the condition of approval for fair share payment of parks and allow recordation of a final map. These funds are being held by the City in a separate park fee account as identified in the Nexus Study, and shall be considered Quimby Fees and Supplemental Park Fees in the amounts required by the Nexus Study.

WHEREAS, Developer was the master developer of a significant portion of the LRSP. Developer has dedicated and constructed parks and parkways and related facilities identified in the Nexus Study in excess of Developer's fair share requirement for its development that would otherwise be financed by Quimby Fees and the Supplemental Park Fee.

WHEREAS, Government Code section 66486 authorizes the City to enter into reimbursement agreements for the oversizing of public facilities, including parks, upon application of property developers.

WHEREAS, this Agreement provides for the allocation of certain park fee credits to Developer and reimbursement for Developer's excess park land dedication and park development costs.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the City and the Developer hereby agree as follows:

## A G R E E M E N T

1. **Park Requirements.** Subject to the terms of this Agreement, the City agrees to provide fee credits and reimbursement of funds to Developer for LRSP parkland dedication and construction of park improvements which have been determined to be eligible pursuant to the Nexus Study. Developer shall be reimbursed from the City through a combination of fee credits and cash reimbursement as provided below.

### 2. **Parkland Dedication Credits and Reimbursement**

2.1 **Credit Against Quimby Fees and Supplemental Park Fees For Park Land Dedication.** All lots in the LRSP shall be obligated to dedicate land pursuant to the Quimby Ordinance and pay the Supplemental Park Fee. Developer has dedicated, or offered for dedication, the park land, paseos and parkways located within the Property shown on Exhibit A attached hereto, which is in excess of the Quimby Ordinance requirements and Supplemental Park Fee Program requirements. City will issue fee credits to Developer against all Quimby Ordinance dedication requirements and Supplemental Park Fees as established in the Nexus Study and set forth on Exhibit A. Exhibit A identifies all park land dedicated by Developer, Developer's park land dedication obligations for Quimby dedication and pursuant to the Supplemental Park Fee Program as established by the Nexus Study, and the excess park land

dedication made by Developer pursuant to the Quimby Ordinance requirements and the Supplemental Park Fee Program as established by the Nexus Study.

2.2 Reimbursement For Excess Park Land Dedication. Dedication of the parkland by Developer has resulted in excess parkland dedication as identified in the Nexus Study, and Developer will be due reimbursement for such excess dedication pursuant to the Quimby Fee and Supplemental Park Fee Program as established by the Nexus Study and set forth in Exhibit A. Developer shall receive cash reimbursement from Quimby Fees and Supplemental Park Fees land acquisition component collected by City for Developer's excess dedication as shown on Exhibit A. The reimbursement amount is based on the amount identified for such land dedication in the Nexus Study for the Supplemental Park Fee Program and as set forth in the Quimby Ordinance. Reimbursements for park land dedication shall be made on a "first-in, first-out basis," based on the order such parks were dedicated or offered for dedication to the City.

The Quimby Fees shall be accounted for separately by the City and reimbursed semi-annually to the Developer for over-dedicated acreage at the rate collected per acre during that semi-annual period. Alternatively, to the extent Developer has not received reimbursement for the over-dedication of land identified on Exhibit A, Developer shall have the right at any time to sell or assign its surplus acreage credits for use within the LRSP or apply the credits to additional units to be acquired by Developer within the LRSP pursuant to Section 4.2 below.

### 3. Park Development Credits and Reimbursement.

3.1 Credit Against Supplemental Park Fees For Park Development Costs. Developer has previously developed certain parks in whole or in part within the LRSP. Developer's park development costs are set forth on Exhibit B attached hereto and have been verified and approved by City as eligible park development costs in the Nexus Study and such costs shall be creditable against the Supplemental Park Fee as set forth in Exhibit B attached hereto. Exhibit B sets forth the Supplemental Park Fee credits (development component) allocated to Developer hereunder.

3.2 Reimbursement for Park Development. To the extent such Supplemental Park Fee credits do not fully reimburse Developer for construction of park improvements, Developer shall be eligible for cash reimbursement from Supplemental Park Fees collected from other development for the remaining cost of such park improvements that were not credited hereunder. The reimbursement amount set forth in Exhibit B is the amount identified for such park improvement based on the adopted Nexus Study. Reimbursements for park improvements shall be made on a "first-in, first-out basis," based on the order such park improvements were accepted by the City, provided, however, that, notwithstanding anything in this Agreement to the contrary, the City shall be entitled to retain, in its discretion, up to 50% of all fees collected from future developers as Supplemental Park Fees in order to provide a funding mechanism for the City to develop and deliver parks within the LRSP. Subject to the 50% City hold-back as provided herein, reimbursement from the Supplemental Park Fee development component to Developer shall be paid semi-annually as and when collected by City. The Supplemental Park Fee development component shall be kept in a separate account. On a semi-annual basis, beginning on the date that is ten (10) days after execution of this Agreement, City shall pay to Developer the amount of Supplemental Park Fees (development component) by City collected

until such cash reimbursement is repaid in full to the Developer in the amounts set forth in Exhibit B, including any annual adjustments made thereto. City's obligation to pay this cash reimbursement to Developer shall be limited to the extent that City has funds available from the development component of the Supplemental Park Fee and shall not be an obligation of the general fund. Alternatively, to the extent Developer has not received reimbursement for oversizing of park development costs identified on Exhibit B, Developer shall have the right at any time to sell or assign its surplus credits for use within the LRSP or apply the credits to additional units to be acquired by Developer within the LRSP pursuant to Section 4.2 below.

4. **Reimbursement Priority and Vouchers.**

4.1 **Reimbursement Priority.** The City has, and shall continue to, collect Quimby Fees and Supplemental Park Fees from all property owners in the LRSP in the amount required by the City's Quimby Ordinance and Supplemental Park Fee Program as such Supplemental Park Fee Program may be amended or updated from time to time and shall place such fees in separate capital facilities accounts. City shall retain and make available for reimbursement: (i) one hundred percent (100%) of the Quimby Fees collected within the LRSP and (ii) fifty-percent (50%) of the Supplemental Park Improvement Fee (development component) revenue and (iii) one hundred percent (100%) of the Supplemental Park Fee (land acquisition component) collected for reimbursement to LRSP developers dedicating parkland or Developers that previously constructed improvements within the LRSP identified in the Supplemental Park Fee Program. In its reasonable discretion, and for good cause shown, as determined by the City, the City may make more than fifty-percent (50%) of the Supplemental Park Improvement Fee collected within the LRSP available for reimbursement to LRSP developers that previously constructed improvements within the LRSP identified in the Supplemental Park Fee Program. Any fees withheld by the City from reimbursement shall be used by the City for the development of parks within the LRSP.

4.2 **Fee Credit Voucher.** Except for the specific allocation of Quimby Fee and Supplemental Park Fee credits pursuant to this Agreement set forth in Exhibit A and Exhibit B attached hereto, all rights to the credits and reimbursement for park development costs incurred by Developer and for land dedication made by Developer are personal to Developer, and shall not run with the land. Developer shall have the right to assign credits and/or reimbursements to reduce or eliminate Quimby Fees and Supplemental Park Fees otherwise payable by an assignee by providing a written assignment or voucher to City in the form attached hereto as Exhibit C.

4.3 **Annual Adjustment.** The Supplemental Park Fee includes a park development fee component and a park land acquisition component. The Supplemental Park Fee shall be adjusted no later than July 1 of each year.

5. **Limited City Obligation.** The obligations arising from this Agreement are neither a debt of the City nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon any of its income, receipts, or revenues, except the Quimby Fees and Supplemental Park Fees collected in the LRSP (including any deposits for such fees prior to their adoption). Neither the General Fund nor any other fund of the City, except the applicable fund(s) associated with the Quimby Fees and Supplemental Park Fee Program, shall be liable for the payment of any obligations arising from this Agreement. The credit or taxing power of the City is not pledged



for the payment of any obligation arising from this Agreement. The Developer shall not compel the forfeiture of any of the City's property to satisfy any obligations arising from this Agreement.

6. **No Third Party Beneficiary.** The City and the Developer enter into no contract or agreement with any general contractor, subcontractor, or other party by entering into this Agreement; nor is any general contractor, subcontractor, or other party a third party beneficiary of this Agreement; and the City shall have no obligation to pay any general contractor, subcontractor, or other party for any work that such general contractor, subcontractor, or other party may do pursuant to the plans and specifications for the park improvements.

7. **Notice.** Any notice, payment, or instrument required or permitted by this Agreement to either party shall be deemed to have been received when personally delivered to that party or seventy-two (72) hours following deposit of the same in any United States Post Office, first class, postage prepaid, addressed as follows:

City: City of Elk Grove  
8400 Laguna Palms Way  
Elk Grove, CA 95758  
Attn: City Engineer

With a copy to: City of Elk Grove  
Public Works  
Administrative Services  
8400 Laguna Palms Way  
Elk Grove, CA 95758  
Attn: Finance Administrator

Developer Reynen & Bardis (Laguna Ridge) L.P.  
10630 Mather Blvd.  
Sacramento, CA 95655  
Attn: Les Hock

Either party hereto may, by notice given hereunder, designate a different address to which subsequent notices, payments, and instruments shall be delivered to it.

8. **Term.** The term of this Agreement shall start as of the date first written above and shall remain in effect until all the terms and conditions contained in this Agreement have been satisfied.

9. **Captions.** Captions to Sections of this Agreement are for convenience purposes only, and are not part of this Agreement.

10. **Severability.** If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full effect as though such invalid or unenforceable provision had not been a part of this Agreement.

11. **Assignment of Reimbursement and Credits.** Developer may transfer or assign any or all of the rights arising under or from this Agreement, including but not limited to the right to receive reimbursement and credits, by providing written notice thereof to the City. Assigned credits shall be applicable to any Quimby Fees or Supplemental Park Fees within the LRSP (and each voucher shall specify which type of credit are being assigned), and shall be accepted by City on a dollar-for-dollar basis and adjusted each year in the same amount as the annual inflationary adjustment of the City's Supplemental Park Fees. In order to utilize the credit amount as provided for herein, Developer shall deliver an executed copy of a Quimby Fee or Supplemental Park Fee voucher to City in the form attached as Exhibit C, or such other document or letter as may be acceptable to City. The Quimby Fee or Supplemental Park Fee voucher, or other written request, shall notify City of the Credit Amount Developer intends to transfer. After receipt of such written request from Developer and prior to issuance of building permits, City shall reduce any Quimby Fees and Supplemental Park Fees that would normally be collected by City for that development in the amount stated in Developer's written request. Any Quimby Fees and Supplemental Park Fees not collected as a result of the receipt of such written request from Developer shall be deducted from Developer's credit Amount.

12. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Notwithstanding the foregoing, or anything herein to the contrary, unless assigned in accordance with Section 11 above, the reimbursements and credits to be paid to Developer are personal to Developer and shall not automatically run with the land or the subsequent purchasers of Developer's property. Developer may transfer or assign any or all of the rights arising under this Agreement, including but not limited to the right to receive reimbursement and credits, by providing the Quimby Fee or Supplemental Park Fee voucher to the City, or other written request acceptable to the City, as provided above. In the absence of any such written assignment, a subsequent purchaser of any portion of a Developer's property shall have no rights to any credits or reimbursements due Developer hereunder unless assigned to such property pursuant to a voucher.

13. **Governing Law; Venue.** This Agreement is made under, and shall in all respects be interpreted, enforced, and governed by, the laws of the State of California. In the event of a dispute concerning the terms of this Agreement, the venue for any legal action shall be with the appropriate court in the County of Sacramento, State of California.

14. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to the matters contained herein and may be amended only by subsequent written agreement signed by both parties.

15. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one instrument.

16. **Satisfaction of Conditions.** City agrees that by executing this Agreement, and complying with the terms and conditions herein, any general or specific tentative map conditions for the Property related to this Agreement requiring dedication of Parks or construction of Park Improvements covered by this Agreement or the payment of Quimby Fees and Supplemental Park Fees shall be deemed satisfied.

17. **No Agency, Joint Venture or Partnership.** Although City and Developer intend to cooperate and work together to carry out the terms of this Agreement for the purposes of implementing the fee credit and reimbursement provisions, the parties renounce the existence of any form of agency relationship, joint venture, partnership or other association between City and Developer and nothing contained herein or in any document executed in connection herewith shall be construed as creating any such legal relationship.

*[Signatures appear on the next page]*

**IN WITNESS WHEREOF**, the parties have executed this Agreement the day and the year first written above.

CITY OF ELK GROVE

By: \_\_\_\_\_

Laura Gill  
City Manager

Attest:

\_\_\_\_\_  
Jason Lindgren, City Clerk

Approved as to form:

\_\_\_\_\_  
Jonathan Hobbs, Interim City Attorney

REYNEN & BARDIS (LAGUNA RIDGE) LP, a  
limited partnership

By: \_\_\_\_\_

Christo D. Bardis

Title: \_\_\_\_\_

**Exhibit A - R&B Land Dedication**

8-Dec-11

**Laguna Ridge Specific Plan**

**LRSP Supplemental Park Improvement Fee**

**Per City of Elk Grove Staff Report, September 14, 2011.**

Map Label	Phase	Park	Acreage	Supp Fee Area	Quimby Area	IOD FY	Nexus Land Value per Acre	Hawk Mitigation per Acre	Total Value per Acre	Total Supp Fee Value
<b>Actual R&amp;B Dedications to Date:</b>										
P1	I/II	Constellation Park	2.29	1.03	1.26	2006-07	\$402,190	\$18,325	\$420,515	\$435,232
P3	I/II	Civic Center Community/Regional Park	9.61	4.34	5.27	2006-07	\$402,190	\$18,325	\$420,515	\$1,825,035
P4	I/II	Civic Center Community/Regional Park	6.68	3.02	3.66	2006-07	\$402,190	\$18,325	\$420,515	\$1,269,955
P5	I/II	Civic Center Community/Regional Park	10.55	4.77	5.78	2006-07	\$402,190	\$18,325	\$420,515	\$2,005,857
P6	I/II	Civic Center CP (excludes buffer)	2.97	1.34	1.63	2006-07	\$402,190	\$18,325	\$420,515	\$563,490
P7A.B	I/II	Civic Center Community/Regional Park	10.07	4.55	5.52	2006-07	\$402,190	\$18,325	\$420,515	\$1,913,343
PO12	I/II	Parkway next to channel	0.20	0.09	0.11	2006-07	\$402,190	\$18,325	\$420,515	\$37,846
PO13	I/II	Parkway next to channel	0.15	0.07	0.08	2006-07	\$402,190	\$18,325	\$420,515	\$29,436
PO14	I/II	Parkway next to channel	0.13	0.06	0.07	2006-07	\$402,190	\$18,325	\$420,515	\$25,231
PO15	I/II	Parkway next to channel	-	-	-	2006-07	\$402,190	\$18,325	\$420,515	\$0
PO16	I/II	Lndsc Lots C & D (PW2)	0.35	0.16	0.19	2006-07	\$402,190	\$18,325	\$420,515	\$67,282
PO28	I/II	Median parkway	0.38	0.17	0.21	2006-07	\$402,190	\$18,325	\$420,515	\$71,488
PO29	I/II	Median parkway	0.46	0.21	0.25	2006-07	\$402,190	\$18,325	\$420,515	\$88,308
PO30	I/II	Median parkway	0.45	0.20	0.25	2006-07	\$402,190	\$18,325	\$420,515	\$84,103
PO40	I/II	Median parkway	0.41	0.19	0.22	2006-07	\$402,190	\$18,325	\$420,515	\$79,898
PO2	I/II	Whitelock parkway next to Gr Parkway	-	-	-	2007-08	\$298,540	\$18,325	\$316,865	\$0
PO3	I/II	Whitelock parkway next to Gr Parkway	-	-	-	2007-08	\$298,540	\$18,325	\$316,865	\$0
D2	I/II	Channel	3.59	1.62	1.97	2008-09	\$164,026	\$18,325	\$182,351	\$108,091 [1]
D3	I/II	Channel	3.88	1.75	2.13	2008-09	\$164,026	\$18,325	\$182,351	\$175,213 [1]
D5	I/II	Parkway next to drainage Channel	3.23	1.46	1.77	2008-09	\$164,026	\$18,325	\$182,351	\$266,232
D6	I/II	Parkway next to drainage Channel	1.27	0.57	0.70	2008-09	\$164,026	\$18,325	\$182,351	\$103,940
D7	I/II	Parkway next to drainage Channel	0.90	0.40	0.50	2008-09	\$164,026	\$18,325	\$182,351	\$72,940
PO5	I/II	Paseo parcel C adj to channel	0.80	0.36	0.44	2008-09	\$164,026	\$18,325	\$182,351	\$65,646
PO6	I/II	Paseo parcel B adj to channel	0.72	0.33	0.39	2008-09	\$164,026	\$18,325	\$182,351	\$60,176
PO7	I/II	Paseo parcel A adj to channel	0.36	0.16	0.20	2008-09	\$164,026	\$18,325	\$182,351	\$29,176
P2	I/II	Horseshoe	9.09	4.11	4.98	2010-11	\$94,650	\$18,325	\$112,975	\$464,327
P8	I/II	Play Island	2.34	1.06	1.28	2010-11	\$94,650	\$18,325	\$112,975	\$119,754
<b>Totals:</b>			<b>70.89</b>	<b>32.02</b>	<b>38.86</b>					<b>\$9,960,001</b>

[1] Grand Parkway D2 and D3 assumes the value for the 40' slope and 30' slope areas on either side of the 50' channel area of the Grand Parkway is \$0.

	Acreage	Supp Fee Area	Quimby Area	Supp Fee Areas	Quimby Areas
<b>Total R&amp;B Land dedication to Date:</b>	<b>70.89</b>	<b>32.02</b>	<b>38.86</b>		
Total Land Dedication Obligation		13.40	16.25		
<b>R&amp;B Surplus Land Dedications Total:</b>		<b>18.62</b>	<b>22.61</b>		
		18.62			
		5.17 ac	\$112,975	\$584,081	
		4.82 ac	\$182,351	\$879,415	
		8.63 ac	\$420,515	\$3,630,031	
<b>Value of Surplus Land Dedications To Date:</b>		<b>18.62 ac</b>		<b>\$5,093,527</b>	<b>22.61 ac</b> (land value TBD)

**Exhibit B - R&B Park Development Cost**  
**Laguna Ridge Specific Plan**  
**LRSP Supplemental Park Improvement Fee**  
**Per City of Elk Grove Staff Report, September 14, 2011.**

8-Dec-11

Map Label	Phase	Park Facility	Park Fee Acreage	Eligible Development Cost	Cost per Acre (if applicable)
<b>Actual R&amp;B Development Cost to Date:</b>					
P1	I/II	Constellation Park	2.29	\$ 1,141,950	\$498,668
P2	I/II	Horseshoe Neighborhood Park	9.09	\$ 136,350	\$15,000
P8	I/II	Play Island Local Park	2.34	\$ 29,250	\$12,500
PO16	I/II	Lndsc Lots C & D (PW2)	0.35	\$ 50,750	\$145,000
PO28	I/II	Median parkway	0.38	\$ 55,100	\$145,000
PO29	I/II	Median parkway	0.46	\$ 66,700	\$145,000
PO30	I/II	Median parkway	0.45	\$ 65,250	\$145,000
PO40	I/II	Median parkway	0.41	\$ 59,450	\$145,000
D5	I/II	Parkway next to drainage Channel	3.23	\$ 468,350	\$145,000
D6	I/II	Parkway next to drainage Channel	1.27	\$ 184,150	\$145,000
D7	I/II	Parkway next to drainage Channel	0.90	\$ 130,500	\$145,000
PO5	I/II	Paseo parcel C	0.80	\$ 115,707	\$145,000
PO6	I/II	Paseo parcel B	0.72	\$ 104,915	\$145,000
PO7	I/II	Paseo parcel A	0.36	\$ 52,771	\$145,000
		Parkway Bridges		\$ 399,372	
		<b>Total:</b>	<b>23.06</b>	<b>\$ 3,060,565</b>	
		Total Development Obligation		\$ (2,464,200)	
<b>R&amp;B Net Development Credit / Reimbursement:</b>				<b>\$ 596,365</b>	

**Exhibit C – Form of Park Fee Credit Assignment**

CITY OF ELK GROVE  
LAGUNA RIDGE SPECIFIC PLAN TRANSFER AND ASSIGNMENT OF PARK FEE CREDITS

As of the Effective Date, the undersigned as the holder ("Assignor") of certain fee credits in a Reimbursement Account for the Laguna Ridge Specific Plan hereby assigns, transfers and conveys to (*company name*), ("Assignee") represented by (*representative authorized to use/assign credits*) the following fee credits in the following amounts:

<u>Credit Type</u>	<u>Amount</u>
1) Laguna Ridge Specific Plan Supplemental Park Fee Credits - Land	\$ _____
2) Laguna Ridge Specific Plan Supplemental Park Fee Credits – Development	\$ _____
3) Quimby Fee Credits	\$ _____
<b>Total Credit Assignment</b>	<b>\$ _____</b>

The granting of these credits does not constitute acceptance of improvements by the City. As of the Effective Date, the Assignee, for itself and its successors and assigns, hereby accepts such assignment and assumes all obligations to be subject to the provisions of the applicable fee program and applicable reimbursement agreement with respect to the application and interpretation of the fee credit and fee reimbursement provisions.

The Assignee (*representative authorized to use/assign credits*) may be contacted at the following address and telephone number:  
(*enter contact information for transferee*)

Executed as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date").

Credits Assigned By:

\_\_\_\_\_  
Name  
Title, Company name

Assignment Accepted By:

\_\_\_\_\_  
Name  
Title, Company name

Approved by City:

\_\_\_\_\_  
Name and Title of Fee Credit Administrator

**Exhibit B to Settlement Agreement – Form of Assignment**

**CITY OF ELK GROVE  
LAGUNA RIDGE SPECIFIC PLAN  
TRANSFER AND ASSIGNMENT OF FEE CREDITS**

As of the Effective Date, the undersigned as the holder ("Assignor") of certain fee credits in a Reimbursement Account for the Laguna Ridge Specific Plan hereby assigns, transfers and conveys to the City of Elk Grove, a municipal corporation ("Assignee") the following fee credits in the following amounts:

<u>Credit Type</u>	<u>Amount</u>
1) Laguna Ridge Specific Plan Supplemental Park Fee Credits - Land	\$ _____
2) Laguna Ridge Specific Plan Supplemental Park Fee Credits – Development	\$ _____
3) Quimby Fee Credits	\$ _____
4) EGRFP Credits	\$ _____
5) Other fee credits	\$ _____
<b>Total Credit Assignment</b>	<b>\$ _____</b>

The granting of these credits does not constitute acceptance of improvements by the City. As of the Effective Date, the Assignee, for itself and its successors and assigns, hereby accepts such assignment and assumes all obligations to be subject to the provisions of the applicable fee program and applicable reimbursement agreement with respect to the application and interpretation of the fee credit and fee reimbursement provisions.

The Assignee, the City Finance Director of the City of Elk Grove, may be contacted at the following address and telephone number: 8400 Laguna Palms Way, Elk Grove CA 95758. (916) 683-7111

Executed as of this \_\_\_\_ day of December, 2011 (the "Effective Date").

Credits Assigned By:

\_\_\_\_\_  
Name  
Title, Company name

Assignment Accepted By:

\_\_\_\_\_  
Name  
Title, Company name

Approved by City: \_\_\_\_\_  
Name and Title of Fee Credit Administrator

EXHIBIT B

CITY OF ELK GROVE

CREDIT AND REIMBURSEMENT AGREEMENT  
FOR LRSP PARK LAND DEDICATION AND PARK DEVELOPMENT

Agreement No. \_\_\_\_

This Agreement, dated as of December 14, 2011, is by and between the **City of Elk Grove**, a municipal corporation (the "**City**"), and **Reynen & Bardis (Laguna Ridge) LP**, a limited partnership ("**Developer**").

WITNESSETH

WHEREAS, Developer is or was the owner of that certain real property in the Laguna Ridge Specific Plan area ("**LRSP**"), in the City of Elk Grove, State of California.

WHEREAS, on October 25, 2006 the City Council approved that certain "Development Agreement Between The City of Elk Grove and Reynen & Bardis (Park Development)" by Ordinance 41-2006, which provided for certain rights and obligations of Developer and City regarding parkland dedication and construction of park land improvements (the "**Park DA**"). The Park DA contemplated Developer dedicating certain parks and acting as the constructing developer for certain parks within the LRSP and obtaining reimbursement for such oversizing to be enforced by the City through the continued imposition and enforcement of conditions of approval requiring a fair share contribution by all parkland dedication and park development within the LRSP consistent with Government Code sections 66485 through 66487, or through adoption of a park fee by City.

WHEREAS, Chapter 22.40 of the Elk Grove Municipal Code ("**Quimby Ordinance**") established park dedication requirements pursuant to the Quimby Act ("**Quimby Fees**").

WHEREAS, on January 26, 2011 the City adopted Ordinance no. 3-2011 and on September 14, 2011 the City adopted Resolution no. 2011-176, which established a Supplemental Park Fee to provide a cost equalization mechanism for all park and parkway facilities needed to serve development in the Laguna Ridge Specific Plan area ("**LRSP**"). The Supplemental Park Fee was adopted pursuant to the Mitigation Fee Act based on a nexus study dated August 31, 2011, with minor administrative revisions on October 13, 2011 ("**Nexus Study**"). The Supplemental Park Fee includes both (i) a facilities component which includes development costs for community park facilities, local and neighborhood park facilities and parkway facilities and (ii) a parkland component for parkland dedication required in the LRSP in excess of the Quimby Fees ("**Supplemental Park Fee Program**").

WHEREAS, the City will require parkland dedication of 5.0 acres per 1,000 residents from all properties in the Laguna Ridge Specific Plan area, or if a property owner cannot provide such Quimby park land dedication, the City will require payment of Quimby Fees in lieu of such dedication.

WHEREAS, the City also will require payment of the Supplemental Park Fee from all properties in the LRSP in accordance with the Nexus Study, to the extent permitted by law.

WHEREAS, prior to adoption of the Supplemental Park Fee, the City collected fair share payments for parkland dedication and park development for projects within the LRSP in order to



satisfy the condition of approval for fair share payment of parks and allow recordation of a final map. These funds are being held by the City in a separate park fee account as identified in the Nexus Study, and shall be considered Quimby Fees and Supplemental Park Fees in the amounts required by the Nexus Study.

WHEREAS, Developer was the master developer of a significant portion of the LRSP. Developer has dedicated and constructed parks and parkways and related facilities identified in the Nexus Study in excess of Developer's fair share requirement for its development that would otherwise be financed by Quimby Fees and the Supplemental Park Fee.

WHEREAS, Government Code section 66486 authorizes the City to enter into reimbursement agreements for the oversizing of public facilities, including parks, upon application of property developers.

WHEREAS, this Agreement provides for the allocation of certain park fee credits to Developer and reimbursement for Developer's excess park land dedication and park development costs.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the City and the Developer hereby agree as follows:

## A G R E E M E N T

1. **Park Requirements.** Subject to the terms of this Agreement, the City agrees to provide fee credits and reimbursement of funds to Developer for LRSP parkland dedication and construction of park improvements which have been determined to be eligible pursuant to the Nexus Study. Developer shall be reimbursed from the City through a combination of fee credits and cash reimbursement as provided below.

### 2. **Parkland Dedication Credits and Reimbursement**

2.1 **Credit Against Quimby Fees and Supplemental Park Fees For Park Land Dedication.** All lots in the LRSP shall be obligated to dedicate land pursuant to the Quimby Ordinance and pay the Supplemental Park Fee. Developer has dedicated, or offered for dedication, the park land, paseos and parkways located within the Property shown on Exhibit A attached hereto, which is in excess of the Quimby Ordinance requirements and Supplemental Park Fee Program requirements. City will issue fee credits to Developer against all Quimby Ordinance dedication requirements and Supplemental Park Fees as established in the Nexus Study and set forth on Exhibit A. Exhibit A identifies all park land dedicated by Developer, Developer's park land dedication obligations for Quimby dedication and pursuant to the Supplemental Park Fee Program as established by the Nexus Study, and the excess park land dedication made by Developer pursuant to the Quimby Ordinance requirements and the Supplemental Park Fee Program as established by the Nexus Study.

2.2 **Reimbursement For Excess Park Land Dedication.** Dedication of the parkland by Developer has resulted in excess parkland dedication as identified in the Nexus Study, and Developer will be due reimbursement for such excess dedication pursuant to the Quimby Fee and Supplemental Park Fee Program as established by the Nexus Study and set forth in Exhibit A. Developer shall receive cash reimbursement from Quimby Fees and Supplemental Park Fees

land acquisition component collected by City for Developer's excess dedication as shown on Exhibit A. The reimbursement amount is based on the amount identified for such land dedication in the Nexus Study for the Supplemental Park Fee Program and as set forth in the Quimby Ordinance. Reimbursements for park land dedication shall be made on a "first-in, first-out basis," based on the order such parks were dedicated or offered for dedication to the City.

The Quimby Fees shall be accounted for separately by the City and reimbursed semi-annually to the Developer for over-dedicated acreage at the rate collected per acre during that semi-annual period. Alternatively, to the extent Developer has not received reimbursement for the over-dedication of land identified on Exhibit A, Developer shall have the right at any time to sell or assign its surplus acreage credits for use within the LRSP or apply the credits to additional units to be acquired by Developer within the LRSP pursuant to Section 4.2 below.

3. **Park Development Credits and Reimbursement.**

3.1 **Credit Against Supplemental Park Fees For Park Development Costs.** Developer has previously developed certain parks in whole or in part within the LRSP. Developer's park development costs are set forth on Exhibit B attached hereto and have been verified and approved by City as eligible park development costs in the Nexus Study and such costs shall be creditable against the Supplemental Park Fee as set forth in Exhibit B attached hereto. Exhibit B sets forth the Supplemental Park Fee credits (development component) allocated to Developer hereunder.

3.2 **Reimbursement for Park Development.** To the extent such Supplemental Park Fee credits do not fully reimburse Developer for construction of park improvements, Developer shall be eligible for cash reimbursement from Supplemental Park Fees collected from other development for the remaining cost of such park improvements that were not credited hereunder. The reimbursement amount set forth in Exhibit B is the amount identified for such park improvement based on the adopted Nexus Study. Reimbursements for park improvements shall be made on a "first-in, first-out basis," based on the order such park improvements were accepted by the City, provided, however, that, notwithstanding anything in this Agreement to the contrary, the City shall be entitled to retain, in its discretion, up to 50% of all fees collected from future developers as Supplemental Park Fees in order to provide a funding mechanism for the City to develop and deliver parks within the LRSP. Subject to the 50% City hold-back as provided herein, reimbursement from the Supplemental Park Fee development component to Developer shall be paid semi-annually as and when collected by City. The Supplemental Park Fee development component shall be kept in a separate account. On a semi-annual basis, beginning on the date that is ten (10) days after execution of this Agreement, City shall pay to Developer the amount of Supplemental Park Fees (development component) by City collected until such cash reimbursement is repaid in full to the Developer in the amounts set forth in Exhibit B, including any annual adjustments made thereto. City's obligation to pay this cash reimbursement to Developer shall be limited to the extent that City has funds available from the development component of the Supplemental Park Fee and shall not be an obligation of the general fund. Alternatively, to the extent Developer has not received reimbursement for oversizing of park development costs identified on Exhibit B, Developer shall have the right at any time to sell or assign its surplus credits for use within the LRSP or apply the credits to additional units to be acquired by Developer within the LRSP pursuant to Section 4.2 below.

4. **Reimbursement Priority and Vouchers.**

4.1 **Reimbursement Priority.** The City has, and shall continue to, collect Quimby Fees and Supplemental Park Fees from all property owners in the LRSP in the amount required by the City's Quimby Ordinance and Supplemental Park Fee Program as such Supplemental Park Fee Program may be amended or updated from time to time and shall place such fees in separate capital facilities accounts. City shall retain and make available for reimbursement: (i) one hundred percent (100%) of the Quimby Fees collected within the LRSP and (ii) fifty-percent (50%) of the Supplemental Park Improvement Fee (development component) revenue and (iii) one hundred percent (100%) of the Supplemental Park Fee (land acquisition component) collected for reimbursement to LRSP developers dedicating parkland or Developers that previously constructed improvements within the LRSP identified in the Supplemental Park Fee Program. In its reasonable discretion, and for good cause shown, as determined by the City, the City may make more than fifty-percent (50%) of the Supplemental Park Improvement Fee collected within the LRSP available for reimbursement to LRSP developers that previously constructed improvements within the LRSP identified in the Supplemental Park Fee Program. Any fees withheld by the City from reimbursement shall be used by the City for the development of parks within the LRSP.

4.2 **Fee Credit Voucher.** Except for the specific allocation of Quimby Fee and Supplemental Park Fee credits pursuant to this Agreement set forth in Exhibit A and Exhibit B attached hereto, all rights to the credits and reimbursement for park development costs incurred by Developer and for land dedication made by Developer are personal to Developer, and shall not run with the land. Developer shall have the right to assign credits and/or reimbursements to reduce or eliminate Quimby Fees and Supplemental Park Fees otherwise payable by an assignee by providing a written assignment or voucher to City in the form attached hereto as Exhibit C.

4.3 **Annual Adjustment.** The Supplemental Park Fee includes a park development fee component and a park land acquisition component. The Supplemental Park Fee shall be adjusted no later than July 1 of each year.

5. **Limited City Obligation.** The obligations arising from this Agreement are neither a debt of the City nor a legal or equitable pledge, charge, lien, or encumbrance upon any of its property or upon any of its income, receipts, or revenues, except the Quimby Fees and Supplemental Park Fees collected in the LRSP (including any deposits for such fees prior to their adoption). Neither the General Fund nor any other fund of the City, except the applicable fund(s) associated with the Quimby Fees and Supplemental Park Fee Program, shall be liable for the payment of any obligations arising from this Agreement. The credit or taxing power of the City is not pledged for the payment of any obligation arising from this Agreement. The Developer shall not compel the forfeiture of any of the City's property to satisfy any obligations arising from this Agreement.

6. **No Third Party Beneficiary.** The City and the Developer enter into no contract or agreement with any general contractor, subcontractor, or other party by entering into this Agreement; nor is any general contractor, subcontractor, or other party a third party beneficiary of this Agreement; and the City shall have no obligation to pay any general contractor, subcontractor, or other party for any work that such general contractor, subcontractor, or other party may do pursuant to the plans and specifications for the park improvements.

7. **Notice.** Any notice, payment, or instrument required or permitted by this Agreement to either party shall be deemed to have been received when personally delivered to that party or seventy-two (72) hours following deposit of the same in any United States Post Office, first class, postage prepaid, addressed as follows:

City: City of Elk Grove  
8400 Laguna Palms Way  
Elk Grove, CA 95758  
Attn: City Engineer

With a copy to: City of Elk Grove  
Public Works  
Administrative Services  
8400 Laguna Palms Way  
Elk Grove, CA 95758  
Attn: Finance Administrator

Developer Reynen & Bardis (Laguna Ridge) L.P.  
10630 Mather Blvd.  
Sacramento, CA 95655  
Attn: Les Hock

Either party hereto may, by notice given hereunder, designate a different address to which subsequent notices, payments, and instruments shall be delivered to it.

8. **Term.** The term of this Agreement shall start as of the date first written above and shall remain in effect until all the terms and conditions contained in this Agreement have been satisfied.

9. **Captions.** Captions to Sections of this Agreement are for convenience purposes only, and are not part of this Agreement.

10. **Severability.** If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full effect as though such invalid or unenforceable provision had not been a part of this Agreement.

11. **Assignment of Reimbursement and Credits.** Developer may transfer or assign any or all of the rights arising under or from this Agreement, including but not limited to the right to receive reimbursement and credits, by providing written notice thereof to the City. Assigned credits shall be applicable to any Quimby Fees or Supplemental Park Fees within the LRSP (and each voucher shall specify which type of credit are being assigned), and shall be accepted by City on a dollar-for-dollar basis and adjusted each year in the same amount as the annual inflationary adjustment of the City's Supplemental Park Fees. In order to utilize the credit amount as provided for herein, Developer shall deliver an executed copy of a Quimby Fee or Supplemental Park Fee voucher to City in the form attached as Exhibit C, or such other document or letter as may be acceptable to City. The Quimby Fee or Supplemental Park Fee

voucher, or other written request, shall notify City of the Credit Amount Developer intends to transfer. After receipt of such written request from Developer and prior to issuance of building permits, City shall reduce any Quimby Fees and Supplemental Park Fees that would normally be collected by City for that development in the amount stated in Developer's written request. Any Quimby Fees and Supplemental Park Fees not collected as a result of the receipt of such written request from Developer shall be deducted from Developer's credit Amount.

12. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Notwithstanding the foregoing, or anything herein to the contrary, unless assigned in accordance with Section 11 above, the reimbursements and credits to be paid to Developer are personal to Developer and shall not automatically run with the land or the subsequent purchasers of Developer's property. Developer may transfer or assign any or all of the rights arising under this Agreement, including but not limited to the right to receive reimbursement and credits, by providing the Quimby Fee or Supplemental Park Fee voucher to the City, or other written request acceptable to the City, as provided above. In the absence of any such written assignment, a subsequent purchaser of any portion of a Developer's property shall have no rights to any credits or reimbursements due Developer hereunder unless assigned to such property pursuant to a voucher.

13. **Governing Law; Venue.** This Agreement is made under, and shall in all respects be interpreted, enforced, and governed by, the laws of the State of California. In the event of a dispute concerning the terms of this Agreement, the venue for any legal action shall be with the appropriate court in the County of Sacramento, State of California.

14. **Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to the matters contained herein and may be amended only by subsequent written agreement signed by both parties.

15. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one instrument.

16. **Satisfaction of Conditions.** City agrees that by executing this Agreement, and complying with the terms and conditions herein, any general or specific tentative map conditions for the Property related to this Agreement requiring dedication of Parks or construction of Park Improvements covered by this Agreement or the payment of Quimby Fees and Supplemental Park Fees shall be deemed satisfied.

17. **No Agency, Joint Venture or Partnership.** Although City and Developer intend to cooperate and work together to carry out the terms of this Agreement for the purposes of implementing the fee credit and reimbursement provisions, the parties renounce the existence of any form of agency relationship, joint venture, partnership or other association between City and Developer and nothing contained herein or in any document executed in connection herewith shall be construed as creating any such legal relationship.

*[Signatures appear on the next page]*

IN WITNESS WHEREOF, the parties have executed this Agreement the day and the year first written above.

CITY OF ELK GROVE


By:

\_\_\_\_\_  
Laura Gill  
City Manager

Attest:

\_\_\_\_\_  
Jason Lindgren, City Clerk

Approved as to form:

  
\_\_\_\_\_  
Jonathan Hobbs, Interim City Attorney

REYNEN & BARDIS (LAGUNA RIDGE) LP, a  
limited partnership

By:

  
\_\_\_\_\_  
Christo D. Bardis

BY: R & B LAND INVESTMENTS LLC  
D. CALIF. LLC ITS GENERAL PARTNER

Title: MANAGING MEMBER

**Exhibit A - R&B Land Dedication**

8-Dec-11

**Laguna Ridge Specific Plan**

**LRSP Supplemental Park Improvement Fee**

**Per City of Elk Grove Staff Report, September 14, 2011.**

Map Label	Phase	Park	Acreage	Supp Fee Area	Quimby Area	IOD FY	Nexus Land Value per Acre	Hawk Mitigation per Acre	Total Value per Acre	Total Supp Fee Value
<b>Actual R&amp;B Dedications to Date:</b>										
P1	I/II	Constellation Park	2.29	1.03	1.26	2006-07	\$402,190	\$18,325	\$420,515	\$435,232
P3	I/II	Civic Center Community/Regional Park	9.61	4.34	5.27	2006-07	\$402,190	\$18,325	\$420,515	\$1,825,035
P4	I/II	Civic Center Community/Regional Park	6.68	3.02	3.66	2006-07	\$402,190	\$18,325	\$420,515	\$1,269,955
P5	I/II	Civic Center Community/Regional Park	10.55	4.77	5.78	2006-07	\$402,190	\$18,325	\$420,515	\$2,005,857
P6	I/II	Civic Center CP (excludes buffer)	2.97	1.34	1.63	2006-07	\$402,190	\$18,325	\$420,515	\$563,490
P7A,B	I/II	Civic Center Community/Regional Park	10.07	4.55	5.52	2006-07	\$402,190	\$18,325	\$420,515	\$1,913,343
PO12	I/II	Parkway next to channel	0.20	0.09	0.11	2006-07	\$402,190	\$18,325	\$420,515	\$37,846
PO13	I/II	Parkway next to channel	0.15	0.07	0.08	2006-07	\$402,190	\$18,325	\$420,515	\$29,436
PO14	I/II	Parkway next to channel	0.13	0.06	0.07	2006-07	\$402,190	\$18,325	\$420,515	\$25,231
PO15	I/II	Parkway next to channel	-	-	-	2006-07	\$402,190	\$18,325	\$420,515	\$0
PO16	I/II	Lndsc Lots C & D (PW2)	0.35	0.16	0.19	2006-07	\$402,190	\$18,325	\$420,515	\$67,282
PO28	I/II	Median parkway	0.38	0.17	0.21	2006-07	\$402,190	\$18,325	\$420,515	\$71,488
PO29	I/II	Median parkway	0.46	0.21	0.25	2006-07	\$402,190	\$18,325	\$420,515	\$88,308
PO30	I/II	Median parkway	0.45	0.20	0.25	2006-07	\$402,190	\$18,325	\$420,515	\$84,103
PO40	I/II	Median parkway	0.41	0.19	0.22	2006-07	\$402,190	\$18,325	\$420,515	\$79,898
PO2	I/II	Whitelock parkway next to Gr Parkway	-	-	-	2007-08	\$298,540	\$18,325	\$316,865	\$0
PO3	I/II	Whitelock parkway next to Gr Parkway	-	-	-	2007-08	\$298,540	\$18,325	\$316,865	\$0
D2	I/II	Channel	3.59	1.62	1.97	2008-09	\$164,026	\$18,325	\$182,351	\$106,091 [1]
D3	I/II	Channel	3.88	1.75	2.13	2008-09	\$164,026	\$18,325	\$182,351	\$175,213 [1]
D5	I/II	Parkway next to drainage Channel	3.23	1.46	1.77	2008-09	\$164,026	\$18,325	\$182,351	\$266,232
D6	I/II	Parkway next to drainage Channel	1.27	0.57	0.70	2008-09	\$164,026	\$18,325	\$182,351	\$103,940
D7	I/II	Parkway next to drainage Channel	0.90	0.40	0.50	2008-09	\$164,026	\$18,325	\$182,351	\$72,940
PO5	I/II	Paseo parcel C adj to channel	0.80	0.36	0.44	2008-09	\$164,026	\$18,325	\$182,351	\$65,646
PO6	I/II	Paseo parcel B adj to channel	0.72	0.33	0.39	2008-09	\$164,026	\$18,325	\$182,351	\$60,176
PO7	I/II	Paseo parcel A adj to channel	0.36	0.16	0.20	2008-09	\$164,026	\$18,325	\$182,351	\$29,176
P2	I/II	Horseshoe	9.09	4.11	4.98	2010-11	\$94,650	\$18,325	\$112,975	\$464,327
P8	I/II	Play Island	2.34	1.06	1.28	2010-11	\$94,650	\$18,325	\$112,975	\$419,754
<b>Totals:</b>			<b>70.89</b>	<b>32.02</b>	<b>38.86</b>					<b>\$9,960,001</b>

[1] Grand Parkway D2 and D3 assumes the value for the 40' slope and 30' slope areas on either side of the 50' channel area of the Grand Parkway is \$0.

	Acreage	Supp Fee Area	Quimby Area	Supp Fee Areas	Quimby Areas
<b>Total R&amp;B Land dedication to Date:</b>	<b>70.89</b>	<b>32.02</b>	<b>38.86</b>		
Total Land Dedication Obligation		13.40	16.25		
<b>R&amp;B Surplus Land Dedications Total:</b>		<b>18.62</b>	<b>22.61</b>		
		18.62			
		5.17 ac	\$112,975	\$584,081	
		4.82 ac	\$182,351	\$879,415	
		8.63 ac	\$420,515	\$3,630,031	
<b>Value of Surplus Land Dedications To Date:</b>		<b>18.62 ac</b>		<b>\$5,093,527</b>	<b>22.61 ac (land value TBD)</b>

**Exhibit B - R&B Park Development Cost**

8-Dec-11

**Laguna Ridge Specific Plan**

**LRSP Supplemental Park Improvement Fee**

**Per City of Elk Grove Staff Report, September 14, 2011.**

Map Label	Phase	Park Facility	Park Fee Acreage	Eligible Development Cost	Cost per Acre (if applicable)
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**Actual R&B Development Cost to Date:**

P1	I/II	Constellation Park	2.29	\$ 1,141,950	\$498,668
P2	I/II	Horseshoe Neighborhood Park	9.09	\$ 136,350	\$15,000
P8	I/II	Play Island Local Park	2.34	\$ 29,250	\$12,500
PO16	I/II	Lndsc Lots C & D (PW2)	0.35	\$ 50,750	\$145,000
PO28	I/II	Median parkway	0.38	\$ 55,100	\$145,000
PO29	I/II	Median parkway	0.46	\$ 66,700	\$145,000
PO30	I/II	Median parkway	0.45	\$ 65,250	\$145,000
PO40	I/II	Median parkway	0.41	\$ 59,450	\$145,000
D5	I/II	Parkway next to drainage Channel	3.23	\$ 468,350	\$145,000
D6	I/II	Parkway next to drainage Channel	1.27	\$ 184,150	\$145,000
D7	I/II	Parkway next to drainage Channel	0.90	\$ 130,500	\$145,000
PO5	I/II	Paseo parcel C	0.80	\$ 115,707	\$145,000
PO6	I/II	Paseo parcel B	0.72	\$ 104,915	\$145,000
PO7	I/II	Paseo parcel A	0.36	\$ 52,771	\$145,000
		Parkway Bridges		\$ 399,372	

**Total: 23.06 \$ 3,060,565**

Total Development Obligation \$ (2,464,200)

<b>R&amp;B Net Development Credit / Reimbursement:</b>	<b>\$ 596,365</b>
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**Exhibit C – Form of Park Fee Credit Assignment**

CITY OF ELK GROVE  
LAGUNA RIDGE SPECIFIC PLAN TRANSFER AND ASSIGNMENT OF PARK FEE CREDITS

As of the Effective Date, the undersigned as the holder ("Assignor") of certain fee credits in a Reimbursement Account for the Laguna Ridge Specific Plan hereby assigns, transfers and conveys to (*company name*), ("Assignee") represented by (*representative authorized to use/assign credits*) the following fee credits in the following amounts:

<u>Credit Type</u>	<u>Amount</u>
1) Laguna Ridge Specific Plan Supplemental Park Fee Credits - Land	\$ _____
2) Laguna Ridge Specific Plan Supplemental Park Fee Credits – Development	\$ _____
3) Quimby Fee Credits	\$ _____
<b>Total Credit Assignment</b>	<b>\$ _____</b>

The granting of these credits does not constitute acceptance of improvements by the City. As of the Effective Date, the Assignee, for itself and its successors and assigns, hereby accepts such assignment and assumes all obligations to be subject to the provisions of the applicable fee program and applicable reimbursement agreement with respect to the application and interpretation of the fee credit and fee reimbursement provisions.

The Assignee (*representative authorized to use/assign credits*) may be contacted at the following address and telephone number:  
(*enter contact information for transferee*)

Executed as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date").

Credits Assigned By:

\_\_\_\_\_  
Name  
Title, Company name

Assignment Accepted By:

\_\_\_\_\_  
Name  
Title, Company name

Approved by City:

\_\_\_\_\_  
Name and Title of Fee Credit Administrator

**CERTIFICATION  
ELK GROVE CITY COUNCIL RESOLUTION NO. 2011-226**

STATE OF CALIFORNIA        )  
COUNTY OF SACRAMENTO    )        ss  
CITY OF ELK GROVE         )


*I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a special meeting of said Council held on December 14, 2011 by the following vote:*

**AYES :**        **COUNCILMEMBERS:**        *Cooper, Hume, Davis, Detrick, Scherman*

**NOES:**        **COUNCILMEMBERS:**        *None*

**ABSTAIN :**   **COUNCILMEMBERS:**        *None*

**ABSENT:**     **COUNCILMEMBERS:**        *None*

  
\_\_\_\_\_  
**Jason Lindgren, City Clerk**  
**City of Elk Grove, California**